



# Belize Trade Relations



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21 April 2022

# Overview

- Accomplishments – Agriculture related
- CARICOM Bilateral Agreements - Ratified
- Belize Taiwan ECA
- Negotiations of Trade Agreements
- Investments Opportunities

# Accomplishments – Agriculture related

- February 20<sup>th</sup> 2022, the secured the CDB funding for four Trade facilitating and capacity enhancement projects for the public and private sector through the 11th European Development Fund to support - Toledo Cocoa Growers Association, Belize Customs Department, Belize Bureau of Standards, Belize Agricultural Health Authority
- Ratification of three CARICOM bilateral trade agreements with Colombia, Venezuela and the Dominican Republic to increase market access opportunities for Belize's agricultural and agri-processed
- Ratification and Entry into Force of the Belize/ROC-Taiwan Economic Cooperation Agreement
- The Ministry worked with the Sugar industry to establish a CARICOM Monitoring Mechanism for Sugar to secure and safeguard Belize's interest in the CARICOM Market for our sugar.
- The Ministry secured Cabinet's support for a Trade facilitation Implementation Roadmap with the main objective to reduce time and costs associated with clearance of goods at border points via the implementation of the WTO Trade Facilitation Agreement



# BELIZE'S TRADE AGREEMENTS



Belize is one of the founding members, and thus signed on to the World Trade Organization in 1995.



The Treaty of Chaguaramas established the Caribbean Community (CARICOM) in 1973. Belize signed on to the Treaty of Chaguaramas in 1974. It also signed on to the Revised Treaty of Chaguaramas (RTC), in 2001, which established the CARICOM Single Market & Economy (CSME).



Belize signed on to the CARIFORUM-EU Economic Partnership Agreement in October 2008. The Agreement is between the European Union, the CARICOM Member States and the Dominican Republic.



Belize signed the CARIFORUM-UK Economic Partnership Agreement in March 2019 which is expected to take effect from 1 January 2021. The Agreement is between the United Kingdom, the CARICOM Member States and the Dominican Republic.

## Trade Agreements and Agriculture

### CARICOM BILATERAL AGREEMENTS



#### CUBA

Signed 5 July 2000 and ratified 6 September 2002. The 1st Protocol to the implement the Agreement was signed 8 December 2002 and the 2nd Protocol was signed by the Secretary General of the CARICOM Secretariat, on behalf of the Community, on 9 November 2017. Ratified on 20 March 2018.



#### COLOMBIA

Signed 24 July 1994. Protocol amending the agreement signed on 21 May 1998.



#### DOMINICAN REPUBLIC

Signed 22 August 1998. Protocol to implement the Agreement signed 28 April 2000.



#### COSTA RICA

Signed 9 March 2004 and ratified 5 October 2010.



#### VENEZUELA

Signed 13 October 1992.

### BILATERAL AGREEMENTS



#### BELIZE- GUATEMALA PSA

Belize signed the Partial Scope Agreement (PSA) on 26 June 2006. The Agreement entered into force in 2010. A PSA is type of trade agreement that allows the parties to grant tariff preferences on a limited number of goods.



#### BELIZE- ROC (TAIWAN) ECA

Belize signed and ratified the Economic Cooperation Agreement (ECA) on 30 September 2020.

### UNILATERAL TRADE ARRANGEMENTS



#### CARIBBEAN- CANADA (CARIBCAN)

An economic and trade development assistance programme between Commonwealth Caribbean countries and Canada established in 1986. Belize benefits from unilateral preferential market access for 1118 products lines of which 413 product lines can enter the Canadian market duty-free.



#### CARRIBEAN BASIN INITIATIVE (CBI)

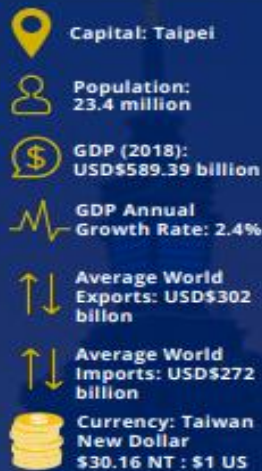
The CBI programme started January, 1984. Belize and 17 other Caribbean countries (CARICOM members - Aruba, Curacao & the British Virgin Islands) are beneficiaries of the CBI. Belize, has access to 5,152 lines at preferential rates of which 5,090 can enter the US market duty-free.



# THE AGREEMENT

The ECA provides for preferential treatment for Belize's key agricultural and fisheries products, among other goods. Furthermore, given the need to expand Belize's export supply capabilities, the ECA also provides for financial and technical assistance from Taiwan for the development of institutional and technical capacities involved in trade, including in areas of plant and animal health, standards and technical regulations (including consumer protection), and export and investment promotion. This is aimed at assisting the productive sector to capitalize on meaningful export opportunities in Taiwan and other export markets available under existing trade agreements and those to be negotiated in the future.

## MARKET INFORMATION




## INTERESTING FACTS

**\$1.8M**

Average Annual Value of Belize's Exports (BZD) to the ROC for the period 2016-2019.



  
A Bilateral Investment Treaty (BIT) exists between both countries, signed in January 1999.

**\$8.9M**

Average Annual Value of Belize's Imports (BZD) from the ROC for the period 2016-2019.



Belize and the ROC have shared 30

## Bilateral Agreements – BZE-ROC ECA

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given the need to expand Belize's export supply capabilities, the ECA also provides for financial and technical assistance from Taiwan for the development of institutional and technical capacities involved in trade: plant and animal health, standards and technical regulations (including consumer protection), and export and investment promotion.

Belize exporters now have market access for almost all products currently produced and exported from Belize, including: Sugar, Beef Carcasses and Half Carcasses and Cuts; Turkey whole and cuts; Tilapia and other fish fillets; Lobster and Shrimps fresh, frozen or prepared; Cheese - processed or grated; Beans; Dried fruits; Corn Meal; Cassava starch and flour; Soya products; Orange juice concentrate; and Sauces, Jams and Jellies.

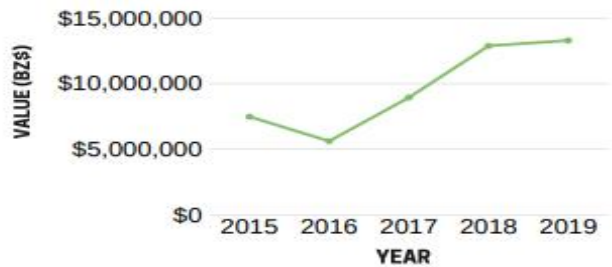
<https://www.dgft.gov.bz/wp-content/uploads/2020/10/Economic-Cooperation-Agreement-between-the-Governments-of-Belize-and-the-ROC-Taiwan-2020.pdf>

# BELIZE-GUATEMALA TRADE

EXPORTS AND IMPORTS FOR THE PERIOD 2015-2019  
SOURCE: STATISTICAL INSTITUTE OF BELIZE

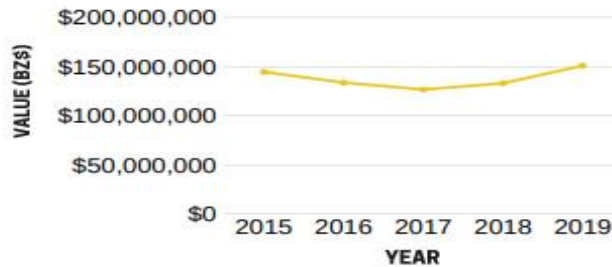
## EXPORTS TO GUATEMALA

CHART 1



## IMPORTS FROM GUATEMALA

CHART 2



## EXPORTS

- Belize exported to Guatemala an annual average total of BZ\$9.6 million worth of goods for the period 2015-2019 (Chart 1).
- These exports include products such as pepper sauce, citrus concentrate, corn, cattle feed, and essential oils of citrus.

89% of Belize's annual average exports (2015-2019) to Central America were destined for Guatemala.



## IMPORTS

- Belize imported from Guatemala an annual average total of over BZ\$138.1 million worth of goods for the period 2015-2019 (Chart 2).
- These imports include products such as tubes, pipes, fertilizers, cement, and butane.

GUATEMALA



58% of Belize's annual average imports from Central America (2015-2019) were from Guatemala.

CENTRAL AMERICA

Central America includes: Guatemala, Honduras, Nicaragua, El

## Negotiations of Trade Agreements

- The Administrative Commission under the Belize/Guatemala PSA, at its 3<sup>rd</sup> Meeting (Aug. 2021) agreed to proceed with Negotiation to expand the agreement.
- 2 rounds of negotiations conducted as of February 2022.
- A 3<sup>rd</sup> round is scheduled for May 2022.

# Bze-Guat - Approaches to Negotiations: RECIPROCITY vs S&DT - NON-RECIPROCITY

- **Total lines requested by Belize: 286 tariff lines**
  - Belize negotiating for products of national interest on a non-reciprocal basis.
  - 100% Immediate access
  - 50% - 100% liberalization over 3, 5, 10, 15 years
  - EXCL
- **Total lines requested by Guatemala: 422 tariff lines**
  - Guatemala is advocating for tariff concessions on a reciprocal basis.
  - 100% Immediate, non-reciprocal preference
  - 100% non-reciprocal preference: Reduction in 5 years
  - 100% x 100% Immediate, reciprocal preference
  - 100% x 100% reciprocal preference : reduction in 3 years
  - 100% x 100% reciprocal preference : reduction in 5 years
  - 50% reduction in 5 years
  - Excluded



# Belize-Mexico Trade Relations



## COUNTRY STATS [3]:

Population: 126.2 million  
GDP: US\$1.2 trillion  
GDP per Capita: US\$9,694 thousand  
Merchandise Exports: US\$450.7 billion  
Merchandise Imports: US\$476.5 billion

## STATE OF QUINTANA ROO [4]:

Population: 1.5 million  
Major Cities: Chetumal, Cancun & Cozumel  
Distance from Belize City: 271.2 km

- Mexico is a significant trade partner for Belize – it's a important source of imports/inputs and has potential to become a key destination for Belizean exports.
- Belize's total trade with Mexico (Imports and Exports) is on average, less than 4% of Mexico's total trade.

**Both countries at the highest levels are desirous of a substantial trade agreement.**

## Economically

- Opportunity to boost Belize's exports to Mexico
- Genuine and permanent market access for Belize's agro-productive sector
- Increased domestic and foreign investments

## Politically

- Solidifies the cooperation between Belize and Mexico
- Asserts Belize's position to function as a bridge between CARICOM and Central America
- Sets the stage for Belize's integration into SIECA



# Belize-Mexico Trade Relations

- Of Belize's top 10 imports from the world, Mexico is the source of a significant amount of those imports
  - Iron and steel, Machineries, Plastics and Food ingredients
- For Cement and related materials, btw 2016-2020
  - Imports from Mexico accounted for approximately 56% to 78% of Belize's total imports of said products from the rest of the world
- For iron and steel, between 2016 and 2020
  - Imports from Mexico accounted for approximately 27% to 53% of Belize's total imports of said products from the rest of the world
- Mexico key supplier of input for Belize's livestock sector
  - Imports of prepared animal fodder from Mexico between 2016 and 2020 represents approximately 34% to 68% of Belize's imports of said product from the rest of the world
- Of Belize's top exports to the world – 2 products feature in Belize's top 10 exports to Mexico
  - Fish and crustaceans, and toilet preparations
- Between 2016-2020, Belize's beverage, spirits and vinegar exports to Mexico increased considerably
  - From approximately 8% to 85% of Belize's total export of said products
- Fish and crustaceans et al. exports to Mexico declined between the same period
  - Disease challenge in the shrimp industry in Belize
  - Until its decline however, shrimp was the second largest Belize export to Mexico after iron and steel
- Belize's live animal exports to Mexico significantly increased in 2020
  - Mexico's share of Belize's live animal exports was approximately 87%

# Belize-Mexico: The Way Forward

- General Framework Agreement well advanced.
- National Trade Negotiating Commission in dedicated session agree for Belize to proceed to negotiate an Agreement with Mexico.
- Secured the UN – ECLAC to fast track a Dynamic Computable General Equilibrium study on the economic impact of a Belize Mexico Trade Agreement –to be completed in four months. The study is expected to assess the economy-wide impact of the agreement, and impacts on specific industry sectors. This includes impact on Belize’s gross domestic product (GDP), exports and imports, aggregate employment, production, and competitive position of the industrial sector.
- Belize and Mexico will enter negotiations once the Framework is agreed between the parties.

## Investment opportunities identified based on CET suspension trends in CARICOM

HS Code	Product Label	Average CARICOM Imports Per Year 2016 - 2020(USD)
39	Plastics and articles thereof	902,666,400.00
73	Articles of iron or steel	807,049,800.00
30	Pharmaceutical products	509,655,400.00
22	Beverages, spirits and vinegar	469,603,000.00
2	Meat and edible meat offal	465,126,400.00
72	Iron and steel	460,000,200.00
94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; . . .	456,735,800.00
21	Miscellaneous edible preparations	449,685,800.00
4	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere . . .	430,614,600.00
48	Paper and paperboard; articles of paper pulp, of paper or of paperboard	420,828,400.00
19	Preparations of cereals, flour, starch or milk; pastrycooks' products	379,243,000.00
38	Miscellaneous chemical products	378,950,800.00
25	Salt; sulphur; earths and stone; plastering materials, lime and cement	293,401,800.00
17	Sugars and sugar confectionery	264,473,800.00
20	Preparations of vegetables, fruit, nuts or other parts of plants	263,448,600.00
40	Rubber and articles thereof	259,914,200.00
33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	256,366,200.00
34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial . . .	227,994,400.00
61	Articles of apparel and clothing accessories, knitted or crocheted	197,927,000.00
76	Aluminium and articles thereof	183,390,400.00
62	Articles of apparel and clothing accessories, not knitted or crocheted	178,945,800.00
32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring . . .	173,242,600.00
63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags	160,780,400.00
70	Glass and glassware	154,307,400.00
24	Tobacco and manufactured tobacco substitutes	137,190,800.00
29	Organic chemicals	104,696,000.00

# Investment Opportunities





**T H A N K   Y O U !**

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