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State of implementation of the United Nations
Convention against Corruption

Executive summary

Note by the Secretariat

Addendum

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* CAC/COSP/IRG/2024/1.
II. Executive summary

Belize

1. Introduction: overview of the legal and institutional framework of Belize in the context of implementation of the United Nations Convention against Corruption


The implementation by Belize of chapters III and IV of the Convention was reviewed in the fourth year of the first review cycle, and the executive summary of that review was issued on 30 November 2018 (CAC/COSP/IRG/I/4/1/Add.64).

The main institutions responsible for the prevention of and fight against corruption include the Good Governance Unit, the Integrity Commission, the Office of the Ombudsman, the Public Services Commission, the Attorney General’s Ministry, the Financial Intelligence Unit and the Financial Services Commission.

The legislation implementing chapters II and V of the Convention includes the Prevention of Corruption Act, the Financial Audit (Reform) Act, the Freedom of Information Act, the Money Laundering and Terrorism (Prevention) Act, the Mutual Legal Assistance and International Cooperation Act and the Civil Asset Recovery and Unexplained Wealth Act.

2. Chapter II: preventive measures

2.1. Observations on the implementation of the articles under review

Preventive anti-corruption policies and practices; preventive anti-corruption body or bodies (arts. 5 and 6)

Although Belize has enacted a number of laws and regulations to prevent corruption, it has not developed effective and coordinated preventive anti-corruption policies in accordance with the terms of the Convention. To this end, the Good Governance Unit has developed a proposal for a national good governance agenda 2023–2028, and the Ministry of Economic Development led the development and adoption of a national medium-term development strategy 2022–2026 that includes a good governance component.

Given that the Good Governance Unit was established in 2022, a number of planned preventive anti-corruption initiatives, including campaigns to raise awareness of corruption, training on good governance, partnerships with private sector and civil society organizations and the digitalization of the public sector, had not been undertaken at the time of the country visit.

Belize reviewed its anti-corruption legislation when developing the Good Governance Unit Strategy. However, there is no mechanism for the periodic evaluation of legal and administrative measures against corruption. Legislative reform is mainly prompted by international obligations, such as those in the Convention against Corruption, the Inter-American Convention against Corruption and the follow-up mechanism for its implementation and the Financial Action Task Force recommendations, as well as by the initiatives of non-governmental organizations.

Belize is a member of the Caribbean Community (CARICOM), the Organization of American States and the Caribbean Financial Action Task Force (CFATF).

The Good Governance Unit coordinates the development and oversight of integrity measures, which are aimed at increasing public awareness of good governance, strengthening transparency and accountability and implementing good governance initiatives. The Unit was established by Cabinet decision in 2022 in the Ministry of the Public Service, Constitutional and Political Reform and Religious Affairs. As a unit in a government ministry, and in the absence of any law creating permanency for its operations, the Unit has only partial independence. Furthermore, as noted in its
annual report 2022–2023, the progress of good governance reforms is traditionally hindered by political interference and inadequate technical and financial resources for the Unit to achieve its mandates. There is limited accountability and visibility of the Unit’s functions, given that its annual report to the Government and the Prime Minister is not published.

The Integrity Commission established by the Prevention of Corruption Act is in charge primarily of examining and assessing the accuracy of declarations of financial affairs filed under the Act and investigating complaints regarding breaches of the Act (sect. 4 of the Act). The Commission is independent in the exercise of its functions and reports on its activities annually to the National Assembly (sects. 5 and 6 of the Act). Two members of the Commission are appointed by the Governor-General, acting in accordance with the advice of the Prime Minister given with the concurrence of the Leader of the Opposition, and the other members of the Commission, including the Chair, are appointed in the same manner but in consultation with the Leader of the Opposition (sect. 3(2) of the Act). The Governor-General, on the advice of the Prime Minister after consultation with the Leader of the Opposition, may revoke the appointment of any member of the Commission (sect. 3 of the first schedule of the Act). Authorities noted that the Commission lacked sufficient staff to implement its mandate and several posts (including that of executive director) remained vacant.

The Attorney General’s Ministry is the principal legal adviser to the Government (sect. 42 of the Constitution). Although the present Constitution is silent on the appointment and removal of the Attorney General, authorities reported that this authority falls under the discretionary powers of the Prime Minister based on the advice of the Leader of the Opposition, and the matter would be regulated under the new Constitution.

Other institutions with preventive anti-corruption functions include the Office of the Ombudsman, which receives complaints of wrongdoing and corruption (sects. 13 and 14 of the Ombudsman Act).

Belize was reminded of its obligation to inform the Secretary-General of the United Nations of the name and address of its prevention authority or authorities.

Public sector; codes of conduct for public officials; measures relating to the judiciary and prosecution services (arts. 7, 8 and 11)

The recruitment, hiring, retention, promotion and retirement of civil servants is carried out by three different commissions: the Security Service Commission for offices in the police and military services (sect. 110.C of the Constitution); the Judicial and Legal Service Commission for offices in the judicial and legal services (sects. 110.E and 110.F of the Constitution); and the Public Services Commission for all other public service offices (sect. 105 of the Constitution). The Governor-General, however, has powers to appoint, exercise disciplinary control over and remove a number of chief executive officers and other officers (sect. 107 of the Constitution). The Public Services Commission has the power to transfer or confirm appointments (sect. 106(1) of the Constitution) and to exercise disciplinary powers (sects. 106(1) and 111 of the Constitution).

The Public Service Regulations regulate the appointment (part 4), promotion (part 6), transfer (part 11) and salaries (part 12) of public officers. Certain exceptions apply (regulation 3(2)). Belize has not identified positions considered especially vulnerable to corruption or adopted adequate procedures for the selection and training of individuals for those positions or their rotation.

Vacancies are filled in accordance with each ministry’s selection and recruitment manual (regulation 16 of the Public Service Regulations) and the general manual for the public service. Qualifications for appointments are determined by the executive officer of each hiring ministry (regulation 18 of the Public Service Regulations), taking into account factors such as educational qualifications and previous employment (regulation 17 of the Public Service Regulations). The publication of
vacancies is not mandatory but is subject to the permission of the Public Services Commission, in accordance with the selection and recruitment manual. Officers aggrieved by certain decisions may appeal them to the relevant commission or the Belize Advisory Council (regulations 23(2) and 45 of the Service Commissions Regulations). Public officers are trained on good governance matters.

Salaries of public officers are approved by the Ministry of Finance (regulation 110(1) of the Public Service Regulations). However, salary scales have not been established for the public officials specified in section 107 of the Constitution. Salary scales are not regularly reviewed and updated and, as a consequence, may not be commensurate with living costs.

The criteria and disqualification criteria applicable to being elected a senator or a member of the House of Representatives are set out in sections 57, 58, 62 and 63 of the Constitution and include being under a sentence of death or a sentence of imprisonment exceeding 12 months (sect. 58(1)(d)) and holding certain positions in the private sector (sect. 58(1)(h)). The Governor-General may waive the disqualifying criteria (sect. 58 of the Constitution).

Belize does not have legislation regulating the funding of candidatures for elected public office or political parties.

Public officers and certain public officials, such as the Governor-General and members of the National Assembly, must not place themselves in a position in which they have or could have a conflict of interest or use their public office for private gain (sect. 121 of the Constitution; regulation 41 of the Public Service Regulations). Public officers are subject to a code of conduct containing conflict of interest rules (part 7 of the Public Service Regulations). Although section 121 of the Constitution contains guidance on ethical conduct for certain public officials, such as the Governor-General, members of the Judicial and Legal Service Commission and members of the National Assembly, there is no code of conduct for other elected officials and no disclosure requirement or mechanism to detect or resolve conflicts of interest for public officers or elected officials. Authorities indicated that the rules on conflicts of interest were not being enforced.

Public officers may accept gifts on behalf of the Government when offered by representatives of foreign Governments (regulation 45 of the Public Service Regulations). However, there is no gifts registry and no enforcement mechanism.

The code of conduct of public officers prohibits, inter alia, public officers from exploiting their position for private gain and soliciting or accepting any consideration relating to their official duties (regulation 41 of the Public Service Regulations). Regulation 60 of the Public Service Regulations restricts the engagement of public officers in political activities.

Public officers must report any bribes offered to them (regulation 42 of the Public Service Regulations). Section 34 of the Prevention of Corruption Act allows any person to report suspected corruption to the Integrity Commission and section 35 of the Act provides protection to reporting persons from civil and criminal liability. Anonymous reporting is not possible. A protected disclosure bill is under consideration.

Persons in public life (i.e. members of the House of Representatives, members of the Senate and members of local authorities (sect. 2 of the Prevention of Corruption Act)) must submit on paper or by email sworn declarations of assets, income and liabilities to the Integrity Commission upon taking office, annually thereafter and upon termination of their functions (sect. 10 of the Act). The obligation extends to spouses and children of persons in public life (sect. 11 of the Act) but does not include non-financial interests, such as outside activities and employment from which a conflict of interest may arise. The Integrity Commission must examine all declarations until it is satisfied that the declaration was made fully and publish summaries in the Gazette (sect. 12, form 2, of the second schedule of the Act). Failure to file the declaration is considered an offence (sect. 19 of the Act). Authorities
indicated that examination of the declarations was significantly delayed and that enforcement of the disclosure obligations was lacking.

Breaches of the Public Service Regulations, including the code of conduct contained therein, are subject to disciplinary proceedings (regulations 81 and 82). Various penalties can be applied by the Public Services Commission, including fines, suspension of increment or dismissal (sect. 106 of the Constitution; regulations 83–85).

The Chief Justice and justices of the Court of Appeal are appointed by the Governor-General, acting in accordance with the advice of the Prime Minister after consultation with the Leader of the Opposition (sects. 97(1) and 101(1) of the Constitution). Other justices of the Supreme Court are appointed by the Governor-General, acting in accordance with the advice of the Judicial and Legal Service Commission and the concurrence of the Prime Minister after consultation with the Leader of the Opposition (sect. 97(2) of the Constitution). The Belize Advisory Council advises the Governor-General on the removal of justices of the Supreme Court (sect. 98(4) and (5) of the Constitution).

Magistrates are appointed by the Judicial and Legal Service Commission (sect. 93.A of the Constitution), whose members are appointed by the Governor-General (sect. 110.E(2) of the Constitution). The Commission is independent in the exercise of its functions (sect. 110.E(12) of the Constitution). Magistrates can be removed only for inability to perform the functions of their office or for misbehaviour (sect. 93.A(4) of the Constitution).

There is a judicial code of conduct for members of the judiciary and a code of conduct for the prosecution services. The judiciary has received training on the Bangalore Principles of Judicial Conduct, but authorities acknowledged the need for additional training.

The public prosecution is not part of the judiciary and its Director is appointed by the Governor-General on the advice of the Judicial and Legal Service Commission and with the concurrence of the Prime Minister after consultation with the Leader of the Opposition (sect. 108(1) of the Constitution). The Director can be removed only for inability to perform the functions of his or her office or for misbehaviour (sect. 108(6) of the Constitution). The Belize Advisory Council advises the Governor-General on the removal of the Director (sect. 108(8) and (9) of the Constitution). Public prosecutors (crown counsel) are subject to the public service rules described above.

Public procurement and management of public finances (art. 9)

Public procurement is decentralized and regulated by the Financial Audit (Reform) Act and the Government Financial Orders, which provide for the following three procurement modalities: open tendering (above BZ$5 million; sect. 19 of the Act); selective tendering (below BZ$5 million; sects. 20 and 21 of the Act); and limited tendering (selective cases, including emergencies; sect. 21 of the Act). Authorities reported that the selection of tendering methods must be documented by procuring ministries and reported to the Contractor-General, who follows up if justification is not provided. Authorities noted that the default modality is open tendering, including for contracts with a value below BZ$5 million. However, this is not regulated in the legislation.

Ineligibility criteria for open tendering include a supplier’s conviction for a criminal offence relating to the conduct of his or her business or profession (sect. 19(2) of the Financial Audit (Reform) Act). Conditions for participation must be published in adequate time to allow interested suppliers to apply (sect. 19(1)(a) of the Act). However, the term “adequate time” is not defined.

Tender committees in all ministries advise the ministry on the acceptance of tenders (sects. 702 and 703 of the Government Financial Orders). The committees’ recommendations are sent to the Ministry of Finance and compliance with the regulations is assessed by the Contractor-General, who is the primary governing and administrating authority for government procurement (sect. 18(1) and (2) of the
Financial Audit (Reform) Act). The Contractor-General reviews contracts to determine whether they are in the national interest (sect. 18(3) and (4) of the Act) and monitors award and implementation to ensure their legality (sect. 14 of the Contractor-General Act). In addition, the Procurement Unit in the Ministry of Finance reviews contracts with a value above BZ$50,000 to determine whether procedures were followed in accordance with the Financial Audit (Reform) Act.

Procurement decisions can be appealed under common law principles for remedial action, including the possibility of an injunction procedure. There is also the possibility of resorting to the Ombudsman and the executive for any injustice, injury or abuse suffered as a result of any action taken by a public authority.

Belize has a public procurement portal that contains information on procurement operations, including relevant legislation, procedural guidelines and standard bidding documents. The portal also contains a link to the CARICOM Public Procurement Notice Board. However, there are no systems in place for electronic tendering or information systems for government procurement.

In practice, members of tender committees must sign declarations of impartiality. Procurement personnel must comply with the code of conduct in the Public Service Regulations. The Financial Audit (Reform) Act is being amended to include rules on conflicts of interest for procurement personnel.

The Minister of Finance prepares estimates of revenues and expenditures (sect. 115 of the Constitution), which are included in the Appropriation Bill, which is published on the National Assembly website prior to adoption by the National Assembly (sect. 115(2) of the Constitution). Payments can be made from the Consolidated Revenue Fund before the passing of the Appropriation Bill in order to carry out Government services (sect. 116 of the Constitution; sect. 4 of the Financial Audit (Reform) Act). There is no public consultation during the process of adopting the national budget.

Annual financial accounts are prepared by the Accountant General on the basis of quarterly reports submitted by accounting officers in public ministries and departments (sect. 89 of the Government Financial Orders). The accounts are to be submitted to the Auditor-General within three months of the close of each financial year (sect. 15 of the Financial Audit (Reform) Act). However, there are significant delays in submission.

The audit of public accounts is carried out by the Auditor-General (sect. 120 of the Constitution; sects. 12 and 13(2) of the Financial Audit (Reform) Act), who is independent in the exercise of his or her duties (sect. 120(7) of the Constitution; sect. 13(3) of the Act). Upon completion of the audit, the Auditor-General must send the audit report with copies of the accounts to the Minister of Finance for submission to the National Assembly (sect. 16 of the Act). Although audit reports must be published on the website of the Office of the Auditor-General annually, the aforementioned delays have resulted in this obligation not being met.

Accounting officers in line ministries are responsible for, inter alia, maintaining departmental accounts and financial records in accordance with the detailed instructions issued by the Ministry of Finance and producing financial and accounting records for audit (sect. 3 of the Government Financial Orders). Accounting and financial records are to be preserved for 2 to 45 years, depending on their nature, and their destruction must be authorized by the Accountant General (sect. 655 of the Orders).

Failure by public officers to report irregularities or fraud to their superior officers is subject to disciplinary action (sect. 601 of the Government Financial Orders). If the officer is responsible for a criminal offence, he or she may be interdicted (sect. 604 of the Orders).

The forgery of official documents with intent to defraud, obstruct or circumvent the course of justice is criminalized (sect. 176 of the Criminal Code).
Public reporting: participation of society (arts. 10 and 13)

The Constitution protects freedom of expression, including the freedom to hold opinions and to receive and communicate ideas and information without interference (sect. 12). The Freedom of Information Act requires certain ministries and authorities to publish information on, inter alia, their organization, functions and decision-making powers (sect. 6). The Act does not apply to the courts, registries or the Office of the Governor-General (sects. 4 and 5).

Every person has the right to obtain access to documents of ministries or prescribed authorities, other than exempt documents (sect. 9 of the Freedom of Information Act), which include documents affecting national security, defence and international relations, cabinet documents and documents the disclosure of which would be in contempt of the Parliament or court (sects. 22 and 33 of the Act).

The process for requesting documents is regulated in section 12 of the Freedom of Information Act. Authorities must act in good faith and endeavour to afford the public maximum access to official documents (sects. 12(4) and 34 of the Act). Requested information should be furnished within two weeks, unless the ministry or authority defers access on reasonable grounds in the public interest (sects. 16 and 18 of the Act).

The refusal without cause by any principal officer to provide documents is considered a disciplinary offence and is punishable (sect. 21B of the Freedom of Information Act). Refusals can be appealed internally to the responsible minister or principal officer or, subsequently, to the Ombudsman for review (sects. 35 and 36 of the Act), whose decisions can be further appealed to the Supreme Court (sect. 43). At present, it is unclear who the minister responsible for administering the Freedom of Information Act is, and annual reports on the implementation of the Act are not being presented to the National Assembly (sect. 46 of the Act).

Belize has taken measures to simplify administrative procedures, such as the enactment of the Digital Government Act and the development and simplification of business, civil, land and immigration registries.

Ministries must conduct public consultations before and after developing new policies and legislation, and bills are published on the National Assembly website before committee sessions. When laws are submitted for revision, the Attorney General’s Ministry ensures that comments have been incorporated. The YouReformBelize application enables the business community to provide feedback to the Office of the Prime Minister on matters of public interest.

No comprehensive corruption risk assessments have been conducted.

Any person can report breaches of the Prevention of Corruption Act to the Integrity Commission (sect. 35 of the Act) and raise complaints with the Ombudsman. The Act provides for the protection of those who report in good faith and believing that the complaints are substantially true (sect. 35).

Awareness-raising about the prevention and non-tolerance of corruption, including where to report corruption, was highlighted as an area needing improvement.

Private sector (art. 12)

Belize has taken some measures to prevent corruption involving the private sector.

With regard to law enforcement cooperation, the Office of the Director of Public Prosecutions holds periodic meetings with the private sector to discuss potential initiatives to enhance cooperation.

Only financial services practitioners must abide by the International Financial Services Practitioners (Code of Conduct) Regulations. No other codes of business ethics or corporate governance for the private sector have been adopted.
At the time of the country visit, all legal entities operating in Belize, except domestic trusts (which are subject to reporting in the Domestic Trust Register maintained by the High Court) were required to keep a register of shareholders (sect. 42 of the Companies Act) and to report particulars to the Companies and Corporate Affairs Registry (sect. 284 of the Act).¹

Companies must maintain information on beneficial owners (sects. 86(1)(d) and 87(7)(c) of the Companies Act), as described below, and file information with the registrar (sect. 93 of the Act).

Companies must file annual returns (sect. 294 of the Companies Act) in accordance with the International Financial Reporting Standards.

There are no restrictions on the professional activities or employment of former public officials in the private sector.

Forgery of documents is criminalized (sect. 179 of the Criminal Code). Moreover, the concealment, destruction, mutilation or falsification of business documents, or the making or becoming privy to the making of any false or fraudulent entry in any business document is punishable (sects. 269 and 271 of the Companies Act).

The payment of expenses constituting bribes is not included among the deductions allowed or disallowed for income tax purposes. It is not clear whether the term “bona fide” would prevent the deductibility of expenses that constitute bribe (sects. 11 and 13 of the Income and Business Tax Act).

**Measures to prevent money-laundering (art. 14)**

Belize has established a domestic regulatory and supervisory regime for banks, non-bank financial institutions and designated non-financial businesses and professions, including money or value transfer service providers, which is governed principally by the Money Laundering and Terrorism (Prevention) Act, subsidiary regulations² and relevant guidelines, circulars and advisories issued by the Central Bank, the Financial Intelligence Unit and other supervisory authorities.

Under the Money Laundering and Terrorism (Prevention) Act, the Central Bank holds the role of the designated supervisory authority overseeing financial institutions such as commercial banks, international banks and credit unions. In addition, the Financial Services Commission, the Supervisor of Insurance and the Financial Intelligence Unit act as supervisors in charge of various other sectors. The Financial Intelligence Unit is responsible for supervising certain designated non-financial businesses and professions and other residual sectors, as outlined in schedule III of the Act.

The regulatory regime against money-laundering encompasses requirements concerning customer identification and verification (sect. 15(1) and (2) of the Money Laundering and Terrorism (Prevention) Act), the identification of beneficial owners and reasonable measures to verify the legal status, ownership and control structure of the entity (sect. 15(3)(c)), the ongoing monitoring of business relationships (sect. 15(3A)), the establishment of internal control procedures (sect. 18), record-keeping (sect. 16) and the reporting of suspicious transactions (sect. 17).

Belize published a national risk assessment in December 2019, which assessed the risk of money-laundering emanating from corruption and bribery offences as medium-high.

Domestic coordination and cooperation are led by the National Anti-Money Laundering Committee (NAMLC) and its Financial Crimes Working Group. The

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¹ Development after the country visit: pursuant to section 2 of the Trust (Amendment) Act, 2023, trustees must keep adequate, accurate and current identification information in respect of each trustee, settlor, protection, beneficiary of the trust and beneficial owner, among others.

² For example, the Money Laundering and Terrorism (Prevention) (Designated Non-Financial Businesses and Professions) Regulations, 2014 and the Money Laundering and Terrorism (Prevention) (National Anti-Money Laundering Committee) Regulations, 2014.
Financial Intelligence Unit, the Central Bank and other competent authorities also cooperate and exchange information at the domestic and international levels through various memorandums of understanding and their membership of various regional and multilateral bodies (see the final paragraph of this section).

The country’s Joint Intelligence Coordinating Centre collates intelligence on criminal matters from all government agencies. The Centre is tasked with sharing information with its respective counterparts and also has a desk dedicated to cooperation through the International Criminal Police Organization (INTERPOL).

Persons entering or leaving Belize carrying currency of BZ$20,000 or more (or the equivalent in a foreign currency) are required to declare the amounts to the authorities (sect. 77A(2) of the Customs Regulation Act). Similar requirements apply in the event of transportation by post or courier (sect. 51A). Currency, as defined, includes cash and bearer instruments (sect. 2). The failure to declare or false declaration is punishable and currency not declared and reported is forfeited (sect. 77A(3)).

Financial institutions, including money transmission service providers, must ensure that all cross-border wire transfers are accompanied by accurate originator information (sect. 19(1) of the Money Laundering and Terrorism (Prevention) Act). Originator information is to be verified and set forth in the message or payment form accompanying the transfer (sect. 19(2)) and retained for at least five years with the transfer (sect. 19(1)). There is no obligation to apply enhanced scrutiny to transfers or to reject transfers that do not comply with these requirements. However, monetary penalties may be imposed by supervisory or other competent authorities (sect. 19(5)).

Following its CFATF review in 2011, Belize enacted several laws and regulations in February 2014, which resulted in a significantly improved level of compliance. In the eighth follow-up report, published in 2015, it was recommended that Belize exit the follow-up process.

Belize is a member of CARICOM and the Organization of American States. Authorities also cooperate at the international and regional levels, including with CFATF, the Asset Recovery Inter-Agency Network for the Caribbean (ARIN-CARIB), the Organisation for Economic Co-operation and Development, the World Trade Organization, the Caribbean Customs Law Enforcement Council, the Caribbean Group of Banking Supervisors and the European Union, on issues related to taxation, trade and efforts to counter money-laundering and the financing of terrorism. The Financial Intelligence Unit is a member of the Egmont Group of Financial Intelligence Units and a party to a number of cross-border memorandums of understanding.

2.2. Successes and good practices

- The award and implementation of all public procurement contracts are monitored by the Contractor-General, who submits binding recommendations relating to their legality (art. 9, para. 1).
- Belize has digitalized the registry of legal entities (art. 12, para. 1).
- The Ombudsman is empowered to review any refusal to grant access to information pursuant to the Freedom of Information Act (art. 13, para. 1 (b)).

2.3. Challenges in implementation

It is recommended that Belize:

- Develop and implement effective, coordinated anti-corruption policies in line with the Convention (art. 5, para. 1).
- Endeavour to promote effective practices aimed at the prevention of corruption (art. 5, para. 2).
- Endeavour to periodically evaluate relevant legal instruments and administrative measures with a view to determining their adequacy to prevent and fight corruption (art. 5, para. 3).
• Ensure that corruption prevention bodies, including the Good Governance Unit, the Integrity Commission and the Attorney General’s Ministry, are granted the necessary independence and human and financial resources, including appropriately skilled personnel, to carry out their functions effectively and free from any undue influence, including through legislation anchoring the operations of the Unit and measures to enhance its accountability and visibility, such as the publication of annual reports on its activities, and legislation on the appointment and removal of the Attorney General (art. 6, para. 2).

• Enhance transparency in the selection procedure for the public service by requiring the publication of vacancies; establishing salary scales for all public officials that are updated regularly to ensure their adequacy; and identifying positions especially vulnerable to corruption and establishing procedures for the selection and training of individuals for those positions and their rotation, where appropriate (art. 7, para. 1).

• Consider adopting legislative and administrative measures to enhance transparency in the funding of candidatures for elected public office and of political parties (art. 7, para. 3).

• Adopt measures requiring public officials to disclose or report conflicts of interest and mechanisms for their detection; ensure that the rules on conflicts of interest are effectively enforced (art. 7, para. 4).

• Enhance the asset declaration regime by expanding the scope of persons subject to reporting requirements; including non-financial interests such as outside activities, employment and substantial gifts or benefits from which a conflict of interest may result; and establishing an effective system for verification and relevant sanctions in case of non-compliance (art. 8, para. 5).

• Enhance the public procurement framework by establishing open tendering as the default procurement method in the legislation; establishing a specific appeal procedure beyond the injunction procedure; ensuring that eligibility conditions and invitations to tender are published in a timely manner; considering the establishment of an electronic tendering and information system; and developing measures to prevent and detect conflicts of interest among procurement personnel (art. 9, para. 1).

• Enhance transparency and accountability in the management of public finances, including by establishing a public consultation process for the development of the national budget and ensuring the timely submission of financial accounts to the Auditor-General to enable audit reports to be published in a timely manner (art. 9, para. 2 (a) and (b)).

• Consider publishing periodic reports on the risks of corruption in its public administration (art. 10 (c)).

• Ensure that members of the judiciary receive adequate training for the effective performance of their activities, including on judicial integrity; and enhance the transparency of the selection procedure for members of the judiciary and prosecution service (art. 11, paras. 1 and 2).

• Strengthen corruption prevention in the private sector, and to that end ensure that domestic trusts are subject to the same oversight requirements as other legal entities operating in Belize and consider including them in the Companies and Corporate Affairs Registry; consider adopting restrictions on the professional activities of former public officials who are transitioning to the private sector; and ensure that the current legislation disallows the tax deductibility of expenses that constitute bribes (art. 12, para. 2 (c) and (e) and para. 4).

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3 Development after the country visit: pursuant to section 2 of the Trust (Amendment) Act, 2023, trustees must keep adequate, accurate and current identification information in respect of each trustee, settlor, protection, beneficiary of the trust and beneficial owner, among others.
• Ensure that the public has effective access to information by ensuring the full implementation of the Freedom of Information Act, including by designating the minister responsible for its administration and reporting to the National Assembly (art. 13, para. 1 (b)).

• Take appropriate measures to raise awareness of corruption, including through public education programmes, and of available channels for reporting corruption (art. 13, paras. 1 (c) and 2).

• Consider adopting measures requiring financial institutions to apply enhanced scrutiny to or reject funds transfers that contain incomplete originator information (art. 14, para. 3).

3. Chapter V: asset recovery

3.1. Observations on the implementation of the articles under review

General provision; special cooperation; bilateral and multilateral agreements and arrangements (arts. 51, 56 and 59)

Mutual legal assistance for asset recovery is governed by the Mutual Legal Assistance and International Cooperation Act and the Money Laundering and Terrorism (Prevention) Act (sixth schedule). Generally, under the Mutual Legal Assistance and International Cooperation Act, any forms of assistance available under domestic law can also be provided to a foreign State under the same conditions as in domestic cases (sect. 9). Assistance may be provided to any foreign State regardless of the existence of a treaty, also in the absence of dual criminality (sect. 3(2)). Part IVA and schedule VI of the Money Laundering and Terrorism (Prevention) Act apply specifically to cooperation with foreign authorities and the enforcement of foreign orders. The Financial Intelligence Unit functions as the civil asset recovery authority empowered to recover property derived from unlawful conduct in civil proceedings, and a dedicated unit dealing with requests for international cooperation is established in the Attorney General’s Ministry. Continued adequate resources and capacity for authorities involved in anti-money-laundering efforts and asset recovery (including the Financial Intelligence Unit and the Attorney General’s Ministry) would further enhance effectiveness.

Authorities can spontaneously transmit information pursuant to section 5 of the Mutual Legal Assistance and International Cooperation Act and sections 7 and 12(2) of the Financial Intelligence Unit Act. Moreover, the Mutual Legal Assistance and International Cooperation Act does not limit the power of Belizean authorities to cooperate, including by sharing information, with foreign States through other channels (sect. 3(4)), such as INTERPOL and ARIN-CARIB.

Belize is a party to the CARICOM Caribbean Treaty on Mutual Legal Assistance in Serious Criminal Matters and the Commonwealth Scheme on Mutual Legal Assistance in Criminal Matters, and has concluded two bilateral mutual legal assistance treaties (with the United States of America and with Taiwan Province of China).

Belize has not refused any requests related to asset recovery to date. Authorities successfully returned US$1.6 billion to a requesting State for purposes of victim compensation in a case involving proceeds of money-laundering.

Prevention and detection of transfers of proceeds of crime; financial intelligence unit (arts. 52 and 58)

The Money Laundering and Terrorism (Prevention) Act regulates the obligation of reporting entities to identify and verify the identity of customers (sect. 15(1)). In the case of legal persons, reporting entities must also obtain information on beneficial owners and ultimate natural persons providing the funds, and take reasonable measures to identify and verify the legal status, ownership and control structure of the entity (sect. 15(3)(c)). Moreover, section 15(4) obliges reporting entities to
establish the identity of the person for whose ultimate benefit the applicant may be acting. Under certain circumstances, no proof of identity is necessary (sect. 15(5)). When in doubt about the veracity or adequacy of previously obtained customer identification data, the reporting entity must terminate the client relationship (sect. 15(6A(c))). The achievement of compliance with the beneficial ownership requirements is gradual, given the recent enactment of the relevant requirements.

The Money Laundering and Terrorism (Prevention) Act establishes the obligation to set up appropriate risk management systems to determine whether a potential customer or beneficial owner is or was a politically exposed person, whether domestic, foreign or in an international organization (sect. 2A), or a family member or close associate of a politically exposed person (sect. 15(3)(d)), and to conduct enhanced due diligence in relation to such persons (sect. 15(4A)).

Section 86 of the Companies Act requires companies to maintain a register of beneficial owners. The Financial Services Commission carries out on-site inspections covering beneficial ownership information. Inspections of all trust service providers, most of whom are also company service providers, have been included in the ongoing 30-month examination cycle for trust and company service providers.

Belize has adopted anti-money-laundering regulations and the Central Bank, the Financial Intelligence Unit and other supervisory authorities have issued guidelines, circulars and advisories on money-laundering risks and customer due diligence requirements. Through its website, guidelines, notices, public and non-public advisories, the national risk assessment and the Caribbean Group of Banking Supervisors, the Financial Intelligence Unit and the Central Bank can notify financial institutions of higher-risk customers or transactions either on the basis of information from foreign sources or on their own initiative.

Reporting entities are required to keep customer due diligence and transaction records, related account files and business correspondence for at least five years from the termination of the business relationship or completion of the occasional transaction, whichever is the later, or for any longer period requested by the competent authorities (sect. 16(4) of the Money Laundering and Terrorism (Prevention) Act).

Section 14(2) of the Domestic Banks and Financial Institutions Act prohibits the establishment of shell banks in Belize. Financial institutions are further prohibited from entering into or continuing correspondent banking relationships with shell banks (sect. 15(6)(i) of the Money Laundering and Terrorism (Prevention) Act) or with banks that are known to permit their accounts to be used by shell banks (sect. 15(6)(b) of that Act).4

Section 11(5) of the Prevention of Corruption Act requires persons in public life to declare their assets and liabilities, whether located in Belize or elsewhere, as detailed in the section on article 8, paragraph 5, of the Convention above. Item 1 of the reporting form in the second schedule of the Act requests particulars of bank accounts, whether located in Belize or elsewhere, held by the declarant and his or her spouse and children, but does not extend to any signature or other authority over foreign accounts.

The Financial Intelligence Unit is established under the Financial Intelligence Unit Act (sect. 3) following a hybrid model with administrative, prosecutorial and law enforcement functions. Given its responsibilities, there is a need for continued resources and capacity to enable it to fulfil its functions.

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4 The definition of shell banks under both laws corresponds to the definition under the Convention, in that it applies to banks that have no physical presence and that are not affiliated with a regulated financial group.
Measures for direct recovery of property; mechanisms for recovery of property through international cooperation in confiscation; international cooperation for purposes of confiscation (arts. 53, 54 and 55)

Although there is no express provision in the law allowing another State to initiate legal proceedings in Belize to recover property, there is also no limitation on the legal standing of foreign persons or entities to take part in civil proceedings (sect. 182 of the Senior Courts Act).

There are no specific provisions in Belize allowing another State to initiate civil action in the courts to establish title to or ownership of property. The courts of Belize may, however, order the payment of compensation or damages to a party injured by an offence (sect. 148 of the Indictable Procedure Act; sect. 12 of the Summary Jurisdiction (Procedure) Act; sect. 216(4) of the Senior Courts Act). While these provisions are not limited to any specific injured party and could include foreign States, most compensation claims are filed in civil proceedings.

In accordance with the Money Laundering and Terrorism (Prevention) Act, any persons (natural or legal) who claim an interest in property that is subject to an application for forfeiture may apply to the Court for an order excluding their interest, provided that they give prior notice (sect. 52). Where property belongs to a person (owner), a precondition to forfeiture is that the owner committed the offence and consented to the property being used in connection with the offence (sect. 2(9A)).

Belize can give effect to foreign forfeiture and provisional orders pursuant to section 10 of the sixth schedule of the Money Laundering and Terrorism (Prevention) Act. This provision empowers the Attorney General to apply on behalf of overseas authorities to give effect to such orders. A prerequisite for the enforcement of a confiscation order is that the external order was made consequent to the conviction of a person and is final. The provision applies to foreign orders, regardless of the underlying offence.

Section 49 of the Money Laundering and Terrorism (Prevention) Act provides for the forfeiture of assets on conviction when the Court is satisfied that the property is tainted property. Such measures may be taken at the request of foreign States (sect. 9 of the Mutual Legal Assistance and International Cooperation Act).

Mutual legal assistance may be provided for the forfeiture of property without a criminal conviction in cases where offenders cannot be prosecuted by reason of death, flight or absence, or where they are unknown (sect. 90 of the Civil Asset Recovery and Unexplained Wealth Act; sect. 56 of the Money Laundering and Terrorism (Prevention) Act).

Pursuant to section 75B of the Money Laundering and Terrorism (Prevention) Act, requests for the enforcement of foreign restraint orders and other provisional orders can be given effect to in accordance with sections 10 and 11 of the sixth schedule of the Act.

Belize may issue restraint orders at the request of foreign States in accordance with section 75B, and sections 1 to 3 and 6 of the sixth schedule, of the Money Laundering and Terrorism (Prevention) Act, as well as sections 6 to 8, 18, 22 and 26 of the Mutual Legal Assistance and International Cooperation Act.

Sections 39 and 40 of the Money Laundering and Terrorism (Prevention) Act allow for the restraint of property on the grounds that, inter alia, the property is believed to be tainted property and that a forfeiture or pecuniary penalty order may be made in respect of the property. The court may also appoint a receiver to preserve property for confiscation in cases involving external orders (sect. 16 of the sixth schedule of the Money Laundering and Terrorism (Prevention) Act).

The procedure for giving effect to foreign forfeiture and restraint orders is set out in sections 6 to 8 of the Mutual Legal Assistance and International Cooperation Act and section 75B, and sections 10 to 12 of the sixth schedule of the Money Laundering and Terrorism (Prevention) Act. Section 4(1) of the Mutual Legal Assistance and
International Cooperation Act designates the Attorney General as the central authority. Section 10 of that Act provides grounds for refusal. Standard operating procedures in the Attorney General’s Ministry specify the workflow to ensure the proper and expeditious execution of requests.

Sections 6 to 8 of the Mutual Legal Assistance and International Cooperation Act regulate the form of requests addressed to Belize. The Attorney General’s Ministry provides guidance to requesting States to assist in the efficient and timely making of requests.

Section 10 of the Mutual Legal Assistance and International Cooperation Act gives the central authority discretion to decline requests for a number of reasons, including costs, lapse of time, legal professional privilege and public policy. The grounds for refusal include the fact that after having made a request, Belize has not received sufficient additional information. Belize will refuse a request if the cost of execution exceeds BZ$500 and the requesting State does not agree to pay the difference (sect. 10(1)).

Consultations are held in practice before provisional measures are lifted, and requesting States are given an opportunity to remedy any deficiency in the request before assistance is declined (page 3 of the standard operating procedures).

Sections 49(4) and 52 of the Money Laundering and Terrorism (Prevention) Act provide for the protection of third parties in the issuance of forfeiture orders, provided that the person gave prior notice. Section 65 further provides for the rights of bona fide third parties in proceedings related to restraint and forfeiture orders.

Return and disposal of assets (art. 57)

Belize has adopted measures for the disposal of confiscated property, including by return to its prior legitimate owners (sects. 38B, 50(3), 78 and 79 of the Money Laundering and Terrorism (Prevention) Act). Competent authorities may return confiscated property when acting on a request made by another State, and third party interests are protected (sects. 38C, 49(4), 52 and 65 of the Act). Section 52(7) of the Act specifically provides for the return of property to bona fide third parties.

Belize has established the Confiscated and Forfeited Assets Fund for the disposal of all moneys derived from confiscation and forfeiture orders, pecuniary penalty orders, the sharing of confiscated or forfeited property and funds received from other States (sect. 79 of the Money Laundering and Terrorism (Prevention) Act). Sections 78 and 79 provide for the satisfaction of compensation orders and the sharing of forfeited property with foreign States. Similarly, the Civil Asset Recovery and Unexplained Wealth Act provides for the reciprocal sharing of proceeds forfeited or disposed of (sect. 91).

Although the Minister of Finance is vested with the discretionary power to authorize payments from the Fund to foreign States (sect. 79(2)(e) of the Money Laundering and Terrorism (Prevention) Act), the law does not stipulate the return of proceeds of corruption offences, as required by article 57, paragraph 3, of the Convention. Rather, the law recognizes the principle of permissive sharing of assets with foreign States at the discretion of the Minister. There are no regulations or policies on the return of confiscated property.5

Section 75D(6)(b) of the Money Laundering and Terrorism (Prevention) Act and section 10(1) of the Mutual Legal Assistance and International Cooperation Act provide for the refusal of assistance unless the requesting authority contributes...
towards the cost of execution. Authorities may request compensation for expenses (sect. 79 of the Money Laundering and Terrorism (Prevention) Act), and in practice, the costs of execution are negotiated.

Belize may conclude agreements or arrangements for the final disposal of confiscated property (sect. 79 of the Money Laundering and Terrorism (Prevention) Act) and has done so in the past.

3.2. Successes and good practices

• The successful return of criminal proceeds to a requesting State for purposes of victim compensation (art. 51).

• The strengthening of the asset recovery regime through enactment of the Civil Asset Recovery and Unexplained Wealth Act and designation of the civil asset recovery authority (art. 54, para. 1 (c)).

• Standard operating procedures that establish clear time frames for each step of the mutual legal assistance process, and the prioritization (including for high-risk offences such as corruption) and swift execution of requests (art. 55).

3.3. Challenges in implementation

It is recommended that Belize:

• Provide authorities involved in anti-money-laundering efforts and asset recovery, including the Financial Intelligence Unit and the Attorney General’s Ministry, with the necessary resources and capacity to effectively fulfil their functions (arts. 51 and 58).

• Continue to ensure adequate implementation by reporting entities of anti-money-laundering requirements, in particular regarding beneficial ownership, given the recent enactment of the relevant requirements (art. 52, para. 1).

• Enhance the asset declaration regime in line with the recommendations made under article 8, paragraph 5, of the Convention, and consider adopting measures requiring relevant officials to declare any interest in or signature or other authority over foreign financial accounts and to maintain appropriate records related to such accounts (art. 52, paras. 5 and 6).

• Adopt measures allowing another State to initiate civil action in the courts to establish title to or ownership of property (art. 53 (a)).

• Adopt measures to provide for the disposal and return of confiscated property, in line with the Convention, including to its prior legitimate owners, at the request of another State, and ensure the application of such measures in practice (art. 57, paras. 1 and 3).

• Ensure that costs of asset recovery are addressed in line with the Convention (art. 57, para. 4).