

TC Document

I. Basic Information for TC

▪ Country/Region:	BELIZE
▪ TC Name:	Support of REDD+ Strategy
▪ TC Number:	BL-T1169
▪ Team Leader/Members:	Samayoa Juarez, Jorge Omar (CSD/RND) Team Leader; Rivero, Ruthann Rachel (CID/CBL); Watson, Brodrick Raylando (VPC/FMP); Guerrero Cecilia Mercedes (CSD/RND); Salazar, Astrid Danielle (CID/CBL); Blanc Pauline Lola (CSD/CCS); Lunstedt Tapia, Christian (VPC/FMP); Usher, Orchel Lisamarie (CID/CBL); Leiva Meza Maria Jose (CSD/CCS); De Dobrzynski, Esteban (LEG/SGO)
▪ Taxonomy:	Operational Support
▪ Operation Supported by the TC:	BL-L1041
▪ Date of TC Abstract authorization:	30 Nov 2023.
▪ Beneficiary:	Government of Belize
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	AgroLAC 2025 Multidonor Trust Fund(MAG)
▪ IDB Funding Requested:	US\$400,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	1 October 2024
▪ Types of consultants:	Firms and individuals
▪ Prepared by Unit:	CSD/RND-Env, Rural Dev & Disaster Risk
▪ Unit of Disbursement Responsibility:	CID/CBL-Country Office Belize
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 20242-2030:	Environmental sustainability; Productivity and innovation

II. Description of the Associated Loan/Guarantee

- 2.1. Over 50% of Belize's land coverage amounts to primary forest, which is threatened by deforestation due to extensive livestock farming, export agriculture, and subsistence agriculture (basic grains). The agroforestry landscape includes primary forests, as well as agroforestry systems -SAF- (e.g., cocoa, cardamom), silvopastoral systems -SPP- and areas of fragmented forest throughout the country. These activities have special relevance as livelihoods, income, employment and food security of rural families, especially indigenous populations in conditions of high vulnerability to climate change. The Inter-American Development Bank (IDB) is supporting the implementation of sustainable and resilient agriculture models (including SAF and SPP) through loan BL-L1041 Sustainable and Inclusive Belize approved on February 21st, 2023 (USD15 M), which aims to benefit at least 2,300 small producers with technical assistance and financing for the implementation of sustainable and resilient practices, as well as support for access to markets that value these types of products. These activities add directly to the country's Nationally Determined

- Contribution (NDC), which opens options to access climate financing through the sustainable management of the forest landscape to reduce deforestation.
- 2.2. Activities under the TC also contribute to the following Sustainable Development Goals (SDGs): SDG 13 Climate Action, as REDD+ contributes to the mitigation of climate change; SDG 15 Life on Land, by promoting the sustainable use of terrestrial ecosystems; SD1 No Poverty, by improving livelihoods and; SDG 2 Zero Hunger, by promoting agroforestry.
 - 2.3. The REDD+ mechanism created by the United Nations Framework Convention on Climate Change allows countries to contribute to their climate change mitigation goals, but at the same time access financial resources to strengthen their actions for sustainable management of the forest landscape. These resources make it possible to support sustainability and increase the scale of interventions. Belize has made progress in its REDD+ strategy and is working to promote access to resources under this mechanism that would allow it to strengthen its actions for sustainable forestry management; however, it requires completing some stages to have the enabling conditions to access these resources.

III. Objectives and Justification of the TC

- 3.1. The general objective is to support the development and implementation of the REDD+ Strategy. The specific objectives of the TC are: (i) support Belize in completing pending activities in its Strategy REDD+ to access climate financing; and (ii) to improve the management of the agroforestry landscape.
- 3.2. This financing will complement and scale up interventions at the level of the territories supported with the BL-L1041 loan, through direct support to some 500 producers to implement sustainable and climate-resilient technologies and practices, especially in sustainable management of the agroforestry landscape. These activities are key to economic recovery and are strategic to create jobs and improve social and economic conditions in the rural areas.
- 3.3. This operation is aligned with the MAG pillars: Increased access to good practices related to land use planning sensitive to climate change and gender equality for public and private sectors; Increased capacity of women and men farmers to implement sustainable agricultural practices including climate-smart agriculture (CSA); and Improved sustainable and gender-responsive natural resource management by targeted governments and farmers in Latin America and the Caribbean (LAC).
- 3.4. In terms of strategic alignment, the operation is consistent with the IDB Group Institutional Strategy: Transforming for Scale and Impact (CA-631) and is aligned with the objective(s) of: (i) reduce poverty and inequality, where rural populations and Indigenous Peoples (e.g., Mayan) are supported in the access to technical tools and improvement of their capabilities to implement good agricultural and agroforestry practices to improve their income and living conditions, as well as providing technical assistance to organized producers to receive access to public and private financing, training in productive value chains with a focus on gender and providing tools to women's groups for the implementation of community gardens and livestock projects with the objective to diversify their economic income; (ii) address climate change, through the climate resilience and mitigation actions that reduce deforestation and degradation in the agroforestry and agricultural sector; and (iii) bolster sustainable regional growth by supporting the improvement of associativity and organization between producers and the

production and post-harvest processes of agroforestry products. The Program is also aligned with the operational focus area(s) of: (i) biodiversity, natural capital and climate action; (ii) gender equality and inclusion of diverse population groups; and (iii) productive development and innovation through the private sector.

- 3.5. It is aligned with priority area (ii) "Private sector productivity and sustainable growth, with a focus on MSMEs" of the Country Strategy with Belize 2022-2025 (GN-3086) and consistent with the Sector Framework Documents of: (i) Agriculture (GN-2709-10), in its lines of action "Promote investments that contribute to increasing the productivity of Agriculture, in line with a sustainable management of natural resources"; (ii) Environment and Biodiversity (GN -2827-8), in its dimension of success "Progress is being made towards sustainable management of natural capital and its contribution to economic growth is expanded"; and (iv) Climate Change (GN-2835-8) in its dimension of success "Countries make progress on mainstreaming climate considerations across sectors".
- 3.6. The operation is aligned according to the 3 transversal areas of AgroLAC 2025 Multidonor Trust Fund (MAG) on increasing agricultural productivity through sustainable intensification, agro-environmental management and trade and access to markets, where technical assistance is provided to small producers for the implementation of good agroforestry practices to improve the traceability of their products and access to markets with the aim of improving their living conditions. It is aligned with the results of the Performance Measurement Framework (PMF 2023), on: (i) increasing the capacity of farmers (men and women) to access regional and global markets through CSA; (ii) increasing the capacity of farmers to implement sustainable agricultural practices, including climate-smart agriculture; (iii) strengthen the government's, private sector's and academic institutions' capacity to provide gender-sensitive and CSA services; and (iv) greater access of the public and private sectors to good practices related to the planning of land use sensitive to climate change and gender equality.

IV. **Description of activities/components and budget**

- 4.1. **Component I: Support for access to climate financing through the REDD+ Strategy (US\$250,000.00).** This component will finance activities that support the completion of enabling conditions to access climate financing under the REDD+ mechanism. This component will generate the following outcomes: a policy instrument implemented by the Government for natural resource management (inclusive sustainable forest management); improved Monitoring, Reporting, and Verification (MRV) system; a REDD+ Strategy that enables participation of small and medium-sized producers; and a financing plan for public and private funds clearly articulated. These outcomes will enable access to carbon credits. These outcomes were identified by the Ministry of Sustainable Development, Climate Change and Disaster Risk Management as information gaps that require addressing to comply with requirements under the United Nations Framework Convention on Climate Change (UNFCCC) guidelines for accessing payment-by-results financing. The activities support the sustainable management and reduction of deforestation, helping to scale and strength sustainability interventions made through the BL-L1041 Sustainable and Inclusive Belize project. The main activities will be carried out through the contracting of consulting services and include:
 - a. Comprehensive Assessment: Conduct a thorough assessment of the status, highlighting the progress achieved thus far, and identifying areas where

improvement is needed for accessing financing with private sector or international mechanisms.

- b. Comprehensive monitoring system: Improve the National Forest Monitoring System (NFMS) for the MRV process. This will enable the evaluation of changes in the forest cover, and carbon stocks. The NFMS can be used to support the implementation of traceability or certification mechanisms, as well as the further planning of Climate Change mitigation and adaptation.
- c. National Alignment Strategy: Where direct and underlying drivers of deforestation and forest degradation will be identified and addressed in the country's national strategies (or action plans). These policies and measures (PAMs) will be developed considering existing country policies, laws and instruments, and their implementation. Likewise, the strategy (and action plans) will reflect the concerns, expectations, and needs of different stakeholders – these actions will ensure stakeholders are concordant with the national alignment and are working cohesively towards one goal.
- d. Strategic Action Plans: Create national strategic action plans to address governance, as well as outline the steps and milestones for enhancing the sustainability of Belize's MRV implementation. These plans should incorporate long-term goals and improvements. The completion of this activity will lead to the preparation of a proposal for accessing financing from the private sector or international mechanisms.
- e. Collaborative Engagement: Seek opportunities to collaborate with key partners from various sectors. Their contributions will be invaluable in enhancing Belize's national MRV implementation, bringing in diverse expertise, and fostering a more holistic approach. This will focus on generating reports on the reduction of deforestation for *accessing financing from payments for results*.

4.2. **Component II: Sustainable and Climate Resilience Agroforestry Farming Practices (US\$150,000.00).** This component will support the capacity building for implementation of sustainable and climate-resilient practices aligned with the REDD+ Strategy and the consolidation of a technical assistance platform that ensures the sustainability of these interventions. This includes the participation of 500+ small producers (men, 10% women, and 10% Indigenous People) implementing sustainable and resilience agroforestry practices in an estimated area of 10 Ha per producer. These practices will be implemented especially in models that reduce deforestation or increase carbon stocks (SAF, SPP), while improving resilience to climate change, food security, income, employment, among other co-benefits. Activities will be carried out through the contracting of consulting services, as well as through support from loan BL-L1041 Sustainable and Inclusive Belize, and include:

- a. Preparation of farm plans: preparation of plans considering sustainable and resilient approaches.
- b. Implementation of better agronomic practices: This activity includes providing technical assistance to farmers to design and implement sustainable and resilient CSA practices (e.g., reduced use of pesticides, improved soil management, etc.). To ensure adoption of CSA solutions by farmers, the TC will enable access to low-cost practices that scale up local technologies and materials, which will lead to improved sustainability with low investment, e.g., use of electrical fences. These technologies will serve as complementarities to loan BL-L1041.

- c. Knowledge exchange and synergies: Support the creation of alliances between relevant and knowledgeable organizations to replicate and scale up sustainable agricultural and agroforestry practices. Additionally, synergies with local and international actors who are supporting case studies with these technologies (Belize Livestock Producers Association, The Nature Conservancy, Ya'axche Conservation Trust, among others) will be nurtured.

4.3. The total cost of the TC is US\$400,000.00 and is financed with resources from AgroLAC 2025 Multidonor Trust Fund, MAG.

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Support for accessing climate financing through the REDD+ Strategy.	US\$250,000.00	US\$0.00	US\$250,000.00
Sustainable and Climate Resilience Agroforestry Farming Practices	US\$150,000.00	US\$0.00	US\$150,000.00
Total	US\$400,000.00	US\$0.00	US\$400,000.00

V. Executing agency and execution structure

- 5.1. At the request of the beneficiary, the Bank, through the CSD/RND division, will be the executing agency of the TC, to take full advantage of the Bank's experience and lessons learned in executing a similar operations in the area (ATN/FP-14012-GU, ATN/FP-16400-GU, among others), which are aimed at improving the sustainability and resilience, livelihoods, productivity, and food security of the farmers and their families; as well as to provide support to access of finance. As Executing Agency, the Bank's experience will also minimize the risk that TC products are delayed or do not meet the quality standards required by the Bank's loan proposal review committees, because of Belize's limited human resources with required skills to execute operations.
- 5.2. All procurement to be executed under this Technical Cooperation have been included in the Procurement Plan (Annex IV) and will be hired in compliance with the applicable Bank policies and regulations as follows: (a) Hiring of individual consultants, as established in the regulation on Complementary Workforce (AM-650) and (b) Contracting of services provided by consulting firms in accordance with the Corporate procurement Policy (GN-2303-33) and its Guidelines.
- 5.3. This TC compliments and scale up interventions under loan BL-L1041, Sustainable and Inclusive Belize (USD 15M), including activities that benefit approximately 500 producers by providing technical assistance and financing for the implementation of sustainable and resilient practices.
- 5.4. The Bank will execute the TC in close coordination with the Beneficiary through the Ministry of Sustainable Development and Climate Change, Ministry of Finance (Climate Finance Unit), and the Office of the Prime Minister, and other potential stakeholders involved in the REDD+ process, through continuous communication, periodic work meetings, review and mutual agreement of the

terms of reference for contracting studies, and joint supervision of activities, reports and products of the consultants.

- 5.5. The Bank will monitor the TC, based on a comparison between planned and actual procurement processes; and between the deliverables foreseen in the work plan of each consultant and the ones delivered.

VI. Major issues

- 6.1. The main risks identified with implementation include: (i) Lack of capacity of national counterparts to address the Bank's requests in terms of participation in meetings, providing feedback to documents, or data delivery, among others, which will be mitigated by a strong coordination led by the Country Office in Belize; (ii) Limited participation of vulnerable groups which will impact the design of the project proposals and limit its veracity and scope - on response, inclusive calls will be made in coordination with the Ministry of Agriculture and Ministry of Sustainable Development to ensure the participation of vulnerable groups; (iii) Fluctuation in market demand and prices, which will be mitigated by developing a proposal that allows the exploration of different options in the carbon market, including regulated and voluntary markets, and; (iv) High vulnerability to climate risks and extreme weather events (e.g., hurricanes, floods, and droughts) that can affect project activities (e.g., crop yields and productivity of agroforestry systems) - these will be mitigated by implementing different agroforestry systems and territories that will aid in reducing the impact of extreme climate events.

VII. Exceptions to Bank policy

- 7.1. This subheading should identify and address any exceptions to Bank policy.

VIII. Environmental and Social Aspects

- 8.1. This Technical Cooperation is not intended to finance pre-feasibility or feasibility studies of specific investment projects or environmental and social studies associated with them; therefore, this TC does not have applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF).

Required Annexes:

[Request from the Client 56358.pdf](#)

[Results Matrix 81363.pdf](#)

[Terms of Reference 1353.pdf](#)

[Procurement Plan 78811.pdf](#)