



PR#034-24

## PRESS RELEASE

### Cabinet Brief

*Belmopan, 29<sup>th</sup> February 2024.*

The Cabinet, chaired by the Prime Minister Hon. John Briceño, met in regular sessions on 26<sup>th</sup> and 27<sup>th</sup> February 2024.

- Cabinet was updated on International Monetary Fund’s (IMF) Article IV consultation which concluded on February 22. In its concluding statement, the IMF reported that “Belize’s economy has continued to perform well. After growing strongly by 17.9 percent in 2021 and 8.7 percent in 2022, real GDP is estimated to have continued to grow robustly by 4.5 percent in 2023 led by the expansion of the tourism, construction, retail and wholesale trade, transport, and business process outsourcing sectors. As a result, real GDP was 16 percent above pre-pandemic levels in 2023 and the unemployment rate declined from 14 percent in 2020 to 3.4 percent in 2023. The fiscal position also strengthened. Public debt fell from 103 percent of GDP in 2020 to 66 percent in 2023, driven by strong nominal GDP growth.” It further added that “Real GDP growth is projected to moderate going forward. Growth is projected at 3.5 percent in 2024 and 2.5 percent from 2025 onwards as tourist arrivals return to pre-pandemic levels and the output gap closes. The unemployment rate is projected to stay at 3.4 percent over the medium term as the economy remains at full employment. Inflation, which fell to 4.4 percent in 2023 led by lower prices of transport and utilities partly offset by higher food inflation, is projected to decline further to 3.1 percent in 2024 and 1.3 percent over the medium term as commodity prices and global inflation moderate.”
- Cabinet approved a Joint Design Document which will form the basis for a compact between the Government of Belize (GoB) and the Millennium Challenge Corporation (MCC). Through this initiative, GoB and the MCC will provide grants in the amount of BZ\$250 million (US\$125 million) for the Education Project and the Electricity Project.

Cabinet also gave its approval for the Attorney General’s Ministry to prepare draft legislation to establish the MILLENNIUM CHALLENGE ACCOUNT—BELIZE as a statutory body to serve as the implementation and coordination agency for the Millennium Challenge Corporation Compact with Belize.

- As part of the government’s #PlanBelize agenda for the administration of justice, Cabinet gave its approval for a number of measures addressing criminal justice reform to be introduced at the next sitting of the House of Representative. These include the Criminal Procedure (Plea Discussion and Plea Agreement) Bill, 2024; the Alternative

Sentencing Bill, 2024; and the Criminal Records (Rehabilitation of Offenders) Bill, 2024. The measures are collectively geared towards facilitating a more efficient system for the timely disposal of criminal cases, focusing more on restorative justice, and providing offenders who have served their sentence, paid their debt to society, and have not reoffended, to reintegrate into society without the stigma of a criminal record inhibiting them for the rest of their lives.

- Cabinet gave its approval for the progress and rollout of MyGOB across the government as a part of a four-year digital transformation plan to achieve a digital Belize. MyGOB will consist of services such as duty leave applications and will allow for continuous onboarding of government-to-employee services.
- Cabinet gave its approval of an initiative to facilitate an increase of visitors from the Mexican states of Campeche, Yucatan, Tabasco, Chiapas, and Quintana Roo to Belize by making it easier for them to cross the Belize-Mexico border in Santa Elena, Corozal. This will include the removal of border exit taxes (Border Development fee, Conservation fee, and the Belize Departure Tax) for up to seven days stay in Belize for all persons residing in these Mexican states.
- Cabinet gave its approval to amend regulations 32 and 54 of Social Security (Benefit) Regulations, which addresses spousal entitlement to survivors' benefit and death benefit under the Social Security Scheme. These amendments, when approved, will address the potentially discriminatory nature of those regulations based on gender by allowing both males and females to be treated equally.
- Cabinet approved the ratification of the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction. This treaty, which was signed by Belize in September 22, 2023, is key to the sustainable use and protection of the ocean. It creates a comprehensive regime which protects marine biological diversity, promotes equity and fairness, tackles environmental degradation, fights climate change, and prevents biodiversity loss in the high seas. These goals are in alignment with the priorities outlined by the Government of Belize in achieving Sustainable Development Goals targets set out in goal 14 titled "Life Below Water."
- Cabinet approved the introduction of legislation in the National Assembly for a Finance Belize Recognition & Exemptions to provide certain benefits and exemptions to Finance Belize Limited (Finance Belize). Finance Belize is a non-profit company limited by guarantee without share capital duly formed under the Belize Companies Act to market and promote Belize as a highly reputable financial services centre. Through the establishment and operationalising of Finance Belize, Belize would be better positioned to deliver on a strategy that is focused on developing, marketing, and promoting the products and services offered by the jurisdiction, as well as building, managing, and maintaining Belize's reputation as a premier financial services centre.

- Cabinet gave its approval of a national strategy for the International Maritime Organization (IMO) Instrument Implementation Code (III Code) to permit Belize to further demonstrate its commitment to the IMO and the maritime industry by ensuring the complete implementation of the III Code. The IMO III Code is a commitment by member states to enhance global maritime safety and protection of the marine environment and assist states in implementing IMO instruments.
- Finally, Cabinet encourages all registered voters across municipalities to support Belize's democracy by participating in the 6<sup>th</sup> March elections.

**Ends**