

## **IDB and World Bank join forces to support Belize in strengthening its resilience to natural disasters**

**Belize City, February 2, 2024** - The Inter-American Development Bank (IDB) and the World Bank launched a new initiative to help Belize strengthen its financial preparedness for natural disasters and climate shocks.

This initiative aims to help Belize design a robust disaster risk financing strategy and adopt innovative financial protection instruments. By developing and implementing a comprehensive strategy, Belize will enhance its ability to safeguard its economy and citizens.

According to the World Bank, the annual average loss from hurricanes in Belize is estimated at US\$7.7M (or 0.45% of GDP) and from earthquakes at US\$ 883,000 (or 0.05% of GDP). The increasing severity and frequency of extreme weather events highlight the pressing need for systematic financial preparedness and innovative protection against natural hazards.

Rocío Medina Bolivar, IDB Country Representative, and Federico Baechli, WB Senior Country Officer, emphasized the importance of providing holistic support to Belize. This includes strengthening the country's ex-ante financial preparedness and ensuring the availability of resources for immediate crisis response and recovery. The approach involves coordinated technical assistance, innovative financial instruments, and risk transfer solutions. The first deliverable – a comprehensive analysis of disaster risk financing needs in Belize - is scheduled to be completed early next year.

The work will be carried out jointly between the IDB and the WB as part of the Memorandum of Understanding agreed between the IDB President Ilan Goldfajn and the World Bank President Ajay Banga in 2023

Dr. Osmond Martinez, CEO for the Ministry of Finance, Economic Development and Investment expressed the Government of Belize's commitment to this transformative collaboration with the IDB and WB and stated that in the face of escalating climate threats, this partnership between the banks mark a significant step toward the global effort in mitigating the impacts of climate change and natural disasters in Belize. He also made mention that together, with the support of our international partners and through our own national efforts, we are committed to safeguarding our country's future against these growing threats, ensuring that Belize remains strong, resilient, and sustainable for generations to come.

The mission team extended gratitude to Dr. Martinez, Mr. Joseph Waight, and the Belize authorities for their hospitality, support, and insightful discussions.

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