



Eighth Follow-Up Report

BELIZE

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Table of Contents

I. Introduction	3
II. Main Conclusions and Recommendations to the Plenary.....	5
Core Recommendations	5
Key Recommendations	5
Other Recommendations.....	6
Conclusion	6
III. OVERVIEW OF BELIZE’S PROGRESS.....	7
Overview of the main changes since the adoption of the Mutual Evaluation Report (MER)	7
The Legal and Regulatory Framework	7
IV. DETAILED ANALYSIS OF COMPLIANCE WITH THE CORE RECOMMENDATIONS	7
Recommendation 1 - PC	7
Recommendation 5 - NC	8
Recommendation 10 - PC	10
Recommendation 13 - PC	11
Special Recommendation II - PC.....	12
Special Recommendation IV - PC	13
V. DETAILED ANALYSIS OF COMPLIANCE WITH THE KEY RECOMMENDATIONS	13
Recommendation 4 - PC	13
Recommendation 23 - PC	13
Recommendation 26 - PC	14
Recommendation 35 - PC	16
Recommendation 40 - PC	19
Special Recommendation I - PC	20
Special Recommendation III - PC	21
Special Recommendation V - NC	22
VI. OVERVIEW OF MEASURES TAKEN IN RELATION TO OTHER RECOMMENDATIONS RATED PC/NC	24
Legal System and Related Institutional Measures	24
Preventive Measures – Financial Institutions	24
DNFBPS and Non-profit Organisations	25
Legal Persons and Arrangements and National Co-operation	26
Resources and Statistics	27
Matrix	28

BELIZE – EIGHTH FOLLOW-UP REPORT

I. Introduction

1. The third round Mutual Evaluation Report of Belize was adopted by the CFATF Council of Ministers in May 2011 in Honduras. Since Belize had fourteen of the sixteen Core and Key Recommendations rated partially compliant (PC)/non-compliant (NC), Belize was placed on expedited follow-up and required to report every Plenary. Belize was also subject to the ICRG process. Belize submitted follow-up reports in November 2011, May and November 2012, May and November 2013 and May and November 2014. In November 2012, due to the slow pace of remedial measures, the Plenary placed Belize in the second stage of enhanced follow-up requiring a High Level Mission which visited Belize in February 2013. In May 2013, the Plenary placed Belize on a list of jurisdictions with strategic anti-money laundering/combating the financing of terrorism (AML/CFT) deficiencies that have not made sufficient progress in addressing the deficiencies and required Belize to take specific steps to address these deficiencies by November 2013. As a result of the assessment of measures in the Fifth Follow-Up Report, Plenary in November 2013, agreed that Belize be identified in a formal CFATF statement as not taking sufficient steps to address its AML/CFT deficiencies and that CFATF Members be called upon to consider implementing counter measures to protect their financial systems from the ongoing money laundering and terrorist financing risks emanating from Belize.

2. As a consequence of the formal CFATF statement, Belize enacted nine pieces of key legislation comprising six statutes and three regulations in February 2014. These legislative measures resulted in a significantly improved level of compliance in the Sixth Follow-Up Report. Due to continuing measures, Belize was assessed as compliant in the fourteen key and core Recommendations originally rated PC/NC and a significant number of other similarly rated Recommendations in the Seventh Follow-Up Report and recommended to apply to exit the follow-up process. Similarly, Belize is also applying to exit the ICRG process.

3. This report is based on the follow-up removal procedure as stated in the CFATF Mutual Evaluation Procedures (amended in 2012) and as further explained by the decision of the Miami Plenary (May 2014)¹. The report contains a detailed description of the measures taken by Belize to address the deficiencies in their Core and Key Recommendations that were rated PC or NC in the mutual evaluation report. A brief description and analysis of the non-Core and Key recommendations rated PC/NC is also being presented, but will not be considered as part of the exit process.

4. Belize was rated PC or NC on the following Recommendations.

Core Recommendations ² rated NC
R. 5 (Customer due diligence)
Core Recommendations rated PC
R. 1 (Criminalisation of money laundering)
R. 10 (Record keeping)

¹ See CFATF-plen-XL-aiii-annex-i-updated

² The FATF Core Recommendations are: R.1, R.5, R.10, R.13, and SR.II and SR.IV

R. 13 (Suspicious transaction reports) SR. II (Criminalizing terrorist financing) SR. IV (Terrorist financing suspicious transaction reports)
Key Recommendations ³ rated NC
SR. V (International co-operation)
Key Recommendation rated PC
R. 4 (Financial institution secrecy laws) R. 23 (Regulation, supervision and monitoring) R. 26 (The FIU) R. 35 (Conventions) R. 40 (Other forms of co-operation) SR. I (Implement UN instruments) SR. III (Freeze and confiscate terrorist assets)
Other Recommendations rated PC
R. 12 (DNFBPs – R.5, 6, 8-11) R. 15 (Internal controls, compliance & audit) R. 16 (DNFBPs – R.13-15 & 21) R. 18 (Shell banks) R. 21 (Special attention for higher risk countries) R. 27 (Law enforcement authorities) R. 29 (Supervisors) R. 39 (Extradition) SR. VI (AML requirements for money value transfer services) SR. IX (Cash couriers)
Other Recommendations rated NC
R. 8 (New technologies and non-face-to-face business) R. 9 (Third parties and introducers) R. 17 (Sanctions) R. 19 (Other forms of reporting) R. 22 (Foreign branches & subsidiaries) R. 24 (DNFBPs – regulation, supervision and monitoring) R. 25 (Guidelines and feedback) R. 30 (Resources, integrity and training) R. 31 (National co-operation) R. 32 (Statistics) R. 33 (Legal persons – beneficial owners) R. 34 (Legal arrangements – beneficial owners) SR. VII (Wire transfers) SR. VIII (Non-profit organizations)

5. The review of Belize's progress towards exiting the follow-up process is a desk-based review and as such is not as detailed and thorough as a mutual evaluation report. The analysis focuses on the Recommendations that were rated PC/NC and as such only part of the AML/CFT system is being reviewed. The analysis consists of looking at the main laws, regulations, guidelines and other materials to verify technical compliance with the FATF Recommendations. The level of effectiveness is taken into account through consideration of data provided by Belize. The conclusions in this report do not prejudice the results of any future assessments as they are based on information that was not verified through an onsite process.

³ The FATF Key Recommendations are R.3, R.4, R.23, R.26, R.35, R. 36, R.40, SR.I, SR.III and SR.V.

II. Main Conclusions and Recommendations to the Plenary

Core Recommendations

6. **Recommendation 1:** The deficiencies were addressed by the enactment of the Misuse of Drugs (Amendment) Order, the Firearms (Amendment) Act 2013, and the Criminal Code (Amendment) Act 2013. Compliance has been brought to a level comparable at a minimum to an LC.
7. **Recommendation 5:** The deficiencies were addressed by enactment of the Money Laundering and Terrorist (Prevention) (Amendment) Act 2013 (MLTPAA 2013) in February 2013 and the Money Laundering and Terrorist (Prevention) (Amendment) Act 2014 (MLTPAA 2014) in February 2014. These measures resulted in a level of compliance at a minimum to an LC.
8. **Recommendation 10:** Enactment of the MLTPAA 2013 dealt with the deficiency resulting in a level of compliance comparable at a minimum to an LC.
9. **Recommendation 13:** Provisions of the Firearms (Amendment) Act 2013 and the Criminal Code (Amendment) Act 2013 addressed the first deficiency. The MLTPAA 2014, the AML/CFT Guidelines issued by the Central Bank of Belize (CBB) and the AML/CFT Guidelines for Insurers and Insurance Intermediaries dealt with the other deficiency. Compliance has been brought to a level comparable to an LC.
10. **Special Recommendation II:** The MLTPAA 2013 and MLTPAA 2014 dealt with three shortcomings resulting in a level of compliance comparable to an LC.
11. **Special Recommendation IV:** The deficiency was the low number of suspicious transaction reports (STRs) submitted by financial institutions suggesting ineffective reporting in non-bank reporting institutions. Statistics were submitted which indicated improved STR reporting by financial institutions. While similar reporting by designated non-financial businesses and professions (DNFBPs) has been improving the numbers still suggest ineffective reporting. The authorities have advised that AML/CFT training regarding STR reporting has been conducted for certain types of DNFBPs which has resulted in an improved level of reporting. The level of compliance is deemed comparable to an LC.

Key Recommendations

12. **Recommendation 4:** The two deficiencies were addressed by provisions in the MLTPAA 2013 and has resulted in a level of compliance comparable to an LC.
13. **Recommendation 23:** The three deficiencies concerning the lack of fit and proper assessment by the two supervisory authorities were dealt with by provisions in the Insurance (Amendment) Act 2014 (IAA 2014) and the International Financial Services Commission (Licensing) (Amendment) Regulations 2014 (IFSCAR, 2014) which were enacted in February 2014. These measures improved compliance to a level comparable to an LC.
14. **Recommendation 26:** The deficiency concerning minimal security arrangements for custody of information at the Financial Intelligence Unit (FIU) due to security and information technology (IT) support provided by personnel not in the employ of the FIU has been rectified by the FIU moving to a new location with appropriate security arrangements and IT support under its control. The deficiency regarding minimal feedback to financial institutions and DNFBPs has been addressed by the implementation of an outreach program which includes ongoing workshops to relevant sectors. The FIU has also published its Annual Report, Guidance papers and Instructional Notes which include material on typologies and trends to address the deficiency

relating to lack of publicly released periodic reports. With regard to the lack of operational independence of the FIU, the Financial Intelligence Unit (Amendment) Act, enacted in 2014, removes the requirement for the Director of the FIU to report to a Minister, provides for the security of the tenure of the position of Director by outlining the reasons and procedures for termination, and removes Ministerial involvement in the appointment of staff. The above measures have resulted in a level of compliance equivalent to an LC.

15. **Recommendation 35:** The deficiency was the lack of legislation to fully implements Articles 8, 10, 11, 15, 17 and 19 of the Vienna Convention, Articles 20, 24, 25, 30 and 31 of the Palermo Convention and Articles 6, 13, 14, 15 and 16 of the Terrorist Financing Convention. Provisions stipulated in the MLTPAA 2014, the Mutual Legal Assistance and International Co-operation Act 2014 (MLAICA 2014), the Customs Regulation Act, the Post Office Act, the Interception of Communications Act (ICA) and the Justice Protection Act together with other measures have addressed the deficiency. The level of compliance is comparable to an LC.

16. **Recommendation 40:** The deficiencies concerned the lack of legislation empowering the police, the customs authorities, other law enforcement authorities, the Office of the Attorney General and the Ministry of Foreign Affairs to undertake international cooperation inquiries for and on behalf of foreign countries. These deficiencies were addressed by provisions of the MLAICA 2014 and membership of the police and customs authorities with international organizations which provide for the sharing of information and undertaking of international enquiries. Consequently the level of compliance is comparable to an LC.

17. **Special Recommendation I:** The deficiency as indicated in Rec. 35 dealt with lack of legislation to fully implemented Articles 6, 13, 14, 15 and 16 of the Terrorist Financing Convention. The Articles were implemented by various provisions of the MLAICA and the MLTPA. As a result the level of compliance is equivalent to an LC.

18. **Special Recommendation III:** The deficiencies dealt mainly with processes for implementing SR III and were addressed by specific provisions of the MLTPAA 2014. Currently the level of compliance is considered comparable to an LC.

19. **Special Recommendation V:** Deficiencies noted with regard to mutual legal assistance, extradition and terrorist financing as set out with regard to Recommendation 39, Special Recommendations II and III were also applicable to this Recommendation. Since the deficiencies of Special Recommendations II and III were dealt with by provisions of the MLTPAA 2013 and MLTPAA 2014 and those of Recommendation 39 by relevant measures, the level of compliance of Special Recommendation V is considered comparable to an LC.

Other Recommendations

20. Belize has made significant progress in addressing the deficiencies in the non-core and key Recommendations that were rated PC/NC to the extent that a high level of compliance has been achieved in all. However, Belize's application for removal from the follow-up process is based on compliance with the Core and Key Recommendations that were rated PC/NC. Accordingly, this report will not provide a detailed analysis of the other Recommendations. A brief overview of the progress made with these other Recommendations is included in section VI of this report for information purposes only.

Conclusion

21. This report provides an analysis of Belize's Core and Key Recommendations that were rated PC/NC in its 2011 Mutual Evaluation Report. The analysis indicates that Belize has addressed the deficiencies noted in the Core and Key Recommendations rated PC/NC (R. 1, 4, 5, 10, 13, 23, 35, 40, SR. I – V) to a level of compliance that is comparable to at least an LC. It is therefore recommended to Plenary that Belize should be allowed to exit the third round follow-up process.

III. OVERVIEW OF BELIZE'S PROGRESS

Overview of the main changes since the adoption of the Mutual Evaluation Report (MER)

22. Since the adoption of the MER in 2011, Belize has sought to correct the deficiencies identified in its AML/CFT regime in the MER through the enactment and amendment of legislation, the provision of additional technical and human resources, appropriate stakeholder AML/CFT training and implementation of relevant AML/CFT systems. Legislative changes began with the enactment of the MLTPAA 2013 in February 2013. The MLTPAA 2013 includes provisions covering customer due diligence (CDD) record-keeping and retention, reporting and internal AML/CFT control systems, wire transfers, introduced customers, foreign branches and subsidiaries and sanctions. In October 2013, eleven amending statutes were enacted. In February 2014, five amending statutes including the MLTPAA 2014 together with a new law, two sets of regulations and amending regulations were also enacted. In October, the Gaming Control Act was extensively amended and Administrative Penalty Regulations for the gaming sector were put in place. In addition, the FIU issued in 2014 AML/CFT Guidelines for DNFBPs and Instructional Notes on Making STRs. These measures sought to address shortcomings in Belize's AML/CFT legal framework as identified in the MER. Increased technical and human resources have been provided to the FIU, the Customs Department, law enforcement agencies, the Ministry of Foreign Affairs and the Attorney General's Ministry. AML/CFT training has also been provided to the already mentioned agencies, the judiciary, the financial institutions and the DNFBPs. Belize has also been submitting statistics demonstrating implementation regarding its AML/CFT reporting, supervisory and international co-operation systems. These measures are evidence of Belize's commitment to deal with the deficiencies in its AML/CFT framework.

The Legal and Regulatory Framework

23. Belize's AML/CFT legal and regulatory framework is based on several pieces of legislation including regulations which have been enacted by its Parliament. Guidelines have also been issued by competent authorities such as the Central Bank of Belize (CBB) and the FIU. These laws and guidance will be discussed as necessary in detail in section IV of the report.

IV. DETAILED ANALYSIS OF COMPLIANCE WITH THE CORE RECOMMENDATIONS

Recommendation 1 - PC

R.1 (Deficiency 1): Schedule II of the Misuse of Drugs Act (MDA) does not include the range of narcotics drugs and psychotropic substances set out in tables I and II of the Annex to the Vienna Convention

24. The range of narcotic drugs and psychotropic substances set out in table I and II of the Annex of the Vienna Convention were included in an amendment to Schedule 2 of the MDA under the Misuse of Drugs (Amendment of Second Schedule) Order, 2013 which became enforceable in November 2013. This fully addresses the deficiency.

R. 1 (Deficiency 2): The following criminal offences are not a part of Belize's criminal laws (1) illicit arms trafficking (2) extortion (3) piracy and (4) insider trading.

25. The Firearms (Amendment) Act 2013 which became enforceable in October 2013 provides for the insertion in the principal Act of Section 31A which criminalizes the offence of illicit trafficking in arms. The Criminal Code (Amendment) Act 2013 (CCAA) was enacted and became enforceable in December 2013. Sections 4, 6(c) and 7 of the CCAA create the offences of insider trading, extortion and piracy respectively. These provisions address the deficiency.

R. 1 (Deficiency 3): The offence of theft in the second schedule of the Money Laundering and Terrorism (Prevention) Act (MLTPA), contains a minimum property value of BZ\$10,000.(\$5,000.00 USD).

26. The examiners noted in the MER that of the serious offences set out in the second schedule of the MLTPA, the offence of theft is listed as carrying a minimum property value of \$10,000.00 BZ (\$5,000.00 USD). This is inconsistent with the FATF list of designated offences which prescribes no threshold property value for this particular offence. Section 21(a) of the MLTPAA 2013 removed the threshold property value of \$10,000.00 BZ (\$5,000.00 USD). This addresses the deficiency.

R. 1 (Deficiency 4): The low number of ML convictions demonstrates ineffective implementation which may be due to insufficient training of the law enforcement agencies and judiciary.

27. With regard to convictions, the authorities have advised that there were three convictions in 2012 consisting of one ML and two cash declaration violations. There were three convictions for cash declaration violations in 2013 and two similar convictions in 2014. The low figures do suggest continued ineffective implementation however substantial change in these figures will take some time to manifest. It is noted that with regard to the possible cause as identified in the deficiency, insufficient training of the law enforcement agencies and judiciary, the authorities provided details on training for the judiciary and law enforcement agencies conducted in January 2012, February and October 2013 and April and May 2014. While the deficiency remains outstanding, measures have been instituted to address the issue.

Recommendation 1 – Overall Conclusion

28. The three deficiencies in the legislative framework have been addressed by enactment of the MLTPAA 2013, the Firearms (Amendment) Act 2013, the CCAA and the Misuse of Drugs (Amendment of Second Schedule) Order, 2013. While the implementation deficiency is still outstanding, measures have been put in place to address it. The level of compliance is comparable to an LC.

Recommendation 5 - NC

R.5 (Deficiency 1): No requirement for financial institutions to obtain proof of incorporation or similar evidence to verify legal status of corporate entities.

29. The lack of a requirement for financial institutions to obtain proof of incorporation or similar evidence to verify legal status of corporate entities was partially corrected in subsection 3(a)(iii) of the MLTPAA 2013 which revises subsection 15(3) of the MLTPA by requiring reporting entities when conducting transactions with legal persons or arrangements to take reasonable measures to identify and verify the legal status of the legal person or arrangement including information relating to proof of incorporation or similar evidence of establishment or existence. Section 7(b)(i) of the MLTPAA 2014 replaced paragraph 15(3)(c) to more fully articulate the necessary requirements. These provisions address the deficiency.

R.5 (Deficiency 2): No requirement for financial institutions to verify legal status of legal arrangements such as trusts.

30. The lack of a requirement for financial institutions to verify the legal status of legal arrangements such as trusts is also included subsection 3(a)(iii) of the MLTPAA 2013 and section 7(b)(i) of the MLTPAA 2014 as already referenced since reporting entities are required to identify and verify the legal status of a legal person or arrangement. This addresses the deficiency

R.5 (Deficiency 3): No requirement for financial institutions to take reasonable measures to understand the ownership and control structures of legal arrangements or determine who are the natural persons that ultimately own or control legal arrangements.

31. Subsection 3(a)(iii) of the MLTPAA 2013 partially corrected the requirement for reporting entities to adequately identify the ultimate natural persons providing funds of legal persons or legal arrangements and identify and verify the ownership and control structure. Section 7(b)(i) of the MLTPAA 2014 more fully articulate the necessary requirements. These provisions address the deficiency.

R.5 (Deficiency 4): No requirement in legislation or regulations for financial institutions to conduct ongoing due diligence on business relationships

32. Section 7(c) of the MLTPAA 2014 requires a reporting entity to conduct ongoing due diligence on its business relationships and scrutinize transactions undertaken throughout the course of the relationship. This addresses the deficiency.

R.5 (Deficiency 5): No requirement for financial institutions to ensure that documents, data or information collected under the CDD process is kept up-to-date and relevant by undertaking reviews of existing records, particularly for higher risk categories of customers or business relationships

33. Section 3(b) of the MLTPAA 2013 requires reporting entities in relation to higher risk categories of customers or business relationships to conduct annual reviews of their records to ensure that the documents, data or information obtained pursuant to subsection 3 which deals with CDD is kept up-to-date and relevant. The above provision limits its application only to higher risk categories of customers or business relationships rather than requiring that the documents, data or information of CDD process is kept up-to-date and relevant for all customers or business relationships. Subsection 7(d) of the MLTPAA 2014 amends section 15 of the MLTPA by inserting subsection (3C) (b) which requires a reporting entity in carrying out ongoing monitoring of a business relationship to keep documents, data or information obtained for the purpose of applying due diligence measures up-to-date and relevant by undertaking reviews of existing records. The above measures address the deficiency.

R.5 (Deficiency 6): No requirement for financial institutions to perform enhanced due diligence for higher risk categories of customer, business relationship or transaction

34. Subsection 7(e) of the MLTPAA 2014 amends section 15 of the MLTPA by inserting subsection (4A) requiring reporting entities to apply enhanced due diligence measures and ongoing monitoring on a risk-sensitive basis to a list of specific high risk scenarios and in general to any situation which presents a higher risk of money laundering or terrorist financing. This provision addresses the deficiency.

R.5 (Deficiency 7): No requirement prohibiting simplified CDD measures where there is a suspicion of money laundering or terrorist financing or specific higher risk scenarios

35. Subsection 7(f) of the MLTPAA 2014 amends section 15 of the MLTPA by inserting subsection (5A) which prohibits simplified CDD measures as outlined in subsection 5 of the MLTPA when there is a suspicion of money laundering or terrorist financing or a higher risk of money laundering or terrorist financing has been identified. This provision addresses the deficiency.

R.5 (Deficiency 8): No requirement for financial institutions when completing the verification of the identity of the customer and beneficial owner following the establishment of the business relationship for the money laundering risks to be effectively managed

36. Subsection 3(a)(iv)(d) of the MLTPAA 2013 requires financial institutions when completing the verification of the identity of the customer and beneficial owner following the establishment of the business relationship to ensure that the money laundering risks are effectively managed. This measure addresses the deficiency.

R.5 (Deficiency 9): No requirement for a financial institution to adopt risk management procedures concerning the conditions under which a customer may utilise a business relationship prior to verification

37. Subsection 6A(a) of section 15 of the MLTPA as inserted by the section 3(d) of the MLTPAA 2013 requires financial institutions to adopt risk management procedures concerning the conditions under which a customer may utilize a business relationship prior to verification. This provision addresses the deficiency.

R.5 (Deficiency 10): No requirement for financial institutions to consider making a suspicious transaction report when terminating an application for a business relationship or a one-off transaction due to inability to identify and verify the identity of the applicant.

38. Subsection 6A(b) of section 15 of the MLTPA as inserted by the section 3(d) of the MLTPAA 2013 requires financial institutions to consider making a suspicious transaction report when terminating an application for a business relationship or a one-off transaction due to inability to identify and verify the identity of the applicant. This measure addresses the deficiency.

R.5 (Deficiency 11): No requirement for financial institutions to consider making a suspicious transaction report when terminating an existing account due to inability to identify and verify the identity of the applicant.

39. Section 3(f) of the MLTPAA 2013 revises section 15(9) of the MLTPA to require a reporting entity to terminate a business relationship with an existing customer due to inability to identify and verify the identity of the customer and to consider making a suspicious transaction report. This provision addresses the deficiency.

R.5 (Deficiency 12): Financial institution which have doubts about the veracity or adequacy of previously obtained customer identification are not required to terminate the relationship and considering making a suspicious transaction report on failure to renew customer identification.

40. Subsections 6A(c) and (d) of section 15 of the MLTPA as inserted by the section 3(d) of the MLTPAA 2013 requires financial institutions which have doubts about the veracity or adequacy of previously obtained customer identification to terminate the relationship and consider making a suspicious transaction report on failure to renew customer identification. These measures address the deficiency.

Recommendation 5 – Overall Conclusion

41. The enactment of the MLTPAA 2013 and the MLTPAA 2014 addressed the outstanding deficiencies resulting in a level of compliance comparable to an LC.

Recommendation 10 - PC

R.10 (Deficiency 1): No explicit legal provision requiring financial institutions under the supervision of the CBB, Supervisor of Insurance (SOI) and the FIU to ensure that all

customer and transaction records and information are available on a timely basis to domestic competent authorities upon appropriate authority.

42. Section 4(b) of the MLTPAA 2013 requires reporting entities to ensure that customer information and transaction records are available on a timely basis to domestic authorities upon proper authority. Reporting entities as defined in the MLTPA include all financial institutions under the supervision of the CBB, the SOI and the FIU. This provision addresses the deficiency.

R.10 (Deficiency 2): Licensees of the International Financial Services Commission (IFSC) are required to ensure that all documentation is accessible within a reasonable time to only court orders or court directives

43. As indicated above section 4(b) of the MLTPAA 2013 requires reporting entities to ensure that customer information and transaction records are available on a timely basis to domestic authorities upon proper authority. Reporting entities as defined in the MLTPA include all financial institutions under the supervision of the IFSC. This provision will therefore allow for domestic authorities to have access to documentation of the licensees of the IFSC without requiring court orders or directives.

Recommendation 10 – Overall Conclusion

44. The deficiencies were addressed by provisions of the MLTPAA 2013. The level of compliance achieved is comparable to an LC.

Recommendation 13 - PC

R.13 (Deficiency 1): The obligation to submit suspicious transaction reports does not apply to the proceeds of all FATF predicate offences

45. The Firearms (Amendment) Act 2013 which became enforceable in October 2013 provides for the insertion in the principal Act of Section 31A which criminalizes the offence of illicit trafficking in arms. The Criminal Code (Amendment) Act 2013 (CCAA) was enacted and became enforceable in December 2013. Sections 4, 6(c) and 7 of the CCAA create the offences of insider trading, extortion and piracy respectively. These provisions extends predicate offences to include all FATF designated categories of offences.

R.13 (Deficiency 2): Low number of STRs submitted by financial institutions suggests that STR reporting is ineffective in non-bank reporting entities.

46. The numbers of STRs submitted by non-bank reporting entities steadily increased from 2 in 2011 to 8 in 2012 to 13 in 2013 to 17 in 2014. While reporting has been improving the numbers still suggest ineffectiveness. The authorities have advised that AML/CFT training regarding STR reporting has been conducted for certain types of DNFBPs which has resulted in the improving level of reporting. The FIU published Instructional Notes on making STRs in August 2014 and conducted training in AML/CFT obligations including STR requirements for free zone businesses in February and April 2015. The SOI scheduled AML/CFT training for insurers and intermediaries for April 2015. While the deficiency is still outstanding it is being corrected.

Recommendation 13 – Overall Conclusion

47. The first deficiency dealing with the lack of criminalization of certain offences has been addressed by enactment of relevant legislation. The second deficiency, while still outstanding, is being rectified by appropriate measures. The overall level of compliance is comparable to an LC.

Special Recommendation II - PC

SR.II (Deficiency 1): The definition of the term “funds” does not include the qualifying phrase or the qualifying term “in any form including electronic or digital” into the description of legal documents and instruments that prove a defendant’s title or interest in property

48. Section 2(b) of the MLTPAA 2013 includes the amendment of the definition of the word “funds” in section 2(1) of the MLTPA to incorporate the qualifying terms “however acquired” and “ in any form including electronic or digital” into the description of legal documents and instruments that prove a defendant’s title or interest in property. This amendment addresses the deficiency.

SR.II (Deficiency 2): Prosecution of the range of ancillary offences set out under section 68(2) of the same Act is not exempt from being required to establish that funds provided by the defendant were actually used in the commission of a terrorist act.

49. Section 16(c) of the MLTPAA 2013 amended section 68(3) of the MLTPA to include the range of ancillary offences set out under section 68(2) of the same Act. Consequently prosecution of the offences under section 68(2) does not require establishing that funds provided by the defendant were actually used in the commission of a terrorist act. This provision addresses the deficiency.

SR.II (Deficiency 3): No provision for the prosecution of a defendant who commits an ancillary terrorist financing offence in another jurisdiction.

50. Section 16(b) of the MLTPAA 2013 revised subsection 68(1)(b) of the MLTPA thereby criminalizing terrorist financing acts committed “in or outside of Belize.” This measure provides for the prosecution of a defendant who commits an ancillary terrorist financing offence in another jurisdiction.

SR.II (Deficiency 4): The DPP and the FIU’s parallel jurisdiction to prosecute financing of terrorism matters in Belize could adversely affect implementation,

51. With regard to the above mentioned deficiency the examiners recommended that the authorities should consider making legislative amendments that would remove the constitutional concerns over the DPP and the FIU’s parallel jurisdiction to prosecute financing of terrorism matters in Belize. The authorities advised that the Office of the DPP and the FIU work in collaboration with each other and that there had been no concern about conflicts. As such, the jurisdiction decided that the constitutional change required for this recommendation was not necessary. The above decision by Belize’s Money Laundering Committee made on December 14, 2012 was formally transmitted to the CFATF by letter dated December 18, 2012. The above action in giving due consideration to the examiners’ recommended measure complied with the recommendation.

Special Recommendation II - PC

52. The first three deficiencies have been rectified by amendments to the MLTPA enacted in 2013. The recommendation for the last deficiency has been considered by the authorities as required and deemed not necessary since there are no concerns about conflicts between the DPP and the FIU. The level of compliance is comparable to an LC.

Special Recommendation IV - PC

SR.IV (Deficiency 1): Low number of STRs submitted by financial institutions suggests that STR reporting is ineffective in non-bank reporting entities.

53. The same deficiency exists under Rec. 13 and the measures as reported with regard to Rec. 13 are the same along with the conclusion which is that while the deficiency is still outstanding it is being corrected.

Special Recommendation IV – Overall Conclusion

54. While the deficiency is still outstanding it is being rectified with appropriate measures. As such the level of compliance is equivalent to an LC.

V. DETAILED ANALYSIS OF COMPLIANCE WITH THE KEY RECOMMENDATIONS

Recommendation 4 - PC

R.4 (Deficiency 1): No provision allowing the designated supervisory authorities the CBB, SOI, IFSC and Ministry of Finance to share information among themselves

55. Section 8(a)(ii) of MLTPAA 2013 provides for supervisory authorities as listed in column 2 of the Third Schedule to share information among themselves for the purpose of ensuring compliance. The supervisory authorities as listed in column 2 of the Third Schedule include the CBB, SOI, IFSC and the Ministry of Finance. This provision addresses the deficiency.

R.4 (Deficiency 2): The IFSC can only access information from its supervised entities when necessary for criminal investigations, prosecutions or proceedings

56. The above shortcoming was in relation to the international standard requirement that competent authorities have access to information they require to perform their functions in combatting ML and TF. Section 8(b) of the MLTPAA 2013 gives a supervisory authority in carrying out its functions under section 21 i.e. supervising compliance with AML/CFT obligations of the MLTPA the power to obtain access to or compel the production of records, documents or information as it considers necessary to supervise compliance. The IFSC is a designated supervisory as listed in column 2 of the Third Schedule and as such will have the power stipulated under section 8(b)

Recommendation 4 – Overall Conclusion

57. The above deficiencies have been addressed by amendments in the MLTPAA 2013. The level of compliance is comparable to an LC.

Recommendation 23 - PC

R.23 (Deficiency 1): No requirement for changes in management or shareholding of insurance companies to be approved by the SOI on the basis of a fit and proper assessment

58. Section 4 of the Insurance (Amendment) Act 2014 (IAA 2014) amends section 38 of the Insurance Act (IA) by inserting subsection (1A) giving the SOI the power to object to the appointment of a director, chief executive officer or managing director or any executive officer of an insurance company on the basis of not being satisfied that the person is fit and proper. Section 5 of the IAA 2014 amends the IA by inserting section (38A) giving the SOI the power to object to the holding or transfer of a significant interest in an insurance company to any person the SOI is

not satisfied is fit and proper. Significant interest has been defined as controlling ten percent or more of voting rights. The above provisions address the deficiency.

R.23 (Deficiency 2): Applications for licences for associations of underwriters and insurance intermediaries are not required to be subject to fit and proper assessment.

59. Section 6 of the IAA 2014 amends section 73 of the IA by inserting paragraph (ba) requiring the SOI to be satisfied that each member of the committee or governing body of an applicant association of underwriters is fit and proper. Section 7 of the IAA 2014 amends section 75 of the IA by inserting paragraph (ca) giving the SOI the power to cancel the licence of a licensed association of underwriters on the basis that one or more of the members of the committee or governing body of the association is no longer fit and proper. Section 83(1)(c) of the IA requires the SOI to be satisfied that an applicant for a licence as an insurance intermediary is a person of good character and is otherwise a fit and proper person to be a broker, agent or sub-agent as the case may be. Subsection (2) further specifies that if any condition referred to in subsection (1) is not met, refusal of the application is mandatory. The above provisions address the deficiency.

R.23 (Deficiency 3): Shareholders or owners of IFS practitioners are not subject to fit and proper assessment

60. Section 2 of the International Financial Services Commission (Licensing) (Amendment) Regulations 2014 (IFSCLAR, 2014) amends regulation 7 of the International Financial Services Commission (Licensing) Regulations (IFSCLR) by inserting subsection (2) which stipulates that the IFSC cannot grant a licence unless it is satisfied that the applicant is fit and proper. IFSCLR 4(b) requires an applicant to submit biographical data on each director, shareholder and officer. The specific data required is set out in Schedule 2 to those Regulations and is sufficient to make a fit and proper assessment for each director, shareholder and officer. The authorities advised that if any one of an applicant's directors, shareholders or officers is not fit and proper, then the applicant is not considered fit and proper. The above measure address the deficiency.

Recommendation 23 – Overall Conclusion

61. The above deficiencies have been dealt with by the enactment of the IAA 2014 and the IFSCLAR 2014. The level of compliance is comparable to an LC.

Recommendation 26 - PC

R.26 (Deficiency 1): Minimal security arrangements for custody of information with main vulnerabilities being security and IT support provided by personnel not in the employ of the FIU.

62. At the time of the mutual evaluation the FIU was located in the CBB with security and IT support provided by the CBB resulting in the above deficiency. The FIU relocated in September 2012 to an independent and more spacious office where the security measures of IT and other information are totally controlled by the Unit. The authorities advised that the architecture of the new office is in accordance with the security, staffing and record storing needs of the FIU. Additionally a Network/IT Systems Administrator was hired in April 2012. The FIU's server is stand alone and there are two server back-ups onsite and one offsite. The Network Administrator advised that offsite backups take place daily and are verified the next day. These measures address the deficiency.

R.26 (Deficiency 2): Minimal feedback is provided to financial institutions and DNFBPs by the FIU in relations to STRs filed or requests made of the institutions.

63. The authorities advised that a database system had been created for easy generation of feedback. Information regarding the categorization of the STRs to be used in generating feedback was submitted. On June 26 and June 27, 2013 the FIU held meetings with all financial institutions providing general feedback based on reports generated from the database on the quality and information submitted in the STRs. Feedback on statistics and typologies was also given. A similar meeting was held by the FIU for all financial institutions on 4 December 2013, and 18 and 25 February 2015. General feedback on STRs, statistics and typologies was again given. In August 2014, the FIU published Instructional Notes on making STRs. These notes included extensive material on typologies and trends. The above measures address the deficiency.

R.26 (Deficiency 3): No publicly released periodic reports which include statistics, typologies and trends as well as information regarding activities.

64. The FIU published its Annual Report on November 2013 which include statistics, typologies and trends as well as information regarding activities. In August 2014, the FIU published Instructional Notes on making STRs. These notes included extensive material on typologies and trends. The authorities have advised that the Annual Report for 2014 is being compiled and will be published in due course. The above measures address the deficiency.

R.26 (Deficiency 4): Operational independence of the FIU is vulnerable to external influence.

65. Concern about the operational independence of the FIU was based as recorded in paragraph 205 of Belize's MER on an instance "where, as a result of Government intervention, a case against a particular financial institution was dropped." The authorities have advised that the FIU operates independently. Section 8 of the Financial Intelligence Unit (Amendment) Act (FIUAA) removes the requirement to report to the Minister on the work of the Unit, thereby ensuring that the confidentiality requirements found in section 12 of the FIUA will apply without this exception. The authorities have advised that specific recommendations made by the IMF to improve operational independence have been included in the FIUAA 2014. Section 3 of the FIUAA amends section 3 of the FIUA to specify that the FIU is a statutory body with operational independence. Section 4 of the FIUAA amends section 4 to specify that the Director is responsible for the day-to-day management and administration of the Unit and for the performance of its functions and to provide for the same level of security of tenure as that afforded the DPP by prescribing the reasons for which, and the procedure by which, a Director can be removed. Section 5 of the FIUAA removes the requirement for ministerial involvement in the appointment of staff. The above measures should provide for the operational independence of the FIU.

Recommendation 26 – Overall Conclusion

66. Deficiencies have been addressed by measures increasing the technical and human resources of the FIU. Functions of the FIU have been strengthened with improved feedback to financial institutions and DNFBPs through meetings and the issuing of instructive notes. An annual report has been issued and the second is being compiled. Legislative provisions have been enacted to ensure and enhance the operational independence of the FIU. Consequently the level of compliance is comparable to an LC.

Recommendation 35 - PC

R.35 (Deficiency 1): There is no legislation in Belize that fully implements Articles 8,11,15, 17 and 19 of the Vienna Convention, Articles 20,24,25,30 and 31 of the Palermo Convention and Articles 6, 13, 14, 15 and 16 of the Terrorist Financing Convention

67. It should be noted that while the above deficiency specifically refers to the lack of legislation with regard to implementing the Articles of the Conventions, some Articles do not specifically require legislation to be fully implemented. Article 8 of the Vienna Convention requires parties to the convention to give consideration to the possibility of transferring to one another proceedings for criminal prosecution of offences established in article 3 paragraph 1 (illicit drug manufacture and trafficking), in cases where such transfer is considered to be in the interests of a proper administration of justice. The authorities have advised, where proceedings concerning an offender in Belize relate to the same or similar proceedings elsewhere, Belize engages in arrangements relating to transfer of proceedings on an informal basis. Belize would provide the evidence gathered to the foreign authority that has a better chance of securing a conviction/higher sentence. When a person has committed an offence in another jurisdiction and is apprehended for being in Belize illegally, arrangements are made to return that person to the jurisdiction in which they are wanted for the offence. Such arrangements have been successfully carried out with several countries, including the United States, Honduras, El Salvador and Guatemala. The above measures comply with article 8.

68. Article 11 of the Vienna Convention requires that measures to allow for appropriate use of controlled delivery at the international level on the basis of mutually consented agreements or arrangements. The authorities have advised that section 4 of the MLTPAA 2014 amends section 3 of the MLTPA, which addresses the offence of ML, by inserting subsections (1B) to (1D) which provides that a person is not guilty of an offence if—

- he makes an authorised disclosure and, if the disclosure is made before he does the act specified in subsection (1), he has the appropriate consent or
- the act he does is done in carrying out a function he has relating to the enforcement of any provision of this Act or of any other law relating to serious crime or the proceeds of crime.

69. Under section 3(1B), “appropriate consent” specifically includes, where a person makes a disclosure to the FIU, the consent of the FIU to do the prohibited act. These provisions, when read together, enable law enforcement to engage in undercover operations and utilise controlled delivery by non-law enforcement personnel. Section 8(1) of the MLAICA 2014 provides that a request for assistance will be executed in accordance with the procedures specified in the request, unless such execution would be contrary to the fundamental principles of the laws of Belize. Given that undercover operations and controlled delivery are specifically allowed under the laws of Belize, they would be available on an international level as required by article 11. Consequently this article is met.

70. Article 15 of the Vienna Convention requires appropriate measures to ensure that means of transport operated by commercial carriers are not used in the commission of offences established under article 3 paragraph 1 and that commercial carriers and the appropriate authorities cooperate to prevent unauthorized access to means of transport and cargo. Sections 28 to 88 of the Customs Regulation Act empowers officers to conduct searches of goods and persons, whether at a port or elsewhere. Security checks are carried out at ports of entry to ensure that carriers are not used for unlawful drug activity. There is a rigorous inspection regime geared toward detecting smuggling, of both goods and cash, and drug related offences. The above provisions complies with article 15.

71. Article 17 of the Vienna Convention requires countries to co-operate to the fullest extent possible to suppress illicit trade by sea. The article specifies situation where a country can request information or assistance from another in carrying out certain measures to suppress the

use of vessels engaged in illicit traffic. Sections 33 to 35 of the Mutual Legal Assistance and International Cooperation Act 2014 (MLAICA 2014) include all requirements of Article 17 with regard to requesting information and assistance from another country in above mentioned situations. Consequently this article is met.

72. Article 19 of the Vienna Convention requires countries to adopt measures to suppress the use of the mails for illicit traffic and to co-operate with one another to that end. Measures include co-ordinated action for the prevention and repression of the use of mails for illicit traffic and use of investigative and control techniques designed to detect illicit consignments of drugs. Section 46 of the Post Office Act specifically empowers the Postmaster to open and inspect any packet, parcel or other postal matter where he has reasonable ground to suspect that the article contains any controlled drug or any dangerous goods. Section 46 goes on to create offences for posting, sending or delivering illicit substances through the mail. Section 31 of the Post Office Act empowers customs officers to search vessels for mail that may be unlawful and to seize such mail. Section 5 of the Interception of Communications Act, permits interception of communications, by law enforcement upon ex parte application to a Supreme Court Judge in chambers. Section 2 of this Act defines “communication” to include “anything encrypted or unencrypted transmitted by means of a postal service,” including “an envelope, packet, package, or wrapper containing a communication, document or article.” The above provisions comply with article 19 of the Vienna Convention.

73. Article 20 of the Palermo Convention requires countries to take the necessary measures to allow for the appropriate use of controlled delivery and other special investigative techniques such as surveillance and undercover operations. Countries are encouraged to conclude bilateral and multilateral agreements for the use of special investigative techniques in the context of international co-operation. As noted with regard to article 11 of the Vienna Convention, section 3 of the MLTPA enables law enforcement to engage in undercover operations and utilise controlled delivery by non-law enforcement personnel.

74. Additionally Section 34 of the MLTPA specifically provides that a police officer or an authorized office of the Financial Intelligence Unit may apply, *ex parte*, to a Judge of the Supreme Court, for an interception of communications order. Any information contained in an intercepted communication, whether intercepted within Belize or another jurisdiction, is admissible in legal proceedings. Further section 5 of the Interception of Communications Act permits interception of communications, including communications made by post or electronically, by law enforcement upon ex parte application to a Supreme Court Judge in chambers. In practice, the FIU has used telecommunications analysis in the analysis of potential ML offences. The above provisions comply with the requirement of the article for measures to allow for use of controlled delivery and special investigative techniques. While there are no bilateral or multilateral agreements for the use of these techniques in international co-operation, this requirement is discretionary. Moreover, section 8 of the MLAICA 2014 requires that requests for assistance be executed in accordance with the procedures specified in the request. Consequently, the above measures are compliant with article 20.

75. Article 24 of the Palermo Convention requires appropriate measures to provide effective protection from potential retaliation or intimidation for witnesses in criminal proceedings. Measures include physical protection, relocation, non-disclosure or limited disclosure of information on identity and whereabouts. The Justice Protection Act 2005 implements the CARICOM Agreement Establishing the Regional Justice Protection Programme, in which Belize has been an active participant. The law provides for a comprehensive witness protection programme which incorporates the measures of article 24. Consequently Belize is compliant with article 24.

76. Article 25 of the Palermo Convention requires appropriate measures to provide assistance and protection to victims of offences covered by the Convention and procedures to provide access to compensation and restitution for victims. Section 65 of the MLTPA makes provision for restoring property to victims of unlawful conduct and other *bona fide* third parties.

Section 79(2)(b) of the MLTPA provides that victims who suffered losses as a result of serious crimes, terrorism or other unlawful activity may be compensated from the Belize Confiscated and Forfeited Assets Fund. A comprehensive victim assistance programme has not been implemented domestically. However, other forms of assistance, such as counselling, and protection are available in the jurisdiction as needed. Where victims are also witnesses, the Justice Protection Act 2005 applies. As such, this article has been implemented.

77. Article 30 of the Palermo Convention requires countries to enhance their cooperation at various levels with developing countries with a view to strengthening the capacity of the latter to prevent and combat transnational organized crime. The authorities have advised that Belize is a member of INTERPOL and has arrangements for co-operation with foreign bodies such as the FBI, and the assistance of foreign bodies, such as the UK Serious Organised Crime Agency (SOCA), is often sought. The annual meetings of the Caribbean Commissioners of Police enable a system of regular dialogue and exchange of information and techniques regarding the effective combating of transnational organised crime in the region. The Caribbean jurisdictions also assist each other upon request with expertise on an as needed basis. The above measures comply with article 30.

78. Article 31 of the Palermo Convention requires countries to establish and promote best practices and policies aimed at the prevention of transnational organized crime. These include trying to reduce existing or future opportunities for organized criminal groups to participate in lawful markets with proceeds of crime through legislative, administrative or other measures. The authorities advise that provisions of the Financial Intelligence Unit Act and the MLTPA create avenues by which cooperation between law enforcement agencies and relevant private entities is achieved. Those Acts, along with the International Financial Services Commission Act, Domestic Banks and Financial Institutions Act, create mechanisms aimed at safeguarding the integrity of the financial services and related industries, including accountants and attorneys, and preventing the misuse of legal persons. The authorities advise that Belize's Financial Order and Stores Order contains safeguards with regard to procurement and stores. The above measures comply with article 31.

79. Article 6 of the International Convention for the Suppression of the Financing of Terrorism (Terrorist Financing Convention) requires states to ensure that criminal acts within the scope of the Convention are under no circumstances justifiable by considerations of a political, philosophical, ideological, racial, ethnic, religious or other similar nature. "Terrorism" and "terrorist act" are defined in section 2 of the MLTPA to include the use or threat of action made for the purpose of advancing a political, religious or ideological cause. The authorities advise that there is no provision in the Criminal Code that provides a defence based on considerations of a political, philosophical, ideological, racial, ethnic, religious or other similar nature. The above provisions comply with article 6.

80. Article 13 of the TFC prohibits countries from refusing a request for extradition or mutual legal assistance on the sole ground that it concerns a fiscal offence the authorities advise that there is no provision in Belize law that permits a requests made for mutual legal assistance to be refused on the sole ground that the offence is considered to involve fiscal matters. Further no request for MLA was ever refused on the sole ground that the offence was considered to involve fiscal matters. Additionally, section 10 of the MLAICA 2014 prescribes the grounds on which a request for assistance may be refused. The list is exhaustive and does not include consideration of whether a request concerns fiscal matters. As such, article 13 is implemented.

81. Article 14 of the TFC prohibits countries from refusing a request for extradition or mutual legal assistance on an offence set out in article 2 (terrorist and terrorist financing offences) on the sole ground that it concerns a political offence. While the authorities have advised that there is no provision in Belize law that provides for refusing to assist in the case of a political offence, it is noted that in paragraph 757 of the mutual evaluation report of Belize that one of the grounds for the refusal of a request for mutual legal assistance stated in the provision of Belize/USA Treaty Act and the Caribbean Treaty Act is that the offence relates to a political

offence. However, Article 17 of the Belize/USA Treaty provides that the assistance and procedures provided for in the treaty do not prevent assistance being granted pursuant to national law. As discussed above, section 10 of the MLAICA prescribes grounds on which refusal to provide assistance might be based and does not allow for refusal of a request on the ground that the request concerns a political offence. When read together, these provisions prevent refusal of requests concerning terrorism and terrorist financing on the grounds of that they are considered political offences. Consequently this article is implemented.

82. Article 15 of the TFC stipulates that there is no obligation to extradite or afford mutual legal assistance if there are substantial grounds for believing that the request has been made for the purpose of prosecuting or punishing on the basis of race, religion, nationality, ethnic origin, or political opinion. The authorities have advised that if there are substantial grounds for believing that the request for mutual legal assistance is made for the purpose of prosecuting or punishing a person on account of that person's race, religion, nationality, ethnic origin or political opinion or that compliance with the request would cause prejudice to that person's position, the request would be denied. It should be noted that another basis for the refusal of a request for mutual legal assistance stated in the provisions of Belize/USA Treaty Act and the Caribbean Treaty Act is substantial grounds for believing that compliance would facilitate the prosecution or punishment of a person affected by the request on account of that person's race, religion, nationality or political opinion or that compliance with the request would cause prejudice to that person. Given the above, this article has been implemented.

83. Article 16 of the TFC details conditions for the transfer of prisoners from one state to another state for purpose of identification, testimony or otherwise providing assistance in obtaining evidence for the investigation or prosecutions of the offences in article 2 of the TFC. Sections 16 and 17 of the MLAICA 2014 provide for the transfer of Belizean prisoners to other countries and foreign prisoners to Belize. The competent authority (Attorney General) may issue a warrant for the voluntary transfer a person in custody in Belize to a foreign state, or in a foreign state to Belize, for the purposes of giving evidence in criminal proceedings, being identified in, or otherwise assisting, such proceedings or the investigation of an offence. In cases where availability is not voluntary, the Supreme Court of Belize has held that the UK 1870 Extradition Act and subsequent amendments apply in Belize to govern extradition proceedings. The Colonial Prisoners Removal Act, 1884 also permits the transfer of prisoners between Belize and the UK, Commonwealth countries and British Overseas Territories. Consequently article 16 is implemented.

Recommendation 35 – Overall Conclusion

84. The measures as detailed above which include legislative provisions (amendments to the MLTPA, the MLAICA, etc.) and administrative arrangements implement the identified outstanding articles of the Vienna Convention, the Palermo Convention and the Terrorist Financing Convention. The level of compliance is comparable to an LC.

Recommendation 40 - PC

R.40 (Deficiency 1): There is no legislation empowering the police, the customs authorities and other law enforcement agencies to undertake international cooperation inquiries for and on behalf of foreign countries.

85. In relation to the above deficiency it is noted that the relevant criterion of Rec. 40 regarding the ability of law enforcement agencies to undertake international cooperation inquiries does not have to be implemented legislatively. After consideration, authorities determined that specific legislative provisions would not be required. There are already in place a wide variety of means by which customs information can be shared or international co-operation inquiries can be undertaken on behalf of other customs authorities, including mechanisms for information sharing through the Caribbean Customs Law Enforcement Council, the Regional Clearance System, the

World Customs Organization and participation in numerous multilateral agreements relating to trade and environment. Likewise, the police are empowered to co-operate via their unrestricted access to, and involvement with, INTERPOL, membership in the Caribbean Commissioner of Police and participation in the Central American Integration System (SICA).

86. With regard to implementation of the above, Immigration reports 14 requests for international co-operation, involving 25 persons, from January 2014 to date. Of these requests, 50% were completely successful (i.e. subjects located, detained and handed over to requesting authority). Of the remaining 50%, most were unsuccessful because there was no record of the subject individual entering Belize. The majority of all requests were resolved within 18 days or less. Predicate offences involved include sexual abuse of minors/child pornography, firearms offences, drug trafficking and fraud. Additionally, Customs reports multiple instances of international co-operation, including formal requests for assistance from India and Germany related to trade-based money laundering (TBML) and falsified invoices. In 2014, Belize Customs made numerous informal requests to suppliers located primarily in the US for assistance in authenticating documents to prevent TBML and non-payment of duties. The above measures address the deficiency.

R.40 (Deficiency 2): There is no legislation empowering the Office of the Attorney General and the Ministry of Foreign Affairs to undertake international cooperation inquiries for and on behalf of foreign countries.

87. The authorities have advised that the Mutual Legal Assistance and International Co-operation Act 2014 (MLAICA 2014) empowers the Attorney General's Ministry to undertake international co-operation enquiries. Although, the MLAICA 2014 deals primarily with mutual legal assistance with regard to mutual service of process, provision of evidence and enforcement of foreign court orders, it empowers the Attorney General to more generally undertake international co-operation. Section 4(1) of the Act establishes the Attorney General as the central authority. Section 4(2)(a) empowers the central authority to make and receive requests and to execute, or arrange for the execution of, requests and 4(2)(f) empowers the central authority to carry out such other functions as may be necessary for effective assistance to be provided or received. Section 5 provides for spontaneous transmission of information to a central authority or other agency or authority that performs similar functions in a foreign State. Additionally, the newly added sections 75C and 75D of the MLTPA specifically empower all supervisory authorities in Belize to expeditiously co-operate with foreign regulatory authorities and Belize law enforcement authorities. Moreover, the Ministry of Foreign Affairs advises that it often engages in international co-operation, primarily by forwarding the request to the appropriate law enforcement or supervisory authority. The above provisions address the deficiency.

Recommendation 40 – Overall Conclusion

88. Provisions of the MLAICA 2014 and arrangements based on membership in international organizations address the deficiencies. The level of compliance is comparable to an LC.

Special Recommendation I - PC

SR.I (Deficiency 1): There is no legislation in Belize that fully implements Articles 6, 12,13,14,15 and 16 of the Terrorist Financing Convention

89. As reported in the section under Recommendation 35, Belize has implemented all articles of the Terrorist Financing Convention identified in the deficiency. Consequently, this deficiency has been addressed.

Special Recommendation I – Overall Conclusion

90. The deficiency has been addressed by enactment of the MLAICA 2014 and other means. The level of compliance is equivalent to an LC.

Special Recommendation III - PC

SR.III (Deficiency 1): Section 76 of the MLTPA does not expressly provide that assistance rendered to a superior court or competent authority of another jurisdiction must be facilitated expeditiously by the Belizean counterparts.

91. Section 25 of the MLTPAA 2014 amends the MLTPA by inserting Part IVA comprising sections 75A to 75G after section 75. Section 75C requires a supervisory authority to co-operate expeditiously with foreign regulatory authorities and law enforcement agencies in Belize. Section 75B and the Sixth Schedule of the MLTPA address provision of assistance to a foreign court by enforcement of requests for freezing assets and execution of foreign judgments. As noted in relation to R.40, international co-operation by law enforcement authorities is governed by the principles of the various global and regional bodies through which co-operative measures are undertaken. The above provisions address the deficiency.

SR.III (Deficiency 2): Unable to assess the practical effectiveness of provisions giving effect to freezing mechanisms initiated in other jurisdictions due to lack of requests

92. While Belize still has not received requests from other jurisdictions to freeze or confiscate terrorist assets, it should be noted that Belize using powers provided under the MLAICA 2014 has successfully frozen funds and seized evidence in response to a request for MLA by the US FBI and DOJ related to indictments obtained in the US. This suggests that Belize can give effect to freezing mechanisms initiated in other jurisdictions.

SR.III (Deficiency 3): Definition of terrorist property does not extend to property jointly owned or controlled directly or indirectly by terrorists, those who finance terrorism or terrorist organisations or property derived or generated from funds or other assets owned or controlled directly or indirectly by terrorists, those who finance terrorism or terrorist organisations.

93. Section 2 of the MLTPAA 2014 amends the definition of terrorist property in the MLTPA to extend to property jointly owned or controlled directly or indirectly by terrorists, those who finance terrorism or terrorist organizations or property derived or generated from funds or other assets owned or controlled directly or indirectly by terrorists, those who finance terrorism or terrorist organizations. This provision addresses the deficiency.

SR.III (Deficiency 4): There is no legislative or other provision that enables the authorities to publicly delist persons or entitles in a timely manner.

94. Section 24 of the MLTPAA 2014 amends section 68 of the MLTPA by inserting subsections (5) to (12) immediately after subsection (4). These sections allow for the Minister of Foreign Affairs to list suspected terrorists in public directions. Written notice has to be sent by the Minister to the listed person. This listing can be challenged by the listed person or any person affected by the listing with the Supreme Court which can set aside such directions. Once set aside, the Minister is required to publicize the decision. These provisions address the deficiency.

SR.III (Deficiency 5): There is no legislative or other provision that requires competent authorities to communicate to the financial sector actions taken under the freezing mechanisms in essential criteria III.1 to III.3

95. The referenced essential criteria deal with the implementation of Security Council Resolutions 1267 (1999) and 1373 (2001) requiring the freezing of the assets of designated entities and persons without delay or prior notice of the designated persons and entities.

Additionally there is a requirement for laws and procedures to examine and give effect to actions initiated under the freezing mechanisms of another jurisdiction. The authorities have cited section 27 of the MLTPAA 2014 which amends the MLTPA by inserting 76A after section 76. Section 76A empowers the FIU to issue notices without delay on the basis of adoption of Security Council Resolution. These notices will require reporting entities to immediately, and without notice to the relevant party, take such action to give effect to a resolution including freezing of funds and other financial assets or economic resources. Although stated generally, section 11(1)(j) empowers the FIU to examine and give effect to actions initiated under the freezing mechanisms of another jurisdiction. Section 75B and the Sixth Schedule of the MLTPA enable the Attorney General to give effect to freezing orders made in another jurisdiction. These provisions address the deficiency.

SR.III (Deficiency 6): Section 40 (2) of the MLTPA which enables a court to consider the reasonable living expenses of an applicant's dependants and an applicant's debts incurred in good faith may undermine the intended effect of S/RES1452.

96. The above deficiency is related to the criterion stipulating that countries should have procedures for authorizing access to funds or other assets that were frozen pursuant to S/RES/1267/(1999) and that have been determined to be necessary for basic expenses, the payment of certain types of fees, expenses and service charges or for extraordinary expenses in accordance with S/RES/1452/(2002). Section 14 of the MLTPAA 2013 amended section 40(2) of the MLTPA to exclude the reasonable living expenses of an applicant's dependents and an applicant's debts incurred in good faith. This amendment addresses the deficiency.

SR.III (Deficiency 7): Reporting entities do not have clear guidance as it relates to their obligations for the freezing of funds belonging to terrorists on the United Nations designated list.

97. The FIU prepared guidance to reporting entities about their obligations for the freezing of funds belonging to terrorists on the United Nations designated list in May 2014, in accordance with the examiners' recommendation.

SR.III (Deficiency 8): Designated supervisory authorities are not required to monitor compliance with the provisions concerning SR.III.

98. Section 14 of the MLTPAA 2014 amends section 21 of the MLTPA to require the supervisory authority responsible for supervising each reporting entity to supervise compliance with the entity's AML/CFT obligations. This requirement will include provisions implementing SR.III in the MLTPA.

SR.III (Deficiency 9): Section 67 (1) of the MLTPA does not enable an affected party to apply to the court for relief against an order seizing and detaining terrorist cash

99. Subsection 23(a)(ii) of the MLTPAA 2014 allows for a judge to discontinue detention of cash upon the application by or on behalf of the person from whom the cash was seized after considering the views of the Director of the Financial Intelligence Unit. This provision addresses the deficiency.

Special Recommendation III – Overall Conclusion

100. Enactment of the amendments in the MLTPAA 2014 address the deficiencies to a level of compliance comparable to an LC.

Special Recommendation V - NC

SR. V (Deficiency 1): The deficiencies identified with regard to mutual legal assistance treaty (MLAT) for ML are also applicable for FT

101. The above deficiencies are specific to Recs 36 to 38 which were all rated LC. With regard to Rec. 36 three deficiencies were identified as follows:

- The Belize/USA Treaty Act does not provide that a request for mutual legal assistance cannot be denied on the ground of secrecy or confidentiality
- The existence of two competent authorities for the receipt and processing of requests for mutual legal assistance may potentially reduce the effectiveness of the system.
- There are no arrangements for the best venue for prosecuting defendants in cases where such may be facilitated in more than one country

102. With regard to the Belize/USA Treaty Act not providing that a request for mutual legal assistance cannot be denied on the ground of secrecy or confidentiality, no information on the matter was provided during the follow-up process since the Rec, was rated LC. The shortcoming concerning the existence of two competent authorities potentially reducing the effectiveness of the system was addressed by Section 4(1) of the MLAICA 2014 establishing the Attorney General as the central authority. The last shortcoming was addressed as discussed for Article 8 of the Vienna Convention in the context of Rec.35.

103. The shortcoming identified in Rec. 37 was the fact that the Belize/USA Treaty Act requires dual criminality in relation to search, seizure and forfeiture. This was addressed by the enactment of the MLAICA 2014 which provided for search, seizure and forfeiture without dual criminality.

104. The first deficiency of Rec. 38 is the same as deficiency number one under SR.III which as indicated was rectified by provisions in the MLTPAA 2014. The second deficiency of Rec. 38 was no provisions allowing for mutual legal requests for property of corresponding value in the Belize/Caribbean Treaty Act, the Belize/USA Act or the MLTPA. Section 25 of the MLTPAA 2014 amends the MLTPA by inserting Part IVA comprising sections 75A to 75G after section 75. The new Part IVA of the MLTPA applies the 6th Schedule to external requests and the enforcement of external orders and the identification, freezing, seizure or confiscation of “relevant property”. Section 75A provides that property is “relevant property” if there are reasonable grounds to believe that it may be needed to satisfy an external order which has been or which may be made. The definition is sufficiently broad to include instrumentalities and property of corresponding value and addresses the deficiency. The above measures improve the level of compliance which, according to the ratings of the individual Recommendations, was already an LC.

SR. V (Deficiency 2): Deficiencies noted with regard to extradition are also applicable for FT

105. The deficiencies in relation to extradition are specific to Rec. 39 which was rated PC. The identified shortcomings included the procedures for extradition being long and unwieldy, the existence of only two extradition treaties and effective implementation being adversely affected by the competent authority not being appropriately equipped. Resulting from the first shortcoming it was recommended that the authorities consider the enactment of a single Extradition Act that seeks to simplify and expedite the procedures for extradition applications in Belize whilst safeguarding the rights of the defendant. As indicated in the last follow-up report, a Committee comprising of counsels from departments of the Attorney General’s Ministry was convened to revise and amend the Extradition Act in accordance with the recommendation. The Committee was replaced by a task force constituted to continue the Committee’s work, undertake the necessary consultations, prepare instructions in relation to the Extradition Act and to make such revisions to the Mutual Legal Assistance and International Co-operation Act as may be required.

106. The second recommendation arising from the existence of only two extradition treaties required the authorities to consider concluding extradition treaties with a broader range of countries. In the last follow-up report the authorities advised that two additional extradition treaties, one with Russia and one with the Slovak Republic had been proposed and were under

active review and analysis for consistency with the national laws of Belize to determine whether they could be concluded in their current form.

107. The last shortcoming was effective implementation being adversely affected by the competent authority not being appropriately equipped. The resulting recommendation required the authorities to consider equipping the competent authority with the appropriate tools to efficiently manage requests for extraditions. The Attorney General advised that the resources of the law library of the Attorney General's Ministry was updated with regard to extradition law. The Crown Counsel responsible for extradition also has access to updated research material in the area of extradition and mutual legal assistance. The above measures should help in improving the management of extradition requests. The above measures improve compliance to a level comparable to an LC.

SR. V (Deficiency 3): The legislative and other deficiencies noted throughout this report in the areas of financing of terrorism, terrorism and terrorist organisations affect improved international cooperation in these areas.

108. The rectifying of the flaws of SR.I to SR. III has sufficiently addressed the shortcomings of this deficiency.

SR. V (Deficiency 4): The noted deficiencies concerning extradition in Belize also affect improved international cooperation that is consistent with Special Recommendation V.

109. The rectifying of the flaws of Rec. 39 has sufficiently addressed the shortcomings of this deficiency.

Special Recommendation V – Overall Conclusion

110. The addressing of the deficiencies of SR. V depends on the rectifying the shortcomings of Recs. 36 to 39 and SR. I to SR. III. Since these deficiencies have been sufficiently addressed the level of compliance is comparable to an LC.

VI. OVERVIEW OF MEASURES TAKEN IN RELATION TO OTHER RECOMMENDATIONS RATED PC/NC

111. Belize has taken the following measures to address the other Recommendations that were rated PC/NC. The information in this section is presented for information purposes only and is not to be taken into consideration for Belize's application to exit the follow-up process.

Legal System and Related Institutional Measures

Recommendations 27 and SR. IX rated PC

112. With regard to Rec. 27, section 4 of the MLTPAA 2014, which amends section 3 of the MLTPA provides for a competent authorities to be able to postpone or waive the arrest of suspected persons and/or the seizure of the money for the purpose of identifying persons involved in such activities or for evidence gathering. The shortcomings in relation to SR. IX dealing with restraint of negotiable instruments, penalties for false declarations and fines for legal persons were all addressed by amendments to the MLTPA enacted in 2013 and 2014.

Preventive Measures – Financial Institutions

Recommendations 8, 9, 17, 19, 22, 25 and SR, VII rated NC, Recommendations 15, 21, 18 and SR. VI rated PC

113. The legislative deficiencies of Recs. 8, 9, 15 were all addressed by amendments to the MLTPA enacted in 2013 and 2014. The shortcoming regarding Rec. 17 with administrative fines under supervisory sanctions not being dissuasive was rectified by revising subsection 22(1)(d) of

the MLTPAA to allow for any supervisory or regulatory authority or competent disciplinary authority to impose fines ranging from BZ\$100,000 (US\$50,000) to no greater than BZ\$500,000 (US\$250,000) for breaches of sections 15 to 19 of the MLTPA. The above fines are consistent with fines for breaches of other sections of the MLTPA and with penalties of other CFATF jurisdictions of similar socio-economic development. The deficiency of Rec. 18 was dealt with by subsection 7(g) of the MLTPAA 2014, which replaces section 15(6) of the MLTPA. Paragraph 15(6)(b) requires a bank or financial institution in a correspondent banking relationship to take appropriate measures to ensure that it does not enter into, or continue a correspondent relationship with a bank that is known to permit its accounts to be used by a shell bank.

114. With regard to Rec. 19 and the lack of consideration to the feasibility and utility of implementing a cash transaction reporting system, the authorities advised that at a meeting of the Money Laundering Committee on July 23, 2013 the feasibility and utility of implementing a national system of all currency transactions above a fixed threshold was discussed. The deficiencies of Rec. 22 comprised the absence of all the criteria of the Recommendation. The criteria were all implemented through the enactment of the MLTPAA 2013 and MLTPAA 2014. The shortcomings of Rec. 25 comprising the lack of feedback to financial institutions and guidelines to licensees of the SOI and the IFSC were addressed as indicated under Rec. 26 with the FIU creating a database for the recording and management of information on STRs and requests for information and the conduct of meetings with financial institutions to give general feedback on STRs, statistics and typologies. Additionally, the SOI and the IFSC have issued guidelines to their respective licensees. The deficiency of SR. VI is similar to Rec. 17 which was addressed as described above. The deficiencies of SR. VII regarding the definition of originator information, record keeping requirements of intermediary financial institutions, procedures of beneficiary financial institutions and inadequate penalty fines were all addressed by enactment of the MLTPAA 2013 and MLTPAA 2014.

DNFBPs and Non-profit Organisations

Recommendations 12 and 16 rated PC, Recommendations 24 and SR. VIII were rated NC

115. The shortcoming of Rec. 12 regarding the deficiencies identified in Recs. 5, 6 and 8-11 being applicable to DNFBPs was addressed when the deficiencies of these Recs were dealt with as indicated in the sections of this report dealing with these Recs. The deficiency in relation to the transaction threshold level for casinos not complying with the requirements of Rec. 5 is still outstanding. Rec. 16 deficiency is similar to Rec. 12 in that deficiencies identified in other Recs in this instance Recs. 13 to 15 and 21 are also applicable to DNFBPs. The deficiencies of Recs. 13, 15 and 21 were addressed as indicated in the sections of this report dealing with these Recs. Rec. 14 was rated LC.

116. The main deficiencies of Rec. 24 include lack of a comprehensive AML/CFT regulatory and supervisory regime for casinos and other DNFBPs except for trust and company service providers. The FIU is the designated supervisory authority for casinos and other DNFBPs except for trust and company service providers. The FIU commenced on-site inspections of casinos completing ten (10) inspections of 5 casinos in 2012 and as of July 31, 2013 had inspected 2 casinos. The authorities advised that all casinos (seven were registered) have been subjected to at least one on-site inspection and a new cycle of examinations has begun. Additionally, casinos are required to submit regular reports to allow the FIU to monitor AML/CFT compliance. In starting to implement an AML/CFT supervisory regime for other DNFBPs the FIU began the registration of certain sectors of DNFBPs that it supervises. The FIU planned to focus on registration and outreach for the first six months, familiarizing DNFBPs new to the system with the requirements and obligations. At the completion of this implementation and outreach period, the FIU was due to reassess, based on the number of DNFBPs registered, its projected schedule of 20 on-site visits per month and consider the adequacy of its compliance staff complement. As of September 1, 2014 the FIU secured the services of a former multinational financial institution executive in charge of implementing and supervising

compliance programs to head its Compliance Department thereby significantly enhancing the FIU's supervisory capacity.

117. The FIU as the designated supervisor for casinos has been empowered to request regular reporting or access any information necessary to carry out its functions in particular monitoring under subsection 8(b)(3) of the MLTPAA 2013 which revises section 21 of the MLTPA.

118. Other shortcomings with regard to no requirement for obtaining information on natural persons behind the corporate shareholders of applicants for licences for the provision of gaming facilities by hotels for their guests and lack of adequate measures in relation to the granting of licences for gaming premises and the use of gaming machines to prevent criminals or their associates from holding or being beneficial owner of a significant or controlling interest or holding a management function in or being an operator under these licences were addressed in amendments to the Gaming Control Act enacted in 2014.

119. With regard to SR.VIII, subsection 32(b) of the MLTPAA 2014 amended the First Schedule of the MLTPA to make non-profit organizations subject to the AML/CFT requirements of the MLTPA. The authorities have advised that the FIU has engaged in a direct mailing program to advise NPOs and non-governmental organizations (NGOs) of the need to register. An informational brochure targeting NPOs and NGOs has been published by the FIU. FIU compliance officers researched the Companies Registry to compile a list of all NPOs (including churches) to assess the members of the sector and began implementation of the DNFBP supervisory regime in relation to NPOs. NPO/NGO registration information has been analyzed for risk and the NPO sector was determined to be lower risk. A schedule of on-site visits prepared and approved by the FIU Director. It is anticipated that NPO on-site visits will commence after on-sites are completed in other, higher risk, sectors. The administrative penalty regime imposed under the Fifth Schedule of the MLTPA and the Money Laundering and Terrorism (Prevention) (Designated Non-Financial Businesses and Professions) Regulations 2014 now applies to NPOs/NGOs for breach of any AML/CFT obligation.

Legal Persons and Arrangements and National Co-operation

Recommendation 39 was rated PC, Recommendations 31, 33 and 34 were rated NC

120. With regard to Rec. 31, Section 77B of the MLTPA established the National Anti-Money Laundering Committee (the Committee) to advise the Minister of Finance in the development of policies to combat money laundering, terrorist financing and the financing of proliferation. The Money Laundering and Terrorism (Prevention) (National Anti-Money Laundering Committee) Regulations 2014 enacted in February 2014 sets out membership and procedural requirements. Membership includes all the main AML/CFT government stakeholders. In its initial meeting on 19 March 2014, all agencies reaffirmed their commitment to co-operation and co-ordination. The Committee met on 24 September 2014 to consider issues related to Belize's progress toward enhancing compliance with international standards and additional actions required, training requirements and domestic co-operation.

121. With regard to Rec. 33, the Companies (Amendment) Act 2014, which was enacted in February 2014, amended sections 26 and 27 of the Companies Act require companies to maintain an up to date register of beneficial ownership information and to file annual returns, including beneficial ownership information, with the Registrar of Companies. Bearer share warrants have been prohibited in Belize by the enactment of the Company (Amendment) Act 2013. In order to ensure that registered agents maintain adequate, reliable and timely beneficial ownership information on international business companies the IFSC has been empowered to carry out on-site inspections. Inspections of all trust service providers, most of whom are also company service providers, have been completed. High levels of compliance, including maintenance and availability of current beneficial ownership information, have been reported. In cases where deficiencies were identified, the General Director of the IFSC took disciplinary action in the form

of issuing strong warnings. The IFSC confirmed that the response to these warnings was positive and all identified deficiencies were remedied.

122. Shortcomings of Rec. 34 have been addressed by the enactment of the International Foundations (Amendment) Act 2013 and the Trusts (Amendment) Act 2013. With regard to ensuring the scope and reliability of information on domestic and international trusts maintained by relevant DNFBPs and trust agents respectively, both entities are under the supervision of the IFSC. With regard to trust agents and DNFBPs who maintain information on trusts, onsite compliance visits were completed and a general report indicating high levels of compliance was submitted to the General Director IFSC. Disciplinary action in the form of warning notices was taken against trust agents and relevant DNFBPs with identified deficiencies in their AML/CFT regimes. The IFSC reported that all agents and relevant DNFBPs who received a warning notice have complied with the notice.

123. Measures implemented to address the shortcomings of Rec. 39 have already been dealt with under the second deficiency of SR.V in this report.

Resources and Statistics

Recommendations 30 and 32 were rated NC

124. Increased technical and human resources have been provided to the FIU, the Customs Department, the Major Crimes Unit, the Anti-Drugs Unit, the Ministry of Foreign Affairs and Office of the Attorney General during the last three years. As already indicated the FIU relocated to a separate office building with improved security and IT arrangements. In addition regular AML/CFT training has also been provided not only to staff of the above units and agencies but also to the judiciary. With regard to Rec. 32, statistics on international co-operation have been maintained and submitted as required.

**Matrix with Ratings and Follow Up Action Plan 3rd Round Mutual Evaluation
Belize**

Forty Recommendations	Rating	Recommended Actions	Undertaken Actions <i>Note: All documents identified below previously submitted for assessment</i>	Remaining Actions To Be Taken
Legal systems				
1.ML offence	PC	<ul style="list-style-type: none"> The authorities should consider amending Schedule II of the MDA to include the range of narcotics drugs and psychotropic substances set out in tables I and II of the Annex to the Vienna Convention. The authorities should consider promulgating legislation to introduce the following criminal offences into the laws of Belize (1) illicit arms trafficking (2) extortion (3) piracy and (4) insider trading. The authorities should consider amending the second schedule of the MLTPA, to remove the present minimum property value of BZ\$10,000.(\$5,000.00 USD) that attaches to the offence of theft. The authorities should consider making legislative amendments that would remove the possible constitutional concerns over the DPP and FIU's parallel jurisdiction to prosecute money laundering offences in Belize. 	<p>All recommendations met per 6th FUR</p> <p>The range of substances set out in Table I and II of the Annex to the Vienna Convention is included in the Final Draft of the Misuse of Drugs (Amendment of Schedule) Order 2013. There is a timeline of September 2013 for this Order to be signed by the Minister and to enter into force.</p> <p>The Misuse of Drugs (Amendment) Order was enacted 2 November 2013.</p> <p>The Firearms (Amendment) Bill, 2013 and the Criminal Code (Amendment) Bill, 2013 was prepared. The Bill was introduced at the House of Representatives on August 7th, 2013 and was discussed at the House Committee meeting on August 19th, 2013 and has been recommended for a second reading in the House. There is a timeline of September 2013 for the Bills to be enacted.</p> <p>Criminal Code (Amendment) Act, 2013 created offences for (1) illicit arms trafficking (2) extortion (3) piracy and (4) insider trading and was enacted 2 December 2013.</p> <p>Section 21(a) of Act 4 of 2013 removes the property value for theft.</p> <p>The Money Laundering Committee has documented a decision stating that as a jurisdiction, Belize will maintain the status quo as there has been no problems, nor are there any foreseen.</p>	
2.ML offence – mental element and corporate liability	LC		Training sponsored by GOVRISK in collaboration with American Bar Association was held from January 9 – 17, 2012. This training targeted Judiciary, Prosecutors, Investigators, and Regulators. GOVRISK is expected to do more trainings in the future. A presentation was	

			<p>made to the Magistrates during their Magistrate's Retreat on February 9, 2013 regarding appropriate evidence for Money Laundering Charges.</p> <p>Training sponsored by the Central American Integration System (SICA) was held in October, 2013. This training targeted judges and judicial officers and was focused on Money Laundering.</p> <p>There have been three convictions between January 2012 to December 2012, involving 5 natural persons and 1 corporate entity, this includes two failure to declare conviction, and one money laundering conviction. There have been three failure to declare convictions as of July 31st, 2013.</p> <p>Between August 1st, 2013 and January 31st, 2014 there were three failure to declare convictions.</p> <p>Conference for proceeds of crime practitioners conducted by CCARP 9th & 10th April 2014 in Dominica attended by FIU Director and prosecutor</p> <p>Training sponsored by the UK's Department for International Development and conducted by the Caribbean Criminal Asset Recovery Program for FIU Staff, Customs, Magistrates and Police on cash seizure held during the week of May 19th, 2014.</p> <p>Training Seminar for Judges and Prosecutors in Money Laundering Control, Dec. 2nd - 4th, 2014, Port of Spain, attended by High Court Justice, FIU Prosecutor, and 2 FIU Investigators.</p> <p>Since January 2014, the British High Commission/DFID has provided the following training to Belizean officials and personnel—</p> <ul style="list-style-type: none"> • Criminal Procedure Rules and criminal justice reform agenda, Case File Management and Basic Investigative Techniques; Nov. – Dec. 2014; all Police Supervisors and senior police officers. • Criminal Procedure Rules; Jan. 2014 to February 2015; the judiciary, magistracy, Crown Counsel, Defence Bar, social workers and forensic personnel • Train the Trainer training to 30 police officers, including officers seconded to FIU, on Police Guidelines on the Interviewing and Treatment of 	
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			<p>Persons in Police Detention, Criminal Procedure Rules, Interviewing Techniques and Case File Management for onward delivery to the rest of the Department.</p> <p>In 2014, Belize Customs officers attended the following training:</p> <ul style="list-style-type: none"> • Tackling Contraband and Counterfeit Trade in Central America held over 3 days by the British Embassy in Costa Rica • Nuclear Detection Working Group Workshop held over 3 days by the United Nations in Mexico • International Border Interdiction Course held over 4 days by the United States in El Salvador <p>In February 2015, Deputy Comptrollers of Customs undertook self-study of trade-based money laundering, new payment methods, ML and illegal logging, and ML risks of commercial free zones.</p>	
3. Confiscation and provisional measures	LC	<ul style="list-style-type: none"> • The authorities should consider amending section 67 of the MLTPA to facilitate the making of ex parte applications for the seizure and detention of terrorist cash. 	<p>All recommendations met per 4th FUR</p> <p>Section 15 of Act 4 of 2013</p> <p>Seizure and freezing orders used to successfully co-operate with US authorities pursuant to MLAT request.</p> <p>Restraint application pending, as at 2 March 2015.</p>	
Preventive measures				
4. Secrecy laws consistent with the Recommendations	PC	<ul style="list-style-type: none"> • The designated supervisory authorities, the Central Bank, SOI, IFSC and Ministry of Finance should have the power to share information among themselves. • The IFSC should be able to access information from its supervised entities as necessary for carrying on its functions. 	<p>All recommendations met per 4th FUR</p> <p>Section 8 (a) (ii) of Act 4 of 2013</p> <p>Section 8 (b) of Act 4 of 2013</p>	
5. Customer due diligence	NC	<ul style="list-style-type: none"> • Regulation 4 of the MLPR and section 15(1) of the MLTPA should be amended to correct the inconsistency in the transaction threshold. 	<p>All recommendations met per 6th FUR</p> <p>Further instructions have been given to amend the MLTPA to correct the inconsistencies. There is a timeline of October 2013 for the amendments to be enacted.</p> <p>MLTPAA, section 6(a) makes recommended amendment; enacted and in force 7 Feb 2014.</p>	

	<ul style="list-style-type: none"> Financial institutions should be required to obtain proof of incorporation or similar evidence to verify legal status of corporate entities. Financial institutions should be required to verify legal status of legal arrangements such as trusts. Financial institutions should be required to take reasonable measures to understand the ownership and control structures of legal arrangements or determine who are the natural persons that ultimately own or control legal arrangements. Financial institutions should be required either in legislation or regulations to conduct ongoing due diligence on business relationships Financial institutions should be required to ensure that documents, data or information collected under the CDD process is kept up-to-date and relevant by undertaking reviews of existing records, particularly for higher risk categories of customers or business relationships Financial institutions should be required to perform enhanced due diligence for higher risk categories of customer, business relationship or transaction. Simplified CDD measures should be prohibited when there is a suspicion of money laundering or terrorist financing or specific higher risk scenarios 	<p>Section 3(a) (iii) of Act 4 of 2013. MLTPAA, section 6(b) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 3(a) (iii) of Act 4 of 2013 MLTPAA, section 6(b) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 3(a) (iii) of Act 4 of 2013 MLTPAA, section 6(b) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 3(a) (iv) of Act 4 of 2013 MLTPAA, section 6(c) – (d) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 3(b) of Act 4 of 2013 Instructions have been given to amend section 3(b) to impose an obligation to conduct ongoing reviews that will apply to all customers and particularly to higher risk category of customers or business relationships. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 6(c) – (d) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Further instructions to amend the MLTPA to deal with this issue. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 6(e) makes recommended amendment; enacted and in force 7 Feb 2014. Further instructions for an amendment to the MLTPA to prohibit simplified CDD where there is a suspicion of ML/TF or specific higher risk scenarios. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 6(f) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 3(a) (iv) (d) of Act 4 of 2013</p>	
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		<ul style="list-style-type: none"> Financial institutions should be required when completing the verification of the identity of the customer and beneficial owner following the establishment of the business relationship to ensure that the money laundering risks are effectively managed. Financial institutions should be required to adopt risk management procedures concerning the conditions under which a customer may utilise a business relationship prior to verification. Financial institutions should be required to consider making a suspicious transaction report when terminating an application for a business relationship or a one-off transaction due to inability to identify and verify the identity of the applicant. Financial institutions should be required to consider making a suspicious transaction report when terminating an existing account due to inability to identify and verify the identity of the applicant Financial institution which have doubts about the veracity or adequacy of previously obtained customer identification should be required to terminate the relationship and considering making a suspicious transaction report on failure to renew customer identification. 	<p>Section 3(d) of Act 4 of 2013 MLTPAA, section 6(h) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Instructions have been given to amend section 3(d) to place this requirement on all reporting entities. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 6(h) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 3(d) of Act 4 of 2013 Instructions have been given to amend section 3(d) to place this requirement on all reporting entities. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 6(h) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 3(f) of Act 4 of 2013 Section 3(d) of Act 4 of 2013 Instructions have been given to amend section 3(d) to place this requirement on all reporting entities. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 6(h) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>From 1 Jan. – 31 Dec 2014, reporting entities filed 51 STRs related to veracity or accuracy of CDD information.</p>	
6. Politically exposed persons	LC	<ul style="list-style-type: none"> Financial institutions should be required to obtain senior management approval to continue a business relationship with an existing customer or beneficial owner who subsequently becomes or is found to be a PEP Authorities should ensure that all financial institutions in Belize have in place systems to determine whether a potential customer, a customer or the beneficial owner is a politically exposed person. 	<p>All recommendations met per 4th FUR</p> <p>Implementation enhanced by MLTPAA s.6(g)</p> <p>Section 3(a) (iv) of Act 4 of 2013</p> <p>Section 3(a)(iv) of Act 4 of 2013</p>	

7. Correspondent banking	LC	<ul style="list-style-type: none"> Financial institutions should be required to ascertain whether a respondent institution has been subject to a money laundering or terrorist financing investigation or regulatory action. 	<p>Section 3(c) of Act 4 of 2013</p> <p>MLTPAA, section 6(g) makes recommended amendment; enacted and in force 7 Feb 2014.</p>	
8. New technologies & non face-to-face business	NC	<ul style="list-style-type: none"> Financial institutions should be required to have policies in place or to take measures to prevent the misuse of technological developments in money laundering or terrorism financing schemes. Financial institutions should be required to have in place policies and procedures to address specific risks associated with non-face to face business relationships or transactions, particularly when establishing customer relationships and when conducting ongoing due diligence 	<p>All recommendations met per 6th FUR</p> <p>Further instructions to amend the MLTPA to require financial institutions to have policies in place or take measures to prevent the misuse of technological developments in ML/TF schemes. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 9(b)(iii) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Further instructions to amend the MLTPA to require financial institutions to have in place policies and procedures in place to address specific risks associated with non-face to face business. Timeline for this action is June 2013. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 6(e) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>FIU analysts, Deputy Comptroller of Customs and CFZ supervisors engaged in self-study of ML risks of new payment methods, including stored value instruments.</p>	
9. Third parties and introducers	NC	<ul style="list-style-type: none"> Financial institutions relying on a third party should be required to immediately obtain from the third party the necessary information concerning the elements of the CDD process in criteria 5.3 to 5.6 Third parties or intermediaries should be regulated and supervised in accordance with the requirements of FATF Recs. 23, 24 and 29. Competent authorities should take into account information available on countries which adequately apply FATF Recs in determining which countries 	<p>All recommendations met per 6th FUR</p> <p>Section 3(e) (ii) of Act 4 of 2013 Further instructions to amend the MLTPA to require reporting entities to obtain from the third party, copies of identification data, information on ownership, in particular beneficial ownership, control structure, purpose and intended nature of business relationship. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 6(i) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 3(e)(i) of Act 4 of 2013 MLTPAA, section 6(i) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 3(e)(ii) of Act 4 of 2013 Further instructions to amend the MLTPA to require</p>	

		<p>third parties can be based.</p> <ul style="list-style-type: none"> The ultimate responsibility for customer identification and verification should remain with the financial institution relying on the third party 	<p>the competent authority to take into account information available on countries which adequately apply FATF Recommendations in determining which countries third parties can be based. There is a timeline of October 2013 for the amendments to be enacted.</p> <p>MLTPAA, section 4(b) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 3(e)(ii) of Act 4 of 2013</p>	
10.Record keeping	PC	<ul style="list-style-type: none"> Financial institutions under the supervision of the Central Bank, SOL the FIU and the IFSC should be required to ensure that all customer and transaction records and information are available on a timely basis to all domestic competent authorities upon appropriate authority. 	<p>All recommendations met per 4th FUR</p> <p>Section 4(b) of Act 4 of 2013</p>	
12.DNFBP – R.5, 6, 8-11	PC	<ul style="list-style-type: none"> Deficiencies identified in Recs.5, 6 and 8-11 in relation to the above recommendations would also be applicable to the DNFBPs since they are subject to the requirements of the MLTPA. Implementation of the specific recommendations in the relevant sections of this Report will also apply to listed DNFBPs The transaction threshold level for casinos should be amended in the MLTPA to comply with the requirements of Rec. 5 and Rec. 10. 	<p>Guidelines for DNFBP are now in effect. See actions taken in relation to R.5, 6 and 8-11. Updated guide, including sector specific guidance, in effect. See FIU website: https://www.fiubelize.org/images/DNFBPs Guide to Registration and Overview of Obligations with Form R101-Final.pdf</p> <p>MLTPAA, section 32 makes recommended amendment; enacted and in force 7 Feb 2014</p> <p>DNFBP Regulations, 2014 enacted and in force 7 Feb 2014.</p> <p>Further instructions to amend the MLTPA to comply with transaction threshold for casinos as stipulated in FATF Recommendations. There is a timeline of October 2013 for the amendments to be enacted.</p> <p>MLTPAA, section 7(d) makes recommended amendment; enacted and in force 7 Feb 2014</p> <p>The authorities note that Belize is now fully compliant with R. 5, 6 and 8-11. Further, pursuant to the 6th FUR, only one assessor recommendation remains outstanding in relation to R.12. Accordingly, the authorities would suggest that Belize is Largely Compliant with R.12 for the purposes of determining whether Belize meets the criteria to exit the FUP.</p>	
13.Suspicious transaction reporting	PC	<ul style="list-style-type: none"> The authorities should extend the range of predicate 	<p>All recommendations met per 6th FUR</p>	

		<p>offences for ML to include all the FATF designated categories of offences by criminalizing racketeering, illicit arms trafficking, illicit trafficking in stolen and other goods, hostage taking, smuggling, extortion, piracy and insider trading.</p> <ul style="list-style-type: none"> Specific guidance should be provided for reporting entities as to how to treat suspicious transactions involving tax matters 	<p>The range of substances set out in Table I and II of the Annex to the Vienna Convention is included in the Final Draft of the Misuse of Drugs (Amendment of Schedule) Order 2013. There is a timeline of September 2013 for this Order to be signed by the Minister and to enter into force.</p> <p>The Misuse of Drugs (Amendment) Order was enacted 2 November 2013.</p> <p>The Firearms (Amendment) Bill, 2013 and the Criminal Code (Amendment) Bill, 2013 was prepared. The Bill was introduced at the House of Representatives on August 7th, 2013 and was discussed at the House Committee meeting on August 19th, 2013 and has been recommended for a second reading in the House. There is a timeline of September 2013 for the Bills to be enacted.</p> <p>Criminal Code (Amendment) Act, 2013 created offences for (1) illicit arms trafficking (2) extortion (3) piracy and (4) insider trading and was enacted 2 December 2013.</p> <p>The same level of diligence and guidelines will be applied to STRs involving tax matters, but will additionally be corroborated with the General Sales Tax Department, as well as the Income and Business Tax Department.</p> <p>MLTPAA, section 8(b) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>In 2014, the CBB conducted training sessions on the reporting and other requirements imposed under the MLTPA as follows:</p> <ul style="list-style-type: none"> 1 domestic bank 1 credit union compliance officers 1 targeted staff of the Central Bank 3 money transfer services providers <ul style="list-style-type: none"> Suspicious Transaction Reporting Notes were provided to the insurance sector in November 2014 The Belize Credit Union League held a training session for credit unions in December 2014. FIU conducted training in AML/CFT obligations, including STR requirements, for Free Zone Businesses 16 Feb 2015. 	
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			<ul style="list-style-type: none"> • SOI has scheduled AML/CFT training for the insurers and intermediaries for April 2015. • STRs filed in 2014 included 17 STRs filed by non-banking entities and STR related to tax matters. 	
14. Protection & no tipping-off	LC	<ul style="list-style-type: none"> • There should be provision for protection against criminal, civil, disciplinary or administrative proceedings for breaches of banking or professional secrecy for reporting STRs even if the underlying criminal activity is not precisely known and regardless of whether illegal activity actually occurred. 	<p>Section 15 of the Financial Intelligence, as well as Section 81 and 82 of the MLTPA addresses this issue MLTPA section 17(12) provides as follows:</p> <p>(12) No criminal, civil, disciplinary or administrative proceedings for breach of banking or professional secrecy or contract may be instituted against the reporting entity, or its directors, principals, officers, partners or employees who in good faith submit reports or provide information in accordance with the provisions of this section. No criminal action for money laundering or financing of terrorism shall be brought against a reporting entity, or its directors, principals, officers, partners or employees in connection with the execution of a suspicious transaction where such entity or person complied with the provisions of this section.</p>	
15. Internal controls, compliance & audit	PC	<ul style="list-style-type: none"> • Financial institutions should be required to maintain adequately resourced, independent internal audit function which includes sample testing for compliance. • Financial institutions should be required to ensure timely access by the AML/CFT compliance officer and other appropriate staff to information necessary to consider the reporting of suspicious transactions. 	<p>All recommendations met per 6th FUR</p> <p>Section 6(b) of Act 4 of 2013 Further instructions to amend the MLTPA to include the requirement of 'adequately resourced' before independent internal audit function. There is a timeline of October 2013 for the amendment be enacted MLTPAA, section 9(c) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 6(d) of Act 4 of 2013</p>	
16. DNFBP – R.13-15 & 21	PC	<ul style="list-style-type: none"> • Deficiencies identified in Recs.13 to 15 and 21 in relation to the above recommendations would also be applicable to the DNFBPs since they are subject to the requirements of the MLTPA. Implementation of the specific recommendations in the relevant sections of 	<p>All recommendations met per 6th FUR</p> <ul style="list-style-type: none"> • Guidelines for DNFBP have been implemented to address these shortcomings. • The FIU commenced on-site inspections of DNFBPs and has completed this process with Casinos. 	

		<p>this Report will also apply to listed DNFBPs.</p>	<p>10 inspections have been executed on 5 casinos for the year 2012. The FIU has commended on-site inspections on the Casino's for the year 2013. 2 casinos have been inspected as of July 31st, 2013.</p> <ul style="list-style-type: none"> • The DNFBP Guidelines are now being implemented. The website for Belize FIU reflects that these Guidelines were issued in the last quarter of 2011. • The FIU has commenced the registration of certain sectors of DNFBPs that it supervises. As of July 2013, 209 DNFBPs have been registered. They are: <ol style="list-style-type: none"> 1) Vehicle Dealers – 20 2) Dealing in real estate – 39 3) Non-Governmental Organizations – 135 4) Dealing in precious metals & stones – 13 • The FIU has issued surveys to persons dealing in real estate and non-governmental organizations to assess risk and will commence on-site inspections of the other sectors of DNFBP's apart from casinos after the initial survey based assessment. • See actions taken in relation to R. 13 – 15 and 21. Updated guide, including sector specific guidance, in effect. See FIU website: https://www.fiubelize.org/images/DNFBPs Guide to Registration and Overview of Obligations with Form R101-Final.pdf • MLTPAA, section 32 makes recommended amendment; enacted and in force 7 Feb 2014. • DNFBP Regulations, 2014 enacted 7 Feb 2014 • As of 31 August 2014, 496 DNFBPs have registered with the FIU • On 12 July 2014, 236 notices were served on DNFBPs (other than sole practitioners) that had not applied for approval of the MLCO; since then, 101 DNFBPs have submitted applications as at 31 August. • On 16 Feb 2015, 135 free zone businesses attended training on AML/CFT obligations conducted by FIU Compliance Department. 	
17.Sanctions	NC	<ul style="list-style-type: none"> • Administrative fines under supervisory sanctions of subsection 22(1) should be dissuasive. 	<p>All recommendations met per 4th FUR</p> <p>Section 9(b) of Act 4 of 2013 MLTPAA, sections 13 and 14 make recommended</p>	

			amendment; enacted and in force 7 Feb 2014. All recommendations met per 6 th FUR	
18.Shell banks	PC	<ul style="list-style-type: none"> The authorities should enact measures that require financial institutions to satisfy themselves that a respondent financial institution in a foreign country does not permit its accounts to be used by shell banks 	<p>Section 3(c)(ii) of Act 4 of 2013 Further instructions to amend the MLTPA to completely prohibit accounts being used by shell banks. There is a timeline of October 2013 for the amendment to be enacted. MLTPAA, sections 6(g) and 6(j) make recommended amendment; enacted and in force 7 Feb 2014. BFIAA sections 2 and 4 also address recommendation; enacted and in force 7 Feb 2014.</p>	
19.Other forms of reporting	NC	<ul style="list-style-type: none"> Belize should consider the feasibility and utility of implementing a system where financial institutions report all transactions in currency above a fixed threshold to a national central agency with a computerized data base. 	<p>All recommendations met per 5th FUR</p> <p>On July 23rd, 2013 a meeting of the Money Laundering Committee was convened and the feasibility and utility of implementing a national system of all currency transactions above a fixed threshold was discussed and the motion not to adopt such a system was put to the committee. The motion is being fully considered by virtue of the Round Robin procedure. Belize considered implementation of a threshold reporting regime and determined it would not be feasible at this stage. DBFIAA section 3 reflects the outcome of Belize's consideration of threshold reporting; enacted and in force 7 Feb 2014.</p>	
21.Special attention for higher risk countries	PC	<ul style="list-style-type: none"> Measures should be put in place to ensure that financial institutions are advised of concerns about weaknesses in the AML/CFT systems of other countries. A mechanism should be in place to apply appropriate counter measures to countries that continue not to apply or insufficiently applies the FATF Recommendations. 	<p>All recommendations met per 6th FUR</p> <p>Section 6(a)(ii) of Act 4 of 2013 Further instructions to amend the MLTPA to require supervisory, regulatory or competent authority to put measures in place to ensure that financial institutions are advised of concerns about weaknesses in the AML/CFT systems of other countries. There is a timeline of September 2013 for the amendment to be enacted. MLTPAA, section 13(c) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 6(a)(ii) of Act 4 of 2013 Further instructions to amend the MLTPA to create a system of application of appropriate counter measures. There is a timeline of October 2013 for the amendment to be enacted. MLTPAA, section 13(c) makes recommended amendment; enacted and in force 7 Feb 2014.</p>	

			<p>In respect of each FATF and CFATF public notice issued, the FIU notifies all AML/CFT supervisors and DNFBPs of FATF and CFATF Public Notices via direct email and a notice posted on its website.</p> <p>Financial institutions are informed of, and instructed to be guided by, CFATF and FATF Public Statements by the CBB. Institutions are requested to indicate by a specific deadline after a Statement is issued whether they conduct business with any of the named jurisdictions and if so, what counter measures are implemented to mitigate the higher AML/CFT risks. Financial institutions have reported taking counter measures in response to Public Statements, including applying enhanced due diligence and severing ties where necessary.</p> <p>SOI shares the CFATF Public Notices with the Insurance Sector via email or by hard copy distribution is the public notice date is close to the SOI's Quarterly Industry Meeting date.</p>	
22.Foreign branches & subsidiaries	NC	<ul style="list-style-type: none"> The requirement that the reporting entity should ensure that their foreign branches and subsidiaries adopt and enforce measures consistent with the MLTPA to the extent that local laws and regulations so permit should be imposed by supervisory authorities. Financial institutions should be required to pay particular attention that their branches and subsidiaries in countries which do not or insufficiently apply FATF Recommendations observe AML/CFT measures consistent with home country requirements and the FATF Recommendations. Financial institutions should be required, where the minimum AML/CFT requirements of the home and host countries differ, to ensure that branches and subsidiaries in host countries apply the higher standard, to the extent that host country laws and regulations permit. 	<p>All recommendations met per 6th FUR</p> <p>Section 8(a)(i) of Act 4 of 2013</p> <p>Section 8(a)(i) of Act 4 of 2013 Further instructions to amend the MLTPA to make the requirement applicable to all reporting entities. There is a timeline of September 2013 for the amendments to be enacted. MLTPAA, section 13(e) makes recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 8(a)(i) of Act 4 of 2013</p> <p>Section 8(a)(i) of Act 4 of 2013</p>	

		<ul style="list-style-type: none"> The requirement for financial institutions to report to the designated supervisory or regulatory authority or the competent disciplinary authority where the foreign branch or subsidiary is unable to adopt and observe certain AML/CFT measures should be imposed by the supervisory authority. 		
23.Regulation, supervision and monitoring	PC	<ul style="list-style-type: none"> Changes in management or shareholding of insurance companies should be approved by the SOI on the basis of a fit and proper assessment. Applications for licences for associations of underwriters and insurance intermediaries should be subject to fit and proper assessment. Shareholders or owners of IFS practitioners should be subject to fit and proper assessment 	<p>All recommendations met per 6th FUR</p> <p>There are drafting instructions at the AG's Ministry for an Insurance Amendment Act that will incorporate the examiner's recommendations for fit and proper assessment for changes in management and shareholdings and application for licences for associations of underwriters and insurance intermediaries. There is a timeline of October 2013 for the amendments to be enacted.</p> <p>Insurance (Amendment) Act sections 4 and 5 make recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Compliance with first assessor recommendation enhanced by Insurance (Amendment) (No. 2) Act, No. 16 of 2014. All directors, shareholders and senior management must be approved as fit and proper by the SOI and application forms were revised to capture more detailed information.</p> <p>Insurance (Amendment) Act sections 6 and 7 make recommended amendment; enacted and in force 7 Feb 2014.</p> <p>The IFSC will draft and see the passage of amendments to section 4 of IFSC Licensing Regulations to require that shareholders or owners of IFS practitioners be subject to fit and proper assessments.</p> <p>IFSC (Licensing) (Amendment) Regulations, 2014 section 2 makes recommended amendment; enacted 7 and in force 7 February 2014.</p>	
24. DNFBP – regulation, supervision and monitoring	NC	<ul style="list-style-type: none"> Casinos should be subject to a comprehensive regulatory and supervisory regime that ensures they are effectively implementing the AML/CFT measures required under the FATF Recommendations. 	<p>Guidelines for DNFBP have been implemented to address these shortcomings. The FIU is in the process of drafting regulations to govern DNFBP. There is a timeline of September 2013 for the draft of the regulations.</p> <p>Updated guide, including sector specific guidance, in effect. See FIU website:</p>	

		<ul style="list-style-type: none"> • Designated supervisory for casinos should have the power to request regular reporting or access any information necessary to carry out its functions in particular monitoring. • Fines applicable by the designated supervisory authority under section 22(1) of the MLTPA should be dissuasive. • Information should be required on natural persons behind the corporate shareholders of applicants for licences for the provision of gaming facilities by hotels for their guests • There should be adequate measures in relation to the granting of licences for gaming premises and the use of gaming machines to prevent criminals or their associates from holding or being beneficial owner of a significant or controlling interest, holding a management function in or being an operator under these licences. • A comprehensive regulatory and supervisory regime to ensure effective implementation of AML/CFT measures required under the FATF Recommendations should be instituted for other DNFBPs except for trust and company service providers 	<p>https://www.fiubelize.org/images/DNFBPs Guide to Registration and Overview of Obligations with Form R101-Final.pdf DNFBP Regulations, 2014 enacted 7 Feb 2014.</p> <p>Casinos are presently submitting a month transaction report to the supervisory authority. Also Section 8(b) of Act 4 of 2013) gives the supervisory authority the power to obtain access to information, records, documents MLTPAA, sections 13 and 14 make recommended amendment; enacted and in force 7 Feb 2014.</p> <p>Section 9(b) of Act 4 of 2013</p> <p>In the process of drafting legislation to set up a Commission, who will be responsible for this action and also for new standards.</p> <p>Gaming Control (Amendment) Act, 2013 was brought into force on 15 October 2014. The Act requires information on natural person behind the corporate shareholders of applicants for licenses for the provision of gaming facilities. Amendments to Gaming Control Act was brought into force 15 October 2014.</p> <ul style="list-style-type: none"> • Guidelines for DNFBP have been implemented to address these shortcomings. The FIU is in the process of drafting regulation to govern DNFBP. There is a timeline of September 2013 for the draft of the regulations. • Updated guide, including sector specific guidance, in effect. See FIU website: https://www.fiubelize.org/images/DNFBPs Guide to Registration and Overview of Obligations with Form R101-Final.pdf • MLTPAA, section 32 makes relevant amendment; enacted and in force 7 Feb 2014. DNFBP Regulations, 2014 enacted 7 Feb 2014. • As of 31 October, 2014, 566 DNFBPs have registered with the FIU • FIU compliance officers sent out warning notices 	
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			<p>to registered DNFBPs in all sectors who had not nominated a money laundering compliance officer (MLCO). Of the 291 notices sent, 284 DNFBPs have responded positively and applied for approval of their MLCOs. Applications in respect of MLCO nominees who did not meet the fit and proper test were refused and new nominees were proposed.</p> <ul style="list-style-type: none"> • Additional personnel hired to assist the SOI with IFSC compliance functions. • Instructional Notes on making STRs published by FIU 31 August 2014; notes included red-flag indicators specific to DNFBP sectors. See https://www.fiubelize.org/images/Instructional%20Notes%20on%20Making%20STRs%20(V1%20Aug%202014).pdf. • As of 1 September 2014, the FIU secured the services of a former multinational financial institution executive in charge of implementing and supervising compliance programmes to head its Compliance Department, bringing the number of personnel in the Compliance Department to 3 and significantly enhancing the FIU's supervisory capacity. • On October 23, 2014, FIU compliance officers met with Free Zone supervisors and representatives of Free Zone businesses to address supervisory expectations and to remedy shortcomings in information provided on applications for registration and approval of MLCO. • FIU Compliance Department conducted training in AML/CFT obligations, including STR requirements, for 135 Free Zone Businesses 16 Feb 2015. • Since October 2014, FIU assisted Gaming Control Board and Corozal Free Zone Authority in conducting fit and proper assessments regarding 10 applicants for gaming licenses and 24 applicants for free zone business licenses. 	
25. Guidelines & Feedback	NC	<ul style="list-style-type: none"> • The FIU should provide general feedback to financial institutions with regard to statistics on the number of disclosures or information on current techniques, methods, trends and typologies. 	<p>All recommendations met per 6th FUR</p> <p>A database for the recording and management of information pertaining to STRs and Requests for Information has been created and in operation since June 2012.</p> <p>On June 26th and June 27th the FIU conducted meetings</p>	

		<ul style="list-style-type: none"> Guidelines should be issued for licensees of the SOI and IFSC 	<p>with all the Financial Institutions giving them general feedback based on reports generated from the database on the quality and information that they have provided in STRs. The FIU also gave feedback on statistics and typologies.</p> <p>The IFS practitioners refer to the regulations to guide the sector. The IFSC are in the process of drafting guidelines to regulate the sector. The SOI has issued guidelines to the insurance sector.</p> <p>Instructional Notes on making STRs published by FIU 31 August 2014, including sector specific guidance.</p> <p>On 18 and 25 February 2015, the FIU conducted meetings with reporting entities, including credit unions and offshore financial service providers, providing general feedback on STRs and current typologies.</p>	
Institutional and other measures				
26.The FIU	PC	<ul style="list-style-type: none"> Belize should consider providing a more secure location for its FIU, since information held at the FIU may be accessed by persons other than FIU staff, since the security officers of the Central Bank building has access to the FIU offices after work hours. The FIU should consider removing internet access from its server on which sensitive data and information is stored and establish a system where their server is stand alone. Consideration should be given to storing the FIU's server backups offsite. Measures should be considered to ensure the operational independence of the FIU 	<p>All recommendations met per 6th FUR</p> <p>On September 13th 2012, the FIU moved into its new building. The architecture of the permanent office is done in accordance with the security, staffing and record storing needs of the FIU.</p> <p>The professional staff essential to the core functions of the FIU has grown. The FIU currently employs 2 Legal Officers as of June 24th, 2013, 2 Financial Analysts as of June 24th, 2013, 1 Compliance Examiner, 1 Compliance Officer, 1 Senior Investigator, 4 Police Investigators and a floating officer. The FIU has hired a Network/ IT Systems Administrator since April 23, 2012. The investigative department of the FIU now has a legal offer dedicated to working in consultation with that department.</p> <p>As of 1 September 2014, the FIU secured the services of a former multinational financial institution executive in charge of implementing and supervising compliance programmes to head its Compliance Department, bringing the number of personnel in the Compliance Department to 3 and significantly enhancing the FIU's supervisory capacity.</p> <p>This has been done by the Systems Administrator. Our</p>	

		<ul style="list-style-type: none"> • The FIU should consider implementing a mechanism that allows for the provision of some level of feedback to financial institutions and DNFBPs that pertains to STRs submitted to it, requests made of these institutions, and the provision of information that contains trends, statistics and typologies. • • The FIU should consider making its Annual Report public and include statistics, typologies and trends as well as information regarding its activities in it. 	<p>server is stand alone and we also have two server back-up onsite, and one offsite</p> <p>FIU operates independently. Legislatively, the Minister approves the employment of staff, but this does not affect the independence of the FIU.</p> <p>FIU (Amendment) Act, 2014 implemented specific recommendations made by IMF to improve operational independence; enacted 7 Feb 2014.</p> <p>Mechanism presently in place categorizes STR by:</p> <ol style="list-style-type: none"> 1) the type of entity, 2) the name of the entity, 3) the type of suspicious transaction 4) Date of transaction 5) Subject of STR <p>These categorization may be used to generate feedback.</p> <p>On June 26th and June 27th the FIU conducted meetings with all the Financial Institutions giving them general feedback based on reports generated from the database on the quality and information that they have provided in STRs. The FIU also gave feedback on statistics and typologies.</p> <p>The FIU has undertaken a comprehensive outreach program on AML/CFT issues, which includes information on trends statistics and typologies, on a sector by sector basis. To date, the FIU has presented workshops to frontline employees of the banking and credit union sectors (July 22 and August 31, 2014). Additional workshops are planned for the offshore and DNFBP sectors.</p> <p>The FIU has compiled a draft of its Annual Report to be finalized for September 2013. Annual Report published 11 November 2013.</p> <p>In August 2014, the FIU published Instructive Notes on making STRs. These notes included extensive material on typologies and trends.</p> <p>FIU Compliance Department conducted training in AML/CFT obligations, including STR requirements, for 135 Free Zone Businesses 16 Feb 2015.</p> <p>On 18 and 25 February 2015, the FIU conducted</p>	
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			meetings with reporting entities, including credit unions and offshore financial service providers, providing general feedback on STRs and current typologies.	
27. Law enforcement authorities	PC	<ul style="list-style-type: none"> Belize should consider taking measures, whether legislative or otherwise, that allow competent authorities investigating ML cases to postpone or waive the arrest of suspected persons and/or the seizure of the money for the purpose of identifying persons involved in such activities or for evidence gathering. 	<p>All recommendations met per 6th FUR</p> <p>Section 4 of the Police Act, Chapter 138 of the Laws of Belize RE 2000, states that one of the functions of the police is the apprehension of offenders. There are no restrictions or limitations as to when to arrest an offender. Section 10 of Police Regulations Paragraph 6 of Police Standing Order (specifically item (c) and (g) The time of arrest is a tactical consideration taken into account by the investigating police after consultation with the legal officer of the FIU that works with investigative unit. The approach depends upon the circumstances of the case.</p> <p>MLTPAA, section 3 makes recommended amendment; enacted and in force 7 Feb 2014.</p>	
28 Powers of competent authorities	LC	<ul style="list-style-type: none"> The authorities should consider written provisions granting the FIU powers to be able to take witness statements for use in investigations and prosecutions of ML, FT and predicate offences in Belize 	<p>The Belize FIU is a hybrid FIU. Police officers are attached to the unit and these officers retain all their powers as a police officer and have the authority to take witness statements for use in investigations and prosecutions of ML, FT and predicate offences in Belize. The officers received instructions from the Director in executing their duties, but are still subjected to all the rules and regulations of the Belize Police Department</p> <p>The Interception of Communications (Amendment) Bill, 2013 has been prepared. This amendment will allow the Director of the FIU to make interception applications among the other orders pursuant to that act. The Bill was introduced at the House of Representatives on August 7th, 2013 and was discussed at the House Committee meeting on August 20th, 2013 and has been recommended for a second reading in the House. There is a timeline of September 2013 for the Bill to be enacted.</p> <p>Also see Recommendation 27</p> <p>This matter is specifically addressed in “Judges’ Rules: Being Guidelines for the Interviewing of Persons and Obtaining Statements from them while in Police Custody” issued pursuant to section 60 of the Supreme Court of Judicature Act - Chapter 82 of the Laws of</p>	

			<p>Belize. Judges Rules 2000. Rules 1.1 – 9.4. The Judges' Rules, 2000.</p> <p>R 1.1 When a police officer is trying to discover whether, or by whom an offence has been committed he is entitled to question any person, whether suspected of not, from whom he thinks that useful information may be obtained. The police officer can do this whether or not the person has been taken into custody provided he has not been charged with the offence or informed that he may be prosecuted for it.</p> <p>R 9.3 ...</p> <p>When a police officer writes the statement he must take down the exact words spoken by the person making it and he must not edit or paraphrase it. Any questions that are necessary (for example to make it more intelligible) and the answers give must be recorded contemporaneously on the statement form.</p> <p>The information provided above was not addressed in 6th FUR. The authorities would suggest that Belize is compliant with assessor recommendations for R.28 and request that this be clarified in the 7th FUR.</p>	
29.Supervisors	PC	<ul style="list-style-type: none"> The IFSC should implement AML/CFT on-site inspections of its reporting entities 	<p>All recommendations met per 6th FUR</p> <p>The IFSC has factored the hiring of additional staff and the execution of onsite inspections.</p> <p>SOI, designated by the IFSC to conduct onsite compliance inspections of IFSC licensees, completed inspections of all trust service providers, most of whom are also company service providers. The SOI reported high levels of compliance, including maintenance and availability of up to date beneficial ownership information. A report on general findings, including recommendations for disciplinary action in respect of deficiencies, was submitted to the General Director, IFSC. Reports specific to each service provider are forthcoming.</p> <p>Additional personnel hired to assist the SOI with IFSC compliance functions</p>	

		<ul style="list-style-type: none"> • IFSC should have the power to carry out on-site inspection of all its reporting entities. • The IFSC should have access or be able to compel production of records from all its reporting entities. 	<p>Following inspection of all trust service providers, IFSC has undertaken a more comprehensive onsite inspection schedule, with two compliance officers conducting approximately 10 inspections per month. To date, the IFSC has completed on-site inspections for approximately 23 licensed registered agents for IBCs, 6 licensed registered agents for LLCs and 1 agent for foundations. All on-site inspections ended with an exit interview, during which findings were discussed with the service provider. The vast majority of service providers visited were very co-operative in facilitating inspections and producing requested records and on a timely basis. Where deficiencies were noted, service providers were instructed during the exit interview as to what remedial measures they were expected to take.</p> <p>Section 6(1) of IFSC Act Section 23 of IFSC (Code of Conduct) Regulations Section 21(2) (a) MLTPA 2008 International Financial Services Commission (Amendment) Bill, 2013 was prepared. The Bill was introduced at the House of Representatives on August 7th, 2013 and was discussed at the House Committee meeting on August 26th, 2013 and has been recommended for a second reading in the House. There is a timeline of September 2013 for the Bills to be enacted. IFSC (Amendment) Act, 2013 section 2 makes recommended amendment; enacted and in force 9 Oct 2014.</p> <p>Section 8(b) of Act 4 of 2013.</p> <p>In 2014, 10 on-site examinations were conducted by the CBB as follows: 3 – domestic banks 2 – credit unions 5 – money transfer services providers</p> <p>Most financial institutions have strengthened their AML compliance program over the past year. Generally, shortcomings identified related to ongoing monitoring and adherence to KYC processes for which institutions were issued directives to ensure that corrective measures are taken. They were also required to put in place action plans to address matters</p>	
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			<p>within a specified timeframe.</p> <p>Off-site monitoring of banks and credit unions continued with the submission of monthly Financial Risk Assessment Returns which analyze customer base, profiles, products and services.</p> <p>In January and February 2015, CBB conducted three on-site examinations. Follow-up to those examinations is ongoing.</p> <p>SOI has conducted on-site inspection of all insurance companies. Directives were issued to insurers to update all CDD information on their policyholders. SOI provided industry with PR material to advise customers of CDD requirements. Industry is demonstrating a high level of compliance.</p> <p>FIU Compliance Department conducted training in AML/CFT obligations, including STR requirements, for 135 Free Zone Businesses 16 Feb 2015.</p>	
30.Resources, integrity and training	NC	<ul style="list-style-type: none"> • Belize should consider relocating the FIU to a larger office space with greater storage capacity to facilitate expansion and greater efficiency within the Unit. • The FIU should consider providing examiner specific training to FIU staff to facilitate them in carry out their functions as Supervisory Authority. • Belize should consider augmenting the staff at the FIU to allow it to effectively carry out its functions relative to ML, TF, Persecutor and that of Supervisory Authority. 	<p>On September 13th 2012, the FIU moved into its new building. The architecture of the permanent office is done in accordance with the security, staffing and record storing needs of the FIU. Also, the office provides room for additional employees and storage of physical records.</p> <p>Compliance Officer has completed ACAMS, and in January 2013, participated in the Egmont Group AML/CFT Supervisory Pilot Course. The Compliance Officer has completed received CFE certification in August 2013. The Director went to the 2013 Caribbean and Americas Forum on Financial Crime Prevention.</p> <p>In February 2015, Compliance Officers participated in in-service regarding supervisory powers and responsibilities under the MLTPA with focus on disciplinary actions and application of administrative sanctions.</p> <p>The professional staff essential to the core functions of the FIU has grown. The FIU currently employs 2 Legal Officers as of June 24th, 2013, 2 Financial Analysts as of June 24th, 2013, 1 Compliance Examiner, 1</p>	

		<ul style="list-style-type: none"> • Belize's Customs Department should consider conducting a more in-depth background check on officers applying to join the Customs Department. • Belize should consider augmenting the current staff complement of the Customs Department to allow it to effectively carry out its functions in all of Belize. • Belize should consider providing additional technical resources such as sniffer dogs, vehicles and computers and other equipment requested by Custom to allow it to effectively carry out its functions. 	<p>Compliance Officer, 1 Senior Investigator, 4 Police Investigators and a floating officer. The FIU has hired a Network/ IT Systems Administrator since April 23, 2012. The investigative department of the FIU now has a legal offer dedicated to working in consultation with that department. The staff has received technical assistance from the IMF to strengthen operations.</p> <p>As of 1 September 2014, the FIU secured the services of a former multinational financial institution executive in charge of implementing and supervising compliance programmes to head its Compliance Department, bringing the number of personnel in the Compliance Department to 3 and significantly enhancing the FIU's supervisory capacity.</p> <p>Training Seminar for Judges and Prosecutors in Money Laundering Control, Dec. 2nd - 4th, 2014, Port of Spain, attended by FIU Prosecutor, and 2 FIU Investigators.</p> <p>Customs Regulations (Amendment) Bill, 2013 was prepared. The Bill was introduced at the House of Representatives on August 7th, 2013 and was discussed at the House Committee meeting on August 19th, 2013. There is a timeline of September 2013 for the Bills to be enacted.</p> <p>Customs Regulations (Amendment) Act, 2013 enacted and in force 28 October 2013.</p> <p>Belize has a fully operational Belize Coast Guard Service with a fleet of 22 vessels to deal with Maritime issues among other things. They also work in collaboration with the Police Department and well as the Belize Defence Force.</p> <p>The Customs Department has become a part of the National Canine Unit. The Customs Canine Unit is comprised of three sniffer dogs. Additionally the Customs vehicle fleet used for patrol and covert operations has been increased by four.</p> <p>A Mobile Interdiction Team has also been formed, which includes immigration officers, customs officers, and police officers. This team works jointly with other law enforcement agencies to specifically target crimes/criminals involving drugs, money laundering,</p>	
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		<ul style="list-style-type: none"> • Belize should provide training to staff of the Customs Department in relation to money laundering (especially customs related offences that spawn ML cases) and terrorist financing. • Belize should consider providing ML/TF training to members of the ADU and the MCU. <ul style="list-style-type: none"> • Belize should consider procuring an additional engine in order to make the two (2) vessels in its maritime section functional. • Belize should consider augmenting the ADU to allow it effectively police Belize's 8866 square miles of land and sea. Though considerable strides have been made in the Unit's anti-drug efforts, inadequate staffing remains one of its major challenges. • Belize should consider providing greater office space to the MCU to facilitate it in carrying out of its functions. The ADU is equipped with one (1) vehicle, firearms and computers. • Belize should consider providing a wider array of technical resources to the MCU i.e. cameras, tape recorders and bullet proof vest to allow it to effectively carry out its functions. • Belize should consider developing a mechanism that provides training to members of the MCU on a more formal basis than what obtains currently which is mostly on the job training; especially when collaborating with the FIU in joint investigations. • Belize should consider providing training for judges 	<p>weapons, trafficking, criminal organizations, and border patrol.</p> <p>In 2014, Belize Customs added three officers and obtained security cameras, computers, printers, copiers and general office furniture. Customs main office is currently undergoing refurbishment as well.</p> <p>In 2014, Belize Customs officers attended the following training:</p> <ul style="list-style-type: none"> • Tackling Contraband and Counterfeit Trade in Central America held over 3 days by the British Embassy in Costa Rica • Nuclear Detection Working Group Workshop held over 3 days by the United Nations in Mexico • International Border Interdiction Course held over 4 days by the United States in El Salvador <p>In February 2015, Deputy Comptrollers of Customs undertook self-study of trade-based money laundering, new payment methods, ML and illegal logging, and ML risks of commercial free zones</p> <p>In June 2012, 17 vehicles were donated to the Belize Police Department to assist with crime scenes investigation, mobile patrol, and community policing. Also donated were 16 analogue/digital radios, batteries and charger to boost the communications system. In the same month, bullet proof vests, binoculars, and night vision glasses were also donated to the Belize Coast Guard service to assist with patrol and operations.</p> <p>AML/CFT, predicate offences, transnational crime, cyber-crimes training have been provided to members of the police force across the various units and branches on a formal and on-going basis.</p> <p>Nov/Dec 2014: Training on Criminal Procedure Rules and criminal justice reform agenda, Case File Management and Basic Investigative Techniques; delivered to all Police Supervisors (and senior police officers) in Belize by British High Commission, Criminal Justice Reform Consultant.</p> <p>Feb 2015: 2-week Train the Trainer training provided to 30 police officers, including FIU officers, on Police</p>	
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		<p>and courts concerning ML and FT offences, and the seizure, freezing and confiscation of property that is the proceeds of crime or is to be used to finance terrorism.</p> <ul style="list-style-type: none"> The human and other resources of the Ministry of Foreign Affairs/Office of the Attorney General should be strengthened to properly manage requests for international cooperation with foreign countries. 	<p>Guidelines on the Interviewing and Treatment of Persons in Police Detention, Criminal Procedure Rules, Interviewing Techniques and Case File Management for onward delivery to the rest of the Department.</p> <p>Training sponsored by the Central American Integration System (SICA) was held in October, 2013. This training targeted judges and judicial officers and was focused on Money Laundering.</p> <p>Nov/Dec 2014: Training on Criminal Procedure Rules delivered to the judiciary, magistracy, Crown Counsel, Defense Bar, social workers, forensic personnel by British High Commission Criminal Justice Reform Consultant.</p> <p>Handling of mutual legal assistance requests is now fully within the Attorney's General's Ministry. The AG Ministry has restructured and expanded to efficiently facilitate this process. The said Ministry has created an office for the handling of International Legal Affairs; and instituted a new position in its hierarchy as Deputy Solicitor General who is charged with the responsibility to head the new office.</p> <p>Recommendation re MFA/AGM addressed in MLA&ICA, enacted 7 Feb 2014.</p>	
31.National co-operation	NC	<ul style="list-style-type: none"> Belize should consider the formation of a special task force or group comprising various representatives of LEAs, focused on the development and implementation of policies and activities that would foster greater cooperation and coordination among these LEA entities in matters of ML and TF. 	<p>All recommendations met per 6th FUR</p> <p>A Task Force Committee has been established. This Committee is chaired by the FIU and has senior representations from various government institutions such as Customs, Central Bank, Police, IFSC, Immigration, Business Tax, Income Tax. The Task Force meets on the last Friday of every quarter.</p> <p>MLTPAA, section 26 established the AML Committee in law and established its remit; enacted and in force 7 Feb 2014.</p> <p>AML Committee Regulations, 2014 fully articulates membership and procedural issues; enacted and in force 7 Feb 2014.</p> <p>AML Committee met 18 June 2014 to consider issues related to national risk assessment. Further meeting scheduled for 3 September 2014.</p> <p>MOU between FIU and Central Bank signed on 7 July</p>	

			<p>2014.</p> <p>AML Committee met 24 September 2014 to consider issues related to Belize's progress toward enhancing compliance with international standards and additional actions required, training requirements and domestic co-operation.</p> <p>In February 2015, FIU and Corozal Free Zone Authority executed an MOU providing for co-operation and information sharing; FIU and Customs agreed in principle to enter into MOU.</p>	
32.Statistics	NC	<p>Statistics should be maintained on the following:</p> <ul style="list-style-type: none"> • Other formal requests for assistance made or received by the FIU, including whether the request was granted or refused. • Spontaneous referrals made by the FIU to foreign authorities • Formal requests for assistance made or received by supervisors relating to or including AMI/CFT including whether the request was granted or refused. <ul style="list-style-type: none"> • The authorities should develop a mechanism to review the effectiveness of their systems for combating money laundering and terrorist financing on a regular basis 	<p>A database system has been created and is being reviewed in order to comply with this recommendation. FIU and AGM/ILAD met to coordinate requirements re statistics on MLA and international co-operation and establish protocol re same.</p> <p>FIU Director met with Head of Belize National Statistics Institute to discuss assistance available to the FIU.</p> <p>From 1 January 2014 to date:</p> <ul style="list-style-type: none"> • The FIU received 79 requests for assistance. All of these requests were granted and some are ongoing. • The FIU made 3 requests for information, all of which were met. • The FIU made 1 spontaneous disclosure. <p>Further statistics provided on the 79 requests received.</p> <p>See statistics provided covering the periods of 2014 and the first 2 months of 2015.</p> <p>Immigration reports 14 requests for international co-operation, involving 25 persons, from January 2014 to date. Of these requests, 50% were completely successful (i.e. subjects located, detained and handed over to requesting authority). Of the remaining 50%, most were unsuccessful because there was no record of the subject individual entering Belize. The majority of all requests were resolved within 18 days or less. Predicate offences involved include sexual abuse of minors/child pornography, firearms offences, drug trafficking and fraud.</p>	

			<p>This mechanism exists in functions of the National AML Committee. Their legislatively specified duties include “advising the Minister in the development of policies to combat money laundering, terrorist financing and the financing of proliferation”. In order to advise the Minister, the Committee must necessarily review the effectiveness of Belize’s AML/CFT framework.</p>	
33. Legal persons – beneficial owners	NC	<ul style="list-style-type: none"> The authorities should consider implementing measures to ensure that the company register maintains adequate, reliable, and timely information on the beneficial ownership of registered companies. Registered agents should be subject to measures to ensure that the beneficial ownership information on IBCs that they maintain is adequate, reliable and timely 	<p>Further instructions to amend the Companies Act. There is a timeline of October 2013 for the amendments to be enacted. Companies (Amendment) Act, 2014 makes recommended amendments; enacted and in force 7 Feb 2014.</p> <p>SOI, designated by the IFSC to conduct onsite compliance inspections of IFSC licensees, completed inspections of all trust service providers, most of whom are also company service providers. The SOI reported high levels of compliance, including maintenance and availability of up to date beneficial ownership information. A report on general findings, including recommendations for disciplinary action in respect of deficiencies, was submitted to the General Director, IFSC.</p> <p>In cases where deficiencies were identified during on-site inspection, the General Director took disciplinary action in the form of issuing strong warnings. The IFSC confirms that the response to these warnings was positive and all identified deficiencies have been remedied. Further, the Authorities report that the IFSC has hired additional personnel and specifically assigned existing personnel to address supervisory functions. Additional personnel hired to assist the SOI with IFSC compliance functions.</p> <p>IFSC has hired additional personnel and specifically assigned existing personnel to address supervisory functions.</p> <p>Based on full and timely responses to requests for information and inspection observations, the IFSC reports availability of beneficial ownership information from registered agents is very high and the information</p>	

		<ul style="list-style-type: none"> There should be measures to ensure that bearer share warrants for local companies are not misused for money laundering. Registered agents should be subject to on-site inspections to ensure that the measures for the immobilisation of bearer shares of IBCs are adequate and reliable 	<p>provided or observed has been adequate, reliable and timely.</p> <p>Companies (Amendment) Act, 2013 section 5 prohibits the issue of bearer shares or share warrants; enacted and in force 9 Oct 2013.</p> <p>International Financial Services Commission (Amendment) Bill, 2013 was prepared. The Bill was introduced at the House of Representatives on August 7th, 2013 and was discussed at the House Committee meeting on August 26th, 2013 and has been recommended for a second reading in the House. There is a timeline of September 2013 for the Bills to be enacted.</p> <p>IFSC (Amendment) Act, 2013 enacted and in force 9 October 2014.</p> <p>Statutory Instrument 108 of 2012 dated December 8, 2012 requires registered agents to retain physical possession of bearer shares and requirements in dealing with professional intermediary</p>	
34. Legal arrangements – beneficial owners	NC	<ul style="list-style-type: none"> The authorities should consider making it a legal requirement for the registration of all domestic trusts created under the TA Financial institutions should be required to verify the legal status of legal arrangements such as trusts. The register of international trusts should include information on beneficiaries of trusts. The authorities should implement measures to ensure the scope and reliability of information on domestic 	<p>Trusts (Amendment) Bill, 2013 was prepared. The Bill was introduced at the House of Representatives on August 7th, 2013 and was discussed at the House Committee meeting on August 26th, 2013. There is a timeline of September 2013 for the Bills to be enacted.</p> <p>Trusts (Amendment) Act, 2013 enacted and in force 9 October 2014.</p> <p>Section 3(a)(iii) of Act 4 of 2013</p> <p>Section 3 of Trust Amendment Act 2007 See Trusts (Amendment) Bill, 2013 clause 5 Trusts (Amendment) Act, 2013 enacted and in force 9 October 2014. . Additional amendments requiring registration of identification information on beneficiaries have been drafted and are currently under consideration by IFSC Board and MoF; anticipated that amendments will be considered by National Assembly when it next meets.</p> <p>The authorities further considered proposed amendments to require registration of beneficiary information of international trusts. However, based on</p>	

		<p>and international trusts maintained by relevant DNFBPs and trust agents respectively.</p>	<p>the high levels of compliance demonstrated during onsite inspections of trust and company service providers, such an amendment was not considered necessary at this time.</p> <p>The FIU has commenced the registration of certain sectors of DNFBPs that it supervises. As of July 2013, 209 DNFBPs have been registered. They are:</p> <ol style="list-style-type: none"> 1) Vehicle Dealers – 20 2) Dealing in real estate – 39 3) Non-Governmental Organizations – 135 4) Dealing in precious metals & stones – 13 <p>The FIU has issued surveys to persons dealing in real estate and non-governmental organizations to assess risk and will commence on-site inspections of the other sectors of DNFBP's apart from casino's after the initial survey based assessment.</p> <p>Disciplinary action in the form of warning notices was taken against DNFBPs who had not appointed an approved MLCO. 97.5% of those contacted responded positively and are now compliant.</p> <p>FIU compliance officers also met with Free Zone supervisors and representatives of Free Zone businesses to address supervisory expectations and to remedy shortcomings in information provided on applications for registration and approval of MLCO.</p> <p>SOI, designated by the IFSC to conduct onsite compliance inspections of IFSC licensees, completed inspections of all trust service providers, most of whom are also company service providers. The SOI reported high levels of compliance, including maintenance and availability of up to date beneficial ownership information. A report on general findings, including recommendations for disciplinary action in respect of deficiencies, was submitted to the General Director, IFSC.</p> <p>In cases where deficiencies were identified during on-site inspection, the General Director took disciplinary action in the form of issuing strong warnings. The IFSC confirms that the response to these warnings was positive and all identified deficiencies have been remedied. Further, the Authorities report that the IFSC has hired additional personnel and specifically assigned</p>	
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- The register of international foundations and registered agents should be required to maintain adequate, reliable and timely information on the control of foundations

			<p>existing personnel to address supervisory functions.</p> <p>Additional personnel hired to assist the SOI with IFSC compliance functions.</p> <p>The International Foundations (Amendment) Bill was prepared. The Bill was introduced at the House of Representatives on August 7th, 2013 and was discussed at the House Committee meeting on August 26th, 2013 and has been recommended for a second reading in the House. There is a timeline of September 2013 for the Bills to be enacted.</p> <p>International Foundations (Amendment) Act, 2013 enacted and in force 9 October 2014.</p> <p>FIU conducted training in AML/CFT obligations, including transparency of beneficial ownership, for 135 Free Zone Businesses 16 Feb 2015.</p>	
International Co-operation				
35. Conventions	PC	<ul style="list-style-type: none"> The authorities should consider promulgating legislation to fully implement Articles 8, 11, 15, 17 and 19 of the Vienna Convention, Articles 20, 24, 25, 30 and 31 of the Palermo Convention and Articles 6, 13, 14, 15 and 16 of the Terrorist Financing Convention. 	<p>All recommendations met per 6th FUR</p> <p>Further instructions issued to address this Recommendation by amending the MLTPA. There is a timeline of October 2013 for the amendments to be enacted.</p> <p>All articles have been implemented. See supplement to the Treaty Table.</p>	
36. Mutual legal assistance (MLA)	LC	<ul style="list-style-type: none"> The authorities should consider amending the Belize/USA Treaty Act to provide that a request for mutual legal assistance cannot be denied on the ground of secrecy or confidentiality. The authorities should consider establishing a single competent authority for the receipt and processing of requests for mutual legal assistance. 	<p>The Attorney General's Office, International Legal Affairs deal with MLAT requests. This department is headed by a Deputy Solicitor General, and has a staff of four Crown Counsels. MLAT agreements are dealt with on a country by country basis.</p> <p>Handling of mutual legal assistance requests is now fully within the Attorney's General's Ministry. The AG Ministry has restructured and expanded to efficiently facilitate this process. The said Ministry has created an office for the handling of International Legal Affairs; and instituted a new position in its hierarchy as Deputy Solicitor General who is charged with the responsibility to head the new office.</p> <p>MLA&ICA, 2014 establishes the AGM as the sole competent authority; enacted and in force 7 Feb 2014.</p> <p>See supplemental Treaty Table, Vienna Article 8.</p>	

		<ul style="list-style-type: none"> The authorities should consider making arrangements for the best venue for prosecuting defendants in cases where such may be facilitated in more than one country. 	Using powers provided under the MLA&ICA, Belize successfully froze funds and seized evidence in response to a request for MLA by the US FBI and DoJ related to indictments obtained in the US.	
37.Dual criminality	LC		Dual criminality not required under newly enacted MLA&ICA.	
38.MLA on confiscation and freezing	LC		<p>Further instructions issued to amend section 76 state that the Supreme Court and the other competent authorities shall expeditious handle requests for mutual assistance from other countries. There is a timeline of October 2013 for the amendments to be enacted.</p> <p>MLTPAA, sections 24 and 25 make amendments necessary to implement both recommendation; enacted and in force 7 Feb 2014.</p> <p>The new Part IVA of the MLTPA applies the 6th Schedule to external requests and the enforcement of external orders and the identification, freezing, seizure or confiscation of “relevant property”. Section 75A provides that property is “relevant property” if there are reasonable grounds to believe that it may be needed to satisfy an external order which has been or which may be made. This definition is sufficiently broad to include instrumentalities and property of corresponding value.</p> <p>Using powers provided under the MLA&ICA, Belize successfully froze funds and seized evidence in response to a request for MLA by the US FBI and DoJ related to indictments obtained in the US.</p>	
39.Extradition	PC	<ul style="list-style-type: none"> The authorities should consider enacting a single Extradition Act that seeks to simplify and expedite the procedures for extradition applications in Belize whilst safeguarding the rights of the defendant. The authorities should consider concluding extradition treaties with a broader range of countries. 	<p>Belize considered Assessor’s recommendations regarding R. 39 and a report was produced by AGM.</p> <p>A Committee for the Revision and Amendment to the Belize Extradition Act has been convened. The committee has determined that it will seek to amend the Extradition Act to include and update the procedure for extradition in order to simplify the procedure for extradition before, during and at the conclusion of the committal proceedings.</p> <p>The Belize-Mexico Extradition Treaty will be domesticated and brought into law by an amendment to the Extradition Act.</p> <p>The Law Library has recently been provided with</p>	

		<ul style="list-style-type: none"> The authorities should consider equipping the competent authority with the appropriate tools to efficiently manage requests for extraditions 	<p>updated resources regarding Extradition Law. There is a Crown Counsel responsible for Extradition. The Crown Counsel has been given access to research material in the area of Extradition and Mutual Legal Assistance.</p> <p>A task force is being constituted to undertake the necessary consultations and prepare instructions to implement the recommendations of the committee in relation to the Extradition Act and to make such revisions to the Mutual Legal Assistance and International Co-operation Act as may be required.</p> <p>Belize would strongly suggest that it has clearly demonstrated, with documentary evidence, that it has met the assessors' recommendations to consider updating the Extradition Act, executing a broader range of treaties and equipping the competent authority with appropriate tools.</p> <p>Immigration reports 14 requests for international co-operation, involving 25 persons, from January 2014 to date. Of these requests, 50% were completely successful (i.e. subjects located, detained and handed over to requesting authority). Of the remaining 50%, most were unsuccessful because there was no record of the subject individual entering Belize. The majority of all requests were resolved within 18 days or less. Predicate offences involved include sexual abuse of minors/child pornography, firearms offences, drug trafficking and fraud.</p>	
40. Other forms of co-operation	PC	<ul style="list-style-type: none"> Legislation should be created empowering the police, the customs authorities and other law enforcement agencies to undertake international cooperation inquiries for and on behalf of foreign countries; Legislation should be created empowering the Office of the Attorney General and the Ministry of Foreign Affairs to undertake international cooperation inquiries for and on behalf of foreign countries 	<p>All recommendations met per 6th FUR</p> <p>Handling of mutual legal assistance requests is now fully within the Attorney's General's Ministry. The AG Ministry has restructured and expanded to efficiently facilitate this process. The said Ministry has created an office for the handling of International Legal Affairs; and instituted a new position in its hierarchy as Deputy Solicitor General who is charged with the responsibility to head the new office.</p> <p>MLA&ICA, 2014 empowers the AGM to undertake international cooperation enquires; enacted and in force 7 Feb 2014.</p> <p>Immigration reports 14 requests for international co-operation, involving 25 persons, from January 2014 to date. Of these requests, 50% were completely</p>	

			<p>successful (i.e. subjects located, detained and handed over to requesting authority). Of the remaining 50%, most were unsuccessful because there was no record of the subject individual entering Belize. The majority of all requests were resolved within 18 days or less. Predicate offences involved include sexual abuse of minors/child pornography, firearms offences, drug trafficking and fraud.</p> <p>Customs reports multiple instances of international co-operation, including formal requests for assistance from India and Germany related to TBML and falsified invoices.</p> <p>During September and November 2014, Customs participated in joint operations with Mexico through GANSEF (Grupa de Alto Nivel sobre Seguridad Fronteriza). The aim of these operations was combating of contraband goods, drug trafficking and other illicit activities along the borders.</p> <p>In 2014, Belize Customs made numerous informal requests to suppliers located primarily in the US for assistance in authenticating documents to prevent TBML and non-payment of duties.</p>	
Nine Special Recommendations				
SR.I Implement UN instruments	PC	<ul style="list-style-type: none"> The authorities should consider promulgating legislation to fully implement Articles 8, 11, 15, 17 and 19 of the Vienna Convention, Articles 20,24,25,30 and 31 of the Palermo Convention and Articles 6, 13, 14, 15 and 16 of the Terrorist Financing Convention. 	<p>All recommendations met per 6th FUR</p> <p>Further instructions issued to address this Recommendation by amending the MLTPA. There is a timeline of October 2013 for the amendments to be enacted.</p> <p>All articles have been implemented. Please see supplement to the Treaty Table.</p>	
SR.II Criminalise terrorist financing	PC	<ul style="list-style-type: none"> The authorities should consider amending the definition of the word “funds” in section 2 (1) of the MLTPA to incorporate the qualifying terms “however acquired” and “in any form including electronic or digital” into the description of legal documents and instruments that prove a defendant’s title or interest in property. The authorities should consider amending section 68(3) of the MLTPA to include the range of ancillary offences set out under section 68(2) of the same Act. 	<p>All recommendations met per 6th FUR</p> <p>Section 2 of Act 4 of 2013 MLTPAA, section 2 makes recommended amendments; enacted and in force 7 Feb 2014.</p> <p>Section 16 of Act 4 of 2013</p> <p>Section 16 of Act 4 of 2013</p>	

		<ul style="list-style-type: none"> The authorities should consider amending section 68(1)(b) of the MLTPA to provide for the prosecution of a defendant who commits an ancillary terrorist financing offence in another jurisdiction. The authorities should consider making legislative amendments that would remove the constitutional concerns relating to the DPP and FIU's parallel jurisdiction to prosecute financing of terrorism matters in Belize. 	<p>In our jurisdiction, the FIU does all prosecuting of money laundering and other related offences. The Office of the DPP and the FIU work in collaboration with each other and there has not been any concern about conflicts. As a result, the jurisdiction has decided that the constitutional change required for this recommendation is not necessary. <i>Document recording that decision submitted for review.</i></p>	
SR.III Freeze and confiscate terrorist assets	PC	<ul style="list-style-type: none"> The authorities should consider amending section 76 of the MLTPA to provide that assistance rendered to a superior court or competent authority of another jurisdiction must be facilitated expeditiously by the Belizean counterparts. The authorities should consider promulgating legislation that would enable the authorities to publicly delist persons or entities in a timely manner. The authorities should consider promulgating legislation that requires competent authorities to communicate to the financial sector actions taken under the freezing mechanisms in essential criteria III.1 to III.3. The definition of terrorist property in the MLTPA should extend to property jointly owned or controlled directly or indirectly by terrorists, those who finance terrorism or terrorist organisations or property derived or generated from funds or other assets owned or controlled directly or indirectly by terrorists, those who finance terrorism or terrorist organisations The authorities should consider amending section 40 	<p>All recommendations met per 6th FUR</p> <p>Further instructions issued to amend section 76 state that the Supreme Court and the other competent authorities shall expeditious handle requests for mutual assistance from other countries. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 24 makes recommended amendments; enacted and in force 7 Feb 2014. Further instructions issued to allow authorities to publicly delist persons or entities in a timely manner. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 23 makes recommended amendments; enacted and in force 7 Feb 2014.</p> <p>Further instructions issued to amend the MLTPA to require competent authorities to communicate to the financial sector actions taken under the freezing mechanisms in essential criteria III.1 to III.3. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 25 makes recommended amendments; enacted and in force 7 Feb 2014.</p> <p>Further instructions issued to extend the definition of "terrorist property" in the MLTPA to include the recommendation. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 2 makes recommended amendments; enacted and in force 7 Feb 2014.</p> <p>Section 14 of Act 4 of 2013.</p>	

		<p>(2) of the MLTPA to exclude from its ambit the reasonable living expenses of an applicant's dependants and an applicant's debts incurred in good faith.</p> <ul style="list-style-type: none"> Designated supervisory authorities should be required to monitor compliance with the provisions concerning SRIII The authorities should consider providing reporting entities with clear guidance as it relates to their obligations for the freezing of funds belonging to terrorists on the United Nations designated list. The authorities should consider amending section 67 (1) of the MLTPA to enable an affected party to apply to the court for relief against an order seizing and detaining terrorist cash. 	<p>Further instructions issued to amend section 67 (1) of the MLTPA. There is a timeline of October 2013 for the amendments to be enacted.</p> <p>MLTPAA, section 14 makes recommended amendments; enacted and in force 7 Feb 2014.</p> <p>MLTPAA, section 22 makes recommended amendments; enacted and in force 7 Feb 2014.</p>	
SR.IV Suspicious transaction reporting	PC		<p>Statistics demonstrating STR reporting since 2009 up to June, 2013 provided for review.</p> <p>Outreach and training has been conducted and is planned for non-bank reporting entities.</p> <p>Choice Bank Limited has conducted AML/CFT training in November 2013 for Company Service Providers.</p> <p>A seminar for insurance companies and insurance intermediaries on AML/CFT and Fraud is scheduled to be conducted from 4-6 Mar, 2014.</p> <p>The FIU has prepared a guide for registration and an overview of obligations for DNFBPs. Updated guide, including sector specific guidance and typologies, in effect. See FIU website: https://www.fiubelize.org/images/DNFBPs_Guide_to_Registration_and_Overview_of_Obligations_with_Form_R101-Final.pdf</p> <ul style="list-style-type: none"> On 31 July 2014, Central Bank conducted training regarding compliance with AML/CFT obligations, 	

			<p>including the duty to make STRs.</p> <ul style="list-style-type: none"> • The FIU has published guidelines for DNFBPs, including sector specific guidance on suspicious transaction “red flag” indicators. • The FIU has prepared guidelines specific to STRs and is conducting workshops based on same. The document is published on the FIU website: https://www.fiubelize.org/images/Instructional%20Notes%20on%20Making%20STRs%20(V1%20Aug%202014).pdf The first workshop was conducted on 30 August for over 50 people, representing all the credit unions doing business in Belize. A second workshop was held on 8 October and the Director has made presentations to various industry gatherings. • The number of STRs has steadily increased since 2010, particularly in the banking sector. However, since the supervisory authorities began conducting outreach to the non-banking sectors, including insurance and DNFBPs, the number of STRs from non-banking entities has increased substantially. From May 2014 to date, non-bank reporting entities have submitted 6 STRs, compared to 13 for all of 2013, 8 in 2012 and 2 in 2011. • As noted above, the FIU continues its outreach programme and authorities strongly believe the trend of increased ST reporting, particularly by non-banking entities, will continue. • STR reporting by non-bank entities continued to increase in 2014, with non-banking entities making 17 STRs, up from 13 in 2013, 8 in 2012, and 2 in 2011. • As indicated in the 6th FUR, Belize is fully compliant with the recommendations made in reference to R.13, which addresses STRs. Given that the same factor is listed as the underlying deficiency for both R.13 and SR.IV, and that no recommendations were made by assessors for SR.IV, Belize would strongly suggest that it is likewise compliant with SR.IV. • In 2014, the CBB conducted training sessions on the requirements of the reporting and other requirements imposed under the MLTPA as follows: <ul style="list-style-type: none"> ○ 1 domestic bank 	
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			<ul style="list-style-type: none"> ○ 1 credit union compliance officers ○ 1 targeted staff of the Central Bank ○ 3 money transfer services providers <ul style="list-style-type: none"> • Suspicious Transaction Reporting Notes were provided to the insurance sector in November 2014 • The Belize Credit Union League held a training session for a credit union in December 2014. • FIU conducted training in AML/CFT obligations, including STR requirements, for Free Zone Businesses 16 Feb 2015. • SOI has scheduled AML/CFT training for the insurers and intermediaries for April 2015. 	
SR.V International co-operation	NC	<ul style="list-style-type: none"> • The legislative and other deficiencies noted throughout this report in the areas of financing of terrorism, terrorism and terrorist organisations should be remedied to facilitate for improved international cooperation in these areas. • The noted deficiencies concerning extradition in Belize should be remedied to facilitate improved international cooperation that is consistent with Special Recommendation V. 	<p>Handling of mutual legal assistance requests is now fully within the Attorney's General's Ministry. The AG Ministry has restructured and expanded to efficiently facilitate this process. The said Ministry has created an office for the handling of International Legal Affairs; and instituted a new position in its hierarchy as Deputy Solicitor General who is charged with the responsibility to head the new office.</p> <p>MLA&ICA, 2014 empowers the AGM to undertake international cooperation enquires, including matters related to TF; enacted and in force 7 Feb 2014.</p> <p>Belize considered Assessor's recommendations regarding R. 39 and a report was produced by AGM.</p> <p>A Committee for the Revision and Amendment to the Belize Extradition Act has been convened. The committee has determined that it will seek to amend the Extradition Act to include and update the procedure for extradition in order to simplify the procedure for extradition before, during and at the conclusion of the committal proceedings. (Memo from Hon. AG attached to 6th FUR matrix).</p> <p>The Belize-Mexico Extradition Treaty will be domesticated and brought into law by an amendment to the Extradition Act. (Memo from Hon. AG attached to 6th FUR matrix).</p> <p>The Law Library has recently been provided with</p>	

			<p>updated resources regarding Extradition Law. There is a Crown Counsel responsible for Extradition. The Crown Counsel has been given access to research material in the area of Extradition and Mutual Legal Assistance.</p> <p>A task force is being constituted to undertake the necessary consultations and prepare instructions to implement the recommendations of the committee in relation to the Extradition Act and to make such revisions to the Mutual Legal Assistance and International Co-operation Act as may be required. TORs submitted.</p> <p>Belize would strongly suggest that it has clearly demonstrated, with documentary evidence, that it has met the assessors' recommendations to consider updating the Extradition Act, executing a broader range of treaties and equipping the competent authority with appropriate tools.</p>	
SR VI AML requirements for money/value transfer services	PC	<ul style="list-style-type: none"> Supervisory fines under the MLTPA should be dissuasive. 	<p>All recommendations met per 4th FUR</p> <p>Section 9 of Act 4 of 2013 MLTPAA, sections 13 and 14 make recommended amendments; enacted and in force 7 Feb 2014</p>	
SR VII Wire transfer rules	NC	<ul style="list-style-type: none"> The definition of originator information should include the originator's address or a national identity number, customer identification number or date and place of birth A receiving intermediary financial institution should be required to keep records (for five years) of all information received from an ordering financial institution in the case where technical limitations would prevent the full originator information that should accompany a cross border wire transfer from being transmitted with a related domestic wire transfer. Beneficiary financial institutions should be required to adopt effective risk-based procedures for 	<p>All recommendations met per 6th FUR</p> <p>Section 7 of Act 4 of 2013 MLTPAA, section 11 makes recommended amendments; enacted and in force 7 Feb 2014.</p> <p>Section 4 of Act 4 of 2013-02-27 Instructions have been given to amend section 3(b) to impose an obligation to keep records for 5 years of all information received from an ordering financial institution in the case where technical limitations would prevent the full originator information that should accompany a cross border wire transfer from being transmitted with a related domestic wire transfer. There is a timeline of October 2013 for the amendments to be enacted. MLTPAA, section 7(a) and (b) makes recommended amendments; enacted and in force 7 Feb 2014.</p> <p>Section 5(a) of Act 4 of 2013-02-27</p>	

		<p>identifying and handling wire transfers that are not accompanied by complete originator information.</p> <ul style="list-style-type: none"> • The fine penalty of section 19(5) of the MLTPA should be dissuasive and applicable to directors and senior management 	<p>Section 7(c) of Act 4 of 2013</p>	
SR.VIII Non-profit organisations	NC	<ul style="list-style-type: none"> • The authorities should consider undertaking a review of the adequacy of Belize's laws relating to NPOs with a view to determine the sector's susceptibility to being used by terrorist organisations or for terrorist activities. • The authorities should consider implementing an outreach programme to the NPO sector Belize to raise awareness about the risks of terrorist abuse and the available measures to protect against such abuse and promote transparency, accountability, integrity and public confidence in the administration and management of all NPOs. • The authorities should implement measures to monitor or supervise NPOs and churches incorporated under the Companies Act • The authorities should promulgating legislation that authorises public access to NGO information duly retained by the registrar. • The authorities should consider promulgating legislation that imposes other criminal, civil or administrative sanctions for violations of oversight measures or rules relating to NGOs further to those prescribed under section 18 of the NGOA. 	<p>All recommendations met per 6th FUR</p> <p>Section 20 of Act 4 of 2013</p> <p>The FIU has engaged in a direct mailing programme to advise NPOs and NGOs of the need to register; FIU has published an informational brochure targeting NPOs and NGOs.</p> <p>The First schedule is to be amended to make Non-Profit Organizations subject to the MLTPA.. There is a timeline of October 2013 for the amendments to be enacted.</p> <p>MLTPAA, sections 2 and 32 make amendments needed to implement recommendation; enacted and in force 7 Feb 2014.</p> <p>Non-Governmental Organizations (Amendment) Bill, 2013 was prepared. The Bill was introduced at the House of Representatives on August 7th, 2013 and was discussed at the House Committee meeting on August 20th, 2013 and has been recommended for a second reading in the House. There is a timeline of September 2013 for the Bills to be enacted.</p> <p>Non-Governmental Organizations (Amendment) Bill, 2013 was prepared. The Bill was introduced at the House of Representatives on August 7th, 2013 and was discussed at the House Committee meeting on August 20th, 2013 and has been recommended for a second reading in the House. There is a timeline of September 2013 for the Bills to be enacted.</p> <p>MLTPAA, sections 2 and 32 make amendments needed to implement recommendation; enacted and in force 7 Feb 2014.</p>	

		<ul style="list-style-type: none"> The authorities should consider enacting legislation requiring NGOs to maintain records of their domestic and international transactions for a minimum period of five years. The authorities should implement measures to ensure effective cooperation, coordination and information sharing between the FIU and the RNGO. 	<p>Non-Governmental Organizations (Amendment) Bill, 2013 was prepared. The Bill was introduced at the House of Representatives on August 7th, 2013 and was discussed at the House Committee meeting on August 20th, 2013 and has been recommended for a second reading in the House. There is a timeline of September 2013 for the Bills to be enacted.</p> <p>Non-Governmental Organizations (Amendment) Bill, 2013 was prepared and introduced in the House on August 7th, 2013. It was discussed at the House Committee meeting on August 20th, 2013 and has been recommended for second reading. There is a timeline of September 2013 for the Bills to be enacted. MLTPAA, sections 2 and 32 make amendments needed to implement recommendation; enacted and in force 7 Feb 2014.</p> <p>NPO/NGO registration information analysed for risk; schedule of on-site visits prepared and approved by FIU Director. It is anticipated all on-sites will be completed in the coming trimester of 2015.</p>	
SR.IX Cross Border Declaration & Disclosure	PC	<ul style="list-style-type: none"> The authorities should amend the MLTPA with a provision for the restraint of negotiable instruments. Section 38 of the MLTPA should be amended to allow for the seizure of currency of any amount. Penalties for making a false declaration or failure to make a declaration should be extended to directors and senior management of legal persons. The fine for legal persons who make a false declaration or fail to make a declaration should be made dissuasive. 	<p>All recommendations met per 6th FUR</p> <p>Section 13 of Act 4 of 2013</p> <p>Section 13 of Act 4 of 2013</p> <p>Instructions have been given to amend section 37 to provide for penalties for making a false declaration or failure to make a declaration to be extended to directors and senior management of legal persons and for the penalty for legal persons to be dissuasive. There is a timeline of October 2013 for the amendments to be enacted.</p> <p>MLTPAA, section 18 make amendments needed to implement the two outstanding recommendations; enacted and in force 7 Feb 2014.</p> <p>FIU and Customs are, as at March 2015, working</p>	

			together to update the cross-border movement of cash reporting form and enhance co-ordination and efficiency of the cash declaration system.	
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