

Also considered important but which have largely been ignored by donor interventions:

- ❖ Providing the platform for the creation of an enduring mechanism that supports structured and inclusive dialogue between the public and private sectors and concentrates on issues important to PSD such as competitiveness, a welcoming investment climate, agreed approaches to insertion in the global economy and structural reform;
- ❖ Providing the platform for the creation of mechanisms to define the characteristics of and measure and track the contribution of the private sector;
- ❖ Private sector business association reforms. While a concentration on Beltraide is a good start, inclusive approaches to private sector development require a robust and sustainable business support structure. Organizations like the Belize Chamber of Commerce and Industry, the Belize Tourism Industry Association and other active private sector business support organizations require assistance to expand and provide better services to micro and informal firms to prepare them to take full advantage of opportunities provided through donor funding.
- ❖ A review of the production structures vis a vis the newly minted PSD aspirations to identify gaps and potential areas of donor interventions, e.g. tax reform, clustering initiatives, and services sector reforms and support.

6.0 RECOMMENDATIONS

According to an ODI project briefing paper which summarized the conclusions of three studies between 2006-2009 on the complexion of a successful multilateral donor, donor behaviours most important to recipients are: (1) depth of commitment to development, (2) responsiveness to country circumstances, and (3) support for recipient-driven policy.

As it relates to support for recipient driven policy, the paper indicates that successful donor behaviours are those which allow the governments and local actors to determine policy where they don't exist or are emerging; and where they do exist, donors are expected to work to align their assistance with government strategies and should use consultative approaches when identifying and designing projects. Working without a policy or excessive donor influence in the design of policy serve only to undermine the success of donor interventions¹⁴.

In the case of Belize, the success of its PSD donor relationships hinges on its ability to better define the growth trajectory for its private sector. Once the country decides what it wants from its private sector and the ways in which it can get it, then the appropriate framework can be put in place to expand its effort to attract donor funding and to effect greater results from donor interventions.

Essentially the government must take a leadership role, assert and establish its reliance on PSD as a development strategy and establish the context for coordination to reduce the transaction costs from coordination failures. Specifically, the GoB should:

1. Set PSD objectives, strategies and priorities. Ensure the process is inclusive and comprehensive for maximum stakeholder support;
2. Work with the private sector to develop an enduring and effective mechanism for public/private sector dialogue to inform the work of the GoB and the donor community. Establish advisory councils and technical working groups as necessary to support PSD aspirations;
3. Provide the institutional structure within the GoB to access, coordinate, monitor and evaluate donor activity and contributions to PSD;
4. Establish information sharing mechanisms and platforms and in particular; update and regularly publish a compendium of donor interventions with specific reference to the PSD strategy it aims to influence. Program/project evaluations should be public and shared with all active donor agencies;
5. Encourage donor coordination by sponsoring and coordinating an annual donor planning event which brings all the current and prospective donors to the table to discuss and align programmatic areas with PSD needs and provides for information sharing, division of labour and use of common networks;
6. Publication of and regular updates on the donor configuration;
7. Regularly publish data on private sector trends, characteristics, and contribution to development.

¹⁴ What does an effective multilateral donor look like, Cecilie Wathne and Edward Hedger, Overseas Development Institute Project Briefing No. 40, April 2010.

Donors should:

1. Encourage attention to policy and provide advice to central actors;
2. Work with the GOB to design the appropriate institutional framework and support infrastructure for the implementation of policy;
3. Encourage reliance on and maintenance of the DMX;

Finally, to jump start the coordination effort among donors and between donors and recipients, perhaps in addition to the provision of an inventory of PSD interventions, the Compete Caribbean website as a facility of the DMX, can facilitate coordination through software applications that provide for virtual networking among stakeholders. This could include but is not limited to a relevant and updated listing of key PSD stakeholders and decision makers with accurate direct access information by country, provision of a secure facility for virtual discussions and information exchanges on existing or pipeline PSD interventions, provision of a facility for a formal, donor generated invitation to partner/collaborate, where desired on PSD initiatives, and a facility which provides automatic alerts to stakeholders when the inventory of interest is updated or revised or needs to be maintained.

In the final analysis, the DMX will only be useful to Belize if there is an unambiguous and easy mechanism for maintenance of the inventory, and appropriate attention to overlaps and gaps where they exist. Annex 3 provides some recommendations on indicators which may be helpful in ensuring the DMX continues to deliver value for Belize. But the DMX resides on a platform that is not tolerant of coordination failures of the sort currently featured in the PSD context in Belize and this will have to be attended to as a priority if the tool is to remain relevant for the country. Domestic PSD actors and donors at all levels will have to embrace the effort and commit to the upkeep of the inventory either at an individual or coordinated country level to ensure the DMX continues to provide a credible platform for donor planning and coordination going forward. The ability of the tool to invite and encourage stakeholder commitment to its survival is the ultimate test of its value and at this point remains to be seen.

-END-

7.0 REFERENCES

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2. Guide for Private Sector Assessments (PSAR) in the Caribbean Countries, Dany Bahar, 2011.
3. Horizon 2030, National Development Framework for Belize 2010-2030.
4. IADB Belize Private Sector Discussion Paper No. 6, Ben Rowland, Juan Jose Duarte, Dougal Martin, IDB-DP-162.
5. IMF Article IV Consultation, Belize, December 2011.
6. International Bank for Reconstruction and Development, Country Partnership Strategy for Belize, Report No. 63504-BZ (FY2012-2015), July 29, 2011.
7. Investments in Belize , A Strategy for Innovation, Competitiveness, Entrepreneurship and Private Sector Development, Belize Chamber of Commerce and Industry, February 2012.
8. Medium Term Development Strategy, 2010-2013, Building Resilience against Social, Economic and Physical Vulnerabilities, July 2010.
9. What does an effective multilateral donor look like, Cecilie Wathne and Edward Hedger, Overseas Development Institute Project Briefing No. 40, April 2010.

Schedule of Interviews

Stakeholders

Belize Coalition of Service Industries
Embassy of the United States of America

Youth Business Trust
IICA
Beltraide

Development Finance Corporation
Ministry of Foreign Affairs and Trade

United States Embassy
Taiwan Technical Mission
Ministry of Economic Development Et. Al.

Atlantic Bank
Belize Chamber of Commerce and Industry

Belize Bureau of Standards
Belize Tourism Industry Association
Inter-American Development Bank

Caribbean Export Development Agency

Representative

Delroy Fairweather, Acting, President
Joseph Boski, Political and Economic Section Chief,
Jonathan DaSilva, Economic and Commercial Assistant
Deanna Peyrefitte, General Manager
Salvador Monge Fallas, Country Representative
Melanie Gideon, Director Administration and Projects, Ruby Pascascio

Natalie Goff - General Manager
Orla Kantun Coleman, Acting, Director, Directorate of Foreign Trade
Joseph Boski, Political and Economic Officer
Dr. Tzeng-Huey Wang, Director
Mrs. Yvonne Hyde, (CEO, Ministry), Lincoln Blake, Senior Economist
Claudia Lopez, Process and Quality Manager
Kay Menzies, President, Kim Aikman, Chief Executive Officer, Venetia Salazar, Chief Policy Analyst
Jose Trejo, Director
Holger Heinz, Consultant
Anneke Jessen Country Representative, Ishmael Quiroz, Operations Consultant
Christopher McNair, Manager Competitiveness and Innovation,

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Ervin Perez, Project Director