



# BELIZE PRESS OFFICE

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## PRESS RELEASE

### **Government of Belize Announces the MSME Support Program**

*Belmopan. July 3, 2020. 4:30 p.m.*

The Government of Belize, through a collaborative effort lead by the Ministry of Investment, Trade and Commerce, the Ministry of Labour, Local Government and Rural Development, and BELTRAIDE, hereby advises the public that it will roll out the second phase of Government's COVID-19 Economic Relief Program.

The second phase includes the continuation of the Unemployment Relief Program and incorporates a new component, the Micro-, Small- and Medium-sized Enterprises (MSME) Support Program. The objectives of the programs in the second phase are to continue providing direct cash relief for workers who have lost their jobs due to the pandemic and also to MSMEs that have suffered revenue loss. The program is expected to help safeguard and promote employee retention, as well as assist MSMEs as they transition and adapt to the economic challenges presented by the pandemic.

Under phase two, the Government has allocated a total of \$28.5 million apportioned across the various elements listed below:

1. \$9 million: Unemployment relief – employees laid off
2. \$5 million: Unemployment relief – self-employed suffering loss of income
3. \$2.5 million: Grants to micro-enterprises from across the country, with a cap of \$2,500 each.
4. \$7 million: Wage subsidies to promote employee retention on the condition that these businesses keep their employees' Social Security contributions current.
5. \$5 million: Soft-loan component limited to approved small- and medium-sized enterprises to assist with working capital in preparation for

reopening and accelerating production. This financing would be channeled through the National Bank of Belize. The cap on loans to small enterprises will be \$15,000.00, and for medium enterprises \$25,000.00.

Beneficiaries of the MSME Support Program will be segmented into three (3) categories determined by the number of employees:

1. Micro Enterprises: which employ 2 - 4 persons, including the owner
2. Small Enterprises: which employ 5-20 employees
3. Medium Enterprises: which employ 21-51 employees

The MSME program will target established enterprises, operating for at least one year prior to March 2020, impacted by COVID-19 in the following industries: (i) Tourism and Leisure, (ii) Agriculture and Agro-processing, (iii) Fisheries and Aquaculture, (iv) Light Manufacturing, (v) Creative Industry, (vi) Offshore Outsourcing, and (vii) Commercial Free Zones (wage subsidy for employee retention only).

All approved MSMEs would be encouraged to sign on to and participate in the small business development programs offered by BELTRAIDE, which are designed to strengthen the capacity of MSMEs to manage their businesses, grow their markets and incorporate the use of ICT to enhance productivity. They would therefore receive:

- a. Personalized business advising
- b. Customized business training
- c. Marketing and distribution support

Phase two of Government's COVID-19 relief effort is expected to be launched on August 1, 2020, with all disbursements being completed within 90 days. More information on the application process will be shared with the public once finalized.

**Ends**