

**ACTION PLAN**  
**FY 1988-1989**

**BELIZE**

**APRIL 1987**

ACTION PLAN  
TABLE OF CONTENTS

Part I

A. Country Strategy Summary.....	1
B. Matrix of Goals and Objectives.....	4
C. Progress Towards Established Goals.....	5

Part II

A. Objectives	
Goal: Short-Term Economic Stabilization	
3 - Stabilize Financial Structures.....	8
Goal: Basic Structural Reforms Leading to Rapid and Sustained Economic Growth	
1 - Increase Agricultural Production.....	16
2 - Strengthen the Private Sector.....	23
5 - Promote Exports.....	30
7 - Expand and Improve the Infrastructure.....	39
Goal: Wider Sharing of the Benefits of Growth	
8 - Increase Access to Voluntary Family Planning Services.....	46
9 - Improve Health and Health Services.....	53
10 - Reduce Infant and Child Mortality.....	60
12 - Improve Educational Opportunities.....	68
13 - Increase Numbers and Improve Effectiveness of Participant Training.....	76
B. Special Analyses	
1. New Projects.....	83
(a) Livestock Development Project, Amendment.....	83
(b) Rural Access Roads and Bridges, Phase II.....	86
(c) Fisheries Development.....	89
(d) Child Survival PVO Support.....	92
2. P.L. 480.....	96
3. Local Currency.....	97
4. Obligation/Mortgage Table.....	100
5. Mortgage and Pipeline Analysis.....	103
6. Women in Development.....	116

PART III

A. Management Strategy.....	118
B. Staffing.....	122
C. Operating Expenses.....	124
D. Evaluation Plan.....	126
E. Gray Amendment.....	133

Annexes

- 1 - Alternate (Higher) Funding Levels for FY 88 and FY 89
- 2 - Objectives Chart

## PART I

### A. COUNTRY STRATEGY SUMMARY

The Mission FY 1986 CDSS presented in April 1984 lays out a strategy to assist Belize in addressing the constraints to growth with a program that focuses on economic stability, agricultural diversification, export promotion, infrastructure development, and selected human resources development. This strategy is consistent with the recommendations of the NBCCA report and the Mission did not have to alter or modify its program following the enactment of the Central American Initiative. Development of the program addressed the four goal categories of the NBCCA report. Our assistance targets were fiscal stabilization and productive infrastructure investments over the near term. The Mission's current focus on economic growth and diversification will enhance the equitable distribution of economic resources over the longer term and help nurture a democratic, independent, economically stable Belize.

While helping the country achieve economic stability through ESF dollar cash transfers for balance of payments assistance, the Mission utilized corresponding local currencies during 1985-86 to support public sector infrastructure investment essential for long-term economic development. Recognizing that Belize's opportunities for long-term growth lie mainly in the development of vast agricultural lands with low population pressure, and tourist attractions, given its unique barrier reef, Mayan archaeological sites, and rich flora and fauna, the Mission has directed its agriculture and private sector projects toward these opportunities. Health, education and training projects, while seeking to achieve equity and broad participation in development, are all oriented to supporting agriculture and private sector activities which lay the basis for long-term growth.

#### Short-Term Economic Stabilization

The Mission ESF program during 1985-86 provided an important second level of support for the GOB economic stabilization efforts under an IMF Stand-by Arrangement. The program focused on reducing the drain of public enterprises on the GOB budget, removing quantitative trade restrictions, and assisting the GOB to achieve and maintain public savings. This combined effort has resulted in considerable improvement in the country's external accounts, enabling the GOB to achieve a comfortable level of net international reserves by year-end 1986. However, owing primarily to a major wage hike in mid-1986, there has been a slight deterioration in public sector savings and overall fiscal deficit levels in 1986. Nevertheless, the GOB continues to achieve savings from its current operations, and the performance of parastatals has improved markedly.

It is uncertain how long stabilization indicators, such as public sector deficit and savings and BOP as a per cent of GDP can be maintained at satisfactory levels. Taking into account factors such as high recurrent GOB expenditures and continuing large sugar quota cuts, the IMF and the Mission have estimated that the GOB will again face serious BOP problems toward the end of 1987. Given the Central Bank's current high net reserves level, the Mission's stabilization program, in terms of cash transfers, is "on hold" for 1987. The need for cash transfers in 1988 will be

re-examined at year-end 1987. In the meantime, the Mission will focus its policy dialogue on convincing the GOB to take measures to reduce public sector spending. Policy dialogue, supported by AID-funded studies, will also address improvement of the GOB policy matrix, including its investment incentive system, and the tax and tariff structure, in order to facilitate long-term economic growth.

#### Basic Structural Reforms Leading to Rapid and Sustained Economic Growth

Despite the progress in achieving stabilization targets, Belize's economic growth has remained sluggish. Real GNP has expanded by only 1.5 percent between 1984-86, and with an annual population growth of 2.7 percent, the country's per capita income has declined by almost 4 percent during the last two years. To strengthen the economy and lay the foundation for sustained long-term growth, Belize's agricultural production and export base must be developed and diversified and private sector development enhanced.

In accordance with Belize's comparative advantage and the GOB Five-Year Macro Plan, agriculture is the largest account in the Mission OYB. Major agricultural projects are designed to increase farm production and income and to develop and promote non-traditional export crops, primarily to assist the GOB in reducing Belize's heavy reliance on sugar as the main source of foreign exchange. The Commercialization of Alternative Crops project is developing non-traditional export crops such as winter vegetables and tropical fruit in northern Belize, while the Toledo Agricultural Marketing project will promote cocoa cultivation in the south. The Livestock Development and the Macal Dairy Cooperative projects are enabling the country to improve production of meat and dairy products as well as save and possibly earn foreign exchange. The Belize Enterprise for Sustained Technology project is assisting agricultural cooperatives to make them more financially viable.

The strengthening of the Belize private sector and increasing exports are the objectives of the Mission's private sector program. The Commercial Bank Discount Fund has provided credit assistance through the commercial banking system to viable, local investment projects earning or saving foreign exchange. The National Development Foundation of Belize (NDF/B), supported by a grant for institutional development, is the only source of credit for micro and small enterprises. The Export and Investment Promotion project is a follow-on to an earlier Export Promotion OPG with the Belize Chamber of Commerce and Industry (BCCI) that successfully established the Belize Export and Investment Promotion Unit (BEIPU). This Project is developing BEIPU's capacity to carry out a full range of export and investment and tourism promotion activities to expand the export-oriented production base in Belize. In FY 87, the Mission will start the Export Investment Credit project to support agricultural and light industry export activities and tourism by modernizing the Belizean financial system in order to channel a larger flow of financial resources to these productive sectors. This Project will strengthen the capabilities of selected financial institutions by providing technical assistance for identification, evaluation, implementation and supervision of project proposals, and credit funds for private sector on-lending and leverage equity financing.

The major Mission activity in expanding and improving infrastructure is the Rural Roads and Bridges project which directly funds the upgrading of rural access roads

and bridges essential to improving agricultural production and productivity. Likewise, the Mission has utilized the local currencies generated by the ESF program as counterpart contributions to foreign-assisted capital projects. In the same manner, the proceeds from the PL 480 Section 416 program (to offset the sugar quota reduction for Belize) will be used to finance GOB and AID development projects, mainly in the sugar-producing regions.

Mission strategy in this goal area has not changed significantly since the FY 1986 CDSS or two previous Action Plans. The only noteworthy modification was the decision made during last year's Program Week to drop an energy project which had been included in the CDSS. This was done in the interest of consolidating the program. The Mission will amend the Livestock Development and the Rural Roads and Bridges projects in FY 88 to implement follow-on activities which build on the accomplishments of on-going efforts. A new Fisheries Development Project will be initiated in FY 89 to improve the productivity of small fishermen and increase Belize's export of marine products.

#### Wider Sharing of the Benefits of Growth

The Mission's major activity in this goal area continues to be the Increased Productivity Through Better Health project, which seeks to improve the health of the population as a whole through the control of malaria and dengue fever and the expansion of water and sanitation coverage in rural communities in three districts. During the Action Plan period, projects to reduce infant and child mortality which began during 1986 will be consolidated into one umbrella project, Child Survival Support. These include the Child Survival and Maternal Child Health projects which are training professionals and assisting the Ministry of Health in the key areas of maternal health and child survival. The Belize Family Life Education and Breast is Best League projects will also be folded under the Child Survival Support project.

The objectives of increasing participant training, and improving educational opportunities are aimed at improving the overall educational welfare of Belizeans. The Central America Peace Scholarship Program and the Training for Employment and Productivity project are the major Mission efforts designed to provide educational opportunities for deserving individuals, while contributing to increasing the pool of skilled manpower in both the public and private sectors. Likewise, the Drug Awareness project is the Mission's major vehicle for widespread drug education in Belize in order to reach parents, decision makers, opinion leaders and youth about the ill effects of the growing narcotics production, trade and consumption in the country.

# GOALS

OBJECTIVES	SHORT-TERM ECONOMIC STABILIZATION	BASIC STRUCTURAL REFORMS LEADING TO RAPID AND SUSTAINED ECONOMIC GROWTH	WIDER SHARING OF THE BENEFITS OF GROWTH	STRENGTHENING DEMOCRATIC INSTITUTIONS
1. Increase agricultural production		(X)	(X)	
2. Strengthen the private sector		(X)		
3. Stabilize financial structures	(X)			
4. Increase GDP		X		
5. Promote exports		(X)		
6. Preserve and manage natural resources		X		
7. Expand and improve the infrastructure		(X)		
8. Increase access to voluntary family planning services			(X)	
9. Improve health and health services			(X)	
10. Reduce infant and child mortality			(X)	
11. Improve housing			X	
12. Improve educational opportunities		(X)	(X)	
13. Increase participant training		(X)	(X)	(X)
14. Strengthen democratic institutions				X
15. Other		X	X	X

## C. PROGRESS TOWARDS ESTABLISHED GOALS

### 1. Economic Stabilization

Belize succeeded in achieving stability in its external and fiscal accounts during the past two years. With assistance from the ESF Program and the IMF Stand-by Arrangement, the GOB was able to liquidate its external arrears in 1985, and build up its net foreign reserves to almost \$15.0 million by year-end 1986 from a negative level in 1984. Due to new revenue measures, public sector savings exceeded 5.0% in 1985. However, the 1986 savings level dropped to 3.3% of GDP as the GOB, out of political necessity, granted a significant wage hike for the public sector, the first since Independence in 1981. Thus, the overall fiscal deficit as a ratio of GDP went up from 2.5% in 1985 to 3.4% in 1986, which nonetheless is below the 3.7% of GDP level\*. At the same time, the GOB has been very responsive to the conditionalities of the FY 85-86 ESF Agreement. This resulted in improvement in finances and management of the Belize Electricity Board, initial privatization of certain Belize Marketing Board functions, and implementation of structural reforms liberalizing foreign trade and domestic price control policies.

Slight improvements in public savings and the overall fiscal deficit are likely in 1987. The GOB has recently imposed a series of new revenue measures, including additional petroleum duties. The size of the recurrent budget is still substantial, however, and achieving a prudent 5% of GDP savings level will be difficult in the medium-term unless the GOB adopts expenditure restraint and reduces the size of the public sector. Moreover, the BOP situation is very uncertain, given falling sugar quotas and slow development of alternative agricultural activities to sugar production. A sharp deterioration in the official net international reserves is projected during the latter part of 1987 and in 1988. An ESF cash transfer program in FY 88 and FY 89 may be required if a serious foreign exchange crisis develops. The program focus will be on maintaining public sector savings to at least 5% of GDP and supporting efforts to stimulate greater private investment needed to accelerate economic growth. In the meantime, the Mission has put the ESF cash transfer program "on hold" in 1987, and will instead utilize ESF resources to accelerate economic transformation by improving the GOB economic policy framework and public investment planning and implementation capabilities, as well as supporting private sector institution-building.

### 2. Long-term Economic Growth

While significant progress has been made in the area of short-term economic stabilization, much work remains to be done to achieve and sustain long-term economic growth. The Mission recognizes that vigorous private sector investment in productive sectors is necessary for both economic stability and accelerated development. Our FY 88 program will place more emphasis on instituting basic structural reforms leading to rapid and sustained private sector-led and export-oriented economic growth.

Some gains are being achieved in diversifying the country's agricultural base. To date, thirteen crops have undergone on-farm trials under the Commercialization of Alternative Crops project with encouraging results, particularly for tropical fruits. This is a significant development since the project is conducting tests in the predominantly sugar-producing northern districts. Improved cocoa cultivation

among small farmers has been successfully promoted by the Accelerated Cocoa Production project, and as a result, the Toledo Agricultural Marketing project will be promoting cocoa as an alternative commercial crop for milpa (slash and burn) farmers in the south. Partly due to these activities, Belizean non-traditional agricultural exports over the medium term (1987-89) should grow by about 9% per annum. Production levels and markets for non-traditional crops are expected to be fully developed by the end of the decade. Thus, a more rapid growth in non-traditional agricultural exports is anticipated by 1990. Meanwhile, Mission efforts to increase domestic livestock and dairy production have resulted in reduced importation of these products, and in the case of beef, some export earnings. Continued significant increases in non-traditional crops, dairy and livestock production over the coming years will enable the agricultural sector to grow in spite of projected declines in sugarcane production.

The Mission is promoting private investment and providing credit to finance exports as well as small-scale enterprises. BEIPU has encouraged a number of investments in Belize, including shrimp farming ventures, winter vegetable production for export, garment and wood production. The growth of the private sector, however, has been hampered by the lack of available medium- and long-term credit for investment. The new Export Investment Credit Project will address the institutional constraints which have deterred local financial institutions from providing financing to newly emerging but important productive investments in agriculture and tourism. Credit needs of small and micro-enterprises are being met by the NDF/B, which has provided over 300 loans (at a low default rate) and, consequently, created or protected 600 jobs.

Some 200 kms. of important all-weather rural access roads have been rehabilitated and 135 Ministry of Works personnel trained in rural road construction, rehabilitation and maintenance under the Rural Roads and Bridges project during the past three years. This has supported GOB efforts to increase rural production and productivity, as well as provided the infrastructure essential to Belizean long-term development. For instance, the rehabilitation of a 25-kms stretch of rural access roads at Gales Point in the south (Stann Creek District) has opened a sizeable tract of land suitable for farming, encouraged the settlement of new villages in the area, and led to the opening of new farms cultivating non-traditional commercial crops as well as shrimp farming. An additional 100 kms of rural roads annually will be rehabilitated during 1987-89 and the GOB should finish installing 55 high-level crossings on selected rural roads by end-FY 89.

### 3. Equity and Broad Participation in Development

The Increased Productivity through Better Health project has contributed to the reduction of confirmed cases of malaria from 25 (per 1000 population) in 1984 to 16 in 1986. The incidence of malaria is expected to drop further to 8 per 1000 by 1988. The percentage of the rural population with access to safe water and adequate sanitation has increased slightly in 1986, and by 1988, some 63% of the rural population will have access to safe water, while almost 40% will have adequate sanitation. Our assistance to child survival activities in Belize has helped increase the national immunization coverage for all antigens to 70% of the 0-5 years population in early 1987 from less than 50% in 1984. The target is a 80%

national coverage rate for fully vaccinated children by 1988. These improvements in the health status and delivery of health services are enhancing the country's long-term development.

By improving educational opportunities in Belize, the Mission expects to increase the availability of much needed skilled manpower, while providing greater opportunities for economically disadvantaged groups. Under the CAPS program, over 100 participants, including primary and secondary school principals and teachers, nurses, small farmers and economically disadvantaged youth, have undergone short or long-term training in the United States. The 1987-89 CAPS program will target an additional 385 participants, including youth leaders, journalists, microentrepreneurs and community health workers from the poorest areas in the country. The drug education program has been successful in helping organize youth groups to promote anti-drug use campaigns. The follow-on program will intensify efforts to encourage parents and community leaders to be more active in the drug education campaign. Supported by the Training for Employment and Productivity (TEP) project, the Belize Institute of Management, a private entity established by BCCI, is now offering management courses and skills training to private sector and GOB employees involved in export-oriented and tourism activities. Some 800 individuals will have undergone vocational and/or management training by year-end 1988 under the TEP project, hence, improving their productivity and increasing the supply of skilled manpower required for sustained long-term economic growth.

# STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES

**1. OBJECTIVE # : 3 STABILIZE FINANCIAL STRUCTURES**

LAC INDICATORS/UNITS OF MEASURE:

- A. Total (Consolidated) Public Sector Budget Deficit as a Percent of GDP
- B. Total (Consolidated) Public Sector Savings as a Percent of GDP
- C. Current Account Balance-of-Payments Deficit as a Percent of GDP
- D. Overall Balance-of-Payments Deficit as a Percent of GDP

**2. PERFORMANCE UNDER LAC INDICATORS**

	1984	1985	1986	1987	1988	1989
	Actual	Actual	Project. Actual	Project.	Project.	Project.
A. Total Public Sector Budget Deficit	-3.7	-2.5	-2.8	-3.0	-2.5	-2.5
B. Total Public Sector Savings	3.5	5.7	4.2	4.0	5.0	5.0
C. Current Account BOP Deficit (-)	-6.1	-4.2	-1.0*	-4.6	-7.0	-8.0
D. Overall BOP Deficit (-)	-2.0	1.7	1.0*	-2.9	-4.5	-6.0

\*IMF Projections (July 1986)

\*\*Mission estimates

1A. MISSION INDICATORS/UNITS OF MEASURE

None.

2A. PERFORMANCE UNDER MISSION INDICATORS  
(Abbreviate above indicators)

<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
<u>Actual</u>	<u>Actual</u>	<u>Target Actual</u>	<u>Target</u>	<u>Target</u>	<u>Target</u>

None.

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS UNDER BENCHMARKS FOR FY 1986 AND EARLY FY 1987 IN LAST YEAR'S ACTION PLAN  
(Briefly explain any significant departures from targets):

Last year's Action Plan benchmarks for economic stabilization focused on a follow-on AID Economic Stabilization Program with the GOB being in place by December 31, 1986, with disbursements dependent on GOB compliance with selected quantitative performance criteria. However, in 1986 the country's external accounts position markedly improved as a result of a significant increase in sugar export earnings, a falling oil import bill, lower-than-expected import demand because of a sluggish domestic economy, and windfall dollar receipts from the filming of a movie. Given the present high level of net international reserves of the Central Bank, the Mission is not undertaking an ESF BOP support program for FY 87.

With regard to the benchmark on the BEB, since July 1986 the BEB has been implementing a diversion project designed to recover \$1.8 million annually from unmetered energy. Implementation is proceeding smoothly. BEB's Power Project with IBRD/CDB to improve energy generation, transmission and distribution in Belize is expected to go on stream by the 3Q of FY 87. The GOB/BEB are meeting the conditions precedent for power loan disbursement.

4. KEY ASSUMPTIONS ON WHICH PROJECTIONS AND TARGETS FOR PERFORMANCE INDICATORS ARE BASED:

- Belize faces unfavorable external economic conditions through 1990.
- AID's major efforts in transforming the economy to lay the basis for long-term growth in Belize will not have a significant impact on the economy until 1990.
- There will be no formal IMF-sponsored, GOB stabilization program.
- The domestic political situation in Belize will not prohibit the GOB from negotiating a new stabilization program with USAID/Belize in FY 88 and FY 89.
- ESF planned levels of US\$1.5 million annually for FY 88 and FY 89 will be reflected in the OYB for these years.

Quarter/Year

5. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR ACTION PLAN PERIOD

GOB and AID agree on an Economic Stabilization Program for FY 88/89 by 4Q CY 1987. This program will require GOB implementation of a financial or a domestic credit management program, including quantitative performance criteria, to limit the growth of internal demand to levels that are consistent with the resources available in the economy. The targets and details of this program will be negotiated with the GOB.

1Q/FY87

GOB compliance on quantitative performance criteria to satisfy the conditions of the first tranche (\$0.750 million)

4Q/FY87

GOB compliance on quantitative performance criteria to satisfy the conditions of the second tranche (\$0.750 million)

1Q/FY88

GOB compliance on quantitative performance criteria to satisfy the conditions of the third tranche (\$0.750 million)

2Q/FY88

GOB compliance on quantitative performance criteria to satisfy the conditions of the fourth tranche (\$0.750 million)

3Q/FY88

6. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR ACTION PLAN PERIOD

Quarter/Year

Program accomplishments for economic stabilization are tantamount to projected performance under LAC indicators.

7. PROJECTS SUPPORTING OBJECTIVE

Title	Number	New (N)* Ongoing (O)	Type of Funding#	LOP (\$000)	L/G/LC	Obligations		
						Cumulative through FY 1986	FY 1987	FY 1983 1989
Counterpart Fund II	505-0012	0	ESF	\$ 3,329	G	\$ 1,414	1,915	
Counterpart Fund II	505-0012	0	ESF	\$14,500	L	\$14,500	0	0
Counterpart Fund III	505-0013	N (FY 88)	ESF	300	G	--	--	150
Counterpart Fund III	505-0013	N (FY 88)	ESF	\$ 3,000	L	0	0	1,500

\* / Indicate FY. # / DA, ESF, PL 480, Sec. 416, HG, or LC (local currency; show in parentheses)

8. NARRATIVE:

USAID/Belize's 1985/86 ESF program was designed to add a second level of support for GOB stabilization efforts under an IMF Stand-by Arrangement. Dollar cash transfers provided foreign exchange to the Central Bank for BOP support. The local currency generated by the dollar transfers provided capital budget support, mostly as counterpart to USAID and other foreign-donor assisted projects, while the GOB implemented a comprehensive structural reform of public finances. The ESF Program conditionality focused on assisting GOB improve its finances, mainly by effecting reforms in the two parastatals causing the heaviest drain among all the public enterprises: the Belize Electricity Board (BEB) and the Belize Marketing Board (BMB). There was also conditionality to implement selected structural reforms to improve Belize's foreign trade regime and domestic pricing policy, which while not directly affecting public sector finances could be impediments to private sector development and efficient resource allocation. Compliance with the conditions was facilitated by the grant assistance provided under the ESF Program.

The GOB has been quite successful in implementing its stabilization program: external arrears were eliminated in 1985; the Central Bank's net international reserves became positive by end-1985 and increased markedly in 1986; public sector savings and deficit targets were met in 1985, although an increased GOB recurrent budget (due mainly to politically unavoidable wage increases--the first in five years) in mid-1986 caused a deterioration in the level of public sector savings and the overall fiscal deficit in 1986. Nonetheless, BEB's financial condition has considerably improved in 1986 and it no longer requires transfers from the GOB. The BMB is now being restructured to function as an entity concerned exclusively with agricultural commodity price stabilization. In terms of structural adjustment, the GOB has eliminated the entire prohibited imports list by mid-1986 and will have to reduce the import licensing and price control lists by at least 50% by mid-1987.

However, while Belize's external accounts have improved over the past two years, the domestic economy remains sluggish. Real GDP has grown by only 1.5% between 1984-1986. A major reason for the very slow growth has been the lack of new productive private investment. To facilitate greater investment and economic growth, and in view of the present high level of Belize's official net international reserves, the Mission has found it more appropriate to use FY 87 ESF resources to support a coordinated public-private sector program for accelerated development in lieu of a cash transfer for BOP support. The program will strengthen the GOB Office of Economic Development capability to identify and prioritize feasible projects and lead to policies which stimulate investment. (It will likewise enhance the private sector's capability to undertake and complete all the necessary steps to actually effect investments. The program expands the existing ESF project with OED which provides an Economic Advisor to assist in formulating and managing a more coherent public sector investment program and effectively coordinating donor assistance by providing additional technical assistance to enable OED to come out with a comprehensive package of investment projects and economic policies essential for accelerating Belize's economic development. The private sector will be provided technical assistance to identify potential investors, (in particular, U.S. investors), and carry out feasibility studies and other steps required to effect these investments.)

These efforts will facilitate accelerated economic growth with emphasis on private sector initiative and investment, with its impact becoming more concrete by 1990. In the interim, the country is projected to face unfavorable external conditions, marked by sharp cuts in the U.S. sugar quota. Since its exports are still dominated by sugar, the country's trade deficit is expected to remain very high through the end of the decade until on-going efforts to diversify the productive sectors of the economy bear fruit.

8. NARRATIVE:

(Continued)

In 1987, Belize faces a \$6 million deterioration in its net international reserves position. The present high level of Central Bank reserves should be sufficient to cover this shortfall. However, the situation is expected to worsen considerably in 1988 and 1989. The overall BOP deficit will amount to \$10.0 million and \$14.0 million in 1988 and 1989, respectively. The principal assumptions behind these scenarios are 40% cuts in the US sugar quota, with sugar prices remaining unchanged; non-sugar exports and imports increase by some 7% annually, the latter increase attributed to relatively higher GDP and investment growth; development assistance levels remain constant; and, no ESF disbursements take place. The projected end-result is a negative net reserve position for the Central Bank by early 1988, a reversal of the gains achieved in 1986.

The proposed ESF Program for FY 88 and FY 89 is, therefore, designed to assist the GOB to meet potentially very serious foreign exchange shortfalls during the period. While sharp reductions in imports could offset these reserve losses, such cuts will have drastic repercussions on the level of economic activity, particularly private investment in Belize, with severe implications for its future growth and development. The solution to this crisis is vigorous private sector investment in productive sectors that will lead to export diversification. Efforts to improve economic policies and conduct feasibility studies in selected areas with FY 87 ESF support will facilitate the inflow of such investment. However, the full impact of all on-going activities on private sector development and export diversification will not be felt by the economy until 1990. The GOB would need to seek higher levels of development assistance and extraordinary balance of payments support in the near-term. If the Mission decides to provide ESF BOP support to the GOB in FY 88 and FY 89, the Program will be focused on both the need to maintain public sector savings to at least 5% of GDP and to support efforts to foster private investment in productive activities to accelerate development.

# STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES

**1. OBJECTIVE # INCREASE AGRICULTURAL PRODUCTION**

LAC INDICATORS/UNITS OF MEASURE:

- A. Real Growth of Value Added in Agriculture (% change).
- B. Volume of Production (MT) of Selected Domestic Consumption Crops.

**2. PERFORMANCE UNDER LAC INDICATORS**

	1984	1985	1986	1987	1988	1989
	Actual*	Actual*	Project. Actual*	Project.	Project.	Project.
A. Real Growth of Value Added in Agriculture (% change)		0%	-1.0%	0.5%	1.0%	2.0%
B. Pork and Pork Products	428 MT	472 MT	467 MT	472 MT	481 MT	500 MT
Fresh Fluid Milk	531 MT	565 MT	650 MT	748 MT	860 MT	980 MT
Beef Products	1,117 MT	1,372 MT	1,200 MT	1,300 MT	1400 MT	1600 MT

\* MOA records

1A. MISSION INDICATORS/UNITS OF MEASURE

- Rate of Growth of Total Agricultural Production (%)
- Number of New Jobs Created in Agriculture and Agribusiness

2A. PERFORMANCE UNDER MISSION INDICATORS  
(Abbreviate above indicators)

	1984 Actual*	1985 Actual*	1986 Target Actual*	1987 Target	1988 Target	1989 Target
--Rate of Growth of Total Agricultural Production	0%	-1.0%	0.5%	1.0%	2.0%	4.0%
-- Number of New Jobs Created in Agriculture and Agribusiness	50	100	100	300	800	1,000

\* MOA records

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS UNDER BENCHMARKS FOR FY 1986 AND EARLY FY 1987 IN LAST YEAR'S ACTION PLAN  
(Briefly explain any significant departures from targets):

	FY 86		FY 87	
	<u>Planned</u>	<u>Actual</u>	<u>Planned</u>	<u>Actual</u>
-- Increase Production of Pork and Pork Products	N/A	80,000 lbs.	N/A	45,000lbs.
-- Producers' Associations and Co-ops Organized for the Production of Non-Traditional Crops	N/A	1	2	0

Discussion  
The FY 87 and 88 Action Plan predicted that 100,000 lbs. of pork would be produced during CY 1987. During the first 3 months of 1987 45,000 lbs. had been produced, indicating that the target will be exceeded.

4. KEY ASSUMPTIONS ON WHICH PROJECTIONS AND TARGETS FOR PERFORMANCE INDICATORS ARE BASED:

- GOB will continue to pursue a program of agricultural diversification and self-sufficiency.
- GOB policies will encourage small- and medium-sized farmers in diversification and production.
- Domestic prices for crops will be above the cost of production.
- Export markets will continue to expand through increased income and population.
- Protectionist policies will not hinder free access to world markets by producers.
- No adverse weather conditions, such as drought or hurricanes will occur.
- Markets will remain freely accessible.

Quarter/Year

5. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR ACTION PLAN PERIOD

- Continued development of the GOB agricultural policy which encourages private investment in agriculture. Begin  
2Q/FY 87
  
- Development and implementation of a GOB specific plan for MOA institutional strengthening and provision of resources needed to implement and sustain an agricultural diversification strategy. Begin  
3Q/FY 87
  
- Development and implementation of the GOB commodity price stabilization program. 4Q/FY 87
  
- MOA involvement in protecting public health and safety, grades and standards for agricultural commodities, market intelligence and market conduct. Begin  
1Q/FY 88

Quarter/Year

6. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR ACTION PLAN PERIOD

Belize Livestock Development - 505-0006

- 2 LT participants return 3Q/FY 87
- 1 LT participant return 4Q/FY 88
- Development of improved forage/feed program 3Q/FY 88
- Genetic improvement of national swine herd Begin 4Q/FY 87
- Increase throughput in abattoirs by 10% 4Q/FY 88
- Implementation of first GOB Agricultural Policy Statement 3Q/FY 87
- Completion of dairy demand study to determine demand for fresh fluid milk 3Q/FY 87

Macal Dairy Cooperative - 505-0036

- Increase institutional capabilities of cooperative to increase active members by 50%. 3Q/FY 88
- Increase fluid milk production by 5% 3Q/FY 87
- Increase profit margin by 25% 1Q/FY 89

Belize Enterprise for Sustained Technology - 505-0030

- Six agricultural cooperatives/associations assisted with improved business practices, thereby increasing productive output. 1Q/FY 88

A. MAJOR SUPPORTING OBJECTIVE

Title	Number	New (N)* Ongoing (O)	Type of Funding#	LOP (\$000)	L/G/LC	Cumulative through FY 1986	Obligations FY 1987	FY 1983	FY 1989
Belize Livestock Development	505-0006	0	DA	1,900	L	1,900	0	0	0
Belize Livestock Development	505-0006	0	DA	4,350	G	1,550	0	500	500
Belize Enterprise for Sustained Technology	505-0030	0	DA	385	G	200	185	0	0
Macal Dairy Cooperative	505-0036	0	DA/SEC. 416	600	G	300	300	0	0

\* / Indicate FY. # / DA, ESF, PL 480, Sec. 416, HG, or LC (local currency; show in parentheses)

8. NARRATIVE:

The primary sector of Agriculture, Forestry and Fisheries is a major generator of foreign exchange, employs one-third of all wage earners and is a sector for major economic development and expansion in Belize. The GOB, through a program of diversification, is addressing the need to increase exports and decrease reliance on sugar as the major export earner. In 1984, the initial year of USAID agricultural project implementation, beef and beef product imports were 400,000 lbs. In the same year, 2,118,000 lbs. of pork and pork products, as well as 10 million pounds of milk and cheese products were imported into Belize (milk imports are composed mainly of canned and dry milk). Animal feed imports were over 14 million pounds. Through import substitution activities, Belize is gradually reducing its food import bill. USAID/Belize supports the GOB policy of agricultural diversification and expansion with projects that focus on increasing production of domestic crops for local consumption, expanding exports and increasing employment opportunities in the agriculture sector.

The Belize Livestock Development Project, 505-0006 (BLDP), focuses on import substitution. Project activities include improving pasture and swine production efficiency, training local meat processors in improved butchering techniques, and a study to determine the demand for fresh fluid milk. Nineteen eighty-four production figures show Belize producing 428 MT of pork and pork products, 117 MT of beef and beef products and 531 MT of fresh milk. As a result of project activities, more low-cost, high-quality domestically produced pork and pork products are reaching consumers in Belize. Likewise, markets have expanded for producers in response to the greater demand for these products. Nineteen eighty-six figures show Belize producing 467 MT of pork, 1,200 MT of beef and 650 MT of fresh milk. Early results of the demand study for fresh fluid milk indicate that demand is great for this product and that the market could take far more milk than is presently being produced.

Another component of the BLDP is Agricultural Policy. The GOB created an Agriculture Policy Unit which is currently run by a project advisor. Two Belizeans are in training to staff and run the unit beginning the 4th quarter of FY 1987. Thus far, the unit has created the first policy paper on agriculture for the GOB, plus many short-term studies requested by the Minister of Agriculture. The institution of these policy guidelines will create a coherent plan for agriculture in Belize which will increase agricultural production, agricultural exports and import substitutions.

The BLDP will be amended in the 4th quarter of FY 87 with new funds obligated beginning FY 88. Activities under this amendment will build on the work done in the original project. A new initiative will focus on the development of integrated feeding systems for livestock. These systems will support both swine and beef production.

The Macal Dairy Cooperative Project, 505-0036, will assist the Macal Cooperative to become a profitable dairy business. This cooperative operates the dairy built under BLDP. The Macal Project will provide long-term TA to further support the management and business development of the cooperative.

An OPG (505-0030) with the Belize Enterprise for Sustained Technology (BEST), provides support to this local PVO. BEST works with agricultural and fisheries cooperatives and associations to improve their viability as independent, profit-making, credit-worthy groups and thereby increase production. BEST is staffed by Belizeans with expertise in marketing, management, rural education and other business specialties, and is working with 6 established cooperatives and developing bookkeeping and overall business management systems. As a result, cooperative members have a greater level of trust in their co-op, are producing more and receiving more income.

STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES

1. OBJECTIVE # 2 : STRENGTHEN THE PRIVATE SECTOR

LAC INDICATORS/UNITS OF MEASURE:

1. Private Investment as a Percent of GDP

2. PERFORMANCE UNDER LAC INDICATORS

	1984 <u>Actual</u>	1985 <u>Actual</u>	1986 <u>Project. Actual</u>	1987 <u>Project.</u>	1988 <u>Project.</u>	1989 <u>Project.</u>
1. Private Investment as a Percent of GDP	9.7*	8.7*	7.6	8.5*	9.0	10.5
						12.0

\*IMF Report on Recent Economic Developments

1A. MISSION INDICATORS/UNITS OF MEASURE

1. Credit to the Private Sector for Agricultural Exports  
(U.S. \$ Millions-All terms)
2. Credit to the Private Sector for Tourism  
(U.S. \$ Millions-All terms)
3. Credit to Micro-enterprises  
(U.S. \$ Millions-All terms)

2A. PERFORMANCE UNDER MISSION INDICATORS  
(Abbreviate above indicators)

	1984	1985	1986		1987	1988	1989
	Actual*	Actual*	Target	Actual*	Target	Target	Target
1. Credit to the Private Sector for Agricultural Exports (U.S. \$ Millions-All terms)	14.9	14.7	--	17.3	18.0	21.0	24.0
2. Credit to the Private Sector for Tourism (U.S. \$ Millions-All terms)	1.7	2.3	--	3.0	3.5	4.5	5.5
3. Credit to Micro-Enterprises	0.0	0.3	--	0.5	0.7	1.1	1.5

Sources of Data: Central Bank Statistical Digest  
 CBDF project records  
 LAAD and NDFB reports

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS UNDER BENCHMARKS FOR FY 1986 AND EARLY FY 1987 IN LAST YEAR'S ACTION PLAN  
 (Briefly explain any significant departures from targets):

	Planned 1986	Actual 1986	Planned 1987	Actual 1987
--Belizean Bank of Commerce and Industry (BBCI) capitalized				
--\$3.0 million from the Commercial Bank Discount Fund utilized	1Q FY 87	4Q FY 87		
--Commercial Bank Discount Fund restructured to effectively utilize uncommitted funds as part of AID's comprehensive credit program.	1Q FY 87	\$1.2M		\$1.8
--New Financial Institution to provide financing to export oriented productive sectors established.			3Q FY 87	
--New LAAD loans in Belize totalling approximately \$2.0 M approved			1Q FY 88	
			3Q CY 88	

Discussion

The BBCI first encountered difficulties in raising capital to purchase the Royal Bank of Canada branch. Once capital was raised, the approval process by Central Bank took longer than anticipated. In spite of increased Mission efforts to move the CBDF, approval and discounting proceeded slowly, as commercial banks continued their conservative practices. In terms of restructuring the CBDF funds, USAID hopes to authorize a new project during 4Q 87, which would deob/reob funds. Approved LAAD loans in Belize now total approximately \$5.0 million, and it appears that the 1988 target will be reached. USAID works closely with LAAD, IBRD and other donors in the credit area.

4. KEY ASSUMPTIONS ON WHICH PROJECTIONS AND TARGETS FOR PERFORMANCE INDICATORS ARE BASED:

- Government of Belize and the Central Bank take an active role in supporting policies and measures to mobilize medium- and long-term credit for development activities.
- Commercial banks are amenable to changing their practices which favor short-term, overdraft credit to accommodate higher levels of medium- and long-term credit.
- BBCI opens for business.
- Medium- and long-term credit will be applied to investments which result in export development.
- Export markets will continue to be favorable for Belize, and emerging productive sectors will be export-driven.
- New financial institutions will have access to other sources of financing such as the World Bank Discount Fund to be established in mid-1988.

Quarter/Year

5. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR ACTION PLAN PERIOD

(All are Policy Dialogue Actions.)  
Ongoing

--Supportive role by Ministry of Finance and Central Bank of all AID credit activities. Discussions with the Central Bank Governor and research of all Belizean laws affecting financial institutions indicate that finance companies are not subject to Central Bank regulation. Only Commercial Banks, defined as financial institutions which accept demand or term deposits, are regulated by the Central Bank. Nevertheless, a positive attitude on the part of the GOB will help in attracting more investment in a private finance company, help its overall operation, and enable access to additional funds, perhaps through the Central Bank.

--Elimination of tax and other laws which discourage lending by development financial institutions in Belize. 1Q/FY88  
Currently, there is a tax law which requires withholding of interest paid to foreign entities. This law was applied to LAAD in early 1986, and USAID assisted LAAD in obtaining a waiver to the law. Either the law must be modified or waivers must be applied to all development-oriented financial institutions.

--Rationalization of Central Bank policies and regulation of commercial banks to encourage more ending for longer term loans for new productive sectors, such as tourism and agricultural exports. Begin 2Q/FY88  
Central Bank has been soaking up much liquidity by issuing Treasury Bills at 9%. Commercial Banks hold large amounts of such T-bills. Central Bank should examine this and other practices, with a view to encouraging longer term lending.

--GOB makes local currencies available to the National Development Foundation of Belize for on-lending to microenterprises. 2Q/FY88  
The NDFB is helping to develop the private sector in Belize by providing loans to riskier, small businesses just starting out. Many of these businesses are in the new productive areas of food processing, agriculture and tourism. The NDFB needs low interest loans for on-lending to meet its commitments.

Quarter/Year

6. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR ACTION PLAN PERIOD

Export Investment Credit - 505-0019

- Establishment of an Investment Credit Unit in either Central Bank or in a financial institution.
- Mobilization of \$1.0 million in share capital during the first two years of operation, to be used for taking equity positions in sub-projects.
- On-lending of \$3.0 million to sub-projects by the end of the first year of operation.
- On-lending of \$2.0 million to sub-projects by the end of the second year of operation.
- At least 20 new or expanded investments made.
- As a result of example provided by new financial institution or a development window in an existing financial institution, re-orientation of the Belizean financial system to provide needed financing in new productive areas, especially agriculture and tourism.

2Q/FY88  
 3Q/FY89  
 4Q/FY88  
 4Q/FY89  
 1Q/FY91  
 4Q/FY89

Central Bank

- Rationalization of Central Bank policies and practices to stimulate more on-lending by commercial banks and other Belizean financial institutions.
- Provision of technical assistance, leading to successful utilization of proposed World Bank loan project (\$7.0 million for bananas, cocoa, mariculture and other products).

1Q/FY89  
 1Q/FY89

Commercial Banks

- Participation by one or two commercial banks in a new finance company or development window in an existing bank (Project 505-0019).

2Q/FY88

7. <u>PROJECTS SUPPORTING OBJECTIVE</u>									
Title	Number	New (N)* Ongoing (O)	Type of Funding#	LOP (\$000)	L/G/LC	Cumulative through FY 1986	Obligations FY 1987	FY 1983	FY 1989
1. Export Investment Credit	0019	N (FY 87)	DA	1,100 3,000	G L	-0- -0-	1,100 -0-	-0- 750	-0- 1,100
2. National Development Foundation of Belize	0011	0	DA	342	G	172	100	70	-0-

\* / Indicate FY. # / DA, ESF, PL 480, Sec. 416, HG, or LC (local currency; show in parentheses)

8. NARRATIVE:

Up to now, the financial system in Belize met the needs of the economy, i.e., it was oriented to serving the needs of large importers and, to some extent, farmers who produced the major export crop, sugar. Thus, commercial banks have been branches of foreign banks, oriented to short-term, overdraft-type lending. However, the economy is changing. The Government and private sector realize that Belize can no longer depend on sugar to earn required foreign exchange, and that agriculture must be diversified. Belize must also take full advantage of its potential for tourism. The Government has taken steps to encourage investment in new productive sectors. It has specified agricultural diversification and tourism as priorities for development in its 1985-1990 Macro Plan. It has also issued an Investment Incentive Code which provides duty exemptions and tax holidays up to 15 years for priority areas. The private sector, with full support of the GOB, established the Belize Export and Investment Unit (BEIPU) within the Belize Chamber of Commerce and Industry (BCCI) to promote much-needed investments in the priority sectors.

The commercial banks have not supported such efforts. For a number of reasons the Commercial Bank Discount Fund (CBDF) Project 505-0005 did not strengthen the private sector as intended. Although AID addressed constraints related to packaging of projects and conservatism of commercial banks, by providing technical assistance and a guarantee provision, funds did not move as planned. By the PACD of June 30, 1987 approximately only \$2.5 million or 50% of project funds will have been disbursed. USAID plans to deob/reob \$2.0 million under the new Export Investment Credit Project (505-0019).

The major problem has been the lack of institutional mechanisms for financing new private sector development and meeting the demand which is becoming more and more evident. By analyzing the implementation of the CBDF and examining the financial system as a whole, USAID has concluded that one or two new financial institutions are needed and that current financial institutions must change.

USAID has added indicators to the LAC indicators to describe the direction of AID assistance and that of other donors such as the World Bank. Increased private investment in foreign exchange earning activities (agriculture and tourism) is the focus of AID's program to strengthen the private sector in Belize. USAID believes the most direct way of increasing investment is through new development windows in either existing or new financial institutions. This is the rationale behind the Export Investment Credit Project, 505-0019. In addition, the financial system as a whole should be improved. The World Bank, through a project to come on stream some time after mid-1988 will be providing \$7.0 million in credit mainly for banana, cocoa, citrus and mariculture production. This loan will be available to the commercial banks and the GOB's Development Finance Corporation. The World Bank has requested AID to provide technical assistance to the Central Bank to assist in the implementation of the Rediscount Fund.

At this point, AID's vehicle for providing credit under Project -0019 has not been decided upon. The Belize Bank of Commerce and Industry (BCCI) has not yet opened its doors. A group of local Belizeans, supported by the U.S.-based Consortium for Belizean Development and have begun negotiating an arrangement with the Atlantic Bank. The alternate mechanisms which USAID is exploring are (1) an "Investment Credit Unit" (ICU) at the Central Bank which would identify, analyze and approve sub-projects, certify financial institutions for on-lending of AID funds and provide a range of technical assistance to such institutions, or (2) establishment of an ICU as part of an Atlantic Bank or BCCI development window with the local investor group and Consortium for Belizean Development participation. USAID will be able to decide on the alternatives by the end of May 1987.

# STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES

<u>1. OBJECTIVE # 5 : EXPORT PROMOTION</u>	
<u>LAC INDICATORS/UNITS OF MEASURE:</u>	
A.	Value of Nontraditional Exports (millions of U.S. dollars)--Total
1.	Agricultural
2.	Industrial
3.	Value Added in Drawback Industries
B.	Value of Selected Traditional Exports (millions of U.S. dollars)
C.	Foreign Exchange Earnings from Tourism (millions of U.S. dollars)

<u>2. PERFORMANCE UNDER LAC INDICATORS</u>	1984	1985	1986		1987	1988	1989
	<u>Actual</u>	<u>Actual</u>	<u>Project.</u>	<u>Actual</u>	<u>Project.</u>	<u>Project.</u>	<u>Project.</u>
Value of Nontraditional Exports*							
Agricultural (Vegetables, Fish Products Cocoa)	6.2	6.9	7.0	8.4	8.9	9.8	10.8
Industrial (Garments)	15.8	15.7	17.0	16.3	17.0	17.9	18.6
Value-Added in Drawback Industries	1.5	1.6	2.3	2.0	2.7	3.3	4.0
Value of Selected Traditional Exports*							
Bananas	3.1	3.3		4.4	6.3	8.0	9.6
Foreign Exchange Earnings from Tourism**	7.6	11.8	N/A	15.9	19.8	23.5	27.1

\* GOB official statistical data

\*\* Realize Tourist Board data

1A. MISSION INDICATORS/UNITS OF MEASURE

1. Number of Tourist Arrivals

2A. PERFORMANCE UNDER MISSION INDICATORS  
(Abbreviate above indicators)

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
	<u>Actual</u>	<u>Actual</u>	<u>Target Actual</u>	<u>Target</u>	<u>Target</u>	<u>Target</u>
1. Number of Tourist Arrivals*	27,000	37,000	N/A 44,000	49,000	54,000	57,000

\*EEC tourism advisor estimates

**3. ACTUAL VS. PLANNED ACCOMPLISHMENTS UNDER BENCHMARKS FOR FY 1986 AND EARLY FY 1987 IN LAST YEAR'S ACTION PLAN**

(Briefly explain any significant departures from targets):

	<u>Planned</u>	<u>Actual</u>	<u>Planned</u>	<u>Actual*</u>
	<u>CY 86</u>	<u>CY 86</u>	<u>CY 87</u>	<u>CY 87</u>
-- Tourist Authority budget doubled				
-- Tourist visits per annum	1Q/CY '87	1Q/CY '87**		
-- Investment inquiries per annum	19,000***	44,000	49,000	100
-- Investor visits per annum	400	400	400	30
-- Total new investments per annum (#)	40	350	40	4
-- Investment Code standardized	12	11	2Q/CY '87****	
-- Two associations for the production and marketing of non-traditional export crops.			3Q/CY '87	

\* First quarter of CY 87.

\*\* The Tourist Authority's budget actually tripled in the second quarter of FY 87. This increase is partially due to the European Economic Community funding of a tourism advisor.

\*\*\* The benchmark for tourist arrivals in last year's Action Plan was erroneously computed using outside data.

\*\*\*\* The investment incentive process will be streamlined and improved in the first quarter of FY 88. This process is taking additional time due to the political nature of the issue.

**4. KEY ASSUMPTIONS ON WHICH PROJECTIONS AND TARGETS FOR PERFORMANCE INDICATORS ARE BASED:**

- Adequate and accessible credit for export and tourism activities will be available.
- The Government of Belize will be able to streamline and standardize the development concession granting process, given political interests.
- GOB continues to focus on tourism as a priority.
- GOB continues to pursue a program of agricultural diversification and self-sufficiency, with an emphasis on export crops
- GOB policies will encourage small- and medium-sized farmers in diversification, production and export.
- Belizean crops will remain competitive on world markets.
- Protectionist policies will not hinder free access to world markets by producers.

Quarter/Year

5. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR ACTION PLAN PERIOD

- GOB reorientation/reorganization of Ministries to support its export and tourism development strategies. 1Q/FY 88
- Agreement with the GOB and the Government of Mexico to provide electricity to the northern district of Belize for the Free Trade Zone. 1Q/FY 88
- Standardization of the Belize Investment Code to allow for quicker streamlined application of the code as opposed to the slow arbitrary application of the Code on a case-by-case basis. 2Q/FY 88
- Central Bank policies and practices favorable to expanding credit for export and tourism activities. 3Q/FY 88
- Legislation to facilitate the development of a Free Trade Zone in the northern district of Belize. 4Q/FY 88
- Ministry of Agriculture involvement in protecting public health and safety, grades and standards for agricultural commodities, market intelligence and market conduct. This policy action will be better defined after Project 505-0008 (Commercialization of Alternative Crops) public sector component gets underway. 2Q/FY 88
- Price stabilization program developed and operational. 3Q/FY 88
- Food security program operational. 1Q/FY 89
- Privatization of rice mill. 4Q/FY 89
- Policy statement by GOB on role of public, private sector regarding national grain markets. 2Q/FY 88

Quarter/Year

6. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR ACTION PLAN PERIOD

	<u>Quarter/Year</u>
-- Institutional study of BEIPU analyzing its export promotion capabilities.	1Q/FY 88
-- Accelerated tourism program developed which includes a marketing plan, the contracting of a U.S. firm representing Belize as a tourism destination and hospitality training.	2Q/FY 88
-- BEIPU participation on the GOB Board which evaluates development concessions.	2Q/FY 88
-- Labor and marketing study for the potential Free Trade Zone concentrating on the northern district of Belize.	3Q/FY 88
-- 400 investment inquiries generated, 60 investor visits and 12 investments per annum.	4Q/FY 89
-- Total new investments reach a level of \$6 million per annum.	4Q/FY 89
-- Agronomic feasibility completed for exportable crops.	1Q/FY 88
-- Major crops selected for export market.	1Q/FY 88
-- Agricultural product processing/packing infrastructure in place.	1Q/FY 88
-- Agricultural product marketing/shipping trials completed.	3Q/FY 88
-- First major shipment of export crops.	3Q/FY 88
-- Submission of preliminary plan for MOA reorganization.	3Q/FY 88
-- Adoption and implementation of management plan for MOA.	4Q/FY 88
-- Cocoa long-term technical advisor in-country.	1Q/FY 88
-- 300 acres of cocoa planted in the district of Cayo.	1Q/FY 88
-- First cocoa marketing center operational.	4Q/FY 88
-- Effective marketing of major grain (rice and beans) from Toledo district throughout the rest of Belize.	4Q/FY 88
-- Cocoa post-harvest improvement program in place.	3Q/FY 89
-- 400 acres of new cocoa planted in the district of Toledo.	4Q/FY 89
-- Increase of 100 MT of cocoa on the new expanded acreage in the district of Cayo.	4Q/FY 89
-- Private operation of Toledo rice mill and grain complex.	4Q/FY 89

7. PROJECTS SUPPORTING OBJECTIVE

Title	Number	New (N)* Ongoing (O)	Type of Funding#	LOP (\$000)	L/G/LC	Cumulative through FY 1986	Obligations FY 1987	FY 1983	FY 1989
Commercialization of Alternative Crops	505-0008	0	DA	6,800	G	3,825	675	1,100	1,200
Export and Investment Promotion	505-0027	0	DA	2,500	G	1,500	-0-	1,000	
416 Sugar Offset		0	PL 480/ Sec. 416	4,400	G		1,500	2,900	N/A
Accelerated Cocoa Production	505-0023	0	DA	615	G				
Toledo Agricultural Marketing	505-0016	N (FY 87)	DA	2,500	G	-0-	900	500	300

\* / Indicate FY. # / DA, ESF, PL 480, Sec. 416, HG, or LC (local currency; show in parentheses)

8. NARRATIVE:

Belize continues to experience problems with its balance of trade. Historically, the country has depended on sugar as the primary source of foreign exchange earnings. With the recent 41% cut in the U.S. sugar quota, Belize must turn to other alternatives with which to earn foreign currency. Coupled with the troubled sugar market, imports are approximately 95% of GDP. Of the 95%, approximately 55% of GDP consists of agricultural imports.

Prospects for private investment are optimistic due to two new projects which address these trade problems. In 1985 the Belize Export and Investment Promotion Unit (BEIPU) was established within the Belize Chamber of Commerce and Industry (BCCI). Realizing the need for export promotion in Belize, USAID provided \$2.0 million funding to BEIPU for expansion of investment promotion activities. In addition to helping investors, BEIPU is spearheading the development of a Free Trade Zone along the Mexican border. The companion grant of \$500,000 to the GOB is being fully utilized by the Belize Tourist Board in the area of tourism promotion with an emphasis on specialty tourism. The International Executive Service Corps (IESC) has been effective in providing technical assistance to export-oriented businesses. In the first quarter of 1987, IESC has aided exporters, tourism operators and a new financial institution in Belize. In the future, IESC will facilitate joint ventures on behalf of Belize, in addition to providing technical assistance. Activities for the Action Plan period include an institutional strengthening analysis, continued participation in the development of the Free Trade Zone and participation in the standardization of the development concession-granting process.

The Commercialization of Alternative Crops (CAC) project 505-0008 focuses on developing alternative agricultural crops for export and import substitution. Containing both a private and a public sector component, one of CAC primary goals is to diversify the northern sugar cane farmers away from their traditional crop. During the last Action Plan period, the Ministry of Agriculture (MOA) adopted their first agricultural policy statement. This statement will be the basis for implementation of the public sector component of the CAC project. Due to the fact that this is the first year of project implementation, non-traditional crop exports for this year are not significantly different from previous years. There have been alternative sources of small increases in agricultural exports - U.S. private investors, and farmers and entrepreneurs developing their individual interests in Belize. Activities for the Action Plan period include the continued testing of tropical fruits and vegetables for production in Belize and the continued evaluation of the MOA regarding agricultural diversification policy. The funding provided under the 416 sugar offset program will finance activities targeted for the three northern districts of Belize. These activities will focus on expanding and supporting the diversification effort currently being implemented to improve the export of agricultural commodities.

The Accelerated Cocoa Production project 505-0023 is a pilot project to develop a technical package for cocoa production for small farmers using improved techniques developed by CATIE as well as those used in large scale commercial production. The technology will provide small farmers with higher production per acre than under traditional methods, thereby increasing income as well. This method also emphasizes intercropping short-term cash crops with the cocoa. This provides the farmer with cash while the cocoa tree matures. Hershey Corporation is a partner in this project which guarantees to purchase and export all quality beans produced in Belize. As a result, interest in growing cocoa is increasing rapidly in Belize. The GOB supports this interest both ideologically and by training agriculture extension officers in cocoa production.

**8. NARRATIVE:**

(Continued)

The Toledo Agricultural Marketing Project (TAMP) 505-0016 has several components aimed at promoting exports. The main thrust of the project is to open agricultural marketing channels in the most remote, undeveloped district of Belize. Cocoa is the major crop that will be produced. The technology package developed under the Accelerated Cocoa Production Project will be adapted to improve production in Toledo. Market centers will be developed under TAMP which will provide needed inputs and act as a central collection point from which to ship quality cocoa beans in quantity to Hummingbird Hershey for export.

Another aspect of this project is the renovation and privatization of the Belize Marketing Board (BMB) rice mill and grain complex in Toledo. The renovation of the rice mill will improve the quality of the milled rice while concurrent efforts will encourage the planting of uniform high-quality rice. Work on other parts of the grain complex will improve the quality of the beans which are bought and stored there. Presently, the BMB facility is the only market available to the rice and bean producers in Toledo. Both crops are cash crops for these producers. Improving the quality and quantity of the rice and beans in Toledo will not only benefit the Belizean consumer, it will open up export opportunities for Toledo producers to other areas of the Caribbean.

The Livestock Development Project is currently focused on increasing agricultural production and, therefore, included in Objective Number 1. However, there is a potential market within Caricom countries for Belizean beef exports. Some small quantities have been shipped in the last few years. The biggest constraint to increased exports is the length of time it takes to feed cattle up to market weight on the native pasture. The amendment to the Livestock Development Project will focus on improved feeding systems for beef and dairy cattle, as well as swine. The work with beef cattle will cut the time and amount of feed needed to grow out the cattle, which will both cut costs and increase production. These initiatives will allow more beef to be exported. The export results of this project will not be realized during this Action Plan period, however.

A new project in fisheries development will improve the productivity of small fishermen by more efficient management of fisheries resources. It will promote the rational use and management of one of Belize's most valuable renewable resources. Expected outputs include a 20% increase in the production of fish and fish products for export from Belize and an environmentally-sound fishery harvest program that will allow Belize to maintain an export market of fish products of approximately 650 MT per year.

STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES

1. OBJECTIVE #7 : EXPAND AND IMPROVE THE INFRASTRUCTURE

LAC INDICATORS/UNITS OF MEASURE:

A. Km. of Roads Built (rehabilitated) under A.I.D. Supported Programs

2. PERFORMANCE UNDER LAC INDICATORS

	1984 <u>Actual</u>	1985 <u>Actual</u>	1986 <u>Project. Actual</u>	1987 <u>Project.</u>	1988 <u>Project.</u>	1989 <u>Project.</u>
A. Km. of Roads Built (rehabilitated) under A.I.D.-Supported Programs (cumulative)	10	150	330	309	409	509

1A. MISSION INDICATORS/UNITS OF MEASURE

- A. Host Country Personnel Trained in Rural Road Rehabilitation and Maintenance
- B. All-Weather Crossings Constructed

2A. PERFORMANCE UNDER MISSION INDICATORS  
 (Abbreviate above indicators)

	<u>1984</u>	<u>1985</u>	<u>1986</u>		<u>1987</u>	<u>1988</u>	<u>1989</u>
	<u>Actual</u>	<u>Actual</u>	<u>Target</u>	<u>Actual</u>	<u>Target</u>	<u>Target</u>	<u>Target</u>
A. Host Country Personnel Trained	-	22	174	134	169	200	250
B. All-Weather Crossings Constructed	-	-	55	2	20	20	13

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS UNDER BENCHMARKS FOR FY 1986 AND EARLY FY 1987 IN LAST YEAR'S ACTION PLAN  
(Briefly explain any significant departures from targets):

	FY 86		FY 87	
	Planned	Actual	Planned	Actual
-- Rehabilitation of Rural Roads (cumulative Km)	330	209	309	200
-- Bridge crossing construction	40	2	11	2

The planned targets that have not been accomplished are due to the project paper implementation schedule being too optimistic in expecting road rehabilitation to begin promptly after project authorization. The project is six months behind schedule because of late arrival of TA and equipment. Additional factors were the above average rainfall during several months in the 1984-85 rainy season, the longer-than-anticipated haul distance to access adequate road material and the lack of required rock crushing equipment. These factors prevented recovery of the six month lag. The PACD for this project has been extended by six months to allow the accomplishment of planned benchmarks. The process for contracting bridge construction through the MOW involves approximately 6-9 months -- much slower than anticipated. Also, work on bridges can only be effectively accomplished during the dry season. During the last three months, the MOW has streamlined contracting procedures for bridge construction, in order to provide for more expeditious construction of bridges.

4. KEY ASSUMPTIONS ON WHICH PROJECTIONS AND TARGETS FOR PERFORMANCE INDICATORS ARE BASED:

- Weather does not deviate significantly from normal pattern.
- Ministry of Finance provides adequate funding to the Ministry of Works.
- Ministry of Works takes an active role in supporting rural roads and bridges maintenance and construction activities.
- GOB continues to actively support and pursue a program of agricultural diversification that encourages producers to invest in agricultural enterprises.
- Rehabilitation and construction of rural roads and bridges will continue to lead to increased agricultural production and provide access to inputs and markets.

Quarter/Year

5. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR ACTION PLAN PERIOD

- Active MOW participation in the planning of Phase II Amendment for Rural Access Roads and Bridges. 4Q/FY 87
- MOW provides adequate budget support for the construction of all-weather bridge crossing and rural road maintenance program. Continuous
- Encourage MOW to take a more assertive role in the budget planning process by utilizing financial data developed under the project. Continuous
- MOW personnel taking an active role in seeking GOB support to give priority to resource allocation for rural infrastructure development. Continuous
- Consolidation of MOW heavy equipment headquarters and repair facilities for more efficient use and management of tools, specialized technicians and overall labor force. 2Q/FY 88

Quarter/Year

6. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR ACTION PLAN PERIOD

- 75 shop mechanics and allied technicians trained 3Q/FY 88
- An improved internal management control system in place for MOW resources 1Q/FY 89
- Completion of 509 Km. of roads 4Q/FY 89
- Training of 250 MOW workers completed 4Q/FY 89
- Construction of 55 major all weather crossings 4Q/FY 89

7. PROJECTS SUPPORTING OBJECTIVE

Title	Number	New (N)* Ongoing (O)	Type of Funding#	LOP (\$000)	L/G/LC	Obligations			
						Cumulative through FY 1986	FY 1987	FY 1988	FY 1989
Rural Access Roads and Bridges	505-0007	0	DA	7,150	G L	6,150 3,000	-	500 800	600

\*/ Indicate FY. // DA, ESF, PL 480, Sec. 416, IG, or LC (local currency; show in parentheses)

**8. NARRATIVE:**

Although the construction components of this project are relatively straight-forward and not too difficult to monitor, the social aspects are more elusive. Road selection is based on a series of complex criteria designed to give equal weight to both economic and social factors in selecting project roads and bridges.

The purpose of this project is to increase the capacity of the GOB to build, maintain, and protect its rural access road inventory through equipment procurement, training and technical assistance. The project has met with difficulty in rehabilitation of roads in various districts due to excessive adverse weather conditions. The project is, however, providing the training and technical assistance necessary to increase the GOB capability to maintain and build rural roads. Serious constraints to the completion of the original project outputs were faced during the last and current fiscal years as the construction crews worked in the Toledo district. The Toledo district is the most remote in terms of haul distances.

The Amendment to the project will continue to address the major infrastructural constraint facing the sustainable growth of the primary sector - agriculture. The recently published regional transportation study funded by ROCAP recommends that Belize "continue to expand the existing road programs in farm/feeder road construction". With this in mind, the Amendment will concentrate on providing equipment and short-term technical assistance to already trained Ministry of Works personnel.

In many rural areas where roads have been rehabilitated, farmers have begun to clear land and plant crops where previous development had been abandoned or non-existent. This is evident in the Toledo District, Belize's most remote and least developed area. In the Toledo district cocoa production has expanded over the past year as 50 farmers have each planted an average of 1.5 acres in areas in which roads were rehabilitated. The Stann Creek District also benefitted from similar development where roads were rehabilitated, and as a result, inputs were more easily obtained, while market access improved. The farmers who produce commodities for export are able to get their product to market quicker and in better condition. These improvements in agricultural production are directly attributable to rural road rehabilitation. The benefits of road rehabilitation are that rural residents are able to get crops to market on a regular and cost effective basis, the timely provision of inputs, access to medical care and educational facilities and dependable transportation to allow GOB extension workers access to the rural areas. Such potential benefits underscore the importance of expanding the project.

STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES

1. OBJECTIVE # 8: INCREASE ACCESS TO VOLUNTARY FAMILY PLANNING SERVICES

LAC INDICATORS/UNITS OF MEASURE:

A. Percentage of Couples Using Contraceptives

2. PERFORMANCE UNDER LAC INDICATORS

	1984 Actual	1985 Actual	1986 Project. Actual	1987 Project.	1988 Project.	1989 Project.
A. % of Couples Using Contraceptives	N/A	37%**	38.5**	40**	41.5**	42.9**

\* MOH KAP Study  
\*\* Project data and MOH data

1A. MISSION INDICATORS/UNITS OF MEASURE

A. Number of Additional Community Entities as Sources of Contraceptive Education and Products. (e.g., Clinics, Youth Groups, Community Health Committees.

2A. PERFORMANCE UNDER MISSION INDICATORS  
(Abbreviate above indicators)

	1984	1985	1986	1987	1988	1989
	<u>Actual</u>	<u>Actual</u>	<u>Target</u> <u>Actual</u>	<u>Target</u>	<u>Target</u>	<u>Target</u>
A. Additional Community Entities as Sources of Education/Products	N/A	N/A	1 2	4	8	12

**3. ACTUAL VS. PLANNED ACCOMPLISHMENTS UNDER BENCHMARKS FOR FY 1986 AND EARLY FY 1987 IN LAST YEAR'S ACTION PLAN**

(Briefly explain any significant departures from targets):

	<u>Planned - FY 86 -</u>	<u>Actual</u>	<u>Planned - FY 87 -</u>	<u>Actual</u>
				(to date)
A. Technical Assistance to strengthen the Belize Family Life Association (BFLA)(person months)	.5 p.m.	.6 p.m.	0 p.m.	0 p.m.
B. Staff (s) and Volunteers (v) for BFLA centers selected and trained	2 s 12 v	2 (OJT)* 28 (ICT)**	2 s 12 v	0 s 20 v
C. Public promotional campaign conducted (radio programs/spots, pamphlets & brochures)	3.5 hrs. radio time		9.25 hrs.	12 hrs.
4.4 hrs.	1000 pamphlets distributed	3000	3000 pamphlets	1000
D. Community meetings regularly implemented	12 meetings	2	12	0

\* OJT - On-the-Job Training

\*\* ICT - In-Country Training

BFLA has met or surpassed FY 86 targets in all areas except community meetings. This last deficiency is the result of delays by IPPF/WHO in providing the vehicle required by the association and included in the Grant.

**4. KEY ASSUMPTIONS ON WHICH PROJECTIONS AND TARGETS FOR PERFORMANCE INDICATORS ARE BASED:**

1. Government will not take decisions which negatively affect the importation and distribution of contraceptives by private groups.
2. Government will work with private groups to develop population policy.

Quarter/Year

5. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR ACTION PLAN PERIOD

- |    |  |          |
|----|--|----------|
| 1. | Need for a Coherent government or national policy on child-spacing and health  | 3Q FY 88 |
| 2. | Need for a Government regulatory body to define acceptable contraceptives, and to develop policy guidelines on prescription and their use. | 2Q FY 89 |

6. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR ACTION PLAN PERIOD

Quarter/Year

1. Establishment of two full, functioning Family Life Centers providing education, counselling, and clinic services to the community. 1 Q FY 88
2. Establishment of self-sustaining youth groups providing peer counselling and other youth activities, in 5 urban communities. 2 Q FY 88
3. Strong, institutionalized, partially self-sustaining (through community effort) Belize Family Life Association. 2 Q FY 89

7. PROJECTS SUPPORTING OBJECTIVE

Title	Number	New (N)* Ongoing (O)	Type of Funding#	LOP (\$000)	L/G/LC	Cumulative through FY 1986	Obligations		
							FY 1987	FY 1988	FY 1989
Belize Family Life Education	505-0031	0	DA	98	G	78	20	0a/	0a/
									(\$000)

0a/ Funding for further BFLA support to be through proposed Child Survival PVO Support Project (505-0037) - See Objective 10.

\*/ Indicate FY. #/ DA, ESF, PL 480, Sec. 416, HG, or LC (local currency; show in parentheses)

**8. NARRATIVE:**

The purpose of the Belize Family Life Education Project is to promote greater knowledge and awareness of child-spacing and its health and economic benefits among Belizeans, and motivate couples in the safe and proper use of family-planning services. Although reduced over the past decade, mortality of mothers and infants in Belize is still high. Maternal morbidity constitutes the most frequent cause of hospitalization in Belize City Hospital; abortion has been the second or third cause of child birth since 1981. While the country's population may be very small, its age structure and the growth rate are quite alarming. Some 56% of the population is less than 20 years old and, based on official statistics, the average fertility rate is 5. It is also noted that the majority of child births (some 55% in 1985) are to unmarried women. All these have serious social and economic repercussions for the country in the coming years. The very young population and the high fertility rate would lead to a more substantial increase in the demand for economic and social services than could be made available given present levels of Belize's economic growth and development. The Mission's support for BFLA is designed to enable the latter to respond effectively to the unmet need for family life education and services, including family-planning.

While our assistance to this activity is very small, it is nonetheless a significant, worthwhile undertaking deserving continued Mission support. It addresses health needs as well as a major problem which could potentially become a serious constraint to Belize's development in the medium-term. The BFLA project is the only organized, supervised source of child spacing information, education and services in Belize, and positively contributes to improving the overall welfare of Belizeans. Beginning in 1988, child-spacing activities will be subsumed in the Child Survival Support Project and, therefore, will be reflected in next year's Action Plan under objective 10 - Reduce Infant and Child Mortality.

The major impediment to establishing family-planning services in Belize is the lack of commitment by the Government to either support or disapprove programs in this area. Programs currently being implemented are in a vacuum, since there is no official stand taken by Government at this stage. Mission's policy dialogue efforts will aim to change this situation in order to make implementation less tentative and more effective. The only potential problem of any significance is negative publicity stemming from the lack of Government guidance in this area. It is also possible that the Association may find difficulty recruiting a qualified and committed Belizean Executive Director. The public education program through the media, and in communities through established and new groups will aim to minimize and counter the impact of the first problem.

Under current circumstances, contraceptives imported and used in Belize are not subject to any quality control regulations, nor are any standards or norms established and approved for their use. The private Belize Family Life Association has established its own policies; however, the Government's lack of input or decision has created some confusion in the public's mind as to what should or should not be used in Belize.

Progress in implementing the project has been slower than anticipated. The grantee, IPPFG/WHR, has been very tardy in securing and shipping the project vehicle to the local association. This has affected community outreach programs. However, the association has done very well in establishing one Family Life Center, and initiating a chain of youth groups which promises to spread nationally in a short time.

# STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES

1. OBJECTIVE # 9: IMPROVE HEALTH AND HEALTH SERVICES

LAC INDICATORS/UNITS OF MEASURE:

A. Incidence of Malaria and Dengue Fever

B. Percent of Rural Population with Access to Clean Drinking Water

C. Percent of Rural Population with Access to Adequate Sanitation

2. PERFORMANCE UNDER LAC INDICATORS

	1984		1985		1986		1987		1988		1989	
	Actual	Project.	Actual	Project.	Actual	Project.	Actual	Project.	Actual	Project.	Actual	Project.
A. (1) Confirmed Malaria Cases per 1000 Population**	25/1000	17/1000	17/1000	12/1000	16/1000	16/1000	10/1000	10/1000	8/1000	8/1000	8/1000	8/1000
(2) Clinically Diagnosed Dengue Fever Cases/1000**	1/1000	.../1000	.../1000	1/1000	.../1000	.../1000	1/1000	1/1000	1/1000	1/1000	1/1000	1/1000
B. % Rural Population Safe Drinking Water**	34%	34%	34%	40%	36%	36%	53%	53%	63%	63%	80%	80%
C. % Rural Population Adequate Sanitation**	10%	11%	11%	20%	15%	15%	27%	27%	39%	39%	45%	45%

... Negligible incidence  
 \* Changes to these data and projections made as a result of more complete information now available.  
 \*\* MOH and MNR data and project records

1A. MISSION INDICATORS/UNITS OF MEASURE

None

2A. PERFORMANCE UNDER MISSION INDICATORS  
(Abbreviate above indicators)

<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
<u>Actual</u>	<u>Actual</u>	<u>Target</u> <u>Actual</u>	<u>Target</u>	<u>Target</u>	<u>Target</u>

None

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS UNDER BENCHMARKS FOR FY 1986 AND EARLY FY 1987 IN LAST YEAR'S ACTION PLAN

(Briefly explain any significant departures from targets.)

	Planned	- FY 86 - Actual	- FY 87 - Actual
A. <u>Aedes Aegypti</u> positive localities as % of total localities	30%	30% (est)	20%
B. Confirmed malaria cases per 1000 population	12/1000	16/1000	10/1000
C. *% Rural population with access to safe water	40%	36%	53%
D. *% Rural population with access to adequate sanitation	20%	15%	27%

Progress in meeting water and sanitation targets has been slowed by procurement delays and the time-consuming process of community organization and preparation before proceeding with well-drilling and latrine building. In addition, the switch in responsibility for rural water and sanitation from the Ministry of Health to the Ministry of Natural Resources has compounded the delays. Registered malaria cases have increased due to a combination of technical factors which have been analyzed and are being addressed in FY 87 implementation.

\* Last Action Plan these projections were based on only one project's targets. More complete information has caused this revision of projections.

n.a.  
n.a.  
36%  
n.a.

4. KEY ASSUMPTIONS ON WHICH PROJECTIONS AND TARGETS FOR PERFORMANCE INDICATORS ARE BASED:

- A. Government allocations to the health sector will not decrease in real terms.
- B. Community interest and participation in health activities will be high.
- C. Government will be open to restructuring the health services to improve program delivery.
- D. Influx of refugees does not significantly alter population base and community matters.

Quarter/Year

5. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR ACTION PLAN PERIOD

- A. Need to assure that structural changes, when made, will not result in impediments to smooth project implementation.
- B. Improved planning to make best use of limited resources is adopted by GOB.

1Q FY 88  
1Q FY 88 and  
continuing

6. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR ACTION PLAN PERIOD

Quarter/Year

- A. Reduction of malaria incidence to below 8/1000  
1Q FY 89
- B. Reduction of positive Aedes aegypti localities to less than 10% of total  
1Q FY 89
- C. Functioning water quality laboratory, capable of testing samples from each water source at least once annually.  
2Q FY 88
- D. Six fully-trained and equipped well-drilling crews capable of completing wells in all soil conditions existing in Belize.  
2Q FY 88
- E. Seventy established and functioning village health committees.  
4Q FY 88

7. <u>PROJECTS SUPPORTING OBJECTIVE</u>									
Title	Number	New (N)* Ongoing (O)	Type of Funding#	LOP (\$000)	L/G/LC	Cumulative through FY 1986	Obligations		
							FY 1987	FY 1988	FY 1989
Increased Productivity Through Better Health	505-0018	0	DA	7,000	G	2,750	2,000	900	825
Village Level Water and Sanitation	505-0024	0	DA	700	G	700	0	0	0

(\$000)

\* / Indicate FY. # / DA, ESF, PL 480, Sec. 416, HG, or LC (local currency; show in parentheses)

**8. NARRATIVE:**

The purpose of the Increased Productivity Through Better Health (IPTBH) Project is to improve the health and productivity of the Belizean people by controlling the three principal public health problems of malaria, dengue fever and inadequate environmental services. This project as well as the CARE Village Level Water and Sanitation (VLWS) Project contribute to improvement in the efficiency and effectiveness of the health and environmental sectors to respond to these public health areas. Also, these projects are important in reinforcing GOB initiatives to involve communities in construction and maintenance of water and sanitation facilities. Donor coordination continues in this respect.

Both the IPTBH and VLWS projects were, when designed, intended to be implemented in association with the MOH. During the last year, however, GOB has taken steps to assign responsibility for Water and Sanitation to the Ministry of Natural Resources. The process of transferring responsibility is not fully complete at this stage. Thus, policy dialogue with GOB will be directed to assuring that the process is smooth and its effect positive.

Implementation planning has also been less than satisfactory in the MOH. Through these projects, supplemented by short-term T.A. provided through centrally funded programs, it is intended that the critical importance of planning, and evaluation of alternatives, in a small developing country of limited resources, will be highlighted.

That resources are limited in Belize has been demonstrated time and again during the past year while implementing these projects. This has resulted in a much slower pace of implementation for project aspects which depend on government resources. For instance, the latrine and health education programs under Project 0024 have proceeded fairly rapidly, unhampered by lack of GOB support. On the other hand, the well-drilling and handpump installation programs are still impeded by the unavailability of drilling rigs, as well as properly trained and motivated crews, and by GOB's seeming inability to properly allocate its resources to the more needy sites.

GOB management has also been deficient in expediting local construction, employment of critically needed additional staff and making the most efficient use of limited resources available. The non-achievement of established targets for malaria control is apparently due to poor management of spray teams and materials, and poor planning for replacement stocks of pharmaceutical supplies.

Mission's policy dialogue efforts will be supplemented by project specific actions. Already under Project 0018, a quarterly project review meeting, attended by all the principal activity managers, has been established as a collaborative management tool. This meeting has provided opportunities to review the entire project and to work out interrelationships between components with the aim of improving implementation. Project 0024, being much smaller in scope, has conducted monthly review meetings regularly for the last two years. Both projects are being evaluated in FY 87 and these are expected to further highlight actions that need to be taken to assure the projects' success.

STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES

<p>1. OBJECTIVE # 10 REDUCE INFANT AND CHILD MORTALITY</p>	
	<p><u>LAC INDICATORS/UNITS OF MEASURE:</u></p> <p>A. Infant Mortality (0-1 years) per 1000 Live Births.</p>

<p>2. PERFORMANCE UNDER LAC INDICATORS</p> <p>A. Infant Mortality (0-1 year) per 1000 Live Births**</p>	<p>1984</p>	<p>1985</p>	<p>1986</p>	<p>1987</p>	<p>1988</p>	<p>1989</p>
	<p><u>Actual</u></p>	<p><u>Actual</u></p>	<p><u>Project. Actual</u></p>	<p><u>Project.</u></p>	<p><u>Project.</u></p>	<p><u>Project.</u></p>
	<p>--</p>	<p>23</p>	<p>23</p>	<p>23</p>	<p>23</p>	<p>20</p>

\* MOH has not yet released official statistics for 1986.  
\*\* MOH statistics

1A. MISSION INDICATORS/UNITS OF MEASURE

None

2A. PERFORMANCE UNDER MISSION INDICATORS  
(Abbreviate above indicators)

None

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
	<u>Actual</u>	<u>Actual</u>	<u>Target Actual</u>	<u>Target</u>	<u>Target</u>	<u>Target</u>

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS UNDER BENCHMARKS FOR FY 1986 AND EARLY FY 1987 IN LAST YEAR'S ACTION PLAN

(Briefly explain any significant departures from targets):

	Planned - FY 86 - Actual	Planned - FY 87 - Actual
A. 424 Rural Health workers better trained in Child Survival Technologies by 4Q CY 88:	--	--
B. Immunization coverage increased from 53% for DPT and polio and 43% for measles in 1984 to 80% coverage for all antigens by 4Q CY 88:	--	70%
C. Health Statistics, particularly child survival data, improved in all six districts by 2Q CY 88:	--	--

Discussion

- A. 10 Public Health Nurses attended CS Seminar 1Q FY 87; 11 MOH mid-level CS program managers involved in CS Program Management Seminar; 16 Community Health Volunteers (CHV's) began training in CS technologies;
- 2 District Trainers were recruited and trained for CS CHV's; and, 39 health personnel trained in new health Statistics Forms.
- B. As of 1Q FY 87, the national coverage rate for fully vaccinated children was up to 70%.
- C. A revised monthly form for MCH statistics was introduced into all districts 2Q FY 87, and will be finalized by 4Q FY 87.

4. KEY ASSUMPTIONS ON WHICH PROJECTIONS AND TARGETS FOR PERFORMANCE INDICATORS ARE BASED:

GOB will continue to allocate at least 20% of the overall health budget to rural care.

GOB policy for all child survival technologies, particularly breast-feeding, will be translated into program action by 170 health professionals.

GOB will continue to work closely with PVO's engaged in Child Survival programs. Immunization will be kept as an area of emphasis of the MOH.

GOB will appoint a coordinator of Diarrheal Disease Control to work with AID-supported PVO programs.

5. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR ACTION PLAN PERIOD

Quarter/Year

Encourage the GOB to seek alternative means of financing health care and containing hospital costs in order to increase the resources available for rural health care.

Ongoing

Urge GOB commitment to revising and strengthening the collection of health data, including accurate vital statistics.

Ongoing

6. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR ACTION PLAN PERIOD

Quarter/Year

Revised MCH statistical collection system including CS data completed.	3Q FY 88
Geographic and socio-economic characteristics of non-vaccinated children identified and strategy formulated to target these harder-to-reach groups.	2Q FY 88
Baseline Survey of response/treatment given to children under 60 months during last diarrhea episode occurring within previous two weeks.	2Q FY 88
Breastfeeding training, counselling and information distribution centers functioning in two districts.	4Q FY 89
Assistance to MOH to identify most prevalent high risk factors for infant and maternal mortality and development of management plan for care of high risk pregnancies.	2Q FY 88
20% increase in annual number of clients utilizing services of Belize Family Life Association Centers. (Adult/Youth; clinical/counseling)	3Q FY 89
80% of children 9-12 months fully vaccinated.	4Q FY 89
5% increase of children under 60 months given ORT or other appropriate treatment during last diarrhea episode occurring within previous two weeks.	3Q FY 89

7. PROJECTS SUPPORTING OBJECTIVE

Title	Number	New (N)* Ongoing (O)	Type of Funding#	LOP (\$000)	L/G/LC	Cumulative through FY 1986	Obligations		
							FY 1987	FY 1988	FY 1989
Child Survival Technical Support (Project HOPE OPG)	505-0017	0	DA	500	G	500	---	---	---
Breast is Best League	505-0029	0	DA	62	G	62	---	---	---
Maternal and Child Health (CARE OPG)	505-0032	0	DA	250	G	250	---	---	---
Child Survival PVO Support Project	505-0037	N (FY 88)	DA	2,000	G	---	---	530	530

\* / Indicate FY. # / DA, ESF, PL 480, Sec. 416, HG, or LC (local currency; show in parentheses)

**8. NARRATIVE:**

The national infant and child mortality rates in Belize have been declining over the past seven years. Between 1979 and 1984, reported infant and child mortality were reduced from 39.0 to 23.0 per thousand and from 3.8 to 1.5 per thousand, respectively. These advances are largely due to increased immunization coverage and reductions in deaths due to intestinal infectious disease and mortality due to respiratory infections in children.

Nevertheless, despite recent advances, it is obvious that the immunization program, diarrheal disease control efforts, and other child health initiatives do not reach all areas of the country equally and need to be reinforced at all levels. The indigenous population is growing rapidly, refugees with poor health status continue to move into the country, and GOB health expenditures for preventative care are not increasing. In this context, considerable coordinated donor assistance is required to support the MOH efforts to maintain status quo and progress beyond. In addition there is evidence that the official mortality statistics and program data do not present an accurate picture of all six districts in the country and that underreporting occurs.

The Mission's objectives are to assist the MOH through PVO activities to strengthen the child survival programs already underway, especially target high risk mothers and children, and to extend the services to underserved rural areas. Technical assistance and training in all CS strategies, particularly DDC-ORT, EPI, breastfeeding and child-spacing, are needed. More than the technical information, attention is being focussed on collection of reliable and appropriate health data and management of CS programs.

Progress within the three small projects contributing to the objective has been adequate. We are especially pleased with the rapid preparation and rational introduction of a new MCH monthly statistical collection form which streamlines the reporting burden while ensuring that necessary data for CS program monitoring and evaluation are collected. AID's small investment in the Breast is Best League has been fruitful in terms of breastfeeding counselors trained, MOH attention to the issue, and general public awareness.

Much remains to be done to extend CS services to all areas of the country and target high risk mothers and children, the source of much of the remaining mortality. The Mission proposes to extend the life of the three existing CS projects together with a fourth child spacing related initiative currently reported under Objective 8. We intend to fold these four small projects into one umbrella PVO Child Survival Support Project. This will reduce the administrative burden on our staff while encouraging the cooperation already begun within the Child Survival Task Force.

STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES

1. OBJECTIVE # :	12 IMPROVE EDUCATIONAL OPPORTUNITIES
<u>LAC INDICATORS/UNITS OF MEASURE:</u>	
C. Individuals Trained under AID-Supported Programs:	
1. Vocational--Total	
a. Male	
b. Female	
2. Management--Total	
a. Male	
b. Female	

	1984	1985	1986		1987	1988	1989
	Actual	Actual	Project.	Actual	Project.	Project.	Project.
2. PERFORMANCE UNDER LAC INDICATORS							
C. 1. Vocational Training: Total*	0	0	0	0	2,130	3,265	4,370
a. Male	0	0	0	0	915	1,420	1,910
b. Female	0	0	0	0	1,215	1,845	2,460
2. Management Training: Total**	0	0	0	82	200	400	400
a. Male	0	0	0	70	120	240	240
b. Female	0	0	0	12	80	160	160

\* MOE data and BIM statistics

\*\* BIM statistics

1A. MISSION INDICATORS/UNITS OF MEASURE

- D. 1) Percent of People Who Are Well-Informed on the Dangers of Drugs to Belize (new indicator for FY 87 amendment).\*
- 2) Number of Belizean Organizations Assisted by PRIDE.

2A. PERFORMANCE UNDER MISSION INDICATORS  
(Abbreviate above indicators)

	1984	1985	1986		1987	1988	1989
	Actual	Actual	Target	Actual	Target	Target	Target
1. % of people well informed on dangers of drugs (new indicator for FY 87 Amendment)**	--	--	--	10%	20%	40%	60%
2. Number of organizations assisted by PRIDE**	--	--	10		20	35	50

\* Mission has changed indicator to more realistic and fair indicators.  
 \*\* Project records.

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS UNDER BENCHMARKS FOR FY 1986 AND EARLY FY 1987 IN LAST YEAR'S ACTION PLAN  
 (Briefly explain any significant departures from targets):

	<u>Planned</u>	<u>Actual</u>
<u>Training for Employment and Productivity:</u>		
Ministry of Education Vocational Education Division created and staffed	4Q FY 86	1Q FY 87
Belize Institute of Management (BIM) fully operational	1Q FY 87	1Q FY 87
National Advisory Committee created and advising MOE	2Q FY 87	3Q FY 87
Training Plan developed	2Q FY 87	2Q FY 87
25 courses given through BIM	Continuous	6 courses being given as of 2Q FY 87
BIM outreach services established and functioning	Continuous	On-going
<u>Belize Drug Awareness Education:</u>		
National Drug Use Prevalence Survey conducted	4Q FY 86	4Q FY 86
Drug Awareness Action Committees formed in all districts	2Q FY 87	2Q FY 86-Only Belize City
Parent Groups initiated in all districts	2Q FY 87	2Q FY 87-Only 1 district has a Parent Group
PRIDE-trained professional groups and community leaders working in their communities	2Q FY 87	2Q FY 87-4 Home Youth Groups
Mass media strategy formulated and implemented	1Q FY 87	1Q FY 87-Ongoing refinement.

Slight deviations from benchmarks in the TEP Vocational program component is partly due to the fact that the technical assistance contract was not awarded until September 15, 1986 and the first yearly implementation plan was approved only on December 15, 1986.

PRIDE has continued to realize success involving youth in drug awareness activities throughout the country. Parents are less enthusiastic and seem to be willing to allow PRIDE and the GOB to take care of the problem. The evaluation conducted in March 1987 recommends ways for PRIDE to collaborate more efficiently with a wider variety of organizations.

4. KEY ASSUMPTIONS ON WHICH PROJECTIONS AND TARGETS FOR PERFORMANCE INDICATORS ARE BASED:

- TEP.
- (1) The economy will continue to expand to absorb better-trained entrants and to motivate management and specialized skill-upgrading on the part of the present workforce.
  - (2) The GOB will continue to promote exports, investment, and tourism.
  - (3) The GOB will continue to consider vocational/technical education a top priority.
  - (4) The Belize Chamber of Commerce and Industry will continue its commitment to the Belize Institute of Management.

Quarter/Year

5. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR ACTION PLAN PERIOD

TEP

Vocational, Management, and Public Administration Training:

Review and increase salaries for vocational education teachers

Foster public sector utilization of private sector training opportunities.

Started 1Q FY87  
Ongoing

Drug Awareness Education

USAID does not engage in policy dialogue with GOB on narcotics matters; however, Mission's project in narcotics education supports Embassy efforts in this area.

Quarter/Year

6. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR ACTION PLAN PERIOD

Training for Employment and Productivity

- |   |         |
|---|---------|
| 1. BIM presents 30 courses/yr                                   | 4Q/FY88 |
| 2. BIM trains 500 people/yr, including 100 GOB staff members    | 4Q/FY88 |
| 3. BIM establishes outreach/technical assistance services       | 2Q/FY88 |
| 4. National Vocational Plan developed and revised, if necessary | 3Q/FY88 |
| 5. Two new secondary school technical programs established      | 4Q/FY89 |
| 6. Occupational standards for two basic trades established      | 4Q/FY89 |

Drug Awareness Education

- |   |         |
|---|---------|
| 1. Mass media message dissemination to 3 target groups            | 2Q/FY88 |
| 2. Technical assistance and resources to 30 groups in 6 districts | 3Q/FY89 |
| 3. Support to youth groups in 6 districts                         | 1Q/FY89 |
| 4. Operational research initiated regarding parent involvement    | 4Q/FY89 |

7. PROJECTS SUPPORTING OBJECTIVE									
Title	Number	New (N)* Ongoing (O)	Type of Funding#	LOP (\$000)	L/G/LC	Cumulative through FY 1986	Obligations FY 1987	FY 1983	FY 1989
Training for Employment & Productivity	505-0020	0	DA	5,220	G	2,500	1,000	450	1,270
CVSS Guidance & Placement Center	505-0026	0	DA	180	G	80	0	30	70
Belize Drug Awareness Education - PRIDE OPG	505-0033	0	DA	1,000	G	350	400	--	250

\* / Indicate FY. # / DA, ESF, PL 480, Sec. 416, II G, or LC (local currency; show in parentheses)

8. NARRATIVE:

Vocational and Management Training (TEP and CVSS)

The GOB strategy for economic revitalization focuses on support to the private sector in the areas of export and investment promotion and tourism. However, the present workforce lacks management capability and many of the technical skills needed to achieve dynamic, responsive expansion of the private sector.

Project 505-0020, Training for Employment and Productivity, will address these training needs by (a) contributing to the establishment of the Belize Institute of Management as a viable training institution, (b) determining and facilitating the training needed by GOB administrators in agencies directly related to three areas mentioned above, and (c) restructuring and improving the MOE vocational and technical programs. The Belize Institute of Management will provide training in public administration for the public sector as well as training in management and technical skills for the private sector. The technical assistance team is now in country and there has been progress towards accomplishments of all benchmarks listed for FY 87 and FY 88 in last year's Action Plan. The only deviation is that the present outline for the National Vocational Plan calls for a slower pace in the development of occupational standards for basic trades. The projected numbers of managers, public administrators, and skilled workers trained over the LOP have been expanded from 1,100 to 1,770 per implementation plans elaborated December 1986.

Project 505-0026, CVSS Guidance and Placement Center, has been providing placement services on an on-going basis. Guidance counselling is also provided to job-seekers and, on a more limited basis, to youth in the secondary schools. Project activities will be revised as of April, 1987 to include a training component. Groups of unemployed young people identified by the Center as trainable will receive skills training in special programs arranged through BIM. The counselling component will be expanded to include conducting workshops in career counselling on a regular basis to both primary and secondary schools. These programmatic revisions will be incorporated into a project amendment during the second quarter of FY 88. Project funds not spent by the current PACD of December 31, 1987, are expected to cover new project activities through May 1988. More funds will be needed for the three additional years of the proposed amended project.

Drug Awareness

The Belize Drug Awareness Education Project (505-0033) contributes to increasing educational opportunities for young Belizeans by trying to prevent school children from involvement with drugs. Many youth who drop out of school are reported to be influenced by drugs and the "drug culture". The objective is to help prevent this waste of educational opportunity through information on the dangers of drugs to youngsters and their families.

In addition, the project is attempting to reach decision makers and opinion leaders with the message that narcotics production, trafficking and consumption are dangerous to their society. Through this national educational activity it is anticipated that public opinion will pressure the GOB to be more forceful in controlling the threat of narcotics as well as encouraging parents and other adults to get involved in protecting their children. The final evaluation of Phase I of this project was conducted in March 1987. A major amendment is in process to focus on more mass media promotion and continued support to youth and community groups. The Mission proposes to add \$650,000 to the project amendment to last three years.

8. NARRATIVE:

(Continued)

Progress in formation of parents and other adult Drug Awareness Action Committees has been disappointing. The lack of success in engaging adults in drug prevention efforts is attributed to cultural, political and historical factors. The second phase of the project will carry out operational research to find ways to involve parents more fully. Conversely, youth response to PRIDE's messages and offers of assistance has been excellent. Youth groups have formed in nearly every district and are enthusiastically working to influence their peers. The project as amended will build on this positive response.

# STANDARD FORM FOR PROVIDING INFORMATION ON OBJECTIVES

**1. OBJECTIVE # 13 INCREASE NUMBER AND IMPROVE EFFECTIVENESS OF PARTICIPANT TRAINING**

**LAC INDICATORS/UNITS OF MEASURE:**

**A. Number of Persons Beginning Training Programs**

**1. Short-term - Total**

a. Men

b. Women

**2. Long-term - Total**

a. Men

b. Women

**2. PERFORMANCE UNDER LAC INDICATORS**

**A. Total New Starts\*\***

Short-term

Male

Female

Long-term

Male

Female

	1984	1985	1986		1987	1988	1989
	Actual	Actual	Project.	Actual	Project.	Project.	Project.
Total New Starts**	16*	49*	117	83*	131	109	108
Short-term	16	40	95	71	123	90	96
Male	15	36	57	28	75	54	57
Female	1	8	38	43	48	36	39
Long-term	0	9	15	12	8	12	12
Male		9	9	9	5	8	8
Female		0	6	3	3	8	4

\*Includes: 1984 - 16 LAC Training Initiatives participants  
 1985 - 21 LAC Training Initiatives participants  
 1986 - 7 LAC Training Initiatives participants

\*\* CAPS - project records

1A. MISSION INDICATORS/UNITS OF MEASURE

B. Training Initiated for 500 Influential and Socially and Economically Disadvantaged Belizeans by 1990. The Female Participation Target is 40 Percent.

2A. PERFORMANCE UNDER MISSION INDICATORS  
(Abbreviate above indicators)

	1984	1985	1986	1987	1988	1989
	Actual	Actual	Target	Target	Target	Target
B. New Starts						
Female Participation	28	76	110	131	102	108
% Female Participation	4	44	44	51	40	43
	14%	58%		40%	40%	40%
Secondary School Principals						
% of Total Number	15	15				
	50%	50%				
Primary School Principals						
% of Total Number	24	48			48	48
	10%	20%			20%	20%

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS UNDER BENCHMARKS FOR FY 1986 AND EARLY FY 1987 IN LAST YEAR'S ACTION PLAN  
 (Briefly explain any significant departures from targets):

	FY 86		FY 87	
	Planned	Actual	Planned	Actual (1Q)
A. Trained Belizeans under CAPS and CLASP (40% female participation) - cumulative	150	103	280	103

The target of 150 scholarship recipients in FY 86 was not reached because of lower levels of funding than requested for this level of training. The breakdown of the 103 Belizean participants by the end of 1st quarter of FY 1987 under the CAPS are as follows: 30 secondary school principals, assistant principals and secondary school education officers; 24 primary school principals and one education officer; 24 professional and practical nurses; 11 teachers; two students under a special program for returnees from Bloc countries; 11 students at schools in Arkansas.

Training has been completed for all secondary school principals (30 out of 30), and 10% of all primary school principals (24 of 240).

4. KEY ASSUMPTIONS ON WHICH PROJECTIONS AND TARGETS FOR PERFORMANCE INDICATORS ARE BASED:

That funding levels will reach those requested in CIP, either by additional funding through FY 89, or by extending the funding period through FY 92.

Quarter/Year

5. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR ACTION PLAN PERIOD

None

6. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR ACTION PLAN PERIOD

Quarter/Year

- Total of 96 primary school principal teachers receive short-term training and skills upgrading (48 each in FY 88 and FY 89) 3 Q FY 88  
3 Q FY 89
- 18 microentrepreneurs to receive short-term training in management 2 Q FY 88
- 24 nurses from rural areas to undertake short-term observation and training 2 Q FY 88
- 1 long-term scholarship recipient to commence studies in nutrition education 4 Q FY 88
- 1 long-term agriculture/horticulture scholarship to be awarded and studies commence 4 Q FY 88
- 4 long-term scholarship recipients in business management to commence studies 3/4 Q FY 88
- 24 rural primary health care workers to receive short-term training 3 Q FY 89
- 24 small- to medium-holding farmers to receive short-term scholarships 3 Q FY 89
- Long-term scholarships to be awarded in health and business-related studies 4 Q FY 89

7. PROJECTS SUPPORTING OBJECTIVE

Title	Number	New (N)* Ongoing (O)	Type of Funding#	LOP (\$000)	L/G/LC	Cumulative through FY 1986	Obligations		
							FY 1987	FY 1983	FY 1989
Central American Peace Scholarships Program	505-0039	0	DA/ESF	4,200*	G	1,413	800	600	600
									(\$000)

\* Requested level of funding

\* / Indicate FY. # / DA, ESF, PL 480, Sec. 416, IIG, or LC (local currency; show in parentheses)

## 8. NARRATIVE:

A major goal of the Central American Peace Scholarships Program is to promote equity and broad participation in development by providing training in the U.S. to individuals from economically and socially disadvantaged sectors who would otherwise not have such an opportunity. The training will enable the recipients to become more effective in their professions and become more productive, hence, contributing positively to the development of Belize. The target groups include teachers, nurses, youth, small farmers and businessmen and technicians who play key roles in accelerating the country's economic growth and development. Including CASP scholarship recipients, 193 Belizeans had initiated and/or completed training under this program as of March 1, 1987: 83 long-term degree program scholarship recipients, and 110 short-term technical/leadership scholarship recipients. Of this total 104, or 54%, are women.

In FY 1986, 24 primary school principal teachers received short-term scholarships to upgrade their teaching and administrative skills, and learned more about the American primary education system. All of these teachers came from rural, economically-depressed areas. The overall program goal is to enable 50% (120) of all primary school principal teachers to experience aspects of the American educational system and way of life.

Similarly, 24 professional and practical nurses also received training during FY 86. The nursing profession, while traditional, is held in low esteem; these nurses come from rural disadvantaged areas where opportunities for further training or skills-upgrading, especially in the United States, are nonexistent. Also, 11 CAPS scholars commenced upper division, undergraduate studies in 4th Quarter, FY 86. Upon completion of their degree programs, they will return to Belize to teach at the tertiary level, and especially at Belize Teachers' College. Their broad exposure to the U.S. democratic way of life, institutions and ideas, will influence a broad base of teachers in training.

The FY 87-89 CAPS programs will target youth leadership groups, journalists and communications media personnel, the private sector (both microentrepreneurs for short-term training, and long-term management training), community health workers from the poorest, most disadvantaged area of the country, small-holding farmers, and disadvantaged youth with exceptional scholastic ability.

The selection process varies with the targeted group, and type of training. For short-term programs, PVO organizations, the Peace Corps, some sections of the GOB, and business community organizations assist with the identification and pre-selection of scholarship candidates. Academic scholarships are, for the most part, openly competed, with local organizations assisting in the dissemination of information about opportunities.

The short-term training programs have, to date, been especially tailored for the Belizean CAPS scholars. This trend will continue, unless package courses are offered which fully meet the needs of the various sector groups, and which fall within cost containment guidelines. One long-term academic program, for eleven scholars, was competed among U.S. educational institutions. The other academic scholars have been placed through S&T/IT.

B. SPECIAL ANALYSES

(a) NEW PROJECT DESCRIPTION

(1) Basic Data

Country: Belize  
Objective: No. 1 - Increase Agricultural Production  
Project: 505-0006, Livestock Development (BLDP), Amendment  
Appropriation Account and Category: (DA)  
Functional Account: ARDN, Section 103  
LOP Funding: \$3,000,000 Grant  
Descriptors: 000, Aa

Project Paper Amendment: Delegation to authorize in the field is requested. Date scheduled to be reviewed in field - August 15, 1987

(2) Description

The purpose of BLDP Amendment is to (a) increase the production of beef and dairy cattle, and swine through the utilization of efficient production systems, and (b) increase the volume, variety and market outlets of locally processed meat products that can be substituted for imports.

(3) Potential Policy Issues

-- A restructuring of the agricultural credit system will be needed. At present there is little or no production credit available to producers that use the crop or animal as collateral. Lending institutions usually demand land as collateral and are not willing to lend to agricultural projects as they tend to consider them "high risk."

-- Currently tariffs on animal feeds into Belize promote the importation of protein concentrate and discourage the importation of soybeans for feed. To develop a complete feeding system, Belize must be able to crush soybeans for feed itself. The Commercialization of Alternative Crops Project, 505-0008, will develop domestic feed crops, including soybeans. However, until the domestic supply is large enough to support a crushing facility, soybeans will need to be imported. This is a short-term option, as the long-term result will be self-sufficiency in animal feeds.

-- The overall focus of the GOB must reflect official statements that agriculture is the primary sector. USAID must continue its discussions with the GOB so that budgetary, and tariff and tax issues reflect their stated emphasis on agriculture development. This should also include the continuing development of well-planned GOB encouragement to agricultural producers.

#### (4) Narrative

##### Components

There are five major components of the BLDP Amendment. These are (1) an improved, integrated feeding system for dairy and beef cattle, and swine, (2) a swine improvement program, (3) short-term TA to meat processors, (4) short-term TA to the MOA Economic and Policy Analysis Unit, and (5) a Livestock Production Credit Program. It is contemplated that a PVO will implement this project. The use of a PVO was selected due to the nature of the grassroots development work needed for swine production in the Toledo District. It is felt that this would be better supplied by a PVO than by a for-profit company. In addition, funds may be made available to support the screwworm eradication programs in Belize.

##### Relationship to AID Policies and Strategies

The BLDP Amendment builds on the results of the original project which responded to the NBCCA goal of laying the basis for long-term growth. The Livestock Amendment will continue to work in these areas.

##### Major Problem to be Addressed

Belize imports a large quantity of its food stuffs, including meat and meat products. The Belizean consumer is accustomed to these products, and demands their high quality. The BLDP Amendment will continue the work of the original project to provide high quality domestic meat and meat products.

Another development problem which this project will address is the replacement of export earnings lost in recent years from the collapse of sugar. The development of an integrated feeding system for beef cattle will improve quality, reduce costs and increase the national herd. This will allow Belize to more fully take advantage of the Caricom beef market.

##### Outputs

Project outputs include:

- Design and implementation of an integrated feeding system for Belizean swine, beef and dairy cattle producers, including 10 on-farm demonstrations, and system adopted by 30 farmers.
- 50 producers in Toledo adopting improved swine production program.
- Continued progress in meat processing.
- Continued economic and policy analysis strengthening.
- Design and implementation of Livestock Production Credit Program.

Grant funding of \$3M is proposed as the project will be mainly TA. If in the course of amendment preparation commodity procurement becomes more significant, part of the \$3M will be loan-funded.

Contribution to Objective 1

The project will increase agricultural production by boosting production of beef and pork products to beyond 1,600 MT and 500 MT, respectively, after 1989.

Documentation Schedule

- Begin preparation of Amendment June 1, 1987
- Mission DAEC of Amendment August 15, 1987
- Mission Authorization of Amendment September 15, 1987
- Obligation of Grant Agreement October 15, 1987

(b) NEW PROJECT DESCRIPTION

(1) Basic Data

Country: Belize

Objective: 7 - Expand and Improve the Infrastructure

Project: No. 505-0007, Rural Access Roads and Bridges, Amendment

Appropriation Account and Category: DA

Functional Account (Sec. 103.6): ARDN

LOP Funding (Loan and/or Grant): US\$1,000,000 G  
US\$3,000,000 L

Descriptors: Purpose - 800  
Priority Areas - Aa

Project Paper Amendment: Delegation to authorize in the field is requested.  
DAEC review in Mission November 15, 1987

(2) Brief Description

The Rural Access Roads and Bridges Project Amendment will continue to address a major infrastructural constraint facing the sustainable growth of Belize's all important Agricultural Sector by improving and maintaining rural access roads to all weather standards. The project purpose is to increase the capability of the GOB to build, maintain, and protect its rural access road inventory through equipment procurement, training, and technical assistance.

(3) Potential Policy Issues

-- MOW active support at all levels.

-- GOB financial support for bridge substructure construction costs.

Narrative

Major components, activities, and implementing organizations

Components will include road rehabilitation, bridge installation, district level based maintenance, and overall management and programming. Funding will involve technical assistance -- \$500,000; equipment -- \$3,000,000; training and other -- \$500,000. Building on the experience of the original project, the training, technical assistance, and equipment procurement will focus on entrenching management systems and procedures and provide the requisite needs, e.g., equipment, to properly implement coordinated work plans developed under the initial program. Additionally, the project will address other constraints such as the lack of a

ready and cost effective supply of suitable road material. This will involve locating strategically placed and appropriate quarry facilities. Furthermore, personnel and other project resources will shift from the present primary orientation of road upgrading to a direction which provides for the activities described above.

#### Relationship to A.I.D. Policies and Strategies

The project represents USAID's major effort in expanding and improving the infrastructure in Belize as part of the NBCCA goal of laying the basis for long-term growth. The Amendment will continue to address the major infrastructural constraints facing the development of Belize's agriculture sector by improving and maintaining rural access roads to all-weather standards. The beneficiaries will be the farmers who will have all-weather access to markets, agricultural inputs, and social services. The successful implementation of this project and its amendment will not only help in achieving its own benchmarks relating to rehabilitation of rural access roads and bridges and improving the Ministry of Works capacity to maintain this infrastructure, but will enable the achievement of targets under other projects which will fulfill the increased agricultural production and exports objective.

#### Major Development Problem Being Addressed

If Belizean farmers are to adopt more intensive modern farming methods and produce for the market and not for subsistence alone, slash-and-burn (milpa) farming must be discouraged and investment in land improvement must be promoted. This has already happened in several areas of the country, and the main cause has been the construction of high-quality all-weather roads. A good all-weather road provides a number of incentives for farmers to settle down and intensify farming efforts; most important are access to markets for produce, improved education, health services, and technical inputs. Rises in land values along good roads also promote stability of settlement and land improvement. Where GOB has built major highways and adequate all-weather feeder roads, population has increased and cash crop production has risen markedly during the last ten years (as in Cayo, Orange Walk, and Corozal districts). Where roads remain inadequate, and passable only during the dry season, population remains dispersed and at subsistence level. The Belizean agricultural population is very small and thinly scattered. The high cost of providing services to scattered rural settlements has been prohibitive. From a long-term land use planning perspective, the Government should pursue a policy which encourages more intensive use of areas already settled, rather than opening up new marginal lands to slash-and-burn agriculture. The improvement of the existing rural road system (898 miles total) will be a crucial step in this development.

#### Expected Project Outputs (Inclusive of Amendment Outputs)

- Rehabilitation of 40% of the MOW Rural Access Roads inventory (509 Km.).
- Construction of 55 all-weather crossings.
- Rehabilitated roads maintained to all weather standards.
- Effective program for rural road maintenance in place and utilized.

Contribution to Objective 7

The Rural Access Roads and Bridges Project will continue to develop roads which improve producer access to inputs and markets, and thereby facilitate development by increasing production.

Documentation Schedule

--Begin preparation of Amendment: October 1, 1987



--Obligation of Loan and Grant Agreements: January 15, 1988

(c) NEW PROJECT DESCRIPTION

(1) Basic Data

Country: Belize

Objective: Promote Exports

Project: No. 505-0038, Fisheries Development

Appropriation Account and Category: DA

Functional Account: ARDN, Section 103

LOP Grant-Loan: \$3,000,000 Grant  
\$2,000,000 Loan

Descriptors: Purpose - 000 Priority Areas - Aa

PID reviewed in Washington: July 1988

(2) Brief Description

The project purpose is to improve the productivity of small fishermen by more efficient management of Fisheries Resources.

(3) Potential Policy Issues

A potential policy issue with the fishermen and the GOB will be the development of a specific plan that limits areas of fishing harvest, enforces size limitations, etc.

(4) Narrative

Major Components

Major components include: (1) promote the rational development of fisheries resource through a program of effective resource management, (2) assist small fishermen with improved technology that is environmentally compatible, (3) strengthen the GOB delivery of technical assistance to cooperatives and mariculture fishery activities, and, (4) refinement and expansion of an effective program that provides small fishermen with the knowledge to husband and manage fishery resources on a renewable basis.

The major implementing organizations will be the fishing cooperatives which are active in the fishery sector and the Ministry of Agriculture Fisheries Unit responsible for the management and protection of Fisheries Resources. The project will focus on small fishermen in order to develop a rational resource management system at the harvest level.

Technical assistance and training will be provided to fishermen to improve methods of fishing and management of the resource. Loan funds will be made available to

finance equipment to expand the small fishermen area of harvest. The Fisheries Unit lacks specialized skills to assist small fishermen in cooperative fishing and mariculture activities. A program to manage this renewable resource is also needed if the fisheries sector is to remain a viable and renewable resource.

#### Relationship to A.I.D. Policies and Strategies

This project will promote the rational use and management of a valuable renewable resource. Fish and other marketable seafood such as shrimp, spiny lobster and conch constitute a resource that Belize can develop and manage with a comparative advantage over other countries. The barrier reef and associated patch and fringing reef systems support an abundance of marine life. Lobster is one of the most desirable commodities from the sea and a significant export product. Conch, fish fillet and whole fish are also exported in substantial quantities.

The project promotes the sustainable management of the fisheries resource at the small fishermen level. The project represents USAID's effort in diversifying and expanding growth in the agriculture sector. Improving and expanding fisheries at the small fishermen level will increase rural employment and foreign exchange earnings and supports the NBCCA goal of laying the basis for long-term growth. The project will promote A.I.D.'s and the GOB's diversification efforts from reliance on sugar exports to a high demand and valuable export product, seafood. The project will also focus on the conservation and protection of a renewable resource. Through the implementation of prudent management practices and the training of small fishermen in appropriate harvesting methods, a valuable resource will be protected and maintained while gaining reasonable economic returns. This will promote the preservation of biological diversity while sustaining rational economic development.

#### Major Development Problems Being Addressed

Belizean fishermen must adopt a more pragmatic approach to the harvesting and management of marketable marine resources. Indiscriminate harvesting of species in shallow waters within the barrier reef must be altered to a well managed rational and prudent harvesting program.

#### Outputs

Expected outputs include an increase in the production of fish and fish products for export from Belize by 20 percent and an environmentally sound fisheries harvest program that will allow Belize to maintain a renewable resource base export market of fish products of approximately 650 metric tons on an annualized basis.

#### Contribution to Objective 5

Based on export value, the fisheries industry ranks second after sugar as an earner of foreign exchange. The project will provide support for decreasing sugar earnings dependency and increasing foreign exchange earnings for the Fisheries Sector.

Documentation Schedule

--PID preparation: April 1988

--PID DAEC in AID/W: July 15, 1988

--Project Paper preparation: September/October 1988

--DAEC review in AID/W: November 15, 1988

--Authorization: December 15, 1988

--Obligation of Loan and Grant Agreements: January 15, 1989

(d) NEW PROJECT DESCRIPTION

(1) Basic Data

Country: Belize

Objective: 10 - Reduce Infant and Child Mortality

Project: Child Survival PVO Support, 505-0037

Appropriation Account and Category: DA  
Functional Account: CSF  
LOP (Grant): \$2,000,000 Grant

Descriptors: 500 Cc and 400 Ee

PID: Delegation to authorize the project in the field is requested.  
To be reviewed in field by February 15, 1988.

(2) Brief Description

This project is intended to combine four separate PVO Child Survival related projects currently managed by the Mission into one administrative unit. The four on-going projects will then become subprojects under the umbrella of one PVO charged with overall management. The purpose of the project will be to strengthen and extend child survival programs in Belize through GOB and private sector initiatives. Emphasis will be on ORT, immunization, child spacing, child nutrition and maternal health care.

(3) Potential Policy Issues: None

(4) Narrative

The Child Survival PVO Support Project is intended to reduce the management burden on USAID/Belize while continuing to support four small child survival related PVO projects contributing to infant and child health in Belize. The four existing projects which we propose to combine into one administrative unit are: Child Survival Technical Support (Project HOPE OPG) 505-0017, Breast is Best League (OPG) 505-0029, Maternal and Child Health (CARE OPG) 505-0032, and Family Life Education (IPPF/WHR OPG) 505-0031. The project will be implemented through a cooperative agreement with a PVO which will manage subgrants to each of the programs.

Major components/outputs

- Expand the ORT program through education to mothers and improvements in the ORT distribution system.
- Increase national immunization coverage to 90% through improved targeting of harder to reach groups.
- Continue to promote breast-feeding and good weaning practices.

- Inform the public re child-spacing as a health intervention and increase access to counseling and support contraceptive services.
- Strengthen pre- and post-natal maternal health services especially for high risk mothers.

Relationship to AID Policies and Strategies

The project constitutes a major effort to attack the causes of infant and child mortality. Currently, immunization programs, diarrheal disease control efforts and other child health initiatives do not reach all areas of the country. The project will dramatically improve this situation.

Contribution to Objective 10

The comprehensive Child Survival Support Project is the major effort in Belize addressing this objective.

Documentation Schedule

- Begin PID preparation: January 15, 1988
- Mission DAEC review of PID: February 15, 1988
- Begin Project Paper preparation: March 1, 1988
- Mission DAEC review: April 1, 1988
- Project authorized: April 15, 1988
- Cooperative Agreement signed: April 30, 1988

(e) PROJECT AMENDMENT

(1) Basic Data

Country: Belize  
Objective: 12 - Improve Educational Opportunities  
Project: 505-0026, Guidance and Placement Center

Appropriation Account and Category: DA  
Functional Account: EH  
LOP: Additional \$100,000; Total LOP: \$180,000

Descriptors: 600, DA

Project Amendment reviewed in field: February 1988  
Project Agreement Amendment signed: March 1988

(2) Brief Description

The PACD for the Guidance and Placement Center, currently implemented through the Council for Voluntary Social Services (CVSS) is December 31, 1987. The Mission proposes to redesign the project and extend it for three and a half years. Current project activities will be expanded so as to address not only the need for a placement service and a reduction in youth unemployment, but also to provide a comprehensive counselling program and to facilitate training for young people who lack specific skills and are unable to participate in programs offered by the formal education sector.

Potential Policy Issues: None

Narrative

Project activities under the Guidance and Placement Center Project, currently implemented through the Council for Voluntary Social Services (CVSS), have focussed on the registration and placement of unemployed youth. This emphasis responds to the primary objective of providing a job placement service for young adults. Since it began operations in May 1985, the Center has registered over 1,000 young job seekers, far exceeding the target of 500 clients by 1987. The registration process includes some screening and career counselling as well as attendance at one training session regarding job market entry skills. Approximately 120 placements have been arranged by the Center, thus directly effecting a decrease in youth unemployment, one of the objectively verifiable indicators in the present project design.

Other objectives of the project, however, have not been sufficiently addressed, due mainly to time constraints on the part of the two professional staff persons. These include a broader program of career counselling involving outreach to schools and a training/retraining program to provide youth with specific skills needed to enter the job market. In addition, an expanded program of outreach to employers is needed in order to place a higher percentage of the registrants in available jobs.

As a result of an assessment conducted in June 1986 and subsequent discussions, the Center's activities have been modified so as to focus more on employer outreach. Other modifications to be put into effect in April 1987 include increasing the professional staff to three persons, developing job skills training programs for groups of young people identified as trainable, arranging for the training to be done through the Belize Institute of Management or other training institutions, and developing an integrated, comprehensive career counselling program in conjunction with the formal and nonformal educational institutions.

These programmatic changes will be evaluated at the end of the year and those that are shown to be effective will be incorporated in the amendment to the project. In addition, the evaluation will determine whether CVSS is the best agency to implement the project.

Although the Center's financial sustainability was not a stated objective of the original project, the Mission is concerned about the fact that the Center's revenue from fees is low compared to its operating costs. A consultant will study this aspect in the near future and his recommendations will be incorporated into the amendment.

The PACD for the Guidance and Placement Project is December 31, 1987. It is anticipated that there will be enough undisbursed project funds to redesign and extend the project for four months past that date. Thereafter, \$20,000 will be needed for the rest of FY 88 and \$80,000 for FY 89 through FY 91.

This project will support the objective of improving educational opportunities by providing students enrolled in schools with counselling so that they may make realistic career choices and by providing young adults who may have left the formal school system with counselling and training opportunities. In addition, this project supports and complements the Mission's private sector activities and the Training for Employment and Productivity Project because the Guidance and Placement Center serves as the interface between training the workforce and getting the workforce into the workplace.

#### Documentation Schedule

- Project evaluated January 1988
- Project amendment developed February 1988
- Grant Amendment signed March 1988
- Amended project mid-term evaluation June 1989

2. PL 480

Section 416 Sugar Quota Offset Program

The first Section 416 Sugar Quota Offset Program for 1986 was signed on February 18, 1987 for US\$1.5 million. The total amount has been applied against wheat to be used in the production of flour and flour products. This wheat is being sold to Belize Mills Ltd. under a monetization plan and the proceeds will be used for agricultural diversification projects focused on the sugar producing areas of the country. The primary targeted beneficiaries will be the sugar farmers. Specific projects will be developed in consultation with the Government of Belize, the Sugar Cane Producers Association and USAID. General areas under discussion, which are still subject to negotiation are (1) improvement of infrastructure, particularly all-weather bridge crossings; (2) creation of a loan revolving fund to finance required agriculture equipment in support of ongoing crop diversification program; (3) packing and cooling facilities needed to market export non-traditional crops; and, (4) financing local support costs under a USDA Regional Screwworm Eradication Project.

Belize has received under the 1987 - 416 Sugar Quota Offset Program an equivalent of \$2.9 million. USAID is currently negotiating an agreement for the 1987 program.

USAID/Belize does not have any other program activities under PL 480 sponsorship other than the sugar quota offset program.

### 3. LOCAL CURRENCY

Local currencies in Belize are generated from two sources: the ESF cash transfer program which has been in place since FY 84 and the P.L. 480 (Section 416) which started only in February 1987. Under the ESF Program, most of the local currency funds are programmed to support the GOB's Capital II budget, i.e., as counterpart to AID projects and those of other international donors and for local capital expenditures of domestic projects. Some 8% of the local currency counterpart is used to defray the the local currency operating costs of the AID Mission. In the FY 86 ESF PAAD amendment providing an additional \$1.5 million loan for cash transfer, local currencies amounting to \$230,000 have been set aside to support development activities of the private sector. For FY 88, ESF local currencies will be mainly focused to support private sector productive investments.

Like the ESF Program, the local currencies to be generated under the PL 480 Program will be mainly used to support the GOB's development budget, with 8% going to support the Mission's Trust Fund. However, since a major reason for the PL 480 program in Belize is to partly offset the country's loss of foreign exchange as a result of the reduction in the U.S. sugar quota, the priority for the use of these local currencies are development projects/program activities focussing on sugar producing regions to benefit the sugarcane farmers. Where feasible, higher priority will be given to funding projects which enhance diversification from sugar production. For the PL 480 program in FY 1988, the same programming procedures will be followed.

The objectives of the Mission's local currency programming in FY 88 and FY 89 are two-fold. The first is to guarantee that the GOB is able to continue capital spending for productive development projects. The conditional use of the local currency funds for the Capital II budget will ensure that a reasonable balance is made between the GOB's current consumption and investment demands so that future growth is not jeopardized by present consumption. While we are encouraging the GOB to maintain the level of public sector savings to at least 5% of GDP to enable it to increasingly finance most of its capital investment, the GOB will still require a considerable amount of external support to address the country's present inadequacy of economic and social infrastructure (i.e., rural roads, an efficient electricity system, water sewerage, hospitals, etc.). The PL 480 program local currency support to the GOB's Capital II budget will ensure that some of these needed capital investments such as rural roads rehabilitation and construction are not impeded. The emphasis, however, will be to support development activities in the sugar-producing areas to alleviate the adverse impact of further U.S. sugar quota reductions for Belize over the next two years.

The other aspect of our local currency program is to assist the private sector, including private and voluntary organizations, in implementing productive investment activities. In this regard, local currencies to be generated from ESF cash transfers will be mostly utilized to provide assistance to selected private non-banking institutions for on-lending purposes, and to non-income generating PVOs as grants to support their respective investment/development activities in Belize. This private sector oriented use of ESF local currencies has already started with the FY 86 ESF Amendment and will continue on a more significant scale during FY 1988 and FY 1989 if ESF cash transfers are undertaken during this period.

The Mission is confident that this programming of the local currency is manageable based on the experience of the existing program. The Memorandum of Understanding between the GOB and AID sets forth the arrangements for the use of local currencies, and disbursements require the approval of the AID Representative. The GOB submits to AID reports on the status of local currency expenditures on a quarterly basis. The allocations from the ESF and PL 480 Programs for the Mission's Trust Funds are adequate to cover the Mission's local currency operating expenses.

LOCAL CURRENCY USES  
(\$000 Equivalents)

	SOURCE			FY88 USES					
	FY86	FY87	FY88	AID PROJECTS	GOV'T PROJECTS	GOV'T BUDGET ATTRIBUTION	SUPPORT FOR OTHER DONOR PROJECTS	PRIVATE SECTOR CREDIT	TRUST FUNDS
ESF	9,500	--	1,500	0	0	0	0	1,380	120
P.L. 480									
--Title I									
--Title II									
--Section 416	--	1,500	2,900	1,100	1,565	0	--	0	235
TOTAL	9,500	1,500	4,400	1,100	1,565	0	--	1,380	355

USAID/Belize  
Obligation/Mortgage Table for FY 87, 88, & 89  
Straightlining 87 OYB Levels for 88 & 89

Project & Number	L FY FY		Auth./ Plan	FY 87 OYB	FY 87 Mortgage	Planned FY 88	FY 1988 Mortgage	Planned FY 89	FY 1989 Mortgage
	G	OBL FNL							
<u>Agriculture, Rural Development &amp; Nutrition</u>									
Program Development and Support	-0000	G 83 C		40		100		100	
Livestock Development	-0006	G 83 92	4,350		3,000	500	2,500	500	2,000
Livestock Development	-0006	L 83 84	1,900						
Rural Access Roads & Bridges	-0007	C 83 92	7,150		1,000	500	500	600	500
Rural Access Roads & Bridges	-0007	L 88 92	3,000		3,200	800	2,200	600	1,600
Commercialization of Alternative Crops	-0008	G 85 89	6,800	675	2,300	1,100	1,200	1,200	800
Toledo Agricultural Marketing	-0016	G 86 90	2,500	900	1,600	500	1,100	300	
Accelerated Cocoa Production OPG	-0023	G 84 85	615						
BEST-CASA Program	-0030	G 86 87	385	185					
Macal Dairy Cooperative	-0036	G 86 87	600	300				500	2,500
Fisheries Development	-0038	G 88 93	3,000						2,000
Fisheries Development	-0038	L 88 94	2,000						
Central American Peace Scholarships	-0039	G 87 87	63	63					
Sub-Total			32,363	2,163	10,900	3,500	7,500	3,200	9,400
<u>Population Planning</u>									
Program Development and Support	-0000	G 83 C		20		20		20	
Family Life Education	-0031	G 85 87	98	20					
Central American Peace Scholarships	-0039	G 87 87	24	24					
Sub-Total			122	64		20		20	

1/1988 will be funded out of ESF for FYs 1988 and 1989

Project Number	L FY	FY	IML	FNL	Autr./ Plan	FY 37	FY 37	Planned FY 88	FY 1988 Mortgage	Planned FY 89	FY 1989 Mortgage	
												G
<u>Health</u>												
Program Development and Support												
-0000	G	83	C		50	50	100			50		
Inc. Productivity Through Better Health	G	85	90		7,000	2,000 2/	900	1,350		825	525	
Village Health and Sanitation	G	81	86		700							
Child Survival Technical Support	G	86	86		500							
Maternal and Child Health	G	86	86		250							
Central American Peace Scholarships <sup>1/</sup>	G	87	87		48	48						
Sub-Total					8,548	2,098	1,000	1,350		875	525	
<u>Child Survival Fund</u>												
-0037	G	88	92		2,000		530	1,470		530	940	
Child Survival Support					2,000		530	1,470		530	940	
Sub-Total												
<u>Education and Human Resources</u>												
Program Development and Support												
-0000	G	83	C		-	60	70			100		
Training for Employment	G	85	89		5,220	1,000	450	1,270		1,270		
Drug Awareness Program	G	85	89		1,000	400	-	250		250		
Pilot Guidance and Placement Service	G	84	89		180	-	30	70		70		
Central American Peace Scholarships <sup>1/</sup>	G	87	87		411	411						
Sub-Total					6,811	1,871	550	1,590		1,690		

<sup>1/</sup> CAPS will be funded out of ESF in FYs 88 and 89.  
<sup>2/</sup> Includes 725 from Child Survival Fund account in FY 87.

Project Number	L FY FY	G OBL OBL	INL ENL	Auth./ Plan	FY 87 OYB	FY 87 Mortgage	Planned FY 88	FY 1988 Mortgage	Planned FY 89	FY 1989 Mortgage
<u>Selected Development Activities</u>										
-0000	G	83	C	-	145		160		185	
-0010	G	84	C	-	55		20			
-0011	G	83	88	342	100	70	70			
-0019	G	87	90	1,100	1,100					
-0019	L	87	90	3,000	3,000		750	2,250	1,100	1,150
-0027	G	85	88	2,500	2,500		1,000	2,250	1,285	1,150
				6,942	1,400	4,070	2,000	2,250	1,285	1,150
				56,786	7,596	19,290	7,600	14,160	7,600	12,015

Economic Support Fund

-0012	G	85	87	3,329	1,915					
-0012	L	85	86	14,500						
-0013	G	88	89	300			150	150	150	
-0013	L	88	89	3,000			1,500	1,500	1,500	
-0039	G	87	90	4,200	254	1,987	600	1,387	600	787
					85					
				25,329	2,254	1,987	2,250	3,037	2,250	787
				86,515	11,350	24,177	12,750	17,197	9,850	12,802
				56,786	7,596	19,290	7,600	14,160	7,600	12,015
				25,329	2,254	1,987	2,250	3,037	2,250	787
		87	88	4,400	1,500	2,900	2,900	N/A	N/A	N/A

1/ CAPS will be funded out of ESF in FYs 88 and 89.  
Cumulative Obligation from various accounts totals 2,213 at end of FY 87 (1,413 in 86 and 800 in 87).

SUMMARY PROGRAM FUNDING TABLE  
 Dollar Program by Functional Account  
 (\$000)

<u>Project Title and No.</u>	<u>FY87</u>	<u>FY88</u>	<u>FY89</u>
<u>ARDN</u>			
Subtotal	2,163	3,500	3,200
(Loan)	--	(800)	(600)
(Grant)	(2,163)	(2,700)	(2,600)
<u>Population</u>			
Subtotal	64	20	20
(Loan)	--	--	--
(Grant)	(64)	(20)	(20)
<u>Health</u>			
Subtotal	1,373	1,000	875
(Loan)	--	--	--
(Grant)	(1,373)	(1,000)	(875)
<u>Child Survival</u>			
Subtotal	725	530	530
(Loan)	--	--	--
(Grant)	(725)	(530)	(530)
<u>Education</u>			
Subtotal	1,871	550	1,690
(Loan)	--	--	--
(Grant)	(1,871)	(550)	(1,690)
<u>Selected Development Activities</u>			
Subtotal	1,400	2,000	1,285
(Loan)	--	(750)	(1,100)
(Grant)	(1,400)	(1,250)	( 185)
*Total DA	<u>7,596</u>	<u>7,600</u>	<u>7,600</u>
(Loan)	--	1,550	1,700
(Grant)	7,596	6,050	5,900
<u>Economic Support Fund</u>			
Subtotal	1,915	2,250	2,250
(Loan)	--	(1,500)	(1,500)
(Grant)	(1,915)	(750)	(750)
<u>P.L. 480 Section 416</u>	1,500	2,900	N/A
PROGRAM TOTAL	<u>11,011</u>	<u>12,750</u>	<u>9,850</u>

MORTGAGE AND PIPELINE ANALYSIS  
(\$000)

Country: Belize  
Objective: 1 - Increase Agricultural Production

	(1)	(2)	(3)	(2) - (3) = (4)	(1) - (2) = (5)
FY	LOP	CUMULATIVE OBLIGATIONS	CUMULATIVE ACCRUED EXPEND.	PIPELINE EOY	MORTGAGE EOY
<u>Project: 505-0006 - Livestock Development</u>					
86	3,250	3,250	2,311	939	
87	3,250	3,250	3,181	69	
88	6,250	3,750	3,681	61	2,500
89	6,250	4,250	4,181	69	2,000
<u>Project: 505-0030 - BEST</u>					
86	385	200	115	85	185
87	385	385	265	120	
88	385	385	385		
89					
<u>Project: 505-0036 - Macal Dairy Cooperative</u>					
86	300	300		300	
87	600	600	200	400	
88		600	300	300	
89		600	600		

MORTGAGE AND PIPELINE ANALYSIS  
(\$000)

Country: Belize  
Objective: 2 - Strengthen the Private Sector

	(1)	(2)	(3)	(2) - (3) = (4)	(1) - (2) = (5)
FY	LOP	CUMULATIVE OBLIGATIONS	CUMULATIVE ACCRUED EXPEND.	PIPELINE EOY	MORTGAGE EOY

Project: 505-0011 - National Development Foundation

86	342	172	142	30	170
87	342	272	242	30	70
88	342	342	342		
89	--				

Project: 505-0019 - Export Investment Credit

86	--				
87	4,100	1,100	200	900	3,000
88	4,100	1,850	1,200	650	2,250
89	4,100	3,050	2,500	550	1,050

MORTGAGE AND PIPELINE ANALYSIS  
(\$000)

Country: Belize  
Objective: 3 - Stabilize Financial Structures

	(1)	(2)	(3)	(2) - (3) = (4)	(1) - (2) = (5)
FY	LOP	CUMULATIVE OBLIGATIONS	CUMULATIVE ACCRUED EXPEND.	PIPELINE EOY	MORTGAGE EOY
Project: <u>505-0012 - Counterpart Fund II</u>					
86	15,914	15,914	10,296	5,618	
87	17,079	17,079	15,000	2,079	
88	17,079	17,079	16,000	1,079	
89	17,079	17,079	17,079		
Project: <u>505-0013 - Counterpart Fund III</u>					
86	--				
87	--				
88	1,650	1,650	1,650		
89	3,300	3,300	3,300		

MORTGAGE AND PIPELINE ANALYSIS  
(\$000)

Country: Belize  
Objective: 5 - Promote Exports

(1)	(2)	(3)	(2) - (3) = (4)	(1) - (2) = (5)
FY	LOP	CUMULATIVE OBLIGATIONS	CUMULATIVE ACCRUED EXPEND. PIPELINE EOY	MORTGAGE EOY
<u>Project: 505-0008 - Commercialization of Alternative Crops</u>				
86	6,800	3,825	437	3,388
87	6,800	4,500	2,137	2,363
88	6,800	5,600	4,468	1,132
89	6,800	6,800	6,800	1,200
<u>Project: 505-0016 - Toledo Agricultural Marketing</u>				
86	--			
87	2,500	900	800	400
88	2,500	1,400	1,000	400
89	2,500	1,700	1,500	200
<u>Project: 505-0023 - Accelerated Cocoa Production</u>				
86	615	615	282	333
87	615	615	615	
88	615	615	615	
89	--			
<u>Project: 505-0027 - Export and Investment Promotion</u>				
86	2,500	1,500		1,000
87	3,000*	2,000	800	1,200
88	3,000	3,000	1,500	1,500
89	3,000	3,000	2,200	800

\* Includes \$500 from ESF

MORTGAGE AND PIPELINE ANALYSIS  
(\$000)

Country: Belize  
Objective: 7 - Expand and Improve the Infrastructure

	(1)	(2)	(3)	(2) - (3) = (4)	(1) - (2) = (5)
FY	LOP	CUMULATIVE OBLIGATIONS	CUMULATIVE ACCRUED EXPEND.	PIPELINE EOY	MORTGAGE EOY
Project: 505-0007 - Rural Access Roads and Bridges					
86	6,150	6,150	5,538	612	
87	6,150	6,150	6,150		
88	10,150	7,450	6,950	500	2,700
89	10,150	8,050	7,750	300	2,100

MORTGAGE AND PIPELINE ANALYSIS  
(\$000)

Country: Belize  
Objective: 8 - Increase Access to Voluntary Family Planning Services

	(1)	(2)	(3)	(2) - (3) = (4)	(1) - (2) = (5)
FY	LOP	CUMULATIVE OBLIGATIONS	CUMULATIVE ACCRUED EXPEND.	PIPELINE EOY	MORTGAGE EOY
Project: 505-0031 - Belize Family Life Education					
86	78		20	58	
87	98		50	48	
88*	98		98	98	
89					

\* USAID's efforts under this objective will be folded under the Child Survival Support Project, 505-0037.

MORTGAGE AND PIPELINE ANALYSIS  
(\$000)

Country: Belize  
Objective: 9 - Improve Health and Health Services

	(1)	(2)	(3)	(2) - (3) = (4)	(1) - (2) = (5)
FY	LOP	CUMULATIVE OBLIGATIONS	CUMULATIVE ACCRUED EXPEND.	PIPELINE EOY	MORTGAGE EOY
<u>Project: 505-0018 - Increase Productivity Through Better Health</u>					
86	7,000	2,750	1,642	1,108	4,250
87	7,000	4,750	3,642	1,108	2,250
88	7,000	5,650	4,642	1,008	1,350
89	7,000	6,475	5,650	825	525
<u>Project: 505-0024 - Village Water and Sanitation</u>					
86	700	700	129	571	
87	700	700	629	71	
88	700	700	700		

MORTGAGE AND PIPELINE ANALYSIS  
(\$000)

Country: Belize  
Objective: 10 - Reduce Infant and Child Mortality

	(1)	(2)	(3)	(2) - (3) = (4)	(1) - (2) = (5)
FY	LOP	CUMULATIVE OBLIGATIONS	CUMULATIVE ACCRUED EXPEND.	PIPELINE EOY	MORTGAGE EOY

Project: 505-0017 - Child Survival Technical Support\*

86		500	89	411	
87		500	364	136	
88		500	500		
89		--			

Project: 505-0029 - Breast is Best League\*

86		62	25	37	
87		62	35	27	
88		62	62		
89		--			

\* To be consolidated under Child Survival Support Project 505-0027 beginning FY 88.

MORTGAGE AND PIPELINE ANALYSIS  
(\$000)

Country: Belize  
Objective: 10 - Reduce Infant and Child Mortality, Continued

	(1)	(2)	(3)	(2) - (3) = (4)	(1) - (2) = (5)
FY	LOP	CUMULATIVE OBLIGATIONS	CUMULATIVE ACCRUED EXPEND.	PIPELINE EOY	MORTGAGE EOY
Project: 505-0032 - Maternal and Child Health*					
86		250	101		
87		250	201		
88		250	250		
89		--			
Project: 505-0037 - Child Survival Support					
86		--			
87		--			
88	2,000	530	200	330	1,470
89	2,000	1,060	700	360	940

\* To be consolidated under Child Survival Support Project 505-0027 beginning FY 88.

MORTGAGE AND PIPELINE ANALYSIS  
(\$000)

Country: Belize  
Objective: 12 - Improve Educational Opportunities

	(1)	(2)	(3)	(2) - (3) = (4)	(1) - (2) = (5)
FY	LOP	CUMULATIVE OBLIGATIONS	CUMULATIVE ACCRUED EXPEND.	PIPELINE EOY	MORTGAGE EOY

Project: 505-0020 - Training for Employment and Productivity

86	5,000	2,500	185	2,315	2,500
87	5,000	3,500	1,500	2,000	1,500
88	5,220	3,950	2,805	1,145	1,270
89	5,220	5,220	4,105	1,115	

Project: 505-0026 - CVSS Guidance and Placement Center

86	80	80	37	43	
87	80	80	78	2	
88	180	110	98	2	70
89	180	180	138	42	

MORTGAGE AND PIPELINE ANALYSIS  
(\$000)

Country: Belize  
Objective: 13 - Increase Number and Improve Effectiveness of Participant Training

	(1)	(2)	(3)	(2) - (3) = (4)	(1) - (2) = (5)
FY	LOP	CUMULATIVE OBLIGATIONS	CUMULATIVE ACCRUED EXPEND.	PIPELINE EOY	MORTGAGE EOY
Project: 505-0039 - Central American Peace Scholarships					
86	1,413	1,413	203	1,210	
87	4,200	2,213*	479	1,734	1,987
88	4,200	2,813	1,190	1,623	1,387
89	4,200	3,413	2,000	1,413	787

\* Includes obligations from ARDN, POP, HE, EHRD and ESF. Beginning FY88 all funds will be from ESF.

## 6. Women in Development

In a small country like Belize, all human resources need to be utilized to the fullest to realize the country's potential. Women's vital role in developing Belize has yet to be recognized by society at large or by the women themselves.

Belize is a multi-ethnic country with great diversity in family relations, culture and economic conditions. Because of this diversity, it is difficult to generalize regarding the situation of Belizean women. A few statistics concerning national averages are available, but these are not necessarily applicable to each ethnic group or District. In 1983, 27.3 % of households were headed by females. 75.5% women are employed outside of the home; of these only 56% were working full time, many are underemployed. The majority of employed women work in the Government Service (29%) or in the commercial sector as typists, clerks, salespersons, cleaners, etc. In professional and technical jobs, female employment was around 23% of the female work force, especially teachers and nurses. Females enroll in slightly greater number than males up to the secondary school level; however, fewer women go on to university for higher qualifications. Currently there are no women Ministers in Government, although the Governor General (titular head of state), and two Permanent Secretaries are female.

In terms of health status, Belizean women are somewhat better off than their neighbors. Life expectancy is 71.2 years and the official maternal mortality rate is quite low (.5 per 1000 live births). The fertility rate is high (4.5 births per woman in 1985) and teenage pregnancies account for nearly 21 percent of all live births. In 1985 only 45 % of all births were to married women.

The AID Belize program addresses the objective of increasing women's economic participation through integration within AID projects rather than designing specific women's projects or components. In addition to the traditional focus on women as beneficiaries of health projects, we have attempted to ensure that women benefit from agriculture and private sector initiatives. The Livestock Development Project has provided training for female meat processors (one third of the participants were women) and approximately 5% of the producers supplying the newly formed Macal Dairy Cooperative are women. The Commercialization of Alternative Crops project has great potential to involve females not only in vegetable and fruit production, but also by providing small scale food processing opportunities. This project focusses on two Districts where sugar cane has dominated the agricultural scene and the workers have almost all been male, therefore, diversifying the crops makes it possible to involve women in agriculture in this region. In fact, females are already involved in the initial field trials for export crops. This project plans to track the effect of activities on women's participation and the economic and social outcomes. The Rural Roads and Bridges Project selected its targeted roads and areas according to socio-economic criteria which included increasing access to health and social services for rural families.

Women are direct beneficiaries of the National Development Foundation Project. Nearly one third of NDF/B clients are women microentrepreneurs. The ratio is expected to rise as NDF/B plans to more actively canvas groups who work directly with women microentrepreneurs or assist women to become microentrepreneurs. The Chairperson of the NDF/B is a woman, and one-third of the staff are women.

AID Belize is proud of the fact that in 1986 56% of the CAPS scholars were female. We intend to continue urging women to apply and ensuring that influential as well as economically disadvantaged women are included.

The newly formed Belize Family Life Association (BFLA) provides education, counselling and family planning services to men and women, especially youth, to enable women to space their children in a healthy manner. This is a small but significant effort since it is the first organized program in Belize to offer women information about their reproductive health and to provide contraceptives in a supervised setting. In addition, BFLA is addressing issues regarding parenting, family responsibilities and teenage pregnancies. BFLA has collaborated with the Belize Organization for Women to carry out a Women's Health Fair, the first event of its kind in Belize.

The Training for Employment and Productivity Project incorporates several strategies for involving women in export and tourism related enterprises. Within the collaborating training institutions, women are being recruited as trainers. The MOE's newly formed Vocational Education Division has enunciated a policy of enrolling girls in traditionally male trade tracts and of developing programs which will prepare females for changing needs in the work force, i.e. hospitality and computer related courses.

Our plans for the Action Plan period include institutionalizing our attention to gender issues within the Mission's project design and review process as well as in implementation. We intend to have the WID Officer participate in the bi-monthly portfolio reviews for all sectors in order to better monitor the effects implementation is having on women as well as to propose areas for further analysis. The communication already initiated with the newly established GOB Women's Department will be continued. This has involved sharing with the Women's Department information on all AID projects in Belize and discussing ways to ensure a positive impact. We are also attempting to build a data base on women in Belize by combining information from our individual sources. This will assist GOB and donors to better plan and evaluate projects that can effect women's economic participation. The Mission will persevere in its efforts to ensure at least 40% female participants in CAPS. This will be accomplished by advertisements encouraging women to apply and insisting on the targets when nominations are suggested by institutions.

## PART III

### A. Management Strategy

#### 1. Overview

In the FY 1986 CDSS, presented in April 1984, the Mission described its program through FY 1989. The CDSS guidance cable, STATE 192583 (84) concluded that bilateral assistance to Belize would continue for the duration of the Central American Initiative and would be reviewed at the end of that period. The Mission proposes to submit a CDSS in the first quarter of FY 1989, covering the recently proposed Central American Initiative Stretch-out Program (report to Congress, February 1987).

The discussion below describes the Mission's efforts to consolidate its program; the need to establish policies and procedures to improve implementation; and requests AID/W actions concerning delegations to USAID/Belize, clarification of Handbooks 13 and 3, increased access to the Regional Legal and Contracting Officers, and CAPS funding.

#### 2. Portfolio Consolidation

In spite of the newness of the AID program in Belize, Mission portfolio will be consolidated from 24 to 18 projects or management units over the Action Plan period.

Major consolidation will take place in the portfolio managed by the General Development Office. In this portfolio, current projects Family Life Education-0031, Child Survival Technical Support-0017, and Maternal Child Health-0032 will all be folded into the Child Survival Support Project-0032. This Project, to begin in FY 1988, will reduce management of four PVOs to management of only one. In addition, the Village Health and Sanitation OPG will terminate on December 31, 1987. There will be no change in the EHRD account, except that the Pilot Guidance and Placement Service Project-0026 will be linked more to the Training for Employment Project-0020, and thus decrease the management burden. USAID proposes to fund CAPS exclusively out of ESF beginning FY 1988. This will ease program, accounting and project management burdens by reducing funding from five accounts to one. In addition, ESF funding removes the constraint of the counterpart contribution requirement that was inconsistent with targetting economically disadvantaged participants. The bottom line is that the General Development Offices portfolio will be reduced from 10 projects in 1987 to 6 projects in 1988 and 1989.

In agriculture, where Belize has the most development potential, the Agricultural Development Office's management of 8 projects in 1987 will be reduced to 6 in 1989. The Conch Research activity (Office of Science Advisor) and the Accelerated Cocoa Production OPG-0023 will both terminate in 1987. The BEST OPG-0030 will terminate on September 30, 1988. USAID will continue important import substitution and export development efforts with the Livestock Development-0006, Rural Access Roads and Bridges-0007, Commercialization of Alternative Crops-0008, Toledo Agricultural Marketing-0016, and Macal Dairy Cooperative-0036 projects. In FY 1989, USAID will start the important Fisheries Development Project-0038 to develop Belize's proven comparative advantage in high value fish exports.

The Program and Project Development Office (PPDO) will continue to manage the National Development Foundation -0011, Export Investment Credit-0019 and Export and Investment Promotion-0027 projects which constitute the three-pronged private sector strategy in micro-enterprise development, investment promotion, and credit development. USAID does not plan to fund the Special Development Activities fund in FY 1989. The continuing ESF program-0012 and 0013, consists of developing an effective economic planning capacity at the Office of Economic Development and a successful economic stabilization effort. Projects managed by PPDO will be reduced from 6 in 1987 to 5 in 1989.

### 3. Staffing Requirements and Deficiencies Identified by Vulnerability Assessments and Audits

As described above, USAID is consolidating the portfolio over the Action Plan period. The most significant difference between the current and proposed portfolios is the addition of the Fisheries Development Project-0038 in the Agriculture portfolio. However, three agricultural projects which required considerable management time are terminating. With this, the ADO staff will be able to adequately manage the agriculture portfolio.

Consolidation of the General Development Office's portfolio will not reduce staffing requirements, as each person in that office manages at least one major project. The General Development Officer has to manage the Child Survival Project in addition to her supervisory and other responsibilities.

The Program and Project Development Office is hard-pressed to effectively manage three ongoing private sector projects, as well as the economic stabilization program, execute all of the mission's program work, and take the leading role in project development and implementation. Nor is there any possibility of reducing PPDO's portfolio. The ongoing portfolio represents the bare minimum of what AID should be doing in the private sector and economic stabilization.

The question for the entire program in Belize is not one of managing the proposed program, but one of managing the ongoing program. Most of the projects in the portfolio were designed after end of FY 1985 and are moving into critical implementation stages. The vulnerable areas identified in USAID's 1986 Annual Internal Control Certification which could adversely affect implementation are as follows: 1) not all Mission policies and procedures are in writing; 2) the regional contracting officer (RCO) and the regional legal advisor (RLA) are not always available to meet Mission needs; 3) the Mission has not examined the financial management of some indigenous PVOs and, therefore, is unable to determine whether or not adequate financial management procedures are in place; and 4) audit coverage has been inadequate during the last three years.

There is a critical need for issuing a Mission Operations Manual, which would set out roles and responsibilities and include policies and procedures for project development and implementation, contracting and procurement. This is especially true given that the Mission does not have a contracting or legal officer present to give day-to-day advice. Given the portfolio's heavy reliance on U.S. and indigenous PVOs, there is an important need to periodically analyze PVO financial systems and institutional capacity to maintain certification. If these needs could be addressed, the Mission would improve implementation and documentation, and be

less likely to receive unfavorable audit findings. It is appropriate that the Program and Project Development Office take the leading role in addressing these needs and in monitoring implementation and documentation, in general. However, that office concentrates its efforts on program documentation, which is AID/W driven, and on the private sector and economic stabilization efforts, for which it has direct responsibility. A Deputy Project Development Officer is required to improve project development and implementation. A Direct Hire with several years of experience would be appropriate. However, the Mission understands that such an addition is impossible given staffing reductions, and, therefore proposes hiring a former or retired Project Development Officer on a PSC basis.

4. Policy, Procedural, and Administrative Improvements needed to be Taken by AID/W

-Since increasing assistance is being implemented through U.S. and indigenous PVOs, AID/W needs to reconcile Handbook 3 and Handbook 13 guidelines, i.e. the project development and approval process must be re-examined as it applies to HB 13 Grants. Also, apparent inconsistencies between LAC/AA and M/AAA/SER guidance regarding selection of HB 13 grantees must be clarified. (See State 395178 (86) and State 076123 (87)).

-LAC/DR and LAC/GC should re-examine delegations to USAID/Belize in order to make them commensurate with USAID's portfolio. In addition, RIG/A/T auditors have identified a lack of clarity in delegations to USAID. Since some delegations to Belize are different from those to other missions, USAID would appreciate a memorandum from LAC/GC which clearly outlines all delegations to the A.I.D. Representative in Belize.

-The Mission requests delegation to the A.I.D. Representative to authorize the Livestock Development Project (505-0006) Amendment for \$3,000,000, and the Rural Access Roads and Bridges Project Paper Amendment for \$4,000,000. Both Amendments continue ongoing efforts and do not include significant departures from current project activities. The Mission plans to request TDYs of LAC/DR/RD and LAC/DR finance officers to participate in the design and review of both Amendments. The Mission also requests delegation to authorize the new Child Survival Support Project, 505-0037, totalling \$2,000,000. LAC/DR Health and finance officers will be invited to participate in the design and review.

-The RLA and RCO should be located closer to Belize, to make these important services available to USAID/Belize on a more frequent basis. Currently, the RLA and RCO are located in Barbados and Panama, respectively. If these officers were located in El Salvador, Guatemala, or Honduras, they would be more readily available and USAID procurement, contracting and documentation would improve and vulnerability would decrease.

-Funding for the Central American Peace Scholarship Project should be out of ESF. This would simplify accounting, programming and project management procedures, as well as remove the counterpart contribution requirement, which is inconsistent with the objectives of that project.

5. Adequacy of OE budget and Plans for Seeking OE Trust Funds

The FY 88 and 89 OE budgets as presented in this Action Plan are adequate for the proposed program. The addition of a PSC contractor will pose no problem, since

this will be project funded. USAID has had to contend with dwindling ESF local currencies which resulted from the successful stabilization and discontinuation, for the time being, of cash transfers for BOP support. However, USAID has arranged a new source for OE Trust Funds. Eight per cent of Section 416 local currency generations are allocated for USAID's OE Trust Fund. Such amounts are 8% of \$1,500,000 or \$120,000 in 1986 and 8% of \$2,900,000 in 1987. These amounts, when combined with the portion of the OE budget used for local costs, will be adequate to meet Mission needs. It is anticipated that a 1988 PL 480 Section 416 program will generate some additional local currency which should reduce the FY 89 OE budget accordingly.

Staffing Requirements FY 1988/1989

FY 87-88 staffing requirements are presented below. All positions are existing positions.

<u>Position</u>	<u>Classification</u>	<u>Funding</u>
<u>AID Representative Office</u>		
AID Representative	USDH	OE
Executive Assistant	USPSC	OE
<u>Program, Project Development Office</u>		
Project Development Officer	USDH	OE
Deputy Project Development Officer	USPSC	Project
Project Development Specialist/Economist	TCNDH	OE
Program Analyst/Project Manager	USPSC	Project
Private Sector/Banking Advisor	USPSC	Project
Administrative Assistant	USPSC	OE
<u>Agricultural Development Office</u>		
Agricultural Development Officer	USDH	OE
Supervisory Ag. Development Officer	USDH	OE
Agricultural Project Manager	FSNDH	OE
Agricultural Project Manager	FSNPSC	Project
Secretary	FSNPSC	OE
<u>General Development Office</u>		
General Development Officer	USDH	OE
Training Officer	USPSC	OE
Education Project Manager	USPSC	Project
Health Project Manager	TCNPSC	Project
Secretary	FSNPSC	OE
<u>Controller's Office</u>		
Controller	USDH	OE
Financial Analyst	TCNDH	OE
Chief Accountant	TCNDH	OE
Accountant/System Manager	FSNPSC	OE
Voucher Examiner	FSNPSC	OE
Voucher Examiner	FSNPSC	OE
Secretary	FSNPSC	OE
<u>General Services Office</u>		
Administrative Officer	TCNDH	OE
General Services Office Assistant	FSNPSC	OE
Procurement/Travel Officer	USPSC	OE
Property and Supply Clerk	FSNPSC	OE
Secretary	FSNPSC	OE
Receptionist	USPSC	OE

Staffing Requirements FY 1988/1989, Cont'd.

USDH	6
TCNDH/FSNDH	5
USPSC	8
FSNPSC	<u>12</u>
<b>Total</b>	<b>31</b>





Mission Evaluation Plan  
FY 88/89

The Mission Evaluation Plan for FY 88/89 intends to collect information needed to properly design, implement, manage and assess the aggregate effects of AID-assisted activities in Belize. There are thirteen (13) interim and final project evaluations planned in FY 88 and FY 89. Except for one, all these projects started only in FY 85 or early FY 86, and with very limited past AID project experience in the country, the accumulated experiences of specific projects in recent years will require the use of various evaluation mechanisms in order for Mission projects to respond appropriately to the country's realities as well as changing socio-economic conditions.

In addition, it is important to assess the impact the projects are having in terms of supporting the Mission's goals in transforming the economy and enhancing the distribution of growth benefits in Belize. Efforts to improve and develop the economy to achieve and sustain long-term growth are realized through Mission projects supporting the GOB's agricultural diversification and export promotion programs, fostering private sector growth, and expanding the country's productive infrastructure network. Mission projects in health, education, population and other selected human resources activities contribute to improving the distribution of economic benefits among Belizeans.

Project evaluations to be conducted during FY 88/89 are designed to assist in improving the implementation of on-going activities or the design of follow-on projects supporting Mission efforts to achieve these two major goals. It is important to assess the progress with which projects are able to meet their respective objectives and Mission relies on interim project evaluations, among other mechanisms, to bring forward major issues or constraints which may impede accomplishing these objectives. For example, the evaluation of the Commercialization of Alternative Crops (505-0008) will assess the project's progress or success in developing non-traditional export crops and their marketing, it being a major Mission activity in helping Belize's agricultural diversification efforts. The Macal Dairy Cooperative (505-0036), and Toledo Agricultural Marketing (505-0016) project evaluations will focus on the progress these projects are having in helping small farmers improve their incomes through improved technology and crop diversification. Interim evaluations for the Export and Investment Promotion (505-0027), Export Investment Credit (505-0019) and the National Development Foundation (505-0011) will focus on these projects' progress in stimulating productive private investment from local and foreign sources and identify previously unforeseen factors (e.g., government policies) which may impede further private sector growth.

The Mission has utilized evaluation findings and recommendations in modifying implementation procedures, introducing changes in certain project component/activities and designing future activities. For instance, the creation of a inter-ministerial Agricultural Policy Advisory Committee, the redirection of the pastures component from a high concentration of work on GOB extension stations to setting up demonstrations on private farms, and placing greater emphasis on developing stronger link between swine production, marketing and processing, and expanding the swine revolving fund activity from one district to the entire country were the direct results of the Livestock Development (505-0006) mid-term project

evaluation in FY 86. The project's final evaluation in FY 87 has assessed the Project's accomplishments in increasing the productivity and income of small and medium-sized livestock producers and recommended possible follow-on livestock project activities which the Mission is seriously studying.

The Rural Access Roads and Bridges (505-0007) in-house project evaluation in early FY 87 recommended personnel changes related to the technical assistance being provided the GOB and a six-month extension of the PACD. Both of these have been implemented. Recent evaluations of the Increased Productivity through Better Health (505-0018) and the Village Health and Sanitation (505-0024) projects have assessed major project implementation issues, including the effects of the recent transfer of water and sanitation responsibilities from the Ministry of Health to the Ministry of Natural Resources. The evaluation recommendations are guiding Mission responses and actions to these implementation problems. The Drug Awareness (505-0033) evaluation in FY 87 was designed to propose specific follow-on activities to strengthen the project's effectiveness in improving drug education in Belize and reducing drug use, especially among youth. In FY 88, the joint evaluation of Child Survival-Maternal Child Health (505-0017 and 0032) will determine the projects' impact in assisting the GOB's Ministry of Health implement child survival programs as well as recommend a viable follow-on Mission program which will consolidate previously four separate PVO child survival-related activities.

EVALUATION PLAN

PROJECT NO. & TITLE	DATE LAST EVALUATION COMPLETED	FY88		FY89		REASONS/ISSUES
		START (QTR)	TO AID/W (QTR)	START (QTR)	TO AID/W (QTR)	
505-0023 - Accelerated Cocoa Production	9/86	1	2			To assess Project's impact on expanding cacao cultivation in Belize.
505-0011 - National Development Foundation of Belize	None	1	2			To evaluate effectiveness of project implementation.
505-0026 - Pilot Guidance and Placement	None	2	3			To assess Project's impact in providing guidance, counselling and placement for job-seekers and youth.
505-0017 - Child Survival Technical Support and	None	2	3			To evaluate the two Projects' impact in assisting the Ministry of Health effectively implement child survival strategies and programs.
505-0032 - Maternal and Child Health	None	2	3			To assess progress of project implementation.
505-0008 - Commercialization of Alternative Crops	None	2	3			

EVALUATION PLAN

PROJECT NO. & TITLE	DATE LAST EVALUATION COMPLETED	FY88		FY89		REASONS/ISSUES
		START (QTR)	TO AID/W (QTR)	START (QTR)	TO AID/W (QTR)	
505-0020 - Training for Employment and Productivity	None	3	4			To assess progress of project implementation.
505-0036 - Macal Agricultural Development	None	3	4			To assess progress of project implementation and the viability of the Macal cooperative.
505-HG-001 - Home Improvement Program	11/84	3	4			To evaluate Project's impact in enhancing shelter production and improvement in Belize
505-0027 - Export and Investment Promotion	None	4	1 (89)			To assess progress of project implementation
505-0019 - Export Investment Credit	None	4	1 (89)			To assess progress of project implementation

EVALUATION PLAN

PROJECT NO. & TITLE	DATE LAST EVALUATION COMPLETED	FY88		FY89		REASONS/ISSUES
		START (QTR)	TO AID/W (QTR)	START (QTR)	TO AID/W (QTR)	
505-0018 - Increased Productivity Through Better Health	3/87			1	2	To assess the Project's impact on reducing the incidence of malaria and dengue fever and improving rural water and sanitation services
505-0033 - PRIDE Drug Awareness	3/87			1	2	To evaluate Project's effectiveness in expanding drug awareness in the community and reducing drug usage among youth
505-0016 - Toledo Agricultural Marketing	None			3	4	To assess progress of project implementation

EVALUATION REPORT

PROJECT NO. & TITLE	PLANNED FY86		ACTUAL FY86		UPDATE FY87		REASONS/ISSUES
	START (QTR.)	TO AID/W	START (QTR.)	TO AID/W (QTR.)	START (QTR.)	TO AID/W (QTR.)	
505-0006 - Livestock Development	1	2	1	2			To assess progress of project implementation
505-0023 - Accelerated Cocoa Production			4	1 (87)			To assess progress of project implementation
505-0007 - Rural Access Roads and Bridges					1	2	In-house evaluation to assess progress of project implementation. Recommendations for personnel changes on technical assistance and PACD extension have been implemented.
505-0006 - Livestock Development					2	2	To evaluate effectiveness and impact of Project's Phase I's activities and recommend follow-on activities for Phase II
505-0018 - Increased Produc- tivity through Better Health					2	3	To evaluate progress of project implementation
505-0033 - PRIDE Drug Awareness					2	3	To assess impact of Phase I activities and recommend possible viable activities for the Project's Phase II

EVALUATION REPORT

PROJECT NO. & TITLE	PLANNED FY86		ACTUAL FY86		UPDATE FY87	REASONS/ISSUES
	START (QTR.)	TO AID/W	START (QTR.)	TO AID/W (QTR.)		
505-0024 - Village Health and Sanitation			3	3		To assess project's impact on the provision and improvement of rural water and sanitation services.
505-0029 - Breast is Best League			3	4		To assess the Project's impact on encouraging breast feeding in Belize.
505-0031 - Belize Family Life Education			3	4		To assess the Project's accomplishments in providing family planning education, counselling and clinic services to local communities
505-0030 - Belize Enterprise for Sustained Technology			4	4	1 (88)	To evaluate progress of project implementation

E. GRAY AMENDMENT

	<u>FY 1986</u>	<u>FY 1987</u>
	(\$000)	
1. Total Development Assistance*	7,080	7,535
2. Amount of DA available (exclusive of incremental funding, mortgages, local construction in host country, etc.) for U.S. procurement	4,525	5,870
3. Amount of funds awarded to Gray Amendment firms	1,045	1,995
4. Percentage of funds awarded to Gray Amendment firms	23%	34%

<u>*Contractor Name</u>	<u>Project Title</u>	<u>Amount of Contract</u>	<u>Date of Contract</u>
Walker A. Williams	Commercialization of Alternative Crops	\$100	08/08/86
Southern University	Belize Livestock Development	\$250	06/08/84
Hampton University	Central American Peace Scholarships	\$105	08/08/86
PRAGMA Corp.	Increased Productivity Through Better Health	\$2,697	01/16/85

---

\* Excludes PD & S

ALTERNATE (HIGHER) FUNDING LEVELS FOR FY 88 and FY 89

In considering the scenario for alternative higher funding levels during the Action Plan period, the Mission has used the FY 87 OYB as the base for both FY 88 and FY 89. We do not include a scenario based on the FY 88 Congressional Presentation levels since those levels are lower than the FY 87 OYB. In addition, LAC Bureau Guidance contained in State 032698 requested the Mission to assume for FY 89 a 50% increase DA and ESF levels over the FY 1987 OYB levels.

The Mission would utilize additional DA above the planned levels for FY 88 and FY 89 to reduce the high mortgage levels for the major ARDN and HE projects, and to increase funding for an on-going EHRD project and the CAPS program to generate greater impact from these activities. Higher ESF levels for FY 88 and FY 89 will be added to the BOP support program if a cash transfer program becomes necessary during the period.

The availability of additional ARDN funds will considerably ease the large \$9.4 million mortgage level in this account for FY 89. The large mortgages of Rural Access Roads and Bridges and the Livestock Development projects would be reduced and the Fisheries Development Project would be better funded during its first year. This would enable the Mission to accelerate the first year of implementation of this project.

Increased HE resources would fully fund the Increased Productivity through Better Health project and initiate a \$250,000 Health Financing Studies and Technical Assistance project to encourage private sector health investments and assist the GOB to plan and implement cost containment strategies. This should result in improvements in the financial efficiency of three health facilities by 1989.

The Mission would use higher EHRD funds to add \$950,000 to expand the Vocational Education component of the Training for Employment and Productivity project in order to upgrade equipment and program at additional schools in southern Belize, which is largely agricultural, as well as to introduce pre-vocational work adjustment training curriculum into the last two years of primary school. As a result, five additional vocational training facilities will be equipped and 1,400 additional students undertaking vocational training in 1989.

With additional funding, the Mission would increase CAPS activities to include ten additional scholarships for outstanding young people from disadvantaged backgrounds to complete a bachelor's degree, and ten additional short-term scholarships for youth leaders. This would require an additional \$300,000 for the CAPS program.

Higher ESF levels would provide additional resources to any BOP support program during the period. Given Belize's projected large BOP deficits in 1988-89, increasing the ESF level by \$1.0 million in both years is justified and would provide better leverage with the GOB in instituting structural reforms related to improving the fiscal sector, the investment incentive system and economic policies in order to promote private sector growth.

The proposed uses for increased funding levels should not require any significant changes or additional demands on Mission management. We anticipate that no additional personnel or OE requirements will be made. On the other hand, higher funding levels, particularly those used to reduce the mortgage levels of on-going major projects, will tend to result in better over-all project planning and implementation since this would minimize problems arising from the non-availability of funds.

In summary, large mortgages in the ARDN account would be paid, with no effect on objective indicators. A fifty percent increase would enhance indicators under objectives 9, 12 and 13, as outlined below.

OBJECTIVE #9: IMPROVE HEALTH AND HEALTH SERVICES

1. LAC Indicators: no change

2. Performance under LAC Indicators:

	<u>1987</u> <u>Projection</u>	<u>1988</u> <u>Projection</u>	<u>1989</u> <u>Projection</u>
A. (1) Confirmed Malaria cases per 1000 population	0	0	no change
(2) Clinically diagnosed Dengue Fever cases/1000	0	0	no change
B. % Rural Population safe drinking water	0	0	90
C. % Rural Population Adequate Sanitation	0	0	50

1A. Mission Indicators: Add "E Financial Efficiency improved in Public and Private Health Facilities"

2A. Performance under Mission Indicators:

	<u>1987</u> <u>Target</u>	<u>1988</u> <u>Target</u>	<u>1989</u> <u>Target</u>
A. Health Facilities with Improved Financial Efficiency	0	0	3

3. Accomplishments: no change

4. Key Assumptions: Government willing to make cost containment changes. Private Sector remains interested in participating in health care.

5. Policy Dialogue/Conditionality: no change

6. Planned Accomplishments:

- Technical Assistance to 2 private and government health facilities re Financial management 4Q FY 89
- 2 studies performed re cost containment, Feasibility of private initiatives 4Q FY 89

7. Projects FY 1987 FY 1988 FY 1989Increased Funding:

Increased Productivity Through Better Health	0	0	525
--	---	---	-----

Add:

Health Financing Technical Assistance and Studies	0	0	250
---	---	---	-----

OBJECTIVE #12: IMPROVE EDUCATION OPPORTUNITIES

1. LAC Indicators: no change

2. Performance under LAC Indicators:

	<u>1987</u> <u>Projection</u>	<u>1988</u> <u>Projection</u>	<u>1989</u> <u>Projection</u>
C. 1. Vocational Training: Total	0	0	1,400
A. Male	0	0	700
B. Female	0	0	700

1A. Mission Indicators: no change

2A. Performance under Mission Indicators: no change

3. Accomplishments: no change

4. Key Assumptions: no change

5. Policy Dialogue/Conditionality: no change

6. Planned Accomplishments:

- Equip 5 additional vocational training facilities  
in community secondary schools 4Q FY 89
- Introduce pre-vocational training into primary  
school curriculum 4Q FY 89

7. Projects FY 1987 FY 1988 FY 1989Increased Funding:Training for Employment & Productivity 0 0 950

OBJECTIVE #13: INCREASE NUMBER AND IMPROVE EFFECTIVENESS OF PARTICIPANT TRAINING

1. LAC Indicators: no change

2. Performance under LAC Indicators:

	1987 <u>Projection</u>	1988 <u>Projection</u>	1989 <u>Projection</u>
Short-term - Total:	0	0	10
a. men	0	0	6
b. women	0	0	4
Long-term - Total:	0	0	10
a. men	0	0	6
b. women	0	0	4

1A. Mission Indicators: no change

2A. Performance under Mission Indicators: no change

3. Accomplishments: no change

4. Key Assumptions: no change

5. Policy Dialogue/Conditionality: no change

6. Planned Accomplishments:

- 10 Youth Leader scholarships 3Q FY 89
- 10 Youth Academic scholarships 4Q FY 89

7. Projects FY 1987 FY 1988 FY 1989Increased Funding:

Central America Peace Scholarships 0 0 300

PROJECT TITLE	NUMBER	OBJECTIVES														
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<u>ADRN</u>																
Livestock Development	505-0006	P			S											
Rural Access Roads and Bridges	505-0007	S				P										
Commercialization of Alternative Crops	505-0008	S			P											
Toledo Agricultural Marketing	505-0016	S			P											
BEST	505-0030	P														
Macal Dairy Cooperative	505-0036	P														
Fisheries Development	505-0038	S			P											
<u>HE</u>																
Increased Productivity Through Better Health	505-0018								P							
<u>CS</u>																
Child Survival Support	505-0037							S	S	P						
<u>EHRD</u>																
Training for Employment and Productivity	505-0020				S											P
Drug Awareness Program	505-0033								S							P
Pilot Guidance and Placement Service	505-0026															P
<u>SDA</u>																
National Development Foundation	505-0011															
Export Investment Credit	505-0019	S	P			S										
Export and Investment Promotion	505-0027		S			P										
<u>ESF</u>																
Counterpart Fund II	505-0012															P
Counterpart Fund III	505-0013															P
Central American Peace Scholarships	505-0039															S
																P