

## Belize – Enhancing Financial Resilience for Improved Disaster Risk Management

<p><b><u>Country</u></b></p> <p>Belize</p> <p><b><u>EURCa Component</u></b></p> <p>Strengthen Financial Protection</p> <p><b><u>Amount approved</u></b></p> <p>€280,000 / \$295,000</p> <p><b><u>Duration</u></b></p> <p>10/2024 – 10/2026</p>	<p><b><u>Context and Objectives</u></b></p> <p>Belize is highly exposed to disaster risks including hurricanes, tropical storms, earthquakes, droughts, floods, and landslides. Annual average losses from hurricanes in Belize are estimated at \$7,700,000 (or 0.45% of GDP) and from earthquakes at \$883,000 (or 0.05% of GDP).<sup>1</sup> In addition to negative impacts on economic and social development, disasters also increase the country’s sovereign debt, as unplanned post-disaster expenditures place strain on public finances.</p> <p>The objective of this project is to support the optimization of Belize’s disaster risk financing instruments and strategies and enhance financial resilience to climate change-related disasters. The proposed activities will inform the preparation of a new Development Policy Credit with Catastrophe Deferred Drawdown Option.</p>
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### **Main Activities and Expected Results**

#### **Enhancing policy and institutional framework for improved disaster risk management and climate change**

This activity supports the enhancement of the necessary policy and institutional framework for improved disaster risk reduction and emergency preparedness through updating the government’s Disaster Preparedness and Response Plan, revising the National Land Use Policy, and updating the Belize Building Act.

*Expected Result:*

- Better informed land use planning, building regulations, emergency preparedness and overall resilience to climate change and disaster risk.

#### **Strengthening fiscal resilience against natural hazards and climate change**

This component focuses on improving financial and fiscal resilience by adopting a disaster risk financing policy and a fiscal strategy plan to ensure that Belize has the fiscal capacity to respond to disasters effectively.

*Expected Result:*

- Optimized disaster risk financing strategy for improved disaster resilience and management.

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<sup>1</sup> Belize Country Disaster Risk Profile



### **Supporting the government in implementing DRM reforms**

This component supports the effective implementation of DRM policy reforms through the provision of technical assistance, training, and dissemination activities.

#### *Expected Result:*

- Advancement in the implementation of policy reforms and financial systems.

### **Partnerships and Coordination**

The World Bank implements the project in close coordination with the Ministry of Finance, Economic Development and Investment. The project team coordinates its efforts with the EU Delegation in Jamaica and its technical office in Belmopan, Belize. The project is also coordinated with the Inter-American Development Bank (IADB) under a recent World Bank-IADB initiative for strengthening DRF.