

BELIZE:

INTERNATIONAL BANKING (AMENDMENT) BILL, 2023

ARRANGEMENT OF CLAUSES

1. Short title.
2. Amendment of section 2.
3. Amendment of section 5.
4. Amendment of section 25.
5. Amendment of section 27.
6. Amendment of section 34.
7. Insertion of new section 49.

BELIZE:

BILL

for

AN ACT to amend the International Banking Act, Chapter 267 of the Substantive Laws of Belize, Revised Edition 2020, to satisfy the requirements of the Financial Action Task Force (FATF) Recommendations; to align the definition of shell bank with the definition in the Domestic Banks and Financial Institutions Act and the Financial Action Task Force (FATF) Recommendations; to prohibit the licensing of shell banks; to provide for the publication of sanctions for non-compliance at the discretion of the Central Bank of Belize; and to provide for matters connected therewith or incidental thereto.

(Gazetted2023).

BE IT ENACTED, by and with the advice and consent of the House of Representatives and Senate of Belize and by the authority of the same, as follows:

Short title.

1. This Act may be cited as the

INTERNATIONAL BANKING (AMENDMENT) ACT, 2023,

CAP. 267.

and shall be read and construed as one with the International Banking Act, which is hereinafter referred to as the principal Act.

Amendment of section 2.

2. The principal Act is amended in section 2 by inserting the following terms and their corresponding definitions in their proper alphabetical sequence—

““AML/CFT/CPF” means anti money laundering, combating the financing of terrorism and combating proliferation financing;”

“decision notice” means a notice that advises on the outcome of a decision taken by the Supervisory Authority in accordance with the legal requirements of the Act;”

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- “shell bank” has the meaning assigned to it in the Domestic Banks and Financial Institutions Act;” CAP. 263.
- ““Supervisory Authority” shall have the meaning assigned to it in the Money Laundering and Terrorism (Prevention) Act;” CAP. 104.
- 3.** The principal Act is amended in section 5 by inserting immediately after sub-section (1), the following new sub-section—
- “ (1A) No licence may be issued under this Act to a shell bank.”.
- 4.** The principal Act is amended in section 25—
- (a) in sub-section (1)—
- (i) in the chapeau, by deleting the words “, The Minister may, on recommendation from the Central Bank,” and replacing them with the words “The Central Bank may”;
- (ii) in paragraph (d), by deleting the words “the Minister or”;
- (b) by inserting immediately after sub-section (1), the following new sub-section—
- “ (1A) The Central Bank shall advise the Minister of any decision taken under sub-section (1).”.
- 5.** The principal Act is amended in section 27—
- (a) in sub-section (1), by deleting the words “the Minister may, on the recommendation of the Central Bank,” and replacing them with the words “the Central Bank may”;
- (b) by inserting immediately after sub-section (1), the following new sub-section—
- “ (1A) The Central Bank shall advise the Minister of any decision taken under sub-section (1).”.
- 6.** The principal Act is amended in section 34 by inserting immediately after sub-section (1), the following new sub-sections—

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“ (1A) Section 34 (1)(c) does not prevent the disclosure of any information for the purpose of enabling or assisting a foreign regulatory authority to exercise functions corresponding to a competent authority’s functions under this Act for AML/CFT/CPF purposes.

(1B) Section 34 (1)(c) does not prevent the disclosure of regulatory, prudential, or AML/CFT/CPF information for the purpose of enabling or assisting a foreign regulatory authority in a country or a territory outside Belize to exercise functions corresponding to a foreign regulatory authority’s functions under this Act.

(1C) The Central Bank may exercise its powers by assisting a foreign regulatory authority which has requested assistance in connection with inquiries being carried out by it or on its behalf.

(1D) In deciding whether to assist a foreign regulatory authority under this section, the Central Bank shall take into account the following—

- (a) whether inquiries relate to possible breach of law;
- (b) the nature and seriousness of the matter to which the inquiries relate, the importance to the inquiries of the information sought in Belize and whether the assistance may be obtained by other means; and
- (c) whether it is otherwise appropriate in the public interest to give the assistance sought;

(1E) The Central Bank may decline to exercise the powers conferred by sub-section (1B) unless the foreign regulatory authority undertakes to make such contributions towards the costs of the exercise as the Central Bank considers appropriate.

(1F) The Central Bank shall have prior authorisation of the requested financial supervisor for any dissemination of information exchanged and use of information for supervisory and non-supervisory purposes.

(1G) For the purposes of this section, a foreign regulatory authority means an authority in a country or a territory outside Belize.”

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7. The principal Act is amended by adding immediately after section 48, the following new section—

Insertion of new section 49.

“Publication of sanctions.

49.—(1) Subject to sections 9, 25, 28 and 40, the Supervisory Authority may publish such information about a matter to which a decision notice relates as it considers appropriate.

(2) For the purposes of this section, a decision notice means a notice that advises on the outcome of a decision taken by the Supervisory Authority which includes but is not limited to—

- (a) restricting a license;
- (b) revoking a license under section 25;
- (c) imposing an administrative sanction; and
- (d) publishing a statement in respect of contraventions of any requirement under this Act.

(3) The Supervisory Authority shall not publish a decision notice—

- (a) before notifying the person concerned; and
- (b) pending an appeal under section 28 of the Act.”