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BUSINESS POLICY ROADMAP 2025

Prioritizing Real Growth



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BUSINESS IN BELIZE: AT A GLANCE

The private sector landscape in Belize is diverse but primarily dominated by firms in the leading industries (Agriculture, Business Process Outsourcing (BPO), Tourism, Retail and Wholesale).

146 K
EMPLOYED PERSONS

The Private sector employs 90% of the employed labour force. Approximately 25,000 jobs have been created over the last 10 years.

90%
MSMEs

Micro, Small and Medium Enterprises account for 90% of all firms in Belize. MSMEs employ 70% of the employed labour market.

4.4 B
CONTRIBUTION TO GDP

In 2023, the private sector contributed 87% or 4.4 billion BZD to Belize's Gross Domestic Product.



EXECUTIVE SUMMARY

Government and the business community depend on each other. This Business Policy Roadmap highlights key areas that the Private Sector require Government to take action on.



Comprehensive Tax Reform

Belize's tax system is in dire need of modernization and restructuring. Efforts to simplify the tax framework could yield benefits in the form of greater compliance, giving the government greater flexibility with adjusting rates.



Eliminating Corruption in Public Services

Private Sector relies on a variety of public services for their business activities. Corruption in service delivery creates inefficiencies in business activities, which ultimately result in higher business costs and consumer prices.



Labour Force Development & Immigration

With technology and AI rapidly developing around the world, Belizean industries require a workforce equipped with the skills to adapt to the new work conditions. Frameworks for migrant workers must also reflect trends in labour demand.



Energy and Infrastructure

Reliable infrastructure and cost effective energy sources are critical for business growth and survivability. Major improvements are needed to unlock potential industries and support growing industries that rely on infrastructure.



TAX REFORM

KEY STEPS



Belize is the only country in CARICOM to levy a tax on businesses' gross revenue.

01. Tax Profits, Not Revenue

Taxing a company's profits ensures that the tax burden is proportional to its financial success, allowing businesses with lower margins to remain viable. It also encourages investment and growth by taxing only when profitability is achieved—a policy that is particularly beneficial for startups and capital-intensive industries.

03. Greater Enforcement

An effective tax structure and high compliance rate depend on strong enforcement mechanisms. The business community expects the government to enforce tax laws consistently across the entire tax base, without discrimination.

02. Simpler Frameworks

A simple tax framework reduces administrative burdens and compliance costs for businesses, enabling them to operate more efficiently and focus on growth. It also enhances transparency, minimizes errors or disputes, and fosters a business-friendly environment that attracts investment.

04. Tax Credits

The current tax refund system for taxes such as GST, frustrates taxpayers with inefficient processing times. Owed refunds should first be applied to future tax liabilities and then adjusted based on subsequent assessments.



TACKLING CORRUPTION



Corruption negatively impacts economic growth and slow economic growth impacts chances of re-election.

“Corruption affects economic growth, the level of GDP per capita, investment activity, international trade and price stability negatively.”

The Economic Cost of Corruption: A Survey and New Evidence, 2005

01. Campaign Finance Laws

Campaign finance laws, Fixed Election Dates, and equal representation promote fair elections by limiting money's influence, reducing corruption, ensuring transparency, and leveling the playing field for candidates, citizens, and businesses.

03. Stronger Senate

The Senate's oversight function needs to be strengthened by giving it greater authority to conduct inquiries and impose penalties for non-compliance.

02. Strengthen the Auditor General

The Office of the Auditor General serves as a critical oversight body to prevent corruption in public spending. To enhance its effectiveness, this office requires modernization and increased resources.

04. Civil Society Involvement

Effective involvement of civil society organizations (CSOs) in public committees promotes government accountability and transparency. Every public body should include meaningful private sector representation.



LABOUR FORCE DEVELOPMENT & IMMIGRATION

Key steps to take:



01. Technical & Vocational Education (TVET)

The TVET strategy must be dynamic to keep pace with labor force demands and emerging trends. This may require significant public investment in TVET institutions to incentivize Belizeans to pursue high-demand professions. A renewed commitment is needed to implement an evidence-based strategy, supported by frequent reviews and adjustments.

02. Deeper Labour Force Research

Expand the Labour Force Survey to include skills mismatch modules, providing the government with critical insights into the private sector's needs and guiding public investment in education.

03. Minimum Wage Formula

The government should legislate a minimum wage adjustment formula tied to key economic indicators, such as productivity. This would eliminate political influence over minimum wage decisions and ensure they are evidence-based.

04. Robust Migration Policy

Belize's modern migration policy should attract skilled labor and provide the private sector with greater flexibility to recruit workers in high-demand areas. Such a policy would enhance productivity and support economic growth across key industries.



ENERGY & INFRASTRUCTURE

Actions for Governments to take

01. Reliable & Affordable Energy Sources

Energy solutions should accelerate Belize's diversification of energy sources and foster partnerships with the private sector to develop sustainable energy systems that drive long-term growth. Resilient and reliable energy sources are essential for sustaining economic activity.

02. Lower Energy Costs for Productive Sector

Energy policy should aim to reduce production costs and promote manufacturing to enhance competitiveness and innovation. Lower energy costs would encourage sector growth, create jobs, and boost exports.

03. Sustainable Infrastructure Development

Economic growth and national development depend on resilient infrastructure and reliable public transportation to boost productivity and expand market access. Policies should incentivize investment in climate-resilient infrastructure to ensure long-term sustainability and safeguard supply chains.

04. Digital Infrastructure

A new digitization policy should prioritize investment in digital infrastructure to enhance connectivity, support innovation, and enable businesses to access global markets. Investments in AI and cloud technology could be shared with growing digital industries to foster development.



5 STEPS

TO ENSURE A ROBUST AND SUSTAINABLE PARTNERSHIP WITH THE PRIVATE SECTOR FOR THE GOVERNANCE TERM

The Government must maintain a strong collaborative relationship with the Private Sector to shape policies that are grounded in real-world business challenges. Engaging with businesses ensures that policies are not only effective but practical, addressing key issues such as regulatory burdens, access to capital, and market dynamics.

This collaborative partnership is not just about teamwork but also about execution. It's a long term partnership that keeps the government aligned with the needs of the economy, driving innovation and job creation. Direct communication with the private sector allows for rapid adaptation to market changes and the creation of policies that foster sustainable economic growth, benefiting both business and the public.

- 01 Strengthen & Modernize Belize's Economic Development Council.
- 02 Quarterly meetings with Prime Minister & BCCI Executive.
- 03 Formalize & strengthen the Government of Belize - Social Partner dialogue on anti-corruption efforts.
- 04 Inclusion of the private sector in Government's Medium Term Strategic Planning.
- 05 Frequent dialogue between Government agencies & BCCI members at organized events.



ENGAGE WITH THE BCCI



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