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Tourism In Belize: Ensuring Sustained Growth

by Julian T.S. Chow

I N T E R N A T I O N A L M O N E T A R Y F U N D

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Western Hemisphere Department

Tourism In Belize: Ensuring Sustained Growth

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Abstract

Belize’s tourism sector has witnessed impressive growth in recent years with overnight tourist arrivals registering double digit annual growth rates since 2016. To guide the development of the tourism sector from 2012 to 2030, the government endorsed a National Sustainable Tourism Master Plan in 2011, setting various initiatives and targets for the immediate and medium terms. Using a panel regression analysis on twelve Caribbean countries, this paper finds that accelerating structural reforms, fortifying governance frameworks, reducing crime, and mitigating the impact of natural disasters will help sustain tourism growth in Belize and contribute to economic well-being. This is in addition to tackling infrastructure bottlenecks and mitigating concerns relating to the “shared economy”.

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I. INTRODUCTION

1. Belize's tourism sector has witnessed impressive growth in recent years with overnight tourist arrivals registering double digit annual growth rates in since 2016.

Investments by major international hotels and recent plans to build a multi-million dollar cruise port off the coast of Belize City along with other planned development projects will contribute significantly to economic activity, given the small size of Belize's economy. To guide the development of the tourism sector from 2012 to 2030, the government endorsed a National Sustainable Tourism Master Plan (NSTMP) in 2011, setting various initiatives and targets for the immediate and medium term.

2. The potential for further growth in Belize's tourism sector is high. According to a study by the Inter-American Development Bank (IDB), tourism industry in Belize is still an "emerging" rather than a "mature" sector. It is a relatively new industry in Belize when compared to the long-established Caribbean tourism destinations.

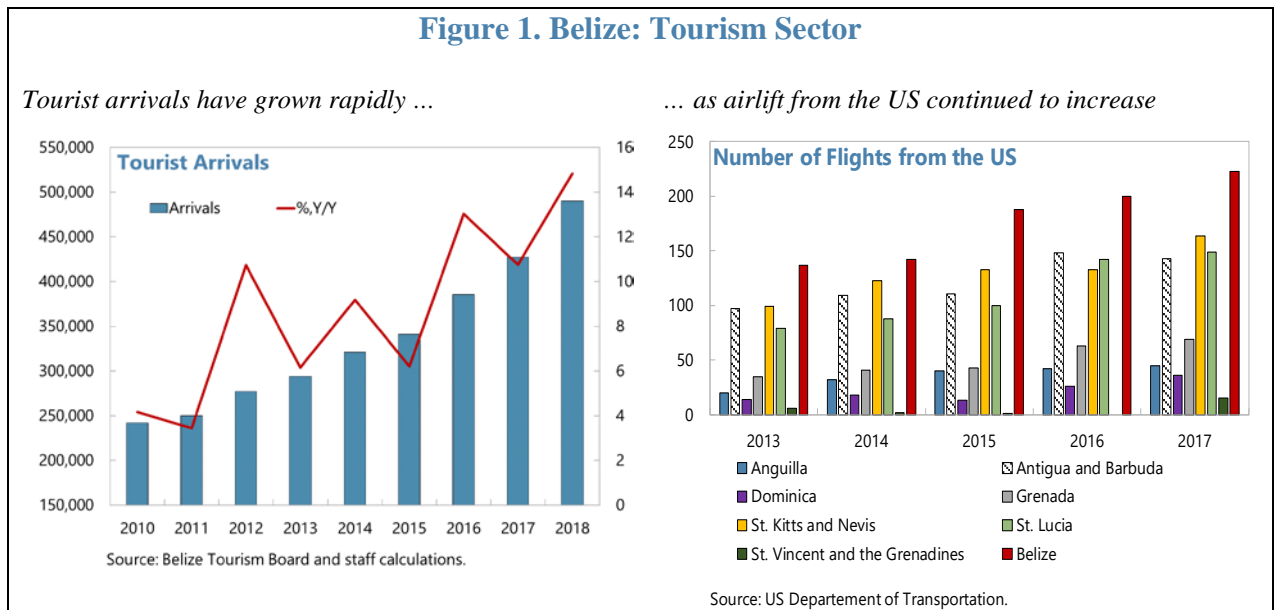
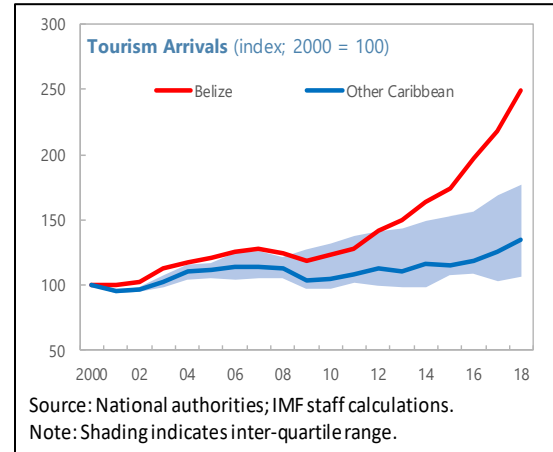
3. Given the importance of the tourism sector as the key contributor of Belize's economic well-being, this paper addresses the following questions:

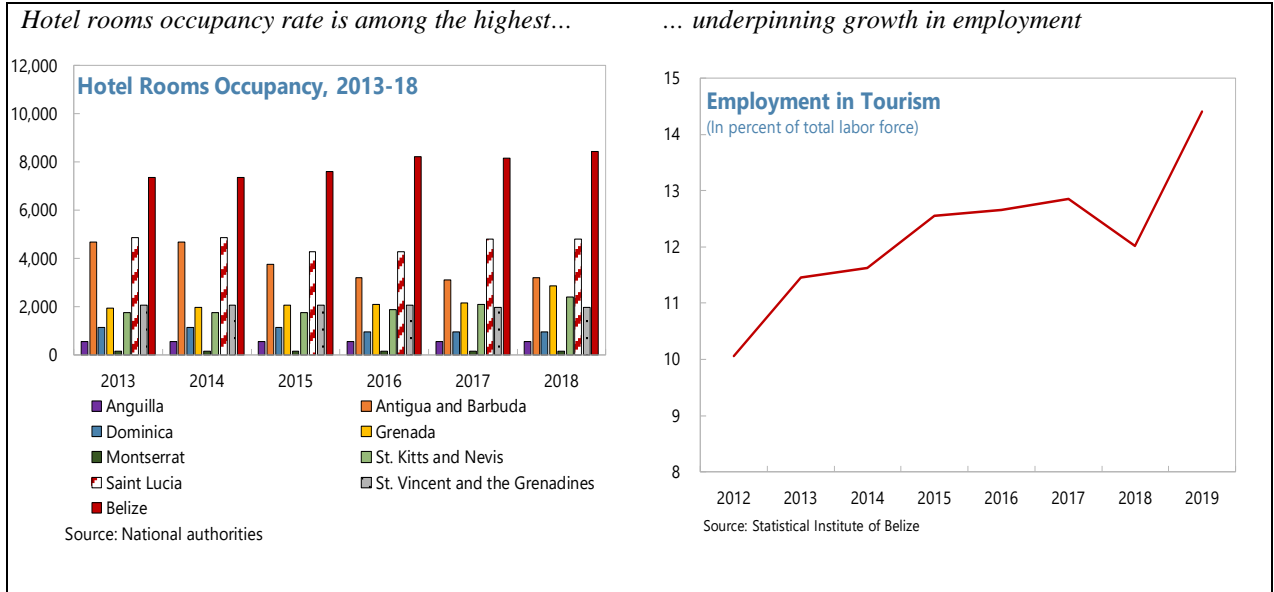
- How has tourism evolved in recent years?
- What are the comparative advantages and challenges?
- How could reforms help in sustaining tourism and contributing to economic growth?

4. This paper is organized as follows: Section A provides an overview of Belize's tourism sector and main achievements; Section B discusses the country's comparative advantages and bottlenecks in tourism; Section C analyzes the impact of structural and institutional reforms on tourist arrivals; and Section D concludes with a discussion of policy implications.

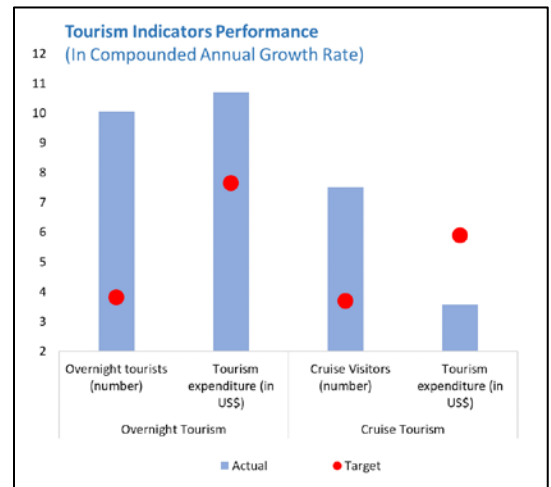
II. HOW HAS TOURISM EVOLVED IN RECENT YEARS?

5. Belize’s tourism sector has grown rapidly in recent years, contributing strongly to economic recovery (Figure 1). Tourist arrivals have increased at a rate of 8.6 percent per year from 2010-2018 (15 percent in 2018). In other Caribbean economies, tourist arrivals grew 3.5 percent per year in 2010-2018 (6.1 percent in 2018.) According to the World Travel and Tourism Council (WTTC), the direct contribution of tourism amounted to 15 percent of GDP in 2017, three times higher than the Caribbean average of 4.8 percent of GDP. Its total contribution, when including indirect and induced effects, was estimated at around 41.3 percent of GDP (compared to the Caribbean average of 15.2 percent of GDP). The sector provides direct employment to 13.4 percent of the labor force, rising to 37.3 percent of total employment with the inclusion of jobs that are indirectly supported by the tourism activities. With travel earnings contributing around 40 percent of total exports in 2018, up from 32 percent in 2008, tourism is also the largest earner of foreign exchange.





6. The outturns in tourism have significantly exceeded targets set in the authorities' National Sustainable Tourism Masterplan (NSTMP). Since the launch of the NSTMP in 2011, overnight tourist arrivals grew at 10.1 percent per year, close to three times higher than the set target, precipitating growth in tourism expenditure of 10.7 percent per year which outperformed the target. Cruise visitors grew by an average 7.5 percent per year (compounded annual rate). Although it has outperformed the target in terms of the number of visitors, cruise tourism expenditure seems to be falling short of target, reflecting either these tourists are not disembarking to visit onshore tourism sites or the lack of capacity in capturing these expenditures.

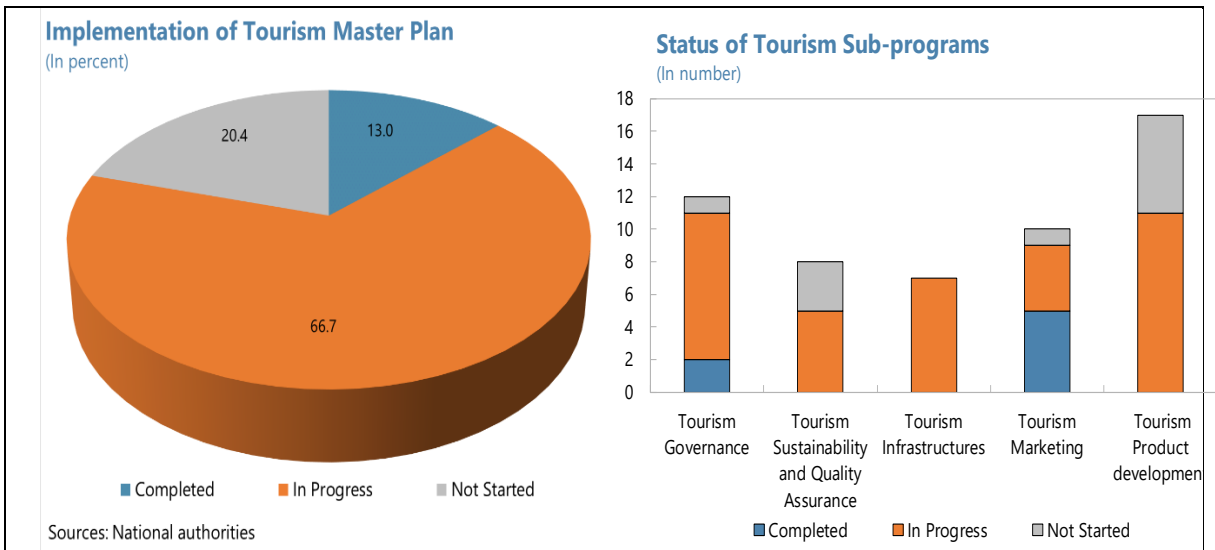


7. The implementation of the NSTMP reforms has supported the tourism sector’s expansion. To guide the development of the tourism sector, the NSTMP 2011 proposes reforms and targets to propel Belize into an internationally recognized tourist destination by 2030. The five central focus areas include tourism governance, sustainability and quality assurance, infrastructures, marketing, and product development (Appendix 1). It also sets annual growth targets from 2011 to 2030 (Table 1). As of end-2018, 80 percent of the total 54 subprograms that underpin the five focus areas have been completed or in progress. The largest deliveries are in areas relating to tourism marketing, governance, and product development.

Table 1. NSTMP Targets from 2011 to 2030

	Target Growth Rate, in percent
Overnight Tourism	
Overnight tourist arrivals	3.8
Tourism Expenditure	7.65
Cruise Tourism	
Cruise visitors	3.68
Tourism Expenditure	5.89

Source: NSTMP 2011



III. WHAT ARE THE COMPARATIVE ADVANTAGES AND CHALLENGES?

8. Belize’s rich biodiversity, multi-cultural heritage, and unique location both in Central America and on the Caribbean Sea bode well for further development of tourism. The natural comparative advantages that put Belize ahead of others in eco-tourism, adventure, and cultural tourism include:

- *Excellent natural resources.* Belize hosts four “unique tourism assets” with international recognition, namely the Barrier Reef Reserve System, Blue Hole Marine Reserve, Caracol Mayan site and the Chiquibul Caves System which hosts a network of caves and national park.

- *Strong cultural heritage.* The country’s rich historic background is reflected in numerous heritage sites, mostly of Mayan origin. Many Mayan sites remain unexcavated and covered and are difficult to access by road resulting in an opportunity to further develop. Moreover, the diverse mixture of ethnic backgrounds (Kriol, Garifuna, Mestizo, Maya, and Mennonite) provide a unique cultural experience.

- *Unique location and rich biodiversity.* Belize’s geography in Central American as well as the Caribbean Sea allows for easy access and tourist movement. Despite being less than 23,000 km², it holds a globally significant

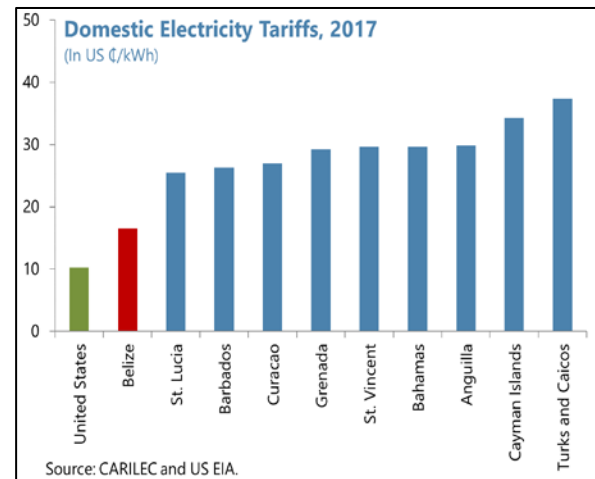
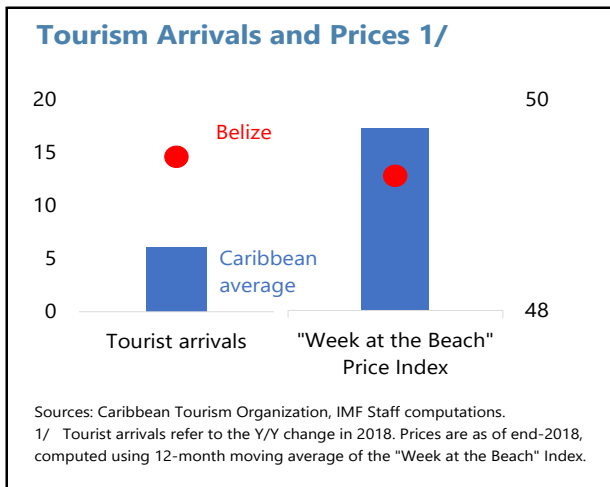
Characteristics Relevant for Tourism	
(Red = least favorable ranking; green = most favorable) 1/	
Natural factors	
Forest area (% of land area)	■
Marine protected areas (% of territorial waters)	■
Natural disaster vulnerability 2/	■
Price competitiveness 3/	
Education and human capital	
Primary school enrollment	■
Human Capital Index 4/	■
Labor force with advanced education	■
Youth not in education, employment or training	■
Infrastructure	
Access to electricity 5/	■
Access to basic drinking water 5/	■
Access to basic sanitation 5/	■
Access to Internet 5/	■
Governance and Crime	
Regulatory quality 6/	■
Government effectiveness 6/	■
Political stability and absence of violence 6/	■
Violent crime	■
1/ Color shows ranking compared to Caribbean and EMDE countries.	
2/ IMF (2016) "Small States' Resilience to Natural Disasters and Climate Change - Role for the IMF."	
3/ IMF "Week at the Beach Index" measuring the average cost of a 7-day-trip in a beach destination.	
4/ Indicates the contributions of health and education to worker productivity.	
5/ In % of population.	
6/ Based on estimate of governance performance; ranges from -2.5 (weak) to 2.5 (strong).	
Sources: The World Bank and IMF staff calculations.	

diversity of plants and animals. The Maya Golden Landscape in Toledo District, southern Belize, forms one of Central America’s last unbroken stretches of broadleaf forest. The forests extend all the way from the Maya Mountains in the west to the Caribbean Sea, forming a key link in the Mesoamerican Biological Corridor.

9. Cost competitiveness has also helped underpin the rise in tourism demand.

Belize’s share of the Caribbean tourism market has been rising steadily and is associated with

relatively competitive prices, as reflected in the lower cost of a one-week vacation based on the IMF's "[Week at the Beach](#)" Index compared to Caribbean average. In addition, the cost of electricity, at US\$16/kWh, is one of the lowest in the region. A recent [IMF study](#) found the cost of electricity in the Caribbean to be persistently high over the last two decades due to serious inefficiencies in the power sector and dependence on expensive imported petroleum product. This has eroded competitiveness and contributed to the region's high cost of doing business.²



10. Nonetheless, a number of supply-side bottlenecks and challenges remain:

- **Concentration of hotspots and tourists.** Tourists still focus on a small number of attractions (especially those centered on the reef) and North America comprises 75 percent of arrivals, implying saturation and concentration risks.
- **Infrastructure gaps.** Belize's water and sanitation infrastructure and coastal facilities are currently stretched. Poor level of accessibility by land—mainly due to a small amount of paved roads leading to the tourism destinations—and by air results in uneven distribution of tourism flow in the country. This creates overcrowding in some sites and underutilization of others. Insufficient waste disposal and sewage systems also leads to unhealthy conditions and visual pollution.
- **Institutional gaps.** Another bottleneck is the lack of enabling institutional and legal environment. Certain tourism hotspots are faced with overcrowding during peak tourism periods, for example San Pedro in Ambergris Caye. Infrastructure, water supply, and sanitation there appear to be unable to cope with the volume of visitors. Although a development plan for Ambergris Caye exists, its implementation has not

² Chapter 13 of the [IMF study](#) provides further details.

(continued...)

been possible as Belize does not have a land use policy and planning framework that allows these jurisdictions to properly plan and manage their development.

- ***Skill shortages.*** The availability of appropriately skilled labor in the tourism industry is tight and finding replacement staff is difficult.³
- ***Natural hazards.*** Belize is exceptionally vulnerable to hurricanes and other weather-induced damage, which dissuade tourist arrivals. The [2018 Climate Change Policy Assessment \(CCPA\)](#) indicates that Belize is highly exposed climate change and natural disasters risks. Among small states, Belize ranks 3rd at risk for natural disasters, and 5th at risk from climate change. The country is low-lying and will face severe damages from inundation if the sea level rises and storm surges intensify. A significant influx of sargassum seaweed has led to travel cancellations and in some cases closure of tourism businesses.
- ***Crime.*** Violent crime remains high, with a homicide rate of 38 per 100,000 people, compared to a rate of 12, on average, in EMDEs. The [World Bank’s 2016 Systematic Country Diagnosis](#) report indicates that crime is the biggest threat to Belize’s tourism industry.⁴ The US Department of State’s [Belize 2019 Crime and Safety Report](#) also noted that confrontational crimes, such as armed robbery and theft, have increased in tourist areas.
- ***Governance concerns.*** Survey measures of governance perceptions (relating, in particular, to the rule of law) and corruption perceptions indicate room for improvement, although they need to be interpreted carefully. Steps to enhance the effectiveness of the anti-corruption framework, including through the recently operationalized Integrity Commission, together with measures to raise the efficiency of the court system, including in enforcing contracts, are needed to improve investor confidence and support further development of the tourism sector.

11. The emergence of the “shared economy” business model has also brought new challenges, in addition to opportunities. The benefits of the peer-to-peer (P2P) accommodation available to customers on digital platforms include the expansion of tourism product, service, and sector offerings; improved access to market; and opportunities for income generation. However, recent studies by the [Central Bank of Belize staff](#) (Leslie and Waight, 2019) and by [World Bank staff](#) (Bakker and Twining-Ward, 2018) also suggest that

³ According to an [IDB study](#), although there has been considerable progress in establishing tourism-specific training and developing expertise in the sector, labor skills and attitudes are still considered by some to impede development of the sector. Moreover, finding replacement staff is difficult, not because of a tight labor market but because of the overall lack of workplace skills.

⁴ Based on anecdotal evidence from focus group discussions with the Belize Tourism Board and the Belize Chamber of Commerce.

the expanding presence of rent-share and P2P accommodation could bring new challenges, including reducing expenditure levels per visitor, adversely affecting the job-intensive hotel sector, and contributes to over-crowding. In particular, P2P accommodations can reduce the demand for hotels from financially-conscious tourists while providing alternative accommodation options for upscale tourists. Similarly-priced hotels in the same areas are impacted the most. Moreover, budget P2P accommodation listings tend to compete directly with lower-end hotels and significant affect their earnings.

IV. HOW COULD STRUCTURAL AND INSTITUTIONAL REFORMS BENEFIT TOURISM AND BELIZE'S ECONOMY?

12. The positive effect of infrastructure investment on tourism has been highlighted in a number of empirical studies. A study by [Ilić and Jovanović \(2016\)](#) found infrastructure as an important determinant of tourism development in Southeast Europe (SEE). Specifically, the correlation between tourism competitiveness in SEE countries and the level of competitiveness of tourism infrastructure is high and significant. Turning to the Caribbean, [Bolaky \(2011\)](#) found that tourism competitiveness in the region can be enhanced through policy measures that include, among others, better infrastructure, increases in investment, private sector development, lower government consumption, a more flexible labor market, reduced vulnerability to natural disasters, higher human development and slow rises in oil prices.

13. This section complements existing literature by analyzing the impact of structural and institutional reforms on tourist arrivals. A panel regression analysis, based on a sample of 12 Caribbean countries⁵, provides quantitative analysis on the contributions of primary school enrollment, regulatory quality, internet access, crime rate, and damage from natural disasters to tourist arrivals. Two other explanatory variables—US real GDP growth and real effective exchange rate (REER)—are included as proxies for external factors and price competitiveness.⁶ The model is represented by the following equation:

$$\text{ARRIVALS}_{i,t} = \beta_1 \text{Primary School Enrollment}_{i,t} + \beta_2 \text{Regulatory Quality}_{i,t} + \beta_3 \text{Internet Access}(-1)_{i,t} + \beta_4 \text{Crime}_{i,t} + \beta_5 \text{Damage/GDP}(-1)_{i,t} + \beta_6 \text{US real GDP growth}_{i,t} + \beta_6 \text{REER}(-1)_{i,t} + \mu_t + \varepsilon_{i,t}$$

⁵ Comprising Belize, Bahamas, Barbados, Dominica, Grenada, Guyana, Jamaica, St. Lucia, St. Vincent and the Grenadine, Suriname, Trinidad and Tobago, Dominican Republic.

⁶ As in Ghazanchyan *et.al.* (2019), prices are proxied by the REER.

where:

$ARRIVALS_{i,t}$	= Tourist Arrivals, in percent of population in each country.
$Primary\ School\ Enrollment_{i,t}$	= Enrollment at primary level, in percent of total enrollment, regardless of age in each country.
$Regulatory\ Quality_{i,t}$	= A governance indicator, ranging from -2.5 (weak) to 2.5 (strong), in each country.
$Internet\ Access(-1)_{i,t}$ each	= Individuals using the internet, in percent of population in each country, lagged one period.
$Crime_{i,t}$	= Homicides (per 100,000 people) in each country.
$Damage/GDP(-1)_{i,t}$	= Damage from natural disasters, in percent of GDP in each country, lagged one period.
$US\ real\ GDP\ growth_{i,t}$	= Annual Real GDP growth in the United States
$REER(-1)_{i,t}$	= Real effective exchange rate in each country, lagged one period.
μ_t	= Country specific effect

Variables	Data Sources
Tourist Arrivals	Caribbean Tourism Organization
Damage from natural disasters	Emergency Events Database (EM-DAT)
REER, US real GDP growth	IMF
Primary School Enrollment, Regulatory Quality, Internet Access, Crime	The World Bank

14. The results suggest that structural-institutional indicators are important drivers of tourism growth. Tourist arrivals increase with measures of educational quality, governance, security, and ICT infrastructure. The arrivals-to-population ratio (“Arrivals”) is positively associated with Primary School Enrollment, Regulatory Quality, and Internet Access. It is negatively associated with crime. Increasing enrollment at primary level by 1 percent and raising regulatory quality by 1 point is associated with “Arrivals” being higher by 0.56 percent and 41.7 percent, respectively.⁷ At the same time, enhancing public access to internet by 1 percent is associated with a 0.28 percent rise in “Arrivals”.

15. Damages from natural disasters adversely affect tourism. The impact of natural disaster damages-to-GDP on “Arrivals” is significant and negative. “Arrivals” decline by 0.14 percent for every 1 percent of GDP increase in estimated economic damage. This result is broadly consistent with existing work on the effects of natural disasters on tourism. For example, a study by Bank for International Settlements Staff ([Peter, Dahlen and Saxena, 2012](#)) found that a 1 percent of GDP increase in economic damage from natural disasters could lead to a 0.28 percent decline in economic growth.

Panel Regression Analysis with Tourist Arrivals-to-Population as Dependent Variable

Dependent Variable	Tourist Arrivals/Population
Primary School Enrollment	0.5613* (0.33006)
Regulatory Quality	41.7212*** (12.53501)
Crime	-0.4836** (0.22532)
Internet Access(-1)	0.2779** (0.13674)
REER(-1)	-0.1898 (0.11718)
US real GDP growth	2.4012*** (0.74983)
Damage/GDP	-0.1446*** (0.03467)
Constant	69.7942* (37.94704)
Country Fixed Effects	Significant***
Sample period	2002-2016
R-squared	0.9861
Adjusted R-squared	0.9833
N	107 (unbalanced)

Note: Standard errors (in brackets) are clustered by country. For *REER*, positive/(negative) values denote appreciation/(depreciation). "Crime" refers to intentional homicides (per 100,000 people). "Internet Access" refers to individuals using the internet (in percent of population). "Regulatory Quality" is based on The World Bank Governance Indicators and ranges from -2.5 (weak) to 2.5 (strong).

Sample consists of Belize, Bahamas, Barbados, Dominica, Grenada, Guyana, Jamaica, St. Lucia, St. Vincent and the Grenadine, Suriname, Trinidad and Tobago, Dominican Republic.

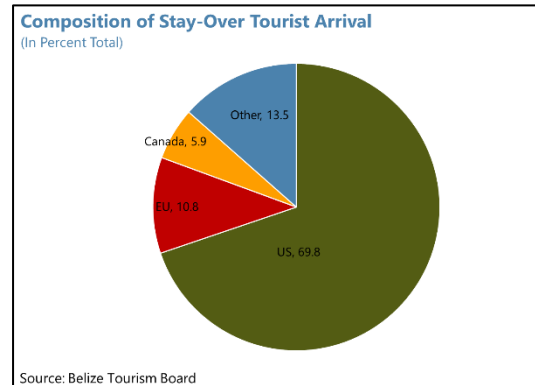
***p<0.01; **p<0.05; *p<0.10

Sources: IMF, The World Bank, and Emergency Events Database (EM-DAT)

⁷ The high coefficient for regulatory quality is driven by the very small annual change in the index. Over a 30-year period, the magnitude of annual change is only 0.0002 points, on average, for the sample of 12 Caribbean countries.

16. External factors, including growth in the US economy, significantly influence tourist arrivals.

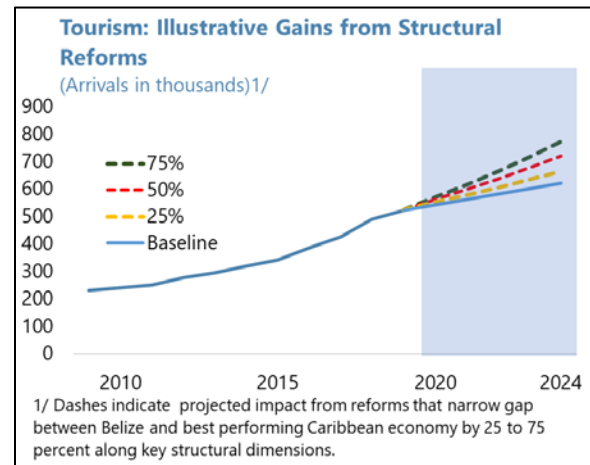
The impact of the US economy is highly significant as a 1 percent increase in US real GDP growth is associated with an increase in “Arrivals” by 2.4 percent. For Belize, the model estimates imply that about 40 percent of the rise in tourist arrivals in 2018 are explained by US growth.⁸ This reflects the large share of US tourists which accounted for 70 percent of stay-over tourist arrivals in 2018. In addition, price competitiveness proxied by the REER—although the statistical significance of its coefficient is marginal—remains economically meaningful. A 1 percent reduction in price competitiveness (a 1 percent appreciation of the REER) is associated with “Arrivals” declining by 0.2 percentage points.



17. Gaps exist in some of these metrics, relative to the neighboring countries. Belize appears to be underperforming in some of these structural and institutional indicators relative to the Caribbean, as discussed in Section III. The country is also highly susceptible to natural disasters, and damages could be costly although they may not be as high as some other neighboring countries.⁹ For example, damages from the 2016 Hurricane Earl were estimated at around 4 percent of GDP, by the National Emergency Management Organization.

18. Reducing these structural-institutional gaps and potential losses associated with climate change could boost tourist arrivals and enhance economic growth.

An illustrative simulation suggests that narrowing the gaps of regulatory quality, homicides rate, internet access, and natural disaster damage by $\frac{1}{4}$ to $\frac{3}{4}$ compared to the best-performing Caribbean economy could potentially increase tourist arrivals by 22 percent to 66 percent. An empirical analysis on the relationship between tourism growth and economic growth in the Caribbean by [Thacker, Acevedo, and Perrelli \(2012\)](#), suggests that an increase in tourist arrivals by 1 percent could lead to a 1.7



⁸ In 2018, overnight tourist arrivals increased by 63,290 compared with 2017. The US growth of 2.9 percent in 2018 added an estimated 7 percentage points to Belize’s tourism/population ratio, or an extra 27,000 of tourist arrivals.

⁹ The [2018 Climate Change Policy Assessment \(CCPA\)](#) indicates that among small states, Belize ranks 3rd at risk for natural disasters, and 5th at risk from climate change. The country is low-lying and will face severe damages from inundation if the sea level rises and storm surges intensify.

percentage point (ppt) increase in GDP growth. This would imply an additional GDP growth of between 0.4 ppt to 1.1 ppt.

V. CONCLUSION AND POLICY IMPLICATIONS

19. The reforms implemented based on the NSTMP over the past decade have supported the development of Belize’s tourism sector. At the same time, sustaining efforts to address various bottlenecks and challenges will help ensure continuous progress and development in tourism that will enhance economic growth.

20. Reforms in the near term should focus on addressing the impact of recurring natural hazards, infrastructure bottlenecks, fortifying the institutional and governance framework, reducing crime, and mitigating concerns relating to the “shared economy”.

- ***Climate change.*** The [2018 CCPA](#) highlights the natural perils that Belize faces—such as hurricanes, flooding, sea level rise, coastal erosion, coral bleaching, and droughts—with impacts likely to intensify given expected increases in weather volatility and sea temperature. Moreover, a significant influx of sargassum seaweed has led to travel cancellations and in some cases closure of tourism businesses. Reform priorities will include the need to mobilize substantial private investment, with official sector financial involvement playing a useful supporting role, to meet the adaptation and mitigation plans.
- ***Infrastructure bottlenecks.*** Belize’s water and sanitation infrastructure and coastal facilities are currently stretched. Enhancements to the way visitation centers and valuable tourism resources are presented to tourists and to transportation to national tourism sites are needed. Expanding ICT infrastructure would cater to the swifts in tourism demand and changing tourist demographics.
- ***Institutional and governance framework.*** Addressing regulatory bottlenecks and governance concerns, including in customs and public procurement, will help enhance the business environment and promote private sector capital in developing and diversifying the tourism sector. A study by [Ghazanchyan, Li and Brito \(2019\)](#) on the ECCU shows that improving governance, along with ease of doing business and reducing tariffs, would increase the union’s global market share of tourism by 40 percent. At the same time, establishing a land use policy and planning framework in Belize would allow jurisdictions faced with overcrowding during peak tourism periods to properly plan, implement, and manage their developments.
- ***Reducing crime.*** Confronting safety and security risks to tourism will underpin perception even if tourists in Belize are rarely the victims of violent crime. The [World Bank’s 2016 Systematic Country Diagnosis](#) report indicates that crime is one significant obstacle, in addition to weaknesses in infrastructure and skillset. Policies that could help address the rise in crime rates include improving the quality of education, keeping children at school, promoting job training programs, and more direct approaches such as investing in safe neighborhood programs. A [CDB Report](#) on tourism reform highlights

the successes of neighboring countries in fighting crime in tourism destinations which include, among others, better engagement with local communities which leads to “self-patrolling” (British Virgin Islands) and collaboration between the private sector and local police to develop a security plan (Grenada). A study by Plotnikov (2019, forthcoming) on crime and output in Central America shows that crime reduces GDP by about 3 percent and tackling crime will require a combination of (i) preventive interventions that increase expected benefits from legal and non-violent activities, (ii) improving policing and other deterrence activities, and (iii) strengthening the criminal justice system to increase the cost of committing crimes while at the same time promoting the reintegration of ex-convicts in the productive economy.

- **“Shared economy”**. Formal integration of rent-share and P2P accommodation through proper regulations, standards, registration, data sharing and taxation, in addition to “high-end” branding, and offering higher quality services and adequate physical tourism infrastructure, could alleviate its less desirable effects on income, employment, and overcrowding.

21. Medium-term priorities should focus on ensuring continuous and sustainable development of the tourism sector through vocational training and diversification of source markets and attractions. Programs that connect local industries to tourism, as well as local communities to the tourism value chain, should be developed to ensure equitable and sustainable growth in the tourism sector. Promoting formal tourism degrees and tourism graduate programs would mitigate shortages in skillsets and skilled labor. Strategic and more diversified marketing, including leveraging on ICT platforms, could reduce saturation and concentration risks, particularly as North America comprises 75 percent of arrivals at present and tourists still focus on a small number of attractions.

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APPENDIX 1. NATIONAL SUSTAINABLE TOURISM MASTER PLAN 2012–2030

In 2011, the government endorsed a National Sustainable Tourism Master Plan (NSTMP) for ensuring a dynamic, competitive, and sustainable tourism industry, with specifics reform to support its development. The [NSTMP](#) is a strategic framework with the objective of propelling Belize into an internationally recognized tourist destination by 2030. The NSTMP’s “Vision 2030” envisages Belize to be “an exclusive multicultural sustainable destination in the Central American Caribbean”, and “a destination where the authenticity and friendliness of its people, coupled with the uniqueness of an exotic natural environment can be actively experienced within a conserved world.” The strategic goals outlined in the NSTMP are:

- *Leadership: Support Belizean stakeholders in taking leadership over sustainable tourism development*
- *Optimization: Optimize socioeconomic benefits from tourism*
- *Sustainability: Undertake sustainable and planned tourism development*
- *Competitiveness: Achieve competitiveness as a world-class destination*

2. Market growth will be driven by the high value foreign tourists and domestic travels. The NSTMP aims to achieve the following:

- *Few but strong source markets:* The European main source markets (such as German, French and English) will have been tapped and a growing stream of high value European tourist will be visiting Belize. Belizean traditional markets (USA and Canada) will be enhanced and consolidated in mid-high end segments. The main source markets for Belize are expected to be few but to generate high value.
- *Specialized in niche market segments:* Additional market growth will come from consolidated highly specialized market drivers such as cavers, divers, pocket cruisers, honeymooners, yachties and sailors, adventure seekers, among others. These segments will be attracting a more diversified target source market.
- *Dynamic cross-border movement:* Increasingly, intraregional travelers will be crossing border points to reach Belize as more and better connectivity is reached, with cross-product synergies to neighboring countries through such products as the Mayan Heritage Trail, nautical routes as well as a highly attractive shopping and entertainment offering. Intraregional travelers will be from both the international and regional markets.
- *Domestic travels:* domestic travels will increase, making the Belizean residents feel and experience the country as it is one of the tourism World Class destinations of their own.