PRESS RELEASE

Statement on the Sugar Industry

Belmopan, 1st December 2021. 10:00 a.m.

Cabinet at its meeting on Tuesday, 30th November 2021 deliberated on the status of the sugar industry in northern Belize and discussed the ongoing impasse between the Belize Sugar Cane Farmers Association (BSCFA) and Belize Sugar Industry Limited (BSI/ASR) regarding the Commercial Agreement.

The Commercial Agreement between BSCFA and BSI/ASR expires in January 2022, therefore, a new agreement is needed. It was clear to Cabinet that it is unlikely that an agreement will be reached before the start of the crop in December 2021.

Cabinet noted that the 2021-2022 cane production estimate is 1,355,324 metric tons of sugar cane, an increase of 157,324 metric tons over last year’s production, which is near the milling capacity of the Tower Hill Sugar Factory. Taking into consideration downtime due to mechanical failures, sugar cane quality, and unpredictable weather among other unexpected delays, Cabinet views it as critical that the 2021-2022 sugar cane harvest begins in December 2021 as is programmed regardless of whether or not a new agreement on the Commercial Cane Purchase Agreement is reached between the BSCFA and BSI/ASR.

In the interim, Cabinet believes that the current Commercial Agreement should be extended by the parties for not more than six months.

Cabinet supports and expects that dialogue and negotiations will continue in good faith during the grinding season and is hopeful that a fair and balanced agreement will be reached before the end of June 2022.

Cabinet recognizes that the sugar industry is the main socio-economic livelihood of northern Belize, is a strong foreign exchange earner, and contributes to 15 percent of direct and indirect employment.

Ends