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Belize Agricultural Brief

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Agricultural Situation

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Report Highlights:

In 2018, U.S. agricultural and related products exported to Belize reached a record \$61.1 million. Top categories were snack foods (candies, non-chocolate confectionaries) at \$8.2 million, wood products (lumber, mostly yellow pine) at \$5.9 million, prepared food (soup broths, mixes, peanut butter) at \$5.8 million, wheat at \$4.7 million, and condiments and sauces (seasonings, tomato sauces) at \$4.2 million. By far the largest category was consumer-oriented products. A number of traditionally strong U.S. agricultural products face high tariffs, such as corn (40%), rice (25%), apples and grapes (40%), and beef, pork and poultry (35-40%). However, there are many products that the U.S. exports that enter Belize duty-free or at very low duties, such as most dairy products, wheat, cotton, and many processed foods.

General Information:

Belize is a small market for U.S. agricultural products because of its small economy (just over \$3.2 billion) population (around 385,000 people), high tariffs on certain agricultural products, and relative self-sufficiency. Belize produces most of its feed corn, soybeans, poultry, and meats. The Belizean government still runs an import licensing system, controlling imports on many agricultural products, especially meats and dairy. In 2018, U.S. agricultural and related products exported to Belize reached a record \$61.1 million. Top categories were snack foods (candies, non-chocolate confectionaries) at \$8.2 million, wood products (lumber, mostly yellow pine) at \$5.9 million, prepared food (soup broths, mixes, peanut butter) at \$5.8 million, wheat at \$4.7 million, and condiments and sauces (seasonings, tomato sauces) at \$4.2 million. By far the largest category was consumer-oriented products. A number of traditionally strong U.S. agricultural products face high tariffs, such as corn (40%), rice (25%), apples and grapes (40%), and beef, pork and poultry (35-40%). However, there are many products that the U.S. exports that enter Belize duty-free or at very low duties, such as most dairy products, wheat, cotton, and many processed foods. Tourism is the largest source of foreign exchange and there are opportunities for U.S. food and agricultural products that service hotels and restaurants in Belize.

Trade Environment

Belize is a member of the Caribbean Community (CARICOM). Nearly all goods are traded duty-free within CARICOM. Belize also enjoys duty-free access for a substantial part of its agricultural exports to the United States thanks to the Caribbean Basin Trade Partnership Act which is set to expire in 2020 if it is not renewed. Belize is a member of the WTO—however it does not have a permanent representative stationed in Geneva. CARICOM has an Economic Partnership Agreement with the EU since 2008, however a number of agricultural products were excluded. Belize has a partial scope free trade agreement with Guatemala; however trade has not increased between the two countries in recent years. Belize exported \$37.8 billion of ag, fish, and forestry products to the United States in 2018. Top categories were fruit and vegetable juices (orange juice) at \$7.7 million, lobster at \$7.7 million, sugar at \$5.9 million, and other fish and seafood (mollusks, mainly conch).

Many agricultural products require an import license from the Belize Supplies Control Unit. As members of the WTO, Belize has an obligation to publish sufficient information for traders to know how and why the licenses are granted. While a list of the products that require a license can be found [here](#), importers report that certain licenses are rarely granted, such as for beef and pork, and others reported inconsistencies with dairy import licenses. There is demand for U.S. beef and pork from the hotel and restaurant industry.

Wheat is one of the main U.S. agricultural exports to Belize. Archer Daniels Midland operates the only flour mill in the country and they use only U.S. wheat. The mill and storage facilities are nearly at capacity and an expansion is needed. One factor that drives up the cost of importing wheat is the size of the port, limiting the size of vessels, and leading to higher shipping costs. Whereas shipping wheat from New Orleans to Mexico and Guatemala costs \$20 to \$25 per ton, shipping to Belize costs upward of \$50 to \$60 per ton. And while wheat no longer requires an import license, it is subject to price controls.

The Belize Agriculture and Health Authority (BAHA) oversees sanitary, phytosanitary, and food safety of imported agricultural products. All agricultural products must obtain an import permit from BAHA.

Importers submit an import application that will list all import requirements for that specific product.

Domestic Agriculture

Sugar is Belize's most important agricultural product. Belize Sugar Industries Limited (BSI) is controlled by ASR Group (formerly American Sugar Refinery) and runs the principal sugar mill in the country. The industry has adapted since Europe liberalized its sugar market in 2017 and left Belize without a preferential quota. Belize responded by looking to produce more refined sugar and also to ship more sugar to the CARICOM market. The industry is concerned that Guatemalan (and possibly Colombian) raw sugar is coming into CARICOM countries without paying proper duties. BSI supplies around 15% of the country's energy needs with sugar by-product. Unlike neighboring countries, the sugar industry in Belize is mostly made up of small-farmers (between 5-10 acres). About 90% of the sugar at BSI's mill comes from these farmers. Because of this setup, BSI also does a lot of extension work on good agricultural practices for the farmers. In general, sugarcane is still harvested by hand but there is some mechanization. However, there is pressure not to mechanize because of the jobs that cane cutting produces.

Belize produces yellow corn for the domestic feed market and for some export to CARICOM countries. Producers struggle with competitiveness due to the high price of inputs and lack of access to better technologies. Additionally, they produce a number of different beans including soybeans.