

## TC ABSTRACT

### I. Basic Project Data

▪ Country/Region:	BELIZE/CID - Isthmus & DR
▪ TC Name:	Promoting female talent for sustainable and inclusive growth in Belize
▪ TC Number:	BL-T1182
▪ Team Leader/Members:	DIAS ALVARENGA BAPTISTA, DULCE BENIGNA (SCL/LMK) Team Leader; GONZALEZ HERRERA, BEATRIZ MARIA (SCL/LMK); FERRIN GASTON (SCL/LMK); LIBERTAD SICCHA (SCL/LMK); DEZA DELGADO, MARIA CECILIA (CID/CID); SAMAYOA JUAREZ, JORGE OMAR (CSD/RND); GUERRERO CECILIA MERCEDES (CSD/RND); LUGO MORENO, MONICA BIBIANA (LEG/SGO); SANDOVAL AYALA JUAN MANUEL (SCL/LMK)
▪ Taxonomy:	Research and Dissemination
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	24 Apr 2024
▪ Beneficiary:	Ministry of Rural Transformation, Community Development, Labour and Local Government (MoL)
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$125,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	36 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	SCL/LMK - Labor Markets
▪ Unit of Disbursement Responsibility:	CID/CBL - Country Office Belize
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Institutional Strategy 2024-2030:	Social inclusion and equality; Productivity and innovation; Gender equality

### II. Objective and Justification

2.1 The objective TC is to strengthen and systematize activities that are being held to identify skills needs in Belize, and to design mechanisms that closes skill gaps in strategic and priority sectors with an inclusive gender approach.

2.2 The objective of this TC is to support the strengthening of policies to improve Belize's workforce employability with a particular focus on working-age women. The specific objectives are (i) to support increasing the coverage and effectiveness of employment policies with a focus on women and attraction of migrants, and (ii) to support increasing coverage and relevance of training for working-age women in growing sectors.

Despite low unemployment in 2023 (4%), Belize faces a low labor force participation rate, with 41% of the working-age population out of the workforce, which could compromise middle and long-term growth. In recent decades, Belize's economy has transitioned to service sectors. However, skills shortages and gaps exist, particularly in tourism, BPO, agriculture, and construction. More than 73% of firms report that the lack of human capital hinders growth and that workers skills' level is a significant obstacle. The shortages in labor force can be attributed to two main causes. Very low female labor force participation and a limited capacity to attract skilled migrant workers.

Female labor force participation in Belize lags far behind men's, with 48% for women against 75.6% for men. This is influenced by occupational segregation, limited educational opportunities, and cultural norms. About 50% of women with lower levels of education cite family responsibilities as a major workforce entry barrier, versus just 3% of men. The gender gap is particularly stark among young women aged 15 to 25, with 41.3% neither in employment nor education, compared to 19% of young men. After entering the labor market, women are concentrated in low paying sectors contributing to the gender wage gap. Nearly 65% of women work in sectors paying less than \$1000. Attracting migrant labor to supplement the workforce in Belize faces challenges, including a lack of sector-specific information on skills needs, mismatch between available skills and job opportunities, as well as normative and procedural barriers. Migrant labor who represents 15% of the population are predominantly low-skilled. Most come from Central America (77%) and work in in agriculture, hunting, and forestry, (79%). Active labor market policies (ALMP) can help to improve skills and employability of the labor force. However, there is a limited offer of ALMP and the provision of training and labor intermediation faces important challenges. First, the offer of training suffers from issues related to access, relevance and quality. There is low access to training programs, especially for women, due to poverty, lack of money to pay fees, transportation and childcare costs. Male-dominated training environments and entrenched gender norms deter female participation, with over 80% of TVET students being male. Also, the training offer has low relevance and quality, with only 1/3 of firms reporting have had collaborative relationship with training institutions. Second, labor intermediation has limitation that hinder its effectiveness. The Public Employment Service (PES) has low coverage and lacks specialized to support integration of women in the labor force and management of migrant labor. This is further complicated by the absence of systems like Labor Intermediation Technological Platform and Labor Market Information System for effective job matching and production and dissemination of labor market information.

**III. Description of Activities and Outputs**

- 3.1 **Component I: Employment policy coverage and effectiveness.** This component will finance the strengthening of the ALMP.
- 3.2 **Component II: Training for working-age women in growing sectors.** This component will finance the strengthening of policies to promote female labor force participation and the employability of women through training.

**IV. Budget**

**Indicative Budget**

Activity/Component	IDB/Fund Funding	Total Funding
1. Employment policy coverage and effectiveness	US\$65,000.00	US\$65,000.00
2. Training for working-age women in growing sectors	US\$60,000.00	US\$60,000.00
<b>Total</b>	<b>US\$125,000.00</b>	<b>US\$125,000.00</b>

**V. Executing Agency and Execution Structure**

- 5.1 The Executing Agency will be the Inter-American Development Bank (IDB), as requested by the Government of Belize, through the Division of Labor Markets, in accordance with the guidelines and requirements established in the Technical Cooperation Policy (GN-2470-2) and in the TC Operational Guides (GN-2629-1). The supervision will be performed by the Labor Markets and Social Security Division (SCL/LMK).

- 5.2 This execution is justified given: (i) the Bank, through SCL/LMK has technical expertise in labor market based on international best practices; (ii) administrative burdens can be reduced on the government, particularly in the identification and contracting of international experts; and (iii) the Bank has the necessary technical, operational, and institutional capacity to duly and timely execute the activities proposed under this TC. The supervision of this TC will be carried out by the project team.

## **VI. Project Risks and Issues**

- 6.1 The risks in executing and achieving the project's objectives are: (i) lack of coordination among key stakeholders from the private and public sector; (ii) risk that the policy recommendations are not implemented; (iii) risks of availability and quality of data may limit the analysis. To mitigate these risks, the following activities will be carried out: (i) the team will maintain constant and effective communication channels with local counterparts from public and private sector; (ii) engaging in ongoing dialogues with decision-makers from private and public sector at higher levels of government to ensure that the lessons learned from this TC are used to inform public policy.

## **VII. Environmental and Social Aspects**

- 7.1 This TC does not have applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF).