



CALL FOR EXPRESSION OF INTEREST

MATCHING GRANT PROGRAM

FOR TOURISM SMALL AND
MEDIUM-SIZED ENTERPRISES



The Government of Belize (GOB) has entered into an agreement, 3566/OC-BL dated January 11, 2016, with the Inter-American Development Bank (IDB), for a loan towards the implementation of the Sustainable Tourism Program II (STPII). The Matching Grant Program (MGP) is an activity under the **Sustainable Tourism Program II** which is being executed by the Ministry of Tourism and Diaspora Relations (MTDR). The MGP will be administered by the Belize Tourism Board (BTB).

The MGP will be providing financial incentives for tourism Small and Medium Enterprises (SMEs) to support projects that generate positive effects and are beneficial for the Belizean tourism ecosystem productivity and host communities. The grant will assist the SMEs in overcoming a clearly defined set of market failures. The benefits of the grant should extend beyond the recipient firm.

The MGP will support projects by SMEs in the selected project categories:

1. Projects to implement COVID-19 bio-protocols in Belize.
2. Projects to enhance or preserve Belize's natural capital or contribute to the mitigation or adaptation of the tourism sector ecosystem.
3. Skills development -projects which enhance the human capital of the tourism sector entrepreneurship and/or workforce in Belize.
4. Project which purpose is to boost technology investment and adoption in the tourism Sector entrepreneurship and or workforce in Belize.
5. Projects which purpose is to invest in market intelligence and promotion strategies
6. Projects which purpose is to create a point at which a growing company becomes self-sustaining and no longer needs additional investment to remain economically viable.

The MGP will benefit SMEs operating in the tourism sector and enterprises in the tourism value chain: Accommodation, Food & Beverage, Adventure Tourism, Transportation, Travel Trade, Events & Conferences, Attractions, Tourism Services, Tourism Education & Training and Other Tourism Related Services.

The call for proposals for the Matching Grant Program will be carried out in two stages: Expression of Interest (EOI) and Full Proposal (Business Plan). Before completing the Expression of Interest (EOI), applicants are required to read carefully the Guidelines for Eligibility.

The Matching Grant Program has a minimum of BZ\$18,000 and a maximum contribution of BZ\$60,000. In case the applicant is a tourism association or group of enterprises (minimum four enterprises), the grants will be up to BZ\$100,000.

SMEs who wish to express interest must complete and submit the required Expression of Interest Forms for assessment and eligibility. The deadline for this submission is **February 21, 2022, at 4:00 p.m.**

GUIDELINES FOR ELIGIBILITY

1. GENERAL INFORMATION

About the Matching Grant Program

The Government of Belize (GOB) has entered into an agreement, 3566/OC-BL dated January 11, 2016, with the Inter-American Development Bank (IDB), for a loan towards the implementation of the Sustainable Tourism Program II (STPII). The Matching Grant Program (MGP) is an activity under the **“Matching Grant Program of the Sustainable Tourism Program II”** which is being executed by the Ministry of Tourism and Diaspora Relations (MTDR). The MGP will be administered by the Belize Tourism Board (BTB).

The Matching Grant Program will provide financial incentives for Small and Medium Enterprises (SMEs) to support projects that generate positive effects and are beneficial for the Belizean tourism ecosystem productivity and host communities. The grant will assist the SMEs in overcoming a clearly defined set of market failures. The benefits of the grant should extend beyond the recipient firm. The projects strategic nature and the benefits generated by the projects should be clearly identified and be the base that will guide every aspect of the project.

The projects selected to receive matching funding must contribute to the following priorities of the Matching Grant Program:

1. Support Belize’s tourism sector competitiveness.
2. Job retention (job destruction mitigation); ideally, job creation in the tourism sector.
3. Contribute to change the tourism sector paradigm: from surviving to thriving.
4. Support tourism entrepreneurship: facilitate tools to be more competitive and productive, such as business plan toolkits, business plan courses, training and learning opportunities.
5. Support investments that have strong externalities in strategic areas.

The guidelines describe the eligibility rules for applicants, the call for Proposals that consists of two stages: Expression of Interest (EOI) and Full Proposal (Business Plan).

2. BASIC ELIGIBILITY PARAMETERS

2.1 Areas of Intervention

The Matching Grant Program will support projects by SMEs in the selected project categories:

1. **Bio-protocol implementation positive and negative externalities.**

Examples of activities that can be included in a project to adapt the tourism business for Covid-19 preventative measure are as follows:

- Reorganization of the spaces where tourists can meet (example: reception hall, elevators, swimming pool, breakfast rooms and restaurants, etc.) to facilitate social distancing
- Digital contactless technologies to facilitate social distancing during payments, etc.
- Purchasing of barriers/protections anti-Covid-19
- Purchasing of all equipment related to hand hygiene, temperature screening, facemasks and respiratory hygiene (including new ventilation systems, etc.)
- Infrastructural adaptation (example, new windows/doors to facilitate the ventilation of spaces, etc.)
- Conceptualization, design, printing and installation of all information material for guests and workers
- Recording of informative videos for guests
- Health and safety training for personnel

2. **Environmental positive and negative externalities.**

Examples of activities that can be included in a project to enhance or preserve Belize's natural capital or contribute to the mitigation or adaptation of the tourism sector ecosystem are as follows:

- Last generation equipment to reduce electric consumption (including machinery, bulbs and new electric systems if needed)
- New machinery producing solar, wind and biomass electricity
- Thermal insulation of the infrastructures and facilities to reduce energy consumption

- Last generation machines, equipment and facilities for waste management
- Implementation of circular economy processes to reduce waste production
- Information material for guests to raise awareness about the need to reduce electricity and water consumption, etc.
- Special training for personnel
- Water barriers for coastal Sargasso containment and recollection managed by local communities
- Sargassum processing to produce organic matter for hotels gardening and sold in supermarkets

3. Skills development externalities and imperfect information.

- Training and technical assistance projects aligned with the improvement of competitive capacity and resilience of the beneficiary enterprises.
- Interpretation of natural and cultural tourism attractions and development of new storytelling related to ecotourism and cultural circuits and attractions in Belize.
- Requested equipment and facilities (ex. tourist signposting, tourist info-point, etc.) needed to develop the selected tourism products/circuits.

4. Technology investment and adoption externalities and imperfect information.

Examples of activities that can be included in this type of project which purpose is to boost technology investment and adoption in the tourism sector entrepreneurship and or workforce in Belize are as follows:

- Improvement of organization and management processes with the use of better technology
- Increase the efficiency of process windows/doors check-ins and troubleshooting problems on and off the property
- Digitization (digitized tourism products that enterprises can offer tourist: digitized tour maps for new tourism circuits, etc.)
- Purchasing of specific software packages and/or related training for tourism businesses
- Last technology generation of equipment and machinery to improve the security of guests (video surveillance, GPS systems, NFC applications, etc.)

2.2 Eligible SMEs

Small and Medium Enterprises as defined by Beltraide Act n.50 of 2017 SMEs are as follows:

ITEM	SIZE
A. Number of Employees	
Small	>4 and <21 (<i>full time</i>)
Medium	≥21 and <52 (<i>full time</i>)
B. Turnover	
Small	≥BZ\$100,00 and <BZ\$500,000
Medium	≥ BZ\$500,000 and <BZ\$1,500,000
C. Capital Investment	
Small	≥ BZ\$50,000 and <BZ\$150,000
Medium	≥B\$150,000 and <B\$500,000
D. Workplace space (<i>excluding office space and storage</i>)	
Small	Up to 372 sq. meters of manufacturing space of firms engaged in manufacturing or industrial activities.
Medium	Up to 372 sq. meters of manufacturing space of firms engaged in manufacturing or industrial activities.

For the purpose of this MGP, eligible SMEs should meet the following criteria: minimum number of employees >four and annual turnover ≥BZ\$100, 000 and <BZ\$1,500,000.¹

¹ Beltrade classification could disqualify certain matching grant applicants because not all SMEs necessarily meet the three criteria listed in the table. In today's digital economy, a small company could have a high turnover with a few employees; on the other hand, a traditional manufacturing company could have a high number of employees with a low annual turnover; and in between these two examples, a large variety of situations can be found.

2.3 Type of Tourism Business to which the MGP is addressed

The MGP will benefit SMEs operating in the tourism sector and enterprises in the tourism value chain.

a) ACCOMMODATION

Hotels / Resorts; All-Inclusive / Time-Share; Villas / Apartments; Guest Houses/ Bed & Breakfast; Camping etc.

b) FOOD & BEVERAGE

Restaurants; Dining Rooms; Coffee Shops; Fast Foods; Pubs/ Lounges/ Night Clubs; Catering, etc.

c) ADVENTURE TOURISM

Eco-Tourism; Golf/ Tennis Facilities; Marinas; Parks; Marine Facilities; Fishing Facilities; Hunting Facilities; Sporting Facilities, etc.

d) TRANSPORTATION

Auto Rentals; Motor Coaches; Taxis, etc.

e) TRAVEL TRADE

Travel Agencies; Tour Wholesalers; Tour Operators; Tour Guide Associations, etc.

f) EVENTS & CONFERENCES

Meeting/Conference Planning; Festivals; Trade Shows; Fairs/Exhibitions, etc.

g) ATTRACTIONS

Museums/Galleries; Heritage/Historical Sites; Interpretive Centres; Cultural Tourism; Industrial Tourism, etc.

h) TOURISM SERVICES

All types of tourism associations (hotels, restaurants, travel agencies, etc.), Reservation Services.

i) TOURISM EDUCATION & TRAINING

Tourism Education & Training Institutions; Programmes, etc.

j) OTHER

Handicraft associations, handicraft shops and markets, equipment rental, etc.

2.4 Non-Eligible Expenses

The Matching Grant Program will not finance any cost of the following list of non-eligible costs:

- Working capital
- Recurrent costs
- Retroactive incurred expense
- Tobacco, alcohol, arms, biohazard materials and waste
- GST and other taxes
- Debt and debt service charges
- Provisions for losses or debts
- Interest owed
- Currency exchange losses, fees and penalties
- Costs of transfers charged by the bank of a beneficiary
- Excessive or reckless expenditures
- Payments to employees of public institutions
- Procurement of second hand “minor” equipment
- IDB/BM list of non-eligible firms as a result of prohibited practices
- Projects with adverse environmental and social impact

2.5 Non-Eligible Projects

Non-eligible projects are those that operate outside the local law, or that have an implementation work plan which exceeds the duration of the Matching Grant Program, and/or has negative impacts on cultural and natural assets.

- Projects that require legislative approvals that will cause delays*
- Projects that are against local and/or national laws
- Projects that cannot be completed within the specified timeline of the MG Program.
- Projects with a direct or indirect negative impact on critical cultural sites.
- Projects with a direct or indirect negative environmental impact.

**NGO's that operate within the tourism industry, which can readily find counterpart contributions, and which do not require legislative approval, qualify.*

2.6 Minimum and Maximum Amount of the Matching Grants

The Matching Grant Program has a minimum public counterpart contribution equivalent to US\$9,000 and a maximum of US\$30,000. The amount financed by the grant cannot exceed 60% of the total project value.

In case the applicant is a tourism association or group of enterprises (minimum four enterprises), the grants will be up to US\$50,000.

SMEs can only participate one time in the Matching Grant Program.

Table 2: Example of Grant Ranges offered by the MGP

	Grant Contribution 60% (Maximum)	Firm's Counterpart 40% In-Kind 60% (Max)	Cash 40% (Min)	Total Project Value
Project #1	\$18,000	\$7,200	\$4,800	\$30,000
Project #2	\$24,000	\$9,600	\$6,400	\$40,000
Project #3	\$30,000	\$12,000	\$8,000	\$50,000
Project #4	\$36,000	\$14,000	\$9,600	\$60,000
Project #5	\$42,000	\$16,800	\$11,200	\$70,000
Project #6	\$48,000	\$19,200	\$12,800	\$80,000
Project #7	\$54,000	\$21,600	\$14,400	\$90,000
Project #8	\$60,000	\$24,000	\$16,000	\$100,000

3. Call for Proposals

The call for proposals for the Matching Grant Program will be carried out in two stages: Expression of Interest (EOI) and Full Proposal.

3.1 Stage 1 - Expression of Interest (EOI)

Potential applicants are requested to submit an online "Expression of Interest" by completing and submitting the Expression of Interest Application Letter and Expression of Interest Form provided in Annex 1 and 2.

These forms must be fully completed and submitted by February 21, 2022 at 4:00 p.m. for eligibility screening. Applications can also be submitted in hard copy or soft copy. Successful entities will advance to Stage 2 of the process.

- EOI screening by the Project Coordinating Unit (PCU). The PCU will first do an administrative check of the submitted EOI packages to ensure that the EOI package is complete without missing information or documents. Applicants that do not pass the administrative check will not be able to proceed forward with the next stage of preparation. Notwithstanding this, the PCU will provide technical support to assist applicants to be able to advance their applications up to the EOI application deadline.
- The PCU will use the following eligibility criteria checklist to verify compliance with the basic eligibility criteria. If any of the requested information is answered with NO, the application will be rejected on that sole basis.

Table 3: Eligibility criteria checklist to verify the compliance with the basic eligibility criteria:

Elegibility Criteria	Checklist
1. Applicants are classified as small or medium	YES/NO
2. Minimum age of SMEs is one year in a business pre-covid counterparting COVID-19 started in April 2020	YES/NO
3. SMEs legally incorporated and registered	YES/NO
4. Applicants' proposals apply to grants within allowed limits (US\$9,000 to US\$30,000)	YES/NO
5. Companies applying jointly (more than four SMEs) apply to grants within allowed limits (US\$9,000 to US\$50,000)	YES/NO
6. Applicants do not include in their proposal items listed in this OM as non-eligible expenses	YES/NO
7. Applicants do not submit proposals that are included in the list of non-eligible projects	YES/NO
8. The applicants' proposal targets at least one of the market failures	YES/NO
9. Applicant has not received funding for the same project activities proposed in the project-proposal from other sources	YES/NO
10. Firms must have 51% and above Belizean/CARICOM simple majority ownership. In the case of accommodation sector only, a minimum of 25% or more local equity is required, provided that 51% and above of staff are local/CARICOM nationals. In the case of tour operators, as determined by law, ownership should be 51% and above Belizean/CARICOM	YES/NO
11. At least 40% matching grant counterpart contribution	YES/NO
12. In-Kind counterpart contributed by SMEs is equal or less than 60% of the applicant's contribution	YES/NO

All criteria must be answered positively (YES), otherwise, the EOI will be disqualified.

Notification to Eligible and Rejected EOI Applicants. Once the EOI eligibility check is completed, the PCU will inform the eligible applicants in writing within one day. The eligible applicants will be invited to develop full project proposals. The PCU prepares a summary list and report of all received EOIs to the BTB and MTRD. Applicants whose EOIs have not met the eligibility criteria will be informed in writing by email. Reasons for not being accepted will be clearly stated in the email.

3.2. Stage 2 - Full Proposal (Business Plan)

All eligible applicants will have 10 days to develop their full project proposal.

Workshop on the full project proposal. Once the eligible projects are selected and informed based on the EOI applications, two online/face-to-face workshops will be organized by the PCU for all interested applicants to answer their questions and provide clarifications regarding the full project proposals.

Technical Assistance. The PCU will provide online (Q&A section and email or chat) technical assistance to those SMEs whose EOI is accepted and request help to develop the full proposal and/or receive support during project implementation.

The project full proposal applications will follow the template that is provided in **Annex 3**. The Full Proposal Application consists of the following documents:

- Full Proposal Application Letter
- Applicant and Project Profile
- Business Plan that will be consisted of the following sections:
 - Project Governance
 - Relevance including Implementation Plan
 - Project Expected Results
 - Budget and Finance
 - Sustainability
- Simplified procurement plan with quotes from providers
- Environmental and social questionnaires and due diligence documentation when needed

Along with the full project submission, the applicants will be requested to submit the following supporting documentation:

- Financial statements for the last two (2) or one (1) year
- CV of the Project Coordinator/Leader/Manager
- Sworn statement by the firm declaring that does not have liquidation nor bankruptcy cases
- Tax Identification Number (TIN)

Applicant related documentation that can be provided as signed and stamped photocopies, but not older than six months.

The Applicant should submit a **Partnership Agreement** in case of multi entities proposals (or similar kind of document) which states the future cooperation of the parties and lead coordinator selected.

The deadline for receipt of the full application package with all the required documentation is **March 18, 2022, at 4:00 p.m.** Applications arriving after the deadline will not be considered for funding.

Administrative Check of Full Proposal. After receiving the full proposals (business plans), the PCU will do an opening of the submitted full proposals and will conduct an administrative check of the received full applications to assess:

- If the full application has all the needed documentation specified in the checklist. If any of the requested information is missing, the application will be rejected.

Evaluation and Selection by Technical Committee. The PCU will be analyzing and RECOMMENDING APPROVAL of full project proposals that have passed the administrative check by using the following selection criteria grid:

The minimum score for awarding the project proposals a grant is 70 points. This final score is an average of the scores received from all PCU members scoring each project.

[**Register here**](#)
[**Expression of Interest**](#)