

NATIONAL INVESTMENT Policy & Strategy



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EXECUTIVE SUMMARY

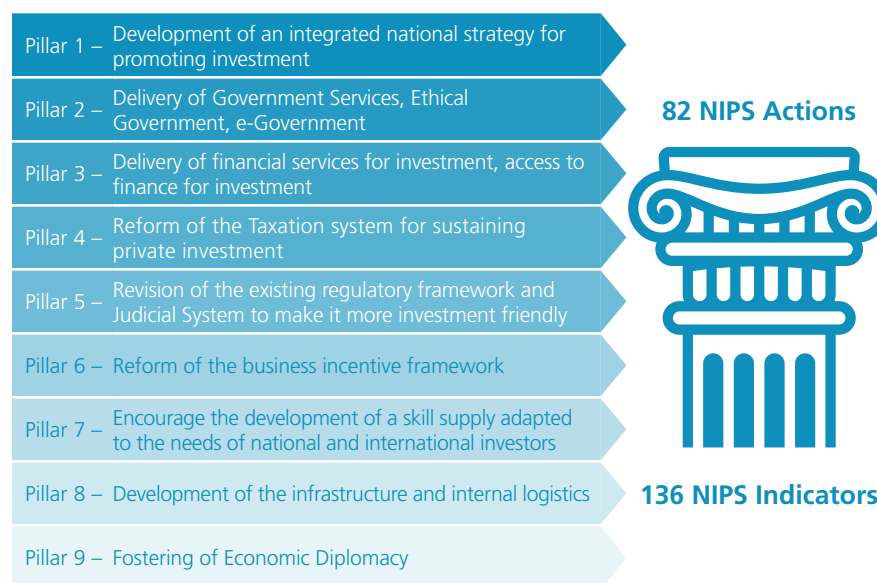
The Government of Belize (Gov) is fully committed to establishing Belize's position as an important economic player in the Central American area. In this regard, the country has embarked on a number of reforms intended to facilitate private domestic and foreign investment in a number of different domains. Despite all these reforms, there are still a number of key elements that need to be improved in order to encourage and facilitate private investment in Belize and contribute to the sustainable development of the country. For this purpose, this National Investment Policy and Strategy (NIPS) focuses on a limited number of key policy pillars that, according to the view of the relevant national and sector stakeholders consulted, are likely to improve the business climate and have a profound impact on the facilitation of domestic and foreign investment in the country in the short to medium term.

As a result of the analysis carried out and the workshops held with the different participating stakeholders, the vision of Belize has been defined as "position Belize as a competitive, robust and favourite investment hub in the Central America and Caribbean Region by 2030".

In addition, the guiding principles of the Belize National Investment Policy and Strategy are:

- The NIPS seeks to be consistent with the objectives of sustainable development and inclusive growth identified in the Horizon 2030 and the Growth and Sustainable Development Strategy (GSDS) for Belize specifically targeting and supporting Critical Success Factor (CSF-1): Optimal National Income and Investment.
- The NIPS pursues to develop an institutional framework that adheres to high standards of public governance and ensures predictable, efficient, non-discriminatory and transparent procedures for investors to entry, establish and conduct their businesses.
- The NIPS strives for providing legal certainty and strong protection to both established as well as potential new investors, including access to effective, fair, open and transparent mechanisms for the settlement of disputes, with appropriate safeguards to prevent abuse as well as to enforce existing procedures.

- The NIPS will promote and facilitate the adoption of and compliance with best international practices of corporate social responsibility and good corporate governance.
- The NIPS recognises the need for national authorities to continue to cooperate and engage in dialogue with the national and international community with a view to maintaining an open and conducive policy environment for investment.
- The NIPS identifies nine key Policy Pillars that represent critical areas in the view of the stakeholders consulted where reforms are needed. These pillars are the following ones:



These nine key Policy Pillars are broadly developed in a total of 82 actions, for which a total of 136 performance, result and impact indicators have been defined. These actions are planned to be implemented over a period of 5 years (2022-2026). To conduct these nine key Policy Pillars and the associated 82 actions, the NIPS foresees an estimated budget¹ of US\$9,800,000

¹ This estimated budget does not include the ongoing budgeted costs for Belizean personnel or operations currently. This estimated budget is only for additional knowledge products, required to be developed by external consultancy service providers (for example it does not include costs for the Policy Pillar Teams as they are already paid by the GOB, but it will include the expert attorneys who will draft the legislation which Belize will then have to adopt). Capital works like harbors and roads, etc. have been left out as they are not products of the NIPS per se. They have their own budget already dimensioned in the National Infrastructure Plan.

The main goals pursued by each of the pillars and the associated estimated budget per Policy Pillars are as follows:

Policy Pillars	Policy Goal per Pillar	Estimated budget (US\$)
Policy Pillar 1 – Development of an integrated national strategy for promoting Investment	Align the various investment promotion initiatives into one coherent national effort with well-articulated linkages with the various sector strategies and policies through the active participation of the relevant government ministries and agencies, private sector, labour and civil society to deliver equitable and growth-oriented investments.	\$150,000
Policy Pillar 2 – Delivery of Government Services, Ethical Government, e-Government	Bring the Government closer to national and international investors through major improvements in the delivery of Government services related to government applications and approvals/permits	\$1,400,000
Policy Pillar 3 – Delivery of financial services for investment, access to finance for investment	Facilitate access to investment financing on appropriate terms and foster the development of a more efficient and investor-friendly financial system for both investors, particularly domestic ones.	\$800,000
Policy Pillar 4 – Reform of the Taxation system for sustaining private investment	To strengthen the Taxation system to better support the national investment strategy and initiatives whilst promoting equity, transparency, and efficiency in its administration	\$500,000
Policy Pillar 5 – Revision of the existing regulatory framework and Judicial System to make it more investment friendly	Strengthen the rule of law, enhancing and developing the national regulatory frameworks to foster national and international investment as well as a dynamic and well-functioning business sector	\$1,700,000
Policy Pillar 6 – Encourage the development of a skill supply adapted to the needs of national and international investors	Encourage the development of a skilled and flexible human resource base to underpin Belize's investment and economic development opportunities	\$250,000
Policy Pillar 7 – Reform of the business incentives framework	Offer a suite of business incentives that are coherent, transparent and efficient and which serve to underpin Belize's investment and economic development opportunities	\$450,000
Policy Pillar 8 – Development of infrastructure and internal logistics	Develop a high-quality national infrastructure in water, energy, communications, transport and logistics that supports the effective and efficient use of natural and human resources, the expansion of internal trade and commerce, the promotion of social cohesion and, finally, the reduction of the cost of export and imports	\$1,650,000
Policy Pillar 9 – Fostering of Economic Diplomacy	Strengthen Belize's economic diplomacy to promote its integration into the regional and global economy and contribute to the positioning of Belize as a preferential investment destination in the region for international companies and investors.	\$2,900,000
TOTAL		\$9,800,000

The NIPS also includes a **strategic investment marketing plan**, founded on market research and data analysis which identifies the opportunities that Belize offers for business development. The development of this marketing plan begins from the product or investment opportunities that Belize has to offer and then goes on to define the competitive landscape and potential target markets for attracting investment to those particular priority sectors. The marketing strategy associated with this NIPS focuses on the three of the six main sectors identified for growth by Belize namely Agriculture, Agribusiness and Agro-processing, Tourism & Leisure, and Renewable Energy –Green Economy.

An investment promotion plan is then developed that considers messaging, branding and the options for the delivery of that messaging which would encourage or stimulate interest to invest in Belize. The recommended marketing promotion strategy is, therefore, structured to project and amplify the key messages from the broad national investment project as well as the specific messages in respect of the identified priority sectors and sector activities. These messages should be targeted to reach the audiences and investors identified in the specific locations and markets defined in a previous section of this chapter.

The key message to be communicated includes an overall Belize's destination perception as well as one that specifically targets the sectors and activities prioritized; and "the Belize Project" message has been formulated as follows: **"an open and transparent business environment supported by an educated bilingual workforce with close proximity to the largest free trading area, nestled in a unique cultural and pristine natural environment populated by a peaceful and cohesive society"**.

This strategic investment marketing plan also includes the various media and opportunities through which this investment promotion message can be presented to target investors as well as the agents, agencies and actors who can execute the delivery of the message to intended parties.

The multiplicity of agents involved in Belize's National Investment Policy requires strong coordination to ensure coherent and sustained action over time. To this end, the NIPS's organizational model is made up of a set of teams in charge of implementing the Policy, and a series of bodies responsible for its direction, coordination, monitoring and updating. The management, coordination and monitoring bodies are:

- I. NIPS's Steering Committee, which is responsible for leading the deployment of the NIPS.

- II. Interdepartmental Commission, which ensures coordination and joint planning between different Departments, Government Ministries and Agencies involved in the NIPS.

- III. Nine (9) Technical Implementation Committees, in charge of the implementation of the specific actions defined for each of the Policy areas.

The adequate management of this NIPS requires the availability of monitoring mechanisms that allow for timely knowledge of the progress and fulfilment of the initiatives. To this end, the Technical Committees of the NIPS will submit to the NIPS's Steering Committee reports with relevant information on the progress of the recommendations and projects proposed, the overall situation of the different Key Policy Pillars and the degree of compliance with the objectives. The monitoring and evaluation of the NIPS, at least, will be reflected in the following reports:

- Annual monitoring report on the degree of compliance with the NIPS. These reports will consider compliance with the established indicators and objectives, as well as consistency with the approaches of other global strategic planning documents, such as Horizon 2030 or the GSDS.
- Interim evaluation report (at the mid-point of the NIPS implementation period).
- Final evaluation report (at the end of the NIPS implementation period).

These reports based on a system of indicators included in the NIPS's Action Plan will present the results achieved and the degree of compliance with the established objectives. They will also form part of a wider Communication Strategy and Plan that ensures the full participation across not only Government MDAs² but the business and non-governmental sectors all of whom have contributed to the NIPS and will continue to contribute to ensure its expected outcomes of economic growth and "Optimal National Income and Investment".

Last but not least, the NIPS includes a **Communication Strategy**, intended to guide the dissemination of information to all relevant stakeholders in respect of the NIPS of Belize, contributing to both sensitizing stakeholders on the agreed Policies and Strategies to position Belize as a strategic player within the global investment community and to creating the appreciation and recognition of Belize as destination of national and international investments.

1 ■ INTRODUCTION TO THE BELIZE NATIONAL INVESTMENT POLICY AND STRATEGY

1.1 BACKGROUND AND RATIONALE

It is a well-known fact that investment is a key driver of sustainable economic development, income growth and employment. Specifically, foreign direct investment (FDI) in particular plays a key catalyst role in sustaining the modernisation of the host economies since FDI triggers technology spillovers, assists human capital formation, contributes to international trade integration, helps create a more competitive business environment and enhances enterprise development, where all these elements contribute to higher economic growth.

However, and in order to fully encourage both domestic as well as foreign productive investment, the availability of a healthy enabling environment for business that contributes to a competitive corporate climate is vital. In this sense, this healthy enabling environment is usually characterised by, amongst others, the following elements:

- A sound macroeconomic environment, characterised by medium-term fiscal discipline, efficient and socially just tax systems, prudent public-sector debt management, price stability and sustainable external accounts.
- A strong domestic financial system that efficiently provides adequate local financial resources and long-term credit.
- The rule of law and good governance, including institutional predictability, enhancement of the existing policy and regulatory frameworks to foster a sound and dynamic business sector and the suppression of corruption.
- Availability of sound and well-equipped physical infrastructure (roads, ports, airports, transport systems, water supply, etc).
- A well-educated and appropriately skilled national workforce that goes beyond basic education with specialised skills that are based on current and/or future key needs of the country.
- Availability of a sound, generous and well-structured supply of public incentive schemes that fosters both foreign direct and domestic investment.
- Increased openness to foreign trade and investment and elimination of existing constraints that prevent the domestic enterprise sector from participating fully in the global economy.

The Government of Belize (Gov) is fully committed to establishing Belize's position as an important economic player in the Central American area. In this regard, the Growth and Sustainable Development Strategy (GSDD) for Belize provides a framework to guide the overall development for the nation for the period 2016-2019, based on the strategic policy priorities articulated in the "Horizon 2030: National Development Framework for Belize 2010-2030".

The country has embarked on a number of reforms intended to facilitate private domestic and foreign investment in a number of different domains. These include the introduction of the Automated Payment and Securities Settlement System (APSSS) to allow high-quality and speedy electronic payments, reform of the international business companies regime, replacement of its Export Processing Zone Act with a new Designated Processing Areas Act and the reform and modernization of the Customs Department, E-Government initiatives to digitize government processes and make it easier to access government services among others.

Despite all these reforms, there are still a number of key elements that need to be improved in order to encourage and facilitate private investment in Belize and contribute to the sustainable development of the country. For this purpose, This National Investment Policy and Strategy (NIPS) focuses on a limited number of key policy pillars that, according to the view of consulted stakeholders, are likely to improve the business climate and have a profound impact on the facilitation of domestic and foreign investment in the country in the short to medium term.

1.2 STRUCTURE OF THE REPORT

This National Investment Policy and Strategy (NIPS) is structured along seven main sections. The first chapter provides an introduction to the document. The second chapter presents an overview of the situational analysis of Belize, including a short description of its recent economic evolution, the existing public Investment and Foreign Direct Investment flows, existing priority sector within Belize, information on existing trends in Belize's business/investment climate, its Investment related regulatory framework and the existing investment related policies. The chapter finalises with the SWOT of Belize's economy.

Chapter 3 details the general framework of the Belize NIPS, its vision and its guiding principles. Chapter 4 identifies nine key Policy Pillars that represent critical areas in the view of the stakeholders consulted where reforms are

needed. Each pillar is further analysed in terms of their respective goals, general considerations, objectives and recommended actions, including both general and sector specific policy recommendations.

Chapter 5 details an Action Plan for the Belize NIPS. In this sense, and for each Key Policy Pillar there is an Action Framework to guide the implementation of the NIPS, including the tasks proposed, a proposed specific Implementation Team and some indicators for measurement, as well as a time frame to guide the implementation of the different actions suggested.

Meanwhile, chapter 6 proposes a Resource Plan, where an estimated budget for the implementation of the NIPs is presented together with an identification of the main financial sources. Chapter 7 elaborates on the National Strategic Marketing Plan, where information is presented on different elements including the main sector investment opportunities detected, main target markets, Belize's positioning as a differentiated destination of investment and, finally, some selected promotion activities to be carried out.

Chapter 8 describes the governance & monitoring mechanisms suggested for fulfilling this NIPS, including a proposed Governance Model (which ensures a coordinated and coherent deployment of the NIPS as well as a monitoring and evaluation system, which will make it possible to monitor the activities carried out and identify the achievements obtained in the development of the NIPS). Finally, Chapter 9 describes the Communication Plan proposed for the NIPs, including a discussion on the Communications Strategy, the key audiences and key messages to be transmitted, the associated communicators and methods of communication and, finally, the communication activities and the evaluating methods.

The report includes also two annexes with names of participants in the Policy Technical Committees (PTCs) and Sectoral Technical Committees (STCs)

1.3 METHODOLOGY

The methodology used in creating this National Investment Policy and Strategy (NIPS) is underpinned by two main approaches to information gathering and synthesis.

In the first instance, the consultancy team has elaborated an in-depth Situational Analysis of Belize based on reviews of relevant literature and data sources. This Situational Analysis report provides a comprehensive picture of the situation of Belize from an investment perspective. Specifically, it provides information on Belize's economy, the main macroeconomic figures, the evolution of public investment and foreign direct investment, foreign trade, information on competitiveness of the national economy, main economic sectors, population, employment and labour market. The document also reviews the existing investment-related regulatory framework and policies. Finally, a SWOT analysis of the Belizean economy from the investors' perspective is presented. A summary of this Situational Analysis is presented in Chapter Two.

In the second approach, relevant national and sector stakeholders were invited to discuss Belize's main weaknesses and elements to be improved from a national/international investor's perspective, both general and sector related ones. They were also asked to identify areas of improvement and policy ideas within different investment related elements that may contribute to enhancing the country's attractiveness to potential investors. These responses were then analysed and synthesised into common themes. The stakeholder consultations encompassed a wide range of public, private and Third Sector participants³ and also included the results of the deliberations of several ad-hoc Policy Technical Committees and Sector Workshops formed by representatives of the public and private sector. The list of participants is presented in Annex 1 and Annex 2 of this NIPS.

Last but not least, two validation workshops were organised to discuss and enrich the final results presented in the NIPS. These two validation workshops were organised last 18th and 19th January 2022 with public and private representative stakeholders. The list of participants is presented in Annex 3 of this NIPS. Finally, two building capacity sessions were conducted last 17th and 22nd March 2022 in order to disseminate the results of the NIPS and to train those people and institutions (Ministries, Departments and Agencies) in charge of implementing the NIPS across the country.

³ Third Sector refers to the part of an economy or society comprising non-governmental and non-profit-making organizations or associations, including charities, voluntary and community groups, cooperatives, etc

2.

**SITUATIONAL
ANALYSIS**

2.1 RECENT ECONOMIC EVOLUTION OF BELIZE'S ECONOMY

Belize's economy has expanded at a moderate growth rate in recent years, approximately 2-3% at current market prices. This situation has given rise to a decrease in per capita GDP, from Bz\$ 9,248.6 in 2013 to Bz\$ 9,119.4 in 2018. Inflation is relatively low, with the Consumer Price Index (CPI) averaging a 0.2% increase in 2019.

Belize's economy is characterized by important imbalances. The total public sector debt represented 99.7% of GDP in 2019, which implied high debt servicing obligations to both domestic and external creditors. Also, there are considerable external trade imbalances due, amongst other reasons, to a weak manufacturing sector and an export specialization in primary products (cane sugar, bananas and citrus) that are highly exposed and vulnerable to climate change risks. This deficit is not fully balanced despite the surplus from the Services sector that traditionally derives from tourism activities. For instance, in 2019 the external current account balance widened to 9.5% of GDP.

The effects of the COVID-19 crisis have worsened the expected evolution of the Belize economy in 2020. The COVID-19 pandemic contributed to the largest economic contraction in Belize in recent decades (calculated around 15.5% in 2020)⁴, owing to substantial declines in tourism, manufacturing and distribution combined with a previously expected decline in agriculture. The account deficit on the balance of payments has widened due to reduced foreign exchange inflows from merchandise exports, tourism, and remittances. Capital inflows have declined, and the fiscal balance has also deteriorated as the economic downturn has reduced Central Government's revenue. Meanwhile, Government spending on public health services and social transfers has risen.

Notwithstanding all these difficulties, the economy was projected to recover in 2021, with GDP growth of 7.5% and driven by growth in a number of sectors, particularly tourism, agriculture and manufacturing⁵.

2.2 PUBLIC INVESTMENT AND FOREIGN DIRECT INVESTMENT IN BELIZE

2.2.1 INVESTMENT AND PUBLIC INVESTMENT IN BELIZE

From a qualitative perspective, public sector investments in Belize have been concentrated over the past 10 years on infrastructure and to a lesser extent on education as seen through the Education Quality Improvement Program (EQIP). This is evident in the expansive network of upgraded highways, paved roads, bridges, multipurpose sporting complexes, public spaces and buildings. Also, in recent years there has been an increasing shift, although minimal, on development of climate resilient and mitigation projects particularly for the coastal areas and islands.

From a quantitative perspective, general investment levels in Belize have fluctuated from 17.8% in 2013 to 21.4% in 2016 of the national GDP⁶, where in 2019 they represented a 19.0% of the total GDP. Meanwhile, and in real terms, general investment has experienced an overall upward trend in the time period 2013-2019, although, in the last two years this growth has been very moderate.

2.2.2 FOREIGN DIRECT INVESTMENT IN BELIZE

FDI inflows in Belize have been volatile and low for several years. According to the UNCTAD's World Investment Report 2020, FDI inflows decreased from Bz\$239.1 million in 2018 to Bz\$ 206 million in 2019, linked to lower investment in tourism-related and real estate projects. FDI stock continues to increase and reached 4.6 billion Belizean dollars in 2019.

4 CEPAL, Preliminary Overview of the Economies of Latin America and the Caribbean- 2020.

5 CEPAL, op cit.

6 This Education Quality Improvement Program (EQIP) is the result of an agreement between the Government of Belize and the Inter-American Development Bank (IDB).

Table 2.1 Foreign Direct Investment in Belize, 2012-2018

	2013	2014	2015	2016	2017	2018	2019
FDI Inward flow	183.6	305.5	129.2	88.0	51.3	239.1	206.0
FDI Stock	3675.1	3980.6	4109.8	4197.8	4249.1	4488.1	4678.0
FDI Inward flow (in % of Gross Fixed Capital Formation)	32.7	51.1	18.2	11.6	7.5	33.7	28.9
FDI Inward flow (in % of GDP)	5.8	9.2	3.7	2.5	1.4	6.4	5.5
FDI Stock (in % of GDP)	116.3	119.7	119.2	118.2	115.7	119.9	124.9

Source: UNCTAD, *World Investment Report, 2020*

Tourism has attracted FDI due to the country's geographical position and the development of ecotourism. Brazil, United States, Guatemala and Central American countries are Belize's primary investors⁷. The government encourages foreign investment in agriculture, agro-processing, aquaculture, fisheries, light manufacturing, food processing and packaging, tourism, tourism-related industries, business process outsourcing (BPOs), logistics and renewable energy.

2.3 PRIORITY SECTORS IN BELIZE

Different existing National Development Strategy documents⁸ identify a number of priority sectors in which Belize has comparative advantage. Specifically, these priority sectors can be grouped under six main sectors, this is:

- "Tourism & Leisure", including medical, cultural, nature-based, sun&beach, cruise and nautical and leisure/entertainment
- "Agriculture, Agribusiness and Agro-processing"
- "Marine fisheries and aquaculture, blue economy"
- "(Light) Manufacturing"
- "Sustainable renewable energy, bio-fuels, Green infrastructures".
- "Information Technology and export services", including business process outsourcing (BPO), Professional services, real estate, logistics, Internet and communication services.

⁷ Information obtained from <https://santandertrade.com/es/portal/establecerse-extranjero/belize/invertir-3>

⁸ See the following key documents:

- Horizon 2030 (<https://med.gov.bz/wp-content/uploads/2020/09/Horizon2030PreparationandImplementationProcess.pdf>);
- Growth and Sustainable Development Strategy (<https://observatorioplanificacion.cepal.org/sites/default/files/plan/files/BelizeGSDS.pdf>);
- Master Plan for Corozal District (http://www.itc.gov.bz/uploads/1/2/7/5/12751065/regional_economic_development_master_plan_for_corozal_action_plan_final.pdf)
- Plan Belize Manifiesto (<https://planbelize.bz/wp-content/uploads/2020/10/BLU-manifiesto-eBOOK.pdf>)

Precisely, this Belize National Investment Policy and Strategy builds on these priority sectors, for which some specific Sector policy recommendations are drafted in order to support the competitive development of these priority sectors.

2.4 TRENDS IN BELIZE'S BUSINESS/INVESTMENT CLIMATE

The World Bank produces on an annual basis the "Doing Business" Indicators, comprised of eleven measures and aimed at understanding how effective governments are in fostering private sector growth and encouraging enterprise contribution.

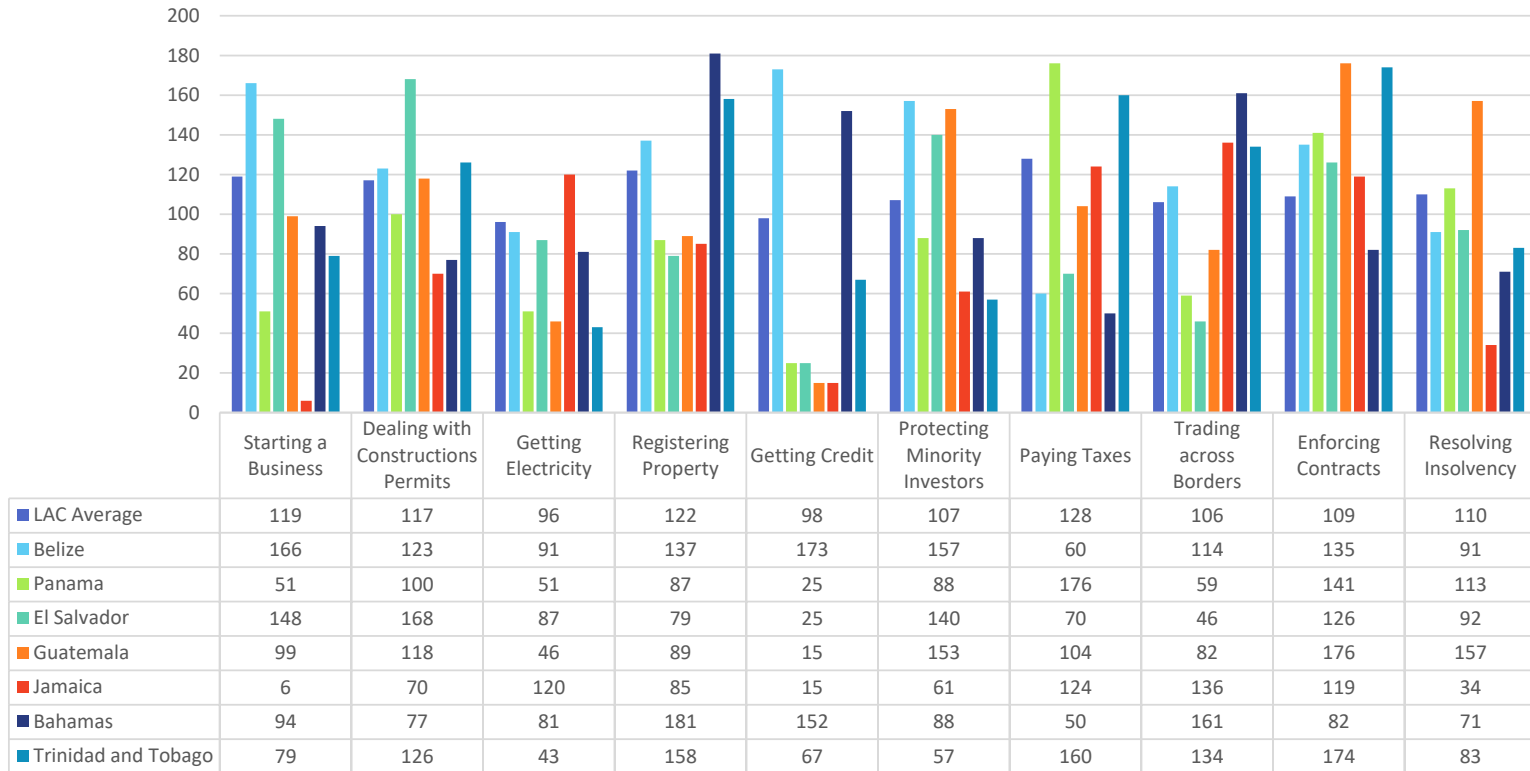
Belize's ranking on the World Bank Doing Business 2020 (based on data for 2019) is rather poor, which shows that the country still needs to engage in important reforms in order to upgrade its international image. Thus, Belize scored 55.5, which ranks in the 135th position in the world (out of 190 countries). This weakened performance has resulted in Belize measuring closer to the lower quartile rank (25th), among the 32 countries of Latin America and the Caribbean appearing in the report.

Specifically, in the Central America and Caribbean region, Belize only performed better than St. Kitts and Nevis (139th), Nicaragua (142nd), Grenada (146th), Suriname (162nd), Haiti (179th) and Venezuela (188th). Since the last report, Belize has worsened its ranking, dropping from 125th place in 2019, and still below its position of 118th in 2015.

Focusing the analysis on the year 2020, Belize seems to score particularly bad in three main domains, this is, "getting credit" (173rd position out of 190 countries), "starting a business" (166th) and "protecting minority investors" (157th), whereas the "best" indicators are obtained in "paying taxes" (position 60th), "getting electricity" and "resolving insolvency", both ranking in the 91st position in the world.

The comparison of Belize with other competitors in the Caribbean and Central American region (e.g. Panama, El Salvador, Guatemala, Jamaica, Bahamas and Trinidad and Tobago) shows that, Belize scores the worst in the starting a business and protecting minority investors components. On the other hand, Belize is above the LAC average when it comes to paying taxes and resolving insolvency.

Graphic 2.1 Comparison of the competitiveness of Belize with other Caribbean and Central American countries. 2020



Source: World Bank. Doing Business Report 2020

2.5 INVESTMENT RELATED REGULATORY FRAMEWORK

2.5.1 EXISTING REGULATIONS AND REGULATORY INSTITUTIONS

The Belize Constitution is the supreme law and is founded on the principle of separation of powers with independence of the judiciary from the executive and legislative branches of government. As a former British colony, Belize follows the English Common Law legal system, which is based on established case law, supplemented by local legislation and regulations. The laws, rules, procedures, and reporting requirements related to investors differ depending on the nature of the investment. Contracts are enforced through the courts. There are no specialized courts to deal with commercial disputes or cases⁹.

Belize has got in place several plans and strategies intended at supporting economic growth that underline the importance of investment as a tool for achieving this economic growth. The most relevant examples include the following ones:

Name of the program	Description
National Policies & Strategies	<ul style="list-style-type: none"> • Horizon 2030, National Development Framework for Belize 2010 - 2030 • National Policies & Strategies Horizon 2030, National Development Framework for Belize 2010 - 2030 • Growth and Sustainable Development Strategy (GSDS) 2016 - 2019 • GSDS Gap Assessment Full Report, 2020 • National Trade Policy 2019 - 2030 • National Export Strategy (NES) 2015 - 2019 • Belize MSME Policy & Strategy Report 2012 • National Entrepreneurship Strategy 2014 • National Financial Inclusion Strategy 2019 - 2022 • Human Resource Development Strategy for Belize 2018 -2023 • Belize Integrated Coastal Zone Management Plan 2016 • National Policy on Local Governance in Belize 2009

Name of the program	Description
Sector specific Policies & Strategies	<ul style="list-style-type: none"> • Comprehensive National Transportation Master Plan 2018 • National Food & Agriculture Policy 2002 – 2020 • National Sustainable Tourism Master Plan 2030 • Medical Tourism Country Strategy 2012 • Belize Health Sector Strategic Plan 2014 - 2024 • Belize BPO Sector Strategy 2013 • Strengthening Belize's Outsourcing Sector Strategy 2016 • National Energy Framework Policy 2011 • National Cultural Policy 2016 – 2026 • Belize's National Tourism Policy 2017 • Maritime Economy Plan Belize (Draft), 2020 • Belize Electricity Limited, Business Plan 2020-2024 • Regional Economic Development Master Plan for Corozal District, Belize Report, 2019

Regulatory authority exists both at the local and national levels. There are quasi-governmental organizations mandated by law to manage specified regulatory processes on behalf of the GOB, e.g. the Belize Tourism Board (BTB), the Central Bank of Belize, the Financial Intelligence Unit and the Belize Agricultural Health Authority. The cabinet approves government policies that are enacted by the legislature and implemented by the various government ministries. Regulations exist at the local level, primarily relating to property taxes, building permits and registering for trade licenses to operate businesses in a municipality. Accounting, legal, and regulatory systems are consistent with international norms.

2.5.2 TREATMENT AND PROTECTION OF INVESTORS, OBLIGATIONS OF INVESTORS

The Belize Constitution preserves the right of the individual to the ownership of private property and the right to operate private businesses. Private entities, whether foreign or local, have the right to freely establish, acquire, and dispose of interests in property and business enterprises.

Belize has no restrictions on foreign ownership and control of companies. Foreigners can incorporate a company and conduct business without a

⁹ For a further discussion on the Belize Judiciary system, please see <https://www.belizejudiciary.org/>

Belizean partner. However, for any tour operator business and fishery business, they must partner with a Belizean.

Foreign investments must be registered and obtain an “Approved Status” from the Central Bank of Belize in order to facilitate inflows and outflows of foreign currency, including the repatriation of funds from profits, dividends, loan payments and interest. The Central Bank of Belize reserves the right to request evidence-supporting applications for repatriation. Additionally, persons seeking to open a bank account must also comply with Central Bank of Belize regulations. There are currency controls in Belize and foreign investors seeking to convert, transfer, or repatriate funds must comply with Central Bank of Belize regulations

Concerning expropriation and compensation mechanisms for investors, the GOB has the right of eminent domain to appropriate private property, including land belonging to foreign investors. Belizean law requires that the government assess and compensate according to fair market value. Such expropriation cases can take several years to settle. In relation to bankruptcy, the Bankruptcy Act provides and allows for bankruptcy filings, including the establishment of receivership, trustees, adjudication and seizures of the property of the bankrupt.

The Office of the Ombudsman is responsible for investigating complaints of official corruption and abuse of power. As required by law, the Ombudsman is active in filing annual reports to the National Assembly and investigating incidents of alleged misconduct, particularly of police abuses. This Office continues to be constrained by the lack of enforcement powers, political pressure, and limited resources.

2.5.3 DISPUTE SETTLEMENT

Related to the settlement of disputes, and in addition to the existing legal provisions within the country (including the Belize’s Arbitration Act), Belize participates in several international dispute settlement arrangements, including the ICSID Convention¹⁰ and New York Convention. Also, Belize is

signatory to various regional investment agreements (see next point) which make provisions for the settlement of investor-state disputes.

Belize’s Arbitration Act allows the Supreme Court of Belize to support and supervise dispute settlement between private parties by arbitration. The Supreme Court also introduced the process of court-connected mediation as an alternative method to dispute settlement between private parties and as a means of reducing costs and duration of litigation. Local courts are empowered to recognize and enforce foreign arbitral awards against the government.

2.5.4 EXISTING INCENTIVES AND FACILITATION MECHANISMS OF INVESTMENT

Belize encourages foreign investment. In this sense, the GOB aims to provide an enabling environment for private enterprise to attract investments in Belize by both local and foreign investors. For this purpose, Belize has developed a number of business incentives to support local economic activities and investors wishing to establish a business in Belize. As a general rule, when assessing investment proposals, the Government focuses on the economic and social benefits including environmental sustainability to be obtained from the investment. The most relevant legal framework authorizing and providing for investment incentives include¹¹, amongst others, The Fiscal Incentives Act; The DPA Act; The Free Zone Act; The International Business Companies Act; The Retired Persons Incentives Act; The Trusts Act or the Offshore Banking Act.

Recently in time, the GOB has enacted the DPA Act, 2018, which replaces the previously existing Export Processing Zone incentive program. Legislative review of the Fiscal Incentives and the Free Zone Act continues. Also, the GOB launched in 2019, the MSME Enhancement Program granting import duty exemptions on eligible packaging materials as an additional incentive for MSMEs. Small and Medium sized Enterprises (SMEs) wishing to benefit from certain incentives must have 51% local ownership. The main existing business incentives are summarized next.

¹⁰ ICSID stands for International Centre for Settlement of Investment Disputes

¹¹ For further details on this please see the web page of the Belize Investment Policy & Compliance Unit (<http://www.itc.gov.bz/investment-policy--compliance-unit.html>).

Summary of main incentives

Name of the program	Description	Benefits	Who qualifies
FISCAL INCENTIVE (FI) PROGRAM	The Fiscal Incentive Program aims to encourage genuine investment in Belize for both existing and prospective investors through the granting of Customs duty exemptions. Two programs are offered under this Act, namely the Regular Program for investments exceeding USD150,000 and the SME program for investments of less than USD150,000.	Duty exemption of up to a maximum of 15 years to companies granted an Approved Enterprise Order. Duty exemption may be renewed for a further term of 10 years or a total of 25 years for companies engaged in agriculture, agro-industrial products, mariculture, food processing and manufacturing with operations centered on export, and that are highly labour intensive.	A company applying for a development concession must be an incorporated entity under the Laws of Belize the company must operate in one of the priority sectors for investment. Business activities must provide benefits to the economy of Belize. The Fiscal Incentives SME Program is aimed at smaller enterprises with a minimum of 51% Belizean ownership. The SME Program offers the same benefits of the Regular Program, with the exception of the allowable timeframe for duty exemptions. Under this program, companies are allowed a maximum of five years of development concessions, with the expectation that after this period, companies can mature into the Regular Program
DESIGNATED PROCESSING AREAS (DPA)	The DPA Program (DPA Act, No. 27 of 2018) is intended to support investments that engage in international trade and value addition inclusive of technology transfer, generation of employment and production according to standards of the intended market.	Approved companies under this program receive a DPA status for a period of up to ten years and may qualify for various tax exemptions. These may include exemptions from Custom and Excise duties as well as from taxes on imported goods, namely the General Sales Tax, the Environmental Tax, and the Revenue Replacement Duties. Similarly, property and land tax may be waived on the designated area.	Any company that is registered and formed in Belize, and is involved in one of the priority sectors for investment: Manufacturing, Agro-processing, Aquaculture, Data Processing (IT Enabled Services), Developer of an Industrial or Business Park. There is a Designated Processing Area Committee (DPAC), under the Ministry of Investment, Trade and Commerce, which approves the company benefitting from this incentive ¹² .

Source: Beltraide (<https://www.belizeinvest.org.bz/investment-incentives.html>)

12 For further details on these DPAs please see http://www.itc.gov.bz/uploads/1/2/7/5/12751065/designated_processing_area__dpa__act_2018.pdf

Summary of main incentives

Name of the program	Description	Benefits	Who qualifies
FREE ZONES (FZ)	<p>The Free Zones Act of 2005 was established to attract foreign investment and provides for various activities including manufacturing, processing, packaging, warehousing and distribution of goods and services. Merchandise warehoused in a FZ may be sold free of duty wholesale or retail:</p> <ul style="list-style-type: none"> • To diplomats of other countries. • To ships that dock at ports in Belize. • For direct export whether by sea, air or land. • For entry into national customs territory (related import duties and taxes become payable upon entry into national customs territory). 	<p>Incentives include exemptions from import duties, income tax, tax on dividends, capital gains tax, or any new corporate tax levied by the Government during the first 10 years of operation. In addition, imports and exports of a FZ are exempt from customs duties, consumption taxes, excise taxes, or in-transit taxes, except those destined for or directly entering areas subject to the national customs territory. Additionally, FZ businesses incurring a net loss over the five-year tax holiday may deduct losses from profits in the three years following the tax holiday period</p>	<p>Any private or public party or group of parties may establish wholesale or retail businesses on property it owns or leases within a FZ, provided it has obtained approval from the CEO of the Commercial Free Zone Board of Directors¹³. Belize currently has two primarily active FZs, one on the northern border with Mexico (the Corozal FZ) and the Benque Viejo FZ on the western border with Guatemala</p>
THE INTERNATIONAL BUSINESS COMPANIES (IBCs)	<p>The Belize International Business Companies Act, established in 1990 and based heavily on the British Virgin Island's model, allows for Belize IBC formations. A Belize IBC is a company with limited liability that can be incorporated within 24 hours in Belize.</p>	<p>Recently, the International Business Companies (Amendment) Act was passed in December 2018 largely to satisfy Organization for Economic Co-operation and Development (OECD) base erosion and profit-sharing requirements (BEPS). The main change is that IBCs are no longer ring-fenced, with both residents and non-residents allowed to take part in the regime and IBCs no longer restricted from carrying on business with residents.</p>	<p>IBCs are now liable for both income tax and stamp duty and required to file annual returns. Another important change is that IBC companies must be conducted and controlled from Belize with least two resident directors. Certain activities are now also excluded, including those related to banking, fund management, or insurance business. Also, the recent amendment requires that IBCs maintain a physical office presence in Belize, which was not previously required¹⁴.</p>

Source: Beltraide (<https://www.belizeinvest.org.bz/investment-incentives.html>)

¹³ See more information on the Corozal Master Plan (available at http://www.itc.gov.bz/uploads/1/2/7/5/12751065/regional_economic_development_master_plan_for_corozal_action_plan_final.pdf)

¹⁴ See <http://www.ibcbelize.com> and www.ifsc.gov.bz for more information

Summary of main incentives

Name of the program	Description	Benefits	Who qualifies
QUALIFIED RETIRED PERSON'S (QRP) PROGRAM	A special Retirement Program has been designed specifically for retirees who wish to live in Belize and can prove a permanent and consistent income from investments, pension or any other form of retirement benefit. Successful applicants are granted special QRP status.	<ul style="list-style-type: none"> Beneficiaries are exempted from all taxes and duties on incomes received from a source outside of Belize, capital gains tax and inheritance tax Beneficiaries are entitled to duty exemptions of a number of items for personal use only within the first year of acceptance into the program. Spouse and children under the age of eighteen included in program. Permission to conduct business from within Belize if business activities are carried on mainly outside of the country and are not conducted with Belizeans. 	Anyone 45 years and older can qualify for the program. A person who qualifies can also include his or her dependents in the program. Dependents can only include spouses and children under the age of eighteen; however, it can include a child up to the age of twenty-three if enrolled in a university. An applicant must receive a monthly income of no less than US\$2,000.00 through a pension or annuity that has been generated outside of Belize. In order to qualify for the program, all applicants are subject to a background check to be carried out by the Ministry of National Security.
DIASPORA RETIREE INCENTIVE PROGRAM	The Diaspora Returnee Incentive Program was introduced in 2010 as a mechanism to foster the embracement of high value diaspora skills of Belizeans who are presently in the overseas and are considering repatriation. The program is aimed to attract Belizeans who have a reoccurring monthly pension or income from a granted source to be deposited and spent in the local economy	<ul style="list-style-type: none"> To enter and remain in Belize with dependents in accordance with current immigration laws at the time of entry. Exemption from all import duties on personal effects, tools of trade, personal transportation upon entry to Belize 	He/she must be a citizen of Belize and has resided for at least ten (10) consecutive years outside the country of Belize – proven through presentation of official documentation.
MSME Enhancement Program	The MSME Enhancement Program (MEP), seeks to strengthen the competitiveness of Belize's Micro, Small and Medium Enterprises (MSME), through the waiver of Customs Import Duty, for a list of packaging and labelling materials for eligible MSMEs	<ul style="list-style-type: none"> The program is focused on reducing the cost of inputs by providing custom import duty waivers for a list of packaging and labelling materials for eligible MSMEs. The list of packaging and labelling materials includes items such as, but not limited to, adhesives, plates, sheets, film, foil, sacks, bags, carboys, bottles, flasks, lids, caps, packing cases, boxes, packaging containers, labels, tanks, casks, crates, pouches, paper wrapping, drums, and cans 	MSMEs may be eligible to apply, if the registered business falls within any of the following tiers of enterprises and provide the required documents <ul style="list-style-type: none"> Micro, Owner Manager < 5 employees, annual sales below BZ\$100,000 Small, 5 - 19 employees, annual sales below Bz\$500,000 Medium, 20 - 51 employees, annual sales below Bz\$ 1.5 million

Source: Beltraide (<https://www.belizeinvest.org.bz/investment-incentives.html>)

2.5.5 BELIZE'S INVESTMENT TREATIES (BITS)

Belize has signed several BITs with a number of countries¹⁵, namely Austria, Cuba, El Salvador, Italy, the Netherlands, Taiwan, United Arab Emirates, and the United Kingdom. It also has a PSA with Guatemala on a small number of goods.

Table 2.2 Belize's Bilateral Investment Treaties (BITs)

Short title	Status	Date of signature	Date of entry into force
Belize - United Arab Emirates BIT (2015)	In force	01/10/2015	24/10/2017
Belize - Italy BIT (2005)	Signed (not in force)	23/11/2005	-
Belize - Netherlands BIT (2002)	In force	20/09/2002	01/10/2004
Belize - El Salvador BIT (2001)	Signed (not in force)	04/12/2001	-
Austria - Belize BIT (2001)	In force	17/07/2001	01/02/2002
Belize - Taiwan Province of China BIT (1999)	Signed (not in force)	16/01/1999	-
Belize - Cuba BIT (1998)	In force	08/04/1998	16/04/1999
Belize - United Kingdom BIT (1982)	In force	30/04/1982	30/04/1982

Source: UNCTAD Investment Policy hub (see at <https://investmentpolicy.unctad.org/international-investment-agreements/countries/20/belize>)

The country does not have a BIT nor is it a party to a Free Trade Agreement with the United States, although it is a qualifying country under the U.S. Generalized System of Preference (GSP) as well as the U.S.-Caribbean Basin Trade Partnership Act (CBTPA).

In addition to these BITs, Belize has signed several Treaties as part of CARICOM with different investment provisions (TIPs). They are presented next.

¹⁵ For additional information on Belize's Bilateral Investment Treaties, see <http://www.sice.oas.org>

Table 2.3 Belize's Treaties with Investment Provisions (TIPs)

Short title	Status	Parties	Date of signature	Date of entry into force
CARIFORUM States - United Kingdom EPA (2019)	Signed (not in force)	Antigua and Barbuda, Bahamas, Barbados, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, United Kingdom	22/03/2019	-
CARICOM - United States TIFA (2013)	In force	United States of America	28/05/2013	28/05/2013
CARIFORUM - EC EPA (2008)	In force	Dominican Republic, EU (European Union)	15/10/2008	01/01/2009
CARICOM-Costa Rica FTA	In force	Costa Rica	09/03/2004	15/11/2005
CARICOM Single Market	In force		07/05/2001	04/02/2002
CARICOM-Cuba Cooperation Agreement	In force	Cuba	05/07/2000	01/01/2001
Cotonou Agreement (2000)	In force	EU (European Union)	23/06/2000	01/04/2003
CARICOM - Dominican Republic FTA (1998)	In force	Dominican Republic	22/08/1998	05/02/2002
CARICOM-Venezuela FTA	In force	Venezuela, Bolivarian Republic of	13/10/1992	01/01/1993
CARICOM Treaty	In force		04/07/1973	01/08/1973

Source: UNCTAD Investment Policy hub (see at <https://investmentpolicy.unctad.org/international-investment-agreements/countries/20/belize>)

Also, Belize has got a number of sector specific agreements. For instance, Belize has signed a cooperation agreement on Tourism with Guatemala to facilitate tourism flows and investments, and two additional ones with Cuba and Peru are expected to be signed in the coming months

2.5.6 BUSINESS REGISTRATION AND FACILITATION: SINGLE WINDOW

Belize does not operate a single window registration process. It is BELTRAIDE who operates as the country's investment and export promotion agency, and its investment facilitation services are open to all investors.

The Belize Companies Corporate Affairs Registry is responsible for the registration process of all local business and companies. Businesses must register with the tax department to pay business and general sales tax. They must also register with their local city council or town board to obtain a trade license to operate a business. An employer should also register employees for social security. The 2020 Doing Business report estimates it takes on average 48 days to start up a company in Belize. The same report ranks Belize at 166 of 190 economies on the ease of starting a business.

2.5.7 PUBLIC MANAGEMENT AND COORDINATION MECHANISMS FOR FOREIGN DIRECT INVESTMENT (FDI)

The main public body responsible for promoting FDI is BELTRAIDE (Belize Trade and Investment Development Service)¹⁶, a statutory body of the GOB who acts as the investment and export promotion agency. Specifically, BELTRAIDE serves as Belize's national Investment Promotion Agency and Export and Trade Promotion Agency, and it is also focused on MSME Development, Innovation, Entrepreneurship, and delivery of industry specific training.

The GOB has set up the Economic Development Council (EDC) to increase the national dialogue on private sector development and better inform policies for growth and development. The EDC's focus is driving business climate reforms of public services to improve the ease of doing business in Belize.

Meanwhile, the Fast Track Office has been formed under the Office of the Prime Minister to consider investment projects which do not fall within Belize's incentive regime or which may require special considerations. Proposals are assessed on a five-point system that analyses socio-economic acceptability of the project, revenues to the government, employment, foreign exchange earnings and environmental considerations. There is no set timeframe for considering projects as it largely depends on the nature and complexity of the project.

Usually, any information request on inward investment collected in Belize's embassies is submitted to the Ministry of Finance, Economic Development & Investment, which subsequently channels this request to BELTRAIDE.

Finally, the Investment Policy and Compliance Unit (IPCU) in the Ministry of Investment focuses on investment policy development and enhancement, compliance monitoring for the Fiscal Incentive, and Designated Processing Areas incentive programs, Gaming, and Lotteries under the responsibility of the Ministry as well as project development relevant to improve the investment climate in Belize, technical assessments in all areas under the Ministry's responsibility and other related investment climate policy initiatives.

The Key Functions of the IPCU are:

- I. To provide Policy guidelines on investment issues
- II. To provide oversight on compliance with Investment Incentive Programs (Fiscal Incentives, Export Processing Zones/Designated Processing Areas)
- III. To provide Policy guidelines for the Gaming and Lotteries Programs
- IV. To ensure compliance with Gaming & Lotteries Policy and Revenue expectations from gaming operators
- V. To research emerging sectors and investment opportunities and develop respective policy
- VI. To report on, review and update the Investment Incentive Programs
- VII. To conduct assessments on proposed investments for the programs mentioned above and other larger private investment/projects forwarded to Cabinet.
- VIII. Outward Investment

The government does not promote or incentivize outward investments. Domestic investors are not restricted from investing abroad. However, the Central Bank of Belize places currency controls that limit foreign currency outflows unless given prior approval.

2.6 INVESTMENT RELATED POLICIES OF BELIZE

2.6.1 TRADE POLICY

The GOB has committed to the formulation and implementation of the National Trade Policy (2019-2030)¹⁷ intended to develop a comprehensive trade policy rooted in a strong institutional and legal framework and responsive to the inherent challenges and opportunities for trade growth.

Also, and as a full member of the Caribbean Community (CARICOM), Belize's foreign, economic and trade policies vis-a-vis non-members are coordinated regionally. The country's import tariffs are largely defined by CARICOM's Common External Tariff. Also, Belize fully adheres to the WTO's agreements and reporting system. In this sense, Belize benefits from trade agreements with several developed countries and groups of countries, including the CARIFORUM-EU EPA (Economic Partnership Agreement), CARICOM Single

¹⁶ See www.belizeinvest.org.bz

¹⁷ See Belize's National Trade Policy 2019-2030 at <https://www.dgft.gov.bz/wp-content/uploads/2019/03/National-Trade-Policy-2019-2030.pdf>

Market and Economy (CSME), Caribbean Basin Initiative (CBI), the Partial Scope Agreement (PSA) between the Government of Belize and the Government of the Republic of Guatemala or several CARICOM Bilateral Trade Agreements with Canada, Venezuela, Colombia, Dominican Republic, Cuba or Costa Rica. Some PSAs are currently in negotiation with Mexico, El Salvador and Taiwan.

Belize has ratified the World Trade Organization' Trade Facilitation Agreement (TFA), entered in force on the 22nd February, 2017. The TFA contains rules on expediting the movement, release and clearance of goods, including goods in transit. It covers measures for effective cooperation between customs and other relevant authorities handling trade facilitation and customs compliance issues.

Belize has established the National Trade Facilitation Committee (NTFC) which serves as the coordinating body for the implementation of the TFA nationally. As one of the fundamental pillars of Belize's Trade Policy Framework, trade facilitation should reduce trade cost and improve competitiveness of producers and exporters and in the coming years Belizean exporters should experience these benefits.

2.6.2 TAX POLICY

Taxation of companies falls under the Income and Business Tax Act. Businesses, companies, and self-employed persons earning in excess of BZ\$75,000 per annum must pay business tax, charged on all receipts over a threshold, both cash and in-kind. Thus business tax acts like a tax on turnover. The rate varies according to business classification (from 0.75% in Fuel/Lubricant Revenue to 19.0% in Telecommunications Revenue). In the event that the business makes a loss, the loss can be converted into a tax credit for business tax purposes and losses can be carried forward for up to five years (seven for farmers)¹⁸.

Currently, Belize's tax revenues are relatively high at 25% of GDP, with a strong reliance on taxes on businesses¹⁹. Recently in time, the International Monetary Fund suggested in a report²⁰ the need for further reforms to Belize's tax system, basically in order to make it more equitable and less distortionary, with fewer exemptions and tax preferences, and capable of mobilizing additional revenue. A Technical Assessment is currently being conducted with the International Monetary Fund to determine a new Tax system for income and business.

Belize has signed 19 Tax Information Exchange Agreements (TIEA)²¹ with Australia, Belgium, Czech Republic, Denmark, Faroe Islands, Finland, France, Greenland, Iceland, India, Ireland, Netherlands, Norway, Poland, Portugal, South Africa, Sweden, Switzerland, and the United Kingdom. Belize has no bilateral taxation treaties with countries such as Spain or the United States.

Belize became the 86th jurisdiction to sign on to the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (BEPS)²² in January 2019. This is a multilateral convention of the OECD to combat tax avoidance by multinational enterprises (MNEs) through prevention of Base Erosion and Profit Shifting or structuring the groups' accounting so that profits are accumulated in jurisdictions with lower tax rates. In this regard, last November 2019 Belize was removed from the EU's list of non-cooperative tax jurisdictions.

2.6.3 INTELLECTUAL PROPERTY RIGHTS

There is an increasing demand for integration, mainstreaming and harmonization of Intellectual Property Rights (IPRs) in the trade and development process, basically as a consequence of knowledge emerging as society's most important tradeable economic asset. Belize set up in 2001 BELIPO as a principal government institution responsible for IPRs development, law and policy. BELIPO functions

18 Income Tax is payable at a rate of 25% on taxable income for all employed persons resident in Belize earning over BZ\$26,000 (US\$13,000) per annum; persons earning less than this are exempted from the tax.

19 Taken from IMF's selected information (available at https://www.elibrary.imf.org/view/IMF002/28556-9781513522142/28556-9781513522142/28556-9781513522142_A002.xml?redirect=true)

20 International Monetary Fund, Article IV consultation Report, MF Country Report No. 19/364, 2019 (see <https://www.imf.org/en/Publications/CR/Issues/2019/12/09/Belize-2019-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-48866>)

21 See <https://www.world.tax/countries/belize/belize-tax-treaties>

22 See <https://www.oecd.org/tax/treaties/multilateral-convention-to-implement-tax-treaty-related-measures-to-prevent-beps.htm>

as the country's national intellectual property registry and its mandate covers the protection of copyrights, industrial designs, patents, trademarks, new plant varieties, and layout designs (topographies) of integrated circuits²³.

Belize has developed in recent years a National Intellectual Property Strategy, with the support of WIPO (World Intellectual Property Organization) but is pending approval by Cabinet. The National Strategy supports the creation of an eco-system supporting the protection, income potential, and enforcement of intellectual property assets. Specifically, the National Strategy guides the national action plan for implementation with a focus on copyright, broadcasting licensing and updating of legislation among others.

Also, Belize has got a number of IP legislations used in the administration and registration of trademarks, designs, utility models, copyright, plant varieties and patents. Further, in recognition of its multilateral obligations under the WTO TRIPS Agreement (Agreement on Trade-Related Aspects of Intellectual Property), WIPO as well as the CARIFORUM- EU EPA, Belize has acceded to key international IPR conventions that provide enhanced protection to copyright owners.

2.6.4 STANDARDIZATION

The Belize Bureau of Standards (BBS) is the national standards body responsible for preparing, promoting and implementing standards for goods, services, and processes. The BBS operates in accordance with the WTO Agreement on Technical Barriers to Trade and the CARICOM Regional Organization for Standards and Quality. The BBS is currently working on various standards²⁴.

2.6.5 COMPETITION POLICY

Belize does not have any laws governing competition. Notwithstanding this, Belize has obligations to comply with competition rules derived from its

membership in CARICOM and CARIFORUM. A draft National Competition Policy and legislation have been developed²⁵, including the development of a National Competition Authority of Belize.

2.6.6 LABOUR MARKET REGULATIONS

Belize's Minimum Wage is the lowest amount a worker can be legally paid for his work. The Belize minimum wage rate is BZ\$3.30 an hour (US\$1.65) for unskilled workers, whereas the average graduate, with at least an associate degree, would expect to be paid a minimum of between \$4.44 and \$6.25 an hour²⁶. Belize's minimum wage was last changed May-2012. The minimum wages in Belize are in line with the minimum wages available in Guatemala, Honduras and El Salvador, but nearly double in comparison to those of Nicaragua²⁷.

In general, there are no restrictions on employers adjusting their labor force in response to fluctuating market conditions. Employers are flexible in offering salary increases, which are normally justified based on cost of living and prevailing practice consideration. Severance payment is subject to local labor law, the Labor Amendment Act of 2011.

This Act differentiates between layoffs (voluntary termination and redundancy) and firing (dismissal). In the cases of voluntary termination and redundancy, the law provides for an appropriate notice period to be provided, payment in lieu of notice, severance etc. In the case of redundancy, the employer must notify, where applicable, the recognized trade union or workers' representative as well as the Labour Commissioner.

As far as work permits for migrant workers are concerned²⁸, Belize has got an established procedure for issuing work permits, so any foreigner who intends to work in Belize should apply for a Temporary Employment Permit (TEP) and

23 For more info on BELIPO see <https://www.belipo.bz>

24 For further info on this, please see the Standards catalogue of the BBS (see <http://bbs.gov.bz/standards-catalogue/>)

25 Belize benefited from funding under the 10th EDF CSME and Economic Integration Program Financing Agreement to develop a Competition Regime to facilitate its integration into the CSME. For this purpose, the Belize Competition Project (BCP) under Program Estimate 2 (PE2) was intended at developing a Competition Regime for Belize. The total amount of PE2's budget was BZE\$ 2,028,363.00 and its operating period run until September 30th, 2016.

26 Information obtained from Doing Business in Belize (see <https://ambergriscaye.com/economics/DoingbusinessBelize.html>)

27 See ILO's Global Wage Report 2020–21 (https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_762534.pdf)

28 For further concrete information on visa and permits, please see the web page of the Department of immigration and Nationality Services (see <http://ins.gov.bz/>)

adhere to the stringent guidelines and requirements enforced by the Labour Department. All work permit applications must be submitted to the Ministry of Labour for approval. The majority of approved work permits are for Central Americans seeking seasonal employment in the agricultural industry. Additionally, a number of Caribbean professionals obtain a Certificate of Recognition of CARICOM Skills Qualification, which allows them to work in Belize under the CSME's free movement of skilled labour initiative.

All foreign investors are permitted to some extent to bring in skilled personnel to complement their local labour force on the discretion of the immigration department (up to 15% of the workforce can be foreign and it must be for skilled labour or management)²⁹. Workers permits and other immigration related documents are processed by a labour committee, which has inter-ministerial representation from various Ministries including Labour, Immigration, and Human Development.

Finally, Belize has nine trade unions and an umbrella organization, the National Trade Union Congress of Belize (NTUCB). Employers must refer to the laws relating to the operation of unions, namely the Trade Union and Employee's Organizations Act and the Settlement of Disputes in Essential Services Act, as well as the terms of existing collective bargaining agreements between the employer and unions. The law allows authorities to refer disputes involving public and private sector employees who provide "essential services" to compulsory arbitration, prohibit strikes, and terminate actions.

2.6.7 REAL PROPERTY AND ACCESS TO LAND

There are three different types of titles to freehold property in Belize: Deed of Conveyance, Transfer of Certificate of Title, and Land Certificate. The

government is in the process of re-registering all freehold lands to achieve a uniform system of nationwide land ownership³⁰.

Foreign and/or non-resident investors are not allowed to acquire national lease property but may acquire titled privately owned property. The Central Bank regulates real estate transactions involving non-residents for exchange control purposes. Accordingly, real estate transactions between residents and non-residents must be in Belize dollars. Additionally, the rate of stamp duty chargeable on land transfers involving foreign persons or a foreign controlled company is eight percent for land transfers valued in excess of USD10,000, as opposed to 5% on transfers involving Belizeans and CARICOM nationals

2.6.8 ENVIRONMENTAL POLICY

Belize has a legal and institutional framework to facilitate the mainstreaming of environmental issues into development planning, better reflected in Environmental Protection Act CAP 328 of the Laws of Belize, Revised Edition, 2000. This Act requires that some investments, based on their scope and its location within a protected area³¹, may undergo Environmental Impact Assessment (EIA) processes in order to ascertain the potential impact on the environment and ensure that necessary measures are put in place to control or mitigate the effects of pollution and protect the environment. In other cases, projects need to obtain an environmental clearance while others require a Limited Level Environmental Study (LLES), again based on the scope.

The GOB has identified a number of priorities³² which reflect the need for sustainable management of the country's resources. A recent International Monetary Fund report³³ suggests that Belize will need to mobilize substantial private investment to meet its environmental adaptation and mitigation plans.

29 Importation of highly skilled personnel to complement the Belizean labor force is facilitated providing that appropriate training programs for nationals are established

30 For more information on these issues, see Land Registry And Land Titles Units from the Ministry of Natural Resources (<http://mnra.gov.bz/natural-resources/lands-surveys/land-registry-land-titles/>)

31 For further information on these environmental clearance processes, please see the web page of the Department of Environment (see <http://doe.gov.bz/>)

32 See Belize's Environmental Action Plan and Belize Medium Term Development Strategy

33 See International Monetary Fund, IMF Country Report Belize No. 18/329 (available at: <https://www.imf.org/~media/Files/Publications/CR/2018/cr18329-BelizeClimateChange.ashx>)

2.7 SWOT OF BELIZE'S ECONOMY

To end with this chapter, this section is presenting the Strengths, Weaknesses, Opportunities and Threats (SWOT) of the Belizean economy (see next Table 2.4).

Table 2.4 SWOT of the Belizean economy

Strengths	Weaknesses
<ul style="list-style-type: none"> • Stable environment: Political and social stability, rule of law • Economic stability of Belize's economy, reflected in fixed rate of the BZD with the USD and low levels of inflation • Presence of a young, trainable workforce, competitive salary levels • Multi-cultural/bilingual community, with English as main language and Spanish widely spoken, cultural proximity to the USA • Presence of particularly important natural and cultural resources • Presence of well-established economic sectors in Belize • Presence of national companies with important growth and export potential • Presence of incentive programs for national and foreign investors • Availability of relevant public and private stakeholders sustaining national and foreign investment in Belize 	<ul style="list-style-type: none"> • Slow and bureaucratic public processes, low responsiveness of the public sector towards the private sector. • Difficulties in accessing finance • Small size of the economy, high delivery costs of public and private products and services • High costs of doing business in Belize • Public physical infrastructure inadequate for optimal economic development • Shortage of skilled labor derived from limited development of TVET studies • Major imbalances in public finances, high public debt levels, and fragile external position • Presence of corruption and bribery practices in public sector • Overconcentration of the economy in a few key sectors, weak manufacturing base • Weak R&D, innovation, technology transfer and technical capacity in Belize • Deficiencies in existing business incentives for local MSMEs and entrepreneurs • Poor implementation of existing (partial) development plans • Poor national branding, external image of the country • Small size of firms, low sophistication of products/processes
Opportunities	Threats
<ul style="list-style-type: none"> • Geographical proximity and access to large consumer markets, NAFTA, CARICOM, Central America. • Untapped economic sectors and activities with proven consumer appeal and demand • Value chain enhancement within key economic sectors and activities • Increase the added value and promote product diversification in traditional sectors • Encourage the digitization of the Belize economy • Favorable access to international development funds • Vast export and investment benefits derived from signed international trade and investment agreements • Capitalize on 'open' access to CARICOM labor and natural resources through strategic partnerships • Enhancement of Belize's international image for trade and investment through more aggressive marketing. • Develop public/private partnerships 	<ul style="list-style-type: none"> • High exposure to external shocks due to openness of the economy, e.g. financial contagion, pandemics • Vulnerability to climate change hazards, e.g. hurricanes, sea-level rise • Increasing competition from neighboring countries, particularly those low-cost labor competitors • Commodity price volatility affects key primary economic sectors – price takers • Negative incidence of crime and irregular activities on investor's confidence • Disease outbreaks particularly in the agriculture sector, e.g. EMS in shrimp farming or citrus greening • Uncertain developments in major trading markets, e.g. Brexit (EU-UK)

Source: own elaboration

3. FRAMEWORK OF THE BELIZE NATIONAL INVESTMENT POLICY AND STRATEGY

3.1 VISION OF THE BELIZE NATIONAL INVESTMENT POLICY AND STRATEGY

The Vision of the Belize National Investment Policy and Strategy (NIPS) is to “position Belize as a competitive, robust and favourite investment hub in the Central America region by 2030”.

3.2 GUIDING PRINCIPLES OF THE BELIZE NATIONAL INVESTMENT POLICY AND STRATEGY

The implementation of the Belize NIPS is guided by the following principles³⁴:

9. The NIPS seeks to be consistent with the objectives of sustainable development and inclusive growth identified in the Horizon 2030 and the Growth and Sustainable Development Strategy (GSDS) for Belize specifically targeting and supporting Critical Success Factor (CSF-1): Optimal National Income and Investment.
10. The NIPS pursues to develop an institutional framework that adheres to high standards of public governance and ensures predictable, efficient, non-discriminatory and transparent procedures for investors to entry, establish and conduct their businesses.
11. The NIPS strives for providing legal certainty and strong protection to both established as well as potential new investors, including access to effective, fair, open and transparent mechanisms for the settlement of disputes, with appropriate safeguards to prevent abuse as well as to enforce existing procedures.
12. The NIPS will promote and facilitate the adoption of and compliance with best international practices of corporate social responsibility and good corporate governance
13. The NIPS recognises the need for national authorities to continue to cooperate and engage in dialogue with the national and international community with a view to maintaining an open and conducive policy environment for investment

³⁴ These principles are partially based on the G20 Guiding Principles for Global Investment Policymaking and the Guiding Principles for Investment policymaking for the countries of the D-8 Organization for Economic Cooperation.

4.

KEY POLICY PILLARS AND RECOMMENDATIONS

4.1 INTRODUCTION TO THE CHAPTER

This Chapter 4 of the NIPS is presenting the nine key Policy Pillars that represent critical areas in the view of the stakeholders consulted where reforms are needed. These nine key Policy Pillars are presented next:

- **Key Policy Pillar 1:** Development of an integrated national strategy for promoting Investment
- **Key Policy Pillar 2:** Delivery of Government Services, Ethical Government, e-Government
- **Key Policy Pillar 3:** Delivery of financial services for investment, access to finance for investment
- **Key Policy Pillar 4:** Reform of the Taxation system for sustaining private investment
- **Key Policy Pillar 5:** Revision of the existing regulatory framework and Judicial System to make it more investment friendly
- **Key Policy Pillar 6:** Reform of the business incentives framework
- **Key Policy Pillar 7:** Encourage the development of a skill supply adapted to the needs of national and international investors
- **Key Policy Pillar 8:** Development of infrastructure and internal logistics
- **Key Policy Pillar 9:** Fostering of Economic Diplomacy

Each pillar is further analysed in terms of their respective goals, general considerations, objectives and recommended actions. Also, some sectoral considerations are taken into account per each Key Policy Pillar.

4.2 DEVELOPMENT OF AN INTEGRATED NATIONAL STRATEGY FOR PROMOTING INVESTMENT

Policy Goal

Align the various investment promotion initiatives into one coherent national effort with well-articulated linkages with the various sector strategies and policies through the active participation of the relevant government ministries and agencies, private sector, labour and civil society to deliver equitable and growth-oriented investments.

Policy Considerations

There is no single official strategy for Government's Investment Promotion and Facilitation. Belize presents to the potential investor several disparate, uncoordinated platforms for attracting investments. This often results in an inefficient use of the limited human and organisational resources and sub-optimal investments that do not deliver the economic growth and impact desired.

In the current global environment where there is intense competition for investments both from local and foreign sources, success is dependent on a well-communicated, coherent and unified national program for investment facilitation. The challenges faced in delivering such a unified singular investment promotion program have been attributed to several factors, some of which are listed below.

- Many of the recommendations in Belize's extensive library of recent sector strategies and national plans are yet to be implemented. So that while key decisions have been agreed in principle in respect of approaches to encouraging investment, the impact of these well-crafted documents is below expectations.
- Many of these strategies are not synchronised. In this way, established policy in one sector undermines strategic objectives in another. For example, the tax policy appears to be structured towards achieving social and political aims in contrast to the national development goal³⁵ of stimulating economic activity and business and employment creation.

35 GSDS - Critical Success Factor 1: Optimal National Income and Investment; Condition 1.2 (Attracting Foreign Investments)

- The process for obtaining approvals for investments span several ministries and agencies each with their own requirements and processes that must be complied with. Potential investors often cite frustration with the duplication of applications in seeking regulatory approvals and access to the many incentives available.
- Further many potential investors experience delays and frustration in navigating these approval processes due to the absence of clear steps and requirements. This generates time-consuming iterations of applications. These applications must be presented in person and hard copy since most processes are not digitized. This adds to the cost of seeking approvals.
- Lack of an approved framework to guide all infrastructure development across the various ministries of government. Belize has a significant land resource which is at risk of being inefficiently developed due to an unclear framework for physical development planning and building approvals.
- The investment promotion strategies are not sufficiently communicated to and consulted with the local and international stakeholders. So that investment promotion is not seen as a cooperative national enterprise but as that of a particular government ministry. The general population cannot therefore align their activities to create synergies with the eventual government led initiatives.
- The underlying thread that connects many of the issues identified relate to a “silo” culture between government ministries, agencies and departments where each entity works quite often in isolation to achieve their specific goals and objectives while not necessarily in synergy with the overall national focus. In this way, this “Silo” culture is a major impediment to facilitating increased investment. It is a classic “double-edged sword”. Scarce and significant government resources are being utilised to work in contrary objectives while investors are frustrated in expanding investments, economic growth and much needed taxes

Policy Objectives

1. All investments are subjected to review by a national coordinating facility chaired at the highest decision-making level.
2. Large or specific high priority investments that require multi-agency review and approvals are vetted by a national coordinating facility.
3. Existing national plans and strategies are periodically reviewed for relevance and implementation progress.
4. Increased participation of public/private stakeholders in the national investment enterprise.
5. Ministries, Agencies and Departments policies, duties and work plans aligned with the national investment focus.
6. Public/private Stakeholders are aware and informed about national investments and policies via multiple media educational and informational campaigns.
7. The information shared with stakeholders is accurate and cogent.

Policy Recommendations

- **Develop a strong central entity chaired at the highest decision-making level with the power to compel rational cooperation among State agencies.** Such a body will register all national investments and in the case of trans-sectoral and complex undertakings coordinate the required collaboration and monitor and receive feedback on the implementation impact. This model proposed is similar to several currently implemented within the broader Caribbean Region. Such a central agency would ensure that a unified coherent and cogent investment promotion face that reflects adherence to existing sectoral policies and national development plans is maintained. Importantly it will ensure that these plans and strategies are continually revised, implemented and evaluated.
- **Set up “one investment window” that coordinates and oversees all aspects of the investment process from idea to aftercare and impact evaluation.** This “facility” which already largely exists but particularly focused on special investment projects³⁶ will facilitate an agile investment process via improved coordination and clearly established and

³⁶ A fast track office currently exist. Also, BelizeInvest, a unit of BELTRAIDE provides Aftercare services to incentive holders.

aligned work plans with the various MDAs. In this sense, it is important to expand the aftercare services currently offered by BELTRAIDE.

- **Foster a well-documented and disseminated process of investment facilitation to raise increased participation of public/private stakeholders.** For this purpose, implement educational and informational campaigns on multiple media platforms and on the existing Belize investment websites so National and international stakeholders are kept adequately informed about investment attraction and promotion objectives, activities and measures and their expected role in supporting same. These educational and informational campaigns should be done in accordance with the analysis and recommendations already prepared under the IDB-funded Belize Investment Portfolio study by INCAE - CLACDS³⁷.

Sector Policy Recommendations

- **Elaborate a final list of key priority sectors that would receive a special attention from public support³⁸,** further detailing, streamlining and/or expanding this list, and always in close collaboration with private sector representative stakeholders
- **Encourage a more proactive data driven approach to “push” investments in new areas.** For this purpose, **encourage diversification of existing product and service offerings and develop an innovation eco-system** that creates businesses in strategic sectors and markets to deepen penetration in existing markets and sustain growth. This aspect would be in line with addressing how promotion and innovation might be applied to Belize’s traditional commodity exports to increase the range, sophistication and value-added content. Appropriate capacity building is consequently required in the sectoral ministries (Agriculture, Tourism) and in the designated centralized trade facilitation entity.

4.3 DELIVERY OF GOVERNMENT SERVICES, ETHICAL GOVERNMENT, E-GOVERNMENT

Policy Goal

Bring the Government closer to national and international investors through major improvements in the delivery of Government services related to government applications and approvals/permits.

Policy Considerations

One of the main concerns of national and international investors refers to Belize’s inefficient government services, better exemplified by the existing perception of lengthy, bureaucratic, complex and costly processes linked to government applications and approvals/permits. In this regard, there are a number of elements underpinning this negative perception:

- The Belizean public administration is characterised by a poor customer approach, so many public procedures are devised without taking the customer (the investor) into consideration. Thus, government services and agencies are often perceived as inefficient, time consuming, frustrating and onerous. This is reflected for instance in the structuring of business hours to the convenience of civil servants or lack of well-known and clearly established time frames for approval processes.
- Public services are poorly digitized, with a very limited presence of online or virtual processes that may facilitate the interaction between public agencies and investors. For instance, all fees need to be paid physically at the registry office. In turn, many Government agencies and Departments are geographically concentrated in Belmopan, which requires a significant time effort and travel cost for investors located in other areas.
- There is a general operations disconnect amongst different Ministries, Departments and public agencies. This often results in the duplication of documentation and procedures required from investors. Linked to this, there is no central location that may act as a hub for investors. For example, the current investment desk at BELTRAIDE is not empowered

³⁷ CLACDS – Centro Latino americano de Competitividad y Desarrollo Sostenible – INCAE, Costa Rica.

³⁸ See section 2.3 of this NIPS document for a discussion on key priority sectors in Belize

by any regulator to act as its front desk to answer questions or to provide assistance in submitting applications for permits and licenses.

- There is a lack of adequate human and material resources in many Government agencies and Departments to effectively monitor, control and advise/help investors in their interactions with the public administration. This situation is often coupled with limited skills and technical expertise amongst public officers in some particular competence areas (e.g. Tax, Trade agreements negotiation and monitoring, planning and environmental approvals, green investments, etc).
- Subjectivity, high margins of discretion and lack of transparency from those frontline administrators dealing with permits is a prevalent problem throughout different Departments, Ministries and government agencies. This situation gives rise to a widespread perception of civil servant malfeasance in granting approvals and incentives. Many stakeholders report experiences of having to supply more information/additional documents that are not clearly listed as requirements and unexpected changes in procedures and requirements (for instance for the submission of documents) without prior or clear notice to investors.

There are important differences amongst government agencies in the quality of their services to investors. In this sense, some services that are perceived as particularly problematic, include:

- I. Business registration procedures to starting a business³⁹;
- II. Belize Tax Service, which has a particularly bad reputation for its poor customer service, lack of response and poor technical capacity.
- III. Environmental Clearance and Environmental Impact Assessment (EIA) procedures, reported as one of the most long and complex procedures;
- IV. Property registration, transfer of land and real estate transactions; expropriation of land, particularly in relation to lack of fair and transparent

processes of valuing properties expropriated;

- V. Application processes and regulations related to fiscal incentives and Designated Processing Areas (DPAs);
- VI. Custom and border procedures, particularly in relation to transportation, export permits, customs clearance, import duties and Sanitary and Phytosanitary (SPS) related issues;
- VII. Stamp Duties on transfer of land, including lack of transparency and accuracy related to information on transfer processes and their values.
- VIII. Social security obligations
- IX. Some Review Committees such as NEAC (National Environmental Appraisal Committee) or the LUA (Land Utilization Authority), who meet on a limited basis and whose delay in handing down decisions represents higher contingencies and higher costs to the investors.

The foregoing inefficiencies and lack of transparency act as a hindrance to investment, particularly international investment. It is perceived that it opens the door to corruption which act as a barrier to investment in general.

Policy Objectives

1. The primacy of the customers when delivering government services is emphasized.
2. Administrative procedures particularly those that are burdensome for national and international companies/investors are well identified and simplified.
3. Standards of performance for delivery of public services are well established, including benchmarks for time lines when specific transactions are expected to be completed and make them public, to allow the public and other agencies to easily track their documents and applications
4. The digitization of the Belize government services is fully achieved
5. Skills of public staff are continuously improved, under a policy regime

³⁹ For instance, the 2020 Doing Business report estimates it takes on average 48 days to start up a company in Belize. The same report ranks Belize at 166 of 190 economies on the ease of starting a business.

for continuous training for government staff, both in technical as well as in soft skills.

6. Cash transactions with GoB are reduced to a minimum, while supporting online and other digital payment facilities
7. A monitoring tool is operational to identify, assess and act when inappropriate behaviours are repeatedly reported about government agencies or public officers.
8. A whistle-blower policy for reporting these inappropriate behaviours is implemented and fully operational.

Policy Recommendations

- Put the customer (investors) as a priority, **developing and implementing customer service standards and service level agreements to be endorsed by Ministries and public agencies.** For this purpose, establish a coordinating body including all relevant investment promoting and regulatory agencies **to revise/simplify/streamline existing administrative procedures particularly burdensome for national and international companies/investors,** implementing facilitation roadmaps, reducing compliance costs and eliminating administrative bottlenecks and unnecessary bureaucracy for investors. This coordinating body should **develop clear and transparent benchmarks or standards of performance (SOP) in relation to existing procedures.** Thus, investors might have a clear understanding in relation to requested documentation, procedures to be filled, and well-known and clearly established timelines for approval process and fees across the board, including some type of facility for allowing investors and other agencies to easily track their documents and applications. In case of changes in procedures, communicate and explain these changes to investors well in advance, reducing the room for discretionary approvals by public officers.
- **Foster the exchange and sharing of information and data amongst different Ministries and public agencies,** thereby reducing the need to submit the same information at multiple Government departments.

For this purpose, **create a database repository of information on investors** where any Government agency can have access to review investment profile for any investor requiring services.

- Further develop the activities of the **“fast track” office** and **fast track procedures for key investment projects** that may have a strong growth and employment potential for the country or are regarded as particularly strategic ones. In this sense, and for these strategic investment projects, **empower the current investment desk at BELTRAIDE as a hub for investors to act as the front desk to provide assistance** to them throughout the whole application process including but not limited to, getting documents, information, application requirements, fees, procedures, submission of applications for permits and licenses, etc.
- **Update (if necessary) and implement the already existing National E-Government Policy, Strategy and Work Plan (2015-2018)⁴⁰ as well as the work of the Economic Development Council of Belize and CITO on the “E-Governance” reform,** intended to advance the GOB’s e-Government Strategy and digitizing over 150 public services in the upcoming years via various initiatives by both the EDC/PPD and CITO. **Give specific priority to implement e-government practices and online application systems for government procedures in those areas reflected in the “Doing Business” report** (i.e. “Starting a business”, “dealing with construction permits”, “registering property” or “trading across borders”. The recent digitization of the Belize Companies & Corporate Affairs Registry could be used as a pilot model to be assessed and fine-tuned and, eventually, be replicated for other procedures.
- **Include the availability of online payments for public services,** eliminating as much as possible cash payments for government services.
- **Reinforce institutional strengthening** of the different Ministries and public agencies, particularly at local level, including **building capacities**

⁴⁰ See <https://cito.gov.bz/wp-content/uploads/2020/11/BelizeNatleGovPolicy2015.pdf> & <https://cito.gov.bz/wp-content/uploads/2020/11/BelizeNatleGovStrategyWorkPlan2015.pdf>

of civil servants via staff training on both technical knowledge as well as soft skills (for instance, customer service skills). Foster the automation of existing processes.

- Develop an **ad-hoc desk/focal point within the Government to monitor the complaints of investors** when interacting with the Belize public administration, assess the issues causing delays in investments, **identify possible recommendations for action** and, finally, act as a **liaison between investors and specific government agencies** when issues arise. Specifically, and in the case of recurrent complaints about certain government agencies or public officers, this **focal point should be able to take swift and immediate action, including punitive measures for particularly problematic staff.**
- Consider a **whistle-blower policy** for reporting inappropriate behaviour, including **passing the existing draft of whistle-blower legislation** (Protected Disclosures Bill, 2021).
- **Introduce changes in the functioning of key Review Committees** (NEAC, LUA. Etc.) to facilitate continuous progression of applications by for instance ensuring the presence of committee alternates, assuring timely participation of members of these review committees or, in the case of NEAC, allowing NEAC to contract out their inspections at cost to the developer who wishes to expedite the process.

4.4 DELIVERY OF FINANCIAL SERVICES FOR INVESTMENT, ACCESS TO FINANCE FOR INVESTMENT

Policy Goal

Facilitate access to investment financing on appropriate terms and foster the development of a more efficient and investor-friendly financial system for all investors, particularly domestic ones.

Policy Considerations

One of the main concerns of investors, mainly domestic investors, relates to access to investment capital on appropriate conditions. In this regard, there are a number of elements worth noting:

- Financing options are scarce, particularly for MSMEs. In fact, other options apart from traditional bank financing are practically non-existent, and the system lacks non-bank financing instruments, including non-recourse financing, venture capital, start-up financing, etc. This situation makes it difficult for MSMEs to access financing, and when they do, the amounts are usually small and the interest rates obtained are not very competitive/affordable.
- These problems are compounded when it comes to specialized financing modalities, such as financing for productive risk activities such as agriculture, financing for trade or export activities (only Atlantic Bank has a formal trade finance program) or international green finance sources like the Green Climate Fund - GCF. In the case of the GCF there is limited access for the private sector due to their limited knowledge of its lending requirements and minimal commitment to climate action within Belize.
- Long bureaucratic financial procedures, for instance in terms of time and information requirements to open a bank account, particularly USD accounts, or to get a response on the application for financing. These difficulties related to banking requirements exist for both domestic and international investors and have been exacerbated by the loss of correspondent banking relationships, from which Belize is still recovering.
- The financial system is highly collateralized, making it virtually impossible to access financing without collateral, and the financial institutions base most of their approvals on fixed assets as collateral. However, there is no public registry of guarantees, so the levels of legal certainty decrease, penalizing credit conditions. There are also no mutual guarantee companies that can grant guarantees to support the financial position of SMEs vis-à-vis credit institutions, suppliers, clients and Public Administrations. In this regard, it should be noted that the Investment Policy and Compliance Unit is currently engaged in the development of a Secured Transactions and Collateral Registry.
- There are no credit rating agencies in the country. Efforts are being made to enact legislation related to credit information and to establish the financial infrastructure for credit bureaus.

- There is a lack of financial literacy especially among SMEs. Specifically, there is a lack of knowledge on the part of SMEs on how to prepare a business plan to support an application for investment financing, as well as how to access special financing programs (e.g. green financing). This is due inter-alia to the shortcomings in formulating proposals for projects to be financed by such programs. In this regard, it is worth noting that the Small Business Development Center – SBDC Belize, a unit of Beltraide, is currently assisting its clients with business proposals for acquiring finances.
- The Government of Belize has established foreign exchange controls, and foreign investors wishing to convert, transfer or repatriate funds must comply with Central Bank regulations. COVID-19 has caused serious economic problems in all productive sectors. This has led to a shortage of foreign currency in the financial systems. Since March 2020, banks have placed limitations on customers' ability to make credit card purchases and businesses have complained of limited access to foreign currency for purchases abroad. Currently USD accounts are only allowed to wire out a maximum of 25,000 USD a month due to the foreign exchange shortage. Difficulty in accessing foreign exchange in some instances, continues to be one of the biggest challenges for investors. Moreover, there is also the need to find formal means to convert currencies of neighbouring countries and CARICOM that trade with Belizean businesses. Foreign currency acceptance at bank is also a constraint for business.
- As for insurance, the offer for certain productive sectors is practically non-existent (e.g. agriculture insurance or trade insurance schemes), and existing coverage is not very affordable for SMEs. There are also long bureaucratic procedures (e.g. to collect insurance when needed).
- Belize has a very underdeveloped securities market, with a primary market for government securities and very few issues of securities by the private sector in the recent years. Indeed, the market for corporate bonds is almost non-existent. There is no market for a Stock Exchange.

From a specific sector perspective, there are important deficiencies in the supply of financial tools for some specific sectors. In this sense, the existing portfolio of services offered by existing insurances companies is often very basic and not appropriate for some specific sectors (e.g. crop insurance). Also,

there is an important gap of venture capital aimed at financially supporting entrepreneurs and new companies, particularly in some specific sectors.

Policy Objectives

1. Development banking for the smallest companies is fully available. Innovative financial services specially adapted to the MSMEs' needs are established.
2. Good working relationships with the various development banks in the region are in place.
3. The level of financial education amongst MSMEs is improved.
4. Access to foreign exchange for companies and investors is fully available. Please note that there is need for official direct convertibility of currencies from neighbouring countries.
5. Insurance services for exporting and productive sectors readily available.
6. Better access to finance through the use of movable collateral is assured.
7. Long term financing is available and cost of funding is reduced.
8. A Capital Market is established.

Policy Recommendations

- Currently, banks depend on a private credit bureau with voluntary participation to obtain information that allows them to perform risk analysis of operations. Even with such a system the availability of data is limited. In this regard, it is a priority to expedite the **creation of an official credit bureau that will provide reliable and timely information for credit risk decision making**. Some progress has already been made in this regard. A Credit Reporting System Bill has been prepared and reviewed by the Attorney General Chambers. The Bill has been presented to the Financial Secretary and the Minister of State in the Ministry of Finance. Draft legislation and other requirements for credit reporting system have been completed. This only requires legislative approval.
- In addition, it is necessary to **implement a registry of secured transactions and collaterals to facilitate the use of movable property as collateral**. The creation of a public registry of movable and immovable property would increase the pool of information for collateral valuation and also facilitate the resolution of delinquencies. This would facilitate access to credit for all sectors and types of economic actors, particularly for SMEs as well as in the manufacturing, agriculture

and productive sectors. The Investment Policy and Compliance Unit is currently engaged in the development of a Secured Transactions and Collateral Registry. This action therefore needs to be reinforced.

- Develop a plan to **strengthen the relations of the Development Finance Corporation and the National Bank with potential bilateral donors** (Taiwan, United Kingdom,...) **and with multilateral organizations and development banks** (European Union, IADB, World Bank, CARICOM Development Fund - CDF, ...) in order to **obtain funds to implement investment financing programs for MSMEs**, in collaboration with financial sector entities at national level.
- **Relax banking requirements for simple financial procedures**, such as opening a bank account (in terms of time and information required), as long as they are in line with international standards.
- **Define a plan for the implementation of measures to allow easier access to USD or foreign currencies.** To this end, it is proposed, among other measures, to make the use of USD accounts more flexible for domestic companies that have commercial relations with foreign clients and/or suppliers, as well as to relax the existing restrictions that affect the limits on foreign currency transactions. Extending dollar transaction limits is necessary both for companies involved in export activities, as well as for foreign investors seeking repatriation of their funds and profits as a prerequisite for investing in Belize.
- Related to the previous point, **define and implement a system that allows for greater acceptance by financial institutions of neighbouring countries' and CARICOM members' currencies**, given the commercial relations of Belizean companies with these markets. In this regard, it is proposed to **analyse the feasibility and support the**

development of an electronic wallet system involving financial institutions, not only in Belize⁴¹, but also in neighbouring countries.

- **Develop a capital market to mobilize investment.** To this end, Belize must elaborate a legal regulatory framework for the development of a proper capital market, including a Capital Markets Act and the establishment of a Capital Market Regulator.
- **Expand the provision of financial services through innovative Fintech solutions**, mainly based on mobile technologies and applications, which will simplify and streamline financial procedures, as well as increase the penetration of financial services, while contributing to minimize cash by increasing electronic transactions and e-cash.

Sector Policy Recommendations

- **Develop the supply of services offered by insurance companies**, particularly in relation to ad-hoc specific products for priority sectors (e.g. a basic crop insurance).
- **Develop a national network of business angels**, this is, private individuals who, besides capital, may provide business management experience, skills and contacts for new and growing private businesses. In this regard, public sector authorities could create incentives for private individuals who are willing to invest in enterprises, particularly in priority sectors.
- **Foster the development of venture capital companies** aimed at financing **start-up companies and small businesses** that are believed to have long-term growth potential in key priority sectors.

⁴¹ There has already been progress with some digital wallet initiatives, although their scope, for the moment, is limited to transactions in Belize. The Belize Bank limited has partnered with Wallet Factory to initiate E-Kyash, and the National Bank of Belize is also launching a Digital Wallet.

4.5 REFORM OF THE TAXATION SYSTEM FOR SUSTAINING PRIVATE INVESTMENT

Policy Goal

To strengthen the Taxation system to better support the national investment strategy and initiatives whilst promoting equity, transparency, and efficiency in its administration.

Policy Considerations

Clarity and transparency in the taxation system is a major consideration for national and particularly foreign investors. Several deficiencies have been identified which impact the willingness of new investors to establish and for those already established, to expand their business in Belize. The reform of the Belizean Tax System is a work in progress. Several reviews have been carried out in recent years in collaboration with the International Monetary Fund (IMF)^{42 & 43} and clear recommendations and action plans have been developed. The recent changes to the tax system have largely been driven by challenges posed by the OECD stipulations in respect of preferential tax jurisdictions as well as the need to boost revenues to address the current high national debt which is around 126% of GDP. A comprehensive reform of the system as advocated by the several institutional reviews is however yet to be completed.

As part of its investment offerings Belize has relatively successfully marketed itself as an international financial centre where businesses can optimise their global administration by establishing international business companies (IBC) in the country under preferential tax arrangements. This has caused the OECD countries to impose sanctions that threaten to impair the viability of the sector. In response, Belize has carried out required reforms to its administration and

taxation of the IBC sector and has been removed from the so-called list of non-cooperative tax jurisdictions by the OECD.

A far more impactful and critical reform of the tax system in respect of the general business sector as advocated by the several institutional reviews is however still pending.

- The current taxation policy reflects inconsistencies with other development policies, particularly that of attracting foreign investment and by extension the national development strategy. The existing tax policy and structure and the foreign exchange regime are not conducive to foreign investment. The policy as applied imposes onerous requirements and tax liabilities on international investors and diminishes the impact of the many generous sectoral incentives offered. The business tax for example, with turnover as its base is inefficient. It discourages investment, affects industrial organization, and creates potential preferences for some industries. Turnover taxes generally do not allow for the financial impact or write-down of investment costs thus raising the cost of capital for physical investment⁴⁴.
- The high levels of withholding tax applied to foreign professional services and interest payments is another incompatible tax policy example. Belize by virtue of its small population is not in position to provide all the highly technical and professional services required by local and international companies. This human resource need must be supplemented by foreign labour. This tax deters the use of highly specialized consultants and limits potential expansion and denies the opportunity to engage in technology transfer to the Belizean workforce. Taxation of interest payments often results in “double taxation” as these proceed from investments in Belize are also taxed in their final destination country.

42 See for instance IMF, Taxation Issues in Belize, December 2019 (see <https://www.elibrary.imf.org/view/journals/002/2019/365/article-A002-en.xml?ArticleTabs=fulltext>)

43 The IMF has provided the following suggestions on revenues. The authorities should focus on reducing the number of zero-rated items of the general sales tax (GST), taxing them at the standard GST rate instead, and raising the standard GST rate to a level in line with peer countries. GST revenue could also be expanded by taxing the hotel sector at the standard GST rate instead of the 9 percent hotel tourist accommodation tax levied on room revenue administered by the Belize Tourism Board. Other options to mobilize revenues include lowering the threshold for exemption in the personal income tax, increasing excise taxes, and enhancing revenue and customs administration

44 IMF Staff Report Article IV.

- The current tax operations appear to be structured towards achieving social and political aims and maximizing current revenue intake at the expense of sustainable business expansion. In spite of this focus on revenue the service delivered by the tax department lacks adequate customer service standards and allows an estimated 40% taxpayers to escape their obligations. Complaints documented cite the following customer service shortcomings;
 - There is too much red tape and bureaucracy involved in complying with the existing regulations.
 - The guidelines and procedures are not clear nor are they easily accessible, leaving many to avoid the system altogether. Minimal guidance or interpretation bulletins are available for the disjointed and confusing amendments to tax laws. Many cite difficulty finding the most current version of tax regulations.
 - The BTS does not seem to have a proactive customer service approach.
 - Many businesses complain about long waiting periods to be reimbursed for GST Consumption tax refunds and credits straining their operating cashflows.
- It is reported that a large number of companies are not paying taxes and not all eligible businesses are registered. This creates the perception of unfair treatment to those business caught within the tax net.
- The widely held perception is that the current inertia experienced by the BTS in reforming itself is partly because of human resources deficiencies both in terms of training and technical and change management capacity.

Policy Objectives

1. A general taxation reform is fully in place and implemented. Several institutional reviews have been carried out for the Belize Tax Department. The recommendations including that of the IMF coincide in the need for an overall reform and modernisation of the system of taxes and the BTS.

2. The entire suite of taxation types is revised to bring greater coherence and simplicity to paying taxes, increase revenue generation and align with national development objectives.
3. A re-engineered customer service platform permits hassle-free determination and payment of tax liability and receipt of tax refunds.
4. Revenue generation improved.

Policy recommendations

- **Implement the already identified tax reforms and streamline the current tax operations in a timely manner to reflect support of and concurrence with broad national development policy, strategy and goals.** In this regard fulfil the execution of the ongoing MoF/EDC project⁴⁵ to increase economic activity by streamlining and modernizing the national tax system. This program aims to address most of the critical deficiencies identified over the past decade in respect of tax administration. This will result in; simplified layers of taxes, growth-oriented taxation policies, re-engineered processes, change management, creation of an online platform, risk-based auditing, improved revenue collection and an expanded tax base.
- **Develop reform within BTS with staff that is adequately qualified and that receives continuing education and training** to stay abreast of evolving international best practice. A key pillar of sustainability for the revamped BTS must be the delivery of **superior customer service to all tax-paying clientele** evidenced by simplified, transparent, well-communicated service procedures, standards of performance and timely payment of tax refunds.
- **Simplify the tax layers, including a review of the Business Tax (BT), Corporate Income Tax (CIT) and stamp duty regimes** and the identification of the most suitable structure to support the national development agenda and achieve economic growth. The following recommendations reiterate those already presented and accepted in principle for achieving the desired development and economic outcomes.

⁴⁵ The Economic Development Council/Ministry of Finance Taxation Reform (see <https://edc.gov.bz/governmentpolicies/reforms/#1478641585834-4dd9720e-0f43>)

- **Land tax:**
 - **Develop an integrated, coherent and fair approach to taxing land and buildings across both business and corporate income tax regimes.** Ensure the treatment of GST on immovable property is consistent with international standards and in assessing and improving the recurrent property tax.
- **Corporate Income tax (CIT):**
 - **Review the corporate income tax regime** to determine whether the current tax structure is the most suitable structure for promoting both local and international investment.
 - **Implement an international standard CIT for all taxpayers** but especially for international companies.
 - **Reintroduce the CIT by applying CIT to businesses whose gross receipts exceed a certain threshold.** Business below the threshold would continue to pay BT but could elect to transfer to the CIT regime.
 - **Reconcile the Business Tax and Corporate Income Tax regimes.**
- **Business tax (BT):**
 - **Create a national CIT/BT task force to assess IMF technical review recommendations completed in June 2020.**
 - **Introduce reforms to reduce the discrepancies in tax treatment of income,** i.e. dividends, interest and capital gains as compared to CIT
 - **Implement Corporate Income Tax for Larger companies and retain the Business Tax** which is easy to administer for **smaller companies.**
 - **Analyse the discrepancy between the different rates of business tax levied on different types of business** and whether the rates are justifiable.
 - **Review the tax rates on passive income to make it more attractive for investors.** Eliminate Economic and Juridical double taxation.
- **General Sales Tax (GST):**
 - **Simplify the process,** eliminate distinction between zero rated and exempt supplies, allow for quick and easy return of GST credits due
 - **Reduction of Registration Requirements,** and implement monthly revision of tax reports to ensure Refunds are paid in a timely manner, for International Investors
 - **Develop an on-line system** where companies can register and pay their GST online
 - **Reduce the number of zero-rated items,** since this can help raise revenues efficiently. Zero rated goods for social policy objectives are often poorly targeted and may have little impact on low-income residents.
 - **Ease GST registration requirements** to support new businesses by allowing start-ups to carry forward unused credits to be used once taxable sales are over the threshold.
 - **Increase the GST threshold.** A high threshold eases the burden of compliance and administrations for taxpayers and tax administration.
- **Other specific sector/activity related taxes:**
 - **Broaden the GST tax base to encompass all goods and services supplied to tourists in Belize.** Bringing tourism fully into the general sales tax regime simplifies compliance and provides access to tax relief on business inputs (i.e. GST paid on construction costs can be eligible for input tax credits).
 - **Reduce the rate of taxes on payments made to non-residents** especially in cases where the services cannot be provided in Belize.
 - **Review the foreign exchange regime** with a view to **eliminating unnecessary hurdles to investment.**

4.6 REVISION OF THE EXISTING REGULATORY FRAMEWORK AND JUDICIAL SYSTEM TO MAKE IT MORE INVESTMENT FRIENDLY

Policy Goal

Strengthen the rule of law, enhancing and developing the national regulatory frameworks to foster national and international investment as well as a dynamic and well-functioning business sector.

Policy Considerations

The existence of a sound and all-encompassing regulatory framework is a pre-condition to foster private investment and a dynamic and well-functioning business sector. In this sense, and despite important efforts in recent years, there are still several laws and pieces of legislation that need to be modernised and updated in order to make Belize more attractive for national and particularly international investors. For instance, in the field of minority investors, insolvency legislation or bankruptcy⁴⁶. Also, there is an urgent need to pass new legislation in some areas insufficiently covered by current legislation that may have a positive effect on national and international investors.

Critically, there is a lack of confidence in the local court system. It is viewed as an expensive, time-consuming and often opaque route for settling disputes and ensuring contract enforcement. In this regard, existing investment treaties are noted to offer an alternative mechanism for arbitration that is thought to be more reliable and fair than domestic courts. This negative perception, particularly shared amongst foreign investors, may act as an important barrier to external investment, limiting the scope and level of projects that come to Belize⁴⁷.

Last but not least, there are some specific sector regulations pinpointed by sector representatives which do not align with the current practices of the industry (i.e. the Banana Industry Act)

Policy Objectives

1. Existing legislation that is particularly burdensome for foreign and national investors (above all on those elements underlined by “Doing business” report) is improved
2. New legislation in some key areas for investors developed and enacted.
3. The Judicial System reformed to permit inter alia the automatization of certain court processes (electronic filing and fee payment)
4. Alternative Dispute Resolution (ADR) mechanisms developed and implemented.

Policy recommendations

- **Modernise existing legislation in Belize to better protect national and international investors.** Key elements to be modernised include **protection of minority investors, netting agreements and insolvency or bankruptcy issues** (including insolvency and involuntary liquidations). There is also a need to modernise existing **public procurement legislation**, mainstream procurement procedures and foster the participation of local companies. The Financial and Stores Orders for the Government of Belize have been in place since the 1960's. Also, the **IBTA (Income and Business Tax Act)** and supporting **TAPA (Tax Administration and Procedure Act)**, together with the **stamp duties legislation**⁴⁸, need to be updated and be rewritten under good modern legislative drafting principles to boost activity locally and attract international investment. Finally, other pieces of legislation that need to be updated include the **Exchange Control Act** and the **Landlord and Tenant Act**.

46 The World Bank Group's Doing Business 2020 Report identifies that Belize shows very poor results in the categories of “protecting minority investors” and “resolving insolvencies” (where Belize is situated in position 157 and 91 out of 190 economies, respectively).

47 The World Bank Group's Doing Business 2020 Report identifies that Belize occupies the position 135 out of 190 economies in relation to the “enforcing contracts” area.

48 The Ministry of Natural Resources in close collaboration with the Economic Development Council and the Public-Private Desk (EDC/PPD) are engaged in reforming the Stamp Duty legislation in order to improve a system of land valuation in an effort to improve revenue collection without impeding business development and economic growth (see <https://edc.gov.bz/governmentpolicies/reforms/#1478640179694-890d6b06-7dae>)

- **New legislation developed and enacted** in key areas for investors, particularly those related to **company mergers and acquisitions (M&As), competition issues⁴⁹** or new legislation related to **ICT adoption and usage in the public service**. The latter would allow **E-Government** to flourish in a secure environment and would include electronic transactions, electronic signatures, digitalisation of applications and data sharing amongst public administrations in order not to minimize duplication of requests for the same information.
- **Court system fully automated** via the development of dedicated electronic platforms within the competent courts that may facilitate the filing of complaints as well as the payment of court fees online.
- **Alternative Dispute Resolution (ADR) mechanisms expanded** to include negotiation, mediation and arbitration as a less expensive, less complicated route to address and resolve disputes and conflicts amongst investors instead of formal litigation and court proceedings.

Sector Policy recommendations

- **Revise and update existing sector related regulations** (e.g. the Banana Industry Act) in order **to align** them with the **current practices** of the industry.

4.7 REFORM OF THE BUSINESS INCENTIVES FRAMEWORK

Policy Goal

Offer a suite of business incentives that are coherent, transparent and efficient and which serve to underpin Belize's investment and economic development opportunities.

Policy Considerations

Belize offers an extensive business incentive framework. The incentives, although available in principle for both national and foreign investors, are

perceived by Belize's investors to be aimed at international investors. However, there are several national investors that benefit from the DPA program, for instance. These incentives have not been updated or revised neither to the current needs of enterprises nor the evolving national growth strategy.

Each DPA and FI application is assessed with a Benefits to Cost Assessment and test on Revenue Neutrality that are presented to the CEO and to Cabinet in the past. The assessment considers wages, employment levels, taxes, foreign exchange, and other benefits that are not directly related to taxes or revenue foregone. Beyond this analysis it may have not been always possible to analyse which aspects or incentives are working as expected and which are not.

Specific weaknesses identified for the existing incentives are described next.

- Designated Processing Areas (DPAs):
 - The application process to obtain fiscal incentives and DPA status is currently very involved and slow. There are uncertainties relating to taxation in the DPA program. The current methodology employed by the BTS is still under review and is yet to be decided upon. New DPA companies under construction are often denied registration as GST agents so that sales taxes paid by the DPA company must be absorbed increasing its setup costs.
 - The fees to Government associated with DPA status are burdensome in these times when many firms are not yet at commercial production levels and have not recovered from various shocks and start-up costs. Recently there have been amendments to both the DPA and FI acts that decreased application fees by half.
 - There is a perception that foreign investors are favoured but, there are several national investors that benefit from the DPA program.
- Fiscal Incentives programme
 - The Fiscal Incentive Program offers customs duty exemption and RRD on imported items for companies that fall under the priority

⁴⁹ A Fair Competition Bill has been drafted has been developed and it is being examined by the legal drafter at the Solicitor General's Office before it can be put to Cabinet for approval (see <https://www.caricomcompetitioncommission.com/en/competition>)

sectors. The national businesses that seek out these provisions note that the application process seems to be too rigid and demanding especially for MSMEs with limited administrative capacity and those companies that seek short-term exemptions.

- The tax breaks and concessions offered to qualified investors are often drawn out over several years, ostensibly to entice the foreign capital to stay within Belize. The Government has since placed a moratorium on tax breaks under the Fiscal Incentive Program. This policy perhaps has given rise to a certain level of resentment as national investors may incorrectly deduce their investments and businesses are not as valued.
 - Free zones (FZs):
 - In the case of Free Zones the main issues identified are corresponding banking issues, inadequate infrastructure and security. Retail sales is the focus of the free zones in Belize as opposed to encouraging manufacturing and export services.
 - The Qualified Retirement Programme (QRP):
 - Belize like several Central American countries offer a retirement program for non-nationals under which they are offered residency and certain concessions in exchange for redirecting their capital and pensions to their adopted country. There are several benefits to the host country including increased local spending through purchase or rental of property, living expenses and possibilities for transfer of knowledge as many of these retirees are experienced and often highly qualified.
 - Interestingly in Belize the local Belizean entrepreneurs perceive the QRP beneficiaries as competitors. There is concern over international investors using the QRP program to enter and take advantage of tax incentives to set up new business in direct competition with local businesses. Locals have complained regarding the access to the incentives that this class of investors enjoy when directly competing with locally established business by starting up ventures that offer similar products and services. Programs like the QRP that used to allow retirees to also function as investors have changed and currently do not allow investments in a new business in Belize. However, no alternative has been put
- in place to capture the potential foreign capital and expertise lost by this stipulation.
- MSME Enhancement Programme (MEP):
 - The GoB has put in place several incentives and measures to support MSME development. However, the process for accessing many of these supports is considered as too complex for micro and small business as it requires documentation and references that many find onerous. Beyond that many find the incentives offered do not accurately target or satisfy their needs. For example, micro and small businesses usually import packaging and labelling material in small quantities, however support offered seems to favour the importation of larger volumes of packaging.
 - Export promotion/facilitation measures for companies
 - Export promotion and facilitation is an area in which many businesses perceive the current set of incentives fall short. Many cite the need for greater support to identify and analyse markets in terms of entry requirement, size and concentration of firms. Normally such activities require special and costly professional services and are often out of the reach of the typical Belizean firm.
 - Incentives for green investment
 - The opportunities for and benefits to be derived from investments in Green projects are considerable for a country like Belize. There are two main reasons for this position. The first is the support for the strong environmental, cultural and nature tourism assets. The second is the current dependence on imported fossil-fuel energy and the consequent negative impact on the fiscal and external balance. There are currently few incentives for Green investing. The current policies and national legislation do not sufficiently encourage and promote the use of green technology in private and public projects, neither does it offer investors incentives or credits when these technologies are used. Green projects and green financing are an evolving area globally that often requires imported expertise, technology transfer and private investment. There are currently insufficient fiscal incentives in these critical areas.

- Business incentives in other key areas (R&D, access to knowledge, advice, etc)
 - Curiously, the fiscal incentives offered in terms of tax credits on different elements such as export promotion, market penetration, access to knowledge products, innovation, etc., are not as extensive nor attractive as other competing economies. There is a paucity of business incentives for supporting national/international companies in areas related to access to specialized advice and knowledge, digitization, attraction of specialized personnel, R&D/innovation activities, export promotion and green investments among others. This may result in “pull investments” where capital is focused on existing business sectors and not in value-added or new areas where the risks of setting up are not supported.

In line with the previous discussion, Belize is characterised by a lack of existing specialised short-term technical and industry-specific expertise in several domains available for companies (i.e. refrigeration expertise, Sanitary/Phytosanitary and Technical barriers for external market access, quality certification issues, etc). This situation is aggravated by the high costs associated to this highly specialised consultancy work (often prohibitive for many local companies), and particularly problematic in rural and remote areas, where access to this specialised expertise is even more complicated and expensive.

Also, there is a lack of local suppliers for specialised materials and equipment, so they have to be imported from abroad at considerable cost. Examples include some specialised raw materials (packaging materials, different food grade supplies such as plastic bags) or equipment (specialised trucks such as dump trucks or bulk trucks, specialised cranes, mechanical harvesters, high clearance tractor sprayers, planter machines, etc.). Moreover, there is an important lack of modern equipment technology in many key Belizean sectors as it is cost prohibitive, where this problem is aggravated by the absence of warranty service providers

Last but not least, Belize’s companies are characterised by a traditional lack of inter-firm cooperation in many areas, both vertical and horizontal-type cooperation. By way of contrast, it is a well-known fact that effective inter-firm cooperative relationships promote upgrading, foster investment, reduce costs and support greater responsiveness to changing markets. In this regards, clusters can be understood as formal collaborative organizations between both public and private sector actors and involved in a wide array of activities⁵⁰. In this regard, cluster policy is currently acknowledged as one of the most influential elements in modern industrial policy worldwide in the sense that these cluster policies can create greater leverage and reach a larger number of firms and avoid many of the distortions relating to suppliers along the value chain that otherwise often emerge in many firm-level or industry-level policy interventions.

Policy Objectives

1. Business incentives and support measures for national and international companies revised to reflect efficiency, coherence and improve competitiveness in expanding investment.
2. The role of BELTRAIDE as a supplier of specialised services for MSME’s expanded and reinforced.
3. A new generation of business incentives and support measures to support “push” investments and expansion into emerging sectors and new markets developed.

Policy Recommendations

- **Revise the existing business incentive structure to ensure that the benefits whether economic or social are positive and they support the overall growth strategy.** The recommended approach to structuring of incentives should not necessarily be about an election between local investment and foreign investment, but rather about being able to connect both of them through regional and global value chains. **Consider a focus on developing durable clusters of industries with value chains beyond the ports and borders of Belize.**

⁵⁰ These activities may include lobbying, supply-chain development, market and technology intelligence, incubator services, attraction of foreign direct investment, joint access to external markets (trade missions, joint participation in trade shows), people & talent development, joint R&D projects and access to external specialised knowledge, marketing activities, common purchase of raw materials, setting technical standards and quality certifications, etc

- **Make sure that policies and incentives for international versus local investors only differ if there is a strong public policy business case.** Related to this, **Carefully assess multi-year tax holidays to drive investment in order to determine the actual economic benefit and return to the country.**
- **Continue existing efforts to review existing business incentives⁵¹, encompassing the overall review of incentives proposed.**
- **Enlarge the scope of existing business incentives to support national companies, particularly MSMEs in new areas** related to supporting access to specialized advice and knowledge, digitization, attraction of specialized personnel, R&D/innovation activities, export promotion and green investments, basically with an aim to push investments into diversification and value-added products and services, new markets and into economic and business resilience.
- **Support the interconnection of national and international investors via global value chains** and exploiting and stepping into the evolving knowledge and green economies.

In respect of specific areas of incentives to be addressed the following is recommended.

- **Simplify and digitize the application, reporting and monitoring processes for Designated Processing Areas (DPAs) designation,** this is to reduce time for a definitive response. Consider the introduction of an online system that allows for digital payments, reporting, and submission of applications to reduce the turnaround time.
- In the case of Free Zones, **expand the current retail focus and embrace more complex value chains that extend beyond Belize's borders.** Consider opportunities for entertainment, assembly, processing and re-export along with necessary infrastructure and security upgrades to facilitate agile cross border movement of goods and people.

- **Update the Qualified Retirement Program,** including the development of a major public information campaign to apprise Belizeans of the benefits of providing retirees with opportunities to live and invest in Belize. Also, redefine the potential for quality and experienced retired human resource to contribute to national development. Carry out a proactive marketing effort directed at the specific retiree profiles and sectors so identified.
- **Develop a revised and comprehensive suite of fiscal incentives for green investment,** including among others support for renewable energy, energy efficiency, e-transport, sustainable water supply, waste reduction and reuse and environmental conservation projects. Special consideration could be given to encouraging green financing through fiscal incentives for bonds, project lending, venture capital and consumer credit for green appliance and equipment purchase and use.

Sector Policy Recommendations

- **Facilitate to companies the access to specialised ad-hoc technical expertise and consultancy, particularly** in remote areas and **in some key priority sectors.** In this regard, it is also highly recommended to **alleviate the existing barriers for attracting short-term foreign technical expertise to Belize as well as facilitate financial support for hiring these highly specialised consultants.**
- **Facilitate to companies of priority sectors the access to particularly critical raw materials and equipment not available in the country,** eliminating as much as possible existing access barriers, particularly trade barriers
- **Develop a national industrial and cluster policy with carbon neutrality around existing key priority sectors/subsectors within the Belizean economy** and aimed at fostering economic growth and income generation.

⁵¹ The Fiscal Incentive Act and the Designated Processing Areas Act of 2018 are currently under review by the IPCU in conjunction with Beltraide. The focus of these amendments is to bring current legislation in line with WTO and to stimulate investment (FDI and local), trade and development.

- **Establish consultative technical sector investment committees** made up of relevant private and public sector's agents to enhance the investment climate affecting key priority sectors and to promote investment opportunities in these key priority sectors.

4.8 ENCOURAGE THE DEVELOPMENT OF A SKILL SUPPLY ADAPTED TO THE NEEDS OF NATIONAL AND INTERNATIONAL INVESTORS

Policy Goal

Encourage the development of a skilled and flexible human resource base to underpin Belize's investment and economic development opportunities.

Policy Considerations

The availability of a skilled and flexible human resource base is one of the key elements positively influencing a country's enabling environment for investment and economic development. This is consonant with the National Development Framework for Belize 2010-2030 which defines education for development and for life resilience as two of its key pillars. Unfortunately, Belize currently lacks sufficient technical and specialised skills which is reflected in the limited supply of skilled workers and technicians.

A recent publication by the Belize Chamber of Commerce & Industry identifies important technical skill gaps in the country in some selected sectors, including the Agriculture and ICT sectors⁵². This skill gap is also noted in a recent study carried out on behalf of the Inter-American Development Bank⁵³, which underlines the existing skills mismatch between employers' needs and workers skills, particularly in a range of soft and digital skills that are in

high demand in various sectors, as well as in STEM (science, mathematics, technology, and engineering) skills.

This situation is explained by three main reasons. On the one hand, Belize's Technical and Vocational Education (TVET) system responds to a limited extent to the skill requirements of local industries and companies. In this sense, Belize's TVET system is characterised by insufficient coordination between training providers (particularly the Institute for Technical Vocational Education and Training, ITVET) and enterprises/sectors. This situation results in a problematic mismatch between skill requirements demanded by industries and companies and the existing supply of TVET courses, where training providers are unable to determine accurately what training programmes they should offer to satisfy the skill needs of companies and sectors⁵⁴.

In this respect, there are no systematically conducted industry-specific skill needs assessments to identify the technical, vocational or academic skills required by companies and sector. Also, the business community has limited influence on the type and content of courses and programmes offered by training providers (particularly at the ITVETs). In addition to this, Belize's Technical and Vocational Education (TVET) is also confronted with insufficient funding⁵⁵, which creates difficulties to offer attractive salaries for well qualified teachers or to purchase the teaching/learning materials and equipment required to run their programmes properly.

On the other hand, Belize is not an attractive destination neither for highly skilled international labour nor for national labour studying/working abroad. The existing national framework limits the possibility to bring highly skilled personnel from abroad, unless such personnel are not available in Belize⁵⁶. In which case such

52 Belize Chamber of Commerce & Industry, *Skill Mismatch in the Agriculture and ICT Labor Markets*, 2018 (see <https://www.belize.org/wp-content/uploads/bsk-pdf-manager/2019/11/belize-chamber-of-commerce-skills-gap-2018.pdf>)

53 Näslund-Hadley E et al, *Skills to shape the future: Employability in Belize*, Technical Note n° IDB-TN-01837, Inter-American Development Bank, 2020 (see <https://publications.iadb.org/en/skills-shape-future-employability-belize>)

54 An exception to this is given by the Belize Training and Employment Centre (BTEC), a unit of BELTRAIDE specialised in the provision of industry demand driven training programmes for adults to increase their employability by improving their soft and industry-specific skills. Examples of sectors for which BTEC has conducted training activities include the business process outsourcing (BPO), tourism, home health-care, and professional development services industries

55 ITVETs do not receive any financial contributions from the private sector, exception made of taxes paid.

56 For instance, the DPA Act and the Free Zones Act specifically state that up to 15% of the workforce can be foreign and it must be for skilled labor or management.

exemptions are always at the discretion of the immigration department. There are also no specific support measures for national and international investors to attract highly skilled foreigners when these skills are not readily available in country. The existing tax barriers, local labour laws, time consuming work permit processes and language barriers all militate against hiring needed foreign expertise. In addition, little attention is paid to the “diaspora” workforce often possessing of critical development skills that is studying or working abroad,

Last but not least, Belize does not have any public support schemes to alleviate the costs of training activities for companies and/or employees. This situation adds an additional difficulty to have a sufficient supply of skilled labour in the country, specially having in mind some of the main existing barriers to training (high costs of training activities, risk of personnel being “poached” by competitors, etc).

Policy Objectives

1. A tripartite consultation mechanisms to better identify labour market needs and training needs of the workforce, adapted to sector needs, is set up.
2. Upgrade the quality of the supply of TVET courses for young people
3. The existing supply of Adult and Continuing Education programs for adults is increased, both quantitatively and qualitatively.
4. Public support mechanisms for adults and companies to engage in training activities are developed and operationalised.
5. Development of a comprehensive policy to attract highly skilled human resources to locate to Belize, including the improvement of immigration policies/procedures in regards to application for work permits

Policy recommendations

- **Develop tripartite coordinating mechanisms** (Government, private sector, worker representatives) to **identify/assess existing sector skill needs/gaps**, preferably at sectoral level
- **Increase the financial resources available for the Belizean TVET system** (and particularly for the Institute for Technical Vocational Education and Training (ITVET)) via **the introduction of a compulsory levy on companies to be solely devoted to the funding of the TVET system.**
- **Develop a Skilled Talent Diaspora program to incentivise the return of national talents** abroad and deemed to be particularly

necessary thru a carefully developed set of incentives, concessions and exemptions, and including the elaboration of an updated database of nationals studying/working abroad

- **Review the current GOB policy to limit the presence of foreign highly-skilled workers**, basically with the aim to facilitate their hiring and recruitment by local and international companies, and including simplified and faster application processes and decisions.
- **Develop a public support program to attract international staff interested in working and/or teaching in Belize** (train the trainers), including the development of an Employment Database/Portal for international staff.
- Develop an ad-hoc **program for fostering the attraction of highly skilled international digital nomads to Belize to work.**
- Develop a fair and transparent **scholarship program for outstanding national students to complement relevant University/Technical studies abroad**
- Develop a fair and transparent set **of financial/tax incentives for individuals interested in further education and training activities**, with a focus on particularly disadvantaged groups

Sector Policy Recommendations:

- **Formalise the intervention of the private sector when developing the TVET curriculum and the existing supply of TVETs courses**, particularly in specialized technical areas within key priority sectors.
- **Develop** a fair and transparent set of **financial/tax incentives for those companies in priority sectors who want to invest in the further training/skill development of their employees.**
- **Increase the existing supply of Adult and Continuing Education courses for adults** across the country and **in areas and priority sectors** previously identified and deemed as critical for the country (particularly ICT-related skills)

4.9 DEVELOPMENT OF INFRASTRUCTURE AND INTERNAL LOGISTICS

Policy Goal

Develop a high quality national infrastructure in water, energy, communications, transport and logistics that supports the effective and efficient use of natural and human resources, the expansion of internal trade and commerce, the promotion of social cohesion and, finally, the reduction of the cost of export and imports.

Policy Considerations

Given the geographic displacement of population, port and productive centres in Belize, goods, services and people must be moved over significant distances in the course of normal economic activity. In this respect, a well-developed and resourced national infrastructure sector is critical to productive efficiency and social cohesion. Much of this infrastructure particularly in the coastal areas is highly vulnerable to climatic events. Poor siting and continued expansion of major infrastructure developments in flood prone areas/environmentally sensitive areas are of concern. The lack of efficient and resilient infrastructure as one of the major obstacles to investment growth is reflected in both public and private sector survey responses. Also, Belize has set goals of reducing its climate vulnerability and improving national energy efficiency as part of its national greening initiatives in support of more robust economic growth. The road, port and electricity infrastructure have been singled out as a challenge for investors generally and in expanding the main productive sectors of agriculture and tourism as explained in the following sections.

- The agriculture production is largely in the hinterland. There and particularly in the South of the country, the lack of highways and electricity infrastructure increases the logistics costs of imports and exports of agro production.
- The main entry and exit points for trade flows are the Ports of Belize City and Big Creek Port. These and the other ports have critical bottlenecks in terms of ship turnaround times and documentation processing relative to other regional ports. According to the Doing Business report, the estimated cost for exporting a container from Belize is higher than that of the

Latin America and Caribbean and OECD averages (respectively, \$1,355; \$1,299; and \$1,080). Another disadvantage suffered by all Belizean ports is the existence of the coral barrier reef which limits the berthing of the larger cruise and Panamax ships⁵⁷. At the land border crossings there are similar challenges of limited cargo throughput, complex freight document processes and a lack of bilateral trade agreements which would facilitate the seamless transit of cargo in both directions. Without improvements at these borders, expansion of commerce into the Central American neighbours will remain underdeveloped.

- Increasingly the tourism product is being diversified beyond sun, sea and the coast to culture and adventure tourism located in the interior regions. The movement of production inputs, transfer of tourists and support staff to these areas are key to sustainable operations. The emphasis on overnight stays demands expansion in accommodation and by extension energy and water infrastructure which is currently lacking.
- Electricity and energy are major input costs for many investments and particularly the hotel sector. Firm-level data (ES 2011) reveal that 36.4 percent of enterprises identify electricity as a significant constraint. The relatively high cost of power and lack of service is associated with the fluctuations in global energy prices and increased capital and operations and maintenance costs of delivering electricity across to the very dispersed consumer base. This is exacerbated when most generation output is provided by imported fuels.
- Belize is one of the few CARICOM countries with significant renewable energy stock and production. That notwithstanding there is still a lack of specific policies and national legislation to encourage and promote the use of green technology in private and public projects. This results in under investments in renewable energy sources like biofuels and solar power generation and in energy-efficient construction and retrofitting of public and private infrastructure and building stock. This under investment is particularly egregious when the energy used in both transport and electricity is largely provided by imported fossil fuel which must be paid for with scarce foreign exchange reserves.

- The budgetary constraint of the GoB implies that many of the critical infrastructure investments needed cannot be carried out in the short to medium term. The limited private investments in infrastructure as in the ports for example co-exist without a clear framework for private-public partnerships and transparent and agile rules and regulations for planning, treatment of the environment, land assets and profits among others. Many investors relent under these slow, unclear, outdated and unresponsive government procedures and requirements.
 - Green infrastructure has several wins for Belize. It has the land area to comfortably develop any number of renewable energy sources. These resources can be located away from the coastline contributing to climate resilience and development of the hinterland. The energy generated locally reduces the use of foreign exchange and creates additional employment and supports service industries. More resilient green infrastructure involves the use of less energy, focuses on waste reduction and recycling. This is emerging area globally. A critical challenge for Belize in taking advantage of such a synergistic confluence of benefits is the lack of competence and knowledge in green infrastructure by national investors and public sector.
 - From a pure sector-related perspective, Belize is characterised by important deficiencies in some critical sector-related infrastructures, including laboratories for performing specific testing and quality analysis, refrigeration facilities, turnkey buildings built to required sectoral specifications, etc). Related to this, and despite improvements over the years, Internet connections are still characterised by relatively high prices and instable connections.
5. “Green” project development in energy, transport and water facilitated through a better dissemination of potential benefits and creation of incentives.
 6. The internal transport sector Improved and modernized to facilitate timely and efficient movement of the labour force and provision of tourism related services. Efficient and well-regulated bus and internal air services are established.
 7. The existing road transport network upgraded to support hinterland production, social cohesion and efficient public passenger transport.
 8. Reliable and efficient public transport system for passengers particularly for inter-city journeys and within Belize City developed.
 9. Use of energy-efficient vehicles and sustainable local fuels expanded across the national vehicle stock and standards to improve safety, efficiency and productivity established and implemented.
 10. PPP approaches to facilitate key national green and infrastructure projects adopted and implemented.

Policy Recommendations

Policy Objectives

1. Efficiency of port operations improved, and port facilities and multi-modal logistics services expanded.
 2. Cargo documentation process streamlined in accordance with latest international norms.
 3. Existing port capacity expanded in terms of draught and berths
 4. PUC policies and laws revised to allow growth of private Investment especially in transport and sustainable energy generation via a strengthened utility regulation capability.
- **Improve the efficiency of cargo documentation processes to reduce shipping costs and support the increased volumes of cargo expected.** The current implementation of a digital system of cargo management should be finalised and customs procedures revised to reflect the primacy placed on reduced process times, easy calculation and payment of taxes and duties and facilitating expansion of commerce and investment.
 - **Continue with expansion of the physical port facilities at Belize City and Big Creek** providing for increased access to the Central hinterland regions, reduced cost of exports and significant increases in cruise ship arrivals. These expansions should take into consideration building climate resilience and managing environmental impacts such that development is balanced with preservation of Belize’s natural endowments.
 - **Fully develop the logistics connectors between the ports, airports, urban and productive hinterland areas,** in line with the slew of key logistics connectors roads and highways to be built and upgraded as identified in the Comprehensive National Transport Master plan.

- **Develop a reliable and efficient public transport system for passengers particularly for inter-city journeys and within Belize City.** In this sense, the passenger transport initiatives led by EDC should be continued to ensure a modern passenger-friendly bus service with appropriate operator licensing system, route rationalization, central and digital ticketing facilities. The technical and regulatory framework for this service should be underpinned by a Transportation Planning Unit at the MOT, who would be in charge of revising policy and legislation to address public transport sector management.
- **Reshape Belize's energy profile – to make it greener!** In essence Belize should continue to implement its Energy Policy⁵⁸, aggressively **expanding the percentage of renewable energy in its energy mix while reducing imports of fossil fuels.** The current use of biomass, hydro and solar in electricity generation should be expanded and alternative fuels and electric vehicles for motor transport introduced. The use of distributed generation models where small micro-producers and residential customers can supply excess energy to the grid under net-metering arrangements continues to be successful in the Region. For dispersed communities such arrangements can strengthen network resilience and lower the cost of delivered power. The expansion of energy efficiency can generate even more immediate relief by reducing wasteful energy use and avoid costly new generation plant⁵⁹. A vigorous public education campaign together with fiscal incentives for retrofitting of existing buildings, promulgation of green energy-efficient building codes, and support for the BEL sponsored roof-top solar distributed generation model can significantly alter the impact of high energy costs.
- **Implement a Circular Economy approach to the Belizean economy.** This would include the reduction and reuse of “waste” especially in the agriculture and tourism sectors, the efficient treatment and supply of potable and wastewater and the conservation of the environment

to temper the impact of costly climatic events. Other specific Green activities and actions to be implemented include conversion of transport rolling stock away from petrol to electric vehicles (EVs), encouraging the use of mass transport and, finally, reduction of unnecessary journeys by facilitating conduct of business online rather than in-person.

- **Transform the PUC to equip it with human and financial resources to proactively monitor the operations of bus concessionaires, energy, water, port, airport and communication concessions granted by the State⁶⁰.** Further develop the ongoing EDC's activities in respect of internal bus passenger transport rationalization of the bus concession system. This initiative could be expanded to include port facilities, possible toll highway and renewable energy generation concessions.
- **Reinforce the institutional strengthening of the existing environmental review and enforcement process,** so that the domains of prescription and regulation are separated and the entities that are charged with processing applications and creating the Environmental Impact Assessments and Environmental Compliance Plans are not responsible for regulating the same. **Support the creation of data banks to provide approving and regulatory entities with current and relevant data when analysing policies and evaluating project proposals.**
- **Foster a closer collaboration between public and private capital and expertise to solve public budget and technical constraints and therefore accelerate critical infrastructure investments needed.** This collaboration calls for a public-private partnership (PPS) framework that is transparent, enshrined in legislation and allows for a greater consultation with and acknowledgement of the important role of the private sector in generating economic growth. Other areas of action include the adoption of competitive tender rules, enactment of procurement legislation, increased public/civil society scrutiny of projects through public consultations to help

58 Belize National Energy Policy Framework

59 The Energy Sector in Belize | Publications (iadb.org)

60 The strategic shift from state funded utilities to joint and entirely private sector financed and operated utilities will require a new framework to protect not only the private investments but critically the rights and quality of service delivered to the consumers. Regulation and operational oversight are essential to avoid situations of monopoly, exploitation and allow a forum for redress by users of the services provided

reduce the perception of alienation in respect of GoB initiatives and, finally, the implementation of procedures for private sector design, finance, construction and operation of facilities where appropriate.

- **Develop a national framework to guide infrastructure development across the country**, including an annual masterplan to outline project location and details of the size, budget and the expected social, economic, cultural, and environmental goals expected on completion. In this sense, implement a careful selection and prioritization process for the main infrastructure developments⁶¹.

Sector Policy Recommendations

- Develop critical sector-related infrastructures for key priority sectors, particularly those related to services needed for export (laboratories, certification centres, training centres, etc).
- Develop more stable Internet connections, particularly for rural areas, and introduce special industrial rates for internet and electricity for some highly Internet/electricity intensive sectors (Business Process Outsourcing companies, manufacturing companies, etc).

4.10 FOSTERING OF ECONOMIC DIPLOMACY

Policy Goal

Strengthen Belize's economic diplomacy to promote its integration into the regional and global economy and contribute to the positioning of Belize as a preferential investment destination in the region for international companies and investors.

Policy Considerations

In the current international context, economic diplomacy is one of the main instruments of a country's external action and a political priority in

the service of economic growth and the improvement of Belize's image. Belize's active participation in the regional and multilateral trade landscape, and the ability to attract investment from other countries, depends in part on the effective implementation of its economic diplomacy policy. In this regard, there are a number of elements that limit the promotion of Belize's economic interests abroad:

- Although Belize has signed Multilateral, Regional and Bilateral Trade Agreements, through which potential market access is expanded, market penetration remains low, and there are significant imbalances at the trade balance level with major markets except CARICOM. For example, trade with SICA has been minimal despite the region's proximity, due to numerous factors, such as limited or no preferential market access, inability to meet market requirements, and cumbersome customs and border requirements that operate as technical barriers to trade. Therefore, important trade and investment opportunities with some specific countries are not yet fully exploited.
- Belize has signed few Double Taxation Treaties (DTAs) and Tax Information Exchange Agreements (TIEAs). Now that territorial tax has been replaced by taxation of worldwide income a network of tax treaties would allow for easier administration of foreign tax credits in areas of potential double taxation.
- Belize has also signed few Bilateral Investment Treaties, although it has also signed several Treaties as part of CARICOM with different investment provisions (TIPs).
- Belize has 13 Embassies abroad, in addition to 60 Consulates and a Permanent Mission to the United Nations and a Permanent Delegation to UNESCO, which should be Belize's gateway abroad. However, there are no Offices specifically dedicated to the economic and commercial activity of the diplomatic corps abroad, and there is a general passive approach

⁶¹ For prioritization purposes, frameworks such as the World Bank's Unified Framework on Public Investment Management (PIM) offer a reference of a system for guiding the investment process. In this regard work already done by the IDB-CLADS study could be used as a blueprint

to economic diplomacy⁶². There is no proactive approach to identifying interesting target markets and establishing contact to foster trade and investment relations with them.

- Belize has a weak national branding and marketing strategy to attract potential investors to the country in comparison to other particularly successful Central American countries. Belize's marketable assets or strong points like political stability, local cultural and natural resources, language, stable currency, etc. are not yet extensively known abroad. In addition, there are a limited number of Belize "brands" in the international markets (with some well-known exceptions such as Marie Sharp's) that may contribute to increasing the international exposure. It is necessary to enhance efforts to promote and market Belize and its investment opportunities amongst potential foreign investors.
- Belizean products and sectors are relatively unknown international, which render difficult their visibility in international markets

Policy Objectives

1. Better exploitation of trade and investment opportunities arising from existing signed treaties and development of new agreements with other trade partners.
 - Revision/development of existing /new Bilateral Trade Agreements in order to maximize export potential particularly in relation to Central America
 - Revision/development of existing/new Investment Treaties signed/to be signed by the Government of Belize with third countries
 - Revision/development of existing/new Tax Treaties signed/to be signed by the Government of Belize with third countries
2. Development of sensitization activities among Belizean diplomats and embassies abroad so that they have a more proactive approach to attracting investment.

3. Development of a National Branding of Belize to foster the international image of Belize

Policy recommendations

- Evaluate the economic and political implications of existing trade and investment agreements and identify areas for improvement to maximize the potential trade and investment benefits. CARICOM has negotiated five bilateral trade agreements to take advantage of larger markets in the Latin American and Caribbean region. For these agreements, it will be necessary to review and identify areas for improvement in collaboration with CARICOM.
- Belize should fully exploit the possible benefits from an enlarged market access to different key markets by virtue of its trade agreements. In this sense, Belize should reinforce its trade linkages with Central American markets due to their close geographical distance and comparatively low export volumes. To this end the bilateral agreement with Mexico should be concluded and PSA agreement Guatemala should be expanded to foster trade in the formal markets primarily for the productive sector. Moreover, the establishment of trade agreements with countries close to Belize and especially with contiguous borders, would allow exporters to access closer markets by land and thus eliminate the logistical difficulties that comparatively speaking exporting to CARICOM presents.
- Expand the network of Double Taxation Agreements (DTAs) and Tax Information Exchange Agreements (TIEAs) with those countries that are potential issuers of investments in Belize, in order to increase levels of tax security for foreign investors. Also, the recent exclusion in 2019 of Belize from the European Union list of non-cooperative Tax Jurisdictions, could benefit investment and trade flows. These actions need to be disseminated amongst the foreign investor community, together with the main strengths and opportunities of Belize for investors, basically with the idea of attracting new FDI to Belize. The support of the Belize Foreign Network (embassies, consulates and missions abroad) is essential

⁶² BELTRAIDE is currently developing some training activities/materials to train and sensitize Belizean diplomats about the existing and potential investment priorities of Belize.

to enhance foreign trade relations and to position Belize to attract foreign investment. In this regard, Belize's embassies and missions abroad should play a fundamental role in the internationalization of Belizean companies and in attracting investment and positioning Belize as an investment destination, given their knowledge of the political, economic and commercial reality of Belize, as well as of the country in which they are accredited. Therefore, it is proposed to create a framework for the development of an economic diplomacy programme focused on maximizing the presence of commercial technicians in embassies, consulates and missions in target markets by using them to reach out to potential investors. Also, it is suggested to continue the activities initiated by BELTRAIDE to train and sensitize Belizean diplomats about the existing and potential investment priorities of Belize.

- Related to the previous point, design and implement an awareness campaign among Belizean diplomatic personnel abroad on the active role they should play in attracting priority investments. To this end, the development of support material to be disseminated among diplomatic

personnel and training activities aimed at interacting with potential investors is proposed.

- Develop and implement a market intelligence system that provides adequate information to select priority markets for investment attraction. This information will be key when designing more focused and data-driven investment attraction promotion actions.

Sector policy recommendations

- Develop a national brand for Belize, and particularly for some key priority sectors (e.g. agricultural products, Tourist products, etc)

4.11 KEY POLICY PILLARS, GOALS AND RECOMMENDATIONS OVERVIEW

The following is an outline of the key Policy Pillars addressed by the policy as well as the policy goals that underpins the Policy and the specific recommendations of the Policy.

Pillar 1 - Development of an integrated national strategy for promoting Investment

Policy Goal Align the various investment promotion initiatives into one coherent national effort with well-articulated linkages with the various sector strategies and policies with the active participation of the relevant government ministries and agencies, private sector, labour and civil society to deliver equitable and growth-oriented investments.

Recommendations:

- Develop a strong central entity chaired at the highest decision-making level with the power to compel rational cooperation among State agencies
- Set up "one investment window" that coordinates and oversees all aspects of the investment process from idea to aftercare and impact evaluation.
- Foster a well-documented and disseminated process of investment facilitation to raise increased participation of public/private stakeholders.
- Final list of key priority sectors that would receive a special attention from public support
- Encourage a more proactive data driven approach to "push" investments in new areas, encouraging diversification of existing product and service offerings and developing an innovation eco-system.

<p>Pillar 2 - Delivery of Government Services, Ethical Government, e-Government</p>	<p>Policy Goal: Bring the Government closer to national and international investors through major improvements in the delivery of Government services related to government applications and approvals/permits.</p>
<p>Recommendations:</p> <ul style="list-style-type: none"> • Develop and implement customer service standards and service level agreements • Foster the exchange and sharing of information and data amongst different Ministries and public agencies • Develop fast track procedures for key investment projects • Update and implement the National E-Government Policy, Strategy and Work Plan (2015-2018) as well as the so-called “E-Governance” reform • Include the availability of online payments for public services • Reinforce institutional strengthening of the different Ministries and public agencies, particularly at local level • Develop an ad-hoc desk/focal point within the Government to monitor the complaints of investors when interacting with the Belize public administration • Consider a whistle-blower policy for reporting inappropriate behavior • Introduce changes in the functioning of key Review Committees (NEAC, LUA. etc) not to halt the progression of applications 	
<p>Pillar 3 - Delivery of financial services for investment, access to finance for investment</p>	<p>Policy Goal: Facilitate access to investment financing on appropriate terms and foster the development of a more efficient and investor-friendly financial system for both investors, particularly domestic ones.</p>
<p>Recommendations:</p> <ul style="list-style-type: none"> • Creation of an official credit bureau that will provide reliable and timely information for credit risk decision making • Implement a registry of secured transactions and collaterals to facilitate the use of movable property as collateral • Strengthen the relations of the Development Finance Corporation and the National Bank with potential bilateral donors and with multilateral organizations and development banks • Relax banking requirements for simple financial procedures (in line with international standards) • Define a plan for the implementation of measures to allow easier access to USD or foreign currencies • Define a system that allows for greater acceptance by financial institutions of neighbouring countries’ and CARICOM members’ currencies • Develop a capital market to mobilize investment • Expand the provision of financial services through innovative Fintech solutions • Develop the supply of services offered by insurance companies • Develop a national network of business angels • Foster the development of venture capital companies aimed at financing start-ups and small businesses 	

Pillar 4 - Reform of the Taxation system for sustaining private investment

Policy Goal:

To strengthen the Taxation system to better support the national investment strategy and initiatives whilst promoting equity, transparency, and efficiency in its administration.

Recommendations:

- Implement the already identified tax reforms and streamline the current tax operations
- Develop reform within BTS with staff that is adequately qualified and that receives continuing education and training
- Simplify the tax layers, including a review of the BT and CIT and stamp duty regimes
- Land tax
 - Develop an integrated, coherent and fair approach to taxing land and buildings across both business and corporate income tax regimes
- Income tax
 - Review of the income tax regime to determine whether the current tax structure is the most suitable structure for promoting both local and international investment.
 - Implement an international standard CIT for all taxpayers but especially for international companies.
 - Reintroduce the CIT by applying CIT to businesses whose gross receipts exceed a certain threshold.
 - Reconcile the Business Tax and Corporate Income Tax regimes.
- Business tax
 - Create a national CIT/BT task force to assess IMF technical review recommendations completed in June 2020.
 - Introduce reforms to improve neutrality in different treatments of income, i.e. dividends, interest and capital gains as compared to CIT
 - Implement Income Tax for Larger companies and retain the Business Tax, which is easy to administer, for smaller companies.
 - Analyse the discrepancy between the different rates of business tax levied on different types of business and whether the rates are justifiable should be analysed.
 - Review rates on passive income with a mind to become more attractive for investors.
 - Eliminate Economic and Juridical double taxation.
- General Sales Tax (GST):
 - Simplify the process, eliminate distinction between zero rated and exempt supplies, allow for quick and easy return of GST credits due
 - Reduction of Registration Requirements, and monthly revision of tax reports to ensure Refunds are paid in a timely manner, for International Investors
 - Develop an on-line system where companies can register and pay their GST online
 - Reduce the number of zero-rated items, since this can help raise revenues efficiently and zero-rated goods for social policy objectives are poorly targeted at low-income residents.
 - Ease GST registration requirements to support new businesses allowing start-ups to carry forward unused credits to be used once taxable sales are over the threshold.
 - Bring the GST threshold more in line vs its peer group.
- Other specific sector/activity related taxes:
 - Amend the current regulations and broaden the GST tax base to encompass all goods and services supplied to tourists in Belize
 - Reduce the rate of taxes on payments made to non-residents especially in cases where the services cannot be provided in Belize.
 - Review the foreign exchange regime with a view to eliminating unnecessary hurdles to investment.

<p>Pillar 5 - Revision of the existing regulatory framework and Judicial System to make it more investment friendly</p>	<p>Policy Goal: Strengthen the rule of law, enhancing and developing the national regulatory frameworks to foster national and international investment as well as a dynamic and well-functioning business sector.</p>
<p>Recommendations:</p> <ul style="list-style-type: none"> • Modernise existing legislation in Belize to better protect national and international investors • Develop new legislation in some key areas for investors (mergers and acquisitions (M&As), competition issues, ICT adoption and usage in the public service, ...) • Fully automatize the Court system • Further develop Alternative Dispute Resolution (ADR) mechanisms • Revise and update existing sector related regulations and all regulations affecting the ease of doing business indicators 	
<p>Pillar 6 - Reform of the business incentives framework</p>	<p>Policy Goal: Offer a suite of business incentives that are coherent, transparent and efficient and which serve to underpin Belize's investment and economic development opportunities.</p>
<p>Recommendations</p> <ul style="list-style-type: none"> • Revise the existing business incentive structure to ensure that the benefits whether economic or social are positive and they support the overall growth strategy. • Make sure that policies and incentives for international versus local investors only differ if there is a strong public policy business case. • Continue existing efforts to review existing business incentives, encompassing the overall review of incentives proposed. • Enlarge the scope of existing business incentives to support national companies, particularly MSMEs • Support the interconnection of national and international investors via global value chains and stepping into the evolving knowledge and green economies. • Simplify the application process for Designated Processing Areas (DPAs) designation • Expand the current retail focus of Free Zones, and embrace more complex value chains that extend beyond Belize's borders. • Revamp the Qualified Retirement Program • Develop a revised and comprehensive suite of fiscal incentives for green investment • Facilitate to companies the access to specialized ad-hoc technical expertise and consultancy • Facilitate to companies of priority sectors the access to particularly critical raw materials and equipment • Develop a national industrial and cluster policy with carbon neutrality around existing priority sectors • Establish consultative technical sector investment committees 	

Pillar 7 - Encourage the development of a skill supply adapted to the needs of national and international investors

Policy Goal: Encourage the development of a skilled and flexible human resource base to underpin Belize's investment and economic development opportunities.

Recommendations

- Develop tripartite coordinating mechanisms (Government, private sector, worker representatives) to identify/assess existing sector skill needs/gaps
- Increase the financial resources available for the Belizean TVET system
- Develop a Skilled Talent Diaspora program to incentivize the return of national talents
- Review the current GOB policy to limit the presence of foreign highly-skilled workers
- Develop a public support program to attract international staff interested in working and/or teaching in Belize
- Develop an ad-hoc program for fostering the attraction of highly skilled international digital nomads to Belize to work.
- Develop a scholarship program for outstanding national students to complement relevant University/Technical studies abroad
- Develop a set of financial/tax incentives for individuals interested in further education and training activities, with a focus on particularly disadvantaged groups
- Formalize the intervention of the private sector when developing the TVET curriculum and the existing supply of TVETs courses
- Develop a set of financial/tax incentives for those companies in priority sectors who want to invest in the further training/skill development of their employees
- Increase the existing supply of Adult and Continuing Education courses for adults

Pillar 8 - Development of infrastructure and internal logistics

Policy Goal: Develop a high level national infrastructure (water, energy, communications, transport and logistics) that may help supporting the effective and efficient use of natural and human resources, the expansion of internal trade and commerce, the promotion of social cohesion and, finally, the reduction of the cost of export and imports.

Recommendations

- Improve the efficiency of cargo documentation processes to reduce shipping costs and support the increased volumes of cargo expected.
- Continue with expansion of the physical port facilities at Belize City, Big Creek and Magical Belize
- Fully develop the logistics connectors between the ports, airports, urban and productive hinterland areas
- Develop a reliable and efficient public transport system for passengers particularly for inter-city journeys and within Belize City
- Reshape Belize's energy profile – to make it greener
- Implement a Circular Economy approach to the Belizean economy
- Transform the PUC to equip it with human and financial resources to proactively monitor the operations of bus concessionaires, energy, water, port, airport and communication concessions granted by the State
- Reinforce the institutional strengthening of the existing environmental review and enforcement process
- Foster a closer collaboration between public and private capital and expertise to solve public budget and technical constraints and therefore accelerate critical infrastructure investments needed
- Develop a national framework to guide infrastructure development across the country
- Develop critical sector-related infrastructures for key priority sectors
- Improve internet connections and introduce special industrial rates for internet and electricity

Pillar 9 - Fostering of Economic Diplomacy	Policy Goal: Strengthen Belize's economic diplomacy to promote its integration into the regional and global economy and contribute to the positioning of Belize as a preferential investment destination in the region for international companies and investors.
<p>Recommendations</p> <ul style="list-style-type: none">• Evaluate the economic and political implications of existing trade and investment agreements and identify areas of needed improvement• Conclude bilateral agreement with Mexico, expand Guatemala PSA agreement and establish other trade agreements with countries close to Belize• Expand the network of Double Taxation Agreements (DTAs) and Tax Information Exchange Agreements (TIEAs)• Develop an ad-hoc program focused on maximizing the presence of commercial technicians in embassies, consulates and missions in target markets• Design and implement an awareness campaign among Belizean diplomatic personnel abroad on their active role in attracting priority investments• Develop and implement a market intelligence system that provides adequate information to select new priority markets and to identify and promote new priority sectors for the development of policy and initiatives for economic growth for investment attraction• Develop a national brand for Belize, and particularly for some key ad-hoc sectors (agricultural, tourism, etc).	

5.

**ACTION
PLAN**

5.1 ACTION FRAMEWORK OF THE BELIZE NIPS

For each Key Policy Issue there is an Action Framework to guide the implementation of the NIPS. The tasks proposed will be implemented by the proposed specific Implementation Team as noted above.

Pillar 1 – Development of an integrated national strategy for promoting Investment		Policy Goal: Align the various investment promotion initiatives into one coherent national effort with well-articulated linkages with the various sector strategies and policies through the active participation of the relevant government ministries and agencies, private sector, labour and civil society to deliver equitable and growth-oriented investments.
Tasks	Indicators	Implementation Team
1.1 Develop a strong central entity chaired at the highest decision-making level with the power to compel rational cooperation among State agencies	<ul style="list-style-type: none"> Central entity (with the power to compel cooperation among State agencies in the field of investment implemented and operating 	<ul style="list-style-type: none"> Ministry of Finance, Economic Development & Investment Ministry of Foreign Affairs, Foreign Trade & Immigration Ministry of Tourism & Diaspora Relations BELTRAIDE Economic Development Council (EDC) Others as appropriate
1.2 Set up “one investment window” that coordinates and oversees all aspects of the investment process from idea to aftercare and impact evaluation.	<ul style="list-style-type: none"> “One investment window” implemented and operating Nº of investment projects attended by the “investment window” 	
1.3 Foster a well-documented and disseminated process of investment facilitation to raise increased participation of public/private stakeholders.	<ul style="list-style-type: none"> Investment facilitation process defined Nº of educational and informational campaigns developed 	
1.4 Final list of key priority sectors that would receive a special attention from public support	<ul style="list-style-type: none"> List of key priority sectors 	
1.5 Encourage a more proactive data driven approach to “push” investments in new areas, encouraging diversification of existing product and service offerings and developing an innovation eco-system.	<ul style="list-style-type: none"> Nº of new areas for investment Nº of programs implemented and directly aimed at developing an innovation eco-system Business cases or pre-feasibility of areas of investment opportunities 	

Pillar 2 – Delivery of Government Services, Ethical Government, e-Government		Policy Goal: Bring the Government closer to national and international investors through major improvements in the delivery of Government services related to government applications and approvals/permits.
Tasks	Indicators	Implementation Team
2.1 Develop and implement customer service standards and service level agreements	<ul style="list-style-type: none"> • Customer service standards and service level agreements endorsed by competent Ministries and public agencies • A coordinating body created and operating to revise/simplify/streamline existing administrative procedures • Monitor turnaround time of processes, permits, and licenses especially those identified in the ease of doing business report • Monitor policy and regulatory changes affecting cost and turnaround time in the ease of doing business report indicators 	<ul style="list-style-type: none"> • Ministry of Finance, Economic Development & Investment • Ministry of Foreign Affairs, Foreign Trade & Immigration • Ministry of Public Service, Constitutional & Political Reform • Ministry of Rural Transformation, Community Development, Labour & Local Government • Ministry of Youth, Sports & E-Governance • BELTRAIDE • Economic Development Council (EDC) • Others as appropriate.
2.2 Foster the exchange and sharing of information and data amongst different Ministries and public agencies	<ul style="list-style-type: none"> • A database repository of information on investors created 	
2.3 Develop fast track procedures for key investment projects	<ul style="list-style-type: none"> • An investment front desk at BELTRAIDE operating as an effective hub for investors 	
2.4 Update and implement the National E-Government Policy, Strategy and Work Plan (2015-2018) as well as the so-called "E-Governance" reform	<ul style="list-style-type: none"> • N° of e-government practices and online application systems for government procedures implemented 	
2.5 Include the availability of online payments for public services	<ul style="list-style-type: none"> • N° of online payments for public services enabled 	
2.6 Reinforce institutional strengthening of the different Ministries and public agencies, particularly at local level	<ul style="list-style-type: none"> • N° of civil servants trained on both technical knowledge as well as soft skills 	

Pillar 2 – Delivery of Government Services, Ethical Government, e-Government		Policy Goal: Bring the Government closer to national and international investors through major improvements in the delivery of Government services related to government applications and approvals/permits.
Tasks	Indicators	Implementation Team
2.7 Develop an ad-hoc desk/focal point within the Government to monitor the complaints of investors when interacting with the Belize public administration	Ad hoc operational office/focal point within the government to service investors in their interactions with the Belize public administration.	<ul style="list-style-type: none"> • Ministry of Finance, Economic Development & Investment • Ministry of Foreign Affairs, Foreign Trade & Immigration • Ministry of Public Service, Constitutional & Political Reform • Ministry of Rural Transformation, Community Development, Labour & Local Government • Ministry of Youth, Sports & E-Governance • BELTRAIDE • Economic Development Council (EDC) • Others as appropriate.
2.8 Consider a whistle-blower policy for reporting inappropriate behavior	Whistle-blower legislation enacted	
2.9 Introduce changes in the functioning of key Review Committees (NEAC, LUA. etc) not to halt the progression of applications	N° of changes introduced in the functioning of key Review Committees	

Pillar 3 – Delivery of financial services for investment, access to finance for investment		Policy Goal: Facilitate access to investment financing on appropriate terms and foster the development of a more efficient and investor-friendly financial system for both investors, particularly domestic ones.
Tasks	Indicators	Implementation Team
3.1 Creation of an official credit bureau that will provide reliable and timely information for credit risk decision making	<ul style="list-style-type: none"> • Credit Reporting System Bill enacted • Official credit bureau implemented and operating 	<ul style="list-style-type: none"> • Ministry of Finance, Economic Development & Investment • BELTRAIDE • Central Bank of Belize; • Economic Development Council (EDC) • Development Finance Corporation • Representatives of financial institutions (Bankers Association of Belize / The Caribbean Association of Banks, Inc.) • Representatives of insurance companies • Others as appropriate.
3.2 Implement a registry of secured transactions and collaterals to facilitate the use of movable property as collateral	<ul style="list-style-type: none"> • A Secured Transactions and Collateral Registry implemented and operating 	
3.3 Strengthen the relations of the Development Finance Corporation and the National Bank with potential bilateral donors and with multilateral organizations and development banks	<ul style="list-style-type: none"> • N° of entities (bilateral and multilateral) contacted 	

Pillar 3 – Delivery of financial services for investment, access to finance for investment

Policy Goal: Facilitate access to investment financing on appropriate terms and foster the development of a more efficient and investor-friendly financial system for both investors, particularly domestic ones.

Tasks	Indicators	Implementation Team
3.4 Relax banking requirements for simple financial procedures (in line with international standards)	<ul style="list-style-type: none"> • Time to complete simple banking procedures 	<ul style="list-style-type: none"> • Ministry of Finance, Economic Development & Investment • BELTRAIDE • Central Bank of Belize; • Economic Development Council (EDC) • Development Finance Corporation • Representatives of financial institutions (Bankers Association of Belize / The Caribbean Association of Banks, Inc.) • Representatives of insurance companies • Others as appropriate.
3.5 Define a plan for the implementation of measures to allow easier access to USD or foreign currencies	<ul style="list-style-type: none"> • Plan to facilitate access to the U.S. dollar or foreign currencies approved 	
3.6 Define a system that allows for greater acceptance by financial institutions of neighbouring countries' and CARICOM members' currencies	<ul style="list-style-type: none"> • System for greater acceptance of currencies approved and implemented by financial institutions 	
3.7 Develop a capital market to mobilize investment	<ul style="list-style-type: none"> • Capital Markets Act enacted • Capital Market Regulator established 	
3.8 Expand the provision of financial services through innovative Fintech solutions	<ul style="list-style-type: none"> • N° of innovative Fintech solutions enabled 	
3.9 Develop the supply of services offered by insurance companies	<ul style="list-style-type: none"> • N° of specific sectoral products offered by insurance companies 	
3.10 Develop a national network of business angels	<ul style="list-style-type: none"> • A National Network of business angels created and operating • N° of business angels registered in the National Network 	
3.11 Foster the development of venture capital companies aimed at financing start-ups and small businesses	<ul style="list-style-type: none"> • N° of venture capital companies established and operating • N° of start-ups and companies financed by venture capital 	

Pillar 4 – Reform of the Taxation system for sustaining private investment		Policy Goal: To strengthen the Taxation system to better support the national investment strategy and initiatives whilst promoting equity, transparency, and efficiency in its administration.
Tasks	Indicators	Implementation Team
4.1 Implement the already identified tax reforms and streamline the current tax operations in a timely manner to reflect support of and concurrence with broad national development policy, strategy and goals.	<ul style="list-style-type: none"> N° of tax reforms implemented 	<ul style="list-style-type: none"> Ministry of Finance, Economic Development & Investment BELTRAIDE Belize Tax Services (BTS) Central Bank of Belize; Economic Development Council (EDC) Others as appropriate.
4.2 Develop reform within BTS with staff that is adequately qualified and that receives continuing education and training	<ul style="list-style-type: none"> N° of BTS' officers trained Time to pay tax refunds (days/weeks/months) 	
4.3 Simplify the tax layers, including a review of the Business Tax (BT), Corporate Income Tax (CIT) and stamp duty regimes	<ul style="list-style-type: none"> Business Tax (BT) regime revised Corporate Income Tax (CIT) regime revised Stamp duty regime revised 	
4.4 Develop an integrated, coherent and fair approach to taxing land and buildings across both business and corporate income tax regimes.	<ul style="list-style-type: none"> GST on immovable property revised 	
4.5 Review the Income Tax regime	<ul style="list-style-type: none"> Income Tax regime revised 	
4.5.1 Implement an international standard Corporate Income Tax (CIT) for all taxpayers	<ul style="list-style-type: none"> An international standard Corporate Income Tax (CIT) enabled 	
4.5.2 Reintroduce the CIT by applying CIT to businesses whose gross receipts exceed a certain threshold.	<ul style="list-style-type: none"> Threshold (value) CIT / BT 	

Pillar 4 – Reform of the Taxation system for sustaining private investment

Policy Goal: To strengthen the Taxation system to better support the national investment strategy and initiatives whilst promoting equity, transparency, and efficiency in its administration.

Tasks	Indicators	Implementation Team
4.5.3 Reconcile the Business Tax and Corporate Income Tax regimes / Implement Income Tax for Larger companies and retain the Business Tax which is easy to administer for smaller companies.	<ul style="list-style-type: none"> • Business Tax (BT) regime revised • Corporate Income Tax (CIT) regime revised 	<ul style="list-style-type: none"> • Ministry of Finance, Economic Development & Investment • BELTRAIDE • Belize Tax Services (BTS) • Central Bank of Belize; • Economic Development Council (EDC) • Others as appropriate.
4.6 Review Business Tax regime	<ul style="list-style-type: none"> • Corporate Income Tax (CIT) / Business Tax (BT) regimes revised 	
4.6.1 Create a national CIT/BT task force to assess IMF technical review recommendations completed in June 2020.	<ul style="list-style-type: none"> • CIT/BT task force created and operating • N° of officers integrated in CIT/BT task force 	
4.6.2 Introduce reforms to reduce the discrepancies in tax treatment of income, i.e. dividends, interest and capital gains as compared to CIT	<ul style="list-style-type: none"> • N° of reforms implemented to reduce the discrepancies in tax treatment of income 	
4.6.3 Analyse the discrepancy between the different rates of business tax levied on different types of business and whether the rates are justifiable.	<ul style="list-style-type: none"> • N° of different rates of business tax 	
4.6.4 Review the tax rates on passive income to make it more attractive for investors. Eliminate Economic and Juridical double taxation.	<ul style="list-style-type: none"> • Tax rates on passive income revised • N° of double taxation agreements 	
4.7 Review General Sales Tax (GST)	<ul style="list-style-type: none"> • General Sales Tax (GST) revised 	
4.7.1 Simplify the General Sales Tax (GST) process	<ul style="list-style-type: none"> • Time to return of GST credits due (days/weeks/ months) 	

Pillar 4 – Reform of the Taxation system for sustaining private investment		Policy Goal: To strengthen the Taxation system to better support the national investment strategy and initiatives whilst promoting equity, transparency, and efficiency in its administration.
Tasks	Indicators	Implementation Team
4.7.2 Reduction of Registration Requirements, and implement monthly revision of tax reports to ensure Refunds are paid in a timely manner, for International Investors	<ul style="list-style-type: none"> • N° of GST Registration steps • Monthly revision system for tax reports implemented 	<ul style="list-style-type: none"> • Ministry of Finance, Economic Development & Investment • BELTRAIDE • Belize Tax Services (BTS) • Central Bank of Belize; • Economic Development Council (EDC) • Others as appropriate.
4.7.3 Develop an on-line system where companies can register and pay their GST online	<ul style="list-style-type: none"> • GST on-line system implemented and operating 	
4.7.4 Reduce the number of zero-rated items, since this can help raise revenues efficiently. Zero rated goods for social policy objectives are often poorly targeted and may have little impact on low-income residents.	<ul style="list-style-type: none"> • N° of GST zero-rated items 	
4.7.5 Ease GST registration requirements to support new businesses by allowing start-ups to carry forward unused credits to be used once taxable sales are over the threshold.	<ul style="list-style-type: none"> • N° of new businesses that carry forward unused credits to be used once taxable sales are over the threshold. 	
4.7.6 Increase the GST threshold. A high threshold eases the burden of compliance and administrations for taxpayers and tax administration.	<ul style="list-style-type: none"> • GST threshold 	
4.7.7 Amend the current regulations and broaden the GST tax base to encompass all goods and services supplied to tourists in Belize	<ul style="list-style-type: none"> • N° of good and services supplied to tourists taxed with GST 	
4.8 Reduce the rate of taxes on payments made to non-residents.	<ul style="list-style-type: none"> • GST tax rates (%) on payments made to non-residents. 	
4.9 Review the foreign exchange regime with a view to eliminating unnecessary hurdles to investment.	<ul style="list-style-type: none"> • Foreign exchange regime revised 	

Pillar 5 – Revision of the existing regulatory framework and Judicial System to make it more investment friendly Delivery of financial services for investment, access to finance for investment

Policy Goal: Strengthen the rule of law, enhancing and developing the national regulatory frameworks to foster national and international investment as well as a dynamic and well-functioning business sector.

Tasks	Indicators	Implementation Team
5.1 Modernise existing legislation in Belize to better protect national and international investors	<ul style="list-style-type: none"> N° of Acts related to investors protection updated 	<ul style="list-style-type: none"> Ministry of Finance, Economic Development & Investment Attorney General's Ministry
5.2 Develop new legislation in some key areas for investors (mergers and acquisitions (M&As), competition issues, ICT adoption and usage in the public service, ...)	<ul style="list-style-type: none"> N° of Acts in key areas for investors enacted 	<ul style="list-style-type: none"> Ministry of Public Service, Constitutional & Political Reform BELTRAIDE Economic Development Council (EDC) Others as appropriate
5.3 Fully automatize the Court system	<ul style="list-style-type: none"> Dedicated electronic platforms within the competent courts enabled 	
5.4 Further develop Alternative Dispute Resolution (ADR) mechanisms	<ul style="list-style-type: none"> N° of Alternative Dispute Resolution (ADR) mechanisms enabled 	
5.5 Revise and update existing sector related regulations and all regulations affecting the ease of doing business indicators	<ul style="list-style-type: none"> N° of sectoral Acts updated Revised programs and laws to improve ease of doing business indicators 	

Pillar 6 – Reform of the business incentives framework

Policy Goal: Offer a suite of business incentives that are coherent, transparent and efficient and which serve to underpin Belize's investment and economic development opportunities.

Tasks	Indicators	Implementation Team
6.1 Revise the existing business incentive structure to ensure that the benefits whether economic or social are positive and they support the overall growth strategy.	<ul style="list-style-type: none"> Existing business incentive structure revised 	<ul style="list-style-type: none"> Ministry of Finance, Economic Development & Investment Ministry of Foreign Affairs, Foreign Trade & Immigration
6.2 Make sure that policies and incentives for international versus local investors only differ if there is a strong public policy business case.	<ul style="list-style-type: none"> N° of incentives whose conditions differ for international vs. domestic investors. 	<ul style="list-style-type: none"> BELTRAIDE Central Bank of Belize; Economic Development Council (EDC) Development Finance Corporation Others as appropriate

Pillar 6 – Reform of the business incentives framework		Policy Goal: Offer a suite of business incentives that are coherent, transparent and efficient and which serve to underpin Belize’s investment and economic development opportunities.	
Tasks	Indicators	Implementation Team	
6.3 Continue existing efforts to review existing business incentives, encompassing the overall review of incentives proposed.	<ul style="list-style-type: none"> Periodic system for the review of existing incentives established. 	<ul style="list-style-type: none"> Ministry of Finance, Economic Development & Investment Ministry of Foreign Affairs, Foreign Trade & Immigration BELTRAIDE Central Bank of Belize; Economic Development Council (EDC) Development Finance Corporation Others as appropriate 	
6.4 Enlarge the scope of existing business incentives to support national companies, particularly MSMEs	<ul style="list-style-type: none"> Nº of existing business incentives focused on supporting national MSMEs 		
6.5 Support the interconnection of national and international investors via global value chains and exploiting and stepping into the evolving knowledge and green economies.	<ul style="list-style-type: none"> Nº of programs implemented and directly aimed at fostering the interconnection of national and international investors via global value chains Nº of programs implemented and directly aimed at exploiting and stepping into the evolving knowledge and green economies. 		
6.6 Simplify the application process for Designated Processing Areas (DPAs) designation	<ul style="list-style-type: none"> Time to complete the application process for DPAs 		
6.7 Expand the current retail focus of Free Zones, and embrace more complex value chains that extend beyond Belize’s borders.	<ul style="list-style-type: none"> Inventory of main activities of companies located in free trade zones Program aimed at attracting companies in complex global chains to free zones 		
6.8 Revamp the Qualified Retirement Program	<ul style="list-style-type: none"> Qualified Retirement Program revamped Nº of public information and marketing campaigns developed. 		
6.9 Develop a revised and comprehensive suite of fiscal incentives for green investment	<ul style="list-style-type: none"> Nº of incentives for green investment developed 		
6.10 Facilitate to companies the access to specialized ad-hoc technical expertise and consultancy	<ul style="list-style-type: none"> Nº of programs implemented and directly aimed at facilitating access to specialized technical expertise and consultancy Nº of companies supported with access to specialized technical expertise 		

Pillar 6 – Reform of the business incentives framework		Policy Goal: Offer a suite of business incentives that are coherent, transparent and efficient and which serve to underpin Belize’s investment and economic development opportunities.
Tasks	Indicators	Implementation Team
6.11 Facilitate to companies of priority sectors the access to particularly critical raw materials and equipment	• N° of beneficiary companies	• Ministry of Finance, Economic Development & Investment • Ministry of Foreign Affairs, Foreign Trade & Immigration
6.12 Develop a national industrial and cluster policy with carbon neutrality around existing priority sectors	• Cluster Policy Act enacted	• BELTRAIDE • Central Bank of Belize;
6.13 Establish consultative technical sector investment committees	• N° of consultative technical sector investment committees created and active	• Economic Development Council (EDC) • Development Finance Corporation • Others as appropriate

Pillar 7 – Encourage the development of a skill supply adapted to the needs of national and international investors		Policy Goal: Encourage the development of a skilled and flexible human resource base to underpin Belize’s investment and economic development opportunities.
Tasks	Indicators	Implementation Team
7.1 Develop tripartite coordinating mechanisms (Government, private sector, worker representatives) to identify/assess existing sector skill needs/gaps	• Tripartite coordinating mechanism established	• Ministry of Finance, Economic Development & Investment • Ministry of Foreign Affairs, Foreign Trade & Immigration
7.2 Increase the financial resources available for the Belizean TVET system	• Financial resources for Technical Vocational Education and Training (TVET) system	• Ministry of Education, Culture, Science & Technology • BELTRAIDE
7.3 Develop a Skilled Talent Diaspora program to incentivize the return of national talents	• N° of national talents returned	• Economic Development Council (EDC) • Others as appropriate
7.4 Review the current GOB policy to limit the presence of foreign highly-skilled workers	• N° of foreign highly-skilled workers	

Pillar 7 – Encourage the development of a skill supply adapted to the needs of national and international investors Policy Goal: Encourage the development of a skilled and flexible human resource base to underpin Belize’s investment and economic development opportunities.

Tasks	Indicators	Implementation Team
7.5 Develop a public support program to attract international staff interested in working and/or teaching in Belize	<ul style="list-style-type: none"> N° of international workers 	<ul style="list-style-type: none"> Ministry of Finance, Economic Development & Investment Ministry of Foreign Affairs, Foreign Trade & Immigration
7.6 Develop an ad-hoc program for fostering the attraction of highly skilled international digital nomads to Belize to work.	<ul style="list-style-type: none"> N° of highly skilled international digital nomads 	<ul style="list-style-type: none"> Ministry of Education, Culture, Science & Technology BELTRAIDE Economic Development Council (EDC) Others as appropriate
7.7 Develop a scholarship program for outstanding national students to complement relevant University/Technical studies abroad	<ul style="list-style-type: none"> N° of scholarships awarded to complement relevant University/Technical studies abroad 	<ul style="list-style-type: none"> Others as appropriate
7.8 Develop a set of financial/tax incentives for individuals interested in further education and training activities, with a focus on particularly disadvantaged groups	<ul style="list-style-type: none"> N° of financial/tax incentives enabled for individuals interested in further education and training activities 	
7.9 Formalize the intervention of the private sector when developing the TVET curriculum and the existing supply of TVETs courses	<ul style="list-style-type: none"> Private sector intervention mechanism formalized and operating 	
7.10 Develop a set of financial/tax incentives for those companies in priority sectors who want to invest in the further training/skill development of their employees	<ul style="list-style-type: none"> N° of financial/tax incentives enabled to invest in training/skill of employees 	
7.11 Increase the existing supply of Adult and Continuing Education courses for adults	<ul style="list-style-type: none"> N° of courses offered N° of attendees to the offered courses 	

Pillar 8 – Development of infrastructure and internal logistics

Policy Goal: Develop a high quality national infrastructure in water, energy, communications, transport and logistics that supports the effective and efficient use of natural and human resources, the expansion of internal trade and commerce, the promotion of social cohesion and, finally, the reduction of the cost of export and imports.

Tasks	Indicators	Implementation Team
8.1 Improve the efficiency of cargo documentation processes to reduce shipping costs and support the increased volumes of cargo expected.	<ul style="list-style-type: none"> • Time to comply with cargo documentation process and customs procedures • Cost (USD) to comply with customs procedures 	<ul style="list-style-type: none"> • Ministry of Finance, Economic Development & Investment • Ministry of Public Utilities, Energy and Logistics • Ministry of Infrastructure Development & Housing • Ministry of Sustainable Development, Climate Change & Disaster Risk Management • BELTRAIDE • Economic Development Council (EDC) • Representatives of key priority sectors • Others as appropriate
8.2 Continue with expansion of the physical port facilities at Belize City, Big Creek and Magical Belize	<ul style="list-style-type: none"> • N° of physical port facility expansion projects developed 	
8.3 Fully develop the logistics connectors between the ports, airports, urban and productive hinterland areas	<ul style="list-style-type: none"> • N° of key logistics connectors developed 	
8.4 Develop a reliable and efficient public transport system for passengers particularly for inter-city journeys and within Belize City	<ul style="list-style-type: none"> • N° of operator licensing (public transport for passengers) • N° of routes operating (public transport for passengers) 	
8.5 Reshape Belize's energy profile – to make it greener	<ul style="list-style-type: none"> • % of renewable energy in Belize's energy mix • Imports (volume) of fossil fuels 	
8.6 Implement a Circular Economy approach to the Belizean economy	<ul style="list-style-type: none"> • A National Circular Economy Strategy defined • % of reduction of waste • % of reuse of waste 	
8.7 Transform the PUC to equip it with human and financial resources to proactively monitor the operations of bus concessionaires, energy, water, port, airport and communication concessions granted by the State	<ul style="list-style-type: none"> • Human resources made available to the CUP • Financial resources made available to the CUP 	

Pillar 8 – Development of infrastructure and internal logistics		Policy Goal: Develop a high quality national infrastructure in water, energy, communications, transport and logistics that supports the effective and efficient use of natural and human resources, the expansion of internal trade and commerce, the promotion of social cohesion and, finally, the reduction of the cost of export and imports.
Tasks	Indicators	Implementation Team
8.8 Reinforce the institutional strengthening of the existing environmental review and enforcement process	<ul style="list-style-type: none"> • A data bank created to provide approving and regulatory entities with current and relevant data when analysing policies and evaluating project proposals. 	<ul style="list-style-type: none"> • Ministry of Finance, Economic Development & Investment • Ministry of Public Utilities, Energy and Logistics • Ministry of Infrastructure Development & Housing • Ministry of Sustainable Development, Climate Change & Disaster Risk Management • BELTRAIDE • Economic Development Council (EDC) • Representatives of key priority sectors • Others as appropriate
8.9 Foster a closer collaboration between public and private capital and expertise to solve public budget and technical constraints and therefore accelerate critical infrastructure investments needed	<ul style="list-style-type: none"> • A Public-Private Partnership (PPP) Program to accelerate needed critical infrastructure investments defined • Procurement legislation enacted 	
8.10 Develop a national framework to guide infrastructure development across the country	<ul style="list-style-type: none"> • National Infrastructure Framework developed • National Infrastructure Masterplan (annual) developed 	
8.11 Develop critical sector-related infrastructures for key priority sectors	<ul style="list-style-type: none"> • N° of key sector-related infrastructures developed 	
8.12 Improve internet connections and introduce special industrial rates for internet and electricity	<ul style="list-style-type: none"> • N° of business with broadband access (per maximum download speed) • Price of electricity for business (per kWh) • Average cost of broadband for business (per month / per gigabyte) 	

Pillar 9 – Fostering of Economic Diplomacy

Policy Goal: Strengthen Belize's economic diplomacy to promote its integration into the regional and global economy and contribute to the positioning of Belize as a preferential investment destination in the region for international companies and investors.

Tasks	Indicators	Implementation Team
9.1 Evaluate the economic and political implications of existing trade and investment agreements and identify areas of needed improvement	<ul style="list-style-type: none"> N° of existing trade and investment agreements reviewed N° of areas for improvement identified 	<ul style="list-style-type: none"> Ministry of Finance, Economic Development & Investment Ministry of Foreign Affairs, Foreign Trade & Immigration
9.2 Conclude bilateral agreement with Mexico, expand Guatemala PSA agreement and establish other trade agreements with countries close to Belize	<ul style="list-style-type: none"> Bilateral agreement with Mexico concluded Guatemala PSA agreement expanded N° of negotiations initiated to establish new trade agreements with countries close to Belize 	<ul style="list-style-type: none"> Ministry of Tourism & Diaspora Relations BELTRAIDE Economic Development Council (EDC) Representatives of key priority sectors Others as appropriate
9.3 Expand the network of Double Taxation Agreements (DTAs) and Tax Information Exchange Agreements (TIEAs)	<ul style="list-style-type: none"> N° of Double Taxation Agreements (DTAs) N° of Tax Information Exchange Agreements (TIEAs) 	
9.4 Develop an ad-hoc program focused on maximizing the presence of commercial technicians in embassies, consulates and missions in target markets	<ul style="list-style-type: none"> N° of commercial technicians in embassies, consulates and missions abroad N° of Belizean diplomats trained about investment priorities of Belize. 	
9.5 Design and implement an awareness campaign among Belizean diplomatic personnel abroad on their active role in attracting priority investments	<ul style="list-style-type: none"> Support material developed to be disseminated among diplomatic personnel 	
9.6 Develop and implement a market intelligence system that provides adequate information to select new priority markets and to identify and promote new priority sectors for the development of policy and initiatives for economic growth for investment attraction	<ul style="list-style-type: none"> A market intelligence system implemented and operating Business cases or pre feasibilities prepared for a proactive investment promotion 	
9.7 Develop a national brand for Belize, and particularly for some key ad-hoc sectors (agricultural, tourism, etc)	<ul style="list-style-type: none"> A national brand document developed (for some key ad-hoc sectors) 	

5.2 TIME FRAME: PRIORITIZATION IN THE OPERATIVE EXECUTION OF ACTIONS DETAILED IN THE BELIZE NIPS

Pilar 1 - Development of an integrated national strategy for promoting Investment																						
N°	Tasks	2022				2023				2024				2025				2026				Priority (H / M / L)
		T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	
1.1	Develop a strong central entity chaired at the highest decision-making level with the power to compel rational cooperation among State agencies																					H
1.2	Set up “one investment window” that coordinates and oversees all aspects of the investment process from idea to aftercare and impact evaluation ⁶³																					H
1.3	Foster a well-documented and disseminated process of investment facilitation to raise increased participation of public/private stakeholders.																					M
1.4	Final list of key priority sectors that would receive a special attention from public support																					H
1.5	Encourage a more proactive data driven approach to “push” investments in new areas, encouraging diversification of existing product and service offerings and developing an innovation eco-system																					M

⁶³ This work may be captured under a component of an IDB Project currently being developed (Trade Investment and Facilitation Program)

Pilar 2 - Delivery of Government Services, Ethical Government, e-Government

N°	Tasks	2022				2023				2024				2025				2026				Priority (H / M / L)
		T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	
2.1	Develop and implement customer service standards and service level agreements																					H
2.2	Foster the exchange and sharing of information and data amongst different Ministries and public agencies																					M
2.3	Develop fast track procedures for key investment projects																					H
2.4	Update and implement the National E-Government Policy, Strategy and Work Plan (2015-2018) as well as the so-called "E-Governance" reform																					H
2.5	Include the availability of online payments for public services																					H
2.6	Reinforce institutional strengthening of the different Ministries and public agencies, particularly at local level																					M
2.7	Develop an ad-hoc desk/focal point within the Government to monitor the complaints of investors when interacting with the Belize public administration																					M
2.8	Consider a whistle-blower policy for reporting inappropriate behavior																					L
2.9	Introduce changes in the functioning of key Review Committees (NEAC, LUA. etc) not to halt the progression of applications																					M

Pilar 3 - Delivery of financial services for investment, access to finance for investment																						
N°	Tasks	2022				2023				2024				2025				2026				Priority (H / M / L)
		T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	
3.1	Creation of an official credit bureau that will provide reliable and timely information for credit risk decision making																					H
3.2	Implement a registry of secured transactions and collaterals to facilitate the use of movable property as collateral																					H
3.3	Strengthen the relations of the Development Finance Corporation and the National Bank with potential bilateral donors and with multilateral organizations and development banks																					M
3.4	Relax banking requirements for simple financial procedures (in line with international standards)																					L
3.5	Define a plan for the implementation of measures to allow easier access to USD or foreign currencies																					H
3.6	Define a system that allows for greater acceptance by financial institutions of neighboring countries' and CARICOM members' currencies																					M
3.7	Develop a capital market to mobilize investment																					M
3.8	Expand the provision of financial services through innovative Fintech solutions																					M
3.9	Develop the supply of services offered by insurance companies																					H
3.10	Develop a national network of business angels																					M
3.11	Foster the development of venture capital companies aimed at financing start-ups and small businesses																					M

Pilar 4 - Reform of the Taxation system for sustaining private investment

N°	Tasks	2022				2023				2024				2025				2026				Priority (H / M / L)
		T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	
4.1	Implement the already identified tax reforms and streamline the current tax operations in a timely manner to reflect support of and concurrence with broad national development policy, strategy and goals.																					H
4.2	Develop reform within BTS with staff that is adequately qualified and that receives continuing education and training																					M
4.3	Simplify the tax layers, including a review of the Business Tax (BT), Corporate Income Tax (CIT) and stamp duty regimes																					H
4.4	Develop an integrated, coherent and fair approach to taxing land and buildings across both business and corporate income tax regimes.																					H
4.5	Review the Corporate Income Tax regime																					H
4.5.1	Implement an international standard Corporate Income Tax (CIT) for all taxpayers																					
4.5.2	Reintroduce the CIT by applying CIT to businesses whose gross receipts exceed a certain threshold.																					
4.5.3	Reconcile the Business Tax and Corporate Income Tax regimes / Implement Income Tax for Larger companies and retain the Business Tax which is easy to administer for smaller companies.																					
4.6	Review Business Tax regime																					H
4.6.1	Create a national CIT/BT task force to assess IMF technical review recommendations completed in June 2020.																					

Pilar 6 - Reform of the business incentives framework																						
N°	Tasks	2022				2023				2024				2025				2026				Priority (H / M / L)
		T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	
6.1	Revise the existing business incentive structure to ensure that the benefits whether economic or social are positive and they support the overall growth strategy.																					H
6.2	Make sure that policies and incentives for international versus local investors only differ if there is a strong public policy business case.																					H
6.3	Continue existing efforts to review existing business incentives, encompassing the overall review of incentives proposed.																					H
6.4	Enlarge the scope of existing business incentives to support national companies, particularly MSMEs																					M
6.5	Support the interconnection of national and international investors via global value chains and exploiting and stepping into the evolving knowledge and green economies.																					M
6.6	Simplify the application process for Designated Processing Areas (DPAs) designation																					M
6.7	Expand the current retail focus of Free Zones, and embrace more complex value chains that extend beyond Belize's borders.																					H
6.8	Revamp the Qualified Retirement Program																					L
6.9	Develop a revised and comprehensive suite of fiscal incentives for green investment																					M
6.10	Facilitate to companies the access to specialized ad-hoc technical expertise and consultancy																					M

Pilar 6 - Reform of the business incentives framework

N°	Tasks	2022				2023				2024				2025				2026				Priority (H / M / L)
		T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	
6.11	Facilitate to companies of priority sectors the access to particularly critical raw materials and equipment																					L
6.12	Develop a national industrial and cluster policy with carbon neutrality around existing priority sectors																					M
6.13	Establish consultative technical sector investment committees																					H

Pilar 7 - Encourage the development of a skill supply adapted to the needs of national and international investors

N°	Tasks	2022				2023				2024				2025				2026				Priority (H / M / L)
		T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	
7.1	Develop tripartite coordinating mechanisms (Government, private sector, worker representatives) to identify/assess existing sector skill needs/gaps																					H
7.2	Increase the financial resources available for the Belizean TVET system																					M
7.3	Develop a Skilled Talent Diaspora program to incentivize the return of national talents																					M
7.4	Review the current GOB policy to limit the presence of foreign highly-skilled workers																					H
7.5	Develop a public support program to attract international staff interested in working and/or teaching in Belize																					M
7.6	Develop an ad-hoc program for fostering the attraction of highly skilled international digital nomads to Belize to work.																					L

Pilar 7 - Encourage the development of a skill supply adapted to the needs of national and international investors

N°	Tasks	2022				2023				2024				2025				2026				Priority (H / M / L)
		T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	
7.7	Develop a scholarship program for outstanding national students to complement relevant University/Technical studies abroad																					M
7.8	Develop a set of financial/tax incentives for individuals interested in further education and training activities, with a focus on particularly disadvantaged groups																					L
7.9	Formalize the intervention of the private sector when developing the TVET curriculum and the existing supply of TVETs courses																					M
7.10	Develop a set of financial/tax incentives for those companies in priority sectors who want to invest in the further training/skill development of their employees																					H
7.11	Increase the existing supply of Adult and Continuing Education courses for adults																					M

Pilar 8 - Development of infrastructure and internal logistics

N°	Tasks	2022				2023				2024				2025				2026				Priority (H / M / L)
		T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	
8.1	Improve the efficiency of cargo documentation processes to reduce shipping costs and support the increased volumes of cargo expected.																					M
8.2	Continue with expansion of the physical port facilities at Belize City, Big Creek and Magical Belize																					L

Pilar 8 - Development of infrastructure and internal logistics																						
N°	Tasks	2022				2023				2024				2025				2026				Priority (H / M / L)
		T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	
8.3	Fully develop the logistics connectors between the ports, airports, urban and productive hinterland areas																					H
8.4	Develop a reliable and efficient public transport system for passengers particularly for inter-city journeys and within Belize City																					L
8.5	Reshape Belize's energy profile – to make it greener																					M
8.6	Implement a Circular Economy approach to the Belizean economy																					L
8.7	Transform the PUC to equip it with human and financial resources to proactively monitor the operations of bus concessionaires, energy, water, port, airport and communication concessions granted by the State																					L
8.8	Reinforce the institutional strengthening of the existing environmental review and enforcement process																					H
8.9	Foster a closer collaboration between public and private capital and expertise to solve public budget and technical constraints and therefore accelerate critical infrastructure investments needed																					H
8.10	Develop a national framework to guide infrastructure development across the country																					H
8.11	Develop critical sector-related infrastructures for key priority sectors																					H
8.12	Improve internet connections and introduce special industrial rates for internet and electricity																					H

Pilar 9 - Fostering of Economic Diplomacy																						
N°	Tasks	2022				2023				2024				2025				2026				Priority (H / M / L)
		T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	T1	T2	T3	T4	
9.1	Evaluate the economic and political implications of existing trade and investment agreements and identify areas of needed improvement																					H
9.2	Conclude bilateral agreement with Mexico, expand Guatemala PSA agreement and establish other trade agreements with countries close to Belize																					H
9.3	Expand the network of Double Taxation Agreements (DTAs) and Tax Information Exchange Agreements (TIEAs)																					H
9.4	Develop an ad-hoc programme focused on maximizing the presence of commercial technicians in embassies, consulates and missions in target markets																					L
9.5	Design and implement an awareness campaign among Belizean diplomatic personnel abroad on their active role in attracting priority investments																					L
9.6	Develop and implement a market intelligence system that provides adequate information to select priority markets for investment attraction.																					M
9.7	Develop a national brand for Belize, and particularly for some key ad-hoc sectors (agricultural, tourism, etc)																					M

6.

**RESOURCE
PLAN**

6.1 ESTIMATED BUDGET

The estimated budget⁶⁴ for the implementation plan is presented next.

Policy Pillars	Policy Goal per Pillar	Estimated budget (US\$)
Policy Pillar 1-Development of an integrated national strategy for promoting Investment	Align the various investment promotion initiatives into one coherent national effort with well-articulated linkages with the various sector strategies and policies through the active participation of the relevant government ministries and agencies, private sector, labour and civil society to deliver equitable and growth-oriented investments.	\$150,000
Policy Pillar 2- Delivery of Government Services, Ethical Government, e-Government	Bring the Government closer to national and international investors through major improvements in the delivery of Government services related to government applications and approvals/permits	\$1,400,000
Policy Pillar 3- Delivery of financial services for investment, access to finance for investment	Facilitate access to investment financing on appropriate terms and foster the development of a more efficient and investor-friendly financial system for both investors, particularly domestic ones.	\$800,000
Policy Pillar 4- Reform of the Taxation system for sustaining private investment	To strengthen the Taxation system to better support the national investment strategy and initiatives whilst promoting equity, transparency, and efficiency in its administration	\$500,000
Policy Pillar 5- Revision of the existing regulatory framework and Judicial System to make it more investment friendly	Strengthen the rule of law, enhancing and developing the national regulatory frameworks to foster national and international investment as well as a dynamic and well-functioning business sector	\$1,700,000
Policy Pillar 6- Encourage the development of a skill supply adapted to the needs of national and international investors	Encourage the development of a skilled and flexible human resource base to underpin Belize's investment and economic development opportunities	\$250,000

Source: own elaboration by the consultants

⁶⁴ This estimated budget does not include the ongoing budgeted costs for Belizean personnel or operations currently. This estimated budget is only for additional knowledge products, required to be developed by external consultancy service providers (for example it does not include costs for the Policy Pillar Teams as they are already paid by the GOB, but it will include the expert attorneys who will draft the legislation which Belize will then have to adopt). Capital works like harbors and roads, etc. have been left out as they are not products of the NIPS per se. They have their own budget already dimensioned in the National Infrastructure Plan.

Policy Pillars	Policy Goal per Pillar	Estimated budget (US\$)
Policy Pillar 7- Reform of the business incentives framework	Offer a suite of business incentives that are coherent, transparent and efficient and which serve to underpin Belize's investment and economic development opportunities	\$450,000
Policy Pillar 8- Development of infrastructure and internal logistics	Develop a high-quality national infrastructure in water, energy, communications, transport and logistics that supports the effective and efficient use of natural and human resources, the expansion of internal trade and commerce, the promotion of social cohesion and, finally, the reduction of the cost of export and imports	\$1,650,000
Policy Pillar 9- Fostering of Economic Diplomacy	Strengthen Belize's economic diplomacy to promote its integration into the regional and global economy and contribute to the positioning of Belize as a preferential investment destination in the region for international companies and investors.	\$2,900,000
TOTAL		\$9,800,000

Source: own elaboration by the consultants

Based on the foregoing assignment of resources for each Policy pillar an estimated USD\$9.8 million dollars will be required over the next four years to finance the progressive implementation of the NIPS. This budget is in addition to normal budgetary allocations for the operation of MDAs involved in its execution. These resources could be accessed through a variety of bilateral and multilateral development and financing agencies, some of which are identified in the following section. It should be noted that the budget also does not include for any capital expenditure related to major infrastructure sectors or projects such as the Comprehensive National Transport Master Plan and purely private sector financed initiatives.

6.2 SOURCE OF FINANCE

The full implementation of the NIPS will require considerable technical and managerial support over the next years. Some of the activities will require highly skilled international experts. The following international agencies/institutions have been identified as potential technical and financial resource donors and lenders based on established histories of involvement in the Caribbean and Central American Region. According to the consultants' team, and based on their previous experience on the topic, the international agencies/institutions considered most suitable for supporting the identified outcomes are listed under each pillar.

Pilars	Tentative funding sources
Pilar 1-Development of an integrated national strategy for promoting Investment	<ul style="list-style-type: none"> • Compete Caribbean (CC) • European Union • World Trade Organisation (WTO) • Inter-American Development Bank (IDB)
Pilar 2- Delivery of Government Services, Ethical Government, e-Government	<ul style="list-style-type: none"> • Inter-American Development Bank (IDB) • European Union • UK Department for International Development (DFID) • Compete Caribbean (CC)
Pilar 3- Delivery of financial services for investment, access to finance for investment	<ul style="list-style-type: none"> • Inter-American Development Bank (IDB) • European Union • Caribbean Regional Technical Assistance Centre -IMF (CARTAC)
Pilar 4- Reform of the Taxation system for sustaining private investment	<ul style="list-style-type: none"> • Inter-American Development Bank (IDB) • Economic Commission for Latin American and the Caribbean (ECLAC) • Caribbean Regional Technical Assistance Centre-IMF (CARTAC)
Pilar 5- Revision of the existing regulatory framework and Judicial System to make it more investment friendly	<ul style="list-style-type: none"> • European Union (EU) • United nations (UN) • Inter-American Development Bank (IDB) • Caribbean Regional Technical Assistance Centre-IMF (CARTAC)

Pillars	Tentative funding sources
Pilar 6- Encourage the development of a skill supply adapted to the needs of national and international investors	<ul style="list-style-type: none"> • United States Agency for International Development (USAID) • International Labour Organisation (ILO) • Inter-American Development Bank (IDB) • Compete Caribbean • German International Cooperation Agency (Deutsche Gesellschaft für Internationale Zusammenarbeit) (GIZ) • CARICOM Caribbean Community
Pilar 7- Reform of the business incentives framework	<ul style="list-style-type: none"> • Inter-American Development Bank (IDB) • Compete Caribbean • European Union • Caribbean Regional Technical Assistance Centre-IMF (CARTAC) • Economic Commission for Latin American and the Caribbean (ECLAC)
Pilar 8- Development of infrastructure and internal logistics	<ul style="list-style-type: none"> • Inter-American Development Bank (IDB) • Caribbean Development Bank (CDB) • Caribbean Community Climate Change Centre • European Union • GIZ, German International Cooperation Agency (Deutsche Gesellschaft für Internationale Zusammenarbeit) • Private Sector Financing
Pilar 9- Fostering of Economic Diplomacy	<ul style="list-style-type: none"> • European Union • Economic Commission for Latin American and the Caribbean (ECLAC) • Inter-American Development Bank (IDB) • Central American Community (CAC)

Source: own elaboration by the consultants

7. NATIONAL STRATEGIC MARKETING PLAN

7.1 INTRODUCTION TO THE NATIONAL STRATEGIC MARKETING PLAN

This section discusses the marketing of the main investment opportunities, or the product as defined in marketing theory terms, that Belize currently offers to potential local and foreign investors. These investment opportunities are underpinned by two main assets, namely:

- The intrinsic strengths identified in the SWOT analysis as well as the implementation of the policy actions recommended in this NIPS and presented in chapter 4.
- Secondly the priority sectors and sub-sectors for investment already identified through the various national initiatives such as Horizon 2030 or the Growth and Sustainable Development Strategy (GSDS).

This strategic investment marketing plan is founded on market research and data analysis which identify the opportunities that Belize offers for business development. The development of this marketing plan begins from the product or investment opportunities that Belize has to offer and then goes on to define the competitive landscape and potential target markets for attracting investment to those particular priority sectors. An investment promotion plan is then developed that considers messaging, branding and the options for the delivery of that messaging which would encourage or stimulate interest to invest in Belize. This plan includes the various media and opportunities through which this investment promotion message can be presented to target investors as well as the agents, agencies and actors who can execute the delivery of the message to intended parties.

7.2 MAIN SECTOR INVESTMENT OPPORTUNITIES

The main investment opportunities or the product at its core is the synergistic conjoint of the several intrinsic qualities and characteristics of the nation state of Belize as well as acquired capacities and preferences as determined by the Belizean government and people. The intrinsic characteristics of Belize are presented in the SWOT analysis section presented in this report and wherein

the identified threats and weaknesses have provided the basis for the policy actions proposed in chapter 4 and 5 of this NIPS.

Meanwhile, the defined and acquired capacities and preferences are those deliberate decisions to identify, adopt and implement specific measures and offer specific opportunities to enhance the intrinsic attributes of Belize. These could include determined efforts to change the work culture, day to day operations of essential and discretionary services⁶⁵ and to open and offer investment opportunities in specific sectors to particular groups within the local economy and externally. Several national consultations and efforts⁶⁶ have identified a number of priority sectors in which Belize has comparative advantage. Specifically, these priority sectors can be grouped under six main sectors, this is:

- “Tourism & Leisure”
- “Agriculture, Agribusiness and Agro-processing”
- “Marine fisheries and aquaculture, blue economy”
- “(Light) Manufacturing and Logistics”
- “Sustainable renewable energy, bio-fuels, green infrastructures”.
- “Information Technology and export services”.

Strategically for impact and efficiency, it is customary that marketing strategies focus on key products or areas that could generate the largest investment value or desired activity. A corollary to this approach is the Pareto Principle or 80:20 rule – where marketing efforts focus on the twenty percent of investment sectors and services that account for the largest investment volumes (eighty percent) and the twenty percent of targeted investors that have established most (eighty percent) of the business enterprises. This will help in defining a core set of products and related promotional efforts that will yield the largest return in terms of investment dollars for the cost of the marketing effort. The marketing strategy associated with this NIPS will therefore focus on the three of the six main sectors identified for growth by Belize namely Agriculture, Agribusiness and Agro-processing, Tourism & Leisure and Renewable Energy -Green Economy.

⁶⁵ Essential services are those which only GoB is permitted to provide and which investors must access to enter into or operate in the Belizean market. e.g. permits, licenses, etc.

⁶⁶ See documents such as Horizon 2030, Growth and Sustainable Development Strategy, the Master Plan for Corozal District or the Plan Belize Manifesto

Table 7.1 Main marketing opportunities & target investors and subsector focus for selected priority sectors

Sector	Marketing Opportunities & Target Investors	Sub-Sector Focus
Agriculture, Agribusiness and Agro-processing	<ul style="list-style-type: none"> Regional producers of consumption ready foods, Major agro corporations, food processors, Food distributors with links to chain retailers, Processors of condiments and confectionary Forestry, timber processors, etc. 	<ul style="list-style-type: none"> Value-added processing of main primary products, Forestry, Biomass/ energy production Minor crop expansion, peppers cocoa, coffee, etc. Furniture assembly
Tourism & Leisure	<ul style="list-style-type: none"> Expansion of global hotel and leisure chains Local and regional investment groups Local tour operators Logistics and supply services Pension Fund Managers Canada 	<ul style="list-style-type: none"> Culture tourism Offshore Medical facilities (it requires legislative regulations to aggressively promote medical tourism) Offshore Educational facilities Adventure Tourism.
Green Infrastructure Sustainable Renewable Energy-Biomass, etc.	<ul style="list-style-type: none"> Regional energy and water companies transport and logistics operators Infrastructure investment groups⁶⁷ 	<ul style="list-style-type: none"> Greenfield Solar, Biomass, Biofuel and Hydro Energy EV infrastructure Energy efficiency plant & buildings services Distributed energy production Logistics services, freight, warehousing, etc. Toll roads, water services, IT infrastructure

Source: Own elaboration

These three sectors are chosen based on the following criteria;

- their short-term potential for rapid upscaling,
- significant value addition,
- high contribution to employment and export growth,
- an existing pool of plant and expertise and
- their capacity to support the growth of the other identified priority sectors.

Appropriate infrastructure, affordable energy, transport, logistics and communication are key factor inputs critical to supporting the other five investment areas. The promotion of investment in infrastructure including

energy transition and climate resilience in particular has been determined to be one of the key initiatives to assist developing countries like Belize in recovering from the economic slump caused by the Pandemic⁶⁸.

7.3 MAIN TARGET MARKETS

Investment promotion often involves activities sustained over the medium to long term to reach, attract and retain investors or targets. This is a costly undertaking and therefore accurate targeting of potential markets and targets is key to optimize the use of national resources in attracting investment.

⁶⁷ The category of private and institutional investors that often invests in private infrastructure projects such as power plants, telecommunications, airlines, etc.

⁶⁸ See UNCTAD, World Investment Report 2021, Investing in Sustainable Recovery, New York, 2021

Historically in terms of country sources, FDI in Belize has traditionally been provided by the United States, Guatemala and other Central American countries⁶⁹. Tourism has attracted FDI due to the country's geographical position, pristine environment and the development of ecotourism.

In terms of evolving global FDI trends the area with most potential and applicability to Belize are the sustainability themed funds (STF). The vast majority of these STF funds are located in Europe and to a much lesser extent in the United States. STF's invest in primarily in health, but a significant volume is directed to renewable energy, food and agriculture, and water and sanitation. These sectors reflect a good fit with Belize's priority areas such as climate resilience, eco-focus and green development. STF's should be specifically targeted given that there has been aggressive growth of these sources of finance over the past decade. In summary therefore, it is proposed to focus marketing activities in the following countries/ regions for the three selected priority sectors (see next Table).

Table 7.2 Main marketing opportunities & target investors and subsector focus for selected priority sectors

Target MARKETS	SECTORS		
	Agriculture	Tourism	Infrastructure
USA		Hotels, Medical, Education Tourism	Energy, IT
Pension Funds, Canadian ⁷⁰		Hotels	Energy, IT
Mexico	-	Hotels	Logistics, Transport, IT
U.K.	Food Distribution	-	-

69 Information obtained from <https://santandertrade.com/es/portal/establecerse-extranjero/belize/invertir-3>

70 Canadian Pension funds is an example of a category of institutional investors that often invests globally in private projects such as tourism, hotels, etc., that fall within their "acceptable business ethos". Canada pension funds have significant resources (\$500Bn)

Table 7.2 Main marketing opportunities & target investors and subsector focus for selected priority sectors

Target MARKETS	SECTORS		
	Agriculture	Tourism	Infrastructure
Europe- Sustainability Themed Funds (STF)	Climate-Smart Agriculture	Eco-tourism, Hotels	Sustainable Energy, EV, Water supply, logistics
Multilateral Funding Agencies, e.g., IDB, CDB, World Bank	Climate-Smart Agriculture	Eco-tourism, Hotels	Sustainable Energy, EV, Water supply, logistics
Israel	Climate-Smart Agriculture	-	-
Brazil	-	Hotels	Logistics, Transport
China	-	-	Logistics, Transport
Taiwan	Agriculture		Logistics, Transport
CARICOM	Agriculture, Food Processing & Distribution	Hotels	Logistics

Source: own elaboration

Identification of main competitors

An essential element to consider in designing promotional activities targeted to investors for stimulating investments in Belize, is an appreciation of who else in the marketplace is offering what could be construed as a competing product. Or put another way, what countries have investment opportunities that are similar to Belize and to which investors may invest in as opposed to Belize. As is the case of most products, the consideration of competition is critical to shaping a marketing strategy.

In this sense, the recent evolution of Belize's main country competitors in the Central American and Caribbean region in terms of FDI is presented next, where important differences between them can be appreciated.

Table 7.3 Analysis of FDI in Competitor Countries

Country	FDI Profile	Prime Sectors	Investment Profile
Central America	Main sources U.S., Panama/ C. America.	Services, manufacturing health industry especially medical devices and renewable energy	Increases of 68% and 5% in health and renewable energy respectively. Reinvested earnings main inflow.
Costa Rica	Subregion's largest FDI inflow in 2020, US\$2.1 bn Down 24% over 2019. U.S. main source (68%) 81 new FDI in 2020	Manufacturing (leading sector,66%).	knowledge-intensive services, smart manufacturing in life sciences, and health and wellbeing. Major nearshoring site
Panama	Regional distributor of global funds. FDI- Steepest drop in 2020. Re-directs FDI to other CA countries	Real estate, logistics, energy	AES Corporation buys 55MW wind farm. Enel 50M new solar plant
Nicaragua	Generally low FDI flows < \$170m p.a. Political instability issues.	Energy	United States firm, New Fortress Energy LLC - energy plant
Guatemala	Guatemala received US\$ 915 million of FDI in 2020, 6% less than in 2019- second in terms of subregional FDI share.	Services 70% with 28% finance	Origin- United States, Colombia, Central America. 95% reinvestments 70% of the US\$ 915 million consists of investments in the service sectors, and 43% of these are in financial services
Honduras	United States (US\$ 248 million) and Colombia (US\$ 146 million)	Mainly services	Colombia Argos solar energy in Cement production
Caribbean	FDI fell broadly by 25% or 36% net of offshore financial centers. Exception; Bahamas for disaster rebuilding.	Services – finance, tourism, BPOs	BPO and financial
Dominican Republic	FDI \$2.6 bn largest in the Caribbean	tourism and real estate; energy,	Hotels: Turkey 1.2Bn, U.S. 50m Hilton; 50 MW waste-to-energy plant U.S.; 30MW solar PV plant China

Source: own elaboration based on different sources

Table 7.3 Analysis of FDI in Competitor Countries

Country	FDI Profile	Prime Sectors	Investment Profile
Jamaica	FDI shrank by 51% to US\$325m, lowest since 2011. + remittances 2.3bn	Tourism, services (BPO), mining, energy, infrastructure	Business and financial services sector priority; new investment projects in business process outsourcing (BPO)
Bahamas	Third largest FDI inflows Caribbean subregion \$890m	Tourism, real estate, financial services	Disaster rebuilding hotel and housing stock.
Cuba	Generally low FDI flows. Exports 2018, 47% food items; 14% ores and metals; 34% manufactured goods; and 5% other sources.	Mining, ports,	Top five export destinations for Cuban products in 2018 were Canada (\$449m), Venezuela (\$434m), China (\$338m), Spain (\$217m) and Russia (\$136m). No recent Doing Business information since 2018

Source: own elaboration based on different sources

Specifically, the analysis of recent investment history suggests that Belize's main competitors for investment in Central America are:

- Costa Rica and Panama for financial services, tourism and agriculture
- Central America generally for renewable energy (Green/infrastructure projects) and general services.

Whereas in the Caribbean region, the main competitors are;

- Dominican Republic and Jamaica for renewable energy (Green/infrastructure projects), agriculture and agro-processing
- Dominican Republic, Jamaica and Bahamas for Tourism.

There are other competitors. However, their impact on the direct investment scene are not considered significant for the Belizean promotional and marketing strategy at this time.

7.4 BELIZE'S POSITIONING AS AN ATTRACTIVE DESTINATION FOR FOREIGN DIRECT INVESTMENT (FDI)

Belize's positioning as an attractive destination for FDI involves two main dimensions, namely,

- Selection of the key messages to be communicated
- The development and management of a Belize Brand

The key messages to be communicated

The recommended marketing promotion strategy should be structured to project and amplify the key messages from the broad national investment project as well as the specific messages in respect of the identified priority sectors and sector activities. These messages should be targeted to reach the audiences and investors identified in the specific locations and markets defined in a previous section of this chapter.

Table 7.4 Promotional Key Words and Messages

Priority Sector & Sub-Sector	Key Words & Message
"The Belize Project"	An open and transparent business environment supported by an educated bilingual workforce with close proximity to the largest free trading bloc. nestled in a unique cultural and pristine natural environment populated by a peaceful and cohesive society
Agriculture	Existing export markets for primary production of citrus, bananas and sugar; market expansion; manufacture of new derivatives and by-products, GVC integration Crop expansion e.g. cocoa, coffee, timber, fruits, etc. Value-added agro-products; juices, condiments, etc.
Tourism	Large Cruise destination – but too diverse to experience in a day trip; Sun, Pristine Sea and land environment, Dive and aquatic experiences Unique National Cultural assets, e.g., destinations music and entertainment.
Green Infrastructure	Significant production and reserves of renewable energy, biomass, solar, hydro; Development focus on sustainable and green infrastructure; Co-generation opportunities in agriculture Sustainable water, electricity and local freight, EV's and passenger transport development

Source: own elaboration

The key messages to be communicated include an overall destination perception as well as one that specifically targets the sectors and activities prioritized. The general message will therefore project Belize's intrinsic advantages as a differentiated destination of investment (see next Table) in addition to the expected improvement via the implementation of the agreed Policy Actions presented in the NIPS.

Table 7.5 Basic information sought by a business searching for a location

General Strengths Host Country Sought by Foreign Investors	Belize's Attributes
Size of domestic market,	Small domestic market but opportunities for free trade access.
Access to customer and supplier markets	Close proximity to major consumer markets like U.S., Canada and Mexico and CARICOM, Proximity to USMCAN including a land border
Access to regional trade areas,	significant preferential markets, e.g., CARICOM, US, etc.
Education and training of the population	Moderately well-trained population, Bilingual workforce
Tax incentives, Taxes and regulations	Good, but require better targeting
Local labor market Skilled labor/ cost of labor	Moderately skilled labor, albeit insufficient. Moderate cost of labor; access to low-cost from neighboring countries
Security	Fair – no major impact on industry
Availability of development sites facilities and infrastructure	Good availability of special zones and land, Pristine environmental assets, Meso-American reef, mangroves, and forest
Capital availability	Poor access to finance and specialized insurances
Business climate	Fair – several structural issues regarding business incentives and public service delivery.
Access to R&D facilities	Weak
Transportation	Weak internal logistics and passenger transit options
Quality of life	Good. Safe, clean environment, moderate access to healthcare and education, Superior cultural assets e.g. Mayan, Garifuna culture, Social peace and cohesion (general absence of major social upheavals)

Source: Own elaboration based on Kotler et al⁷¹

71 Kotler, P., Haider, D. and Rein, I., Marketing Places. Attracting Investment, Industry and Tourism to Cities, States, and Nations. Maxwell Macmillan Int, New York, 1993

The Belize Brand

The success of the promotional effort will depend on the creation and maintenance of this desired perception through the presentation of these selected messages. There are over 191 countries and states in the World all of which are vying for investment dollars. What attracts specific investors to particular countries or destinations is the appreciation/recognition of the attributes and opportunities presented in the marketplace⁷². Belize will need to stand out and reach its particular targets. This can be assisted by the creation or reinforcement where one already exists of a brand - A "National brand". This "brand" will help to distinguish or differentiate the investment product that Belize is offering since its particular country product features can be copied or may be similar to competitors.

"Without a powerful and positive reputation or "nation-brand," no country can consistently compete for consumers, tourists, investors, immigrants and the respect and attention of other countries and the world's media"⁷³. In the case of Belize the marketing and promotion this Brand will require a long-term set of strategic activities which will continuously reinforce the recognition and reputation of the determined set of attributes of Belize and particular priority sectors as an investment destination and opportunities. The goal will be to create an expanding reliable/loyal set of potential investors willing to participate in the Belizean economy. Jamaica in the Caribbean and Costa Rica in Central America represent good examples of the promotion of "nation brands". Their names are synonymous with a set of values, expectations and create a business or cultural differentiation. Costa Rica is synonymous with green natural environments while in the case of Brand Jamaica, reggae music, track athletes, Blue Mountain coffee and sun and sea vacations are the most well know attributes. In contrast the two investors featured on BELTRAIDEs website confess to either not knowing about the many investment opportunities in Belize or had an erroneous perception of the Country's attributes.

The Brand Belize therefore should be able to;

- Establish a unique Geographic Indication
- Encourage tourists, trading partners and investors

- Create a premium price for its products, and
- Stimulate investor loyalty or association.

This Country of Origin and Nation-brand concept should coalesce many factors including Belizean people, their cultural and sporting activities, heritage and natural resource attractions, intellectual and creative activities, media and the investment opportunities.

The broad, inclusive ambit of the contributors to the proposed Belize nation-brand requires a well-coordinated effort guided by the most senior Central Government executives. This will provide the coordinated, consistent messaging and focus required to validate and add credibility to the brand. This is essential as potential investors whether local or foreign are likely to form a coherent and positive opinion of the country if the majority of the messages they receive from it are broadly aligned.

The following are some recommended brand building strategies for Belize.

- Commit to Content Marketing. Content marketing involves providing a steady stream of useful information to potential clients or influencers that is closely tied to the agreed messages. ...
- Develop Visible Experts – Belize has several identifiable and well-known personalities who should be co-opted to act as 'brand ambassadors' for Belize
- Identify and cultivate prestigious partners- these could include major corporations or their CEOs, media figures, actors, sportsmen, social media personalities, etc.
- Encourage High Profile Clients and Case Stories. ... increasingly host Regional and international events and conferences
- Dominate the Social Media Space with encouraging and positive messages regarding Belize and its offerings.

⁷² Anholt S, Brand New Justice – How Branding Places and Products Can Help the Developing World, Elsevier, Oxford, 2003/5.

⁷³ IP, Nation Branding and Economic Development, WIPO Magazine, Issue 4/2005

Safeguarding the selected Belize brand's identity and reputation is paramount to a successful brand marketing strategy. Belize will need to do this through a continuous program of carefully targeted promotional efforts using specific messages in particular markets managed and executed by a dedicated professional Team. The following sections detail the media and persons who will be required to deliver these messages and manage the brand on an ongoing basis.

7.5 PROMOTION ACTIVITIES

The promotion activities recommended under this Marketing plan include two main considerations, namely;

- The avenues for delivery of the promotional message
- Personnel and agencies responsible for the promotional effort

Avenues for Delivery of the Promotional Message

There are several options available to Belize for the delivery of the brand messages. These include traditional broadcast avenues such as the print, radio, television and digital (online) media and non-broadcast ones such as events and radio, social media, direct marketing and public relations activities. Each of these have their particular characteristics and related costs. Several of these media are often employed simultaneously to achieve the maximum impact whether in brand creation or delivery of specific messages in respect general or specific investment opportunities. The ultimate media mix and its duration will be determined by an analysis of which will be most effective in reaching the target of the promotion and the available budget. Promotional campaigns of the type required to adequately position Belize for business are costly. Therefore, the program should be based on rational and cost-efficient selection of the different medium to be employed and indicators that can measure the program's effectiveness and guide future adjustments in achieving the marketing goals. A sample of the media types is presented in the following table.

Table 7.6 Promotional Mix Options for Belize

Promotion Event Type	Strategic Intent	Medium	Intended Effect	Investor Contact	Timing
Advertising	Broad and targeted promotion designed for identified groups or investors for general and particular information dissemination	Radio, Billboards, Print - Magazines, Trade publications, international newspapers, etc.	Brand Awareness	Indirect	Continuous
Public Relations	Broad overall communication effort aimed at influencing perception of various groups regarding brand. Image building communication tool	Trade shows, competitions, conferences, events, etc.	General Country Awareness. Brand sensitization.	Indirect	Opportunistic
Publicity	A major tactical tool used in PR promotion. Awareness where the message is not paid for directly	Conferences, media opportunities especially in foreign locations, general association with high-profiled events, etc.	General and specific brand opportunity awareness	Indirect	Opportunistic

Source: Own elaboration

Table 7.6 Promotional Mix Options for Belize

Promotion Event Type	Strategic Intent	Medium	Intended Effect	Investor Contact	Timing
Direct marketing	Targeted promotion designed for identified groups or investors to stimulate action related to specific project/aim.	Outreach to specific investors or sector groups using direct calls, email and invitations to events.	Specific investment	Direct	Occasional
Personal Selling	Effective at later stages of promotion to elicit action of investment. Allows for immediate feedback and adjustments. Executed by high level GOB or industry officials. Opportunities to develop relationships	Email, direct calls, invitations,	Investment	Direct	Strategic
Incentives Promotion	Targeted publicity related to specific incentives such as tax concessions, VAS, tourism niches, renewable energy bids, windows for joint ventures, etc.	Email, social media, direct mail and specific trade publications.	Investment	Direct	Opportunistic

Source: Own elaboration

Digital Media- Promotional Website

Digital media is an important new tool in promotional activities that includes using social media platforms like Facebook, Twitter, etc. together with email marketing and digital advertising to deliver promotional content to potential investors. One such digital medium, the IPA promotional website ranks second only to direct third-party country referral as an effective contact mechanism with potential targets. It is usually the main vehicle for conveying policies, practices and procedures to the would-be investor. It is therefore critical that this platform provides the relevant information that permits a rapid and favorable evaluation of Belize as a desirable investment destination. Once this objective is achieved, then the website should then facilitate early classification of the particular

investment opportunities vis-à-vis priority sectors, size of investment, locations, support services, available labor, etc. This early classification will improve the efficiency of the promotional effort and subsequent contact with targets will largely focus of proposal development - refining specific project needs and targeting appropriate incentives and facilities. The Belize IPA's website therefore should play a key role in disseminating information and facilitating investor decision-making within the whole investment cycle process.

Belize already has an IPA site however revisions to its structure and maintenance are still required to bring it more in line with best practices for IPA websites. A CLACDS study in 2018 funded by the IDB reviewed the functionality of the

BELTRAIDE website⁷⁴. In respect of the IPAs website as it pertains to marketing, promotional and national branding effort however the following is observed;

- There is no separation between marketing the Belize generally and the specific priority sectors for investment, i.e., information of a general nature is placed under the sector information. For example, attributes of long-standing Democratic System with an Independent judiciary, exchange rate etc. is placed under agriculture sector opportunities.
- The information provided appears to be dated. One example notes “The existing employee base of 2,400 agents is expected to touch over 3,000 agents by 2016”. The impression is that no information update has been done for more than a year and in some cases three years or more.
- Websites offer prose albeit dated, about the individual sector instead of specific channels of immediate investment.
- Presentation of information is not streamlined and oriented to generating a specific investment query. For example, one tourism focus area notes... “As such, the development of this industry (medical tourism) is a nation – wide opportunity for small and medium enterprises” Where descriptions are too broad or where no specific projects are identified, a complex analysis and rationalization sequel follows. This ties up trade analysts efforts and time needlessly and may eventually frustrate potential investors.
- Nascent progression to a more interactive website is evident. For example, skills and labor has a form to apply for work permit. But it goes directly to Min. of Labor and out of BELTRAIDE’s influence, so the customer experience is likely to be varied, as several not necessarily sensitized actors contact the potential investor.
- The site offers a general “Contact us” option which would expectedly field queries from the general public about anything related to Belize along with information requests of serious investment prospects.

In respect of the IPAs website as it pertains to marketing, promotional and national branding effort however the following recommendations are presented.

- Resume periodic updating of website content - potential investors are easily “scared” by obsolete information. (UNCTAD, 2001). Information should generally not be more than six months old.
- Expand the focus/capacity of current website to allow initial project and country assessment online without necessarily requiring the intervention of BELTRAIDE staff.
- Develop a uniform format for presenting core information across key investment sectors.
- Separate all information relating to national branding in one core area. Information presented in priority investment sectors should be specifically related to that sector.
- Revamp the platform to move away from presentation of static and dated information to a more interactive form where investors can put in specific information related to their sector/investment of interest and correspondingly receive information related to available locations, project size, environmental requirements, labour market, regulatory stipulations, etc.
- Serious investors should not be directed to the “Contact us” option, but should be asked to complete a profile which when submitted generates specific responses to continue the target investor-IPA relationship experience.
- Consider separating the general BELTRAIDE website with its various division webpages from the Belize promotional and marketing webpages that would be specifically for marketing, promotion and channelling new targets into the investment evaluation cycle.
- The chain of custody of the potential target investor should be designed to ensure that one agency always manages and controls the “customer experience” and persons specialised in courting investors and creating

74 See Belize Investment Portfolio - Phase 1 Final Report – CLACDS, San Jose, Costa Rica. 2018

the appropriate image and branding are always involved in the requisite government permitting, approvals and processes etc.

Responsible Organisation for the National Strategic Marketing Plan

The people assigned to execute and manage this Strategic Marketing plan and its many moving parts will require careful consideration for two reasons;

- Brand promotion is a costly endeavour and
- The success in attracting LDI and FDI and by extension economic growth will depend on the success of marketing the Belize Project.

“Country export promotion agencies must recognize that their country’s reputation constitutes an important asset to be managed⁷⁵. This cannot be overstated. This function should therefore reside with a dedicated team whose mandate will be to achieve specific targets and metrics and deliver the predetermined results. Apart from this core and accountable team, the task of promoting Belize will be carried out by a far larger group of both official and informal stakeholders. A sample of the range and types of stakeholders is presented in next Table.

Table 7.7 Belize National Strategic Marketing Plan - Indicative Stakeholders of dedicated promotion agencies

Promotion Objective	Main Stakeholders		
	Government State	Private	Third Sector
General Belize Brand Promotion	All Ministries Customs & Immigration Foreign Affairs diplomatic missions abroad. Honorary Consulates	Trade Associations, Sector Organizations, Business Chambers, etc. Designated Brand Ambassadors	Environmental, Human Rights groups, Cultural ensembles and Musical groups Sport and Media personalities General citizenry Designated Brand Ambassadors
	Dedicated Promotion Agency		
Specific Investment Promotion Initiatives	Ministry of Trade Ministry of Foreign Affairs Ministry of Agriculture Ministry of Immigration Statutory agencies (e.g., BELTRAIDE, Belize Tourism Authority)	Trade Associations Sector Organizations Business Chambers	
	Dedicated Promotion Agency		

Source: Own elaboration

75 Kotler P and D Gertner, Country as Brand, Product, and Beyond: A Place Marketing and Brand Management Perspective, Journal of Brand Management 9(4):249-261, 2021

Currently the public management and coordination of investment promotion activities in Belize is the responsibility of the Belize Trade and Investment Development Service (BELTRAIDE). BELTRAIDE is a national economic development agency reporting to the Ministry of Finance, Economic Development & Investment. BELTRAIDE currently provides a range of services related to export assistance, investment facilitation and support to businesses (SMEs in particular), business training provider, administration of the incentives program and as source for information on Belize business opportunities. There appears neither to be any specific brand initiative for Belize nor any definitive marketing and promotion outreach in respect of such a branding by BELTRAIDE⁷⁶. Such an activity would require significant budget and dedicated staffing to administer.

“BELTRAIDE is a national economic development agency reporting to the Ministry of Finance, Economic Development & Investment. BELTRAIDE currently provides a range of services related to export assistance, investment facilitation and support to businesses (SMEs in particular), business training

provider, administration of the incentives program and as source for information on Belize business opportunities. There appears neither to be any specific brand initiative for Belize nor any definitive marketing and promotion outreach in respect of such a branding by BELTRAIDE. Such an activity would require significant budget and dedicated staffing to administer.”

The main responsibility for brand creation and sustainability however should reside with a highly professional team who will be able to apply specific campaigns at the time and place necessary for achieving the stated objectives. This team will be able to co-opt and coordinate with the wider GOB structure including ministers, diplomats in the Foreign Service and other senior government officials and sponsored and Private Sector representatives in the service of Belize. As an example, each independent entertainer or sports personality is in essence an ambassador of the Belize Brand. These individual opportunities too need to be coordinated to serve the overall objective of brand management.

⁷⁶ BELTRAIDE has four strategic units, meanwhile branding Belize is not a part of BELTRAIDE mandate. Currently, the BTB holds the responsibility for promoting what should be the Belize brand. However, should Belize be branded BELTRAIDE stands ready to promote

8.

**GOVERNANCE &
MONITORING MECHANISM**

The multiplicity of agents involved in Belize's National Investment Policy requires coordination and collaboration mechanisms to ensure coherent and sustained action over time. To this end, the following structures are proposed:

- I. the Governance Model, which ensures a coordinated and coherent deployment of the National Investment Policy and Strategy (NIPS);
- II. The monitoring and evaluation system, which will make it possible to monitor the activities carried out and identify the achievements obtained in the development of the NIPS.

8.1 GOVERNANCE AND MANAGEMENT MODEL FOR THE IMPLEMENTATION OF THE NIPS

The NIPS's organizational and management model is made up of a set of teams in charge of implementing the Policy, and a series of bodies responsible for its direction, coordination, monitoring and updating. The management, coordination and monitoring bodies are:

- I. NIPS's Steering Committee, which is responsible for leading the deployment of the NIPS.
- II. Interdepartmental Commission, which ensures coordination and joint planning between different Departments, Government Ministries and Agencies involved in the NIPS.
- III. Technical Implementation Committees, in charge of the implementation of the specific actions defined for each of the Policy areas.

8.1.1 NIPS'S STEERING COMMITTEE

The NIPS Steering Committee will be responsible for overseeing and taking the necessary measures to ensure that the different activities of the Action Plan and the Follow-up Mechanism are carried out and that the results are achieved within the planned timeframe.

The general functions of the NIPS's Steering Committee shall be:

- Provide guidance on the review, modification and harmonization of laws and policies to achieve the objectives of the NIPS;
- Monitoring the implementation of the NIPS and the achievement of its objectives by identifying potential obstacles to the realization of the Action Plan;

- Resolving potential conflicts and incident management;
- Approval of milestones and deliverables
- Coordination, at the highest level, of all aspects of the Policy

This NIPS's Steering Committee should be represented by responsible officers from at least the following entities:

- Relevant members of Cabinet or, alternatively, CEOs in different Ministries.
- IPCU, Ministry of Finance and Economic Development
- BELTRAIDE
- Economic Development Council (EDC)
- Belize Chamber of Commerce & Industry
- Entities with major responsibilities for the promotion and facilitation of investments
- Others as appropriate.

8.1.2 INTER-DEPARTMENTAL / INTER-INSTITUTIONAL COMMITTEE

The Interdepartmental / Interinstitutional Commission is established as a body for cooperation and collaboration among Belizean institutions for the sharing and collaboration on projects, in order to achieve a greater impact on the facilitation and attraction of investment (national and international).

The Interdepartmental / Interinstitutional Commission will establish and maintain regularly, scheduled, structured meetings to discuss major issues related to NIPS implementation with all departments and agencies involved, supporting Ministries and agencies in implementing each aspect of the NIPS.

The general functions of the NIPS's Inter-departmental / Inter-institutional Commission shall be:

- Analyse the actions aimed at achieving the objectives of the NIPS.
- Analyse the possibilities of action, in the promotion of its multi-sectorial and territorial interests, through the Belizean Delegations abroad.
- Study and propose bilateral and multilateral relations that the Government of Belize may maintain with other countries and regions.
- Propose new actions that contribute to plan, promote and encourage a coordinated and comprehensive action for the implementation of the NIPS's measures.

- Facilitate dialogue on progress between the different government departments.
- Monitor and follow up on the work of government agencies implementing the Action Plan.
- Collect and analyse performance data, develop scorecards on agency performance against targets and assess the likelihood of compliance.
- Identify problems and root causes that impede the achievement of objectives.
- Work collaboratively with the agencies involved and communicate progress in implementing the NIPS to accelerate implementation of specific projects.
- Prepare and submit annual implementation reports.

This Inter-departmental/Inter-institutional Commission should be represented by responsible officers from at least the following entities:

- BELTRAIDE
- Investment Policy and Compliance Unit
- Economic Development Council (EDC)
- Belize Chamber of Commerce & Industry
- Departments of the Government of Belize involved and with responsibilities in the actions to be implemented.
- Others as appropriate.

8.1.3 TECHNICAL IMPLEMENTATION COMMITTEES

An Implementation Committee will be established for each of the Key Policy Pillars defined in this NIPS. Membership on these Committees will include representatives from all the relevant ministries, statutory bodies and agencies involved. Each group will appoint one of its members to be the project manager responsible for coordinating its actions⁷⁷.

The general functions of these Committees shall be:

- Define and execute the detailed implementation Plan with respect to the corresponding Key Policy Pillar.
- Coordinate the execution of all activities, resources and budget for each recommendation and ensure compliance with the results with respect to the corresponding Key Policy Pillar;
- Adopt the necessary measures to improve or correct the Action Plan, where the recommendations for change should be approved by the Interdepartmental Commission and the NIPS's Steering Committee should be informed on the proposed changes.
- Report progress, deviations and delays to the NIPS's Steering Committee and take corrective actions;
- Issue management reports on the measurement and implementation of NIPS's recommendations and achievement of objectives.

The following are the key members that should be part of each of the Technical Committees:

a. Technical Committee 1: Development of an integrated national strategy for promoting Investment

- Ministry of Finance, Economic Development & Investment
- Ministry of Foreign Affairs, Foreign Trade & Immigration
- Ministry of Tourism & Diaspora Relations
- BELTRAIDE
- Economic Development Council (EDC)
- Investment Policy and Compliance Unit
- Others as appropriate.

⁷⁷ Strong directive/direction will be needed to ensure that these functions/responsibilities will be integrated into existing work plans/work loads, thereby fostering ownership and buy-in

b. Technical Committee 2: Delivery of Government Services, Ethical Government, e-Government

- Ministry of Finance, Economic Development & Investment
- Ministry of Foreign Affairs, Foreign Trade & Immigration
- Ministry of Public Service, Constitutional & Political Reform
- Ministry of Rural Transformation, Community Development, Labour & Local Government
- Ministry of Youth, Sports & E-Governance
- BELTRAIDE
- Economic Development Council (EDC)
- Investment Policy and Compliance Unit
- Others as appropriate.

c. Technical Committee 3: Delivery of financial services for investment, access to finance for investment

- Ministry of Finance, Economic Development & Investment
- BELTRAIDE
- Central Bank of Belize
- Economic Development Council (EDC)
- Development Finance Corporation;
- Investment Policy and Compliance Unit
- Representation from the Bankers Association in Belize, and
- Others as appropriate.

d. Technical Committee 4: Reform of the Taxation system for sustaining private investment

- Ministry of Finance, Economic Development & Investment
- BELTRAIDE
- Central Bank of Belize;
- Economic Development Council (EDC)
- Investment Policy and Compliance Unit
- Others as appropriate.

e. Technical Committee 5: Revision of the existing regulatory framework and Judicial System to make it more investment friendly

- Ministry of Finance, Economic Development & Investment
- Attorney General's Ministry
- Ministry of Public Service, Constitutional & Political Reform
- BELTRAIDE
- Economic Development Council (EDC)
- Investment Policy and Compliance Unit
- Others as appropriate.

f. Technical Committee 6: Reform of the business incentives framework

- Ministry of Finance, Economic Development & Investment
- Ministry of Foreign Affairs, Foreign Trade and Immigration
- Ministry of Agriculture
- BELTRAIDE
- Central Bank of Belize;
- Economic Development Council (EDC)
- Investment Policy and Compliance Unit
- Business community
- Others as appropriate.

g. Technical Committee 7: Encourage the development of a skill supply adapted to the needs of national and international investors, with particular focus on ITVET

- Ministry of Finance, Economic Development & Investment
- Ministry of Foreign Affairs, Foreign Trade & Immigration
- Ministry of Education, Culture, Science & Technology
- Ministry of Rural Transformation, Community Development, Labour and Local Government
- BELTRAIDE
- Economic Development Council (EDC)
- Investment Policy and Compliance Unit
- Others as appropriate.

h. Technical Committee 8: Development of infrastructure and internal logistics

- Ministry of Finance, Economic Development & Investment
- Ministry of Public Utilities, Energy and Logistics
- Ministry of Infrastructure Development & Housing
- Ministry of Sustainable Development, Climate Change & Disaster Risk Management
- BELTRAIDE
- Economic Development Council (EDC)
- Investment Policy and Compliance Unit
- Others as appropriate.

i. Technical Committee 9: Fostering of Economic Diplomacy

- Ministry of Finance, Economic Development & Investment
- Ministry of Foreign Affairs, Foreign Trade & Immigration
- Ministry of Tourism & Diaspora Relations
- BELTRAIDE
- Economic Development Council (EDC)
- Investment Policy and Compliance Unit
- Others as appropriate.

8.2 MONITORING AND EVALUATION PLAN OF THE NIPS

The adequate management of this NIPS requires the availability of monitoring mechanisms that allow for timely knowledge of the progress and fulfilment of the initiatives. To this end, the proposed monitoring system will provide an overview of the following aspects:

- Degree of compliance of the initiatives planned in accordance with the time schedule.
- Initial impact estimate of the measures foreseen in the initiatives developed.
- Assessment of the most significant incidents in the execution or implementation of the initiatives and their possible repercussion on the results.
- Projection of the estimated impact with respect to the final results.

To this end, the Technical Committees of the NIPS will submit to the NIPS's Steering Committee reports with relevant information on the progress of the recommendations and projects proposed, the overall situation of the

different Key Policy Pillars and the degree of compliance with the objectives. The monitoring and evaluation of the NIPS, at least, will be reflected in the following reports:

- Annual monitoring report on the degree of compliance with the NIPS. These reports will consider compliance with the established indicators and objectives, as well as consistency with the approaches of other global strategic planning documents, such as Horizon 2030 or the GSDS.
- Interim evaluation report (at the mid-point of the NIPS implementation period).
- Final evaluation report (at the end of the NIPS implementation period).

These reports will include the results achieved and the degree of compliance with the established objectives. The reports will be based on the system of indicators included in the NIPS's Action Plan.

The scope of the annual and interim reports will be the evaluation of results, while that of the final report will also include the evaluation of impact.

From the point of view of efficiency, the evaluation reports will contain:

- Sufficient information to contrast the economic resources and the results obtained in order to take into consideration the degree of effectiveness and efficiency achieved with respect to the results obtained.
- Account for the amount of public resources allocated, the overall resources mobilized and the effective impact of such resources with respect to the indicators that the NIPS itself contemplates for its respective axes.
- Effective balance of the planned costs executed and those not undertaken, as well as the reasons for the most relevant deviations.

The monitoring and evaluations reports will be sent to the NIPS's Steering Committee.

Additionally, each recommendation / initiative will have its own specific monitoring mechanisms. Those responsible for each project will submit to the

corresponding Key Issue's Technical Committee any incidents that require the adoption of strategic decisions.

In order to ensure adequate adaptation of the NIPS to the changing conditions of the environment, the following review procedures are established:

- Ordinary review: this category includes changes inherent to the ordinary management of the projects and which, although they are of some importance and may affect the progress of other projects, is not considered to have a major impact. These changes include:
 - Changes in project planning that do not alter milestones or committed deliverables.
 - Incorporation of new measurement indicators.
 - Unavoidable changes to the schedule due to delays.

These changes may be made directly by the person responsible for each project, who must report them directly to the corresponding Technical Committee.

- Extraordinary review: This category includes major changes, such as:
 - Incorporation of new recommendations / projects.
 - Elimination of recommendations / projects.
 - Modification of the execution deadline and milestones.
 - Significant changes in the scope of the project (organizations involved, activities to be carried out, etc.).
 - Budget modification.
 - Change in the committed objectives.
 - Change in the responsible area.

These changes must be requested to the corresponding Technical Committee, which must communicate its authorization, denial or elevation to the NIPS Steering Committee.

Incidents that arise during the planned period, which imply a substantial modification in the strategic or economic aspects of the NIPS, shall be brought to the attention of the Cabinet, following a report from the NIPS's Steering Committee.

9.

**COMMUNICATIONS
STRATEGY**

9.1 INTRODUCTION

This section presents an overall strategy and implementation plan to guide the dissemination of information to all relevant stakeholders in respect of the NIPS of Belize. This Communication Strategy focuses on contributing to sensitizing stakeholders on the agreed Policies and Strategies to position Belize as a strategic player within the global investment community and, to create the appreciation and recognition of Belize as destination of national and international investments. This strategy and plan will be driven by the messages synthesised and selected from the several consultations and analyses undertaken in the preparation of the NIPS and approved by the Project Steering Committee. The broad objective of communicating these messages will be to increase appreciation for NIPS and mobilise acceptance and adoption of its intent, content and avenues for participation by the global public.

The first part of this chapter will deal with the elaboration of a communication strategy while the second will present an implementation plan to actuate this strategy by re-presenting it in a set of coherent actions and initiatives that will stimulate interest and generate the desired participation in the Belize NIPS Project.

The development of this Communication Strategy and its accompanying Implementation Plan include the definition of the particular or desired messages to communicate (The What), the target persons and groups (The Whom) will be defined in relation to the message anticipated to elicit the required participation or perception. The strategy will also examine and prescribe the manner and style (The How) in which these messages will be delivered to the targets. Finally, the different media that could be used to deliver the messages will be analysed and recommendations will be presented on the effectiveness and opportunities that use of these various channels and combinations of channels can afford.

9.2 COMMUNICATIONS STRATEGY

This section presents clear detailed statement of the objectives, principles and key messages (in essence The Strategy) that will guide the overall NIPS communication effort. The strategic communication objectives for the NIPS are:

- To inform the implementors and beneficiaries of the NIPS about its rationale, content and impact.
- to galvanise the participation and commitment of the broad cadre of public officials and private collaborators in the execution of the Policy Actions determined under the NIPS
- to underscore that this effort at improving Government service delivery, expansion of economic sectors and overall economic wellbeing of Belize, has been as a result of a combination of public, private and third sector contributions
- the NIPS continues to provide avenues for feedback and improvement from all stakeholders through a program monitoring and feedback mechanism

Specifically, the Communications will seek to:

1. Ensure that the GOB stakeholders and the wider Belizean business community are aware of the NIPS, understand why it is necessary and what benefits it will deliver.

Key message: The Belize National Investment Policy and Strategy is an important element in improving Belize's competitive position in the marketplace of investment destinations thereby ensuring economic growth and stability.

2. Develop a desire amongst all members of GOB staff involved in the reform process to contribute towards the successful implementation of the change and the delivery of the benefits.

Key message: The NIPS will benefit local and international investors as well as the general public and will contribute to the positive image of Belize as a leading destination in the Central American and Caribbean Regions for investment.

3. Manage expectations among all stakeholders in particular existing investors and beneficiaries. The NIPS implementation project team (namely the Steering, Coordination and Technical Implementation Committees) aims to build a reputation as a trusted, quality information source which operates on a transparent basis with clearly established timelines for achieving specific outputs.

Key message: The implementation of the NIPS will be carried out in a professional, transparent and timely manner.

4. Provide timely and accurate information to the identified stakeholders about the steps to be taken. This will both support and smooth the change process, thereby enabling the delivery of project benefits.

Key message: The success of NIPS involves wide participation and commitment from many stakeholders who will be kept updated on its progress and the timing of opportunities to contribute input and feedback.

5. Assure that both the implementing and the beneficiary stakeholders have had the opportunity to input to and feedback on the design of the change, raise issues, and use their expertise to contribute to the key policy actions of the NIPS.

Key message: NIPS is a collaborative broad-based initiative. The creation of the NIPS is a product of a joint effort by the Public, Private and NGO sectors all of whom share responsibility for the success and benefits of an improved doing business climate.

6. Assure that all members of GOB staff involved in executing the policy changes and actions are aware of the importance and time sensitivity of

their assignment and have the knowledge, skills and understanding to use the new systems effectively and efficiently.

Key message: All assigned actions should be completed within the agreed timeframe to the extent possible.

Key message: Competent, knowledgeable and experienced staff are assigned to implementing the Policy Actions in each MDA.

7. Ensure that new policies and practices are embedded in the Government process so that the benefit of the changes introduced are sustained over the long term.

Key messages: The improvements in the quality of government service delivery and incentives to do business in Belize will be incorporated and imbedded in the business-as-usual processes as established practices.

These will be the strategic guidelines for the execution and evaluation of the NIPS Communication Plan.

9.3 KEY AUDIENCES

The NIPS is a cross sectoral initiative that requires the collaboration of many GOB ministries departments and agencies as well as private and business sector stakeholders. It is important to accurately identify and define the particular groups that make up this broad panorama of communication targets as this will influence the strategy and plan for message delivery. The following table presents the main audiences or targets, priorities, the content of the communication envisaged and the mode of its delivery. The person/s or positions charged with ensuring delivery of the communication are also suggested.

9.3.4 KEY AUDIENCES AND COMMUNICATION CONTENT

The Key Audiences and Communication Contents are presented in next table:

Table 9.1 Key Audiences and Communication Contents

Audience	Communication Content and Mode of Delivery	Responsibility
PROGRAM DIRECTION & MANAGEMENT		
<p>NIPS Steering Committee This Committee chaired by the Prime Minister, or his designate, will direct the overall execution of the NIPS to achieve the desired objectives. It will include ministers, directors of relevant participating MDAs selected by the OPM.</p>	<p>Communication to be delivered to this group focuses on a concise and summary explanation of the necessity for, the overall objectives of and the key measurable outcomes expected as the NIPS is implemented. Delivery of communication will be via an initial direct face to face presentation. This will be followed by periodic summary reports delivered digitally and provided by the Coordination Committee focusing on the progress to achieving the agreed indicators and any matters that require executive action for approval or resolution.</p>	<p>Executive Dir. Beltraide + Office of the Prime Minister (EDC) + Communication Coordinator</p>
<p>NIPS Coordination Committee This Committee, chaired by the Head of the Public Service or other designate, will ensure optimal cooperation across MDAs for the implementation of the approved Policy Actions.</p>	<p>The content of the communication to this audience will be two-pronged, first a general orientation (the necessity for, the overall objectives of and the key measurable outcomes expected) in respect of the NIPS and secondly the need for coordination and joint planning between different MDA involved in the NIPS. A part of the second will include the need to provide communication on the status of implementation to the Steering Committee.</p> <p>The mode of communication for the general orientation shall be by direct group sessions delivered in person and via online platform. In this way the cost and logistics of attending meetings can be reduced and participation of persons in missions abroad can be facilitated.</p> <p>Ongoing communication to this Committee will be comprehensive periodic reports delivered digitally by the Technical Committees focusing on the progress in achieving the agreed indicators and any matters that require collaboration with and coordination of other MDAs for execution.</p>	<p>Beltraide + EDC + Technical Committees+ Communication Coordinator</p>

Source: ABC & IKEI, own elaboration

Table 9.1 Key Audiences and Communication Contents

Audience	Communication Content and Mode of Delivery	Responsibility
PROGRAM IMPLEMENTORS		
<p>NIPS Technical Implementation Committees</p> <p>Technical committees are to be established to execute the approved Policy Actions. These would be comprised of officers of related MDAs and Private and Third sector co-opts as required.</p>	<p>Communication to these groups focuses on three areas; first is a general orientation (the necessity for, the overall objectives of and outcomes expected of the NIPS), secondly the role of the Technical committee including its expected activities, collaboration and deliverables and thirdly the outputs to be communicated to the various audiences.</p> <p>The mode of communication will be virtual; using an online NIPS meeting room for sharing outputs and feedback. Communication regarding the progress in respect of specific actions from designated team leaders and overall implementation from the NIPS Communication Coordinator will be shared via email</p>	<p>Designated Team Leaders + NIPS Communication Coordinator</p>
INFLUENCERS		
<p>Media</p>	<p>Broadly the content to media groups will be of a basic informational and orientation nature outlining the key objectives of the NIPS what it broadly hopes to achieve in terms of expanded business activity, jobs, economic growth and a general improvement in government customer services. The media will be also engaged in dissemination of particular outcomes and key milestones that impact the general public as they are achieved. This will involve specific communications messages in the form of communique, taped video interviews and news features that will be broadcast nationwide.</p>	<p>NIPS Communication Coordinator</p>

Source: ABC & IKEI, own elaboration

Table 9.1 Key Audiences and Communication Contents

Audience	Communication Content and Mode of Delivery	Responsibility
Bloggers & Community Leaders	<p>Blogger and opinion leaders will also be provided with general orientation material prepared by the NIPS communication unit to sensitize their followers on the initiatives being taken to improve the business climate and why this is necessary for national economic growth and wellbeing.</p> <p>Like the Media, they too will be the recipient of specific communication updates to disseminate particular NIPS outcomes that impact their following as they are achieved. Bloggers and Community Leaders will also function as feedback conduits where comments and reactions of their following will be channelled to and received by the Communications Unit of the NIPS.</p>	NIPS Communication Coordinator
DIRECTLY IMPACTED		
Local Investors -	<p>Local investors domiciled in Belize regardless of origin will receive content initially to provide orientation in respect of the objectives and expected outcomes of the NIPS. Later as specific outputs are realised, newsletters, emails and releases will be sent to the trade and business associations, chambers of commerce and directly to those major businesses that are registered on Beltraide and BTB websites.</p> <p>The content of these specific communiques could be updates to the revisions in incentives offered, new streamlined procedures for obtaining permits and approvals and payment and rebates of taxes.</p>	NIPS Communication Coordinator, Beltrade, BTB.
MSME	<p>The content to the MSME sub-sector will be like that of the general business community except that it will be simplified and tailored to the specific needs of smaller businesses and sole traders. The content will be delivered via digital means and maximum two-page pamphlets. Digital channels would include WhatsApp, Twitter, Facebook and similar apps commonly used. The Beltraide website and MSME training division will also prepare and deliver the specially drafted material and training for this class of directly impacted stakeholders.</p>	NIPS Communication Coordinator, Beltrade, BTB.

Source: ABC & IKEI, own elaboration

Table 9.1 Key Audiences and Communication Contents

Audience	Communication Content and Mode of Delivery	Responsibility
International Investors	International investors not domiciled in Belize nor conducting business there will be targeted with content derived from the NIPS Belize Marketing Strategy and promotion effort. That content will be based on the overall branding of Belize plus the specific messaging related to the investors sectors of interest.	Belize Investment Marketing Team, Beltraide, BTB.
INPUT OR SUPPORT GROUPS		
Public Sector employee Trade Unions	Special communication messages will be targeted at trade union representatives and leadership. This is specifically aimed at ensuring that public sector employees who are key to the delivery of many government services will be supported by their labour representatives. The content will include a general orientation package. However specific content will be targeted to labour union leadership in regard to classes of public employees who will be impacted by new policies and methods of working as these approved for implementation. This communication will be in the form of official letters outlining the changes proposed.	Chief Personnel Officer Ministry of Labour NIPS Communication Coordinator
Public Sector employees	The content for those public sector employees not directly involved in the NIPS implementation will be a general orientation disseminating the broad objectives and outcomes. Further content will be shared as general updates when relevant outcomes of particular initiatives are accomplished. The mode of delivery will include posters displayed in offices and leaflets distributed with salary cheques or similar advices.	NIPS Communication Coordinator
Bankers Association Professional Groups Business Chambers Trade Associations Tertiary Level Education Institutions	All of these special interest groups will receive communication specified for the broad private sector, except specific ad-hoc communication will be shared to sector organisations in respect of seeking feedback and as appropriate collaboration in respect of the Policy Actions. This communication will be in the form of surveys soliciting feedback and dissemination of information on specific measures that pertain to that particular group or business sector.	NIPS Communication Coordinator, Beltraide, BTB

Source: ABC & IKEI, own elaboration

Table 9.1 Key Audiences and Communication Contents

Audience	Communication Content and Mode of Delivery	Responsibility
INDIRECTLY IMPACTED		
General Public accessing GoB services	The content to the general public will be communicated via the Media and will consist of a broadcast of the basic concepts and expected outcomes of the NIPS particularly in relation to the GSDS and Vision 2030 such as expanded business activity, jobs, economic growth and a general improvement in government customer services. This content will also be available on GoB websites where agencies will highlight the improvements underway and the expected impact on delivery of services. Advances in e-government and payment of taxes will be key content to be shared to this target group.	NIPS Communication Coordinator, MDA Communication Officers
Diaspora	The content communicated to diaspora groups will be of a basic informational and orientation nature outlining the key objectives of the NIPS what it broadly hopes to achieve in terms of expanded business activity, jobs, economic growth and a general improvement in government customer services. Particular content related to online services, business incentives for returning citizens and retirees would be the focus of the communication. This content will be delivered online via Beltraide and Belize marketing websites and thru the resident embassies and consuls across the globe that would be encouraged to maintain registers of Belizeans and “Friends of Belize” in their accredited countries.	Belize Investment Marketing Team, Beltraide, BTB, Diplomatic Missions

Source: ABC & IKEI, own elaboration

9.3.5 TARGET GROUPS BY POLICY PILLAR

The main foreseen target groups for which the different Policy pillars are addressed in the following table

Table 9.2 Target groups per Policy Pillars

Target Groups	Policy Pillars								
	Integrated Investment Strategy	Government Services Delivery	Financial services & Access	Taxation System Reform	Regulatory & Judicial System Revision	Business Incentive Framework Revision	National Skill Profile Revision	National Infrastructure & Logistics Expansion	Economic Diplomacy Expanded
BELTRAIDE	✓	✓	✓	✓	✓	✓	✓	✓	
Ministry of Finance, Economic Development & Investment	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ministry of Foreign Affairs, Foreign Trade & Immigration	✓	✓							
Economic Development Council (EDC)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ministry of Tourism & Diaspora Relations	✓								
Belize Tax Services (BTS)				✓					

Source: ABC & IKEI, own elaboration

Table 9.2 Target groups per Policy Pillars

Target Groups	Policy Pillars								
	Integrated Investment Strategy	Government Services Delivery	Financial services & Access	Taxation System Reform	Regulatory & Judicial System Revision	Business Incentive Framework Revision	National Skill Profile Revision	National Infrastructure & Logistics Expansion	Economic Diplomacy Expanded
Central Bank of Belize			✓	✓		✓			
Attorney General's					✓				
Ministry of Infrastructure Development & Housing								✓	
Ministry of Sustainable Development, Climate Change & Disaster Risk Management	✓							✓	
Ministry of Youth, Sports & E-Governance		✓							
Ministry of Rural Transformation, Community Development, Labour & Local Government		✓							

Source: ABC & IKEI, own elaboration

Table 9.2 Target groups per Policy Pillars

Target Groups	Policy Pillars								
	Integrated Investment Strategy	Government Services Delivery	Financial services & Access	Taxation System Reform	Regulatory & Judicial System Revision	Business Incentive Framework Revision	National Skill Profile Revision	National Infrastructure & Logistics Expansion	Economic Diplomacy Expanded
Ministry of Public Service, Constitutional & Political Reform		✓			✓				
Development Finance Corporation			✓			✓			
PRIVATE SECTOR & NON_GOVERNMENTAL GROUPS									
Bankers Association			✓						
Insurance Groups			✓						
Professional Groups						✓	✓	✓	
Business Chambers Trade Associations	✓	✓				✓	✓	✓	

Source: ABC & IKEI, own elaboration

9.4 KEY MESSAGES

An important element of achieving the objectives of the Communication Plan is defining exactly what messages are to be communicated. These messages will vary based on the role of the particular stakeholder, their interests and influence. Within this sphere we have implementers, contributors, beneficiaries, managers and directors. The following describes in detail the

key messages recommended for dissemination taking into consideration the various stakeholder profiles that will be used to promote awareness of the NIPS project, create a shared vision amongst the stakeholders and eventually buy-in, acceptance or participation.

Table 9.3 Target groups per Policy Pillars

Message Focus	Description
Project Objectives, Scope, Vision	<p>This message will be used to promote general awareness of the project its vision, objectives and expected outcomes. It will encompass,</p> <ul style="list-style-type: none"> • The Vision of the Belize National Investment Policy and Strategy (NIPS) is to “position Belize as a competitive, robust and favourite investment hub in the Central America and Caribbean Region by 2030”. • The overall objective of NIPS to establish a national framework that will guide both domestic and foreign investments and determine with greater certainty and predictability the national direction towards economic development. • The scope of the NIPS in improving the following nine (9) areas or strategic pillars of business facilitation to achieve the stated Objectives and Vision. <ul style="list-style-type: none"> ▫ Development of an integrated national strategy for promoting Investment ▫ Improved Delivery of Government Services, Ethical Government, e-Government ▫ Delivery of financial services for investment, access to finance for investment ▫ Reform of the Taxation system for sustaining private investment ▫ Revision of the existing regulatory framework and Judicial System to make it more investment friendly ▫ Reform of the business incentives framework ▫ Encourage the development of a skill supply adapted to the needs of national and international investors ▫ Development of modern sustainable infrastructure and internal logistics ▫ Fostering of Economic Diplomacy to support a new national brand and image. • Finally, the expected impact of the NIPS in improving Belize's competitive position in the marketplace of investment destinations thereby ensuring economic growth and stability. The NIPS consistency with and direct support for the objectives of sustainable development and inclusive growth identified in the Horizon 2030 and the Growth and Sustainable Development Strategy (GSDS) for Belize specifically targeting and supporting Critical Success Factor (CSF-1): Optimal National Income and Investment will be emphasized.

Source: ABC & IKEI, own elaboration



Stakeholder Roles

The key activities that stakeholders will have to perform in support of the project will be defined and communicated in a timely and transparent manner. This will include what activities are to be carried out, why and when they must be implemented. The four main stakeholder groups and their roles in the realisation of the NIPS are outlined below.

Direction and Management Group - NIPS’s Steering Committee and Interdepartmental Commission whose function will be to ensure adequate advance momentum of activities and achievement of NIPs Goals and Vision.

Implementation Group – Nine (9) Technical Implementation Committees (one per Pillar) charged with the responsibility of implementing the 82 Actions.

Direct beneficiaries – This disparate group will comprise largely business clusters, MSMEs, sole traders and individuals operating in or desirous of investing in Belize across all sectors but particularly in the sectors identified as priority for national development. Their function will be to support NIPS during its implementation by providing timely feedback and take advantage of the improved doing business climate as it is implemented.

Indirect beneficiaries – these will be the general public and citizenry throughout Belize and the Diaspora who avail themselves of government services and incentives and those who enjoy the increased economic prosperity of Belize as a result of a better doing business climate. Their function will be to support NIPS during its implementation by adopting the new measures implemented, using improved services in a correct manner supporting transparency and equity in government and governance.

Progress Status	<p>Messages under this type of communication will share project progress status to particular groups of stakeholders. The progress and monitoring of the NIPS execution will be reflected in the following reports:</p> <ul style="list-style-type: none"> • Periodic (monthly or as determined) Implementation report on the degree of progress in attainment of the 82 Outputs or Actions and compliance with the established indicators and objectives. Prepared by team leaders and submitted to the Coordination/Steering Committee • Annual monitoring report on the degree of compliance with the NIPS. These reports will consider compliance with the established indicators and objectives, as well as consistency with the approaches of other global strategic planning documents, such as Horizon 2030 or the GSDS. Prepared by Coordination committee and submitted to the Steering Committee
Issues and Resolutions	<p>Issues of interest to the stakeholders will be routinely identified and their resolution if any will be communicated to the wider stakeholder group. Issues relating to implementation and their resolution will also be a part of the formal reporting already described herein. A Communications Unit established by the NIPS Steering Committee will be responsible for guiding communications generally including collating, and synthesising and redistributing feedback obtained from all stakeholder groups.</p>
Contributing Ideas & Feedback	<p>The contribution of feedback and ideas as NIPS is implemented will be a key communication activity as it engenders increased participation in and ownership of the Initiative across various sectors and stakeholders. Therefore, opportunities will be provided at each presentation of the Project to give feedback. A comment and feedback hotline and Facebook presence and occasional radio call in programs will also provide for contributing ideas and feedback. In addition, Trade Associations, Business Chambers, Bloggers and Community Leaders will also function as feedback conduits where comments and reactions of their following will be channelled to and received by the Communications Unit of the NIPS.</p>
Post Implementation Messages	<p>As the NIPS is implemented the new ways of working and revised regulations will need to be communicated to the affected and interested stakeholders. The messages should focus on what stakeholders will need to know in order to comply with the new regulations and incentives in the case of beneficiaries and in the case of government and private service providers how to perform their roles after the changes are implemented.</p>
Business Readiness	<p>Messaging in this area will seek to gauge the extent of readiness of impacted stakeholders for the changes arising out of the NIPS. During and after the delivery of the communication and capacity building workshops, surveys will be administered on the level of understanding of the goals and objectives and the willingness of the stakeholders to participate at a high level.</p> <p>Surveys of the business community will focus on their perception of the improvement or not of doing business activities in Belize. As in the case of all feedback information, it will be collated, synthesised and presented in an evaluation report that will guide further improvements to the NIPS.</p>

Source: ABC & IKEI, own elaboration

Thank You	<p>Finally, ensuring that people are thanked or rewarded for supporting the project and making the change successful is critical for sustainability. Therefore, another key message to be communicated will be the acknowledgement of the contribution and achievements of those responsible for implementing the Policy Actions as well as the testimonies of those businesses that improve their overall performance as a result of availing themselves of the revised investment policies.</p> <p>As Technical Implementation groups achieve the assigned outputs, citations highlighting these milestones will be published on the GOB dissemination platforms. Options may include photo ops and personal testimonies as appropriate.</p> <p>Similarly, businesses that successfully avail themselves of the improved business climate will be featured on the global NIPS platforms complete with brief explanation of the impact of the new policies and testimonials and photo-ops.</p>
Benefits Measures	<p>The achievement of the expected benefits and goals of the NIPS will be measured through the evaluation of the impact indicators for each Policy Action and the NIPS in general and the overall improvement in Belize as an investment destination. This evaluation will be presented within three (3) months after the mid-point of NIPS execution and at the end through a Mid-term Evaluation and a Final Evaluation report respectively. These reports will be prepared by an independent consultant under the direction of the Coordination Committee and submitted to the Steering Committee. The key findings of these reports will be communicated to the responsible internal stakeholders for the purpose of improving either the implementation effort in the case of the Mid-term or confirmation of the attainment of goals and objectives in the case of the Final evaluation.</p>

Source: ABC & IKEI, own elaboration

9.5 COMMUNICATORS

The role of actually communicating or delivering communications will vary depending on the message to be shared and the target group or audience to whom it is directed. For communications to be effective, the right people must be delivering the message. The following provides recommendations on the key communicators for the NIPS and their objectives and responsibilities.

Table 9.4 List of Communicators

Communicator	Objectives & Responsibilities
Office of Prime Minister/ (EDC)	Assure all stakeholders of the supreme importance placed on the development and implementation of the business policies and strategy. Maintain overall direction and responsibility for the Initiative.
Beltraide	Coordination of the revised business policies with the business sector providing timely communication and support for their early adoption and access of approved measures.
NIPS Communication Coordinator	Maintain overall direction and responsibility for all communication related to NIPS, ensuring coherence and appropriateness in the timing and messaging to all stakeholders. They will coordinate and collaborate with the various GOB and private agencies in this regard.

9.6 METHODS OF COMMUNICATION

This section explores the many methods or avenues for communicating messages within the Communication Strategy. Each these methods has its particular characteristics and reach in terms of the audience most likely to be receptive to the information delivered. These include traditional broadcast avenues such as the print, radio, television and digital (online) media, non-broadcast ones such as events, trade shows, direct marketing and personal emails, reports and team collaboration tools. The following table provides recommendations on what method/s of communication can be used, the frequency and for what purposes.

Table 9.5 Communicating the Messages, associated methods, frequency and purposes

Method	Frequency	Purpose
Email	Daily As required	General communication among and between managers, team leaders and policy implementation teams. Internal advisories regarding the implementation of new policies and procedures.
Team Collaboration Software Tools Moodle SharePoint	Daily As required	General communication among and between managers, team leaders and policy implementation teams. Internal advisories regarding the implementation of new policies and procedures. Share degree of progress among team members in attainment of the 82 Outputs or Actions and compliance with the established indicators and objectives.
Presentations	As required	Promote general awareness of the project its vision, objectives and expected outcomes. To gauge the extent of readiness of impacted stakeholders for the changes arising out of the NIPS. To advise stakeholder beneficiaries what they should know to comply with the new regulations and incentives
Workshops	Project Start Orientation of new task teams and beneficiaries	Team orientation and capacity building for implementers Advise government and private service providers how to perform their roles after the changes are implemented. What stakeholders should know to comply with the new regulations and incentives in the case of beneficiaries

Source: ABC & IKEI, own elaboration

Table 9.5 Communicating the Messages, associated methods, frequency and purposes

Method	Frequency	Purpose
Website	Periodic (monthly) updates or as events warrant	<p>Promote general awareness of the project, its vision, objectives and expected outcomes</p> <p>Acknowledgement of the contribution and achievements of stakeholders responsible for implementing the NIPS.</p> <p>Testimonies of those businesses that improve their overall performance because of the revised investment policies and incentives.</p>
Reports	Monthly Mid-term & End of Project	<p>Share project progress status to particular groups of stakeholders via periodic communications.</p> <p>The achievement of the expected benefits and goals of the NIPS in general and the overall improvement in Belize as an investment destination through the Evaluation and a Final Evaluation report</p>
Newsletter	Periodic (monthly or quarterly)	<p>Promote general awareness of the project its vision, objectives and expected outcomes</p> <p>Acknowledgement of the contribution and achievements of stakeholders responsible for implementing the NIPS Policy Actions.</p> <p>Publish testimonies of businesses that improve their overall performance because of implementation of revised investment policies, services and incentives.</p>
Flyer / Poster	Periodic (quarterly or semi-annually)	<p>Promote general awareness of the project its vision, objectives and expected outcomes.</p> <p>Implementation of revised investment policies, services and incentives.</p>

Source: ABC & IKEI, own elaboration

Table 9.5 Communicating the Messages, associated methods, frequency and purposes

Method	Frequency	Purpose
Stakeholder Group Meetings	Periodic (quarterly or semi-annually)	<p>Promote awareness of specific policy pillars, actions and expected outcomes.</p> <p>Gauging the readiness of impacted stakeholders for the changes arising out of the NIPS.</p>
Events, Trade Shows, etc.	As opportunity arises, annually at EXPO Belize Market Place, TIP, NATS, etc.	<p>Promote general awareness of the project its vision, objectives and expected outcomes.</p> <p>Promote awareness of specific sector related policy actions and expected outcomes.</p>
General Social Media including, Facebook Twitter Blogs Wiki	Ongoing and as opportunity dictates	<p>Promote general awareness of the project its vision, objectives and expected outcomes.</p> <p>Acknowledgement of the contribution and achievements of stakeholders responsible for implementing the NIPS Policy Actions.</p> <p>Conduits for feedback - comments and reactions related to execution of the NIPS</p> <p>Testimonies of those businesses that improve their overall performance as a result of the revised investment policies and improved services.</p>

Source: ABC & IKEI, own elaboration

9.7 COMMUNICATION ACTIVITIES

The Communication activities to be implemented within the NIPS Communication Plan are explained in further detail in next Table.

Table 9.6 Description of communication activities to be implemented within the NIPS Communication Plan

Events	Objective	Delivered by	Feedback Mechanism
Workshops			
Steering Committee	Orientation & Progress Updates	EDC/NCC	Approval memo
General Launch	Orientation of all stakeholders to NIPS implementation and objectives.	NCC	Exit survey, online survey
GOB Action Plan Team launch	Orientation of implementors to tasks, indicators and process	CBT	Exit survey Online survey
Workshops GOB	Sensitization of GOB functionaries to changes in work culture. Building capacity to execute NIPS actions	NCC, MDA Comm. CBT	Online survey
Stakeholder Group Meetings	Specific advisories and feedback related to Policy Pillar and economic sector	CBT	Online survey
Events, Trade Shows, etc.			
BTB Tourism Awards	General sensitization and progress advisories related to Tourism sector	NCC	Direct interview Online survey
BTB Digital Marketing Summit	General sensitization and progress advisories related to BPO sector	NCC	Direct interview, online survey
National Agriculture & Trade Show (NATS)	General sensitization and progress advisories related to Agro sector	NCC	Direct interview, online survey
Tourism Industry Presentation	General sensitization and progress advisories related to Tourism sector	NCC	Direct interview, online survey

Source: ABC & IKEI, own elaboration

NCC- NIPS Communication Coordinator

CBT - Approved Capacity Building Trainer

MDA Comm. - MDA Communications Associates

9.8 EVALUATING SUCCESS

The monitoring and evaluation of the various activities are essential to confirm progress towards and success in meeting the communication objectives. Key questions such as how success will be evaluated, what performance indicators and evaluating measures will be used, need to be answered. The monitoring plan should therefore be developed to determine if the assumptions in terms of message content, targets and mix of methods used in the strategic communication plan are realizing the expected results. The validity of these assumption will be tracked using defined metrics or indicators. The

output of this monitoring exercise should provide guidance in revising the communication strategy by, for example, placing more emphasis on particular target groups or greater use of a particular medium or method so that the strategic objectives are realized.

The communication plan should be reviewed periodically at defined intervals and the feedback from NIPS progress reports, blogs and surveys to assess impact. The key communication objectives and indicators for their assessment are present in the table below.

Table 9.7 Evaluating Achievement of Communication Goals

Goal	Measurement	Means of Verification	Target Date
Generate collaboration and participation among GOB actors responsible for implementing defined policy actions	All Implementation teams/team leaders identified in each MDA aware of stated outcomes and indicators for designated pillar	Survey questionnaire*	Within 60 days of Team launch.
Generate awareness among GOB employees about the NIPS	65% awareness of NIPS its objectives and impact across the public service	Survey questionnaire*	Within two years of communication launch
Generate appreciation for the NIPS by the Business Community	85% awareness of NIPS its objectives and impact across the business community in Belize	Survey questionnaire*	Within one year of communication launch
Sensitise potential investors (target markets) on how the NIPS will change their doing business experience in Belize	60% awareness of NIPS its objectives and impact across the target business sectors and groups internationally	Survey questionnaire*	By completion of Project through targeted placement of ads in industry journals, at trade shows, online digital media.
Sensitise general public on the implementation of the NIPS and the impact on their GOB interactions	40% of Belizeans aware of NIPS and its general objectives	Survey questionnaire*	By completion of Project via broadcast media, TV, newspapers, billboards with concise messages.

*Survey Monkey(R) or other digital survey app

Source: ABC & IKEI, own elaboration

ANNEX

ANNEX-1: PARTICIPANTS IN THE POLICY TECHNICAL COMMITTEES (PTCS)

NAME AND POSITION OR PARTICIPANTS

- Mr. Alvaro Alamina, Managing Director, Belize Banker's Association
- Mr. Froylan Alvarado, Member, BCSP, Architecture
- Ms. Amina Bejos, Investment Policy Officer, Investment Policy and Compliance Unit
- Mr. Lincoln Blake, Director, Investment Policy and Compliance Unit
- Mr. Marcello Blake, General Manager, Belize Chamber of Commerce and Industry (BCCI)
- Dr. Dionne Chamberlain Miranda, Chairman, Belize Coalition of Service Providers (BCSP)
- Mr. Edgar Cano, Port Commander, Ministry of Foreign Affairs, Foreign Trade and Immigration
- Mrs. Lisa Clare, Deputy Director, General Policy and Program at the Belize Tax Service (BTS)
- Carlos Clarke, Foreign Service Officer
- Mr. Berisford Codd, Ministry of Foreign Affairs, Foreign Trade and Immigration (Directorate General for Foreign Trade)
- Mr. Victor Manuel Espat, Chief Executive Officer, Ministry of Infrastructure Development and Housing
- Mr. Emory Ford, Manager, Research Department at the Central Bank of Belize
- Mrs. Eleanor Gillett, Dean of Wesley College, Association of Tertiary Level Institutions of Belize (ATLIB)
- Mrs. Natalie Goff, General Manager, Development Finance Corporation (DFC)
- Mr. Miguel Gongora, Manager of Investment Services
- Mr. Claude Haylock, Director, International Financial Services Commission (IFSC)
- Ms. Kay King, Crown Counsel, Belize Intellectual Property Office (BELIPO)
- Mr. Reynaldo Magana, Chairman, Belize International Financial Services Association (BIFSA)
- Ms. Milagro Matus, Policy Analyst, Policy and Public- Private Sector Interface, Ministry of Agriculture
- Mr. Chris McGann, Financial Advisor
- Mr. Hugo Moguel, Association of Real Estate Brokers of Belize (AREBB)
- Mr. Moguel, A&A Architects, APAB
- Ms. Linda Muñoz, Belize Tourism Industry Association (BTIA)
- Mr. Jose Perez, Executive Director, APAMO
- Mr. Ishmael Quiroz, Economic Development Council (EDC)
- Mr. Stanley Rempel, Belize Agro-Productive Sector (BAS) Group
- Mrs Vanessa Retreage, REYES RETREAGE LLP
- Keisha Rodriguez, Director - Communications, Outreach and Networking
- Barbara Tillett-AbdulHadi, Belize Association of Planners
- Mr. Karteek Tummala, Belize Shrimp Growers Association (BSGA)
- Representative from National Trade Union Congress of Belize

ANNEX-2: PARTICIPANTS IN THE SECTORAL TECHNICAL COMMITTEES (STCS) CONSULTATIONS

NAME AND POSITION OR PARTICIPANTS

- Sab Badee, Owner, Globalcom Limited
- Kent Brazier, Operations Manager, Bahar Bio-Tech Limited
- Vilma Broaster, Deputy Director General Belize Tax Service
- Vila Darian Coye, Ministry of Tourism & Diaspora Relations
- Gilbert Canton, Principal, Cayo Grain & Agro Supply Limited
- Zaid Flores, Owner, Fenix Farm 17 Limited
- Leeann Garbutt, Ministry of Tourism & Diaspora Relations
- Fernando Gonzalez, Country Manager, Cementos Rocafuerte Limited
- Jonelle Hemmans, Ministry of Tourism & Diaspora Relations
- Cosme Hernandez, General Manager, Progressive Sugar Cane Producers Association
- Kevin Herrera, CEO, Protel BPO Limited
- Nathan Jaeger, Owner, Valle Agro Limited
- Stewart Krohn, President of the Belize Tourism Industry Association
- John Malic, Director of Operations, Infotel International Limited dba Voyse International
- Heather Mcintosh, Manager, Caribbean Shrimp Limited
- Kay L Menzies, President & CEO, BECOL Belize Electric Company Ltd
- William Neal, Communications and Government Affairs Officer, Belize Sugar Industries Limited
- Jaime Reyes, General Manager, The Office Gurus Limited
- Alina Saldivar, President, Belize Hotel Association
- Tomas Serrut, Operations Manager, Oristech Belize Limited
- Kareem Stephenson, Financial Controller, Project Management Services (Belize) Limited
- Andy Sutherland, Director General, Directorate General for Foreign Trade
- Umeeda Switlo, Owner, Naledo Belize Limited
- Margaret Ventura, Directorate General for Foreign Trade (DGFT)
- Melissa Zuniga- Executive Director, Belize Society of Composers & Authors (BSCAP)

ANNEX 3- PARTICIPANTS IN THE VALIDATION WORKSHOPS OF THE NIPS

NAME AND POSITION OR PARTICIPANTS

- Dr. Leroy Almendarez, Executive Director, BELTRAIDE
- Mr. Alan Auil, Director, JMA Auto Rentals
- Mr. Lincoln Blake, Director, IPC
- Mr. Kent Braizer, Director, Bahar Bio-Tech Ltd
- Mr. David Duncan, Naledo Belize
- Ms. Raquel Guerra, Ministry of Finance
- Mr. Kevin Herrera, Director, Protel BPO
- Mr. Nate Jagger, Director, Banana Bank
- Mr. Stewart Krohn, BTIA President
- Ms. Katherine Meighan, BCCI
- Ms. Kay Menzies, CEO, BECOL
- Mr. William Neal, Communications Director, BSI
- Mr. Ishmael Quiroz, Executive Director, EDC
- Mr. Kareem Stephenson, Local Representative, Project Management Services Ltd (Fyffes)
- Ms. Martha Woodye, Ministry of Economic Development

