



- FINAL REPORT -
COSTING OF THE SOCIAL
PROTECTION FLOOR(S)
IN BELIZE



Belize City, January 2024

EXECUTIVE SUMMARY

The purpose of the paper is to cost the options for the Social Protection Floor (SPF) in Belize. The Social Protection Floor (SPF) encompasses the national definition of minimum social protection guarantees. SPF, in fact, has four guarantees: 1) universal health care, 2) security for children, 3) income security for the unemployed and poor, and 4) income security for the elderly. Each country defines its SPF based on its financial capacity, national traditions and national expectations, amongst other criteria. There are no international standards for SPF building, and countries are free to explore the SPF design. The Government of Belize is committed to developing a comprehensive Social Protection Strategy, and SPF are one of the major building blocks.

This paper provides a costing of six possible SPF models for Belize. It focuses on the approach that ILO used in 2017, for the analysis of SPF options for 101 countries, with special attention paid to 57 low-income countries. The interventions focus on children, orphans, expecting and new mothers, people with (severe) disabilities, and universal pensions for the elderly. This served as Scenario One, which was later expanded in terms of the support for coverage or transfers offered. Two models fell below the international benchmark for social assistance of 3.3 percent of GDP, whilst the third scenario offers additional assistance, including limited assistance for the unemployed, which would cost 3.46 percent of GDP. In this case, all children, without a difference, would receive the support of $\frac{1}{4}$ of Belize's General Poverty Line (GPL), orphans full GPL, mothers $\frac{4}{12}$ of GPL, disabled and elderly the full GPL, as well as unemployed would receive $\frac{1}{2}$ of GPL (i.e., the assistance for six months). Scenario four is slightly more expensive, where expecting and new mothers are offered full GPL (i.e., assistance for 12 months instead of four). Although about a half percent more expensive, the scenario has its attraction as it may have a positive impact on the population growth and strengthening early start of a child.

The full spectrum of SPF interventions will most likely be delivered over time through a series of interactions amongst development partners, as well as other stakeholders. Utilisation of positive past experiences is necessary, as well as the readiness to leverage experiences in implementation, ensuring savings and efficiency gains. In order to expand the fiscal space for social protection, the Government may decide to look at the efficiency of the tax system (especially tax collection), expand the tax base and correct the tax rates, introduce 'sin' taxes (alcohol, high sugar food, etc.) on one side, and improve efficiency and effectiveness of the Government services (especially education and health) seeking to secure efficiency gains.

Introduction and financing of SPF in Belize is possible and within reach, even under the current fiscal/financial arrangements. With earmarked resources for advancing social protection, introduction, and consolidation of SPF, the Government will not only be able to deliver its commitment to strengthen the social protection policy in the country but also ensure that the social investments contribute to higher economic growth and socio-economic development of the country. SPF is part of the comprehensive Social Protection Strategy that the Government is developing.

The summary of the SPF Scenario options can be found in Annex I, and the summary of the costs of individual interventions in Annex II of this Costing Paper. An overview of the existing social protection programmes implemented in Belize is presented in Annex III.

SPF Costing Scenarios – Summary Table

Scenario	Total Amount in BZD	As a percentage of GDP (2022)	As a percentage of the budget (2022)
SPF Scenario One: Basic ILO Model (Ortiz, et al., 2017) Orphans, elderly and severe disable – GPL, mothers 4/12 GPL, and children below 5 yrs. ¼ GPL	131,904,788.74	2.21	9.46
SPF Scenario Two: Basic ILO Model (Ortiz, et al., 2017), CRC adjusted	186,480,308.74	3.12	13.37
SPF Scenario Three: Modified ILO Model (Ortiz, et al., 2017), CRC adjusted, and unemployment allowance (6 months)	208,547,383.77	3.49	14.95
SPF Scenario Four: Modified ILO Model (Ortiz, et al., 2017), CRC adjusted, and unemployment allowance added (12 months)	230,614,458.80	3.86	16.53
SPF Scenario Five: Modified ILO model (Ortiz, et al., 2017), all children below age of 18 are given ¼ GPL allowance and mothers are given GPL, unemployment allowance for 6 months	223,238,459.72	3.74	16.01
SPF Scenario Six: Modified ILO model (Ortiz, et al., 2017), all children below age of 18 and mothers are given GPL, unemployment allowance for 6 months	443,863,389.97	7.43	31.82

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ABBREVIATIONS

BZD – Belizean Dollar

CPI – Consumer Price Index

CRC – Convention on the Rights of the Child

EC – European Commission

EU – European Union

ESCAP – Economic and Social Commission for Asia and the Pacific

GPL – General Poverty Line (Belize)

NHI – National Health Insurance

ILO – International Labour Organisation

MFB – Millenium Food Basket

MHDFIPA – Ministry of Human Development, Families and Indigenous People’s Affairs

MoECST – Ministry of Education, Culture, Science and Technology

MoED – Ministry of Economic Development

MoF – Ministry of Finance

MoHW – Ministry of Health and Wellness

NHS – National Health Service

ODA – Official Development Assistance

PwD – People with disabilities

SPER – Social Protection Expenditure Review

SPF – Social Protection Floor

SPF-I – Social Protection Floor Initiative

SPI – Social Protection Index

SSN – Social Safety Net

UDHR – Universal Declaration of Human Rights

UN-JFWSPF – The Joint Fund Window for Social Protection Floors

UNDOCO – United Nations Development Operations Coordination Office

UNESCAP – United Nations Economic and Social Commission for Asia and the Pacific
(see also ESCAP)

UNDP – United Nations Development Programme

UNHCR – United Nations High Commissioner for Refugees

UNICEF – United Nations Children’s Fund

UN MPTF Office – UN Multi-Partner Trust Fund Office

VAT – Value-Added Tax

requirements for comprehensive social security. Pension and pension rights for the elderly have also been one of the central issues in many national social policies. However, the aging population, diminishing returns on investments, as well as additional pressures on the Government budgets worldwide, have also added pressure on the pension system (see: Holzmann, Hinz and Dorfman, 2008).

Increasingly the pension systems are becoming complex, where the basic pension is complemented by contributory pension. Moreover, the three pillars of the pension system (state, occupational, and private retirement provision) have been extended to five pillars (see: World Bank, n.d.), encompassing pillars from 'zero' to 'four', where the 'zero pillar' includes the non-contributory provision.⁷ Pillars one and two are mandatory, whereas pillar three is voluntary and pillar four looks at a non-financial provision of services in retirement (see: World Bank, n.d.).

Social protection has also been an important segment of the national anti-poverty strategy development in many developing and transitional economies. This has been especially the case in Latin America, where the comparably higher levels of social spending were associated with significant improvements in poverty reduction and decline in inequality (see: Ocampo and Gómez-Arteaga, 2016). A significant number of Latin American countries have improved the overall Social Protection Index (SPI)⁸. In fact, 15 out of 18 countries covered, have significantly improved the social protection coverage from the year 2000 to 2015 (see: Ocampo and Gómez-Arteaga, 2016).⁹ The focus has been primarily on expanding the health and pension coverage. Similar findings have also been reported for other regions (see: ESCAP, 2013).

Public funding of social protection (and especially social assistance) is the most dominant source of finance, regardless of the model employed. Even in countries where a relatively small proportion of the budget is spent on social protection, public investment is usually the main source. Increasingly the funding of social sectors is mixed, where citizens join different contributory schemes. A contributory pension is a type of pension into which both the employer and employee pay money (contribute), and the employee can draw the pension when he or she meets the set criteria. Contributory pension schemes can be managed either by the state body and/or a private entity.

Developing contributory schemes has also featured high on the pension reform agenda, as well as opting for the earmarked public revenues. Comparative practice shows, for example, that countries may choose to invest revenues from tourism into expanding social protection. Indirect taxes¹⁰ have also been used for expanding the social protection financing base.¹¹

⁷ This could be seen as a basic pension for all the citizen that in theory should cover their basic needs. This can also be seen as a form of basic/minimum income that every citizen/resident has a right to receive. This right is individual, unconditional and universal.

⁸ Social Protection Index (SPI) measures the level of comprehensiveness of social protection coverage (pensions, access to health services, and other targeted social protection services)

⁹ Although Belize was not part of Ocampo and Gómez-Arteaga's (2016) sample, there is proof of progress in social assistance, especially regarding shock-responsive social protection (see: Barca, *et al.*, 2019).

¹⁰ i.e. different sales taxes.

¹¹ Good examples here are Brazil and Lao PDR, although the countries are having totally different political systems

Uruguay has consolidated different revenue streams (i.e. contributions and taxes) into one tax, which is used exclusively for financing social protection.

As a rule, many countries that have not yet developed SPF may have several social protection programmes (and transfers). For instance, Belize has the National Health Insurance (NHI), The Social Security Board (SSB), Building Opportunities for Our Social Transformation (BOOST)/BOOST+, Public Assistance programmes that have been reviewed in the Social Protection Expenditure Review (SPER), in 2018, which can be easily serve as a base for building SPF (see: MoHDSTPA, 2020).

2. Social Protection Floor: The Concept and Its National Understanding

The ILO's Social Protection Recommendation was endorsed in 2012 to promote a basic level of social security for people over the course of their lives (see: ILO, 2012). SPF is usually seen as a minimum level of social protection provided to the citizens (and increasingly residents) of a respective country. Although some global understanding of SPF has been developed, SPF is defined by the country, ideally through a process of extensive social dialogue and consultations, which are inseparable aspects of SPF (see: ILO, 2012a).

SPF is influenced by economic, social, and political factors. Even amongst the economically advanced countries, there are significant differences in conceptualising and implementing SPF. Even within the EU, which has a high degree of mutual coordination, the countries see SPFs differently, as the social protection systems are exclusively in the hands of the member-states.¹²

Social protection floor policies aim at facilitating effective access to essential goods and services, whilst, promoting productive economic activities (see: ILO, 2011a). SPF, as a national policy instrument, should also be implemented in coordination with other policies enhancing employability, reducing informality and precariousness (i.e. the precarious work¹³), creating decent jobs, and promoting entrepreneurship (see: ILO, 2011a).

SPF recommendations (see: ILO, 2012a) propose that there should be at least four SPF guarantees offered by national governments:

- a) Access to at least essential health care, including maternity care;
- b) Basic income security for children, providing access to nutrition, education, care, and any other necessary goods and services;
- c) Basic income security for persons of working age who are unable to earn sufficient income, particularly in cases of sickness, unemployment, maternity and disability;
- d) Basic income security for older persons.

The capacities of countries differ; hence, the implementation of SPF is very much a national (localised) endeavour, both in design and implementation. SPF must be developed with the

¹² The national system cannot discriminate between the EU citizens, i.e. the citizens of any EU country residing in another member state cannot be denied the access to social protection, and social services. EU rules coordinate the national systems to make sure people moving to another EU country do not lose their social security coverage, ensuring that at one point of time a citizen may be subject to only one social security system.

¹³ Precarious work is a type of work which is poorly paid, unprotected, and insecure. See more in: Kenner, Florczak and Otto, 2019

full observance of *principles of non-discrimination, gender equality and social inclusion*. It should be built on the existing social protection mechanisms and ought not to be designed as a completely new initiative (see: Cichon, Behrendt, and Wodsak, 2011). It can include many other existing social protection schemes: targeted and universal, contributory and non-contributory, public and private. The policy and mechanism mix will largely depend on the country's social, economic and political context.

A social safety net includes exclusively non-contributory transfers designed to provide regular, predictable and targeted support to poor and marginalised groups and people. Social safety net focuses on the special programmes that target some marginalised and deprived, i.e. disfranchised communities and does not necessarily contribute to building a comprehensive social programme. It should be noted that a multitude of approaches and mechanisms distinguishes the SPF from the concept of 'social safety net' (i.e., 'safety net').¹⁴ Social safety net may be introduced like an emergency shock response and often supports government choices that support efficiency and growth, whilst SPF give effect to the Human Right to Social Security (see: Cichon, Wodsak and Durairaj, 2010). Social Safety Net are a targeted set of non-contributory transfers depending on the government priorities, where the minimum consistent with adequacy is defined as 'meaningful benefits. In contrast, SPF provides a universal entitlement to protection through a defined basic package for all in need, based on the national poverty lines (see: Cichon, Wodsak and Durairaj, 2010).

The SPF should provide support through the entire life and work cycle, from birth to retirement (see: ILO, 2012a). Hence, the focus is on children, the elderly and people of working age. At the same time, all the groups should have access to minimum health care. Children, as the most vulnerable group within society, should be provided basic alimentary needs, attend school, develop and become contributory members of society.

The COVID-19 pandemic and the emergency response that was warranted, have also shed additional light on the SPFs and their technical design. In fact, countries worldwide have provided emergency support for all four categories of users, as outlined in a classical SPF model (children, work-age population, marginalised and elderly).¹⁵ The pandemic response has also required some rethinking of access to health care, as there could not be discrimination in the time of emergency. However, additional spending for addressing the challenges has not sustained the post-COVID-19. Belize introduced a fiscal stimulus amounting to BZ\$25 million (1 percent of GDP) in 2020 to provide short-term relief to employees, especially those in the tourism sector where more than 40,000 applications for unemployment relief were assessed (see: ECLAC, 2022). Central Bank of Belize has also introduced several measures to support the economy, which shrank 14 percent in 2020.

The increased social sector spending in response to the Pandemic has not been retained worldwide (see: UNICEF, 2023), although some countries have used the programmes that have been instituted during the COVID-19 response and integrated them into their standard

¹⁴ 'The Social Safety Net (SSN) consists of non-contributory assistance existing to improve lives of vulnerable families and individuals experiencing poverty and destitution' (see: World Bank, 2018)

¹⁵ See: Cook and Ulriksen, 2021

social protection portfolio (see: De Neubourg, Karpati and Carrera, 2021; UNICEF, 2023). Despite the fact that the programmes have not continued, they have strengthened the capacity of the countries to offer more comprehensive and focused social protection interventions and develop and deploy them quickly in emergencies. Additionally, the existing structures (including the introduced operating practices, i.e. *modus operandi*¹⁶), can be utilised for other social protection programmes, or relaunched in a different form quickly, should the need arise. It also seems that the trend of relaunching some of the emergency programmes is emerging, but now as a part of the standard social protection offering. In Belize, additional social protection spending has not been retained, but the importance of the social policy interventions like BOOST+ programme has been recognised (see: EOT, n.d.).

The introduction of SPF has improved the social protection offering and has had a positive impact on the country's SDG targets' delivery. At the same time, social protection has had a positive impact on economic development, as most of the social transfers are spent locally, contributing to the improvement in local economic development. Research has shown that every dollar transferred to households adds 1.3–2.5 dollars to the total income in the local economy through multiplying effects (Thome, *et al.* 2016).

The SPF may also have a positive multisectoral impact. For instance, in the case of supporting children (child transfers), school attendance and attainment have usually improved, contributing to better learning outcomes and often the adoption of improved health-related habits (for instance, better nutrition, as usually school feeding programmes are prepared following the good nutrition practices).

3. Social Sectors' Fiscal Space in Belize

Fiscal space is defined as 'the flexibility of a government in its spending choices, and, more generally, to the financial well-being of a government' (see: Roy and Heuty, 2009). For the social sectors, the fiscal space may also be seen as the government's financial capacity to allocate resources towards social services in three sectors: education, healthcare, and social welfare. Fiscal space¹⁷ can be managed either by increasing the revenues or through the more rational (effective, efficient, productive) utilisation of already allocated resources. Of course, it is possible to reprioritise between different policies of the government, opening the fiscal space for interventions in the priority areas. For instance, during the COVID-19 pandemic, the priority was on the health and support for the economic sector. Education and health as a rule are policy priorities, as they are the drivers of the human capital development for any country. Also, in a long term all the social sectors (education, health and social protection) provide good returns.

Presently, Belize does not have a defined Social Protection Floor, but it does have several policy interventions that may assist in developing SPF. There are well-established but limited pension and health insurance systems, both operated by efficient and effective para-statal

¹⁶ As developed/acquired know-how

¹⁷ Fiscal space is usually defined as 'room in a government's budget that allows it to provide resources for a desired purpose without jeopardizing the sustainability of its financial position or the stability of the economy' (Heller, 2005). See also, Roy, Heuty and Letouzé, 2007

institutions – Social Security Board and National Health Insurance.¹⁸ Also, during the COVID-19 pandemic, the government instituted different programmes to support citizens and families in need. One of the largest was the Food Support Programme, which has attracted funding of BZD 24,499,958.00 (in the fiscal year 2020/2021).

The Ministry of Human Development, Families and Indigenous People’s Affairs (MHDFIPA) is the main coordinating ministry for social protection/social policy. In the last few years, the Ministry has attracted about BZD 15 million on average, annually for the recurrent expenditures, and between BZD 6.5 and BZD 43 million in capital allocation/expenditure for strategic management and administration. If the COVID-19 pandemic year is excluded the allocations/expenditures were between approx. BZD 6.5 and BZD 10 million. For the next few years, it is expected that capital allocations will be about BZD 9 million annually, whilst recurrent expenditures will stabilise just over BZD16 million (see: MoF, 2023).

However, one programme will attract BZD 2,438,000.00 (Anti-Human Trafficking Plan of Action). Even if the most flexible definition of social protection is applied (i.e. ‘any intervention that improves the welfare of populace’), the programme would hardly qualify as a social protection programme/intervention. Most of the capital expenditures allocated by the Ministry (i.e., MHDFIPA) appear to be temporary in their nature. With the exception of one or two cases, no budget lines in Capital I and Capital II (i.e., development budgets) have persisted for more than a few years (see: MoF, 2023).

In the realm of human services, MHDFIPA operates several programs that clearly fall under the category of social protection. Recurrent allocations and expenditures for these programs total approximately BZD 8.5 million, while capital expenditures (i.e., Capital II) typically amount to less than BZD 420,000.00 (see: MoF, 2023). However, in the fiscal year of 2021/2022 it will mark a record low of BZD 214,394.00. The third area of the Ministry’s engagement – Community rehabilitation attracts a minimal amount of resources. Again, recurrent expenditures (or allocations) are significantly higher than capital (i.e. development) expenditure/allocation. The capital allocations would range from just below BZD 300,000.00 to BZD 820,000.00 (see: MoF, 2023). The annual projections indicate a significant increase in allocations, which is of utmost importance. However, it is highly probable that these increases will still fall short in adequately meeting the needs of the Belizean community. Most importantly, the allocations are projected to rise annually, although most likely, are still insufficient to address all the community needs in Belize. Despite being classified as a middle-income country (MIC), Belize grapples with an alarming level of poverty, with over 52 percent of the population experiencing various forms of poverty (SIB 2018). The COVID-19 pandemic has exacerbated this situation, undoing many of the social development gains made over the years (see: ECLAC, 2021; UNICEF Belize, 2021).

There are no precise international targets for spending on social protection/social safety. One of the internationally recommended minimum is to spend about 3.3 percent of GDP on social

¹⁸ Both organisations exhibit a high level of managerial effectiveness and efficiency and employ the modern management systems and processes

assistance programmes (see: UNICEF Innocenti, 2022; UNICEF EAPRO, 2023). Based on the current expenditures (without an item-by-item analysis undertaken), Belize most likely spends less than 1 percent of GDP on social protection. Most interestingly, the programmes *per se*, do not attract most of the resources, but the recurrent expenditures (i.e. mostly salaries). Social protection expenditures have been revolving around 1.5 percent of the total government budget. In 2020/2021 social protection attracted 4.16 percent of the budget, and it was the only year where spending was relatively high. It was the only year where recurrent expenditures were about 19 percent of the allocation, in contrast to all other years where recurrent expenditures accounted for about 60 percent of the allocation.

Another interesting intervention/programme is the ‘#Plan Belize’ (see: MoED, 2023¹⁹), a flagship government development programme to support the local capacity development and welfare of residents. ‘#Plan Belize’, as a medium-term development strategy covering the period from 2022 to 2026, is based on three principles: Poverty reduction, Economic transformation, and Trade deficit reduction.

In the budget documents for FY 2022 (see: MoF, 2022), the ‘#Plan Belize’ was described as:

‘Vision and Mission of Plan Belize:

Every Belizean²⁰ should have an opportunity to go train with relevant skills to school and be educated;

Every Belizean should be enrolled in the National Health Insurance (NHI) program for timely access to quality primary health care;

Every Belizean should have access to a piece of land;

Every Belizean should be employed or self-employed. A job is the driving force for personal growth, development and meaningful careers, and

Every Belizean should own a decent home. A home breeds stability, family and love, and is essential to nurture and develop a family.’ (MoF, 2022, p. 142)^{21,22}.

The ‘#Plan Belize’ engages several government players – Ministries, departments and agencies (MDAs). Social programmes may be found also under MHDFIPA, as a lead ministry, and the Ministry of Agriculture, Food Security and Enterprise and

¹⁹ Available at: <https://med.gov.bz/wp-content/uploads/2023/04/Belize-Med-Term-Dev-Strategy-Action-Plan-2022-to-2025.pdf>

²⁰ The ‘#Plan Belize’ focuses on the Belizeans, however it may be opportune to expand the understanding of the term ‘Belizean’ to include besides the citizens of Belize, the permanent residents of Belize, as well. In principle, the permanent residents should enjoy the same rights as citizens (as they (permanent residents) contribute to the society to the same extent as citizens), expect the right to cast the vote in the parliamentary elections. In some jurisdictions, permanent residents may be allowed to vote in local (i.e., the sub-national elections), as well.

²¹ Strategic objectives of #Plan Belize: 1) To diversify and become innovative in the adoption of climate-smart systems; 2) To focus on research and development in partnerships with renowned universities; 3) To support the increase of locally produced commodities and lead the “Buy Local” campaign; 4) To include a program for the teaching of agriculture and agro-business in schools; 5) To Improve storage and logistic facilities for farmers; 6) To improve trade and market intelligence and find niche markets for the exporting of the non-traditional commodities; 7) To replace and substitute imports, expand exports and strengthen the linkages between agriculture and the tourism sector; 8) To support affordable financing for farmers) 9) To review entire tax system and enact reforms to have a simplified, fair, efficient and development-driven system; 10) To work in partnership with the 4 traditional exports sugar, citrus, banana and shrimp to increase productivity, competitiveness and market penetration; 11) To update and implement trade policy agreements. (comp. MoF, 2022, p. 142). Reported ad verbatim with some technical editing for consistency.

²² The text is presented here *ad verbatim* with some technical editing for easier reading (comp. MoF, 2022, p. 142).

Ministry of Youth, Sports and Transport (see: MoF, 2022). Social sector interventions (i.e., ‘social development’²³) should be seen beyond the social protection (or narrower ‘social assistance’) concepts and other social sectors should be considered, such as education and health. This has been an approach in other regions in the world (see: UNICEF, 2023).

When it comes to education spending, Belize allocates far more than to social protection²⁴. In 2021, public spending on education as a share of GDP for Belize was 8.7 percent. Public spending on education as a share of GDP of Belize increased from 5.8 percent in 2001 to 8.7 percent in 2021 growing at an average annual rate of 3.13 percent. Looking at the budgetary allocations, Belize does not only meet but also surpasses the internationally recommended investment level of 4 to 6 percent of GDP.²⁵ Similar results may be reported for education as a percentage of total government expenditure. Namely, education attracts just over 20 percent of the total government expenditures, which again is in line with the international recommendations to spend on education between 15 and 20 percent of the total government budget.²⁶

In the case of health, there is no internationally agreed benchmark, however, countries often refer to the Abuja declaration (2001), which has set the floor of a minimum of 15 percent of their government budget to be spent on health (see: WHO, 2011), or up to 7.5 percent of GDP (UNICEF, 2022). In 2020, Belize spent 6.92 percent of GDP on health. Budgetary allocation for health is usually between 9 and 10 percent of the national budget, although in 2020/2021 the expenditure was over 13 percent. Unfortunately, the planned allocations for the next three years show a marginal decline. Out-of-pocket health expenditure for health, is still high, putting additional strain on the population.²⁷ However, the Government has increased investment in health from 53.1 percent in 2005 to 71.8 percent in 2020, with out-of-pocket spending decreasing over this 15-year period from 32 percent in 2005 to 21.9 percent in 2020 (see: WHO, 2023). National Health Insurance is still not comprehensive and only covers some parts of the country. In line with the general commitment in the #Plan Belize to provide access to health insurance to all the citizens, NHI has extended its coverage which currently includes the South(ern) Region, Belize City South Side and Northern Region²⁸, whilst it will extend to all Belize District (including Cayes) and the Western Region over the next two years.²⁹ However, the #Plan Belize’s commitment is that within its duration all Belizeans are registered with NHI (see: MoED, 2023).

²³ ‘Social development means investing in people.’ (see:

https://www2.gnb.ca/content/gnb/en/departments/esic/overview/content/what_is_social_development.html)

²⁴ In Belize social planner language terms ‘social protection’ and ‘social safety net’ are used interchangeably (see: MoED, 2023).

²⁵ Education 2030 Incheon Declaration (see more: World Bank, 2023)

²⁶ Ibid.

²⁷ See, most recent statistics at: <https://www.statista.com/statistics/1283918/out-of-pocket-health-expenditure-belize/#:~:text=Household%20out%20of%20pocket%20health%20spending%20in%20Belize%202010%2D2020&text=In%202020%2C%20household%20out%20of.dollars%20registered%20a%20year%20earlier>

²⁸ On the regions in Belize see: <https://www.travelbelize.org/belize-by-region/>

²⁹ Communication with NHI in January 2024

Table 1: Social Sectors' Ministries Budgets, 2021-2026 (actuals and estimates, in BZD mil.)

Government Ministry	2021/22 Actual	2022/23 Budget Estimate	2022/23 Revised Estimate	2023/24 Budget Estimate	2024/25 Forward Estimate	2025/26 Forward Estimate
MoECST	216.175	241.710	232.638	261.088	261.088	261.088
MHDFIPA	14.397	15.214	13.669	16.607	16.604	16.602
MoHW	138.914	123.456	123.837	129.996	129.999	130.223
TOTAL Soc. Sectors	369.485	380.380	370.144	407.691	407.692	407.914
As % of the total budget	39.35	34.96	35.84	36.63	35.57	34.87

Source: MoF, 2023 and Author's calculations based on MoF reported data

In terms of expenditure on social sectors, Belize is generally in line with the other Upper Middle-Income Countries (UMICs) (see: UNICEF, 2022; UNICEF, 2023). The investment in education remains consistent with those in social protection and health. However, over time the investment in the social sector varies, year-on-year, with the decline being recorded based on the budget estimates in the last three years of the national development plan (i.e., #Plan Belize). This has to be reassessed and aligned with the objectives of #Plan Belize and the implementation of social protection policies and a national social protection framework (SPF). Usually, these policy interventions require additional funding, that has not been projected in the national budget.

An expansion of the fiscal space is usually seen as an increase in revenues. An international comparative research, advise on the post-COVID-19 (see: Evans, *et al.*, 2023) assumes that the MICs will face the pressures of 1) increasing tax revenues; 2) increasing the share of total revenues allocated to social assistance; 3) increasing donor support by rebalancing their aid budgets in favour of social assistance; and 4) reducing costs by using categorical approaches to target social assistance when developing social floors (Evans, *et al.*, 2023). In the case of LMICs this challenge will be even greater. In the case of SPF, the target may be shifted to households, so that the social assistance interventions distribute benefits to the family (as a group) rather than individuals classified as children, elderly, unemployed, disabled, etc. In a number of countries, the systematic lack of data may prevent the government to fully understand the needs of the individuals and the family as a group.

Another significant way to improve the fiscal space is increasing the efficiency and effectiveness of spending.³⁰ Based on some recent research (see: Kapsoli and Teodoru, 2017), it is stated that Belize has room to improve its spending in the social sectors (primary and secondary education and health). The recommendations focus on technical efficiency. Technical efficiency could be estimated based on input or output oriented models. In input-oriented models, the efficiency scores are the proportional amount by which input consumption could be reduced while leaving outputs unchanged. On the other hand,

³⁰ **Efficiency** is understood as the relationship between the output from goods or services and the resources to produce them – spending well; and **Effectiveness** as the relationship between the intended and actual results of public spending (outcomes) – spending wisely (see: . [https://www.nao.org.uk/successful-commissioning/general-principles/value-for-money/assessing-value-for-money/#:~:text=Efficiency%3A%20the%20relationship%20between%20the,\(outcomes\)%20%E2%80%93%20spending%20wisely.](https://www.nao.org.uk/successful-commissioning/general-principles/value-for-money/assessing-value-for-money/#:~:text=Efficiency%3A%20the%20relationship%20between%20the,(outcomes)%20%E2%80%93%20spending%20wisely.))

efficiency scores from output-oriented models are defined as the proportional amount by which outputs could be increased while leaving inputs consumption unchanged (see: Kapsoli and Teodoru, 2017, p. 5).

The efficiency score for input-oriented primary education for Belize is 0.281, whilst output-oriented primary education efficiency score is 0.982. This suggests that Belize can be at least 3 times more efficient and effective with managing inputs, whilst, in terms of achieved outputs, there is very little that Belize can improve. For secondary education, the input-oriented efficiency score estimate is 0.568, whilst the output-oriented efficiency score is reported as 0.732.

Therefore, the input-oriented result suggests that the efficiency can be improved by at least 0.43 (i.e., 43 percent), whilst in the case of the output-oriented score, the room for improvement is less than 0.3 (i.e., 30 percent). Input-oriented efficiency score for health is 0.581 and the output-oriented – 0.950. This suggests that there is a space to improve the management of input by at least 0.4 (i.e., 40 percent), whilst in terms of outputs, there is very little room for improvement, suggesting that Belize has optimised the outputs (see: Kapsoli and Teodoru, 2017³¹). In terms of output-oriented efficiency scores for primary education, Belize has shown better results than its regional peers (see: Kapsoli and Teodoru, 2017, p. 11), whilst it has been lagging in other indicators, being usually in the last quartile. Most interestingly, all the regional peers have not done that well in managing input-oriented primary education efficiency scores. The results clearly show that the overall public sector efficiency may be improved, so that the fiscal space can be expanded further.

In order to enhance the fiscal space, Belize could explore avenues for improving the efficiency of the tax system, with a particular focus on health/sin taxes and expanding the tax base. Also, expanding Official Development Assistance (ODA) inflows can be an option. Net ODA has increased from USD 35.5 mil. in 2019 to USD 77.3 million in 2021.³² Although the reported sums are comparatively small, they are significant when ODA per capita is reported (in 2021 it was almost USD 193.25 per head³³). The main ODA partner in the year 2020-2021 was the Caribbean Development Bank (CDB) with the funding of USD 29 million, followed by the OPEC Fund for International Development with USD 22 million. The EU was third with USD 7 million, followed by the US with USD 5 million. The UK and UAE gave USD 2 million, each. Based on the current structure of ODA, Belize may consider focusing more on bilateral collaboration and improving bilateral ODA flows that would focus on the sector of mutual interest. At present, other social sector infrastructure attracts the most ODA inflows with a participation of 39 percent.³⁴ Enhancing spending efficiency and bolstering impact reporting capabilities are anticipated to enhance the nation's potential to attract increased ODA inflows in the foreseeable future.

³¹ The results are presented on pp. 20-24 (see: Kapsoli and Teodoru, 2017, pp. 20-24)

³² See: OECD ODA data (available at:

https://public.tableau.com/views/OECDODACaidataglacebyrecipient_new/Recipients?:embed=y&:display_count=yes&:showTabs=y&:toolbar=no?&:showVizHome=no

³³ OECD ODA database reported an investment of USD77.3 million and the population of Belize as 0.4 million, in 2021

³⁴ See:

https://public.tableau.com/views/OECDODACaidataglacebyrecipient_new/Recipients?:embed=y&:display_count=yes&:showTabs=y&:toolbar=no?&:showVizHome=no

Improving the spending efficiency and impact reporting capacity should also have a positive impact on the country's capacity to attract more ODA in the near future. The Government's emphasis on environmental and sustainability initiatives has shown positive outcomes through the recent grant funding they received from the Green Climate Fund (GCF). Nonetheless, proficient management of data collection, storage, analysis, and reporting with robust evidence is essential for accessing additional ODA-like resources, as development partners are showing a growing interest in the impact and reporting capabilities of national partners.

Belize has already ventured into an innovative financing model, which does improve access to development finance globally when entering into the Blue Bond deal.³⁵ As the first report published in 2023 (see: The Nature Conservancy, 2023), shows positive results, Belize may consider other types of special bond arrangements and explore other forms of 'innovative financing'.³⁶

4. Considering the Social Protection Floor for Belize

4.1. Introduction

The Social Protection Floor is always nationally defined. In the prior research (see: UNICEF Belize, 2023), a few possible options for SPF have been discussed. Various approaches are possible, with various packages attached to each of the four guarantees that SPF should offer. The minimum SPF should at least include the following four social security guarantees, as defined at the national level:

- 1) access to essential health care, including maternity care;
- 2) basic income security for children, providing access to nutrition, education, care, and any other necessary goods and services;
- 3) basic income security for persons in active age who are unable to earn sufficient income, in particular in cases of sickness, unemployment, maternity and disability, and
- 4) basic income security for older persons.³⁷

4.2. Considering the Guarantee Options

4.2.1. Health Insurance

Currently, one of the key objectives of #Plan Belize, as outlined by the Ministry of Economic Development in 2023 (see: MoED, 2023), is to ensure universal membership in the National Health Insurance (NHI) program for all Belizeans.³⁸ However, the full coverage has not been introduced as yet.

The NHI model was developed in 2000 through an amendment to the Social Security Act. The South Side of Belize City coverage was launched as a pilot and positioned NHI as '*a purchaser of health services*' in August of 2001. The basic package has been revised and amended a few times, to include new diseases and health conditions. Presently, the basic

³⁵ See: Bala, Behsudi and Owen, 2022; Owen, 2022

³⁶ UNICEF approach to innovative financing (albeit for the elimination of harmful practices) can be found at: <https://www.unicef.org/documents/innovative-financing-elimination-harmful-practices-child-marriage-and-female-genital>. The series of guides provide a good overview of different possible approaches to innovative financing in addressing social challenges.

³⁷ See: <https://www.ilo.org/secsoc/areas-of-work/policy-development-and-applied-research/social-protection-floor/lang--en/index.htm> (see: ILO, 2011d)

³⁸ See: <https://www.nhi.bz/>

package of health care services includes, the diagnosis and management of hypertension, diabetes, Asthma, HIV/AIDS, *pre- and post-natal monitoring*, treatment of TB, management of acute illnesses, breast, cervical, and prostate cancer screening and epidemiological surveillance. The package includes the following specialist care: ophthalmology, diabetic eye exams, diabetic laser surgery, cataract surgery and eyeglasses for school-age children and post cataract surgery, and *deliveries* in the Southern Region.³⁹ The current package includes pre-and post-natal monitoring, as well as childbirth, which should cover the basic services of maternal health. However, while the NHI package includes pediatric care, the coverage is limited. Therefore, it is imperative to advocate for the expansion of healthcare coverage to encompass pediatric care for all Belizean individuals under the age of 18. This step would ensure comprehensive healthcare access for children and adolescents, addressing their unique medical needs and promoting their overall well-being within the healthcare system.

To ensure that NHI maintains its high standard to its members through quality of service, it is crucial to engage a range of providers including public, private, and third-sector entities through performance contracting. NHI has the market power to negotiate preferential prices for its members, ensuring value for money. Anecdotal reference suggests that the prices of certain medical services differ significantly in Belize. One such service is cost of childbirth where it has been reported that the cost of childbirth may range from BZD 2,000.00 to BZD 5,000.00.⁴⁰ Data from NHI reveals that a natural delivery in a public medical facility typically costs between BZD 300.00 and BZD 500.00, whereas in private medical institutions, it falls within the range of BZD 3,000.00. For a Caesarean section (C-section), which is naturally more expensive, costs in public medical facilities range from BZD 665.00 to BZD1,000.00, while in private hospitals, it's around BZD 6,000.00.⁴¹

In Belize, the birth registration rate is high, accounting for over 96 percent.⁴² Among these annual births, the type of delivery varies depending on the institution where the birth occurs. Specifically, over 70 percent of deliveries in private medical facilities are conducted via C-section, whereas in public hospitals, the percentage is notably lower due to the high costs associated with this procedure.⁴³ Additionally, it is legally required that the delivery of the firstborn takes place in a hospital.⁴⁴

The challenge for NHI would be to drive the price of hospital (i.e. assisted) childbirth down, ensuring that the value-for-money principle is observed. At the same time, the review of the current extensive use of C-section must be reviewed, as Belize has an unusually high rate of C-section delivery. There were reported issues with accessing NHI and consistency of medical assistance during the pre-natal monitoring and leading to childbirth.⁴⁵

It is estimated that there will be 7,236 registered births in 2023.⁴⁶ Currently, NHI does not cover childbirth as a part of the standard package, although in the early stages of the

³⁹ See: <https://www.nhi.bz/history-of-nhi/>

⁴⁰ See: <https://www.expatexchange.com/advice/88/25104/20/Belize/Having-a-Baby-In-Belize-City>

⁴¹ Data kindly provided by NHI. Private sector data based on the Belize Medical Associate's price list (see: <https://belizemedical.com/>). Data for both public and private sector treatments was provided by NHI

⁴² See: <https://data.who.int/countries/084>

⁴³ See: <https://www.ashevillehomegrownfamilies.com/birth-in-belize/>

⁴⁴ Ibid.

⁴⁵ <https://www.expatexchange.com/advice/88/25104/20/Belize/Having-a-Baby-In-Belize-City>

⁴⁶ See: <https://database.ethnopolitics.com/belize/births>

development of the insurance programme, the delivery of a baby was included.⁴⁷ Inclusion of the child delivery costs are, usually, included into SPF mother and child guarantees, as well as the Universal Health Care (UHC).⁴⁸

Estimating that the overall package for pre-natal and post-natal care, along with delivery would amount to approximately BZD 1,750.00 (an average market price⁴⁹), it may be assumed that NHI as a major purchaser in the country could drive the price down by 20 to 30 percent, due to the bulk negotiation and market power.⁵⁰ This would allow for the final agreed price of a delivery package of BZD 1,400.00 (a conservative estimate that the price is corrected by only 20 percent, which is realistic). The total cost of the births in Belize, in 2023 would be approximately **BZD10,130,400.00**.⁵¹ If no discount is secured, the total cost would rise to BZD12,663,000.00, assuming that the average price of normal delivery is paid, and all deliveries are natural. Just for illustration, MoHW⁵² budget in 2023 was BZD129,995,872⁵³ (see: MoF, 2023).

However, applying the same assumption, the average price of a C-section would be BZD3,500.00⁵⁴. So, one C-section would be equivalent to the cost of two normal deliveries. Medical professionals believe that between 10 percent and 15 percent of all deliveries should be made by C-section for medical reasons⁵⁵, but the current worldwide average is about 20 percent. Latin America reports the highest number of C-sections in the world, with most countries reporting that C-section performed in over 40 percent of births.⁵⁶ So, including the C-sections in the simulation would raise the costs by about 1/5, i.e. to **BZD12,156,480 (in the case the reduced price is applied)**, or BZD15,195.600.00, if the average market price is applied.

The pediatric medical services are usually one of the most expensive (see: Kaur, *et al*, 2021). In the US, the costs for the first year of a baby's life are estimated between USD1,297.00 and USD3,100.00, without appropriate health insurance.⁵⁷ However, at the same time, there is extensive research on unnecessary medical interventions in the US, in the case of full medical insurance coverage (see, e.g., Kwiecień, 2021). Nevertheless, the rising out-of-pocket (OOP) expenses in health are a worldwide phenomenon, mainly due to the increased inability of the national health systems to cover the rising costs of care, the increased and aging population with an ever-increasing life expectancy.

To ensure a robust understanding of pediatric healthcare expenditure and coverage under the NHI, a comprehensive investigation is vital. This should involve collecting current data on

⁴⁷ Correspondence with NHI in January 2024

⁴⁸ See: IPC-IG, 2018; Engström, 2019

⁴⁹ Calculated as an average between the maximum cost in the public medical facility and the price charged by the private hospital in Belize (BZD500.00 and BZD3,000.00, respectively).

⁵⁰ See, for instance, Millington and Bhardwaj, 2017

⁵¹ Based on the most recent data on new births – 7,236 (BIS data)

⁵² The Ministry of Health and Wellness (MoHW)

⁵³ Budget estimates, FY 2023/2024 (see: MoF, 2023)

⁵⁴ Calculated as an average between the maximum cost in the public medical facility and the price charged for a C-section by the private hospital in Belize (BZD1,000.00 and BZD6,000.00, respectively).

⁵⁵ See: <https://www.birthinjuryhelpcenter.org/rate-cesarean.html#:~:text=Researchers%20and%20health%20organizations%20say,of%20maternal%20or%20infant%20mortality>

⁵⁶ *Ibid.*

⁵⁷ See: <https://www.talktomira.com/post/the-average-cost-of-a-pediatrician-visit-without-insurance> (an article provides the itemised medical costs that in normal circumstances a baby would trigger, which can be used for calculating the national costs of first year paediatric medical services offered)

pediatric service costs, validating assumptions about minimum expenses, and consulting with experts. Such an investigation will inform evidence-based decisions on expanding NHI coverage to include all children up to eighteen years old, aligning with international standards and enhancing healthcare delivery for pediatric populations. At present, data is not available, but based on the expenditure in some LMICs, it may be assumed that the minimum pediatric costs may be about USD 300.00 per child, per year (for outpatient services).

At present, NHI covers all pediatric needs for children up to age five, regardless of the number of visits to a pediatrician or the complexity of medical interventions needed.⁵⁸ However, this should be expanded to include all children under the age of eighteen, as per CRC. Further analysis of the pediatric services delivery may be merited to support further rationalisation on one hand and improvement and expansion on the other.

4.2.2. Basic Income Security for Children

There is no international standard for the minimum basic income security for children. It is often linked with the (national or international) poverty line (see: Ortiz, *et al.*, 2017), or it can be arbitrarily set by the Government, with or without prior research.⁵⁹ Ortiz *et al.*, 2017 have followed the ILO calculator⁶⁰ assumptions in estimating costs of basic income security for children, i.e.:

- 1) a universal cash transfer for all children within a five-year age bracket at 25 percent of the national poverty line;
- 2) allowances for all orphans at 100 percent of the national poverty line.

Belize has set two national poverty lines – General Poverty Line (GPL) – BZD 7,961.00 and Indigence Line – BZD 2,682.00 (see: SIB, 2018; 2021).⁶¹ However, these are poverty lines set at the household, not the individual level. The National Poverty Study 2018/2019 reported that there were 106,220 households with 389,235 members in Belize (SIB, 2021). This suggests that an average household has 3.665 members, suggesting that the **GPL per capita is BZD 2,172.17 and Indigence one BZD 731.79.**

Assistance to Children

Consequently, **if the ILO approach (i.e., Ortiz *et al.*, 2017) is applied, the child allowance, would be set at BZD 543.04 per child under parental care, and for all orphans at a GPL level – BZD 2,172.17.** However, this solution is in contravention of the UN Convention on the Rights of the Child (CRC), where the child is every person (human) below the age of 18.⁶² Hence, providing support for just a fraction of children (i.e., those in the five-year age bracket, only) contravenes the Convention.

⁵⁸ Correspondence with NHI in January 2024

⁵⁹ In the case of Montenegro, a European UMIC, with about 0.626 million citizens, the Government has set the monthly child allowance of EUR30.00 (approx. BZD67.00); without prior research and benchmarking. The child allowance was initially paid out for children age 0 to 6 years, and from October, 1st 2022 it has included all children (i.e. persons below the age of 18, in line with the UN Convention on the Rights of the Child (CRC). (see: UNICEF Montenegro, 2024; Ministry of Finance and Social Welfare, 2021).

⁶⁰ The ILO Social Protection Floor Calculator is available at: <http://www.social-protection.org/gimi/gess/SPFCalculReport.action> (see: Ortiz, *et al.*, 2017, p. 3)

⁶¹ 'The annual cost of acquiring food items is defined as the Minimum Food Basket (MFB) or the indigence line, and the total cost of obtaining food and non-food items is defined as the General Poverty Line (GPL).' (SIB, 2021, p. 1)

⁶² Another problem, that often appears, is that ILO considers persons over 15 as being of work age (see: ILO, 2013), which again is in contravention of CRC

As the signatories to the United Nations Convention on the Rights of the Child (CRC), state parties have the duty to take all necessary measures to the maximum extent of their available resources, and where needed within the framework of international cooperation (CRC, Article 4) to fulfil the rights of all children. As Belize is a signatory to the convention, the Government has accepted the obligations stemming from the Convention. The CRC Committee's General Comment No. 19⁶³ assists States parties in the implementation of article 4 in relation to public budgets: it identifies States Parties' obligations and makes recommendations on how to realise all the rights under the Convention – especially those of children in vulnerable situations⁶⁴ – through effective, efficient, equitable, transparent and sustainable public budget decision-making. So, the provision of universal child allowance to all children nationally can be seen as an act of meeting the requirements of the Convention.⁶⁵

Hence, there is a very strong argument for setting a universal child allowance for each person under the age of 18. The level of support may, however, be open for further discussion and should be reviewed/revised at regular intervals.

Assistance to the Expecting and New Mothers

Pregnant women and new mothers have to be protected, as they are not in a position to work and secure income, and this is a universal benefit, which is not means-tested. Non-contributory maternity benefits can play an essential role in improving income security, as well as nutrition and health outcomes, for women and their children, during this critical phase of their lives. Ortiz, et al. (2017) have, following the ILO approach, estimated **the four months of a universal maternity benefit for all pregnant women about the time of delivery⁶⁶, at the national poverty line**. In the case of Belize, it would mean the allowance of BZD 724.06 per mother based on the current GPL. As the mother's allowance is paid following the delivery of the child, it will be considered under the SPF *Guarantee 2: Basic Income Security for Children (Child)*. International practice *vis-à-vis* support for mothers differs from - no support to the provision of special grants, and prolonged state-supported maternity leave (lasting up to a year or even 18 months in some cases). The Social Protection Floors Recommendation, 2012 (No. 202), para. 5(c), on Basic Income Security for Persons in Active Age, calls for support for people who cannot earn enough, including expecting mothers.

4.2.3. Basic Income Security for Persons in Work-Active Age

The third SPF guarantee focuses on persons who are adults of working age, i.e. below the national pensionable age (see: OECD, 2011). Due to the pressure on the traditional pension systems, the pension age limit has been raised and this has created many social tensions, including violent clashes between the Government and the citizens (e.g., France⁶⁷). The guarantee does not extend only to those who are without work temporarily, but also those

⁶³ See: Committee on the Rights of the Child, 2016 (also available at: <https://www.ohchr.org/en/documents/general-comments-and-recommendations/general-comment-no-19-2016-public-budgeting>)

⁶⁴ Such as orphans, for instance

⁶⁵ Unfortunately, the last CRC monitoring report, i.e., 'concluding observations' were made in 2005 (CRC/C/15/Add.252: Concluding observations) available at: <https://www.ohchr.org/en/documents/concluding-observations/crc15add252-concluding-observations>

⁶⁶ The cash benefits should help to reduce financial pressures on mothers, encourage them to take adequate rest after childbirth and facilitate access to health care services, including with regard to out-of-pocket costs and transport costs.

⁶⁷ See: <https://www.euronews.com/2023/04/21/anger-at-new-retirement-age-fuels-further-protests-in-france> The citizens have protested, although France has a pension system where the pensioners experience the lowest level of poverty compared to any other EU and OECD countries (net pensions replacement rate is as high as 74 percent).

who cannot get a decent income due to some form of incapacitation – people with disability, sickness, temporary unemployment and maternity. We have treated the support for expectant and new mothers (maternity as a source of incapacitation) under the Basic Income for Children heading, although the support for the mothers is listed under the Support for People of Working Age heading (par. 5c). Maternity and paternity protection, as well as parental leave benefits, should also be addressed, in due course. The SPF coverage may not include all categories, although a national Social Protection Strategy/Policy should.

Assistance to the People with Disabilities

The disability allowance is usually set at 100 percent of the national poverty line, which in the case of Belize would be BZD 2,172.17 per annum. The level of disability that is targeted may be stratified, and the universal disability assistance may be (initially) introduced for all those with severe disabilities, and later expanded to include all people with disabilities, who cannot re-enter the job market. Disability assistance programmes differ from country to country and the level of coverage may also be significantly different (see: ILO, 2014; 2017; 2021). In 2011, it was reported that about 35,000 people live with some form of disability in Belize. In 2020, **the estimate was about 43,700 people⁶⁸ or 12.2 percent of the total population, live with some form of disability**, of which 23,600 are women and 20,100 are men (see: Berlinski, Duryea and Perez-Vincent, 2021). ILO SPF calculator⁶⁹ focuses only on those with severe disability, as estimated by WHO/ILO. Globally about 16 percent of the total population have a form of severe disability. Belize reports that 12.2 percent of the population has a disability, cascading global results may in fact assist in determining the proxy for severe disability cases in Belize, as the national data are not available.⁷⁰

Assistance to the Unemployed

The provision for temporary unemployed was not considered in the comparative study of 57 countries produced by ILO (see: Ortiz, *et al.*, 2017). As outlined before (UNICEF Belize, 2023), it is possible to expand the current pension scheme under the Social Security Board (SSB) or to provide public assistance to the unemployed during the limited period. The assistance in both cases must be limited and may extended up to 24 months, maximum. Comparative experience, worldwide shows that assistance is provided from 6 months to two years, with some countries requiring minimum employment duration before the benefits are approved. People, while in employment, contribute to the unemployment insurance scheme and the contributions may be used when they are unemployed. Expanding the current SSB model may be the most appropriate option in terms of comprehensive social protection, but the Government may opt not to include this option under the basic SFP.

Comparative research shows that the range of replacement income range between 41 to 80 percent, with most of the national programmes providing assistance equal to 60-70 percent of past income. This level of support usually can provide for the well-being of the job-seeker and his/her immediate family and, at the same time, not demotivate the person to look for

⁶⁸ It is however, estimated that in 2050 there will be over 92.1 thousand people living with some kind of disability in Belize, accounting to 17.2 per cent of the total population (see: Berlinski, Duryea and Perez-Vincent, 2021)

⁶⁹ See: <http://www.social-protection.org/gimi/gess/SPFCalculReport.action>

⁷⁰ The US data show that 2/3 of the disabled people in fact have severe disability (see: https://disabledinaction.org/census_stats.html#:~:text=Number%20of%20people%20who%20have,18%20percent%20of%20the%20population.&text=Number%20of%20people%20with%20a,12%20percent%20of%20the%20population)

another job (see: Burtless and Gordon, 2011). At present SSB with the support of ILO is costing possible options for unemployment insurance and the results are expected in 2024.⁷¹

4.2.4. *Basic Income Security for Persons in Old Age (Universal Old Age Pension)*

Pensions for older persons are the most widespread form of social protection in the world, where 68 percent of people above retirement age receive a pension, either from contributory or non-contributory sources (see: ILO, 2017).

Belize operates the General Social Security Scheme (GSSS), a defined benefit pension system with contributions by both employers and employees. It has a retirement age of 65 (or between 60 and 64 if not employed), plus four other special pension schemes for public institutions (National Assembly, Central Bank, Teachers and the Pension Plan for Public Officials (PPPO)).⁷² Members of the special pension schemes may also participate in GSSS, sometimes leading to the pension replacement ratio of over 100 percent (see: IMF, 2023). The current system of multiple pensions is complex, faces financial challenges, and has low coverage and challenging institutional framework characterised by high fragmentation, high administrative costs, and almost non-existent supervision (see: Melguizo, 2013; IMF, 2023).

GSSS which covers the public and private sectors requires a contribution of 10 percent, the National Assembly fund has a contribution of 5 percent, and Central Bank's one invokes a contribution of 2 percent. School teachers; and PPPO are non-contributory pension schemes. All pension schemes are facing the sustainability challenge, with non-contributory ones immediately, whilst the others are in the long-to-medium run. Expanding the membership and reviewing the contributory requirements may be an immediate solution to ensure that the pension system remains robust beyond 2050 (see: IMF, 2023).

Reliable sources of income play a particularly important role in the security of older persons (ILO, 2014). Universal basic pensions have a strong impact on improving the livelihoods of older persons and could alleviate at least some of the most severe forms of poverty (HelpAge International, 2014). Social pensions not only provide older persons with a much-needed regular income, but they also provide crucial financial support to other household members, particularly children. Pension recipients redistribute cash income in households, finance school fees for children and other household expenditures (HelpAge International, 2014).

Increasing numbers of developing countries are providing universal old age pension (see: ILO, 2014, 2017, 2021). ILO social protection calculator assumes that all persons over the age of 65 will get a **universal state pension to the amount of 100 percent of the national poverty line. In the case of Belize that would be BZD 2,172.17**. This type of pension is non-contributory and is paid from the current government revenues. As pensions is universal, no conditions should be attached to them. However, it is possible to request that the person's wealth is below a certain level to enjoy the universal pension.

⁷¹ Source, oral Joint SDG Fund progress report.

⁷² See: Melguizo, 2013

5. Costing Scenarios

5.1. Introduction

Social Protection Floor is a series of nationally defined social protection guarantees, i.e. the minimum of social protection support that each citizen (resident) in a respective country may respect, throughout their life, from birth to death.

SPF provides support for children, those who are unable to engage in economic activities due to their disability, age and or condition (expecting and new mothers). Costs will be calculated ideally for 2022, using data for the last year available. This will provide a snapshot in terms of the total costs as a percentage of GDP and government budget.

The basic scenario will be based on the model used in ILO research on the SPF costs for 57 countries (see: Ortiz, *et al.*, 2017), as it has served as a reference point ever since. The universal health coverage (UHC) costs will not be used for estimating the costs of SPF, as well as the costs of pediatric services. Currently, there is no information on the costs of providing pediatric services in the country, as NHI has limited coverage. However, NHI data on pediatric service-related expenditure may, in fact, provide a background for the estimate of the average pediatric cost per child. International comparative research suggests that the costs of pediatric services are fairly high, and may provide an extra burden on the health budget.

The costs of maternal health will be taken into consideration some scenarios, but it should be noted that the cost of childbirth and maternal health monitoring is assumed based on the information from public sources, adjusted for possible bulk negotiation discount of up to 20 percent. NHI is already a large purchaser of health services and hence should be in a market position to command a favourable price.

The models will include different coverage options for all four SPF guarantees, allowing the Government to compare fiscal impact, *vis-à-vis* policy commitments. The SPF costing covers only basic rights as they may be outlined in the National Social Protection Strategy.

5.2. SPF Scenario One: Basic ILO Model (Ortiz, *et al.*, 2017)

Ortiz, *et al.* (2017) have done research on 101 countries, with special reference to 57 low-income countries. They have focused on estimating the costs for a set of five dimensions of SPF:

- (i) a universal cash transfer for all **children within a five-year age bracket, at 25 percent of the national poverty line (i.e. GPL)**;
- (ii) allowances for all **orphans at 100 percent of the national poverty line (GPL)**;
- (iii) **four months of a universal maternity benefit for all women with newborns, at the national poverty line (GPL)**;
- (iv) a **universal benefit for all persons** with severe disabilities at **100 percent of the national poverty line (GPL)**, and
- (v) a **universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL)**.⁷³

⁷³ See: Ortiz, *et al.*, 2017

The following inputs have been calculated:

- a) SIB has reported GPL of BZD 7,961.00 (see: SIB, 2018; 2021). However, in Belize GPL is established per household; not an individual. The National Poverty Study 2018/2019 reported that there were 106,220 households with 389,235 members in Belize (SIB, 2021). The household GPL covers 3.66 members, which makes an **individual GPL of BZD 2,172.17**.
- b) UNICEF Belize has provided data on children – reporting that there are **138,300 children below the age of 18 and 35,800 children below the age of 5** (see: SIB and UNICEF Belize, n.d.)
- c) The **number of mothers** has been established based on the number of children below the age of one in 2022 – 11,145 (see: SIB, 2023b). Each mother will be given support for 4 months, i.e. **4/12 of an individual GPL – BZD 724.06**.
- d) It has been reported that Belize has an estimated 43,700 disabled people. As the assistance is extended to severely disabled people, and the exact number is not available for Belize, the assumption was made that 2/3 of all disabled people have some kind of severe disability, in line with the proportion in other countries (most notably the US). So, for the purpose of calculation, it was assumed that **29,133 persons should attract the disability allowance at the level of an individual GPL – BZD 2,172.17**.
- e) For the universal pension, the total **number of people 65 and over provided by SIB was used (18,604), and the level of universal pension was set as an individual GPL – BZD2,172.17**.

Table 2: Scenario One (Ortiz, *et al.*, 2017) Results

Category	No of beneficiaries	Transfer (in BZD)	Total Amount in BZD	As a percentage of GDP (2022)	As a percentage of the budget (2022)
Children	34,925	543.04	18,965,672.00	0.32	1.36
Orphans	875	2,172.17	1,900,648.75	0.03	0.14
Mothers	10,145	724.06	7,345,588.70	0.12	0.53
Disability	29,133	2,172.17	63,281,828.61	1.06	4.54
Universal Pension	18,604	2,172.17	40,411,050.68	0.68	2.90
TOTAL:			131,904,788.74	2.21	9.46

Source: Author's calculations based on data provided by the Government and UNICEF sources, as outlined in the text

Scenario one is by far the cheapest and costs 2.21 percent of GDP, well below the expected 'minimum meaningful investment' in social assistance of min. 3.3 percent of GDP. In terms of the expenditures as a percentage of the budget, this is a bit higher than the usually expected spending of 7.5 percent of the government budget. However, Belize's Government budget-to-GDP ratio of 23.36 percent (in 2022), is rather low for a UMIC, clearly demonstrating that there are some opportunities to expand the fiscal space. The increase of 2-3 percent would

bring them in line with the average MICs, but not necessarily UMICs. The high-income countries (HICs) report (Central) Government Budget to GDP ratio of over 30 percent.⁷⁴

5.3.SPF Scenario Two: Basic ILO Model (Ortiz, *et al.*, 2017), CRC adjusted

The Second SPF scenario is also based on Ortiz, *et al.* (2017), with one adjustment. Whilst original estimates cover children up to the age of five, scenario two extends the children's allowance of the same value (1/4 of the GPL, i.e. BZD 543.04), but paid to all children below the age of 18, in line with the CRC definition of a child.⁷⁵

So, the model is based on the following social assistance interventions:

They have focused on estimating the costs for a set of five dimensions of SPF:

- a) a universal cash transfer for all **children under age of 18, at 25 percent of the national poverty line (i.e. GPL)**;
- b) allowances for all **orphans at 100 percent of the national poverty line (GPL)**;
- c) **four months of a universal maternity benefit for all women with newborns, at the national poverty line (GPL)**;
- d) a **universal benefit for all persons with severe disabilities at 100 percent of the national poverty line (GPL)**, and
- e) a **universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL)**.⁷⁶

The calculated values are the same as in the SPF Scenario One.

Table 3: Scenario Two (Ortiz, *et al.*, 2017, adjusted to CRC definition of a child) Results

Category	No of beneficiaries	Transfer (in BZD)	Total Amount in BZD	As a percentage of GDP (2022)	As a percentage of the budget (2022)
Children	135,425	543.04	73,541,192.00	1.23	5.27
Orphans	875	2,172.17	1,900,648.75	0.03	0.14
Mothers	10,145	724.06	7,345,588.70	0.12	0.53
Disability	29,133	2,172.17	63,281,828.61	1.06	4.54
Universal Pension	18,604	2,172.17	40,411,050.68	0.68	2.90
TOTAL:			186,480,308.74	3.12	13.37⁷⁷

Source: Author's calculations based on data provided by the Government and UNICEF sources, as outlined in the text

Providing assistance to all children under 18 would raise expenditure by less than one percent of GDP. Even at 3.12 percent, this figure falls below the internationally recommended minimum spending level on social assistance of 3.3 percent of GDP (see: UNICEF Innocenti, 2022; UNICEF EAPRO, 2023). As in the previous model, the Government may take active measures to improve its fiscal space for social protection, by improving the performance of

⁷⁴ See: <https://www.imf.org/external/pubs/ft/pam/pam48/pam4805.htm> Reported data refer to the early 2000s and they are now higher. For OECD countries the results (for 2022) range from 24.4 for Ireland to 49.0 percent for France (see: <https://data.oecd.org/gga/general-government-spending.htm>)

⁷⁵ See: <https://www.ohchr.org/en/instruments-mechanisms/instruments/convention-rights-child>

⁷⁶ See: Ortiz, *et al.*, 2017

⁷⁷ The sums were automatically calculated and may be adjusted due to rounding up.

the tax system/public revenues and improving the spending efficiency of the social sectors that have not performed well (education and health).

5.4.SPF Scenario Three: Basic ILO Model (Ortiz, *et al.*, 2017), CRC adjusted, and unemployment allowance (6 months)

The Third scenario assumes the same as the original model (see: Ortiz, et al., 2017), with two extensions: children allowance (1/4 of an individual GPL) is extended to all children below the age of 18, and unemployment allowance is introduced for 6 months to all people who are registered officially as unemployed (using SIB provided data, for 2022).

Scenario Three determines the costs for a set of five interventions under the national SPF package:

- a) a universal cash transfer for all **children under the age of 18, at 25 percent of the national poverty line (i.e. GPL)**;
- b) allowances for all **orphans at 100 percent of the national poverty line (GPL)**;
- c) **four months of a universal maternity benefit for all women with newborns, at the national poverty line (GPL)**;
- d) a **universal benefit for all persons with severe disabilities at 100 percent of the national poverty line (GPL)**;
- e) a **universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL)**⁷⁸, and
- f) **Unemployment allowance for working age population’s job seekers for 6 months, at 100 percent of the national poverty line (GPL).**

The allowances are the same as in the SPF Scenario One, i.e. individual GPL – BZD 2,172.17, allowance per child of BZD 534.04 and allowance for mothers of BZD 724.06.

Table 4: Scenario Three (Ortiz, *et al.*, 2017, adjusted to CRC definition of a child, and unemployment allowance for 6 months introduced) Results

Category	No of beneficiaries	Transfer (in BZD)	Total Amount in BZD	As a percentage of GDP (2022)	As a percentage of the budget (2022)
Children	135,425	543.04	73,541,192.00	1.23	5.27
Orphans	875	2,172.17	1,900,648.75	0.03	0.14
Mothers	10,145	724.06	7,345,588.70	0.12	0.53
Disability	29,133	2,172.17	63,281,828.61	1.06	4.54
Universal Pension	18,604	2,172.17	40,411,050.68	0.68	2.90
Unemployment	20,318	1,086.09	22,067,075.03	0.37	1.58
TOTAL:			208,547,383.77	3.49	14.95

Source: Author’s calculations based on data provided by the Government and UNICEF

The Third scenario slightly surpasses the recommended international benchmark and provides probably the best minimal cover that can be provided, by extending all four SPF guarantees (see: ILO, 2012) to the citizens (and residents) of Belize. However, it should be

⁷⁸ See: Ortiz, *et al.*, 2017

noted that the unemployment allowances should be general and available to all job seekers, although certain conditions may be attached to them. It is possible that administratively the scheme is managed by SSB, and the funding of the support is through the coproduction of the Government and SSB. In fact, the coproduction model is most likely the best one.

5.5. SPF Scenario Four: Basic ILO Model (Ortiz, *et al.*, 2017), CRC adjusted, and unemployment allowance added (12 months)

The SPF Scenario Four is based on the SPF Three with one modification – the unemployment assistance is extended for another 6 months, meaning that the unemployment allowance will be paid for 12 months.

The Scenario determines the costs for a set of five interventions under the national SPF package:

- a) a universal cash transfer for all *children under the age of 18, at 25 percent of the national poverty line (i.e. GPL)*;
- b) allowances for all *orphans at 100 percent of the national poverty line (GPL)*;
- c) *four months of a universal maternity benefit for all women with newborns, at the national poverty line (GPL)*;
- d) a *universal benefit for all persons with severe disabilities at 100 percent of the national poverty line (GPL)*;
- e) a *universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL)*⁷⁹, and
- f) **Unemployment allowance for working age population’s job seekers for 12 months (i.e. one calendar year), at 100 percent of the national poverty line (GPL).**

The allowed are of the same value as in the SPF Scenario One, i.e. individual GPL – BZD 2,172.17, allowance per child of BZD 534.04 and allowance for ‘new’ mothers of BZD 724.06.

Table 5: Scenario Four (Ortiz, *et al.*, 2017, adjusted to CRC definition of a child, and unemployment allowance for 12 months introduced) Results

Category	No of beneficiaries	Transfer (in BZD)	Total Amount in BZD	As a percentage of GDP (2022)	As a percentage of the budget (2022)
Children	135,425	543.04	73,541,192.00	1.23	5.27
Orphans	875	2,172.17	1,900,648.75	0.03	0.14
Mothers	10,145	724.06	7,345,588.70	0.12	0.53
Disability	29,133	2,172.17	63,281,828.61	1.06	4.54
Universal Pension	18,604	2,172.17	40,411,050.68	0.68	2.90
Unemployment	20,318	2,172.17	44,134,150.06	0.74	3.16
TOTAL:			230,614,458.80	3.86	16.53

Source: Author’s calculations based on data provided by the Government and UNICEF

⁷⁹ See: Ortiz, *et al.*, 2017

The extension of the unemployment allowance to one year is more in line with the dynamics of the labour market in Belize. Namely, with relatively high employment, job seekers may require more time to find another job, and one year of support may be more appropriate. Also, this may be conditioned with a job-seeker undertaking some training/re-training and/or actively being involved in some other public programmes. The overall cost of the model is still less than 4 percent of GDP, suggesting its general affordability.

5.6. SPF Scenario Five: Modified ILO model (Ortiz, et al., 2017), all children below age of 18 are given ¼ GPL allowance and mothers are given GPL, unemployment allowance for 6 months

The SPF Scenario Five is modelled on Scenario Three with only one adjustment made – the ‘new’ mothers receive the full GPL allowance (i.e., support for twelve months, instead of four months). In other words, instead of BZD742.06, expecting/new mothers will be given – BZD2,172.17. All other assumptions hold the same.

The SPF Scenario Five assumes the following interventions:

- a) a universal cash transfer for all *children under the age of 18, at 25 percent of the national poverty line (i.e. GPL)*;
- b) allowances for all *orphans at 100 percent of the national poverty line (GPL)*;
- c) *a universal maternity benefit for all women with newborns, at 100 percent of the national poverty line (GPL) for six months*;
- d) *a universal benefit for all persons with severe disabilities at 100 percent of the national poverty line (GPL)*;
- e) *a universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL)⁸⁰, and*
- f) *Unemployment allowance for working age population’s job seekers for 6 months at 100 percent of the national poverty line (GPL).*

The GPL is set at BZD 2,172.17 and allowance per child remains ¼ of GPL, i.e. BZD 543.04.

Table 6: Scenario Five (Ortiz, *et al.*, 2017, adjusted to CRC definition of a child, and unemployment allowance for 6 months introduced) Results

Category	No of beneficiaries	Transfer (in BZD)	Total Amount in BZD	As a percentage of GDP (2022)	As a percentage of the budget (2022)
Children	135,425	543.04	73,541,192.00	1.23	5.27
Orphans	875	2,172.17	1,900,648.75	0.03	0.14
Mothers	10,145	2,172.17	22,036,664.65	0.37	1.58
Disability	29,133	2,172.17	63,281,828.61	1.06	4.54
Universal Pension	18,604	2,172.17	40,411,050.68	0.68	2.90
Unemployment	20,318	1,086.09	22,067,075.03	0.37	1.58
TOTAL:			223,238,459.72	3.74	16.01

Source: Author’s calculations based on data provided by the Government and UNICEF

⁸⁰ See: Ortiz, *et al.*, 2017

Scenario Five provides additional support for expecting and ‘new’ mothers and may have a positive impact on the demographic growth, as in recent years Belize's population has experienced either decline or a marginal growth. The increase, from an affordability point of view, is not major, although the rise is from 0.12 to 0.37 percent of GDP. In fact, this scenario may be worth be given special consideration.

5.7. SPF Scenario Six: Modified ILO model (Ortiz, *et al.*, 2017), all children below age of 18 and mothers are given GPL, unemployment allowance for 6 months

The Scenario Six is also based on the original model promoted by Ortiz, *et al.* (2017) with some additional modifications: all children and ‘new’ mothers are given the allowance of full GPL (i.e. BZD2,172.17), instead of ¼ and 4/12 of GPL, respectively. Unemployment allowance is payable for 6 months (usually the minimum term). All other assumptions of the Basic Model remain in place.

The scenario assumes the following interventions:

- a) a universal cash transfer for all **children under the age of 18, at 100 percent of the national poverty line (i.e., GPL);**
- b) **a universal maternity benefit for all women with newborns, at 100 percent of the national poverty line (GPL);**
- c) **a universal benefit for all persons with severe disabilities at 100 percent of the national poverty line (GPL);**
- d) **a universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL)⁸¹, and**
- e) **Unemployment allowance for working age population’s job seekers for 6 months, at 100 percent of the national poverty line (GPL).**

As with the previous scenarios, individual GPL is set at BZD 2,127.17. No deducted allowances are paid out, i.e. all the beneficiaries are receiving GPL without any discrimination.

Table 7: Scenario Six (Ortiz, *et al.*, 2017, adjusted to CRC definition of a child, children and ‘new’ mothers given GPL, unemployment allowance for 6 months) Results⁸²

Category	No of beneficiaries	Transfer (in BZD)	Total Amount in BZD	As a percentage of GDP (2022)	As a percentage of the budget (2022)
Children	136,300	2,127.17	296,066,771.00	4.96	21.23
Mothers	10,145	2,127.17	22,036,664.65	0.37	1.58
Disability	29,133	2,172.17	63,281,828.61	1.06	4.54
Universal Pension	18,604	2,172.17	40,411,050.68	0.68	2.90
Unemployment	20,318	1,086.09	22,067,075.03	0.37	1.58
TOTAL:			443,863,389.97	7.43	31.82

Source: Author’s calculations based on data provided by the Government and UNICEF

⁸¹ See: Ortiz, *et al.*, 2017

⁸² Orphans are excluded as a separate category, as all children are given the same allowance, i.e. GPL

Scenario six raises the costs of SPF implementation significantly, as the most numerous group (children) receives the full GPL (BZD 2,172.17), instead of ¼. This increases the cost of intervention significantly from the initial BZD 73,541,192.00 to BZD 294,980,686.00 (i.e. from 1.23 percent of GDP to 4.94 percent of GDP. In the case of ‘new’ mothers, even if all of them would be given an allowance of 100 percent of GPL, the costs would rise to 0.37 percent of GDP.

5.8.SPF Scenarios Summary

The paper has presented six possible SPF costing scenarios, based on data available in 2020. It does not address the issues of maternal and child health, due to the limited availability of information. The current scenarios are static, and it should be noted that a multiplier would be the annual population growth rate for each of the different age groups and will be adjusted annually. However, at present Belize reports a population decline, so the total costs are most likely to be under control.

It does, however, offer some estimates of the possible cost to the State (Government), if the childbirth delivery costs are to be covered by the Government. Based on the strong market power of NHI it is assumed that an individual delivery package with pre- and post-delivery monitoring may cost about BZD 1,400.00, which in total for **BZD 10,130,400.00, or 0.17 percent of Belize’s GDP** (for 2022).⁸³ Scenarios generally start with the Ortiz, *et al.* (2017) assumptions where children and mothers are offered a fraction of the national poverty line (i.e. GPL in the Belizean context), and orphans, people with disabilities, and state pensioners are given the full GPL. Expanding the reach and increasing the allowances have led to other modeling options.

Ortiz, *et al.* (2017) have calculated allowances for children five years and under, whilst in the derived models, we have used the CRC definition of the child, - any person below the age of 18. Due to the substantial increase in the number of children, raising the children's allowance from 0.25 of GDP to full GDP would significantly increase intervention costs, which may deter the Government from pursuing it. The closest option to the international social assistance benchmark of 3.3 percent of GDP is Scenario Three, with 3.46 percent of GDP. Besides the expanded coverage of the basic mode (Ortiz, *et al.*, 2017), Scenario Three also proposes unemployment assistance for a period of six months to job-seekers. Although SPF interventions are usually unconditional, some conditions may be attached as Belize has had a positive experience when using conditions on social protection interventions (for instance, the BOOST programme⁸⁴).

Belize may also consider extending the support for expecting and ‘new’ mothers from GPL for 4 months for the full GPL for a year. This will not only assist the mothers but will also improve the well-being of the newborn child. All scenario options have their positives and negatives, and the simpler model may be introduced, and then later expanded. All of them offer a certain level of support and the Government and stakeholders have to agree on what

⁸³ If the C-section is added the cost would rise to BZD12,156,480.00 or 0.20 per cent of GDP, assuming that the HNI has negotiated a discounted price of delivery

⁸⁴ See: <https://www.worldbank.org/en/news/feature/2012/06/28/belize-boosts-school-attendance-and-access-to-financial-services-for-the-poor>

would be the best (initial) SPF package for Belize. Most likely one of the predominant criteria will be their respective implementation costs.

6. Conclusion

Developing SPF is at the very centre of the National Social Protection Strategy for Belize. In the initial phases, the government may focus on support for children, mothers, orphans, and people with disabilities, as well as supporting the elderly through the guaranteed state pension. Belize has an elaborate pension system (five schemes at present), which may run into major financial challenges very soon.

Some SPF guarantees are such in their nature that public investment will be required (children, for instance), whilst in other cases, a hybrid model, bringing together public and private (contributory) finance may be not only possible but also more than welcome. For instance, unemployment benefits may be almost exclusively financed by the worker's contributions, with the predefined net income ratio pay-out (for instance, 50 percent of the last salary or a salary average over a predefined period of time, for instance, five years, etc.). However, we have also added them into the models, as they are not prohibitively expensive if a job-seeker is supported with 100 percent GPL.

The Government may use the international poverty line⁸⁵ in determining the level of support for the needy population, or use the nationally defined poverty line, as more appropriate (being localised). In several countries the national poverty lines are linked and equal to the international poverty line (currently USD 2.15, i.e. BZD 4.30⁸⁶). Belize has established the national poverty lines for households of BZD 7,961.00 and Indigence line BZD 2,682.00. As there are 3.66 members of the households in Belize, the individual-level GPL can be established at BZD 2,272.17. At present the international poverty line for middle-income countries of USD3.65 is somewhat higher than Belize's GPL (calculated per person, per day). This, in fact, may be one of the major decisions that the Government has to make in consultation with other stakeholders, i.e. whether to use the international or national poverty line.

Based on the emerging National Social Protection Strategy, Belize may introduce SPF in steps, appreciating the national preferences defined through the national consultations with the stakeholders. Following the national consultations, a pecking order can be developed outlining what SPF guarantees will be addressed in the 2-to-3-year (or longer) windows, and what resource envelope may be needed to support the design and delivery. In fact, the Government may consider the activities to be implemented in parallel – i.e. supporting the activities that would strengthen contributory insurance and at the same time developing the framework that would generate minimum income to those who are in need, but do not have other revenues/income. If this choice is pursued, the Government may define the minimum income per person, for each SPF dimension (i.e. guarantee), and link them to the national or

⁸⁵ See: <https://datatopics.worldbank.org/world-development-indicators/themes/poverty-and-inequality.html#:~:text=National%20poverty%20lines%20are%20thus,to%20be%20considered%20not%20poor>

⁸⁶ Annually, BZD1,569.50

international poverty line. Establishing the definite number of beneficiaries may be challenging, as well as deciding on the speed of implementation, but these can be addressed on the go, and as the consultations with the stakeholders are enveloping.

SPF should be seen as **a process** that will have time to develop and it has to be inclusive, highly participatory and promoting respect for different views and positions, in order to provide an impact. However, every journey starts with the first step, and the Government and stakeholders have to decide on what the national priorities *vis-à-vis* SPF will be in the medium- to long term.

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⁸⁷ (A Cabinet summary of the report is available from the British National Archive, Kew, see: <http://filestore.nationalarchives.gov.uk/pdfs/small/cab-66-31-wp-42-547-27.pdf>)

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Annex I: Summary of SPF Scenarios

Scenario	Assumptions	Cost in BZD	As a percentage of GDP
Scenario One	(i) a universal cash transfer for all children within a five-year age bracket at 25 percent of the national poverty line (i.e. GPL); (ii) allowances for all orphans at 100 percent of the national poverty line (GPL); (iii) four months of a universal maternity benefit for all women with newborns, at the national poverty line (GPL); (iv) a universal benefit for all persons with severe disabilities at 100 percent of the national poverty line (GPL), and (v) a universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL).	131,904,788.74	2.21
Scenario Two	a) a universal cash transfer for all children under the age of 18, at 25 percent of the national poverty line (i.e. GPL); b) allowances for all orphans at 100 percent of the national poverty line (GPL); c) four months of a universal maternity benefit for all women with newborns, at the national poverty line (GPL); d) a universal benefit for all persons with severe disabilities at 100 percent of the national poverty line (GPL), and e) a universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL)	186,480,308.74	3.12
Scenario Three	a) a universal cash transfer for all children under the age of 18, at 25 percent of the national poverty line (i.e. GPL); b) allowances for all orphans at 100 percent of the national poverty line (GPL); c) four months of a universal maternity benefit for all women with newborns, at the national poverty line (GPL); d) a universal benefit for all persons with severe disabilities at 100 percent of the national poverty line (GPL); e) a universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL), and	208,547,383.77	3.49

	f) Unemployment allowance for working age population's job seekers for 6 months, at 100 percent of the national poverty line (GPL).		
Scenario Four	a) a universal cash transfer for all children under the age of 18, at 25 percent of the national poverty line (i.e. GPL); b) allowances for all orphans at 100 percent of the national poverty line (GPL); c) four months of a universal maternity benefit for all women with newborns, at the national poverty line (GPL); d) a universal benefit for all persons with severe disabilities at 100 percent of the national poverty line (GPL); e) a universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL), and f) Unemployment allowance for working age population's job seekers for 12 months (i.e. one calendar year), at 100 percent of the national poverty line (GPL).	230,614,458.80	3.86
Scenario Five	a) a universal cash transfer for all children under the age of 18, at 25 percent of the national poverty line (i.e. GPL); b) allowances for all orphans at 100 percent of the national poverty line (GPL); c) a universal maternity benefit for all women with newborns, at 100 percent of the national poverty line (GPL); d) a universal benefit for all persons with severe disabilities at 100 percent of the national poverty line (GPL); e) a universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL), and f) Unemployment allowance for working age population's job seekers for 6 months at 100 percent of the national poverty line (GPL).	442,777,304.97	7.42
Scenario Six	a) a universal cash transfer for all children under the age of 18, at 100 percent of the national poverty line (i.e. GPL); b) a universal maternity benefit for all women with newborns, at 100 percent of the national poverty line (GPL);	442,777,304.97	7.42

	<p>c) a universal benefit for all persons with severe disabilities at 100 percent of the national poverty line (GPL);</p> <p>d) a universal pension to older persons aged 65 and above at 100 percent of the national poverty line (GPL), and</p> <p>e) Unemployment allowance for working age population's job seekers for 6 months, at 100 percent of the national poverty line (GPL).</p>		
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Annex II: Summary of the Costs of Options for the Individual Interventions

Category	No of beneficiaries	Transfer (in BZD)	Total Amount in BZD	As a percentage of GDP (2022)	As a percentage of the budget (2022)
Children under 5	34,925	543.04	18,965,672.00	0.32	1.36
Children under 18	135,800	2,127.17	294,980,686.00	4.94	21.15
Orphans	875	2,172.17	1,900,648.75	0.03	0.14
Mothers (4/12 GPL)	10,145	724.06	7,345,588.70	0.12	0.53
Mothers (Full PGL)	10,145	2,127.17	22,036,664.65	0.37	1.58
Disability	29,133	2,172.17	63,281,828.61	1.06	4.54
Universal Pension	18,604	2,172.17	40,411,050.68	0.68	2.90
Unemployment (6 months GPL)	20,318	1,086.09	22,067,075.03	0.37	1.58
Unemployment (12 months GPL)	20,318	2,172.17	44,134,150.06	0.74	3.16

Source: Author's calculations based on data provided by the Government and UNICEF sources, as outlined in the text

Annex III: Social Programmes in Belize, covered in SPER

Total number of benefits	Name of the scheme (programme)	Institution administering the scheme (programme)	Social Protection Functions covered by the scheme														Contributory or non-contributory?	Mandatory or voluntary contribution?	Public or private administration?	Legal Status	Type of programme	
			Old Age	Invalidity / Disability	Survivorships	Sickness (in cash)	Maternity / Paternity	Children	Family	Access to Education	Unemployment	Employment Injury	Healthcare	Social Work Services	Public Works Programs	Housing Subsidies						Food and Nutrition
8	Social Insurance (Long term branch)	SSB	█	█	█													Contributory	Mandatory & Voluntary for self-employed	Public	Anchored in legislation	Social insurance
3	Social Insurance (Short term branch)					█	█															
3	Social Insurance (Employment Injury)			█	█						█											
2	Social Insurance (Disablement and Death Pension)										█											
1	Social Assistance (Pension)			█													█	Non-contributory	Not anchored in legislation	Not yet implemented	Not anchored in legislation	Social assistance
1	National Health Insurance											█						Non-contributory				Social insurance
6	BOOST & BOOST+			█	█			█	█	█								Non-contributory				Social assistance
14	Public Assistance	MHDSTPA	█	█					█	█	█						█	Non-contributory			Social assistance	
38																						

Source: UNICEF and ILO, 2022