

## BL-T1182 – TC Document

### I. Basic Information for TC

▪ Country/Region:	BELIZE
▪ 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; Rivero, Ruthann Rachel (CID/CBL); Guerrero Cecilia Mercedes (CSD/RND); Watson, Brodrick Raylando (VPC/FMP); Samayoa Juarez, Jorge Omar (CSD/RND); Salazar, Astrid Danielle (CID/CBL); Lugo Moreno, Monica Bibiana (LEG/SGO); Ferrin Gaston (SCL/LMK); Sandoval Ayala Juan Manuel (SCL/LMK); Libertad Siccha (SCL/LMK); Gonzalez Herrera, Beatriz Maria (SCL/LMK); Van Der Werf Cuadros, Cynthia (SCL/MIG); Deza Delgado, Maria Cecilia (CID/CID)
▪ Taxonomy:	Research and Dissemination
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	24 Apr 2024.
▪ Beneficiary:	Belize through the Ministry of Rural Transformation, Community Development, Labour and Local Government (MoL)
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC SDP Window 2 - Social Development(W2E)
▪ IDB Funding Requested:	US\$125,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	30 months (which includes execution period)
▪ Required start date:	June 2024
▪ Types of consultants:	Individual consultants and consulting 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 Update to the Institutional Strategy 2024-2030:	Gender equality; Productivity and innovation; Social inclusion and equality

### I. Objectives and Justification of the TC

- 1.1 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 and youth. The specific objectives are (i) to support increasing the coverage and effectiveness of employment policies with a focus on women, youth and migrant workers, and (ii) to support increasing coverage and relevance of training for working-age women and youth in growing sectors.
- 1.2 Despite displaying low levels of unemployment in 2023 (4%), Belize faces a low labor force participation rate, with 41% of the working-age population out of the workforce,<sup>1</sup> which could compromise middle and long-term growth. At the same time, in recent decades, Belize's economy has transitioned to service sectors. However, human

<sup>1</sup> Labour Force Survey, October 2022; Statistical Institute of Belize

capital gaps and skills shortages persist, particularly in tourism, Business Process Outsourcing (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.<sup>2</sup>

- 1.3 **Female labor force participation and Gender gap.** Female labor force participation has decreased from 62.6% in 2020 to 49.2% in 2023, which is lower than the 77.9% participation rate for men<sup>3</sup> in 2023. This is influenced by occupational segregation, limited educational opportunities, and cultural norms. The gender gap is particularly stark among young women aged 15 to 25, as 41.3% them are not in education nor in employment (NEET)<sup>4</sup>. This compares to a rate of 19% among young men.<sup>5</sup> Limited access to formal training programs is a significant barrier, particularly for women and vulnerable youth.
- 1.4 **After entering the labor market,** women participate in low-quality, low-paying jobs. Nearly 65% of women are employed in sectors where the average pay is less than \$1000 per month;<sup>6</sup> almost 35% of them work in part-time jobs; and 27.2% of women's employment is considered vulnerable employment.<sup>7</sup> Regarding leadership positions, women occupy only 12% of cabinet positions in ministries compared to 30% for the region in 2022.<sup>8</sup>
- 1.5 **Limited educational opportunities.** Male-dominated training environments and deeply ingrained gender norms discourage female participation, resulting in the feature that the proportion of males in the Institutes for Technical and Vocational Education and Training (ITVET) is of over 80%, against less than 20% of women.<sup>9</sup> Furthermore, cost of training can also present a barrier, as there is no financial assistance available to women to help pay for tuition, food and transportation or to cover the opportunity cost of not working.
- 1.6 **Cultural norms** that designate women as the primary caregiver pose obstacles, especially affecting women with lower levels of education. Roughly 50% of women with lower levels of education cite personal and family responsibilities as the primary barrier to entering the workforce, in sharp contrast to only 3% of men.<sup>10</sup>
- 1.7 **Foreign Labor.** Attracting skilled foreign labor as an additional supply of work in the country also remains a challenge. Barriers to attracting migrant labor include insufficient sector-specific information and skills alignment, along with legislative limitations. Migrant workers and their families comprise over 15% of the population, 77% of which come from Central America, and most of which are low skilled. With 79% of foreign labor working in agriculture, hunting, and forestry, they are central in helping these industries in Belize.<sup>11</sup>

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<sup>2</sup> Näslund-Hadley et al., 2020

<sup>3</sup> "Female labor force participation in Belize: Diagnostic and Policy Recommendations", MIDE, 2024

<sup>4</sup> ILOSTAT, 2021 LFS data.

<sup>5</sup> ILOSTAT, 2021 LFS data.

<sup>6</sup> ILOSTAT, 2020.

<sup>7</sup> ILOSTAT, 2020.

<sup>8</sup> UN women - <https://data.unwomen.org/country/belize>

<sup>9</sup> [Belize Education Statistics 2021-2022](#)

<sup>10</sup> Näslund-Hadley et al., 2020

<sup>11</sup> "Migration, Integration and Diaspora Engagement in the Caribbean – A policy review", Valerie Lacarte, Jordi Amaral, Diego Chaves-González, Ana María Sáiz, Jeremy Harris, IDB, Migration Policy Institute, March 2023,

- 1.8 **Active Labor Market Policies (ALMPs)** are designed to enhance the skills and employability of the workforce. Yet, the offer of ALMPs is currently limited, with challenges in the delivery of training and labor intermediation. Limitations in ALMPs hinder the activation and integration of the population into the workforce, limits the provision of training and reskilling opportunities for both existing and prospective workers, and hinder the attraction of foreign labor.
- 1.9 **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 resources to pay fees, transportation, and childcare costs. Coordination among key stakeholders—private sector entities, training centers, universities, and government institutions is lacking. Only 27% of firms report<sup>12</sup> engaging in collaborative relationships with training institutions, revealing a significant gap in integrating academic preparation with market demands. Notably, only 25%<sup>13</sup> of these firms have formal agreements with training centers for graduate recruitment, highlighting the scarcity of labor intermediation services that could facilitate students' transition into employment. Recognizing and validating training programs and credentials also poses a challenge. This issue is particularly evident in the tourism sector, where no educational programs are certified by the Belize Tourism Board (BTB) for crucial roles such as tour guides or operators.
- 1.10 **Public Employment Services (PES)** faces challenges in labor intermediation due to a limited range of services, including a lack specialized services for the integration of women in the labor market and lack of labor migration. The services provided are hampered by low coverage and the absence of a coordinated institutional framework. The PES lack both a Public Labor Intermediation Platform (PLIP) and a Labor Market Information System (LMIS), leading to a critical gap in the availability of a comprehensive database for jobseekers, employers, and vacancies. This deficiency in labor market information, and the lack of a system to consolidate and timely share information across various agencies, starkly limits the ability to address labor market needs effectively.
- 1.11 **Strategic Alignment.** The TC 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 by supporting the increase coverage and effectiveness of employment policies through institutional strengthening and technological modernization focusing on migrants or on Vulnerable Groups such as women; and (ii) bolster sustainable regional growth by supporting the increase in coverage and relevance of training for working-age women in growing sectors. The TC is also aligned with the operational focus area(s) of: (i) gender equality and inclusion of diverse population groups; (ii) institutional capacity, rule of law, and citizen security; and (iii) social protection and human capital development.
- 1.12 This TC is aligned with Belize's country strategy 2022-2025 (GN-3086), in the area of human capital, specifically regarding skills mismatch, quality and relevance of skills (3.16 and 3.17), through promotion of human capital formation and employability (3.20), migration dialogue (3.21), gender and diversity mainstreaming (3.22) and digitalization and institutional capacity (3.23).

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<sup>12</sup> Näslund-Hadley et al., 2020

<sup>13</sup> Näslund-Hadley et al., 2020

- 1.13 The TC is also consistent with the Sectorial Frameworks of: Labor Sector Framework ([GN-2741-12](#)) in the following action lines: (i) Interventions to accelerate employment recovery and get people back into work; and (ii) Multisectoral approaches to increase productivity growth and ensure that benefits are shared equitably; and Skills Development sector framework ([GN-3012-3](#)) in the following action lines; (i) Strengthen quality assurance mechanisms and pertinence; and (ii) Leverage the use of technology to expand equitable access to skills development opportunities and make skills development systems more efficient.
- 1.14 The TC also aligns with priority area 5: Inclusive Social Development within the OC SDP Window 2 - Social Development (W2E) as established in GN-2819-14, by supporting: (i) policies and their implementation to make quality employment services accessible to all segments of the population and strengthen service delivery and management; and (ii) efforts to promote gender equality and development with identity of groups that face exclusion based on race and/or ethnicity.
- 1.15 Finally, the TC is also consistent with the IDB Gender and Diversity Action Plan 2022-2025 ([GN-3116-1](#)) in two thematic areas: improving human capital, through the feasibility studies to prepare the provision of professional training for women in digital sectors and improving economic opportunities by fostering the access to women to high quality jobs by designing talent pipelines to provide women with pertinent and high quality training.
- 1.16 **Lesson Learned.** The Bank has regional experience with programs to improve strengthening of training and labor intermediation systems. This TC incorporates lessons: on the (i) importance of the technological modernization of the Public Employment Service (ATN/OC-19243-RG; 2660/OC- PR), which could support the Digital transformation process in Belize in component 1; lessons (ii) involving the productive sector to align training offerings with demanded skills helps reduce skill gaps and improve labor market insertion (4555/OC-PE, 2739/OC-BA, 4362/OC-CH, 3787/OC-BH, ATN/OC-15185-TT), which will strengthen the activities to ensure that professional training will be in line with labor demand needs in Belize in component 2; (iii) developing training routes that consider the needs of specific groups such as women, or migrants (4934/OC-CO, 1552/SF-HO), which will reinforce the provision of specialized labor intermediation services in Belize in component 2; and (iv) the importance of public-private partnerships for employment and business support in the Public Employment Service (3547/OC-PE) in component 2.

## II. Description of activities/components and budget

- 2.1 The TC will support the improvement of Belize's workforce employability through two components as follows:
- 2.2 **Component 1: Employment policy coverage and effectiveness (US\$65,000):** This component will finance: (i) a study with diagnostic and barriers for female labor force participation and policy recommendations including services for labor market insertion of women and young women; (ii) a study with diagnostics and barriers for attracting migrant labor force and policy recommendations for the development of the labor mobility management function of the PES; and; (iii) a strategic roadmap to guide the digital transformation of the Ministry to enhance labor force participation.
- 2.3 The expected result of this component are a strengthened AMLPs. The collected data from these activities should inform the design and implementation of employment

policies with better coverage and effectiveness in Belize for women and migrants, and to prepare the digital transformation of the MoL to strengthen AMLPs.

- 2.4 **Component 2: Training for working-age women in growing sectors (US\$60,000):** This component will finance: (i) a feasibility study for e-lancing or microwork; and (ii) the design of sectoral talent pipelines with a gender focus for digital sectors and tourism. The design of a Sectorial Talent Pipeline (an action plan to answer in quantity and quality in a short period of time, to the emerging demands of the productive sector) that includes operational management and estimation of the costs of training, certifications, intermediation, monitoring, and evaluation of results.
- 2.5 The expected result of this component is the strengthening of policies to promote female labor force participation and the employability of young women through the collected data that should inform training and intermediation programs, promoting the development of relevant skills for the productive sector for women and migrants.
- 2.6 The total cost of the TC will be US\$125,000, financed entirely by the OC SDP Fund Window 2 - Social Development (W2E) (GN-2819-14). The disbursement and execution period will be 36 months. These funds will be used in the following components:

**Indicative Budget (US\$)**

Activity/Component	Description	IDB (W2E)	Total Funding
<b>Component 1:</b> Employment policy coverage and effectiveness.	Diagnosis and roadmap to strengthen active labor market policies with focus on women and migrant labor.	56,000	56,000
<b>Component 2:</b> Training for working-age women in growing sectors.	Identification of opportunities for training and labor insertion in digital and tourism sectors	69,000	69,000
Total		125,000	125,000

- 2.7 The Team Leader of the TC, Specialist of the Labor Markets Division (SCL/LMK), will carry out the supervision of this TC with the appropriate support from specialist and consultants from different sectors and the Country Office in Belize (CIB/CBL) if needed. Adequate planning of transactional budgetary resources to guarantee the monitoring and fulfillment of activities and products included in this TC, will also be the co-team leaders' responsibility, always in coordination with the CIB/CBL.
- 2.8 All knowledge products generated as part of this technical cooperation will be the property of the Bank and may be made available to the public.

**III. Executing agency and execution structure**

- 3.1 This is a R&D operation that has as its objective to develop and disseminate knowledge, as such, is an initiative led by the Bank<sup>14</sup>. The Inter-American Development Bank (IDB), through the Labor Markets Division, will be the Executing

<sup>14</sup> The activities planned on this operation require the joint work with the Government of Belize. Being so, IDB will request a non-objection letter before starting the activities of this operation.

Agency, in accordance with the guidelines and requirements established in the Technical Cooperation Policy (GN-2470-2) and the TC Operating Guidelines (OP-619-4). The supervision will be performed by the Labor Markets and Social Security Division (SCL/LMK).

- 3.2 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.
- 3.3 **Acquisitions and financial management.** All activities to be executed under this TC have been included in the Procurement Plan (Annex IV) and will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; (b) GN-2765-4 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature and; (c) GN-2303-28 for logistics and other related services; as amended from time to time. Please note that Policy GN-2303-33, approved by the Board of Executive Directors on November 22, 2023, will become effective on July 1, 2024. It replaces the Corporate Procurement Policy (document GN-2303-28) and the Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work (document GN-2765-4) by updating and consolidating them into a single policy. After July 1, 2024, all procurement for Services provided by firms shall be conducted under this new Policy GN-2303-33 and its associated Guidelines.

#### **IV. Major issues**

- 4.1 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 that result from the activities of this TC are not implemented; (iii) risks of inadequate quality of the data and gaps analysis generated; and the government might not agree to grant public access to the data and studies supported by this operation.
- 4.2 To mitigate these risks, the following activities will be carried out: (i) locally based consultants will be involved in the project supporting its correct development and the team will establish constant and effective communication channels with local stakeholders related with the activities of this TC; (ii) engaging in ongoing dialogues with decision-makers at higher levels of government to ensure that the importance and lessons learned from this TC are internalized by the officials in charge of implementing the proposed change. This will be complemented by establishing peer review mechanisms and engaging in stakeholder validation to refine and validate findings and recommendations, ensuring their relevance and actionability.

#### **V. Exceptions to Bank policy**

- 5.1 None.

#### **VI. Environmental and Social Aspects**

- 6.1 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\\_88973.pdf](#)

[Results Matrix\\_92741.pdf](#)

[Terms of Reference\\_1092.pdf](#)

[Procurement Plan\\_70082.pdf](#)