



THE BUSINESS PERSPECTIVE

Articles:

- High Debt, Low Growth
- Merida Expoferia Del Comercio 2017
- BCCI Participates in FITCE & MedWeek
- Credit Master System (CMS)' Partnership with the BCCI
- BCCI's Belizean Black Friday
- Christmas Expo Extravaganza
- BCCI Welcomes our New Members
- HR's Perspective

Upcoming Events:

- Development and Execution of a Marketing and Sales Strategies Training- February 22nd
- Spanish Lookout Commercial/ Industrial Expo 2018- March 2nd & 3rd
- Time Management Training- March 8th
- Effective Business Writing Skills Training- March 20th
- Writing and Analysing Financial Reports- April 19th
- Strategic Planning & Management- May 10th
- Roles and Responsibilities of a New Supervisor- May 24th
- Conflict Management- June 7th
- Disciplinary Action- The Importance of Documentation- August 9th
- The Voice of Leadership: How Leaders Inspire, Influence and Achieve Results- August 23rd

ADVOCACY

High Debt, Low Growth

Over the years, members of the private sector, especially via the Belize Chamber of Commerce and Industry (BCCI), have consistently cautioned against administrations allowing the public debt to rise too high. With Belize's Debt-to-GDP ratio being estimated by the International Monetary Fund (IMF) in their recent Article IV Staff Report at 96.5 percent of Gross Domestic Product (GDP)—a figure which factors in the “additional liabilities resulting from past nationalization” of the utility companies—it is sometimes hard to believe that just about two decades ago this particular metric was below 40 percent.

The imprudence of ballooning public debt is especially disquieting given the evidence that higher public spending tends to coincide with the election cycle. This was a point that Dr. Ricardo Hausmann and Bailey Klinger alluded to in their 2007 Growth Diagnostic study: “There are also signals that the lack of fiscal discipline could be linked to political cycles the three years when the government's budget balance reached its lowpoint before reverting towards balance (1984, 1993, and 2003) were election years.”

They would go on to advise the implementation of measures to shield public spending from political cycles. There are sufficient signs to show that the recommendation to “institutionalize fiscal discipline and better insulate it from political cycles” remains relevant. But why does keeping the public debt levels low matter to our economy? Is it that the BCCI and other entities that raise the issue regularly are merely alarmists? Or is there some downside to having high public debt levels. And if there is harm for ballooning debt, how much is too much?

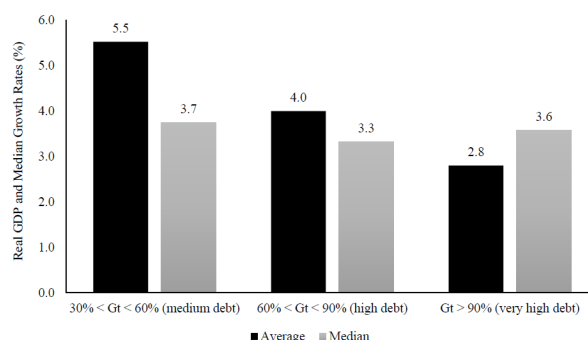
For some time now, economists have been providing empirical evidence to support the idea that there is a type of “tipping point” when the debt levels starts to slow down economic growth. However, many times these tipping points are considered to be arbitrary or at best based on some other economy and thus not entirely relevant to the specific country in question.

Those rebuttals are sound, because modern-day economists agree that like people, individual economies are unique. It is for this reason that the November 2017 study by the Central Bank of Belize (CBB), entitled “Assessing Debt Sustainability in Belize” (presented by Emory Ford and Lylia Roberts), is something worthy of promulgation for two reasons: firstly, for its findings; but secondly, to further encourage the development of a culture that places a premium on empirical work.

An Expectedly Negative Relationship

The study, published on the CBB’s website, reconfirms several facts even in what could be dubbed its preliminary components. Unsurprisingly, the first is the preliminary confirmation of the negative relationship between Real Gross Domestic Product (GDP) growth and Debt to GDP. We sincerely doubt that there are many who still doubt this “negative” relationship between debt and growth, but the purpose of applied economics is to quantify and bring into a real-world setting those much-talked-about economic theories or principles.

Using data on Belize from 1987 to 2016, the study—again, before getting into the core aspects of the research—states: “Annual data between 1987 and 2016 had a correlation coefficient of... [negative] 0.48, indicating a weak, negative linear relationship between public debt-to-GDP ratio and real GDP growth.”



On the one hand, one could see where it is plausible that decelerating GDP growth can lead to more borrowing by the State, which in turn triggers its own series of chain events that would decrease the levels of private investments and, thereby, hamper future growth prospects. The slowed future growth would itself be a potential cause for further increases in debt levels.

But is it wrong to assume that the reverse is also likely? Is it not also true that high levels of fiscal deficits do translate into more public-sector borrowing? And don't these higher debt levels eat up financial resources, forcefully diverting them away from public investment projects, which in turn slow future growth as well?

While identifying the negative relationship between the variables in question, it is also useful to know the answer to this "chicken or the egg" puzzle. Using a well-known causality test, and data for roughly three decades, the paper found evidence to support the latter argument: that it is high debt levels that slow future growth. More specifically, the report states: "There is some weak evidence that Granger causality runs one way from debt to growth in the long run. This implies that high levels of public debt today will slow real GDP growth in the future."

Any regular Belizean news consumer could see how this has played out as recently as this fiscal year, where the need to meet public debt had forced the implementation of fiscal consolidation measures, which, among other things, includes cuts to expenditure.

How much is too much?

It is one thing to find supporting evidence to say that debt came first, but it is something different to find answers to the question of how much debt is too much. There have been other studies that have sought to answer this question among developing economies, and specifically within the Caribbean. The findings generally suggest that the ideal range is somewhere between 55 and about 60 percent of GDP.

This study, like others before it, found evidence to support the notion that medium debt levels—described as debt levels between 30% and 60% of GDP—is where average growth levels are highest. The research finds that at "medium debt", Belize's real GDP growth rate averages about 5.5%.

At high debt levels (that is, between 60% and 90% of GDP) and very high public debt (above 90%) the average real GDP growth rates are estimated at 4 percent and 2.8 percent, respectively.

Consequently, like the IMF's prescription, the goal on everyone's mind should be to get Belize's public debt out of the "high-debt" zones if there's any hope to see sustained acceleration in real GDP growth. The discussion on the prescriptions provided by this Central Bank study (and even those from the IMF) is a topic we will return to in the next Business Perspective.

Submitted by Chief Policy Analyst - Dyon Elliott

Merida Expoferia Del Comercio 2017

The Belize Chamber of Commerce and Industry (BCCI) along with the Belize Tourism Board (BTB) and Naledo Belize Limited showcased their services and products in the areas of trade and tourism at the Merida's Chamber of Commerce, Services and Tourism Expoferia Del Comercio 2017. This event was from October 12th to 15th, 2017 at the Yucatan Siglo XXI Convention Centre in Merida.

The invitation from the MCC, in collaboration with the Government of Merida, was cordially received by the BCCI for the fourth consecutive year. The Expoferia, in which there were a total of 450 booths displaying commerce, industry and services, including tourism

attracted over 300,000 visitors from all over the Yucatan Peninsula. Businesses from Peru, Chiapas, Tabasco, Playa del Carmen, Chetumal and local towns and villages in the Yucatan Peninsula were represented at the Expoferia.

The delegation promoted Belizean services and products that would benefit directly from doing business in the Yucatan Peninsula. An estimated 49 companies approached the BCCI with interest in doing business in Belize. Some of the companies that supported the event were in the sectors of construction, tourism, real estate, food and agriculture, communications and technology, manufacturing and pharmaceuticals.

Mr. Christopher Pech, represented the BCCI at this event and had the honour of sharing the booths with BCCI's member representatives in attendance. This year, your Chamber, had the honour of having a representative from the Belize Tourism Board and Naledo Belize Ltd. in our booth. We want to thank the Belize Tourism Board for their fourth time participating at the Expo Feria del Comercio. Ms. Zinnia Magana, from the BTB, shared with families and individuals over a thousand copies of tourist information pamphlets including travel guides, maps and promotional items. Ms. Magana was able to personally interact with visitors and respond to frequently asked questions on topics such as: documents required to enter Belize, currency exchange, possible destinations, and transportation routes. Ms. Nareena Switlo, from Naledo Belize Ltd., promoted her whole root tumeric paste products. Her primary aim was to search for potential distributors to introduce and distribute her products in Mexico. We are pleased to inform that Ms. Switlo connected with 33 interested Mexican distributors. Naledo Belize Ltd. also participated in the speed networking event organized by the MCC.

The team ensured to express Belize's warm and friendly environment. The Expoferia, like the previous years, has proven very beneficial for Belize and on this basis; the Chamber reassures its intention to have annual representation at this event. We are confident that more members will participate and take advantage of the opportunities in networking, business exposure and finding new markets at the Expoferia.



Submitted by Membership Program Administrator - Christopher Pech

BCCI participates in FITCE and MedWeek

The BCCI and its members were invited by Broward County, Florida and the Belize American Chamber of Commerce of Florida (BACCOF) to participate in the Florida International Trade & Cultural Expo (FITCE) from October 17-18, 2017 at the Greater Ft. Lauderdale/ Broward County Convention Center in Fort Lauderdale, Miami.

Former country Presidents and more than 50 countries of 7 continents participated in FITCE. Local and international companies gathered at the expo to have that unique opportunity to engage with key leaders, experts and attendees from around the world to participate in dialogues relating to international trade, foreign direct investment and culture. The goal of FITCE is to expand Broward County as the premier importing and exporting trading capital, while helping to establish new businesses and nurture existing businesses to spur continued growth.

Your Chamber presented on Doing Business with Belize and had an exhibit space encouraging trade and investment, making business connections and showcasing local products of Belize.

On the 19th October, the BCCI and our Toledo Chapter also participated in the Minority Enterprise Development Week (MEDWeek) business matchmaking conference in Miramar, Florida. MEDWeek had participation from the U.S. Caribbean, Central and South America, Europe and Africa. This event recognizes the strengths and contributions and honors the achievements of minority business enterprises.



Submitted by Manager Member Relations - Yorshabell Cattouse

Credit Master Systems (CMS)' Partnership with the Belize Chamber of Commerce and Industry (BCCI)

The mission of the Belize Chamber of Commerce and Industry (BCCI) is to promote economic vitality and a high quality of life in Belize. One of the many ways the BCCI accomplishes this is through partnerships with like-minded '*agents of change*' whose product or service will have a short, medium and long-term positive impact on individuals, the business community, and the country. The Credit Master Systems is one such '*agent of change*' and the partnership between BCCI and CMS is in relation to the Complaint Information System (CIS).

The CIS is a database that was established in 1993 and now houses information on tens of thousands of consumers' complaint histories and debt profiles. In practical terms, when a business wants to learn of a potential customer's payment history, it will pay a fee of BZ\$3.00 in return for information on whether the individual has accrued any debt over time, has developed a pattern of payment or is debt free.

One of the many reasons BCCI partners with CMS is because it provides a service through its CIS that is beneficial to both businesses and customers. CIS functions as an adviser to businesses and as a voice of caution to customers. In essence, it has the potential to shape a more mature and robust Belizean economy. Many businesses within Belize have had to suffer bankruptcy for numerous reasons; among them, the inability to collect payments from customers whose credit profile were unknown. Although the statute of limitation may have passed for the debtors, thereby, relieving them of any legal obligation to pay, the business would have had no way of recovering the funds from those debtors. Information gained from the CIS would help the business in making informed decisions about whether to extend credit. From the perspective of the customer, awareness of the CIS and of how it can affect one's access to credit would create within customers an appreciation for maintaining a positive credit profile marked by consistent payment of one's debts.



"Helping Move Belize Forward"

The short-term impact for businesses that utilize the CIS is sound decision making. The medium-term impact for businesses that utilize the CIS is a strengthened infrastructure that encourages disciplined financial habits. The long-term impact for businesses that utilize the CIS is the creation of a climate that reduces the risk of existing and future businesses being exposed to potential recalcitrant debtors. It is for the reasons outlined above that the BCCI has forged a partnership with the CMS and also encourages you and your business to reach out to the CMS and learn more about the services they provide beyond that of the Complaint Information System. The contact person for Credit Masters System is Ms. Virginia Echols who may be reached at the following email address: cmsbz@btl.net and at telephone number (501) 223-2283.

Submitted by Business Development Manager - Dennisa Francisco

BCCI'S Belizean Black Friday

This year, The Belize Chamber of Commerce & Industry (BCCI) coordinated its second annual Belizean Black Friday on November 17th, 2017. Black Friday marks the unofficial beginning of the Christmas shopping season where customers descend on stores all over the country to take advantage of the season's biggest holiday bargains. There's more to a Black Friday than just shopping but also when companies have the opportunity to move from the red "into the black" (i.e. make a profit).

More than forty different businesses had agreed to come together and give back to the Country of Belize by offering deals, discounts, coupons and huge savings on home appliances, paints, airline tickets, insurance packages and much more.



The graphic is a promotional poster for BCCI's Belizean Black Friday. It features a black background with a red banner at the bottom. On the left, there is a large yellow tag with the text "BLACK FRIDAY" in bold red letters and "November 17th, 2017" below it. Above the tag is the BCCI logo, which is a circular emblem with a hand holding a torch. To the right of the tag, the text "Belize Chamber of Commerce & Industry" is written in a cursive font, followed by "P R E S E N T S" in a simple font. Below this, the phrase "READY, SET, BUY" is written in large, bold, red letters. To the right of this phrase is a red circular badge with the text "Black Friday Member". Below the "READY, SET, BUY" phrase, there are three columns of text: "SAVE" with "Big with every purchase", "WIN" with "Great prizes for selected purchases", and "SHOP" with "Black Friday level prices". At the bottom, a red banner contains the text "For more information contact us at" followed by a phone icon, the number "223-5330", an email icon, and the email address "bcc@belize.org".

Belize Chamber of Commerce & Industry
P R E S E N T S

BLACK FRIDAY
November 17th, 2017

READY, SET, BUY

SAVE
Big with every purchase

WIN
Great prizes for selected purchases

SHOP
Black Friday level prices

For more information contact us at ☎ 223-5330 ✉ [bcc@belize.org](mailto:bcci@belize.org)

Christmas Expo Extravaganza

The BCCI celebrated its 5th annual Christmas Expo Extravaganza on December 2nd and 3rd at the St. Catherine's Academy Multipurpose Mercy Center, Marine Parade, Belize City. The Wine House and Premium Wines gave samples of their best wines and had a wide variety of their different alcoholic beverages that is most famous for the Christmas season, while DigiCell offered exclusive Double Up and other amazing cell phone deals on both days of the Expo.

This Expo focused on Belizean Micro Businesses who took the opportunity to display locally made products.

Kaj Expressions, Anna's Wines, Island Bar and many more micro businesses provided visitors with unique gift items for the season. While the adults shopped they also enjoyed live music by none other than Super Furia Band and the children also enjoyed a time well spent with Santa!



Submitted by Marketing & Public Relations Office- Viannie Reyes

BCCI Welcomes our New Members

President Circle Members

- Allied Tech Distributors

Signature Members

- Reditech
- Commonwealth Trading

Associate Members

- Diamond Lodge Management

Micro & Individual Members

- Briannie Reyes
- Mirna Paul Greenidge
- E-Life
- LetsgoBelizing



HR's Perspective

“Don’t ignore your health; it's your future. Healthy eating, daily exercise, and peaceful living today, will help ensure you can enjoy tomorrow.”

September 2017 – Our Compliance Officer attended a worldwide compliance workshop in Denver from 18th – 20th September 2017. Our Chief Executive Officer attended the National Labour Policy and Employment training in Turin, Italy from 16th September – 01st October 2017.

October 2017 - Our Membership Program Administrator attended the Global Value Chain Industrial Policies; Enhancing SMEs competitiveness in the Caribbean Workshop from 23rd – 26th October in Belize City. Our Chief Policy Analyst attended the Intellectual Property and Innovation workshop held by BELIPO.

November 2017 - Our Membership Program Administrator attended a national workshop hosted by CENPROMYPE and BELTRAIDE to establish a working table for entrepreneurial education in Belize. The workshop was held on the 09th & 10th November. Our Chief Executive Officer and the Manager of Finance & Administration attended SSB Consultation session on the 16th November 2017. Our Chief Policy Analyst attended a two-day workshop on Integrated & Sustainable Logistics Policy on the 27th & 28th November 2017.



December 2017

December 2017 – Our Manager of Members Relation participated in the Essential of Occupational Safety and Health Course of the ITC in Turin, Italy.

On Saturday December 9th, 2017, The Belize Chamber of Commerce and Industry held their End of Year get-together in the BCCI's Conference Room. There were distribution of awards and exchange of gifts. Ms. Viannie Reyes was chosen by her peers as "Employee of the Year". Congratulations again Ms. Reyes! Awards were also given out to: Ms. Ruth Gillett and Ms. Danette Burns for "Perfect Attendance" (never missing a day of work and always being on time).



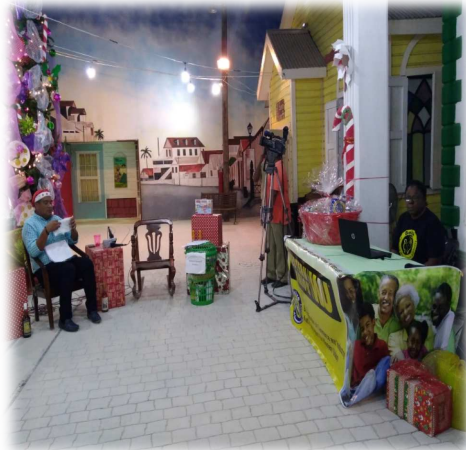
***Submitted by Manager, Finance & Administrator - Venesia Neal and
Senior Administrator/HR Officer - Ruth Gillett***

Western Union

The Belize Chamber of Commerce Western Union this year participated in Love FM's 12 Days of Christmas "What's Hot for the Christmas," segment to promote their Loyalty Program. The message being shared was that every time the customer used their Western Union Card to send or receive funds, they are automatically entered in a raffle. On the show, we raffled a Christmas hamper and two hundred dollars. A number of the BCCI members such as Quality Poultry, Smiling Meats, Cuello's and SODA contributed to the hamper. The BCCI provided the grocery and Ecabucks donated two hundred dollars. The hamper contained everything to make Christmas dinner possible.

This year our hearts were blessed when we presented the hamper to the winner as the family was really appreciative of it. Besides the hamper, the Transact and Win program has really benefited customers who conducted transactions in the months of August to December.

The program really made a difference in our customers' lives this year as it blessed them at the time they needed most. The program culminated on January 4th, 2018 when one person walked away with \$2000.00 to start the New Year.



Submitted by Western Union Operations Supervisor - Danette Burns

Services

Take advantage of our... Loyalty conference Offer

After every five bookings the *SIXTH* one is on *US!*

also President Circle & Distinguished members receive a special

50% OFF
off room rates only

Loyalty Package Includes:

- ✓ FREE Wi-Fi access
- ✓ FREE Seating Capacity for 100 people
- ✓ FREE Air conditioned room

4792 Coney Drive, Withfield Tower
Belize City, BZ

Some restrictions apply

For more information contact BCCI at ☎ 223-5330 or ✉ membershppo@belize.org



Belize Chamber of Commerce & Industry

Advertise with us

www.belize.org

For more information contact mpo@belize.org



Need a Venue For an Open-Air Event or parking?

The BCCI Regent Street Parking Lot is Available!

- ✓ Clean Space
- ✓ Prime Location in downtown Belize City
- ✓ Fenced
- ✓ Parking



Interested parties contact:

✉ mpo@belize.org
☎ (501) 223-5330

Fundraiser
Business Mixers
Party


Belize Chamber of Commerce & Industry

JOIN OUR NETWORK

MEMBERSHIP RECRUITMENT

WHAT'S IN IT FOR YOU ?

- ✓ Access to the largest business network, strongest and most active business advocacy organization in Belize
- ✓ Connect you to leaders and policymakers that shape the business environment
- ✓ Provide valuable savings and discounts on business services
- ✓ We keep you informed
- ✓ Business Exposure
- ✓ Better your know how
- ✓ Grow your Business potential
- ✓ Advertising Opportunities
- ✓ Mediation Service
- ✓ Trainings/Workshops
- ✓ Life and Health Insurance
- ✓ Expo, Import & Export Trade Missions
- ✓ Membership Discount Card, ID cards



SIGN UP NOW!

CONNECT CAPACITATE CHAMPION

Dedicated to the growth, prosperity and development of our members

Belize Chamber of Commerce and Industry P.O. Box 291 4792 Coney Drive First Floor, Withfield Tower Belize City, Belize Central America
Tel: +501-223-5330 Fax: +501-223-5333
Email: bcci@belize.org Website: <http://www.belize.org>



*Let new beginnings signify
new chapters filled with pages of
success and happiness written
by the ink of hard work
and intelligence!*

2018



*For more
information
contact us at
Phone: 223-5330
email: bcci@belize.org
website:
www.belize.org*

