**TC ABSTRACT**

**I. Basic Project Data**

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| ▪ Country/Region: | BELIZE/CID - Isthmus & DR |
| ▪ TC Name: | Support the formulation of a program to promote sustainable growth in the blue economy |
| ▪ TC Number: | BL-T1149 |
| ▪ Team Leader/Members: | HORI, TSUNEKI (CSD/RND) Team Leader; CHAKALALL, YURI (CSD/RND) Alternate Team Leader; BUCARAM VILLACIS, SANTIAGO JUNIOR (CSD/RND); ALLENG, GERARD P. (CSD/CCS); SANMARTIN BAEZ, ALVARO LUIS (LEG/SGO); CHAVEZ, ELIZABETH (CSD/RND); SUAREZ VAZQUEZ, GINES (CSD/RND); LEVY, DENISE URIAS (CSD/RND) |
| ▪ Taxonomy: | Operational Support |
| ▪ Number and name of operation supported by the TC: | Promoting Sustainable Growth in the Blue Economy Program - BL-L1042 |
| ▪ Date of TC Abstract: | 01 Mar 2022 |
| ▪ Beneficiary: | Ministry of Economy and Development (MED) and other GoBL agencies |
| ▪ Executing Agency: | INTER-AMERICAN DEVELOPMENT BANK |
| ▪ IDB funding requested: | US$850,000.00 |
| ▪ Local counterpart funding: | US$0.00 |
| ▪ Disbursement period: | 30 months |
| ▪ Types of consultants: | Individuals |
| ▪ Prepared by Unit: | CSD/RND - Env, Rural Dev & Disaster Risk |
| ▪ Unit of Disbursement Responsibility: | CID/CBL - Country Office Belize |
| ▪ TC included in Country Strategy (y/n):  ▪ TC included in CPD (y/n): | Yes  Yes |
| ▪ Alignment to the Update to the Institutional Strategy 2010-2020: | Social inclusion and equality; Productivity and innovation ; Institutional capacity and rule of law; Environmental sustainability; Gender equality |

**II. Objective and Justification**

2.1 The objective of this TC is to provide the Government of Belize (GoBL) with technical knowledge and preliminary technical inputs necessary for the design and early implementation stages of the loan project - Program to Promote Sustainable Growth of the Blue Economy (BL-L1042). The loan project BL-L1042 is currently in its formulation stage, with a target approval by the end of 2022. The term "blue economy" as used in the TC and the loan project is defined as "a concept that promotes economic growth, social inclusion, and the maintenance and improvement of livelihoods, while at the same time ensuring the sustainability of the marine and coastal environment.

2.2 Small Island Developing States in the Caribbean area, including Belize, have an Extensive Exclusive Economic Zone compared to their land area. Thus, the blue economy has a great potential to expand the economic scale of these countries. According to the World Bank's 2012 report, the Caribbean region's total annual revenue from the use of marine resources through shipping, mineral resources, tourism, and fisheries amounted to US$407 billion and is expected to increase. In light of this background, the Government of Belize (GoBL) has established the Ministry of Blue Economy and Civil Aviation (MBECA) in 2020 and has made Blue Economy a policy priority area. To effectively implement this policy, the MBECA is currently preparing (or is in the final stages of preparing) a Maritime Economy Plan (MEP) and a 5-year National Blue Economy Policy and Strategy. In this context, the GoBL has requested the IDB to undertake a public investment project BL-L1042 for the concrete promotion of this area.

2.3 Within the framework of the Blue Economy, which encompasses diverse industries and economic sectors, Project BL-L1042 will specifically focus on fisheries, as confirmed through the Identification Mission held in February 2022. The current fisheries industry in Belize is mainly represented by the production of lobster, conch, and shrimp in the nearshore area (or inside the barrier reef). In this context, one of the strategic areas of the MEP is the diversification of the fisheries industry for species which are mainly fished in offshore areas (beyond the barrier reef). Accordingly, the design of Project BL-L1042 is likely to be shaped to promote this diversification, mainly through infrastructure development, knowledge transfer and organizational strengthening.

2.4 Presently, there is minimal to limited regular monitoring and diagnosis of the offshore deep slope demersal fishery resources and the quality of supportive underlying marine ecosystems (or changes over time), which are essential for analyzing the causes of this key issue. Therefore, it is difficult to analyze the mid-to-long-term potential of offshore fishing sustainably from an objective scientific perspective. Additionally, as for the possible cause of the lack of offshore fisheries diversification, the following points were raised as qualitative analysis during the Identification Mission: the number of vessels capable of offshore fishing operations is limited; women’s participation is not fully optimized; post-catch quality control is inadequate; insufficient knowledge on consumption potentials (market demand analysis) from the perspective of domestic and international consumers; insufficient branding and consumption promotion activities, and existing climate risks (e.g., hurricanes). This TC project, therefore, will support the GoBL in the design and early implementation of the project BL-L1042 taking these issues into consideration.

**III. Description of Activities and Outputs**

3.1 **Component I: Development of standardized supporting documents needed for loan preparation.** The individual consultants will support the preparation of the various documents (or loan proposal annexes) required during the BL-L1042 formulation stage., e.g., project monitoring and evaluation plan, ex-ante economic analysis, environmental and social risk and impact assessments, public consultations, etc.

3.2 **Component II: Specific/thematic technical advisory mainly necessary for loan formulation.** The individual consultants will provide input on a wide range of national, regional, and international expertise (e.g., Japan, where has a lot of experience in infrastructure development and resource management in the sector) needed during the formulation of the Loan Project. Subjects may include e.g., the general diagnostics (status and trends) of fisheries resources and fishing activities in the Gulf of the Caribbean, and how to efficiently conduct fishery resource monitoring, etc.

3.3 **Component III: Preliminary analytical studies mainly necessary for loan initiation or early implementation.** Firm consultants will conduct preliminary studies considered beneficial before fully implementing the loan project. Activities may include, for example, an analysis of the potential impact of climate risks on fisheries/marine natural resources and preliminary study (through, e.g., interviews) of pre-promotion and branding for Belize seafood products to be widely known, etc.

**IV. Budget**

**Indicative Budget**

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| --- | --- | --- | --- |
| **Activity/Component** | **IDB/Fund Funding** | **Counterpart Funding** | **Total Funding** |
| Development of standardized supporting documents needed for loan preparation | US$150,000.00 | US$0.00 | US$150,000.00 |
| Specific/thematic technical advisory mainly necessary for loan formulation | US$150,000.00 | US$0.00 | US$150,000.00 |
| Preliminary analytical studies mainly necessary for loan initiation or early implementation | US$550,000.00 | US$0.00 | US$550,000.00 |
| **Total** | **US$850,000.00** | **US$0.00** | **US$850,000.00** |

**V. Executing Agency and Execution Structure**

5.1 At the request of the Government during the identification mission, the executing agency of the TC will be IDB and the activities will be carried out in close coordination with GoBL (including MED, MBECA).

5.2 Follow-up and monitoring of the implementation of this TC will be done by the IDB, in accordance with the "Policy on the Selection and Contracting of Consulting Firms for Operational Services to be Performed by the IDB" (GN-2765-1) and the corresponding "Operational Guidelines" (OP -1155-4) and will hire firm consultants in accordance with the guidelines set forth in AM-650 for individual consultants. The disbursement period for this TC is expected to be 24 months. There are no preconditions for the first disbursement.

**VI. Project Risks and Issues**

6.1 It is essential that the formulation of the loan project be carried out on schedule so that the TC can achieve the objectives of its activities. Any delay in the formulation of the loan project will also delay the implementation of the TC. Therefore, the project team will engage in risk mitigation through close coordination and dialogue with the CBL and the GoBL to ensure that the implementation of the loan project is on schedule.

**VII. Environmental and Social Classification**

7.1 The ESG classification for this operation is "undefined".