

**Improving competitiveness, market access and economic resilience
– The case for the implementation of the NQP in Belize**

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1. Introduction.

It is well established that countries which participate more in the world trading system, are better able to develop their own national socio-economic agenda. It is therefore no surprise that Belize continues to commit to increasing the export of its goods and services. The country has signed several bi-lateral and multilateral trade agreements. Unfortunately, however, very few of these agreements currently appear to benefit the country and its people, largely because Belize does not have the capacity to take advantage of the opportunities offered. Like other developing countries who wish to drive their socio-economic development agenda through greater participation in the world trading system, Belizean producers / exporters have little choice but to better understand and seek appropriate compliance with international requirements as defined by the regional and international community.

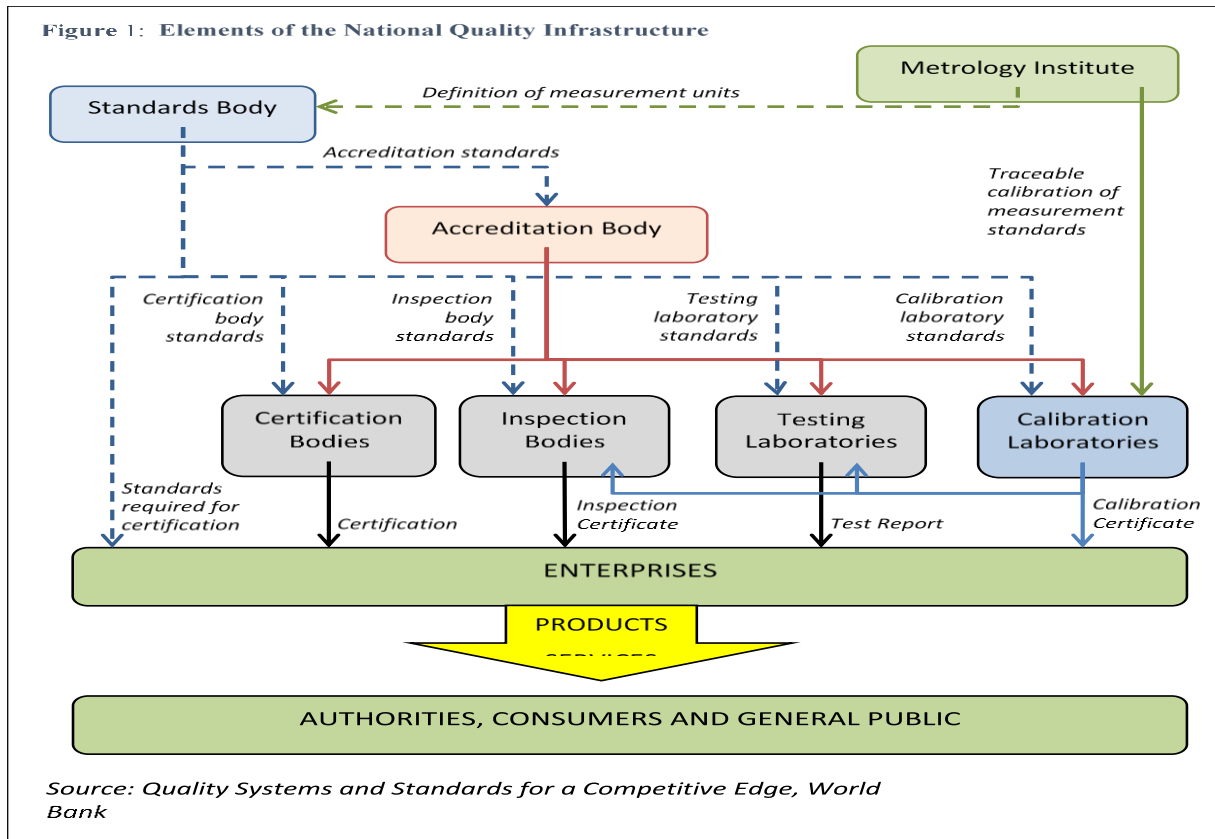
This paper is focused on the role of the national quality infrastructure (NQI) and related regulatory framework in support of maximizing the potential benefits to be gained through the increased participation of Belize within the global trading system. Over the past decades, a vast array of good practices related to NQI have evolved. These are intended to support trade whilst still ensuring the safety and well-being of the people, animals, plants and the environment. Some of these practices are encoded in the World Trade Organization Agreements on Technical Barriers to Trade, Sanitary and Phyto Sanitary measures, and Trade Facilitation (WTO TBT, SPS and TF Agreements). Others are provided for in the recognition arrangements of international organizations, such as the International Organization for Standardization (ISO), the International Electrotechnical Commission (IEC), the International Bureau of Weights and Measures (BIPM), the International Organization of Legal Metrology (OIML), the International Laboratory Accreditation Cooperation (ILAC) and the International Accreditation Forum (IAF), whilst others have simply evolved elsewhere as good practices that should be followed.

Many countries have therefore seen the need to fundamentally re-engineer their NQI in order to connect more effectively with international trading regimes. This is of particular importance for smaller economies such as Belize that have to satisfy the requirements of their much larger trading partners with better developed QI systems in place. The timeous and prioritized implementation of the national quality policy (NQP) is a necessity in this respect. Without tangible government drive and support, the required alignment of the country's NQI with that of their main trading partners will continue to be seriously hampered.

A component of Phase 2 the project "Technical Assistance to Saint Lucia and eligible ODA Caribbean Commonwealth Countries" seeks to support Belize in implementation related to the existing NQP. The information supplied, and as detailed in the list of resource documents at the end of the document has been used to develop the contents of this background paper. The contents are intended to assist in the determination of where support could be offered.

2. Definition of Quality Infrastructure and the need for a Quality Policy

The National Quality Infrastructure (NQI) is the system comprising the organizations (public and private) together with the policies, relevant legal and regulatory framework, and practices needed to support and enhance the quality, safety and environmental soundness of goods, services and processes. The NQI is required for the effective operation of domestic markets, and its international recognition is important to enable access to foreign markets. It is a critical element in promoting and sustaining economic development, as well as environmental and social wellbeing. The key elements associated legislation and organizations in the NQI comprise of Metrology, Standardization, Accreditation and Conformity Assessment. Elements of the system are shown in Figure 1.



The National Quality Policy (NQP) is intended to guide the development and implementation of an effective NQI for Belize. It is a strategic intervention intended to improve the quality of goods and services provided to citizens and to influence the private sector towards the production of goods and services that are globally competitive. The NQP is foundational for Belize as it expresses government's intentions, direction and aims regarding the quality of goods, services, processes and practices in the country. It also provides the necessary direction for the NQI, outlines roles and responsibilities of non-governmental stakeholders, and provides a necessary link to national priorities (e.g., trade, industrial, environmental, SME, health, science, research & innovation and investment policies).

The development of the NQP and associated implementation road map for Belize included the consideration of Belize's economic context, stakeholder consultation and the creation of an associated schedule for implementation. The NQP provides details of the different NQI structures and their relevant responsibilities in reaching the goal of enhancing the quality of products and services. The NQP also recognizes the relationship of the NQI with the technical regulation framework, e.g. providing services in the regulated domain. Belize, like many other countries cannot afford to duplicate effort and resources to establish parallel systems of standards, testing and certification; one for the marketplace and another for the authorities. The approval and implementation of the NQP and NQP road map is therefore a vital step in developing a NQI that is appropriate for the specific context of Belize. It is important that the Government of Belize continues to play an active role in further developing the NQI and ensuring its long-term viability. The Government through its various NQI related institutions, has an enabling, coordinating and educational role in the implementation of the NQP. The newly formed administration recognizes the NQP as an opportunity to increase awareness of the importance of the NQI and how different national actors can receive benefit from it.

The NQI must therefore continue to provide appropriate sectoral support to facilitate international acceptance of local goods and services. For a developing country like Belize, an appropriate NQI provides a means to compete globally, improve economic priorities and attract foreign investments, a concept that has been widely accepted in countries regionally and internationally.

1. Jamaica. In recognition of the fact that Jamaica’s national production and international trade is vital for the country’s economic future and that the acceptance of goods and services will depend on an internationally recognized infrastructure, the government of Jamaica committed to the establishment of an NQI. Jamaica’s National Quality Policy, 2017, articulates the Government’s position on the subject of quality of goods and services produced and consumed in Jamaica. The vision of the National Quality Policy is that Jamaica will have a national framework for the development of a sustainable “Standards-Led, Market-Driven” economy supported by a culture of high quality to achieve global competitiveness and consumer protection.¹ Jamaica’s NQI has over the years evolved to include a recognized accreditation body and a restructuring of infrastructure in keeping with international best practice that National Metrology/Standards Institutes should not be regulatory agencies.

2. Trinidad & Tobago. In the context of an overreliance on the petroleum industry, volatility of oil prices and subsequent vulnerability, Trinidad and Tobago’s development focus is to diversify its economy through the production and trade of innovative products and services that meet specific requirements in the local, regional and global markets. Trinidad & Tobago’s NQP has been developed to support the establishment of a NQI to address issues related to service, process and product quality and emerging issues related to market access, diversification, international competitiveness, integration into the global economy, private sector development and sustainable economic development.

3. St. Lucia. In order to fully exploit the possibilities for trading with foreign markets, enterprises in St. Lucia need cost effective access to an internationally recognized, but supportive NQI that can provide the required independent evidence of product compliance. St. Lucia is reevaluating and appropriately upgrading of its NQI to cater for current national priorities including the need for enhanced quality, the minimization of environmental, health and safety externalities, while seeking to avoid unnecessary and costly barriers to trade.

No generic QI system can fit the needs of every country. Recognizing that the countries above have varying economies and levels of QI implementation, there is however a common thread. This is the recognition of the need for the NQP and NQI as valuable assets for economic development. In furtherance of the objectives and provisions of the Caribbean Community and Common Market (CARICOM) Free Trade Agreement on compatibility and equivalence in reducing Technical Barriers to Trade, the CARICOM Regional Organisation for Standards and Quality (CROSQ) has produced a Regional Quality Policy (RQP), the tenets of which were also used in the development of the NQP for Belize.

3. Situation Analysis

3.1 Background

Belize is located on the Caribbean coast of Central America, bordered by Mexico and Guatemala on the landward side to the north, west and south, respectively. It is the only English

¹ The National Quality Policy of Jamaica, 2017. Retrieved from <https://www.micaf.gov.jm/sites/default/files/pdfs/National%20Quality%20Policy%20Of%20Jamaica%20%28Green%20Paper%29.pdf>

speaking country in Central America with a total land area of 22,960 km² comprising of 95% mainland and 5 % distributed among more than 1,060 islands and coastal cayes.

Topographical features divide Belizean landscape into two main physiographic regions- the Maya Mountains, dominating the central and western parts of the country, and the northern lowlands, along with the southern coastal plain. Approximately 69 % of the country remains under natural vegetation cover with 39.1% of its terrestrial area is protected forest. Belize is vulnerable to hurricanes, storms and associated flooding, wind damage, and storm surge, especially in Belize City and extreme temperature events and drought conditions. According to the Natural Disaster Hotspot study by the World Bank, Belize is the 61st highest exposed country for relative mortality risk from multiple hazards in the world and ranked 8th out of 167 countries for climate risk.²

The country's total land mass is divided into six (6) administrative districts, namely Corozal and Orange Walk (North), Belize (East and Central) and Cayo (West and Central) and Stann Creek and Toledo (South). Belize has a population of approximately 408,487 in 2019, the lowest population density in Central America, with an estimated population growth rate of approximately 2%. The population is a multi-ethnic and multi-cultural society - Mestizo (mixed Mayan and European decent), Creole, Maya, Afro-Amerindian (Garifuna) and Mennonite are the five largest ethnic groups. The remaining population includes European, East Indian, Chinese, Middle Eastern, and North American groups. 44% of the population is categorized as urban. A substantial proportion of residents live in Belize District followed by Cayo, Orange Walk and Toledo which is the least populated district. Belize's coastline accommodates approximately 35% of the country's total population in densely populated urban areas.³

3.2 Social and Economic Context

Belize is an upper-middle income country with a small open economy and economic ties to both Central America and the Caribbean. Belize's economy is supported primarily by it's natural resource base with principal sectors including (i) agriculture, (ii) agro-processing and (iii) tourism. Tourism and agriculture are the main sources of income and employment Belize's real GDP has fluctuated over the past decade with an annual GDP growth rate of 3.7% in 2014, reducing to -0.06 % in 2016, increasing to 2.1% in 2017, 2.5 % in 2018⁴ and reducing again to 0.3% in 2019. The contraction in economic growth was reflective of slowed economic growth worldwide. In his budget speech delivered in March 2020, Belize's Prime Minister outlined the country's economic performance in 2019 as follows:

“The Statistical Institute of Belize (SIB) reported that Belize's real gross domestic product (GDP) expanded by 0.3 percent in 2019, below both the 2.8 percent projected last year, and the growth of 2.1 percent achieved for 2018. The primary and secondary sectors of the economy were most harshly affected by the drought and actually contracted during the year. Meanwhile, activities in the tertiary sector, or service-based industries, slowed due to the consequences of internal and external volatility. The SIB reports that output in the primary sector, which includes agriculture, fishing and mining activities, fell slightly by 0.7 percent in 2019 compared to the previous year. Agriculture production weakened as on-going difficulties to manage and control the plight of legacy diseases in key agricultural industries were compounded by the record drought and its devastation of rain dependent crops.....

² The World Bank Group. (2020). Belize. Vulnerability. Retrieved from <https://climateknowledgeportal.worldbank.org/country/belize/vulnerability#:~:text=According%20to%20the%20Natural%20Disaster%20Hotspot%20study%20by,their%20associated%20socioeconomic%20impacts%20in%20a%20given%20country.>

³ Ministry of Forestry, Fisheries, and Sustainable Development, Belize United Nations Department of Social and Economic Affairs (UNDESA) United Nations Development Program (UNDP). (2014). Belize Sustainable Development Report.

⁴ Caribbean Development Bank. (2018) Country Economic Review 2018. Retrieved from <https://www.caribank.org/sites/default/files/publication-resources/CDB%20Economic%20Brief%202018%20-%20Belize.pdf>

The tertiary sector, composed of service-based industries, was once again a bright spot. This sector grew by 2.6 percent when compared to the year before. The growth impetus stemmed mainly from strengthening in the provision of distributive, government, and financial intermediation services”

Micro, medium and small enterprises (MSMEs) provide over 70% of private sector employment and contribute significantly to the GDP. Tourism accounts for over 38% of GDP and over a third of total employment, and is the main foreign exchange earner. The overnight and cruise tourism sectors have experienced constant growth in tourist arrivals, of which the US holds the greatest market share. The Government has embarked on a series of efforts aimed at promoting the sustainable growth of the industry including the National Sustainable Tourism Master Plan (NSTMP) 2012-2030 and over US\$40 million in capital investments. The Belize Medical Tourism Association (BMTA) is actively working with stakeholders to formulate a strategy for the development and strengthening of the medical tourism industry to be able to compete within the region.

Exports accounted for approximately 58% of GDP in 2018. Belize's main export destination remains the United States, noting that exports to Europe increased during the review period. The United States is also the biggest source of Belize's imports. The economy is characterized by a deficit in trade which has widened in the last decade. In 2019, total imports were valued at BZD \$ 1,971.80 M compared with BZD \$ 413.97 M in total export resulting in a negative trade balance of approximately BZD \$ 1,557.83 M.⁵

Historically, Belize has relied on agriculture as its main foreign exchange earner however the contribution of agriculture to Belize's GDP has shown an average decline in the past decade.⁶ Agriculture represents 13% of GDP, and contributes to employment and food security. Agricultural products account for 40% of total merchandise exports. Sugar, sugar-by-products, banana, citrus products, papayas and marine products comprise a significant percent of total exports of goods. Border measures are used to protect domestic producers from international competition and to raise domestic prices. The Government also applies price controls on some basic commodities. Fishing and aquaculture contribute 3% to GDP. Although these are still considered small scale activities, they contribute significantly to the socio-economic well-being of the country.

Other major sectors include petroleum production and export of crude oil which is a key source of export earnings for Belize however production and exports have been declining in recent years.³

Unemployment grew to approximately 10% in 2019. According to the Caribbean Development Bank, poverty rates are between 30-40% and one of the main socioeconomic objectives for the short term continues to be poverty reduction. The government of Belize remains challenged in addressing these issues because of limited fiscal space resulting from national debt which remains above 90% of gross domestic product (GDP). Belize continues to benefit from foreign Investment. Several large projects are also in the pipeline in the agriculture and tourism sectors.

The open economy of Belize with its dependence on exports and tourism earnings makes it vulnerable to external shocks i.e. the global financial crisis, natural disasters, and pandemics. Pests and diseases affecting the agriculture and aquaculture industries are also relevant in this respect. Belize has experienced several shocks including the economic recessions which have affected the economy generally and agriculture and fisheries in particular and more recently the COVID -19 global pandemic.

⁵ Statistical Institute of Belize. Statistics. Retrieved from <http://sib.org.bz/statistics>

⁶ World Bank. Agriculture, forestry and fishing, value added (% of GDP)- Caribbean Small States Belize. Retrieved from https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=S3-BZ&name_

The impact of COVID-19 on food security and livelihoods appear to be particularly apparent in Belize as compared to other Caribbean countries.⁷ In the first quarter of 2020, as a result of the COVID-19 pandemic, Belize has recorded a 4.5% reduction in GDP, and increase in unemployment (10.4%), and a decrease in both imports (\$102.1 M) and domestic exports (\$ 37 M). Although the long-term economic impacts of COVID-19 remain unknown, losses to the tourism industry and allied sectors, which underpins the national economy, are significant. The country has already recorded 80% losses in tourism related jobs and associated livelihoods⁸ including farmers and SMEs supplying the sector. This decline in economic performance and rise in food insecurity and unemployment underlines the country's vulnerability, especially with respect to tourism and export industries.

3.3 Legislative Background

Belize is a practicing democracy which attained constitutional independence from the United Kingdom in 1981. Belize's Constitution of 1981 declared Belize to be a sovereign democratic State of Central America in the Caribbean region. The legal system is based on the English Common Law. It's constitution and political system is that of a parliamentary democracy based on the British or 'Westminster' model of constitutional monarchy. The Queen of the British Commonwealth, as the head of state, is represented in the country by the Governor General, a citizen of Belize. The executive authority of Belize is vested in the Queen and exercised on behalf of the Queen by the Governor-General either directly or through officer's subordinate to him. The National Assembly is a bicameral legislature or parliament of Belize comprising of thirty-one (31) members of the House of Representatives elected in general election and twelve (12) members of the Senate appointed by the Governor General of Belize. Executive power is vested in the Prime Minister, appointed by the Governor General, who is a member of the House of Representatives and leader of the political party which commands the support of the majority of the members of that House. Ministers of Government are appointed from among the members of the House and the Senate. The Cabinet, which consists of the Prime Minister and the Ministers, directs the policy of the Government and is collectively responsible to the National Assembly.

As a consultative democracy, legislation can be initiated through the relevant government department. A draft Bill must be passed in both the House of Representatives and the Senate, subject to public debate and scrutiny, and presented to the Governor General for royal assent. The Governor-General's assent is a necessary formality which represent the final stages in converting a Bill into Law. The law, termed as an Act of Parliament, is then published in the Government Gazette.

Belize is a member of the Caribbean Community (CARICOM) and signatory to the CARICOM Single Market and Economy (CSME). Belize is the only member of CARICOM geographically situated in Central America. The legal and institutional framework of the CSME provides for nondiscrimination among Community nationals in the operation of the five core CSME free movement regimes, namely: the right of establishment; the free movement of goods; the free movement of services; free movement of persons, including the free movement of skilled Community nationals and, to some extent, the free movement of Capital. CARICOM has signed bilateral trade agreements with five Latin American countries under which Belize is entitled to preferential duty-free treatment for goods on a non-reciprocal basis. These are:

- The CARICOM-Venezuela Trade & Investment Agreement - October 1992.

⁷ Caribbean COVID-19 Food Security & Livelihoods Impact Survey Belize Summary Report, May 2020. Retrieved from https://docs.wfp.org/api/documents/WFP-0000115368/download/?_ga=2.168579809.1176819977.1589471732-583520539.1583432123

⁸ UNDP Belize. 2020. Support to the National Response and recovery to contain the Impact of COVID-19.

- The CARICOM-Colombia Agreement on Trade, Economic and Technical Cooperation - July 1994.
- The CARICOM-Cuba Agreement on Trade and Economic Cooperation 5th July 2000.
- The CARICOM Dominican Republic Free Trade Agreement - December 2001.
- The CARICOM-Costa Rica Free Trade Agreement March 9th, 2004.

Belize also has a partial scope agreement (PSA) with Guatemala since 2006, and is engaged in negotiations for similar agreements with El Salvador, Mexico and Taiwan. Under a PSA, the parties grant each other preferential access for a limited number of goods. It is also a member of the Central American Integration System (SICA). As a member, Belize can participate in all organs and institutions of SICA, which include inter-governmental decision-making bodies, community organizations, and specialized agencies.

Belize has duty-free access to markets through several trade agreements:

- The EU for all goods, except for rice and sugar, under the CARIFORUM–EU Economic Partnership Agreement (EPA) signed in 2008
- The United States, for most goods, under the Caribbean Basin Initiative (CBI) established in 2000. Belize enjoys duty-free access for a substantial part of its agriculture and crude oil exports to the U.S. market through the CBI.
- Canada under the Caribbean–Canada Trade Agreement (CARIBCAN) established in 1986

In addition, Belize qualifies for Generalized Scheme of Preferences (GSP) treatment from a number of other countries.⁹

3.4 The UN Sustainable Development Goals (SDGs)

An appropriate NQI is a fundamental pillar of the 2030 Agenda for Sustainable Development and has the ability to support achievement of each of the Sustainable Development Goals (SDGs).

In late 2013, Belize volunteered to act as a “pilot country” within the UN system, to help demonstrate how national development planning could work in harmony with the emerging “Post-2015 Development Agenda” of the global community of nations¹⁰. The Growth and Sustainable Development Strategy (GSDS), while focused principally on the development vision for Belize as articulated in Horizon 2030, is also intended to be in line with this emerging United Nations framework.

A fit-for-purpose NQI contributes to prosperity by stimulating trade competitiveness, industrial development and innovation, to meeting the needs of people by ensuring food safety, supporting food security and promoting good health and well-being, and protecting the planet through the efficient use and sustainable management of natural resources, climate action, policies and programmes aimed at protecting the biosphere. The National Development Framework for Belize 2010 – 2030, especially the pillars related to economic resilience, healthy citizens and a healthy environment envisage a number of activities that indicate the need to appropriately reinforce the QI institutional capability and capacity if these are to be successfully addressed.

⁹ World Trade Organization. (2017). Belize Trade Policy Review.

¹⁰ Growth and Sustainable Development Strategy, 2016-2019, Government of Belize, Ministry of Economic Development.

3.5 National Strategies and Priorities

3.5.1 Growth and Sustainable Development Strategy (GSDS), 2016-2019.

The GSDS charts the path to a better quality of life for all Belizeans, living now and in the future. It places at the fore sustainable development, increasing prosperity, eradicating poverty, optimal national income and investment, enhanced social cohesion, improving social cohesion, environmental protection, and securing peace and justice for all Belizeans as inter-connected goals.

Recognition of the need for the NQI is further highlighted in the Growth and Sustainable Development Strategy for Belize 2016-2019. Action 3 of the strategy acknowledges the need to “Achieve adequate standards and technical requirements for exports”. Reiteration of government efforts to meet the standards necessary to access export markets is evident in several activities including:

- Improving the capacity of the Belize Bureau of Standards and the Belize Agricultural Health Authority (BAHA) to provide certification, quality surveillance, to perform surveys of sanitary and phytosanitary conditions and other quality conditions that are necessary to access export markets;
- Make appropriate investments to establish accredited laboratory facilities,
- The provision of adequate staffing and availability of necessary skills;
- Ensure the adequacy of institutional arrangements for the conduct of their activities;
- Upgrading and rationalizing laboratory facilities that are based in various ministries and agencies with respect to the assessment of water quality for drinking, aquaculture, or other production activities; and
- Ensure that appropriate and adequate capacity is built within the Belize Trade and Investment Development Service (BELTRAIDE) to provide technical assistance to enterprises and enable them to reach the required quality standards. Positioning of this technical assistance function within BELTRAIDE ensures that there is sufficient separation of functions with respect to regulatory and development roles in relation to improving quality standards

3.5.2 The National Development Framework for Belize – HORIZON 2030

The Horizon 2030 framework outlines strategies to achieve the country’s goals for economic resilience. It recognizes the need for an appropriate quality infrastructure, through the inclusion of goal 2 - “Develop the Domestic Market as a Springboard for Exports, Produce Quality Goods and Services and Expand Exports”. It identifies the need for the following strategies¹¹:

- Promote and develop the domestic market through better regulation of illegal imports;
- Strengthen standards and quality management and enforcement; and
- Support competition in the marketplace.

The objectives contained within Horizon 2030 are supported by numerous other policies such as Belize’s Growth and Sustainable Development Strategy (GSDS), the Micro, Small and Medium Enterprise (MSME) Policy and Strategy, 2014-2024, the National Environmental Policy and Strategy, the Belize National Food Safety and Quality Policy, the Food and Nutrition Security Policy for Belize, the National Agriculture and Food Policy, and the National Trade Policy.

¹¹ Horizon 2030, National Development Framework for Belize, 2010 – 2030

3.5.3 National Trade Policy, 2019-2030.

Through the National Trade Policy, the Government of Belize has committed to the Vision “To develop a competitive economy by utilizing trade as a significant driver for inclusive and sustainable socioeconomic development.” This vision and the associated policy reflect the outcomes of an extensive nationwide stakeholder consultative process. The intent is summarized in three major themes (i) the need to enhance competitiveness, (ii) reducing the cost of doing business and (iii) political drive.

3.5.4 National Export Strategy 2015-2019 (NES).

Export competitiveness is an important priority for Belize. The National Export Strategy was prepared by the Belize Trade and Investment Development Service (BELTRAIDE). It aims to advance the competitiveness of Belizean products to allow the country to seek increased opportunities as part of global supply chains and to maximize and increase opportunities through the market access opportunities created through existing regional and bilateral trade agreements with Europe, Central America (Guatemala & Costa Rica), the CSME and Dominican Republic. There is also potential to reach other agreements with Mexico, Honduras, USA and Canada. The NES details the following broad priority export sectors, with a primary focus on diversifying and expanding traditional export earning sectors:

- a) **Agriculture:** Increase the competitiveness of specific crops with high export demand and those which would benefit from several trade agreements (grains, livestock, livestock, pulses, papaya, citrus, cacao, pitahaya and poultry). Greater competitiveness in this area translates to more efficient production, effective control of invasive species and diseases; new technologies to enhance yields; improved quality standards including SPS and food safety measures to enhance export opportunities and appropriate improvement in support services to producers.
- b) **Agro-processing and light manufacturing:** Expand the production of a range of intermediary and processed products. These include honey citrus oils and corn grits. Value added products include fruit purees; citrus cooking sauces, packaged beef cuts, poultry breast cuts and processed meats such as sausages. Packaged dehydrated fruits, packaged snacks bottled blended juices, fruit wines, and jams and jellies are also included. The government is committed to the viability of the Sugar and Molasses industry which is a major source of employment in two (2) districts, Orange Walk and Corozal.
- c) **Fisheries and Marine products:** Belize’s fisheries export sector is a key employer and foreign exchange earner. Priorities are increased efficiency in the aquaculture sub-sector offering fresh farmed shrimp and tilapia and value-added products such as pre-cooked shrimp and shrimp cocktail mixes. The shrimp industry has adopted the standards and already received certification by the Aquaculture Stewardship Council (ASC).
- d) **Energy:** This includes electricity, bio-fuels and petroleum. The government is committed to establishing a biofuels / renewable source of energy industry to enhance the competitiveness of export products and leverage Belize’s abundance of alternative energy sources from biomass, hydro-electricity, solar, and wind. Although petroleum was once a key source of export earnings for Belize, production and exports have been declining in recent years. The future role of this industry will also depend on the results of current exploration activities ongoing in the country. This priority is reflected in the Sustainable Energy Action Plan. This provides the framework of actions and tasks necessary to overcome the barriers to sustainable energy. The Action Plan is structured around actions that work together to unlock Belize’s renewable energy (RE) and energy efficiency (EE) potential: helping households and businesses become more energy

efficient, develop large scale RE plants, increase awareness of the citizens, and necessary regulatory changes.

- e) **Professional Services:** This sector continues to expand rapidly. Work continues on amendments to existing legislation, standards development, training and regulation of these services. Exporting professional services and improving the framework for the movement of professionals continues to be a priority for the Government of Belize.
- f) **Tourism Services:** Belize's tourism product remains vulnerable due to the high market dependency on the United States. The need is to diversify the tourism product to include non-traditional products such as medical tourism, culture, and exploring niche and additional markets. It is recognized that certification and accreditation in the medical tourism sector would strengthen the industry. The Belize Medical Tourism Association (BMTA) is actively working with stakeholders to formulate a strategy for the development and strengthening of the industry to be able to compete within the region.

The national export strategy¹² recognizes the importance of the NQI in export development. It commits to the development of the NQI noting that building the NQI is pivotal for driving the expansion of trade in goods. The NQI should also actively consider and appropriately address the need to:

- Identify the comparative and competitive advantages of Belizean products;
- Build national capacity in quality assurance and quality management; and
- Provide suitable and accredited laboratory and diagnostic capacity.

3.5.5 National Sustainable Tourism Master Plan of Belize (NSTMP)

The strategic focus on tourism is cognizant of Belize's strengths and weaknesses. Activities are selected to take advantage of Belize's opportunities and mitigate constraints. Strategic approaches are followed throughout the implementation programs of the master plan. These include product development and diversification, destination development, increasing visitor satisfaction and confidence, empowerment of industry stakeholders and proactive solutions for investment and funding.

3.5.6 National Standardization Programme 2015-2020.

The Belize Bureau of Standards has developed a national standardization programme¹³ based on a template developed by the International Organisation for Standardization (ISO). The document analyzes Belize's economic sectors and also includes a five (5) year standards development plan which aims to support:

- contributions to Gross Domestic Product (GDP) and/or volume of trade;
- contributions to national export earnings;
- assessment of important non-economic priorities;
- national development policies, strategies and action plans for key sectors; and
- appropriate contributions by stakeholders.

In addition to the priorities outlined in the NES, the national standardization programme document also includes the following additional national priorities:

- **Transportation and Communications:** This sector plays a key role in the agriculture and tourism sectors and there is a recognized need for standards and regulation to ensure passenger safety.

¹² Belize's National Export Strategy – 2015 - 2019

¹³ 14. National Standardization Programme, 2015 - 2020

- **Construction:** Through hotel development, this sector continues to support the tourism sector.
- **Electricity and Water Supply:** This sector contributes to a more productive economy with an indirect impact on potential export earnings. A major need is standardization of packaged water.

3.5.7 Micro, Small and Medium Enterprise (MSME) Policy and Strategy.

The further development of Micro, Small and Medium Enterprises (MSMEs) is a major priority in Belize given that MSMEs provide over 70% of private sector employment and contribute significantly to the GDP. Current limitations often leads to failure in some sectors. This can be as high as 80% for new entrants. The MSME policy and strategy was developed under the auspices of BELTRAIDE. It aims to address the issues faced in the MSME sector through:

- An increased flow of capital to MSMEs;
- Enhanced business and entrepreneurial skills of MSME owners / managers;
- Promoting market access and competitiveness of MSMEs; and
- Enabling MSMEs to access the resources (human, technological, financial) they need to respond to economic opportunities.

3.5.8 National Environmental Policy and Strategy 2014-2024.

The primary drivers of Belize's economy are Tourism, Agriculture and Fisheries. These are inextricably linked to the health of the natural resource base and the environment. Belize faces increased impacts of flooding primarily on the indigent poor and increased deforestation, and the pollution of waterways and seas. The indiscriminate use of resources is evidenced by a reduction in marine and terrestrial resources. It is against this backdrop that the environmental policy and strategy was developed. They aim to encourage better management of the natural resources such as land, forests, coastal and marine and water resources, control of pollution, reduction disaster risk and adaptation to the long-term consequences of climate change.

3.5.9 National Food and Nutrition Security Policy and action Plan for Belize, 2010.

The Policy outlines key strategies seeking to ensure the sustainable supply, accessibility and use of safe, high quality, nutritious, diversified and culturally accepted foods. The intent is to improve the well-being, livelihood and quality of life for all Belizeans. The policy focuses on increased awareness related to food production, preparation, and nutrition. It also addresses school feeding and nutrition for the elderly and the indigent. Other elements include the need for standards to improve food quality and safety, the creation of employment / income generation, diversified agricultural production and agro-processing, training and capacity building, marketing, storage and credit mobilization.

3.5.10 National Food Safety and Quality Policy, 2011.

Belize has embarked on a holistic approach to ensure agricultural health, food safety and quality. The national food safety and quality system is intended to be applied using the farm to table strategy. The government, producer, processor, importer, transporters, vendor and consumer all play an important role in ensuring animal health, plant health, food safety and quality. This is achieved by identifying, assessing and monitoring risks to human health associated with raw materials, farming practices, food processing and retail activities. An appropriate legislative and regulatory framework is then developed together with the provision of effective enforcement mechanisms.

3.5.11 National Agriculture and Food Policy (NAFP) 2015-2030.

The main objective of the national agriculture and food policy is to provide an environment that is conducive to increasing sustainable production and productivity, promoting investment, and encouraging private sector involvement in agribusiness enterprises. It intends that such an

environment helps ensure competitiveness, quality production, trade, and sustainability. The strengthening of markets for produce, is intended to provide food and nutrition security for rural livelihoods and provide income earning opportunities for rural women and young people.

4. Institutional Arrangements

4.1 Compulsory Standards / Technical Regulations

Annex 1 of World Trade Organization (WTO) -Technical Barriers to Trade (TBT) Agreement, states that a technical regulation means a “Document which lays down product characteristics or their related processes and production methods, including the applicable administrative provisions, with which **compliance is mandatory**”. Such provisions may cover terminology, symbols, packaging, marking or labelling requirement as they apply to a product, process or production method. The differences between regulations and standards are summarized in Table 1.

Table 1: Technical Regulations versus Standards

| Technical Regulations | Standards |
|---|--|
| <i>Regulatory</i> development process. | <i>Standards</i> development process. |
| <i>Governments</i> are responsible to lead in the development of regulations. | Standards development organizations (<i>SDOs</i>) facilitate development of standards in response to requests. |
| Governments <i>consult</i> interested parties. Regulations may reference standards or require use of accredited conformity assessment bodies. | <i>SDOs seek consensus</i> on content of standards. |
| <i>Assurance of Compliance.</i> | <i>Assessment of Conformity.</i> |
| <i>Governments</i> enforce regulations and remain <i>accountable</i> for enforcement when others do so on their behalf. | Certification and Inspection bodies and laboratories (<i>conformity assessment bodies</i>) assess conformity. |

According to the Standards Act of Belize, a standard may be voluntary and **compulsory**. Upon the recommendation of the Belize Bureau of Standards, the Minister may order that a standard become compulsory where such standard is intended primarily:

- to protect the consumer or user against danger to health or safety;
- to ensure quality in goods produced for home use or for export;
- to prevent fraud or deception arising from misleading advertising or labelling;
- to require adequate information to be given to the consumer or user; or
- to ensure quality in any case where there is restriction in choice of source of supply.

The process of declaration of a compulsory standard requires the Minister to publish a notice in the Government Gazette. This allows more than thirty days’ notice of the intent to make an Order declaring it a compulsory standard. A standard that is declared as **compulsory**, immediately assumes the status of a **technical regulation**. Through the Standards Act, the Belize Bureau of Standards becomes responsible for its enforcement. Belize currently has 23 compulsory standards (technical regulations). These include agricultural products; food and food-related products; industrial-chemical products; engineering-mechanical products; petroleum products; and tourism.

A number of Government Departments and other entities in Belize are responsible for the development and implementation of regulations. These include (but are not limited to):

- Ministry of Natural Resources
- Ministry of Agriculture, Food Security and Enterprise
- Ministry of Health and Wellness;
- Ministry of Tourism, Culture;
- Ministry of Foreign Trade;
- Ministry of Finance;
- Department of the Environment;
- Department of Geology and Petroleum;
- Department of Fisheries
- Department of Forestry
- Department of Civil Aviation;
- Belize Agricultural and Health Authority;
- Belize Bureau of Standards;
- Belize Tourism Board;
- National Institute of Culture and History; and
- Professional Councils (Nursing and Medicine).

4.2 The case for Good Regulatory Practice (GRP) and Regulatory Impact Assessments (RIA)

Good Regulatory Practice (GRP) is now increasingly used internationally to improve the quality and effectiveness of laws and regulations and utilizes internationally recognized processes, systems, tools and methods to improve the quality of regulation and ensure that regulatory outcomes are effective, transparent, inclusive and sustained. The Organization for Economic Cooperation and Development (OECD) has recognised this trend and developed a (GRP) guideline document. GRP includes a commitment to provide information on regulatory agendas, consult stakeholders and the public, assess potential impacts of future regulation before issuing regulations, and after regulations have been in place for some time, evaluate their performance in delivering the intended outcomes. GRP is intended to address the need in modern economies and societies for effective regulations to support:

- growth, investment, innovation, market openness and upholding the rule of law;
- structural reforms, entrepreneurship and market openness;
- identifying reform priorities and providing early warning to policy makers of regulatory issues that need to be addressed;
- providing evidence-based impact assessments to support policy coherence;
- paying more attention to the voice of users, who need to be part of the process;
- renewed emphasis on consultation, communication, co-operation and collaboration across all levels of government, not least in the international arena;
- reviewing the role of regulatory agencies and the balance between private and public responsibilities for regulation, to secure accountability and avoid capture; and
- identifying and using tools to evaluate and measure performance and progress.

The preferred tool for implementing GRP is called a Regulatory Impact Assessment (RIA) which is used to identify the present situation e.g., nature of the problem needing correction, objectives and expected outcomes for any proposed legal instrument, so as to ensure high quality of legislation and also avoid unintended consequences. The GRP / RIA methodology is today's preferred international approach.

The NQP requires Belize to establish a common compliance and regulatory framework and support it with appropriate legislation. Such a framework will provide the necessary guidance on how to address the issues encountered when developing technical regulations according to an agreed best practice way. A common framework would:

- Define the role of the government in setting the policy and conducting impact assessments,
- Define a common format for legislation,
- Support the use of National Standards as the basis for technical regulations,
- Define the role of the Regulators,
- Provide for the control of independent conformity assessment service providers (public or private) through accreditation and metrology, and
- Define the sanctions for non-compliance.

It may therefore be advantageous for future legal instruments relevant to the NQI to be subjected to the principles of GRP using its main implementation tool, a Regulatory Impact Assessment (RIA). The use of an appropriate RIA tool would assist in improving the quality of all legislation in Belize and specifically help ensure that technical regulations based on the standards development process are the appropriate remedy in a particular instance to safeguard society or the environment. It would also assist in preventing potential misuse of the use of technical regulations noting that associated enforcement activities may be an important source of income generation.

4.3 Standards

Standards are documented requirements that can be part of agreements that translate such desired characteristics into dimensions, tolerances, weights, processes, systems, best practice and other specifics so that goods and services that conform to such requirements provide additional confidence to buyers and users. For developing countries like Belize, international standards developed on the basis of worldwide consensus by experts in the field constitute an important source of technological know-how. By defining the characteristics that goods and services will be expected to meet for access to export markets, international standards give developing countries a basis for making the right decisions in what is required when investing their scarce resources. Annex 1 of WTO TBT agreement notes that **compliance** with a **standard** is **not mandatory**. This definition should be compared with the previous definition for a **technical regulation** stating that in that instance, **compliance is mandatory**.

Standardization is usually the responsibility of a National Standards Body (NSB) that may represent the country's interests within organizations such as ISO (the International Organization for Standardization). The NSB may provide members for national delegations to participate in the development of standards that are of key importance to their country's economy. Whether or not the NSB participates in the development of a standard, it is free to adopt and translate international standards as national standards. By using international standards, an NSB ensures that the country benefits from international, state-of-the-art knowledge and that domestically produced products will meet the requirements demanded by export customers. For consumers, conformity of goods and services to international standards also provides assurance regarding quality, safety and reliability.

Established in 1992 in terms of the Standards Act, the BBS is the recognized NSB for standards development functions in Belize. The BBS operates under the Ministry of Agriculture, Food Security and Enterprise and is funded by the Government of Belize. The BBS is headed by a public officer appointed by the Governor General. The BBS's operations are guided by its overall legislative mandates, government policy and administratively by a Standards Advisory Council (SAC) comprising members appointed by the Minister. According to the BBS Strategic plan, the

intention is to transition the BBS to a statutory body and to address gaps in the existing legislation to facilitate the transition.

The BBS facilitates the development and adoption of both voluntary and compulsory standards. According to the Standards Act, the BBS performs the following standardization related functions:

- Promoting and encouraging the maintenance and use of codes of practice, specifications and standards- (a) for the improvement of goods, services, processes
- Promoting research in relation to specifications and provide for the examination and testing of goods, services, processes, and establish or accredit laboratories and testing facilities;
- The declaration of standards and keeping them under review;
- The collection and publication for public information and guidance, data relating to specifications and standards;
- Encouraging and undertaking educational programs for consumers in connection with standards; and
- Cooperating with and coordinating the work of other institutions in the formulation and publication of specifications.

The standards development process is aligned with the ISO/IEC guides for the standards development process. Standards are developed by Technical Committees which comprise of representation from the private and public sector. The Standards (Preparation and Declaration) Regulation, March 1997 outlines the requirements for technical Committee members – experts in the subject matter, engaged in manufacturing, representative of consumers, users, branches of commerce and industry, Government Departments, and those whose interest may be affected by the standard. A Standards Advisory Council (SAC), comprising representatives from the public and private sectors, has the function of advising the Minister on all matters pertaining to standardization.

BBS is a full member of CROSQ, subscriber member of ISO, member of COPANT, and an affiliate member of the IEC. BBS is a member of CODEX and also serves as the CODEX Contact Point. Belize participates in ASTM, CODEX and CROSQ committees. The BBS is also very active in the governance of the regional standards body, CROSQ, and has previously served as the Chair of the CROSQ Council. While the BBS are not full members of all organizations, it is still a good source of standards information for stakeholders.

The BBS has developed a 5 year National Standardization Plan (NSP) based on Belize's national strategies and priorities and agreements. To date, most of the published standards are compulsory with the majority being agriculture and agriculture related standards. An expanded portfolio of standards is necessary as Belize intends to expand and diversify domestic production and market access.

4.4 Metrology

Metrology is the science of measurement. Its role in offering a product or service of consistent high quality, protecting health, safety, the environment and consumers is indispensable. It enables accurate, consistent measurements and trusted measuring equipment. Firms cannot satisfactorily implement process controls to manufacture a product or deliver a service that meets standardized characteristics reliably if control instruments such as those for measuring pressure, volume of water flow or temperature are not traceably calibrated. Measuring equipment used in laboratories must be calibrated to ensure they provide reliable and trusted

measurements. A national metrology system comprises scientific, legal and industrial metrology. It can be subdivided as follows:

- Scientific metrology is the development and organization of the highest level of measurement standards;
- Legal metrology is the assurance of correctness of measurements where these have an influence on the transparency of trade, law enforcement, health, and safety; and
- Industrial metrology is the satisfactory functioning of measurement instruments used in industry, production, and testing.

At the international level, while the International Bureau of Weights and Measures (BIPM) coordinates scientific metrology and confidence in national measurements are assured by a designated national metrology institute (NMI) becoming a signatory to the Mutual Recognition Arrangement of the International Committee of Weights and Measures (CIPM MRA). The CIPM MRA provides the institutional and technical framework for these NMIs to recognize each other's measurement standards and calibration certificates, thus supporting world trade. The International Organization for Legal Metrology (OIML) performs a similar function for legal metrology.

A national metrology institute (NMI) establishes the national measurement system as well as metrological expertise to the economy. The BBS is recognized at the NMI for Belize. It is responsible for the maintenance of the national measurement standards traceable to the International System of Units (SI). The BBS is also responsible for legal and industrial metrology in Belize.

Legal Metrology services are provided through the inspection and verification of all measuring and weighing devices used in:

- Commerce and trade;
- The production sector (various sectors including flour, rice, sugar, citrus, and animal feeds): and
- Service industries (local and international airlines, private medical facilities, post offices etc., fuel stations, LPG depots). This includes verification of commercial scales, LPG equipment fuel pumps prepackaged goods and industrial scales.

The National Metrology Act provides the basis for legal metrology activities in Belize. It provides the authority for the activities carried out by the Weights and Measures Inspectors of the BBS. The Act allows Weights and Measure Inspectors to examine and verify weights and measures and weighing instruments weighing and measuring instruments.

In 2017, the BBS opened a new Metrology Laboratory responsible for setting measurement standards and as a reference for calibration services throughout the country. The facility hosts six laboratories equipped to undertake reliable scientific metrology activities and to offer calibrations services in the areas of mass, volume, temperature, length (dimensional) and pressure.

Industrial metrology focuses on the provision of calibrated equipment used in the production of goods and services that are not subject to the controls of legal metrology. The state is fully responsible for scientific and legal metrology, whereas industrial metrology can and should be provided by independent calibration laboratories (including Research and Development facilities) accredited for specific scopes of calibration against the requirements of the international standard for laboratories, i.e. ISO/IEC 17025.

The BBS continues to undertake activities to enhance their metrology capabilities to address public and private sector needs. This has included the implementation of ISO/IEC 17025 with a view to seeking accreditation for their metrology laboratories for mass, volume and temperature.

4.5 Accreditation

Accreditation is the process by which an authoritative body gives formal recognition that a body or person is competent to carry out specific tasks. Within the National Quality Infrastructure (NQI), the body made responsible for accreditation will evaluate the competence of conformity assessment bodies (CABs) such as product management system and personnel certification bodies, testing laboratories and inspection bodies.

An accreditation body (ABs) seeks recognition of its accreditations within the frameworks of the International Accreditation Forum (IAF) and International Laboratory Accreditation Forum (ILAC). IAF and ILAC promote and manage mutual or multilateral recognition arrangements (MRA) whereby the members that have met the criteria agree to recognize the results of each other's testing, inspection, certification or accreditation. MRAs are an important step towards reducing the multiple assessments that goods, services, systems, processes and materials may need to undergo, especially when they are traded across borders. Since MRAs facilitate the acceptance of goods and services everywhere on the basis of a single assessment in one country, they contribute to the efficiency of the international trading system to the benefit of suppliers and customers alike.

Although currently Belize does not have a National Accreditation Body (NAB), the BBS hosts the National Accreditation Focal Point (NAFP). The role of the NAFP is to facilitate internationally recognized accreditation by serving as a link between clients and recognized accreditation bodies. As a Level One NAFP, the BBS provides administrative support to the accreditation process through activities such as communicating with accreditation bodies, receiving and reviewing accreditation request, and application forms, capacity building and providing information. The activities of the NAFP are not governed by legislation.

In Belize, CABs can seek accreditation from an AB in the Caribbean region or from other parts of the world. The BBS partners with the CARICOM Regional Organization for Standards and Quality (CROSQ) for the Caribbean Cooperation of Accreditation¹⁴ (CCA) Scheme working with accreditation bodies in Jamaica (Jamaica National Agency for Accreditation - JANAAC) and Trinidad & Tobago (Trinidad and Tobago Laboratory Accreditation Service - TTLABS). The CCA supports the accreditation of conformity assessment bodies through capacity building and assistance.

4.6 Conformity Assessment

Conformity assessment is the processes and procedures that are used to demonstrate that goods or services, management system, organization or personnel meets specified requirements. The requirements for conformity assessment activities themselves are also contained in international standards. This helps to ensure consistency worldwide, as well as cross-border acceptance of results. The conformity assessment functions are testing, inspection and certification.

4.6.1 Testing

A product is tested against a specific set of criteria, such as performance or safety. Testing is a form of conformity assessment. Testing also provides the basis for other types of conformity assessment such as inspection and product certification. ISO/IEC 17000:2004 defines the term

¹⁴ Source: <http://bbs.gov.bz/cca-scheme>

testing to mean the determination of one or more characteristics of an object of conformity assessment. Several organizations provide testing services in Belize:

- The BBS is in the process of developing testing capabilities for products which are subject to compulsory standards. It is also pursuing accreditation in ISO/IEC 17025:2017 for calibration and testing to provide internationally recognized calibration and testing services.
- The Belize Agricultural Health Authority (BAHA) central investigation laboratory (CIL) is comprised of a Chemical Analysis laboratory, a Chemical Screening Laboratory and a Food Microbiology Laboratory. BAHA provides laboratory analysis of foods for pathogens and contaminants, and to ensure conformance with standards. It has been accredited for some activities by the Jamaica National Agency for Accreditation (JANAAC) since 2018. Other organizations that provide testing services are:
 - Ministry of Health and Wellness – public health laboratory (Central Medical Laboratory)
 - Private testing laboratories associated with local industries: medical, brewery (mainly microbiology), and agricultural products

There are at least two accredited testing laboratories in Belize. These include the BAHA and the Citrus Research and Education Institute (CREI), a private laboratory facility.

4.6.2 Inspection

Inspection provides objective evidence that inspected goods and services meet the specified needs of the customer (purchaser, manufacturer and regulator). Inspections, conducted to both imported and domestically manufactured goods, have benefits not only for safeguarding the public health, safety and environment but also enhancing competitive business environment. Inspection is an examination of a product design, product, process or installation and determination of its conformity with specific requirements or, on the basis of professional judgement, with general requirements.

Inspection bodies play an essential role in cross-border trade. They act on behalf of governments and business partners (importers and exporters) by inspecting imported goods and materials. They are also responsible for examining a huge range of products, materials, installations, plants, processes, work procedures and services, in the private as well as the public sector and report on such parameters as quality, fitness for use and continuing safety in operation. The overall aim is to reduce risk to the buyer, owner, user or consumer of the item being inspected. Government and business often use their services to inspect imports.

In terms of the Standards Act, inspection activities are currently carried out by several units in BBS, namely the Standards Unit, the Supplies Control Unit and The Consumer Protection Unit.

- BBS inspectors conduct inspections in retail markets, ports of entry and production / packaging facilities to verify compliance with compulsory standards (such as labelling, bottled water, rice). BBS inspectors also perform label evaluations where labels are provided by producers / importers and wholesalers for evaluation in accordance with labelling standards.
- The inspectors of the BBS Supplies Control Unit perform enforcement inspections at retail outlets for price regulated goods. The Unit also works with the Customs Department to process those imported alcoholic beverages that are required to have the Belize Market Label. They also conduct inspections for products with conditions on their import permits such as import quotas or conditions of sale / distribution.
- The inspectors of the Consumer Protection Unit investigate complaints, inspection of price control and regulation of goods, education and outreach and providing information

relating to Standards, Metrology and Consumer Rights. This unit operates without an established legislative framework.

Under the Belize Agricultural Health Authority Act, BAHA has the authority to develop and maintain a system of inspection, approval and certification for all food processing facilities with the exception of slaughter and abattoir facilities, to issue import licences, permits and certificates of inspection and to engage in the pre-inspection development and the maintenance of pre-inspection systems, for the export and import of animal and plant products.

- BAHA's Food Safety Inspectors perform sanitary inspections of the various food-processing plants as well as on certain food products imported into Belize. BAHA has an ongoing project for the implementation of ISO/IEC 17020 funded by the European Union.

Other organizations undertaking inspection activities include the Ministry of Health who perform routine public health inspections of food establishments and factories and the Belize Customs and Excise Department who inspect imported goods.

There are currently no inspection activities accredited to the requirements of the international standard for bodies conducting inspections, namely ISO/IEC 17020.

4.6.3 Certification

Certification is the formal substantiation by a certification body after an evaluation, testing, inspection or assessment, that a product, service, organization or individual meets the requirements of a standard. Some of the most well-known examples are the certification of quality management systems and environmental management systems as conforming, respectively to the ISO 9001, ISO 14001, food safety (ISO 22000), energy management (ISO 50001) and information security (ISO/IEC 27001). Belize's Central Information Technology Office (CITO) for instance is certified to ISO/IEC 27001.

Certification may be addressed into two categories namely as product and systems schemes. Product certification may consist of initial testing of a product combined with assessment of its supplier's quality management system. This may be followed up by testing of samples from the factory and/or the open market. Other product certification schemes comprise initial testing and surveillance testing. Systems certification is the process whereby an organization is deemed to meet specified system requirements such as ISO 9001 for quality and ISO 14001 for environmental management systems.

The type of certification scheme depends on factors such as the availability of national, regional and international standards. It also depends on the degree of potential risk to consumers and users of the product. Certification to ISO standards is not currently offered by the BBS although as an organization BBS is itself certified to ISO 9001 for organizational quality management systems Companies operating in Belize therefore, like BBS, have to seek certification either regionally or internationally.

The BAHA provides technical assistance for the establishment and implementation of Hazard Analysis and Critical Control Points (HACCP) verification. This programme is voluntary for certain products such as local produce and mandatory for food enterprises. BAHA provides certification¹⁵ for the health and safety of export products based on importing country requirements. HACCP certification of certain commodity types is a pre-requisite for sanitary certification. BAHA is also developing additional certification systems such as Good Agricultural Practices (GAP) for agricultural farms, and On-farm food safety for aquaculture farms. These certification systems are not accredited.

¹⁵ <http://baha.org.bz/departments/food-safety/certification/>

4.6.4 Market Surveillance

Market surveillance is executed by government authorities on the borders as part of port of entry inspection activities and in the market to ensure that products in the local market comply with the requirements set out in legislation e.g. technical regulations. In Belize, these activities are undertaken by the BBS, BAHA and other regulatory agencies and, as already mentioned under the section on inspection, include

- port of entry inspection activities;
- price control enforcement/inspections are conducted at retail outlets for price regulated goods;
- processing and inspection of products that have import quotas or conditions of sale/distribution;
- processing of imported alcoholic beverages in collaboration with the Customs Department;
- investigation of complaints; and
- inspection of price controlled goods.

5. Issues and Challenges

5.1 TBT / SPS / TFA issues.

The objectives of the WTO/TBT Agreement intend to ensure that national technical regulations, standards and conformity assessment procedures do not constitute unnecessary barriers to international trade. The goal is achieving a balance between allowing WTO Members to take regulatory measures to protect legitimate interests and ensuring that national technical regulations, standards and CA procedures do not become unnecessary obstacles to international trade. Harmonization is central to the TBT Agreement and is articulated specifically in two requirements:

- WTO members should use international standards, guides and recommendations, or relevant parts of them, as a basis for their national technical regulations and conformity assessment procedures.
- WTO members should play a full part in the preparation of international standards, guides and recommendations by participating in international standardizing bodies.

Notifications to the WTO are intended to promote a greater degree of clarity, predictability and information about trade policies, rules and regulations. Transparency also entails answering reasonable questions and publishing regulations. WTO members are required to establish a National Enquiry Point (NEP), responsible for answering questions from other members about TBT / SPS measures and related issues and to notify stakeholders of technical regulations in various stages of formulation. The Directorate General for Foreign Trade (DGFT) is a department within the Ministry with responsibility for Investment Trade and Commerce. The department has primary responsibility for the coordination, development and implementation of foreign trade policies. It also has responsibility for trade negotiations on behalf of Belize.

The WTO also requires members to publish all sanitary and phytosanitary measures (SPS measures) and notify changes to SPS measures. In implementing the agreement, members are required to identify a single central government authority to be responsible for the notification requirements of the application of SPS measures, the National Notification Authority (NNA).

Belize has been a WTO member since 1 January 1995 and a member of GATT since 7 October 1983. Belize's involvement in the WTO is relatively limited as it does not have a permanent representative in Geneva responsible for WTO affairs.

The BBS serves as the WTO/TBT National Enquiry Point in fulfilment of signatory obligations as prescribed by the WTO Agreement on Technical Barriers to Trade (TBT). The Belize Agricultural Health Authority was designated as Belize's SPS Enquiry Point in October 2004 and the notifications authority is the Directorate General for Foreign Trade.

Between January 2009 and November 2016, Belize, through the Belize Bureau of Standards, notified to the Committee on Technical Barriers to Trade of four (4) compulsory standards (i.e. technical regulations) for gas cylinders, administrative processes for implementation of the TBT agreement and the draft Consumer Protection Law. Belize notified their adoption of the Code of Good Practice for the preparation, adoption and application of standards in 2017.

During the same period, Belize notified to the Committee of Sanitary and Phyto-sanitary Measures 8 draft bills – three related to bovine spongiform encephalopathy; one related to the regulation for an animal identification system; one related to the regulation for the eradication of bovine tuberculosis; one related to the draft Animal Health Bill; one related to the draft Plant Protection Bill; and one related to the draft Food Safety and Food Hygiene Rules Bill.

Securing market access (MA) in external markets for goods and services is one of the critical pillars of Belize's Trade Policy¹⁶. The policy notes that most WTO Agreements have rules on MA that apply to both agricultural products and non-agricultural products. There are also specific rules for MA for trade in services. MA is directly related to quality and standards. The degree of MA should be increased when specified minimum quality and standards requirements are met. It is recognized however that MA is merely a legal right to enter a particular market, and the actual realization of trade takes place only at the point of market entry, i.e. the acceptance and release into a national Customs territory.

5.2 Quality related issues

The following quality related challenges have been identified:

- The need for enhanced value addition and addressing quality related issues associated with securing greater exports under existing market access rights e.g. CARIFORUM-EU EPA, the five CARICOM bilateral trade agreements; and designated beneficiary of tariff preferences under the CBI and CARIBCAN and GSP Schemes;
- The provision of scalable systems/standards/solutions particularly for small businesses;
- The lack of financing / funding to businesses to fully implement and maintain quality related programmes;
- The lack of enforcement capabilities results in little follow through with those who commit infractions. The focus appears to be on the issue of international trade rather than consumer protection;
- Quality issues with some of the products imported into the country;
- Need for greater engagement at both the policy and technical level in different sectors to appropriately integrate quality requirements and QI service delivery needs into their action plans;
- Lack of harmonized standards in inspections between trading partners;
- Shortage of skilled labour and trained personnel.

¹⁶ National Trade Policy 2019-2030, page 16.

5.3 QI related challenges

The following quality infrastructure related challenges have been identified:

- Current legislative framework allows the BBS to provide several NQI functions - standards development, accreditation, inspection, testing, certification and advisory services which could result in a conflict of interest;
- Some functions of the QI operate without a legislative framework;
- The quality infrastructure is embodied in the BBS who is mandated to develop standards but is also responsible for the additional pillars of metrology, conformity assessment and accreditation;
- The Belize Bureau of Standards (BBS) strives to provide services with limited resources, the need for services is great, in different sectors of the economy;
- There is a need for better communication on updates on standards including meetings / workshops to provide insights, clarifications and suggestions for improvements;
- The Belize Bureau of Standards needs to be strengthened to be able to address the demands of the health service industry;
- There is a need for increased integration of the NQI and better coordination between the various components;
- There should be increased collaboration between BBS and the Belize Agricultural Health Authority in the development of National Standards for food commodities;
- Regarding QI initiatives for the tourism and hospitality industry, increased efforts are required to obtain respected views from within the industry;
- The need for greater provision of written materials about new equipment and techniques, seminars for laboratory technicians as part of continuous education;
- Limited Participation in international standards development;
- The lack of appropriate laboratory equipment maintenance / repair services within country;
- The lack of appropriate calibration services within country;
- Lack of in-country accredited laboratories to provide the necessary testing on an affordable and timely basis; test samples have to be sent abroad for testing at relatively high cost;
- Testing locally is expensive and it takes too much time to receive results;
- Lack of Human resources for the number of hotels and operators that need to be inspected;
- Low demand for quality infrastructure, particularly conformity assessment, services by local businesses, government bodies and consumers;
- There is a need for more support by responsible authorities to implement necessary adjustments to meet inspection related compliance requirements;
- Tourism is a main economic driver, so it would be very useful to have an understanding of what certification programs are available or potentially available for this sector especially with the planned diversification of the tourism product. We are seeking to improve our local standards for Tour Operators, Hotels, Tour Guides, Tourist Attraction Management, Environmental Management in Tourism, High Risk Tour Activity Management (Spelunking, Scuba Diving, etc.);
- The system used for quality control in the hospitality industry should be scalable so that it meets the needs and operational constraints of both a 6-room guest house and 200 room hotel. For small operations it should not be over-elaborate, should not require the recruitment of new staff to "service" the system and should not place an unreasonable financial burden on the business in order to attain appropriate certification.

According to feedback provided by local stakeholders, the lack of resources is a major barrier to implementation of an appropriate NQI. The lack of financial resources will require Belize to focus their NQI development and strengthening activities on the priority areas identified in the NES, Horizon 2030 and the GSDS. The lack of suitable human resources is also problematic. There are currently only a few people available to fulfil the various responsibilities, leading to

negative impacts of the timeliness of QI service delivery. The lack of technical capacity also hinders activities related to QI sensitization of industry players and consumers. Stakeholders also noted that consumers are often unaware of the existence of standards and therefore do not adequately demand certification or other services of the NQI.

6. Conclusions

This report provides details of the various NQI issues that were identified by desk research using the documentation listed in the resource list. The further development and strengthening of a fit-for-purpose National Quality Infrastructure (NQI) and technical regulation regime is required to support increased investment in, and exports from, the identified priority sectors. This will lead to increased consumer confidence in local goods and services, protect consumers, promote a quality conscious society, improve market access, promote regional integration and facilitate expansion in trade.

In recognition of the importance of the NQI to sustainable development, Belize has established mechanisms and infrastructure to improve its standards development, conformity assessment and metrology capabilities including the establishment and expansion of QI services offered by the Belize Bureau of Standards (BBS). These include a standards development process designed to be market-led, and obtaining accreditation for their laboratories.

There are, however, many and often repeated needs that have surfaced related to the QI in the strategic documents of Belize where implementation would be strengthened and more sustainable through the implementation of the NQP in Belize. Belize's open economy with its dependence on exports and tourism earnings, low levels of export diversification (in terms of goods/services and markets), high levels of external debt, and an employment structure dominated by micro, small-medium enterprises (MSMEs) and the informal sector makes it vulnerable to external shocks. These include the global financial crisis, agricultural diseases and pests, natural disasters, and more recently the COVID-19 pandemic. The impact of COVID-19 on food security and livelihoods appear to be particularly pronounced in Belize compared to other Caribbean countries. The pandemic has exposed and accentuated a long-standing challenge of vulnerability to external shocks, especially with respect to tourism and export industries, and calls for initiatives to address these issues. Additionally, several quality related issues may require a re-engineering of the NQI.

Like many other developing countries engaged in sustainable development, Belize's socio-economic agenda includes aspects such as:

- increasing exports of goods and services;
- reaping the benefits of bi-lateral and multi-lateral trade agreements;
- improvement and diversification of their tourism product;
- sustainable value chains;
- capacity development;
- innovation and product development,
- boosting agricultural production, diversification, sustainability and competitiveness;
- health and well-being of citizens; food and nutrition security; supporting rural livelihoods especially for women; and
- MSME development; environmental protection and overall economic resilience.

To drive this agenda, Belizean producers / exporters of goods and services need to better understand and seek appropriate compliance or conformance with the requirements as defined by the local, regional and international technical regulations or standards. Belize must be able to proactively satisfy the requirements of their trading partners. A re-engineered and robust NQI and related regulatory framework, driven by government support through the NQP, facilitates the maximization of the potential benefits to be gained through the increased participation of

Belize within the global trading system. The implementation of such an NQI requires political leadership and support, stakeholder commitment, resources and requisite funding and integration with existing strategies, plans and budgets of the QI agencies and government ministries. The appropriate fulfilment of stakeholder expectations is also critical for sustainability.

It is important that the NQP road map addresses both the short -and longer-term needs related to the further strengthening and expansion of the NQI required for Belize. The National Development Framework for Belize 2010 – 2030 (Horizon 2030), especially the pillars related to economic resilience, healthy citizens and a healthy environment, the Growth and Sustainable Development Strategy (GSDS), the National Export Strategy, and recent focus on certain sectors for COVID-19 recovery, envisage a number of activities that indicate the need to appropriately strengthen and reinforce the NQI institutional capability and capacity. The NQI, driven by the NQP, is an important driver for the development of key sectors. An NQP driven NQI will also facilitate to cost effective and sustainable development and enhanced resilience of the Belizean economy.

List of Resource Documents.

1. Belize Agricultural Health Authority Act Chapter 211 Revised Edition 2003
2. Belize Bureau of Standards - Business Strategy, Road Map and Financial Feasibility Model, January 2018
3. Belize MSME Policy and Strategy Report
4. Belize's National Export Strategy - 2015-2019
5. Belize National Food Safety and Quality Policy, 2017.
6. Belize National Quality Infrastructure Roadmap, January 2017
7. Belize National Quality Policy, January 2017.
8. Belize Standards Act, Chapter 295, Revised Edition 2000
9. CARIFORUM Report, QI User Awareness and Demand Survey 2014.
10. Food and Nutrition Policy for Belize, 2001
11. Growth and Sustainable Development Strategy – Belize 2016 – 2019
12. Horizon 2030, National Development Framework for Belize, 2010 – 2030.
13. National Environmental Policy and Strategy 2014-2024
14. National Standardization Programme 2015 - 2020
15. National Sustainable Tourism Masterplan for Belize 2030
16. National Trade Policy 2019-2030
17. Preparing Horizon 2030 - Long Term National Development Framework for Belize, 2011
18. Standard and Conformance Consultant - Terms of Reference
19. Supplies Control Act Chapter 293 Revised Edition 2003
20. Sustainable Energy Action Plan for Belize, 2014
21. The National Food & Agriculture Policy (2002-2020)
22. The National Metrology Act Chapter 294 Revised Edition 2011
23. WTO Trade Policy Review – Belize, Report by The Secretariat 2017