

BELIZE:

DOMESTIC BANKS AND FINANCIAL INSTITUTIONS
(AMENDMENT) ACT, 2023

ARRANGEMENT OF SECTIONS

1. Short title.
2. Amendment of section 2.
3. Amendment of section 18.
4. Amendment of section 19.
5. Amendment of section 86.
6. Amendment of section 88.
7. Insertion of new section 137A.



No. 20 of 2023

I assent,

(H.E. DAME FROYLA TZALAM)
Governor-General

19th June, 2023.

AN ACT to amend the Domestic Banks and Financial Institutions Act, Chapter 263 of the Substantive Laws of Belize, Revised Edition 2020, to satisfy the requirements of the Financial Action Task Force (FATF) Recommendations; to provide for the operational independence of the Central Bank to have full discretion to take actions and decisions on supervised banks and banking groups; to provide for the publication of sanctions for non-compliance at the Central Bank's discretion; and to provide for matters connected therewith or incidental thereto.

(Gazetted 21st June, 2023).

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:

1. This Act may be cited as the

Short title.

**DOMESTIC BANKS AND FINANCIAL
INSTITUTIONS (AMENDMENT) ACT, 2023,**

CAP. 263.

and shall be read and construed as one with the Domestic Banks and Financial Institutions Act, which is hereinafter referred to as the principal Act.

Amendment of
section 2.

2. The principal Act is amended in section 2–

(a) in the definition of the term “shell bank”–

(i) in paragraph (a), by deleting the word “and” occurring at the end of the paragraph; and

(ii) in paragraph (b), by deleting the chapeau and replacing it with the following–

“is unaffiliated with a regulated financial group that–”;

(b) by inserting immediately after sub-section (3), the following new sub-section–

“(3A) For the purposes of the definition of “shell bank”, physical presence means that a meaningful mind and management is located within the country and the existence simply of a local agent or low level staff shall not constitute physical presence.”;

(c) by inserting the following term and its corresponding definition in its proper alphabetical sequence–

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

3. The principal Act is amended in section 18 (10)(a) by deleting the words “, with the approval of the Minister,”.

Amendment of
section 18.

4. The principal Act is amended in section 19–

Amendment of
section 19.

(a) in sub-section (1), by deleting the words “, with the approval of the Minister,”;

(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).”;

(c) in sub-section (2), by deleting the words “, with the approval of the Minister,”;

(d) by inserting immediately after sub-section (2), the following new sub-section–

“(2A) The Central Bank shall advise the Minister of any decision taken under sub-section (2).”;

(e) in sub-section (6), by deleting the words “, with the approval of the Minister,”;

(f) by inserting immediately after sub-section (6), the following new sub-section–

“(6A) The Central Bank shall advise the Minister of any decision taken under sub-section (6).”.

5. The principal Act is amended in section 86(1)–

Amendment of
section 86.

(a) by deleting the words “,with the prior written approval of the Minister,”; and

(b) by inserting immediately after sub-section (1), the following new sub-section (1A)– and

“(1A) Where the Bank determines that a statutory administrator should be appointed pursuant to sub-section (1), the Bank shall notify the Minister of its decision.”.

Amendment of section 88.

6. The principal Act is amended in section 88 by repealing sub-section (2).

Insertion of new section 137A.

7. The principal Act is amended by inserting immediately after section 137, the following new section–

“Publication of sanctions.

137A.–(1) Subject to sections 18(9), 19, 20, 129 and 137, the Central Bank 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 Central Bank which includes but is not limited to–

- (a) restricting a license;
- (b) revoking a license under section 19;
- (c) imposing an administrative sanction; and
- (d) publishing a statement in respect of contraventions of any requirement under this Act.

(3) The Central Bank shall not publish a decision notice–

- (a) before notifying the person concerned; and
- (b) pending an appeal under section 129.”