2024

ANNUAL REPORT
& STATEMENT OF ACCOUNTS

www.centralbank.org.bz

CENTRAL BANK of BELIZE

1 Gabourel Lane
P.O. Box 852
Belize City, Belize

CENTRAL BANK of BELIZE

Submitted to the Minister of Finance, in accordance with Section 58 of the Central Bank of Belize Act, Chapter 262, Revised Edition 2020.

CENTRAL BANK OF BELIZE

FORTY-THIRD ANNUAL REPORT
&
STATEMENT OF ACCOUNTS

FOR THE YEAR ENDING
31 DECEMBER 2024

CATALOGUING-IN-PUBLICATION DATA

Annual Report and Statement of Accounts for the year ending ... / Central Bank of Belize. Belize City, Belize : Central Bank of Belize, 2024.

v.; ill; 28 cm.

ISSN 2305 - 7106 (print)

2305 - 5529 (online)

1. Central Bank of Belize - Periodicals. 2. Finance - Periodicals - Belize. 3. Banks and Banking, Central - Periodicals - Belize. I. Title. II. Central Bank of Belize.

HG 2728 C45a 2024

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MISSION

To promote the stability of monetary and financial systems for the wellbeing of Belize.

VISION

A model Central Bank committed in service to the people of Belize.

LIST OF ACRONYMS AND ABBREVIATIONS

APSSS	Automated Payment and Securities Settlement System
AML/CFT/CPF	Anti-Money Laundering/ Combatting the Financing of Terrorism/Countering Proliferation Financing
BSI/ASR	Belize Sugar Industries Limited/ American Sugar Refining
BTB	Belize Tourism Board
CAR	Capital adequacy ratio
CARICOM	Caribbean Community
CDB	Caribbean Development Bank
CFZ	Commercial Free Zone
CISS	Composite Indicator of Systemic Stress
COVID-19	Coronavirus Disease 2019
CPI	Consumer price index
FOB	Free on board
FY	Fiscal year
GDP	Gross domestic product
Government	Government of Belize
IAUD	Internal Audit Department
ITD	Information Technology Department
IDB	Inter-American Development Bank
IMF	International Monetary Fund
LFS	Labour Force Survey
M1	Narrow money supply
M2	Broad money supply
MLTPA	Money Laundering and Terrorism (Prevention) Act
MOF	Ministry of Finance
NFIS	National Financial Inclusion Strategy
NPL	Non-performing loan
OFID	OPEC Fund for International Development
PBL	Port of Belize Limited
READ	Research and Economic Analysis Department
ROA	Return on assets
ROC/Taiwan	Republic of China/Taiwan
ROE	Return on equity
SIB	Statistical Institute of Belize
SWIFT	Society for Worldwide Interbank Financial Telecommunications
T-bills	Treasury bills
T-notes	Treasury notes
UK	United Kingdom
US	United States of America

Abbreviations:

$	Belize dollar unless otherwise stated
bn	billion
mn	million
ps	pounds of solids
RHS	Right hand side
LHS	Left hand side
n.a.	not available or applicable
n.i.e.	not included elsewhere

Conventions:

1. Since May 1976, the Belize dollar has been fixed to the US dollar at the rate of US$1.00 = BZ$2.00.
2. The 2024 figures in this report are provisional and figures for 2023 may have been revised.
3. Unless otherwise indicated, the Central Bank of Belize is the source of all tables and charts.

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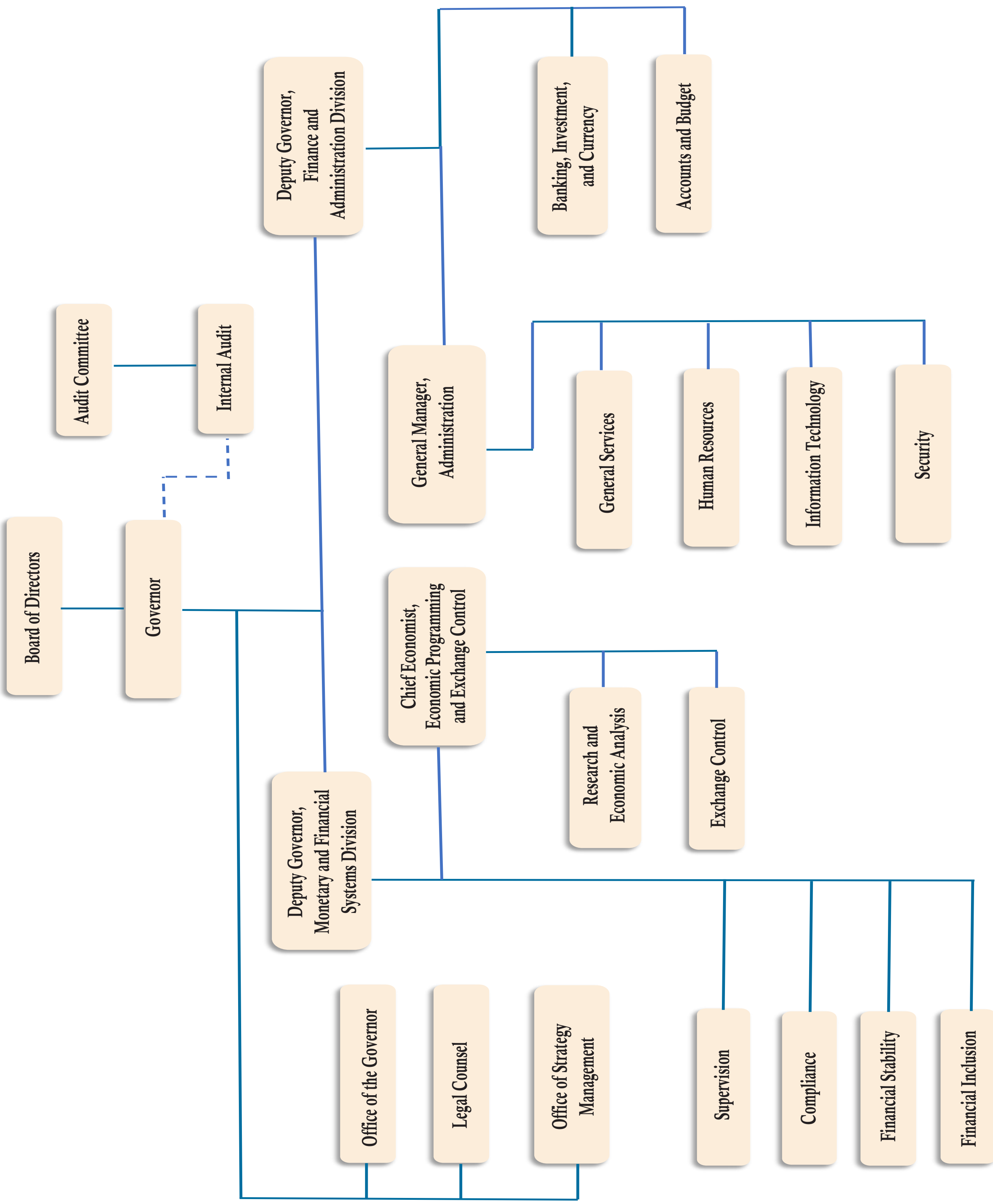


FUNCTIONS OF DEPARTMENTS AND UNITS

At 31 December 2024

Internal Audit Department ***Mr. Benedict Terry***	Enhances and protects organisational value by providing risk-based, objective assurance, advice, and insight, while providing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes
Legal Counsel ***Ms. Jamila Alleyne***	Provides legal advice, strategic policy support, and corporate secretariat services
Office of Strategy Management ***Ms. Jacqueline Dragone***	Supports the development, execution, and monitoring of the Central Bank's approved strategic objectives by employing industry-leading best practices and methodologies in communication, content management, project oversight, and strategy management
Human Resources Department ***Mrs. Rachelle Reyes***	Promotes efficiency, productivity, employee and organisational development, and job satisfaction by fostering a performance culture and positive work environment that advances the successful attainment of the Central Bank's strategic objectives
Research and Economic Analysis Department ***Dr. Ian M. McMillan***	Acts as the monetary policy and economic intelligence arm of the Central Bank by producing critical macroeconomic statistics and analyses of economic developments in Belize for internal and external stakeholders
Supervision Department ***Mrs. Diane Gongora***	Implements efficient supervisory and regulatory mechanisms (for banks, credit unions, and other financial institutions, such as moneylenders and payment service providers and operators) to ensure that financial services and products are provided in a safe and sound manner, public confidence in the financial sector is maintained, and the interests of depositors are protected
Compliance Department ***Mrs. Carolyn Morris***	Ensures that regulated institutions (banks, credit unions, moneylenders, payment service providers, and payment system operators) maintain an effective programme for anti-money laundering, combatting the financing of terrorism, and countering proliferation financing (AML/CFT/CPF) in accordance with the Money Laundering and Terrorism (Prevention) Act (MLTPA) and accompanying guidance, and that the Board-approved internal AML/CFT/CPF Compliance Program is aligned with international standards

FUNCTIONS OF DEPARTMENTS AND UNITS *(continued)*

At 31 December 2024

Exchange Control Department ***Ms. Giselle Waight***	Provides administrative controls for maintaining the fixed exchange rate regime, while processing and monitoring current foreign exchange transactions in accordance with the Exchange Control Regulations, approving applications for justifiable foreign-denominated investments, providing confirmation of notices for transactions involving securities and property transfers, and participating in the management of the country's foreign exchange resources
Financial Stability Unit ***Mr. Barrington Sutherland***	Conducts macroprudential surveillance to monitor and mitigate systemic risks
General Services Department ***Mr. Raul Avila***	Provides administrative, corporate, facilities, and records management services, and a high standard of support services to enable departments and units to achieve their goals and objectives in a safe and comfortable environment
Information Technology Department ***Mr. Marcos Marin***	Governs the Central Bank's information systems and the strategic use of information, communication, and infrastructure, while ensuring the secure, efficient, and effective use of information technology to enhance the Central Bank's functions and operations
Security Department ***Mr. Francis Thomas***	Protects the Central Bank's staff, property, and members of the public who come to the Central Bank, while analysing potential threats to the Central Bank's security and devising strategies for avoiding or mitigating all such risks
Banking, Investment, and Currency Department ***Ms. Michelle Estell***	Manages the issuance of the Central Bank's notes and coins and provides payment services for the Government and financial institutions, while supporting the management of the Central Bank's foreign reserves and administrating the trading of Government securities
Accounts and Budget Department ***Ms. Wendy Gillett***	Ensures the integrity of the Central Bank's financial information by preparing and presenting its financial statements following International Financial Reporting Standards and the laws of Belize, while preparing the Central Bank's budget, managing the accounting records, and performing procurement and payment functions

DIRECTORS AND PRINCIPALS
At 31 December 2024

Board of Directors

Mr. Sydney Campbell - Executive Chairman

Mr. Joseph Waight - Vice-Chairman/Financial Secretary (*ex officio*)

Mr. Giacomo Sanchez - Member

Mrs. Sol Espejo-Molina - Member

Mrs. Dawn Sampson Nuñez - Member

Mr. Kareem Michael - Governor (*ex officio*)

Mr. Hollis Parham - Deputy Governor (*ex officio*)

Mrs. M. Laetitia Murillo - Deputy Governor (alternate)

Ms. Jamila Alleyne - Board Secretary

Principal Officers

Mr. Kareem Michael - Governor

Mrs. M. Laetitia Murillo - Deputy Governor, Monetary and Financial Systems

Mr. Hollis Parham - Deputy Governor, Finance and Administration

Mr. I. Rabey Cruz - General Manager, Administration

Mr. Emory Ford - Chief Economist, Economic Programming and Exchange Control

Ms. Jamila Alleyne - Legal Counsel

Mrs. Rachelle Reyes - Manager, Human Resources

Mr. Raul Avila - Manager, General Services

Mr. Marcos Marin - Manager, Information Technology

Ms. Wendy Gillett - Manager, Accounts and Budget

Mrs. Carolyn Morris - Manager, Compliance

Mr. Francis Thomas - Manager, Security

Dr. Ian M. McMillan - Manager, Research and Economic Analysis

Ms. Giselle Waight - Manager, Exchange Control

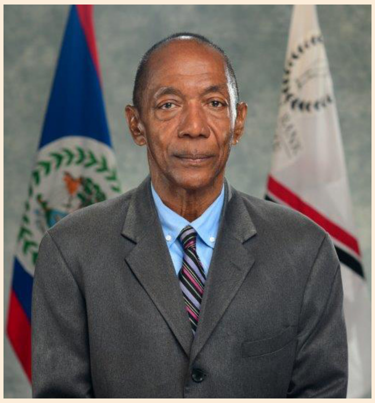
Mrs. Diane Gongora - Manager, Supervision

Ms. Michelle Estell - Manager, Banking, Investment, and Currency

Mr. Benedict Terry - Chief Internal Auditor

Ms. Jacqueline Dragone - Manager, Office of Strategy Management

EXECUTIVE MANAGEMENT



SYDNEY CAMPBELL
Executive Chairman

KAREEM MICHAEL
Governor

HOLLIS PARHAM
Deputy Governor
Finance and Administration

M. LAETITIA MURILLO
Deputy Governor
Monetary and Financial Systems

I. RABEY CRUZ
General Manager
Administration

EMORY FORD
Chief Economist
Economic Programming and
Exchange Control

MANAGEMENT


JAMILA ALLEYNE
Legal Counsel


RACHELLE REYES
Manager,
Human Resources


RAUL AVILA
Manager,
General Services


MARCOS MARIN
Manager,
Information
Technology

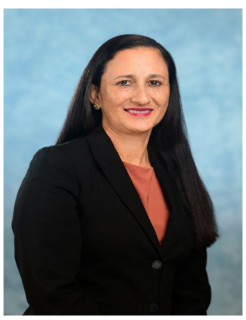

WENDY GILLETT
Manager,
Accounts and Budget


CAROLYN MORRIS
Manager, Compliance


FRANCIS THOMAS
Manager, Security


IAN M. MCMILLAN
Manager, Research and
Economic Analysis


GISELLE WAIGHT
Manager,
Exchange Control


DIANE GONGORA
Manager, Supervision


MICHELLE ESTELL
Manager, Banking,
Investment, and
Currency


BENEDICT TERRY
Chief Internal Auditor
Internal Audit


JACQUELINE DRAGONE
Manager, Office of
Strategy Management

GOVERNOR'S FOREWORD

I am honoured to present the 2024 Annual Report and Statement of Accounts for the Central Bank of Belize. The progress achieved throughout the year would not have been possible without the dedication and expertise of our exceptional staff. Their relentless efforts have been instrumental in advancing the Central Bank's mission, and I extend my deepest gratitude for their contributions.

The global economy was turbulent in 2024, challenged by heightened geopolitical tensions in the Middle East and Ukraine, climate-related disruptions, and financial uncertainties. Despite these pressures, advanced economies demonstrated resilience, particularly the United States. Meanwhile, Central American economies experienced a slowdown, and growth in the Caribbean was stable, amid a weaker external environment, climate-related challenges, and the impact of tight monetary policies in advanced countries aimed at curbing inflation. Notably, Guyana's economic growth skyrocketed, fuelled by its burgeoning oil sector.

Belize exhibited remarkable strength, achieving an 8.2% growth in real gross domestic product (GDP) in 2024, the highest in Central America and the Caribbean, excluding Guyana. The tertiary sector, driven by heightened tourism activities, expanded by 10.5%, while the secondary sector grew by 5.7%, supported by increased electricity generation and construction output. However, the primary sector contracted by 2.5%, affected by declines in marine output, grain production, cattle exports, and mining activities.

The average unemployment rate fell to a historic low of 2.5%, marking a significant improvement in the job market. Meanwhile, inflation eased to 3.3%, with the reduction in fuel prices and international freight costs. Exchange rate stability was maintained, standing firm as the Central Bank's gross official reserves strengthened, providing coverage for 3.9 months of merchandise imports at year end.

Despite Belize's robust economic performance, several macroeconomic challenges persisted. The ongoing contraction of the primary sector continued to hinder the country's growth momentum, and the downward trend in the labour force participation influenced employment dynamics. Inflation

GOVERNOR'S FOREWORD *(continued)*

continued to exceed long-term trends, both domestically and internationally, exerting significant downward pressure on the purchasing power of households and businesses. External pressures—including a widening merchandise trade deficit and increased debt-service costs—also persisted. Belize's resilience was further tested by severe wildfires and tropical storms Sara and Nadine, which resulted in the destruction of vast areas of tropical forest and extensive flooding. Addressing these challenges will require proactive policy measures, sustained investment in resilience-building initiatives, and a commitment to long-term sustainability to safeguard Belize's economic progress.

The performance of Belize's deposit-taking financial institutions reflected the sector's steady performance and resilience in a challenging economic environment. In 2024, the domestic banking sector recorded modest changes in key performance metrics, ending the year with return on assets and return on equity ratios at 1.48% and 13.3%, respectively. Additionally, the Caribbean Financial Action Task Force adopted Belize's Mutual Evaluation Report, which summarised the anti-money laundering and counter-terrorist financing measures in place and analysed the country's level of compliance and effectiveness against international standards. Remarkably, Belize achieved the highest global ratings for "Technical Compliance" and ranked third in "Effectiveness" within the Caribbean, underscoring the nation's robust efforts to implement anti-money laundering and financial security measures.

As part of our commitment to enhancing Belize's monetary and financial stability, the Central Bank's 2023-2027 Strategic Plan outlines key priorities focused on fostering resilience and sustainable economic growth. In 2024, several projects were undertaken centred around four strategic themes:

- **Under the Human Resource Excellence theme**, we implemented a new employee appraisal system aimed at enhancing efficiency, transparency, and fairness, and restructured several key departments, including Supervision and Exchange Control, to strengthen talent management and improve organisational alignment.

- **Under the Operational Excellence theme**, we initiated the design phase for constructing a new Central Bank building and upgraded several information technology systems, including the Automated Payment and Securities Settlement Systems (APSSS), the Society for Worldwide Interbank Financial Telecommunications (SWIFT) system, and an audit management system, to improve our organisational infrastructure and technological capabilities.

- **Under the Strategic Partnerships theme**, we hosted press briefings to provide updates on macroeconomic developments, financial stability matters, and key projects, and expanded our

GOVERNOR'S FOREWORD *(continued)*

financial inclusion outreach via the National Financial Inclusion Campaign, while collaborating with stakeholders to develop the Primary School Financial Training Guide to strengthen stakeholder engagement.

- **Under the Monetary and Financial Policy Execution theme**, we launched several projects, such as the establishment of a credit reporting system and the design of new currency notes; improved regulatory frameworks for payment and securities settlement systems and exchange controls; implemented the Basel II/III project to enhance risk management; and formalised the establishment of a Financial Stability Committee in partnership with the Office of the Supervisor of Insurance and Private Pensions and the Financial Services Commission, to bolster the resilience of the monetary and financial system.

By the end of 2024, the Central Bank achieved one-third of its strategic cycle objectives, making significant strides across multiple initiatives.

Looking ahead, we remain resolute in our commitment to strengthening Belize's financial system, promoting economic resilience, and fostering inclusive growth. The key projects and initiatives for 2025 that will be continued or undertaken to drive the Central Bank's mission include:

- Completing the refurbishment of office spaces at headquarters;
- Advancing construction of a new building adjacent to our headquarters;
- Completing the planned review of the organisation's structure;
- Issuing a new family of currency notes and coins;
- Finalising the drafting of new legislation for credit unions;
- Implementing several technology-based systems;
- Leveraging digital technologies and artificial intelligence;
- Formalising and establishing the credit reporting system; and
- Modernising the administration of exchange controls.

These efforts will ensure that we continue to cultivate a robust and dynamic financial environment for Belize. As Nelson Mandela wisely stated, "*It always seems impossible until it's done*." With collaboration and determination, we will persist in making progress towards achieving our objectives.

I sincerely thank the Board of Directors, stakeholders, partners, and dedicated staff—your unwavering support remains crucial to our success. Together, we will build a stronger and more resilient Belize.

Thank you for your trust and confidence in the Central Bank of Belize.


Photography by tonyrath.com

I. CENTRAL BANK OPERATIONS

GOVERNANCE

The Central Bank of Belize Act, 2020 (the Central Bank Act) prescribes the framework for the governance of the Central Bank of Belize (the Central Bank). As per the Central Bank Act, the Governor General appoints the Governor on the advice of the Prime Minister. The Minister of Finance appoints the Board of Directors (the Board), comprising three ex officio members—the Governor, a Deputy Governor, and the Financial Secretary—and at least three but no more than four other members. Appointed members are drawn from diverse backgrounds and are selected based on their competencies and qualifications, particularly in finance, accounting, economics, and law.

The Board, as the policymaking body of the Central Bank, holds significant authority and responsibility. It ensures compliance with all regulatory requirements, determines the strategic direction and budgetary allocations, makes critical decisions regarding resource allocation and appointments, and conducts thorough reviews of the organisation's performance and financial management.

The Governor, as the chief executive officer of the Central Bank, oversees the strategic management and day-to-day operations of the institution in accordance with the policies established by the Board.

Membership

During the year, there was a change in Board membership. On 4 January 2024, the Minister of Finance appointed Mrs. Dawn Sampson Nuñez to the Board, succeeding Mrs. Neri Matus.

Figure 1.1: Board of Directors

Standing from Left to Right | Giacomo Sanchez, Jamila Alleyne, Sol Espejo-Molina, M. Laetitia Murillo, Dawn Sampson Nuñez, and Hollis Parham
Seated from Left to Right | Kareem Michael, Sydney Campbell, and Joseph Waight

Table 1.1: Period of Appointment in 2024

Member	Position	Appointment Period
Mr. Sydney Campbell	Executive Chairman	January to December
Mr. Joseph Waight	Vice-Chairman/Financial Secretary (*ex officio*)	January to December
Mr. Giacomo Sanchez	Member	January to December
Mrs. Sol Espejo-Molina	Member	January to December
Mrs. Dawn Sampson Nuñez	Member	January to December
Mr. Kareem Michael	Governor (*ex officio*)	January to December
Mr. Hollis Parham	Deputy Governor (*ex officio*)	January to December
Mrs. M. Laetitia Murillo	Deputy Governor (alternate)	January to December

Meetings

The Board is required to meet at least 10 times each year on dates designated by the Chairperson. A quorum of three members, one of whom must be the Governor or a Deputy Governor, is required for each Board meeting. Decisions of the Board are made by a majority of votes cast, with the Chairperson casting a second vote in the event of a tie.

In 2024, the Board met a total of 11 times and gave consideration to 35 board decision papers and 39 information papers. All sessions were held at the Central Bank building in Belize City.

Conduct of Board Members

Board members are required to meet the general qualification criteria outlined in Section 15 of the Central Bank Act. Additionally, Section 18(1) prohibits Board members from disclosing to any person any information obtained in the performance of their duties, except for the purposes specified in the Central Bank Act. Furthermore, each Board member is obligated to adhere to a Code of Conduct, which entails:

- Performing their duties with utmost care and diligence;
- Acting in good faith and the best interest of the Central Bank;
- Refraining from exploiting their position for personal gain or to the detriment of the Central Bank or any individual;
- Abstaining from using any privileged information obtained through their position for personal benefit or to the disadvantage of the Central Bank or any individual; and
- Promptly disclosing any substantial personal interests that conflict with the interests of the Central Bank.

Standing Committees

The Central Bank employs standing committees to assess and oversee activities that fall under their respective mandates. These committees also suggest policies relevant to their functional domains to the Board. Once new policies or tasks are established, they are incorporated into the work programmes of the corresponding units or departments and then cascaded to staff. In 2024, there were five Standing Committees, one fewer than in 2023. The Capital Projects Committee was not active this year.

Table 1.2: Standing Committee Meetings in 2024

	Chair	Mandate	Meetings
Audit Committee	Mr. Giacomo Sanchez Director of the Board	To assist the Board in overseeing and providing strategic directions for managing the Central Bank's operations.	11
Investment and Reserve Management Committee	Mr. Kareem Michael Governor	To define the operational framework for reserve management activities, including the execution of the investment strategy in accordance with the Central Bank's Foreign Reserves Investment Policy.	10
Monetary Policy Committee	Mr. Kareem Michael Governor	To formulate and execute monetary policy that protects the stability of the exchange rate and promotes credit and exchange conditions conducive to the development of Belize, using a market-based approach to manage liquidity conditions in the banking system, along with other monetary policy tools.	11
Pension Scheme Committee	Mr. Hollis Parham Deputy Governor	To ensure that the daily financial and administrative operations of the pension plan are duly executed by implementing adequate means to protect the benefits of the plan's members and to conserve and enhance pension fund assets.	5
Disposal Committee	Mr. Hollis Parham Deputy Governor	To make recommendations for the disposal of assets no longer useful to the Central Bank, in accordance with its Financial Policy.	4

Audit Committee

The Audit Committee is a subset of the Board. In 2024, the Audit Committee comprised the following members: (i) two non-executive Board members—Chairman, Mr. Giacomo Sanchez (January to December), Member, Mrs. Neri Matus (January), Member, Mrs. Sol Espejo-Molina (February to December); and (ii) one executive Board Member—Deputy Governor, Monetary and Financial Systems, Mrs. M. Laetitia Murillo (January to December). In addition, the Chief Internal Auditor, Mr. Benedict Terry, served as secretary.

The Audit Committee assisted the Board in overseeing and providing strategic direction for managing the Central Bank's operations by:

- Assuring the Board that adequate arrangements are in place to track the Central Bank's exposure to material risks across its operations and that there is regular and reasonable reporting of risk exposures;

- Approving the Internal Audit Department's (IAUD's) annual risk-based work plan and assessing its performance against the approved plan;
- Reviewing the effectiveness of the IAUD, emphasising conformance with The Institute of Internal Auditors' International Standards for Professional Practice of Internal Auditing;
- Informing the Board of material findings, salient audit recommendations, and other activities;
- Reviewing all significant concerns with management and the external auditors, including litigation, contingencies, claims or assessments, and all material accounting issues affecting the financial and operational conditions of the Central Bank; and
- Reviewing the Central Bank's audited financial statements and letter of recommendation with the external auditors before submission to the Board.

Internal Audit

Internal audit is an independent, objective assurance and consulting activity designed to improve and add value to the Central Bank's operations. This function enables the Central Bank to achieve its objectives by employing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. The IAUD is guided by the profession's Code of Ethics, the International Standards for the Professional Practice of Internal Auditing, and the Central Bank's Internal Audit Charter. The Internal Audit Committee reports to the Audit Committee of the Board.

The IAUD conducted 46 engagements, comprising audits and real-time observations across business units within the Central Bank. The IAUD completed audit engagements on:

- Management of foreign reserve investments;
- Management of the staff loan scheme;
- Administration of sick leave and social security benefits;
- Adherence to the Society for Worldwide Interbank Financial Telecommunications (SWIFT) customer security controls;
- Management of information technology backup and recovery controls;
- Management of salaries;
- Administration of the Central Bank's pension scheme;
- Management of projects; and
- Management of severance and gratuities payable.

In addition, the IAUD observed and monitored real-time critical activities, including:

- Treasury functions, inclusive of government securities auctions and account reconciliations;
- Local currency activities, comprising transportation, inventory verification, and destruction; and
- Foreign currency activities, inclusive of packing and remittance.

Furthermore, the IAUD conducted unannounced verification exercises of cash accounts, as well as inventories of security weapons and ammunition. Results from these activities were communicated to Senior Management and the Audit Committee.

THE 2024 STRATEGIC PLAN

The Central Bank's strategic plan identifies the organisation's strategic goals and objectives. In 2023, the Central Bank published its 2023-2027 strategic plan, which outlines the organisation's priorities within four themes for promoting the stability of monetary and financial systems for the wellbeing of Belize, namely:

- Human Resource Excellence,
- Operational Excellence,
- Strategic Partnerships, and
- Monetary and Financial Policy Execution.

By the end of 2024, the Central Bank accomplished one-third of its goals for the 2023-2027 strategic cycle, achieving significant milestones for major projects. The strategic objectives pursued along with corresponding projects undertaken in 2024 include:

Improve Talent Management

- Performance Appraisal Review Project: Established a new appraisal system to enhance efficiency, transparency, equity, and fairness in evaluating employee performance.

Improve Organisation Infrastructure

- New Building Construction Project: Initiated the plan to construct a new Central Bank building.

Improve Communications

- Communications Strategy Project: Hosted press briefings to update the public on macroeconomic developments and forecasts, monetary and financial stability matters, and progress of major initiatives, increasing the Central Bank's visibility.

Increase Use of Technology

- APSSS Upgrade 2.0 Project: Completed the configuration upgrade of the Automated Payment and Securities Settlement Systems (APSSS) to improve efficiency and interoperability within the Belize National Payment System.
- SWIFT Upgrade Project: Enhanced the Society for Worldwide Interbank Financial Telecommunication (SWIFT) System to improve data quality, transparency, compliance, and interoperability for secure transactions.
- Exchange Control Modernisation Project: Initiated a plan to update the exchange control legal framework and implement an administrative system to automate and monitor the foreign exchange process.
- Audit Management System Project: Implemented an automated management system to streamline and enhance the audit process.

Figure 1.2: Governor Michael's Press Briefing on the Central Bank's Initiatives and the State of the Economy

Improve Monetary and Financial System Resilience

- Credit Reporting System Project: Identified and selected a vendor to become a licensed credit bureau operator in Belize.
- New Family of Currency Notes Project: Designed new currency notes featuring national heroes and Belizean heritage.
- National Payment System Regulation Project: Strengthened the legal and regulatory framework for payment and securities settlement systems.

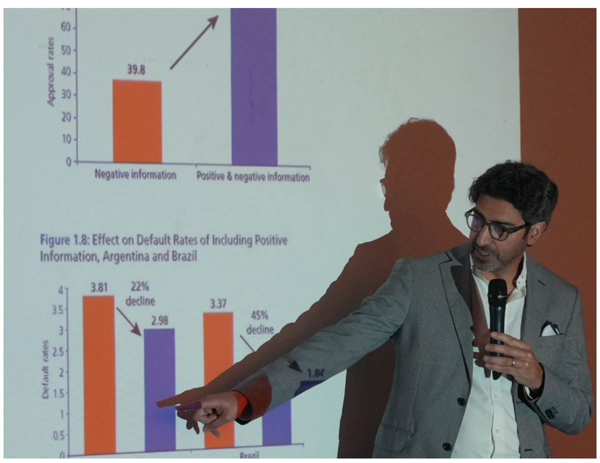
As the Central Bank progresses through its 2023-2027 strategic cycle, it will continue to build on the achievements of the previous year, focusing on improving monetary and financial system resilience, increasing public confidence, and remaining committed to serving the people of Belize.

Box 1.1 | The Credit Reporting System Project

The Credit Reporting Project saw significant progress in 2024. During the year, the Central Bank selected CRIF to apply to operate the first-ever credit bureau in Belize. Headquartered in Italy, CRIF has over 30 years of experience in business information, credit bureaus, outsourcing and processing services, and credit solutions, and has a well-established international presence spanning 40 countries globally. Additionally, the company is spearheaded by highly qualified professionals who are committed to upholding the success of the company and contributing to the development of Belize's credit reporting system. Since selected, CRIF formally submitted its application for a license and started stakeholder engagement sessions with Belize's financial institutions and other service providers identified as credit information providers.

The Central Bank, in its capacity as regulator, continues its work towards strengthening the credit reporting regulatory framework. Systems implementation begins in 2025, and the credit bureau operations are expected to commence in 2026.

Figure 1.3: CRIF's Stakeholders Engagement Session



BELIZE'S NEW BANKNOTES

The Central Bank will issue a new family of banknotes in 2025. The new designs, as approved by the Minister of Finance, have been revealed to the public, and a national public awareness campaign is underway.

Theme: Waterfalls and Rivers of Belize

Theme: Historical Buildings of Belize

Theme: Birds of Belize

Theme: Belize's Jungle Life

Theme: Archaeological Attractions of Belize

Theme: Marine Attractions and Aquatic Life of Belize

BUILDING A FINANCIALLY EMPOWERED BELIZE

In 2024, the Central Bank launched several key initiatives to expand public awareness and improve access to financial knowledge, thereby contributing to the development of a more inclusive and resilient financial ecosystem. A cornerstone of these efforts was the National Financial Education Campaign, which focused on essential topics such as the importance of savings, prudent credit decisions, and effective budget management. The campaign was conducted utilising traditional media (print, radio, and television), social media, and the Central Bank's education portal, ensuring comprehensive coverage throughout Belize. In addition, a series of presentations to key stakeholders was held countrywide. By equipping individuals with foundational financial knowledge, this initiative not only supports informed decision-making but also lays the groundwork for future educational content, with plans to further expand financial literacy initiatives in 2025.

Recognising the significance of fostering lifelong financial skills from an early age, the Central Bank collaborated with the Ministry of Education, Culture, Science, and Technology to integrate financial education into the primary school curriculum. Through this partnership, the Central Bank supported the training of 24 primary school teachers from across Belize, enhancing their financial literacy capabilities and contributing to the development of a financial education toolkit. The Primary School Financial Training Guide, created through this initiative, is designed to standardise financial education across all primary schools in Belize and is to be rolled out nationwide by 2025.

Looking ahead, the Central Bank plans to expand its outreach to various groups, including entrepreneurs, women, youth, and rural communities, through targeted campaigns and initiatives. These efforts aim to enhance financial literacy skills dealing with entrepreneurship, currency notes, creditworthiness, and sustainable financial practices. The Central Bank will continue to broaden its financial education initiatives to reach a diverse audience through targeted campaigns that support key national projects. These iniatives aim to enhance financial literacy for aspiring entrepreneurs by focusing on access to finance and sustainable business growth, educate the public about the new family of currency notes, and promote awareness of the benefits of creditworthiness, responsible borrowing, and credit reporting. These activities advance the Central Bank's national financial inclusion strategy, fostering empowerment and inclusivity in Belize's financial landscape.

Figure 1.4: Outreach by Financial Inclusion Unit

HUMAN RESOURCES

Human Resources initiatives concentrated on enhancing performance management, organisational restructuring, labour relations, and staff development. These initiatives aimed to cultivate a highly engaged and motivated workforce, while improving both technical and leadership competencies.

Performance Appraisal System

In 2024, the Central Bank successfully implemented a new Performance Appraisal System, ensuring a structured and objective framework for evaluating employee performance. To facilitate the effective utilisation of the system, all departments participated in comprehensive training sessions. These sessions included participatory discussions on developing "Quantifiable Objectives" and selecting "Core Competencies." Staff benefited from a weekly communication campaign, emphasising key aspects of the performance appraisal process to enhance their understanding of the new system and ensure consistent application across the Central Bank. This initiative has strengthened the alignment between individual contributions and organisational goals, while providing valuable insights for career development, training programmes, and performance management. The outcomes of this system will continue to support data-driven decision-making, fostering a culture of continuous improvement and accountability.

Leadership Programme

In pursuit of its strategic commitment to leadership excellence and organisational transformation, the Central Bank launched the FranklinCovey Leadership Development Program. This programme is designed to equip current and future leaders with the critical skills necessary for driving strategic growth, cultivating a high-performance culture, and improving decision-making capabilities. Aligned with its vision of being "*A model Central Bank committed in service to the people of Belize*," the Central Bank has actively engaged executive management, managers, assistant managers, and supervisors in FranklinCovey's renowned courses, The 7 Habits of Highly Effective People and Leading at the Speed of Trust. The programme is designed as a certification course, comprising both mandatory and elective courses for participants.

Figure 1.5: Onsite Leadership Training

Staff Appreciation Week

The Central Bank held its second annual Staff Appreciation Week in July, underscoring its commitment to recognising the hard work and dedication of its employees. This week-long event coincided with the Employee Recognition Ceremony, aiming to enhance staff engagement, boost morale, and cultivate a culture of appreciation. Employees took part in various interactive activities, including a prayer service, games, and team-building events, all thoughtfully designed to strengthen camaraderie and emphasise the significance of staff contributions. Staff expressed heartfelt gratitude for the recognition and the opportunity to engage with one another, further reinforcing the Central Bank's culture of appreciation and teamwork.

Figure 1.6: Staff Appreciation Week

Employee Recognition Ceremony

The Annual Employee Recognition Ceremony was held to honour long-serving staff members. The Central Bank recognised and rewarded 21 employees who reached significant years-of-service milestones between 1 July 2023 and 30 June 2024. Various long-service awards were presented, recognising six employees for 10 years of service, three for 15 years, six for 20 years, two for 25 years, one for 30 years, two for 35 years, and one employee for an impressive 40 years of service.

Figure 1.7: Annual Employee Recognition Ceremony

Box 1.2 | Key Research Activities in 2024

In November 2024, the Research and Economic Analysis Department (READ) participated in the 55th Annual Monetary Studies Conference held in Barbados. The conference, themed "*Macroeconomic Management in an Era of Polycrisis*," convened policymakers, researchers, and practitioners from across the Caribbean to discuss critical issues related to the management of regional economies.

At the event, Mr. Marco Chan presented his paper, "Moving with the Times: Strengthening Belize's Nowcasting Framework for Relevancy in a Post-COVID-19 World." This paper enhances the Central Bank of Belize's quarterly GDP nowcasting framework to better reflect structural changes and the economic volatility caused by the COVID-19 pandemic. Using a bottom-up approach, it employs 16 ARIMAX models to nowcast industrial value-added components, which are then aggregated for a quarterly GDP estimate. The models incorporate timely industrial indicators and dummy variables to capture pandemic-induced fluctuations. The improved framework significantly reduces the Mean Absolute Percentage Error from 4.1% to 2.5% for 2017Q1–2019Q4 and from 8.7% to 3.0% for 2020Q1–2022Q2, demonstrating enhanced accuracy and providing valuable insights for policymakers.

Figure 1.8: Central Bank's Representatives at the 55th Annual Monetary Studies Conference

Box 1.2 | Key Research Activities in 2024 *(continued)*

Furthermore, as part of READ's ongoing research programme, the department hosted an in-house seminar in December, to foster knowledge exchange and critical discussions. Four papers were presented:

- The Secrets of Happiness in the Multiple Indicator Cluster Survey by Dr. David Robertson, University of Belize
- Moving with the Times: Updating the Central Bank's Nowcasting Framework for Relevancy in a Post-COVID-19 World by Marco Chan, Central Bank, READ
- The Effects of Macroeconomic Shocks on Formal Employment Outcomes by Devon Gladden, Central Bank, READ
- Detangling the Financial Stability Cobweb by Anwar Juan, Central Bank, Financial Stability Unit

Through these engagements, READ continues to strengthen the Central Bank's research agenda and contribute meaningfully to economic research.

Figure 1.9: Presenters at READ's In-House Research Seminar

Training and Development

Talent development continued to be prioritised, with numerous staff members participating in various overseas training programmes. These initiatives encompassed essential areas, including supervision, risk management, legal affairs, financial inclusion, currency services, cybersecurity, internal auditing, and project management.

Staff members attended training sessions organised by prestigious international institutions, including the Federal Reserve Bank of New York, the International Monetary Fund (IMF), the Association of Supervisors of Banks of the Americas, the Inter-American Development Bank (IDB), the Financial Services Information Sharing and Analysis Centre, and the Institute of Internal Auditors. These programmes addressed critical topics, such as consolidated supervision and risk integration, cyber risk management, financial stability, AML/CFT frameworks, and digital financial inclusion.

Selected staff participated in specialised programmes, such as the Risk Management and Internal Audit Central Banker Program at the Federal Reserve Bank of New York and the course, Operational Auditing: Influencing Positive Change, offered by the Institute of Internal Auditors. Training in currency services, auditing, and information technology security was also pursued. Relevant staff members obtained industry-recognized certifications, including the Certified Information Systems Auditor certification from the Information Systems Audit and Control Association, the Cybersecurity Analyst certification from the Computing Technology Industry Association, and the Project Management Professional certification from the Project Management Institute.

Additionally, two employees completed the International Finance Corporation-Milken Institute Capital Markets Program at George Washington University, while one earned a Master of Business Administration degree.

In addition to international training, employees participated in local professional development programmes to enhance essential workplace competencies. These programmes included Minute-Taking, Intermediate and Advanced Microsoft Excel, Supervisory Skills, Public Speaking with Confidence, Graphic Design, Security Training, Certified International Financial Reporting Standards Specialist with Environmental, Social, and Governance Reporting, and Advanced Reading of Corporate Financial Statements. The Human Resources team participated in a comprehensive Learning and Development Workshop, reinforcing best practices in employee training and career advancement. Furthermore, multiple team members from three distinct departments completed the Balanced Scorecard Essentials programme, enhancing their ability to align business strategies with organisational performance objectives.

The Compliance Department conducted internal and external training sessions for stakeholders, focusing on Customer Due Diligence and providing updates on the AML/CFT/CPF Guidelines. Additionally, the Supervision Department collaborated with a team from the IMF's Caribbean Regional Technical Assistance Centre to enhance its members' expertise in Statistical Modelling and implementation of

Pillar 3 under Basel II/III project, strengthening their analytical and regulatory capabilities.

These professional development initiatives demonstrate the Central Bank's commitment to continuous learning, ensuring employees can navigate the evolving financial, regulatory, and technological landscape.

Staffing and Employee Relations

At the end of 2024, the Central Bank employed 224 individuals. Over the year, 28 new staff members were recruited, while 12 employees departed from the Bank, including three retirements, seven resignations, and two terminations. As a result, the turnover rate at the Central Bank decreased from 6.2% in 2023 to 5.5% in 2024. Furthermore, the organisation recorded a total of 23 promotions: two individuals advanced to the Senior Management level, four to the Management level, one to the Professional I grade, five to the Professional II grade, four to the Professional III grade, five to the Senior Auxiliary grade, and two to the Security Officer Grade II level.

Figure 1.10: Onsite Compliance Training

Box 1.3 | 13th Biennial Intra-Regional Central Bank Games

The Central Bank participated in the 13th Biennial Intra-Regional Central Bank Games, hosted by the Central Bank of The Bahamas over the Easter weekend from 29 March to 1 April. The sporting event attracted 200 delegates from seven Caribbean Community (CARICOM) Central Banks and featured various indoor activities, such as table tennis, draughts, darts, dominoes, and basketball, as well as outdoor sports, including football, volleyball, cricket, and netball.

It also provided a platform for members of the Central Bank's team to demonstrate their physical prowess, mental resilience, and exceptional skills. The team gave a commendable showing, reflecting its steadfast dedication and commitment to excellence, medalling in checkers, dominoes, volleyball, and softball. The games fostered camaraderie and collaboration in alignment with the Central Bank's core values.

Figure 1.11: 13th Biennial Intra-Regional Central Bank Games

Staff Club Activities

In 2024, the Central Bank continued its commitment to community support by providing internships to 13 university and junior college students, as well as seven high school students, assisting the latter to fulfil their graduation requirements. The Summer Employment Programme facilitated the hiring of 12 students pursuing bachelor's and associate degrees, offering them practical work experience and enhancing their skill sets in alignment with their career aspirations.

Furthermore, the Central Bank donated to various organisations to promote educational objectives, social initiatives, sporting events, and cultural activities. Beneficiaries included, but were not limited to, the Belize Kidney Association, Belize Cancer Society, the Salvation Army, Edward P. Yorke High School, the Special Branch of the Police Department, Nazarene High School, Muffles College, and Belize High School.

The Central Bank's Staff Club is a collective of employees dedicated to promoting a balanced work-life dynamic while fostering camaraderie among staff members. Each year, the club organises various events and initiatives that engage employees and support significant causes.

In 2024, the Staff Club hosted a variety of celebrations and observances, including Valentine's Day, with the distribution of tokens; Administrative Professionals' Day; Easter, with an egg hunt; Mother's Day; Father's Day; Halloween Day, with the sharing of treats; Garifuna Settlement Day; Thanksgiving Day, with a luncheon; World Suicide Prevention Day; and birthdays, with the issuance of tokens to members. The club also organised numerous social gatherings and sporting events, such as staff social gatherings, dress down days, kite competition, poetry competition, softball games, and volleyball tournament. In addition, the club coordinated various awareness and outreach efforts, including autism awareness events, cancer awareness initiatives, and a kidney disease and renal failure walk, as well as continued its scholarship programme.

Figure 1.12: Staff Club Activities

INFORMATION TECHNOLOGY

The Central Bank continued to maintain a reliable, safe, and secure SWIFT Alliance Access system by adhering to SWIFT's Customer Security Framework and SWIFT's independent assessment framework, as evaluated and confirmed by IAUD in 2024.

On the security front, the resilience of information security was bolstered by the implementation of a secure web gateway to safeguard the data flow between the internal network and the internet. Furthermore, the Central Bank enhanced its email security by incorporating advanced machine learning technology. Significant efforts were also devoted to upgrading and patching third-party systems and devices to diminish the institution's vulnerability to supply chain attacks. The Privileged Access Management system was implemented and deployed to secure, manage, and monitor privileged accounts used by information technology administrators on the Central Bank's infrastructure devices and systems. The Central Bank ensured that staff received continuous cybersecurity training and knowledge to strengthen its defences against ransomware and phishing attacks.

In addition to addressing security resilience, five strategic software projects were undertaken, including:

i. Upgrading components of APSSS, including the automated transfer system, the payment originator, and the central securities depository;
ii. Upgrading the time series system;
iii. Migrating the enterprise business solution to the cloud;
iv. Implementating an audit management system; and
v. Implementing a loan management system.

Figure 1.13: 29th Regional Central Bank Information Systems' Specialist Conference

The Cyber Security Committee for the Financial System, comprising representatives from domestic banks, convened twice in 2024 to discuss and collaborate on cyber threats to the financial system, as well as APSSS and other system and infrastructure services. Three of the participants reported customer incidents, but fortunately, none resulted in financial losses to customers.

The Central Bank hosted the 29th Regional Central Bank Information Systems' Specialist conference under the theme "*Shaping the Modern Central Bank: Leveraging Innovative Technology to Drive Strategy Execution*." The conference included participants from the information technology and cyber security sections of regional central banks. It promoted and facilitated cooperation among regional central banks and provided a forum for the exchange of information, knowledge, experiences, and ideas.

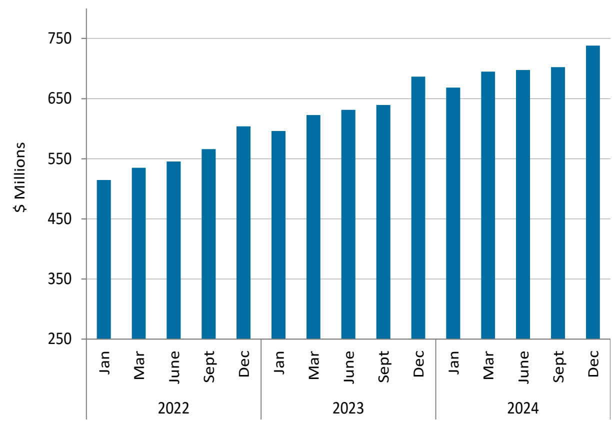
CURRENCY AND FOREIGN EXCHANGE TRANSACTIONS

Currency Operations

The total value of currency in circulation increased by 7.5% to $738.1mn in 2024, up from $686.5mn in 2023. This growth was driven by a 7.5% rise in the value of banknotes in circulation, which reached $691.6mn at year end, compared to $643.2mn in 2023. Similarly, the value of coins in circulation increased by 7.3%, reaching a total value of $46.5mn in 2024, up from $43.3mn in the previous year. The most widely circulated banknotes were the $50.00 and $2.00 denominations, accounting for 23.0% and 19.8%, respectively, of the total banknotes in circulation.

At the end of 2024, banknotes constituted 93.7% of the total currency in circulation, maintaining

Chart 1.1: Currency in Circulation

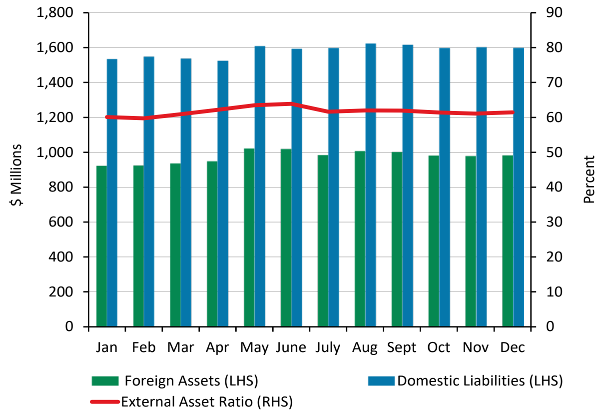


the same proportion as in 2023. In comparison, coins accounted for 6.3%, also remaining unchanged from the previous year. However, there was a decline in domestic banks' vault holdings, which fell from $98.8mn in 2023 to $92.5mn in 2024. As a result, the currency held by the public (the difference between total currency in circulation and domestic banks' vault cash) increased by $57.9mn, totalling $645.6mn in 2024 compared to $587.7mn in 2023.

External Asset Ratio

Under section 25(2) of the Central Bank Act, the Central Bank is required to maintain a reserve of external assets of not less than 40.0% of the aggregate amount of notes and coins in circulation and deposit liabilities. This legal threshold ensures that the Central Bank maintains sufficient foreign reserves to meet the country's external obligations. In 2024, the external assets ratio consistently remained well above the legal requirement. The ratio stood at its lowest point for the year in January, at 60.1%. Thereafter, it peaked at 63.9% in June and then declined to 61.5% at year-end.

Chart 1.2: Monthly External Asset Ratio



On 1 January 2024, the Central Bank's foreign asset position stood at $932.8mn. Between January and April, it rose by $25.2mn to $946.9mn. This increase was due to inflows from foreign loans, international grants, sugar export receipts, and interest income from investments abroad.

In May, the Central Bank experienced an upsurge in its foreign assets, which peaked at $1,020.9mn, following the receipt of $44.0mn from loan disbursements from the Republic of China/Taiwan (ROC/Taiwan) and $21.1mn from the National Bank of Belize Limited, stemming from euro sales to the Central Bank. However, in July, the foreign asset position declined by $33.7mn, settling at $983.9mn, due to a series of external debt service payments made on behalf of the Government of Belize (Government).

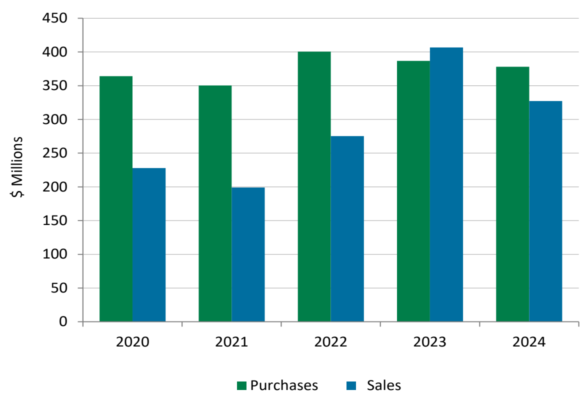
In August, the foreign assets increased by $21.8mn, reaching $1,005.7mn. This rise was attributed to the purchase of sugar proceeds and the National Bank of Belize Limited's sale of a second tranche of euros to the Central Bank. Foreign assets stayed above the billion-dollar threshold until September. Afterward, it fell by $27.5mn to $978.2mn in November, mainly due to additional external debt service payments on behalf of the Government, but made a slight recovery, finishing the year at $982.5mn.

Over the year, the foreign asset portfolio was relatively stable as the amount of cash and fixed deposits as a share of total foreign assets decreased marginally from 26.1% in 2023 to 25.9% in 2024. Furthrmore, the portion of Special Drawing Rights inched down from 12.6% in 2023 to 11.6% in 2024. In turn, the share of foreign securities increased marginally from 61.0% in 2023 to 62.5% in 2024.

Foreign Exchange Transactions

In 2024, foreign currency operations, excluding CARICOM currencies, resulted in net purchases of $50.8mn, a turnaround from net sales of $19.9mn in 2023. This shift was driven by a significant decline in foreign currency sales, which more than offset a drop in purchases. Sales fell by $79.5mn, or 19.5%, to $327.2mn, while purchases decreased by $8.8mn, or 2.3%, to $378.0mn. Central Government overseas payments, which decreased by $96.5mn compared to 2023,

Chart 1.3: Trade in Foreign Currency



were mainly down, owing to the absence of a one-time payment for the acquisition of Port of Belize Limited (PBL) a year earlier and payment of the interest on the Blue Loan from the Government's Custody Account held with the Bank of New York this year.

However, trading in CARICOM currencies led to a slight increase in net sales of foreign currency. These transactions resulted in a deficit of $4.5mn in 2024, which was $0.5mn more than in the previous year, with no purchases made. Payments primarily consisted of settling official transactions in CARICOM currencies.

RELATIONS WITH CENTRAL GOVERNMENT

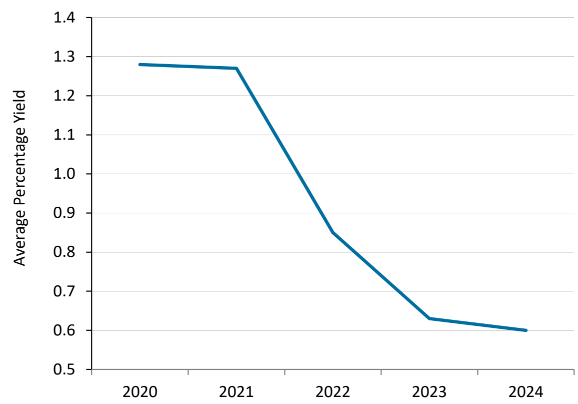
Overdraft Advances

Section 34 of the Central Bank Act permits the Central Bank to extend direct advances to the Government, provided that the total outstanding at any given time does not exceed 12.0% of its current revenues collected during the previous fiscal year (FY). For FY 2024/2025, the ceiling on direct advances available to the Government amounted to $168.3mn. Direct advances are facilitated through an overdraft facility linked to the Government's Consolidated Revenue Fund account held at the Central Bank. In alignment with its debt consolidation strategy, the Government has not utilised the overdraft facility since July 2021.

Treasury Bills

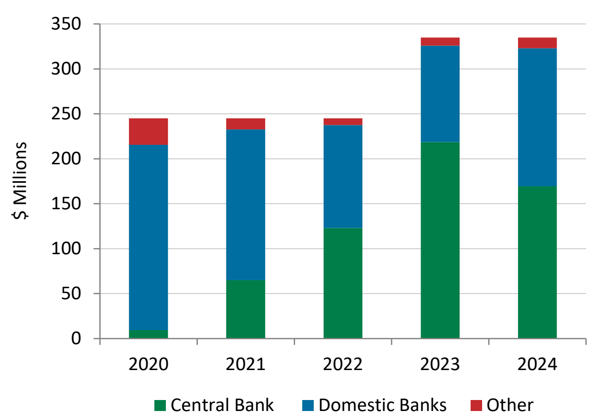
The nominal value of outstanding Treasury Bills (T-bills) issued by the Government remained unchanged at $335.0mn in 2024, representing 83.7% of the authorised limit of $400.0mn. T-bills were issued in four 91-day tranches of $83.3mn, $64.4mn, $67.4mn, and $90.0mn, along with one six-month tranche of $30.0mn. The weighted average yield on the 91-day T-bills fluctuated within a narrow range, from its lowest rate of 0.58% in January to its peak rate of 0.65% in March and subsequently to 0.60% at year-end.

Chart 1.4: T-bill Yield



During the year, there were sixteen 91-day and two six-month competitive auctions, dominated by one domestic bank and the Central Bank. Compared to 2023, the Central Bank's holdings decreased by $49.4mn to $169.5mn, which

Chart 1.5: T-bill Distribution by Holder

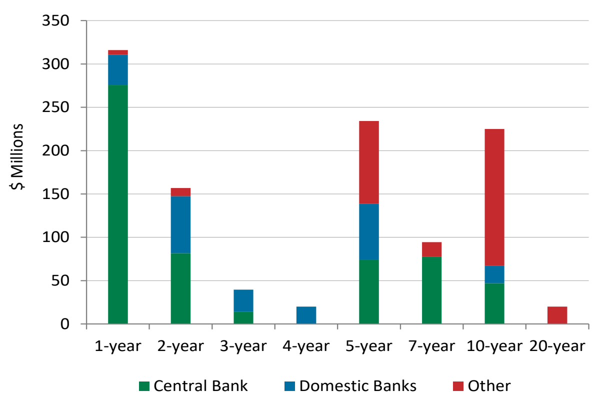


represented 50.6% of all issuances. Conversely, domestic banks increased their holdings by $46.4mn, reaching $153.5mn, or 45.8% of the total, while other holders made up the remaining $12.0mn, or 3.6%. T-bill trading in the secondary market was limited to four transactions between the Central Bank and an insurance company, as well as two transactions with private entities.

Treasury Notes

In 2024, the total outstanding Treasury Notes (T-notes) decreased slightly from $1,106.0mn to $1,105.8mn. This decline resulted from a partial principal repayment of $14.2mn on USD-denominated T-notes in June, which was offset by two issuances of T-notes with a combined value of $14.0mn in December. These new issues comprised a five-year T-note for $4.0mn and a 10-year T-note for $10.0mn, with both maturities carrying a coupon rate of 3.00%. The proceeds were used to fully cover the "set-off sum" under the Settlement Deed with the Belize Social Security Board. Additionally, a seven-year floating-rate T-note with a face value of $22.4mn had matured in May and was financed by the issuance of a fixed-rate T-note of equal face value and duration.

Chart 1.6: T-note Distribution by Maturity and Holder



In 2024, the Government reissued 14 tranches of one-year T-notes at 2.00% and five tranches of two-year T-notes at 2.25%. The coupon rates on all maturities of T-notes denominated in local currency remained unchanged relative to 2023 from 2.00% to 7.75%. Additionally, the coupon rate for the US-dollar-denominated T-notes remained at 6.50%.

The Central Bank remained the largest holder of T-notes, totalling $569.7mn, or 51.5%, of all T-notes. The portfolio contained $275.7mn in one-year notes plus $294.0mn across five other maturities. Domestic banks possessed $231.4mn worth of T-notes, representing 20.9% of the total, while other holders collectively owned $304.7mn, accounting for 27.6% of the outstanding balance.

T-note trading in the secondary market was moderately active, featuring two significant transactions with the Central Bank, one with an insurance company, and another with a non-profit organisation, along with seven smaller trades involving individual holders.

RELATIONS WITH DOMESTIC BANKS

Cash Reserves

The cash reserve requirement for domestic banks remained unchanged at 6.5% of average deposit liabilities. Influenced by a significant increase in domestic banks' aggregate T-bill holdings, average cash holdings declined slightly by 1.3%, or $9.7mn, to $729.6mn in 2024. Despite this decline, liquidity within the domestic system remained at a notably high level. In contrast, domestic banks' average required holdings increased by 8.2%, or $20.4mn, rising from $249.8mn in 2023 to $270.2mn in 2024. As a result, domestic banks'

Chart 1.7: Cash Reserves

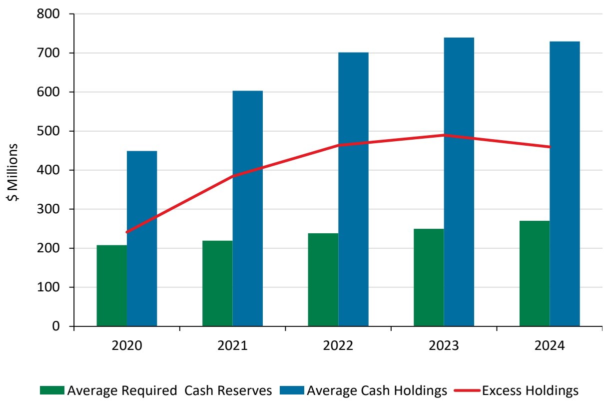
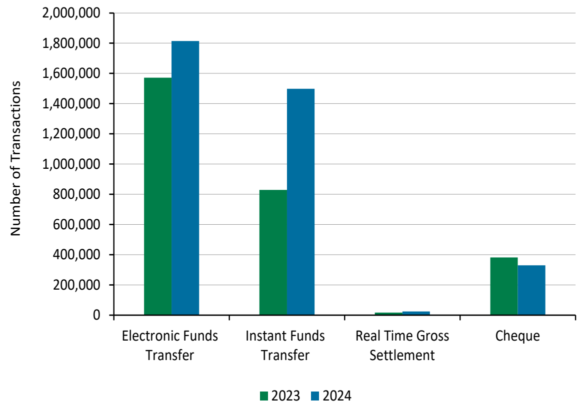


Chart 1.8: Non-Cash Payment Methods



excess cash holdings averaged $459.3mn, down from $489.5mn last year.

Despite the sustained excessive cash holdings, the unevenness in distribution of cash reserves among domestic banks led to near shortfalls in required holdings, rendering the conduct of two short-term interbank loan transactions in 2024, one of which was a revolving loan. Both loans were funded at a rate of 2.25%, which has been the benchmark rate for liquidity funding costs since 2022.

Automated Payment and Securities Settlement System

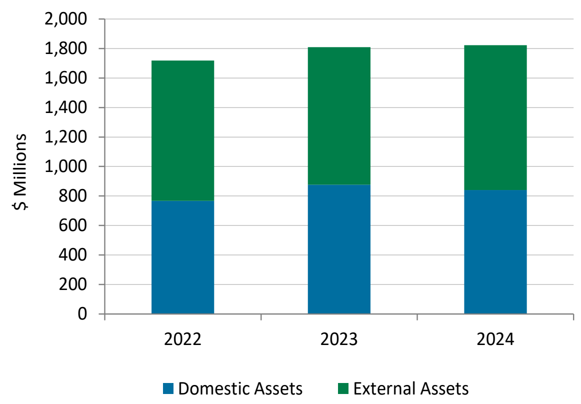
The use of digital credit transfers in 2024 continued its upward trajectory. The number of transactions processed through APSSS increased by 30.9%, rising from 2.8mn in 2023 to 3.7mn in 2024. This significant upswing was primarily due to an 80.8% rise in instant funds transfers, which grew from 0.8mn to 1.5mn transactions, alongside electronic funds transfers, which climbed from 1.6mn to 1.8mn transactions between 2023 and 2024. Payments by cheque continued their downward trend, reflecting a 13.6% decline in 2024, following reductions of 14.8% and 16.3% in 2023 and 2022, respectively.

CENTRAL BANK FINANCIAL PERFORMANCE

Balance Sheet

In 2024, the Central Bank's total assets rose by 0.8%, or $14.0mn, to $1,823.0mn, marking the fifth straight year of asset growth. This rise was primarily driven by a $50.5mn (5.4%) increase in the Central Bank's foreign assets. However, this expansion was partially offset by a $36.1mn

Chart 1.9: Assets



(4.1%) decline in domestic assets, which resulted from a reduction in the Central Bank's holdings of Government securities.

Income Statement

The Central Bank's gross income increased by 1.6%, or $0.9mn, to $58.1mn in 2024, marking the third consecutive year of income growth. Although the average balance of foreign assets decreased from $992.3mn in 2023 to $971.6mn in 2024, the Central Bank recorded a rise in foreign income from $34.1mn in 2023 to $35.1mn in 2024, representing 60.3% of total earnings. It is notable that the Central Bank's average rate of return slightly declined from 3.7% in 2023 to 3.6% in 2024 due to a reduction in foreign interest rates towards the end of the year.

In contrast to the increase in foreign income, local income fell slightly by $0.05mn to $23.1mn in 2024 compared to the previous year. Local income accounted for 39.7% of total revenue, down from 40.4% in 2023, primarily due to lower Treasury yields. Nonetheless, interest earned on Treasuries constituted 79.3% of local income, with the remainder generated from foreign currency trading commissions and various other sources, including licensing fees from financial institutions and APSSS transaction fees.

Total expenditure increased by $6.1mn to $43.8mn in 2024, reflecting a 16.1% rise from 2023, driven by higher expenses across all major operating categories. Staff costs accounted for the largest proportion of total expenses at 45.6%. Administrative and operational expenses constituted 32.3%, while interest and currency costs were 10.6% and 11.6%, respectively. The Central Bank achieved a surplus of $14.3mn in 2024, which will be distributed in accordance with Section 9(1) of the Central Bank of Belize (Amendment) Act, 2022. As stated in this section, 30.0% of the Central Bank's net profit for 2024, amounting to $4.3mn, will be paid into its General Reserve Fund. The remaining 70.0%, equating to $10.0mn, will be transferred to the Accountant General for deposit into the Consolidated Revenue Fund.


Photography by tonyrath.com

II. ECONOMIC REVIEW

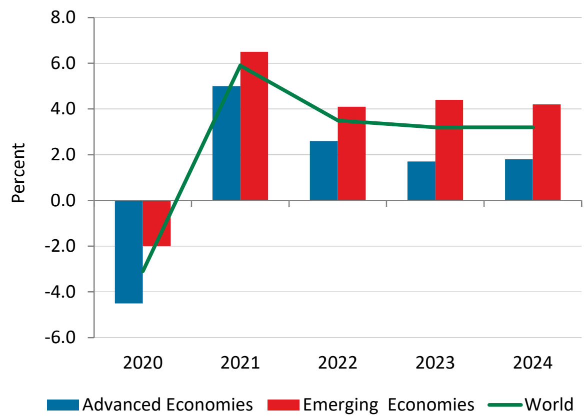
INTERNATIONAL DEVELOPMENTS

The global economy navigated a complex landscape in 2024. Geopolitical tensions remained elevated, with escalating conflicts in regions such as the Middle East and Ukraine. Climate-related disruptions also intensified, characterised by record-breaking heatwaves, destructive storms, and devastating floods. Despite these challenges, the world economy demonstrated resilience, with global output expanding by 3.2% in 2024, closely following the growth rate of the previous year, with significant divergence among and within country groupings. Monetary policy played a pivotal role in stabilising the global economy, with central banks worldwide coordinating their tightening to mitigate inflationary pressures. In the latter half of the year, central banks in advanced economies began easing their policy stance, supporting labour markets and alleviating tightness in financial conditions. Fiscal policy in many countries continued to be constrained by high levels of public debt, a legacy of pandemic-related spending and efforts to tackle energy and food insecurity.

Advanced Economies

In 2024, advanced economies grew by 1.7%, a slight increase from the previous year. Among these economies, the United States of America (US) demonstrated the strongest resilience, with its real gross domestic product (GDP) rising by 2.8%, driven by robust consumer spending, investments, government expenditure, and exports. Inflation eased to 2.9%, remaining above the Federal Reserve's 2.0% target. The labour market exhibited some tightness, though signs of cooling appeared throughout the year, with the unemployment rate increasing slightly to 4.1%

Chart 2.1: Global GDP Growth Rate



Source: IMF

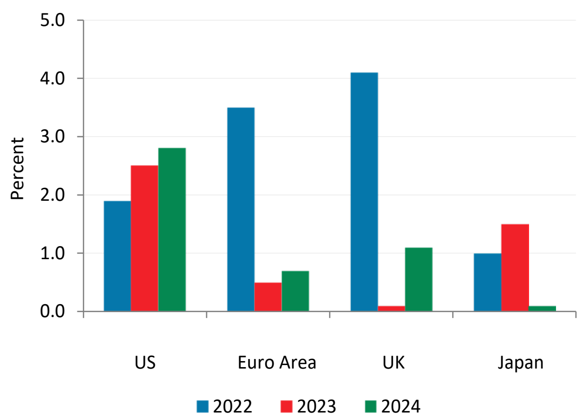
at year's end. In response to the labour and price dynamics, the Federal Reserve initiated rate cuts totalling one percentage point from September to December 2024, ending the year with a range of 4.25% to 4.50%.

In the United Kingdom (UK), growth was modest at 1.1%, supported by the services and construction sectors, although partially offset by a decline in production output. The UK continued its gradual fiscal consolidation efforts to support the return of inflation to target levels and rebuild fiscal space, following substantial support during the pandemic and the energy crisis. Inflation eased to 3.3%, leading the Bank of England to lower interest rates from 5.25% to 4.75%.

The euro area experienced a slight improvement in growth to 0.7%, driven by a stronger performance in merchandise exports. Rising real wages encouraged consumption, and the gradual easing of monetary policy supported investment. Furthermore, inflation fell to 2.4%, nearing the 2.0% target, prompting the European Central Bank to implement a series of rate cuts. Amid significant geopolitical and policy uncertainty, fiscal policies in the euro area focused on consolidation, aiming to improve fiscal positions after years of support during the pandemic and energy crises.

Japan's real GDP decelerated to 0.1% due to sluggish net external demand. Inflation remained above the 2.0% target at 2.7%. In response, Japan's monetary policy underwent significant changes as the Bank of Japan ended its historic era of negative interest rates, which had been in place since 2016. Throughout the year, the Bank of Japan implemented two rate hikes to combat inflation, aiming to stabilise prices and support economic growth.

Chart 2.2: Select Advanced Economies: GDP Growth Rate

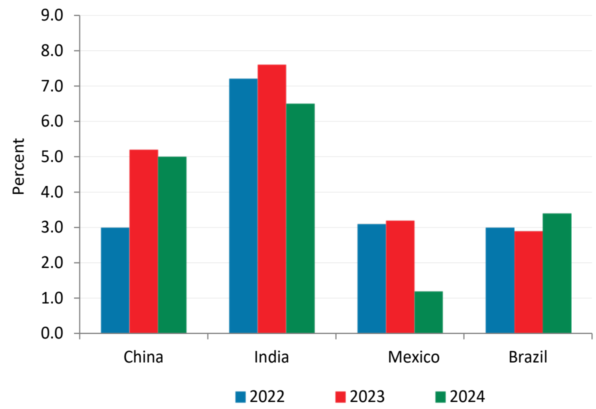


Source: IMF

Emerging Economies

Growth in emerging economies decelerated slightly to 4.2%. India maintained strong growth of 6.5%, although this was somewhat lower than the previous year, supported by its manufacturing, construction, and services sectors. Inflation remained a concern at 5.2%, driven by persistently high and volatile food costs.

Chart 2.3: Select Emerging Economies: GDP Growth Rate



Sources: Statistical offices of China, India, Mexico, and Brazil

China's economy remained resilient despite a slowdown in the property market and weaker consumer demand. China's GDP grew by 5.0%, propelled by robust grain output, increased industrial production in high-tech manufacturing, enhanced service activities, and solid investment in fixed assets and high-tech industries. Although inflation rose by 0.2% compared to the previous year, unemployment remained generally stable at 5.1% in 2024. The employment situation was attributed to the economic expansion, the increasing job opportunities in the service sector, and the government's "employment first" policy. To further support economic activity, the People's Bank of China lowered the loan prime rate amid ongoing challenges in the property sector.

Despite the war and sanctions, Russia's economy grew by 4.1%, driven by increased domestic demand and government spending. The labour market remained tight, with unemployment at a record low of 2.4%, while rising wages continued to outpace productivity growth. Inflationary pressures persisted, with the average inflation recorded at 9.5%, prompting the central bank to raise interest rates significantly.

In Brazil, the economy expanded by 3.4%, driven by robust domestic consumption and investment, as well as smaller-than-anticipated disruptions from flooding. The unemployment rate remained close to its historic low of 6.2%, and job creation remained at a high level. At year's end, inflation stood at 4.4%, edging down from the 4.6% recorded in the previous year. The central bank raised interest rates to combat inflation, which remained above the target.

Closer to home, Mexico's GDP growth slowed to 1.2% in 2024, down from a 3.2% expansion recorded in 2023. This deceleration was attributed to a weakening labour market and stagnant consumption growth observed in the third quarter of 2024.

Central America

Central American economies experienced a deceleration in growth, averaging 3.4% in 2024, down from the 4.9% recorded in 2023. Economic activity remained subdued in the latter half of the year, as weakened consumption and fixed capital formation exerted downward pressure on growth. Inflationary pressures, driven by uncertain financial and trade conditions in the first half of the year, further contributed to the slowdown. Despite these challenges, all Central American countries registered growth, albeit at varying rates.

Costa Rica recorded the second highest growth in the region with a 4.0% expansion, driven by record-high foreign direct investment inflows, improvements in the labour market, and strong external demand for high-value services. Guatemala and Honduras closely followed, both achieving growth of approximately 3.7%, underpinned by robust financial and insurance activities, as well as growth in construction services. Additionally, Guatemala experienced a notable decline in inflation, while Honduras remained within its Central Bank's target range.

Nicaragua's economy expanded by 3.6%, supported by a resurgence in private investment, sustained growth in remittances, and increased foreign investment. Meanwhile, inflation declined to 3.6%, curbing the rate of decline in purchasing power.

El Salvador's economy grew by approximately 2.9%, maintaining a rate above its historical average of 2.5%. This growth was primarily driven by a robust tourism sector, increased exports, and heightened public spending, particularly in infrastructure and social programmes.

Meanwhile, Panama's economic expansion moderated significantly to 2.5% in 2024, a sharp decline from the 7.3% growth recorded in 2023. This slowdown was primarily attributed to the government-mandated suspension of the Minera Panama copper mine and the adverse impact of severe drought conditions on the Panama Canal, which disrupted trade flows. However, inflation moderated to 1.3%.

Caribbean Developments

Economic growth across the Caribbean region, excluding Guyana, moderated to 2.4% in 2024, mirroring the growth rate recorded in the preceding year. This modest growth reflected a confluence of external and domestic factors, including persistent geopolitical uncertainties, heightened trade tensions, elevated borrowing costs, and weaker-than-anticipated external demand. The region remained vulnerable to recurring natural disasters, which further dampened economic activity. Tourism-dependent economies experienced a deceleration as tourist arrivals stabilised at pre-pandemic levels. Commodity-exporting nations faced challenges in the energy sector, although their non-energy sectors generally strengthened, driven by supportive economic policies. Most Caribbean countries witnessed a significant decline in inflation rates from their peaks, attributed to lower global commodity prices and the easing of supply chain disruptions.

The Eastern Caribbean Currency Union remained resilient, exemplified by the strong recovery following Hurricane Beryl, the earliest Category 5 hurricane ever recorded in the Atlantic basin, which struck in July. These economies grew by 4.5%, driven by a robust tourism season and sustained infrastructure investments. Inflationary pressures eased to 1.9%, reflecting a slower rise in food prices, although rising fuel costs partially offset this trend. Montserrat, Dominica, and Saint Vincent and the Grenadines exhibited strong tourism performance during the year. In Saint Vincent and the Grenadines, the agriculture sector trailed as it continued to recover from the eruption of La Soufriére volcano in April 2021.

Barbados' economy maintained steady growth at 4.0% in 2024, supported by the trade and non-trade sectors. Tourism activity expanded significantly, underpinned by increased airlift and major events such as the world cricket matches and Crop Over. The manufacturing sector also expanded, supported by a rise in food and beverage production, despite challenges in agriculture due to adverse weather conditions. The non-trade sector grew, driven by increased domestic demand. Notable contributions were recorded for the business and other services sector, reflecting heightened demand for finance, insurance, and recreational services. The construction sector grew, buoyed by both private and public sector projects. Inflation continued its downward trend, and labor market conditions improved.

The Bahamas experienced moderate growth of 1.9%, driven by a strong rebound in tourism. Growth was constrained by limited hotel capacity, despite several foreign investment-related projects supporting the construction sector. Domestic inflation slowed to 1.2%, reflecting lower global oil prices.

Jamaica's economic growth slowed to 0.7%, primarily due to the impact of Hurricane Beryl, which led to contractions in key sectors, including agriculture, forestry, fishing, construction, wholesale and retail trade, and hotels and restaurants. Inflation decelerated to 5.0%, within the Central Bank's target range, while unemployment rates fell to a record low of 3.5%. Consequently, the Bank of Jamaica reduced its policy rate, reflecting anchored inflation expectations.

Among commodity exporters, Guyana emerged as the region's growth leader. The country recorded an exceptional growth rate of 43.8%, fueled by its expanding oil sector, as well as robust non-oil output and large-scale public infrastructure investment. The non-oil economy demonstrated solid performance across various sectors, particularly in construction and services. Inflation edged up slightly to 2.4%, driven by drought and supply chain disruptions that contributed to higher food prices. The fiscal deficit narrowed, reflecting increased oil revenues.

Suriname's economy grew by 3.0%, supported by public investment, a gradual recovery of services and industry, and the continuation of the IMF-supported reform programme. Inflation declined significantly to 19.1%, down from 51.6% the previous year, reflecting the impact of restrictive monetary policies. However, exchange rate volatility persisted. Notwithstanding, employment levels returned to pre-pandemic levels, with a decline in the gender gap.

Trinidad and Tobago's growth rate slowed to 1.6%, primarily due to a decline in energy production. However, the non-energy sector continued to grow, buoyed by increased activity in wholesale and retail trade. The unemployment rate increased to 5.4%, while inflation rose to 1.3%, influenced mainly by higher food inflation. The central bank maintained its policy rate at 3.5% to support its economic recovery.

DOMESTIC OVERVIEW

Real Gross Domestic Product

Belize's real GDP increased by 8.2% in 2024, marking the highest growth rate in Central America. While growth in 2023 was primarily driven by the tertiary (services) sector, growth in 2024 was propelled by contributions from both the secondary and tertiary sectors. In contrast, output in the primary sector contracted for the third consecutive year, shrinking by 2.5% in 2024. This downturn was attributed to decreases in marine output, grain production, cattle exports, and mining activities, which overshadowed gains made by major commodity crops. However, the secondary sector recorded a 5.7% expansion, propelled by increased electricity generation and construction activities. The tertiary sector emerged as the main driver of economic growth, recording a 10.5% increase, fuelled by a surge in tourism that positively impacted industries such as accommodation, food, transport, and retail trade. Remarkably, the number of stay-over tourist visitors reached an all-time high in 2024, surpassing pre-pandemic levels.

Unemployment

In 2024, the average unemployment rate reached a historic low of 2.5%, driven by the April and September Labour Force Survey (LFS) results that reported unemployment rates of 3.0% and 2.1%, respectively. The April LFS, which aligns with the peak tourism season, revealed that job growth was concentrated primarily in the services sector. Conversely, the September LFS indicated job creation occurred in agriculture, manufacturing, and service industries. However, the labour force participation rate continued to trend downward, sliding to 57.4% in April and 56.3% in September.

Prices

Inflation cooled to 3.3% in 2024, down from 4.4% in 2023. This year's inflationary pressure stemmed primarily from food items, restaurant services, and residential rent.

Fiscal and Debt

In fiscal operations, total revenues and grants increased by 12.0% to $1,528.7mn, due to more substantial tax and non-tax collections, as well as international public-investment grants to a lesser degree. However, total expenditure also rose by 12.0% to $1,675.3mn, driven by higher spending on goods and services, wages, pensions, interest, and capital development projects. Consequently, the overall deficit widened slightly to $146.5mn (2.1% of GDP) in 2024, from $130.3mn (2.1% of GDP) in 2023, financed through borrowings from both foreign and local sources. As a result, the total public sector debt increased by 1.3% ($58.8mn) to $4,424.7mn (64.8% of GDP). When broken down, the public sector's external debt rose by 1.7% ($47.6mn) to $2,905.6mn (42.6% of GDP), while the Central Government's domestic debt increased by 0.7% ($11.2mn) to $1,519.1mn (22.3% of GDP).

External Sector

The current account deficit increased from 0.6% of GDP in 2023 to 1.5% of GDP in 2024, driven by a growing merchandise trade deficit as imports rose and exports fell. Net capital account inflows plummeted by 74.7% ($37.6mn) to $12.7mn, largely due to a decrease in international grants for major infrastructural projects. To cover this gap, net liabilities in the financial account surged by $150.7mn to $223.3mn, driven by increases in both net direct investments by non-residents and net external borrowings by the public and private sectors. The Central Bank's gross international reserves increased by $17.7mn to $964.2mn, equivalent to 3.9 months of merchandise imports.

Monetary Sector

In monetary developments, driven by the foreign asset accumulation of domestic banks and an increase in private sector credit, the broad money supply (M2) surged by 9.4% in 2024. The net foreign assets of the banking system expanded by $343.3mn (21.5%), reaching a year-end high of $1,943.2mn. Domestic banks' net foreign assets grew by $291.5mn (44.8%) to $942.6mn, bolstered by a surge in tourism revenue. The Central Bank's net foreign balances increased by $51.8mn (5.5%) to $1,000.6mn, driven by heightened foreign currency inflows from sugar export receipts and domestic banks.

Net domestic credit of the banking system rose by $75.8mn (2.1%) to $3,686.1mn in 2024, attributed to a $106.0mn (4.1%) increase in credit to the private sector, which overshadowed reductions of $24.7mn and $5.5mn in net credit to the Central Government and lending to other public sector entities, respectively. For the private sector, credit to households and businesses increased by $74.5mn and $31.5mn, respectively. Supporting the banking system's credit growth was a $58.7mn (8.5%) rise in lending from credit unions, alongside a $5.4mn (3.6%) increase in net disbursements from the Development Finance Corporation.

Domestic banks' holdings of excess liquid assets rose by $1.9mn (0.3%) to $746.0mn, standing 82.5% above the secondary reserve requirement. However, due to increased investments in T-bills, domestic banks' excess cash holdings at the Central Bank decreased by $37.5mn (7.4%) to $472.3mn, settling comfortably at 168.7% above the primary (cash) reserve requirement.

For the year ending in December, the 12-month (rolling) weighted average interest rate on new loans rose by 13 basis points to 8.81%, supported by higher rates on residential construction and personal loans. Conversely, the 12-month (rolling) weighted average interest rate paid on new deposits decreased by six basis points to 1.74%, reflecting the effect of a surge in non-interest-bearing demand deposits, primarily due to reclassification adjustments. Consequently, the weighted average interest rate spread widened by 19 basis points to 7.07%.

Economic Prospects

In January 2025, the IMF forecasted that the global economy would grow by 3.3% for the year, matching the growth pace of the previous year. However, since then, significant policy shifts in the political economy have altered the trajectory of this outlook. The threat of a wave of punitive tariff measures by the US and countermeasures by its major trading partners has led to high levels of policy uncertainty, as the new shocks impact the global economy. Increased climate-related disturbances, including extreme weather events, may also have a negative impact on economic activities, particularly in vulnerable regions such as the Caribbean.

In Belize, GDP growth is projected to reach 4.3% in 2025, with mixed performances across sectors amid significant downside risks. The primary sector is predicted to grow by 3.2% in 2025, following a 2.5% contraction in 2024. This increase is linked to rising production in "other" crops and livestock, which should temper the production decline in some of Belize's main traditional crops, particularly sugarcane and banana.

The secondary sector's output is projected to grow by 2.2% , building on the 5.7% increase recorded in the previous year. This expected growth is fuelled by a rise in domestically produced electricity, alongside boosts in manufacturing, construction, and water supply activities.

The tertiary sector is projected to grow by 5.2%, decelerating from the 10.5% growth observed in 2024. This slowdown will be influenced by a reduction in growth of stay-over arrivals, which will impact multiple related industries, including accommodation, food and beverage, transport, and retail distribution. Simultaneously, government and business service activities are expected to temper, following the sharp increase in current spending last year, and as business process outsourcing activities stabilise.

In the external sector, the current account deficit is expected to increase by $16.3mn to $113.5mn, equivalent to 1.6% of GDP, primarily due to a larger merchandise trade deficit. Nevertheless, bolstered by additional investment inflows, the gross international reserves are projected to increase to 4.1 months of coverage for merchandise imports by the end of 2025.

MONETARY DEVELOPMENTS

Money Supply

In 2024, M2 expanded by $417.3mn, or 9.4%, to $4,863.8mn. This robust performance was driven by a $664.1mn (24.9%) surge in narrow money (M1), which overshadowed a $246.8mn (13.9%) decline in quasi-money. The substantial growth of M1 was fuelled by an upswing in demand deposits, which soared by $605.8mn (29.1%) to $2,685.2mn. This increase in demand deposits

Chart 2.4: Deposit Growth

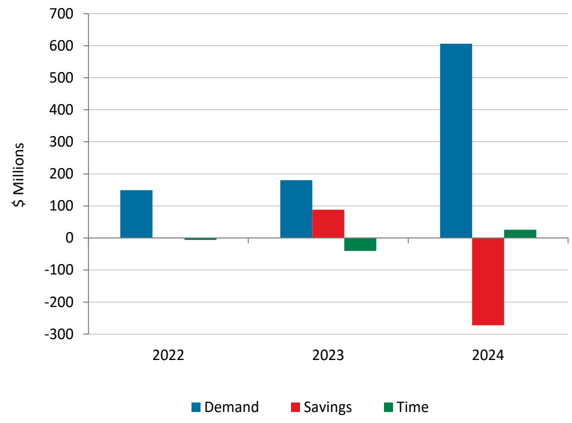
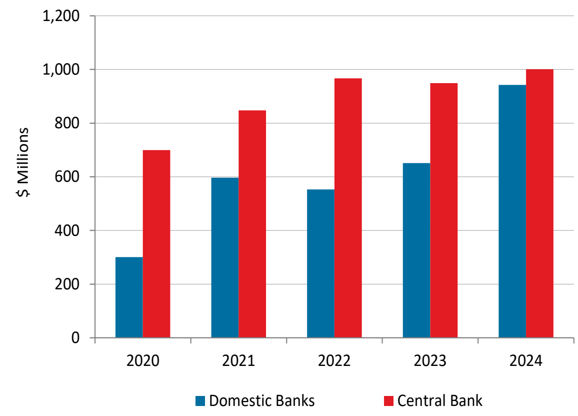


Chart 2.5: Net Foreign Assets



was primarily due to higher balances maintained by businesses and households. The larger balances resulted from the reclassification of significant amounts of savings deposits for households and the Social Security Board to demand deposits. A sharp increase in currency held by the public also contributed to the expansion of M1, rising by $57.9mn (9.9%), while savings and cheque deposits edged up slightly by $0.4mn. In contrast, quasi-money diminished by $246.8mn (13.9%), as a $272.5mn (25.8%) drop in savings deposits outweighed a $25.7mn (3.5%) increase in time deposits. On the asset side of the banking system's balance sheets, the growth in M2 was propelled by a significant rise in foreign asset holdings and a moderate increase in domestic credit.

Net Foreign Assets

The domestic banking system's net foreign assets increased by $343.3mn (21.5%) to $1,943.2mn during the year. This figure represented the highest year-end position to date, following the all-time high reached in May when it first surpassed the $2.0bn mark. Approximately 84.9% of the growth in net foreign assets was attributed to domestic banks, while the Central Bank accounted for the remaining 15.1%.

Domestic banks' net foreign assets surged by $291.5mn (44.8%) to $942.6mn. The main contributors to the rapid accumulation in foreign currency earnings were: (a) tourism, supported by a double-digit growth in international tourist arrivals; (b) foreign investments, including real estate transfers and the sale of loan facilities related to the Stake Bank project to a foreign company; and (c) activities associated with commercial free zones and business process outsourcing. In contrast, the use of foreign currency for international payments increased at a more modest pace, with 80.6% of foreign currency sales directed towards covering the costs of goods and energy imports.

Additionally, the Central Bank's net foreign assets grew by $51.8mn (5.5%) to $1,000.6mn. This result stemmed from gross foreign currency inflows of $384.7mn, which surpassed outflows of $335.0mn. However, gross foreign currency inflows decreased by $10.8mn (2.7%) due to a $79.8mn decline in foreign currency purchases from external loans and grant proceeds. This reduction was mostly offset by increases of $58.3mn and $7.6mn in foreign currency purchases from domestic banks and a sugar exporter, respectively. Gross foreign currency outflows decreased by a larger margin of $77.8mn (18.9%) due to a $97.5mn drop in sales to the Central Government. Nevertheless, the Central Government accounted for 79.5% ($266.3mn) of the Central Bank's total foreign currency sales, most of which were allocated to service the external debt.

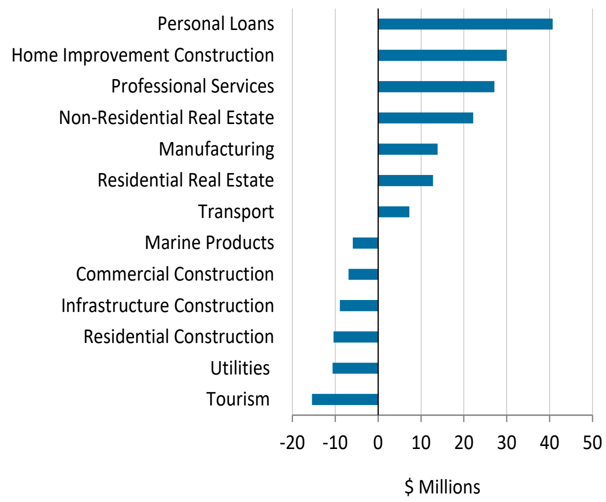
The Central Bank's gross official international reserves, measured in months of merchandise imports, fell from 4.1 in 2023 to 3.9 in 2024, as imports grew at a faster pace than reserves.

Net Domestic Credit

Net domestic credit from the banking system rose by $75.8mn, or 2.1%, to $3,686.1mn, spurred by increased credit to the private sector, as lending to the Central Government (net) and other public sector entities declined.

Credit from the banking system to the private sector rose by $106.0mn (4.1%) to $2,670.3mn, marking the third consecutive year in which the year-on-year expansion exceeded the $100.0mn threshold. Domestic banks accounted for $103.3mn of the growth in outstanding loans, with $73.1mn allocated to households, while the remaining $30.2mn was directed towards businesses. For households, the amount of outstanding loans extended for personal as well as residential real estate, residential construction, and home improvement increased by $40.7mn and $32.4mn, respectively. Meanwhile, for businesses, new

Chart 2.6: Annual Change in Domestic Bank Lending



facilities were extended for professional services ($27.1mn), non-residential real estate ($22.2mn), and manufacturing purposes ($13.9mn), which overshadowed declines in outstanding balances for tourism ($15.4mn), infrastructure construction ($8.9mn), commercial construction ($6.9mn), and marine goods production ($5.9mn). However, the growth in domestic banks' loan portfolios was tempered by $18.7mn in write-offs of non-performing loans, which were primarily issued for personal ($8.3mn) and building and construction ($3.6mn) activities. Furthermore, domestic banks acquired $1.4mn more in private debt securities issued by a utility gas company.

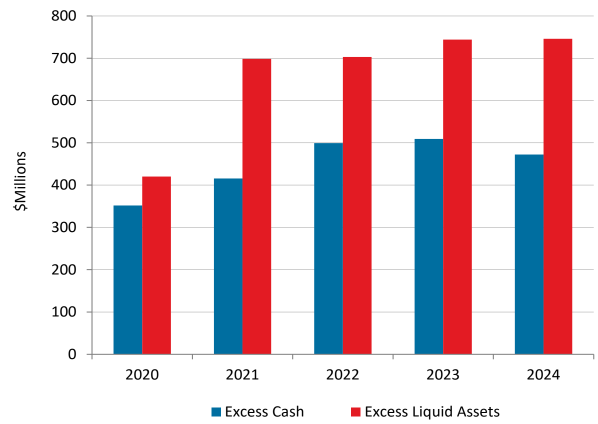
In contrast, net credit to the Central Government from the banking sector decreased by $24.7mn (2.7%) to $903.0m, a stark turnaround from the $213.9mn increase noted in 2023. This earlier increase was attributed to the banking system's acquisition of a large amount of government securities to fund the nationalisation of the Port of Belize Limited and to address various outstanding legal claims. The 2024 decline stemmed from a $20.0mn increase in the Central Government's deposits, largely driven by a marked rise in tax revenues during the initial months of FY 2024/2025, coupled with a $4.7mn drop in the banking sector's Treasury securities holdings, which were transferred to the non-banking sector. Moreover, the Central Government's overdraft facility at the Central Bank remained unused throughout 2024, maintaining a pattern of inactivity since 2021.

Similarly, credit to other public sector entities fell by $5.5mn (4.6%) to $112.8mn, primarily due to an $11.1mn drop in credit to public utility companies from domestic banks. This decline included $6.0mn in loan repayments along with a $5.1mn decrease in debt securities issued by utility companies. Nevertheless, the overall reduction was partially offset by increases in net disbursements of $4.6mn and $1.0mn to local governments and statutory bodies, respectively.

Domestic Bank Liquidity

For the fifth consecutive year, domestic banks increased their holdings of excess liquid assets, though it rose by a marginal $1.9mn (0.3%) to $746.0mn in 2024. By the end of the year, total excess liquid reserves amounted to 82.5% above the secondary reserve requirement, set at 21.0% of average deposit liabilities since April 2020. The holdings of approved liquid assets at domestic banks grew by $94.2mn, driven by increases in foreign balances ($58.6mn), Treasury securities maturing within 90 days ($42.7mn), and other approved assets ($13.5mn), while aggregate deposits with the Central Bank and vault cash fell by $17.6mn and $3.0mn, respectively. However,

Chart 2.7: Excess Statutory Liquidity



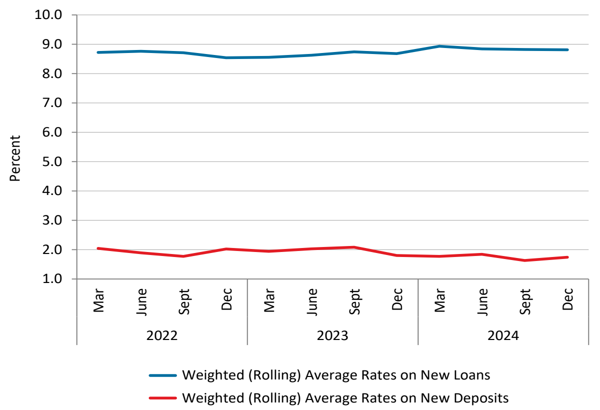
this increase in approved liquid assets was nearly offset by a $92.3mn rise in the liquid asset requirement, attributed to the surge in deposits.

Conversely, domestic banks' excess cash reserves decreased by $37.5mn (7.4%) over the year to $472.3mn. Nonetheless, total excess cash reserves were kept at a comfortable level, settling at 168.7% above the cash reserve requirement at year end. This decline primarily resulted from the heightened utilisation of non-remunerative cash reserves for purchasing T-bills, especially among the most liquid banks.

Interest Rates

Throughout the year, interest rates for new loans and deposits exhibited different trends. The 12-month (rolling) weighted average interest rate for new loans increased by 13 basis points from the previous year to 8.81%. This rise in the weighted average lending rate was driven by rate increases of 121, 43, and four basis points for residential construction, personal, and other loans, respectively. However, these rate increases were partially offset by a 15-basis-point decline in lending rates for commercial facilities.

Chart 2.8: Annualised Interest Rates on New Loans and Deposits

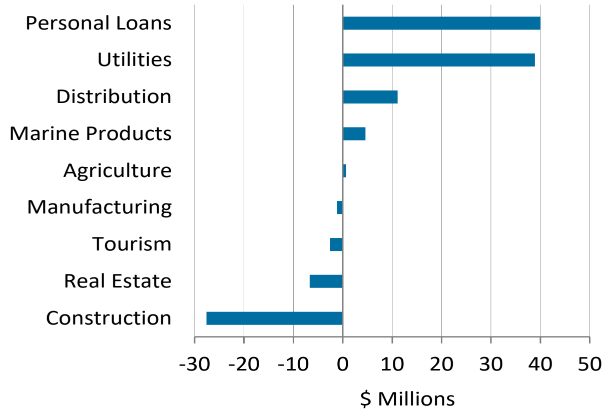


In contrast, the 12-month (rolling) weighted average interest rate for new deposits decreased by six basis points to 1.74%. This decline in the weighted average deposit rate was attributed to a significant increase in non-interest-bearing demand deposits as a percentage of total deposits. However, the simultaneous rise in time and savings deposit rates, which grew by 28 basis points and one basis point, respectively, moderated this impact.Consequently, the 12-month (rolling) interest rate spread increased by 19 basis points to 7.07%.

Credit Union Lending

Credit unions recorded a $58.7mn, or 8.5%, increase in outstanding loans and advances to $751.4mn, marking the largest year-on-year growth since 2013. This credit expansion was driven by net disbursements for personal use ($40.0mn), utilities ($38.9mn), and distribution activities ($11.1mn). However, the overall growth was tempered by lower outstanding balances for residential construction ($25.9mn) and commercial real estate ($16.1mn) loans. Furthermore, loan write-offs amounted to $8.8mn,

Chart 2.9: Annual Change in Credit Union Lending

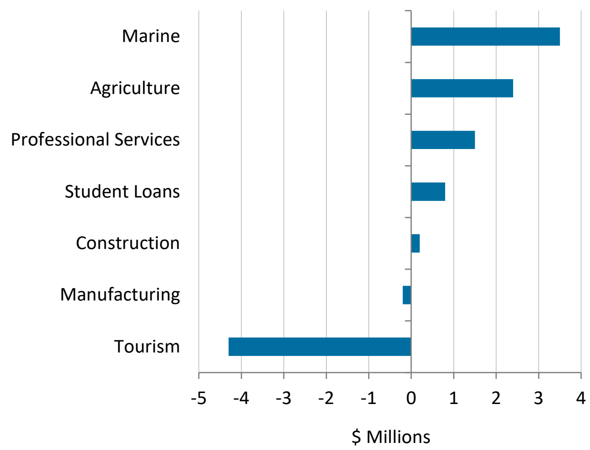


applied chiefly against distribution ($5.4mn) and personal ($2.6mn) non-performing loans.

Development Bank Lending

In 2024, the Development Finance Corporation's loan portfolio increased by $5.4mn (3.6%) to $154.7mn. This modest growth was primarily driven by net disbursements to stimulate marine ($3.5mn) and agricultural production ($2.4mn). However, net repayments from tourism service providers ($4.3mn) limited the growth pace of the institution's loan portfolio.

Chart 2.10: Annual Change in Development Finance Corporation's Lending



Open Market Operations

The Central Bank's holdings of T-bills decreased by $49.2mn (22.5%) to $169.5mn, representing just over half (50.6%) of the $335.0mn in T-bills issued at the end of 2024. Conversely, domestic banks increased their T-bill holdings by $46.4mn (43.3%) to $153.5mn, raising their market share to 45.8% in 2024 from 32.0% in 2023. The remaining T-bills were held by non-bank entities, whose combined holdings rose by $2.9mn to $12.0mn, increasing their market share to 3.6% in 2024 from 2.7% in 2023.

The weighted average yield for the 91-day T-bills edged up by two basis points from 0.58% to 0.60% over the 12 months from the last auction of 2023 to that of 2024, amid competitive bidding among market participants.

CENTRAL GOVERNMENT OPERATIONS AND PUBLIC DEBT

Central Government Operations

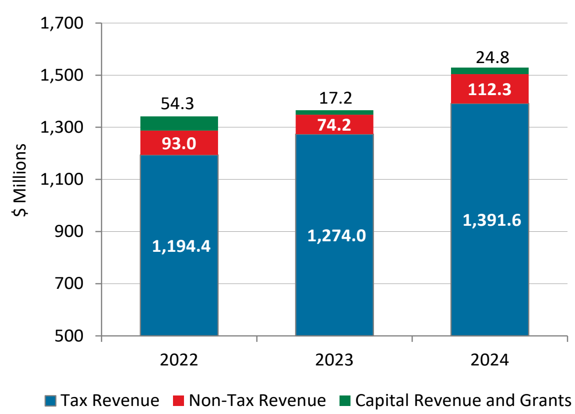
The Central Government's fiscal stance remained essentially unchanged compared to the year before. Revenue growth was robust, primarily driven by increases in tax and non-tax revenues, underpinned by solid economic growth. However, this revenue boost was accompanied by a more significant rise in total expenditure due to increased spending on both current and capital items. Consequently, fiscal operations generated an overall deficit of 2.1% of GDP ($146.5mn) in 2024, the same ratio as in the previous year, financed mainly by borrowings from abroad. Moreover, the primary balance, which excludes interest payments from expenditures, improved slightly to 0.2% of GDP ($13.6mn) in 2024 from 0.1% of GDP ($6.2mn) in 2023.

Revenue

In 2024, total revenue and grants reached $1,528.7mn, reflecting a 12.0% increase of $163.3mn compared to 2023. This growth was primarily driven by significant increases in both tax and non-tax revenues, along with modest contributions from capital revenue and external grants.

Tax revenue increased by 9.2% ($117.7mn) to $1,391.6mn, with notable rises in three of the four major tax categories: "*Income and Profits*," "*International Trade and Transactions*," and "*Taxes on Goods and Services*." These gains easily surpassed a slight decline of $0.4mn in the "*Property Taxes*" category. "*Taxes on Income and Profits*" rose most significantly, up by $53.9mn to $415.6mn, accounting for 45.8% of the overall increase in tax revenue. Within this category, business and personal income taxes increased by $37.2mn and $11.6mn, respectively. "*Taxes on International Trade and Transactions*" grew by 14.4% ($28.9mn) to $229.6mn, supported by rising import duties and environmental receipts related to higher import values. "*Taxes on Goods and Services*" climbed by

Chart 2.11: Central Government Revenue



Sources: MOF and Central Bank

5.0% ($35.3mn) to $740.1mn, primarily due to a $39.3mn rise in excise duties. Nonetheless, general sales tax, the largest component of this category, fell by 1.0%, or $3.9mn, due to the two sales tax-free weekends in December, which resulted in reduced collections for that month.

Non-tax revenue surged by 51.3%, or $38.1mn, reaching $112.3mn. This substantial increase was mainly driven by a $26.0mn rise in "*Licenses*," attributable to higher collections from lottery fees and tourist departure taxes. Furthermore, dividends and profit transfers from quasi-corporations, rose by $13.7mn, with the largest institutional transfer coming from the Central Bank.

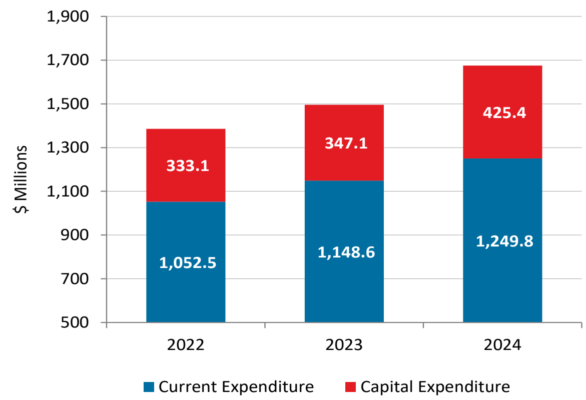
Grants also contributed to overall revenue growth, rising by $5.7mn to $16.6mn, even with the completion of significant grant-funded infrastructure projects nationwide.

Expenditure

Total expenditure amounted to $1,675.3mn in 2024, up $179.5mn, or 12.0%, driven by higher recurrent and capital spending.

Current expenditures rose by 8.8%, or $101.2mn, to $1,249.8mn for the year. Spending increased in four of the five expenditure categories. The most significant increase occurred in "*Goods and Services*," which grew by $33.4mn to $278.5mn, attributed to higher operating costs, especially for professional services, along with greater expenses for insurance and medical supplies. "*Pensions*" also rose by $27.4mn to $130.8mn, primarily due to a timing-related increase in delayed gratuity payouts. Furthermore, the Central Government's

Chart 2.12: Current and Capital Expenditure



Sources: MOF and Central Bank

employee compensation payments climbed by $25.3mn, raising the "*Wages and Salaries*" category to $498.9mn. Lastly, "*Interest Payments*" increased by $23.5mn to $160.1mn, due to the interest rate hike on the Blue Loan from 3.55% to 5.15% and an uptick in the stock of outstanding external debt. The only category that recorded a decrease was "*Subsidies and Current Transfers*," which dropped by 4.5% due to the absence of a one-time arbitral award related to the nationalisation of the Belize City Port in 2023.

Capital expenditure surged 22.6%, or $78.3mn, to $425.4mn. Capital II spending, financed from domestic sources, increased by 28.5% ($74.0mn) to $333.6mn. Of this total, 31.1% was allocated to infrastructure, including road upgrades and maintenance; 20.3% to general public services, primarily for the purchase of equipment and support to municipalities; 13.2% to health, which includes the further rollout of the National Health Insurance programme; and 9.5% to economic sectors for agricultural support and land acquisition. Capital III outlays, financed from external sources, increased at a slower rate of

5.0% ($4.3mn), reaching $91.0mn. This modest rise was primarily driven by increased spending on infrastructural projects as well as allocations for education, solid waste management, social protection, housing, and community development initiatives.

Box 2.1 | Major Fiscal Initiatives in 2024

19 January 2024 - The Income and Business Tax (Inclusion of Other Statutory Bodies Within the Meaning of Public Statutory Body) Order, 2024 provided for the inclusion of the University of Belize and the Karl Heusner Memorial Hospital within the definition of "public statutory body."

4 March 2024 - The Electricity (Tariffs, Fees, and Charges) (Amendment) Byelaws, 2024 aimed to ensure that electricity tariffs and charges accurately reflect the costs of providing electricity services in alignment with the Public Utilities Commission's mandate to regulate the electricity sector in Belize.

25 May 2024 - The Caribbean Community Climate Change Center Act (Commencement) Order, 2024 initiated the commencement phase, during which the powers and duties conferred upon the institution, as outlined in the legislation, including the coordination of regional climate action, support for member states in climate adaptation, and provision of technical assistance for implementing climate-related policies and projects, become enforceable and operational within Belize's legal framework.

17 August 2024 - The Fiscal Incentives (Amendment) Act, 2024 was enacted to streamline and standardise incentives for large-scale investments. Notably, the Act introduced a new threshold, offering incentives for investments exceeding US$250.0mn. These incentives include exemptions from import duty, revenue replacement duty, and excise duty on goods used during the establishment and construction phases of approved activities.

20 September 2024 - The Income and Business Tax (Exemption from Business Tax) Order, 2024 permitted the exemption of business tax payments for two years for newly established businesses engaged in cattle exports to Mexico. This aimed to alleviate hardship or financial difficulty in the nascent Mexican cattle export industry.

Box 2.1 | Major Fiscal Initiatives in 2024 (*continued*)

22 November 2024 - The Movable Property Security Rights Act, 2024, facilitated the use of movable property as collateral for credit facilities.

6 December 2024 - The Government of Belize and Social Security Board Settlement Deed Act, 2024 set off debt obligations related to the acquisition of shares in Belize Telecommunications Limited, held by Sunshine Holdings Limited.

9 December 2024 - The Stamp Duties (Amendment) Act, 2024 provided financial relief for mortgage instruments, with mortgages exceeding $100,000 now charged 1.5% above this threshold. Additionally, the scope was expanded to encompass land, stock, or share transfers and clarified exemptions for certain instruments, including conveyances of property to the Government of Belize, churches, and charitable organisations.

9 December 2024 - The Government of Belize issued the first General Sales Tax waiver on local retail sales of all standard-rated goods on 14, 15, 21, and 22 December 2024, subject to certain exceptions. On these days, consumers were permitted to purchase goods in shops and stores countrywide without having to pay the usual 12.5% sales tax applied to most purchases.

9 December 2024 - The General Sales Tax (Amendment) Act, 2024 enabled electronic tax invoicing, detailed tax receipt specifications, enforced registration compliance requirements, and instituted administrative penalties for non-compliance.

11 December 2024 - The Income and Business Tax (Amendment) Act, 2024 increased the Personal Allowance for Employed individuals, raising the income tax exemption threshold from $20,000 to $29,000. Additionally, Corporate Income Tax was applied to Designated Processing Areas. The Act further removed the tax on interest income on time deposits; applied double tax treaty relief provisions to all treaty countries, not just Commonwealth nations; regularised withholding tax on gross contract payments to 50.0% of the rate of business tax typically filed by the contractor, when the applicable rate due is less than 6.0%; and incentivised private sector support for sports and educational development in Belize by allowing taxpayers to claim a credit of up to $30,000 or 1.0% of the total tax due for donations.

Financing

The financing requirement of the Central Government's operations for 2024 totalled $257.3mn, equivalent to 3.8% of GDP. This amount included the overall fiscal deficit of $146.5mn and amortisation payments of $111.0mn. Funds to bridge this gap were sourced through the issuance of new securities ($14.0mn), net external loan disbursements ($33.8mn), and ($37.5mn) from unclaimed funds from the US dollar 2034 bond buyback exercise, which was used to meet the interest payments on the Blue Loan for 2024 as stipulated in the loan agreement.

Total Public Sector Debt

Belize's total public sector debt rose by 1.3% ($58.8mn) to $4,424.7mn in 2024. This increase was driven by a $47.6mn rise in the public external debt and an $11.2mn increase in the Central Government's domestic debt. The proportional movements in outstanding debt resulted in the composition of the total public debt remaining essentially unchanged. The public sector's external debt as a share of the total public debt increased by 0.2 percentage points to 65.7%, while the Central Government's domestic debt decreased by the same amount to 34.3%. Additionally, with the economy expanding faster than the growth in total public debt, the public debt-to-GDP ratio fell by 6.4 percentage points to 64.8%, bringing it closer to the IMF's recommended target of 50.0% of GDP by 2030.

Central Government's Domestic Debt

The Central Government's domestic debt rose slightly by 0.7%, or $11.2mn, to $1,519.1mn, representing 22.3% of GDP. This increase was driven by the issuance of $14.0mn in new T-notes in December, the only release of new securities in 2024. However, new disbursements were partially offset by the repayment of $0.2mn towards a debt-for-nature swap facility and the amortisation of $2.6mn in T-notes.

The Central Government's domestic debt servicing costs declined by 20.5%, or $12.4mn, to $48.2mn. This decrease was primarily attributed to a significant drop in principal repayments from $17.3mn in 2023 to just $2.8mn in 2024. The principal repayments included the redemption

Chart 2.13: Public Sector Debt-to-GDP Ratio

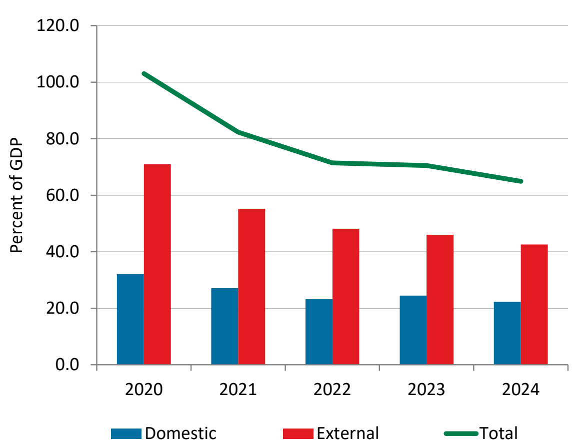


Chart 2.14: Domestic Debt and Average Effective Interest Rate

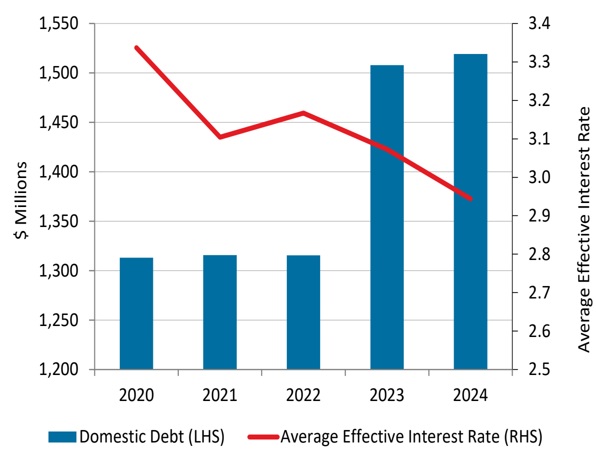
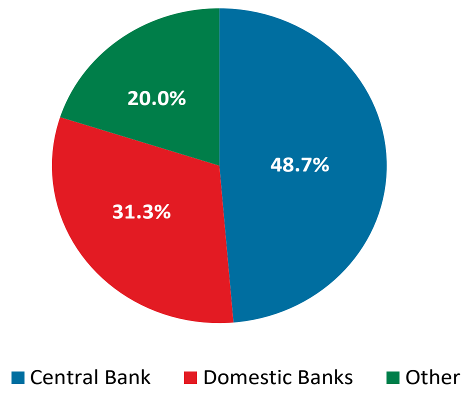


Chart 2.15: Holders of Domestic Debt



of $2.6mn in T-notes and $0.2mn in amortised loans. In contrast, interest payments increased from $43.4mn in 2023 to $44.6mn in 2024. The majority of interest payments, amounting to $42.2mn, were directed to T-notes, while the remaining $2.4mn was allocated to T-bills. When broken down by creditor, the Central Bank garnered $17.3mn in interest from its securities, while non-bank entities and domestic banks received $16.6mn and $10.6mn, respectively.

The average annual effective interest rate remained stable at 3.2%, underscoring the Government's objective to maintain low domestic debt servicing costs.

At the end of the year, the Central Bank held the largest share of the Central Government's domestic debt, representing 48.7% of the total, primarily in the form of $739.2mn in securities. Domestic banks held 31.3%, comprising a mix of securities and loans, while non-bank entities accounted for the remaining 20.0%.

Public Sector External Debt

In 2024, the public sector's external debt increased by 1.7%, or $47.6mn, to $2,905.6mn, representing 42.6% of GDP. This growth was driven by $203.9mn in loan disbursements, which exceeded $153.4mn in principal repayments.

External loan disbursements to the public sector totalled $203.9mn, a modest decline from last year's total of $216.6mn. All funds were sourced on concessional terms from bilateral and multilateral partners, with no new commercial loans incurred.

The Central Government was the primary beneficiary of these proceeds, receiving $173.5mn, representing 85.1% of the total. When disaggregated by type of creditor, the Central Government received $61.7mn from bilateral lenders. This amount comprised $53.3mn from the ROC/Taiwan for budgetary support and the upgrading of the Sarteneja Road, and $8.4mn from the Kuwait Fund for Arab Economic Development for the Caracol Road Upgrading Project. At the same time, the Central Government obtained $111.7mn from multilateral creditors, comprising $22.7mn from the Caribbean Development Bank (CDB), $14.1mn from the Organization of Petroleum Exporting Countries' Fund for International Development (OFID), and $25.0mn from the IDB. Additionally, the Caribbean Community Climate Change Centre, a regional non-resident organisation, invested $28.7mn in domestic Treasury securities, thereby boosting external loan inflows.

The Central Government utilised these external funds for various initiatives. A significant portion supported operational activities, including improvements in tax administration and advances in digital innovation. Furthermore, a substantial amount was allocated for infrastructure projects, including highway, road, and bridge rehabilitation.

Additionally, investments were made in education, health, and climate change adaptation initiatives.

Public non-financial and financial entities also received new disbursements. A sum of $5.8mn was allocated to the public non-financial sector. The Belize Electricity Limited obtained $4.4mn from the CDB for its Seventh Power Project, which aimed to connect Caye Caulker to the national electricity grid via a submarine cable. This initiative sought to replace diesel generators with a cleaner, more reliable power source and to address the increasing demand for electricity. In addition, the public financial sector got $24.6mn. The Development Finance Corporation received the full amount,

Table 2.1: Use of External Disbursement Proceeds in 2024

($mn)

Disbursements to the Public Sector	Amount
Central Government	**173.5**
General Financing	44.0
Caribbean Community Climate Change Centre	28.7
Caracol Road Project	20.7
Philip Goldson Highway and Remate Bypass Upgrade Project	14.9
Climate Resilient & Sustainable Agriculture Project	11.3
Upgrading of Sarteneja Road and Construction of Laguna Bridge	9.3
Integral Security Programme	8.4
Social Investment Fund III	5.4
Program for Digital Innovation to Boost Economic Development in Belize	4.1
Program for Sustainable and Inclusive Belize	3.8
Strengthening of Tax Administration	3.0
Solid Waste Management Project	3.0
Skills for the Future Program	2.9
Program for Strengthening Public Expenditure Management	2.7
Haulover Bridge Replacement Project	1.8
COVID-19 Response Project	1.6
Education Quality Improvement	1.6
Public Non-Financial Sector:	**5.8**
Caye Caulker Submarine-Equity and Market Resources	4.4
Water Supply and Modernization Program	1.4
Public Financial Sector:	**24.6**
Global Credit Program for Safeguarding the Productive Sector and Employment	12.0
Credit Program for Safeguarding the Productive Sectors and Women MSME'S	6.4
Lines of Credit	6.2
TOTAL PUBLIC SECTOR DISBURSEMENTS	**203.9**

stemming from the CDB, the International Cooperation and Development Fund of ROC/Taiwan, and the IDB. The funds were earmarked for several initiatives, such as boosting credit to micro, small, and medium enterprises, as well as funding for students, women, low-income housing, and climate-related initiatives.

In 2024, the total external debt service payments amounted to $277.6mn, which included $153.4mn in principal repayments and $124.2mn in interest and other fees. The Central Government's amortisation payments amounted to $139.7mn. Multilateral creditors received $97.9mn, with $25.8mn going to the CDB, $17.5mn to the IDB, and $15.8mn to OFID. Holders of US dollar-denominated T-notes, categorised as commercial creditors, were paid $11.5mn. Bilateral lenders received $30.3mn, including $26.3mn to ROC/Taiwan and $2.5mn to the Government of Kuwait. Additionally, the public non-financial and financial sectors repaid $9.3mn and $4.4mn on their loans, respectively.

The Central Government's interest and other payments totalled $117.1mn, representing a 23.7% increase over the year compared to the $94.7mn recorded in 2023. After a period of significant hikes, following the COVID-19 pandemic, global interest rates remained stable at elevated levels for most of 2024, with movements in the secured overnight financing rate, influenced by the Federal Reserve's interest rate cuts and the market's perception of the trajectory of those cuts. Furthermore, the interest rate on the Blue Loan jumped by 45.1 percentage points to 5.15% in October 2024. Consequently, the annual effective interest rate averaged 4.2%, a 0.3 percentage-point increase from 3.9% in 2023. The Central Government accounted for 94.3% of total interest and other payments, having paid $46.5mn and $32.0mn to multilateral and bilateral creditors, respectively. In addition, $37.5mn on the Blue Loan and $1.9mn to holders of US dollar T-notes. The public non-financial and financial sectors paid their creditors $3.0mn and $4.2mn in interest, respectively.

At the end of 2024, the Central Government accounted for 90.6% of the total outstanding external public sector debt. The public financial sector held 7.4%, while the public non-financial

Chart 2.16: External Debt Principal Payments

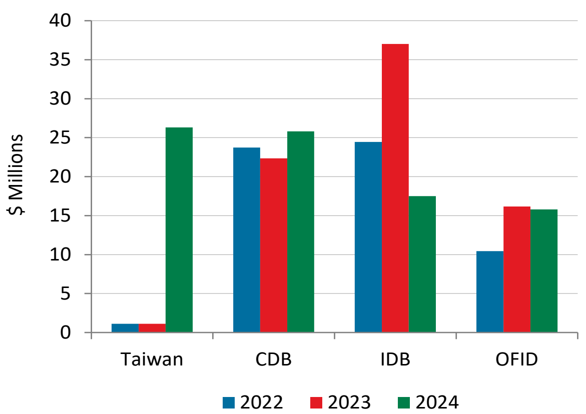
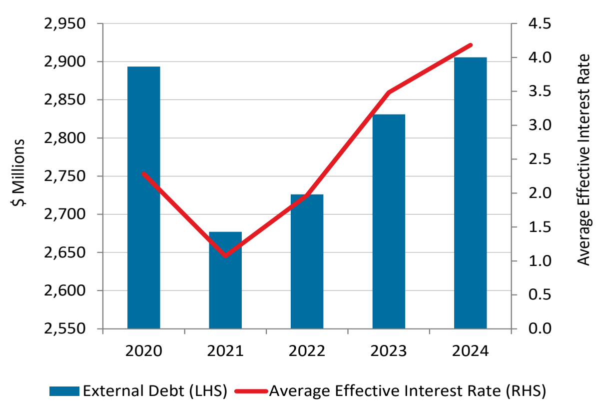


Chart 2.17: External Debt and Average Effective Interest Rate



sector possessed the remaining 2.0%. When broken down by creditor type, 41.2% of the outstanding debt was owed to multilateral lenders, 33.4% to bilateral lenders, and 25.5% to commercial lenders.

PRODUCTION

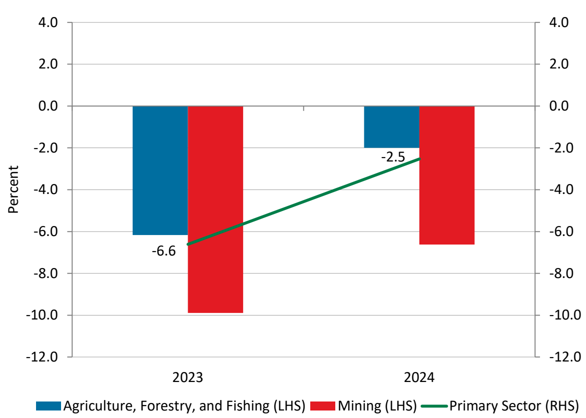
Real Gross Domestic Product

In 2024, Belize's real GDP increased by 8.2%, significantly outpacing the modest 1.2% growth of the previous year. This significant increase was driven by strong performances in the tertiary and secondary sectors, which more than offset the modest decline in the primary sector.

The primary sector contracted by 2.5%, an improvement nonetheless from last year's 6.6% decline. This outcome was primarily due to a recovery in the production of key commodity crops amid declines in other primary products. Banana production surged by 26.8% in response to the effective management of the Black Sigatoka outbreak and favourable weather conditions. Similarly, the sugarcane sector experienced a 13.5% increase in deliveries, rebounding from a 17.6% decline the previous year. The citrus industry also contributed positively, as the maturation of recently replanted orange groves resulted in a 28.0% increase in orange deliveries. However, a 69.7% decrease in grapefruit deliveries tempered the overall rise in fruit processed to only 2.7%. Despite these gains, the primary sector faced setbacks due to declines in marine output, grain production, cattle exports, and mining. Adverse weather impacted lobster catches while shrimp farming continued to struggle with high mortality rates. Corn production declined by 6.7%, rice production decreased by 5.2%, and bean production fell by 6.1% due to climate-related challenges and low yields. The livestock and mining industries experienced marginal growth and a downturn, respectively, attributed to reduced cattle exports and a decline in oil production.

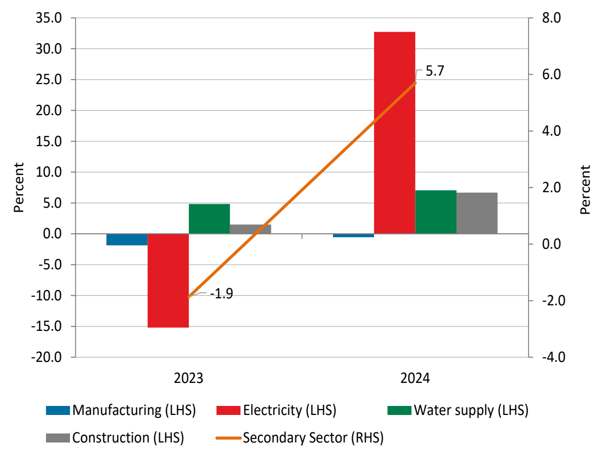
The secondary sector rebounded with a 5.7% increase after two years of decline. The electricity industry emerged as the leading contributor, marking a 32.7% rise from the previous year's 15.2% drop, boosted by increased hydroelectric and biomass power generation. Construction activity grew by 6.7%, following by higher

Chart 2.18: Percentage Change in Primary Industries



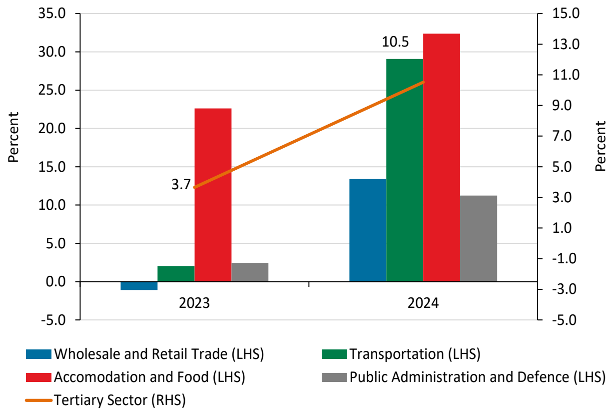
Source: SIB

Chart 2.19: Percentage Change in Secondary Industries



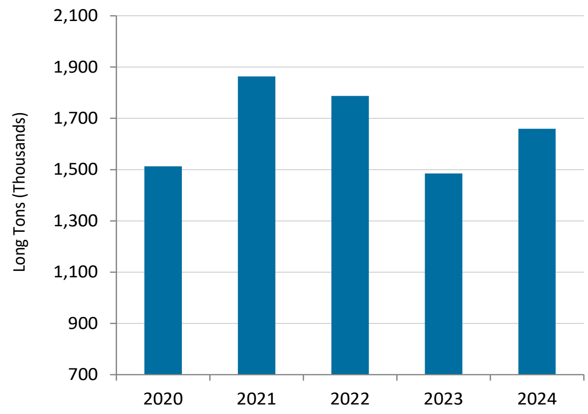
Source: SIB

Chart 2.20: Percentage Change in Select Tertiary Industries



Source: SIB

Chart 2.21: Sugarcane Deliveries



Sources: BSI/ASR and Santander Group

imports of building materials and an increase in construction loans. In contrast, manufacturing saw a slight contraction of 0.5%, as decreases in flour, animal feed, and rum production outweighed gains in sugar and citrus juice output. The tertiary sector's growth accelerated from 3.7% in 2023 to 10.5%, primarily driven by a robust performance in tourism. For the first time since the pandemic, stay-over arrivals surpassed pre-COVID-19 levels from 2019, increasing by 10.7% due to effective marketing efforts and increased airlift capacity. Stay-over arrivals rose by 19.6% compared to 2023, while cruise arrivals experienced a slight decline of 1.5%. This strong outcome in the overnight segment had a positive impact on industries such as accommodation, food, transport, as well as wholesale and retail distribution. Additionally, activities in other areas also strengthened, with government services growing by 11.2% and financial services increasing by 3.0%.

Agriculture

<u>Sugarcane</u>

Sugarcane deliveries for the 2023/2024 crop year increased by 11.7% to 1,659,297 long tons, driven by higher production at both mills, which was supported by favourable weather conditions.

In the north, the harvesting season was initially slated to commence on 11 December; however, the start was delayed due to disputes over a proposed four-year commercial agreement between the mill and the largest farmers' association. Ultimately, all parties reached a compromise, agreeing to a two-year contract. Shortly thereafter, harvesting began on 28 December 2023 and concluded on 21 July 2024, spanning 207 days, 36 more than in the previous crop year. This extended timeframe enabled a higher level of deliveries, which increased by 4.6% to 1,027,466 long tons compared to the previous crop cycle.

In the west, the sugarcane harvest commenced on 8 January and concluded on 20 May, spanning 134 days. This was 29 fewer than in the previous crop year. Nevertheless, total deliveries to the factory surged by 25.5% to 631,831 long tons. The recovery in production, following last year's contraction of 21.8%, was attributed to improved farm management practices and favourable weather conditions.

For deliveries made to the northern mill, the price paid to sugarcane farmers for the 2023/2024 crop cycle increased by 5.4%, or $4.67. Payments to farmers rose from the previous record of $86.28 in the last cycle to a new high of $90.95 per long ton of cane. This continued upward price trend could be attributed to improved global market prices for sugar, as supplies tightened due to reduced output from India. Furthermore, the shift towards producing and selling more value-added, direct consumption sugar, particularly for the European and CARICOM markets, along with the enhanced logistics facilities for raw sugar and molasses at the Port of Big Creek, contributed positively to the bottom line.

Citrus

Citrus fruit deliveries to the juice processor for the 2023/2024 season commenced on 6 November 2023 and concluded on 18 September 2024, lasting 317 days—36 fewer than the previous 2022/2023 crop cycle.

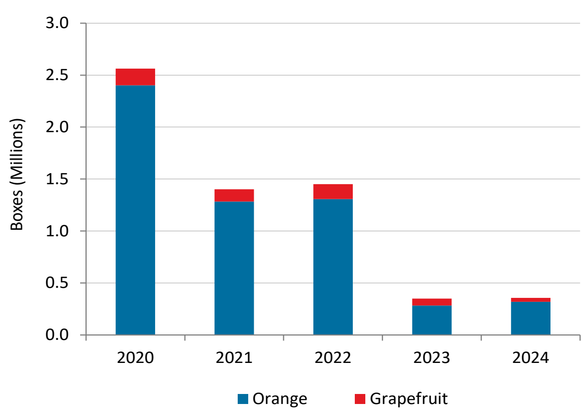
During this period, total citrus deliveries improved by 1.6% to 356,195 boxes of fruit, performing only marginally better than the previous year's record low of 350,499 boxes. Orange deliveries rose by 12.4% to 318,942 80-pound boxes, bolstered by harvests from newly replanted groves. In contrast, grapefruit deliveries plummeted by 44.1% to a new low of 37,253 90-pound boxes. After 15 years of battling citrus greening, the industry continues to grapple with the disease, and more recently, faced challenges from rising fertiliser costs and labour shortage.

The impact of the disease has been far-reaching, affecting producers worldwide. Nevertheless, global demand for citrus products has remained strong, driving up the final price paid to citrus farmers for orange and grapefruit deliveries. The price for delivered oranges increased by 28.6%, rising from $2.46 to $3.16 per pound of solids, while the price for delivered grapefruit rose by the same 28.6%, from $3.50 to $4.50 per pound of solids.

Banana

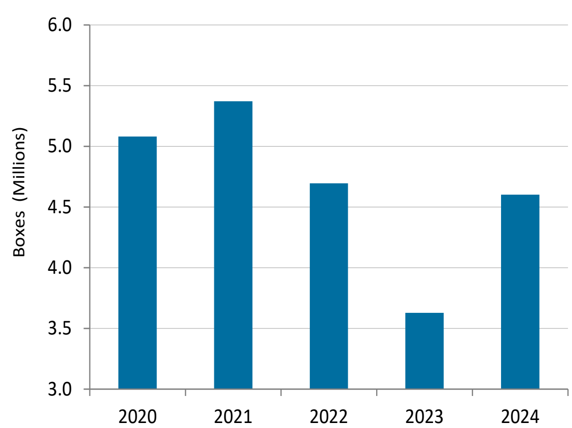
Banana production recorded a significant rebound this year, increasing by 26.8% to 4,602,447 boxes, following a sharp contraction due to an outbreak

Chart 2.22: Citrus Fruit Deliveries



Sources: Citrus Products of Belize Limited and Citrus Growers' Association

Chart 2.23: Banana Production



Source: Banana Growers' Association

of the Black Sigatoka disease in 2023. The effective management of the outbreak, coupled with favourable weather conditions during the peak production months, played a key role in this positive outcome. However, the overall banana production was still 2.0% lower than the pre-outbreak levels of 2022.

Total acreage under production decreased by 3.6% to 7,167 acres, primarily due to a 1.7% decline in harvestable land to 6,825 acres and a substantial 38.8% reduction in Plantilla acreage, now at 137 acres. Despite this, productivity improved considerably, with the yield per acre climbing 31.6% from 488 to 642 boxes.

Marine Products

Total marine output declined by 4.8% to 2,103,479 pounds, as an increase in conch hauls was overshadowed by reductions in lobster and farmed shrimp production.

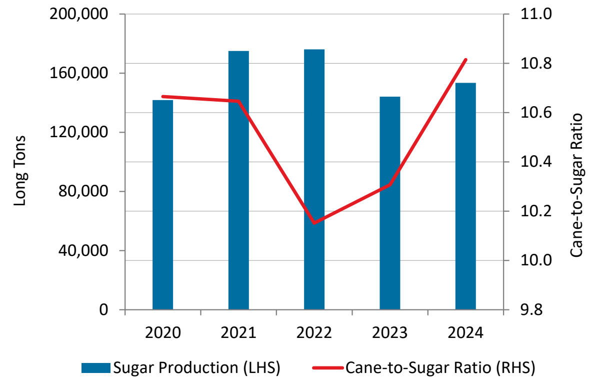
Total conch hauls increased by 5.2% to 952,200 pounds, primarily due to a high catch rate in the second half of the year, driven by favourable weather conditions. Conversely, lobster hauls decreased for the second consecutive year, falling by 8.4% to 694,559 pounds, due to adverse weather conditions that caused a slow start to the harvest season. Farmed shrimp production declined by 16.2% to 456,000 pounds, marking the tenth year of the ongoing effort to mitigate the devastating effects of early mortality disease.

Manufacturing

Sugar and Molasses

Although sugarcane deliveries grew robustly, reduced cane quality in both harvesting regions led to a smaller increase in sugar production of 6.5%, totalling 153,433 long tons. Consequently, the ratio of long tons of cane to long tons of sugar worsened by 4.8% to 10.8. Meanwhile, molasses production climbed by 17.7% to 63,458 long tons, highlighting the inverse correlation between molasses and sugar output.

Chart 2.24: Sugar Production and Cane-to-Sugar Ratio



Sources: BSI/ASR and Santander Group

Citrus Juices, Oil, and Pulp

Citrus juice production outpaced fruit deliveries, rising by 6.4% to 1.8mn pounds of solids (ps) compared to the previous season. This improvement was bolstered by a 4.7% increase in juice yield, as replanted orange trees produced higher quality fruits.

Specifically, orange juice output rose by 16.2% to 1.7mn ps, driven by higher deliveries and a 3.4% improvement in the average yield to 5.3 ps. Conversely, grapefruit juice production fell significantly by 48.6% to 0.1mn ps, attributed to reduced deliveries and lower fruit quality, with the average yield per box dropping by 8.1% to 3.6 ps.

As for the product mix, citrus concentrates dominated, comprising 97.2% of all juices produced, while not-from-concentrate juices accounted for the remainder. The latter recorded a 33.5% decline to just 0.05mn ps compared to the previous crop year.

Lastly, the production of citrus by-products yielded mixed results; citrus oil output skyrocketed by 39.7%, whereas citrus pulp production plummeted by 87.5%.

Other Manufacturing Production

The production of various manufactured goods showed a generally positive trend throughout the year. Beverage production remained robust, fuelled by an increase in demand from a rising number of inbound tourists and a boost in rum exports. Beer production increased by 3.9% to 4.0mn gallons, while rum production grew by 6.1% to 26,739 gallons. Despite facing several temporary disruptions throughout the year, soft drink production increased slightly by 0.6% to 10.3mn gallons.

In the dairy industry, a shortage of milk resulted in declines in the production of cheese and flavoured milk, which fell by 19.1% and 2.0% and 0.3mn and 1.3mn pounds, respectively. However, ice cream production increased slightly by 0.2% to 1.3mn pounds. Overall, dairy production, which includes milk, cheese, and ice cream, decreased by 3.0% to 2.9mn pounds.

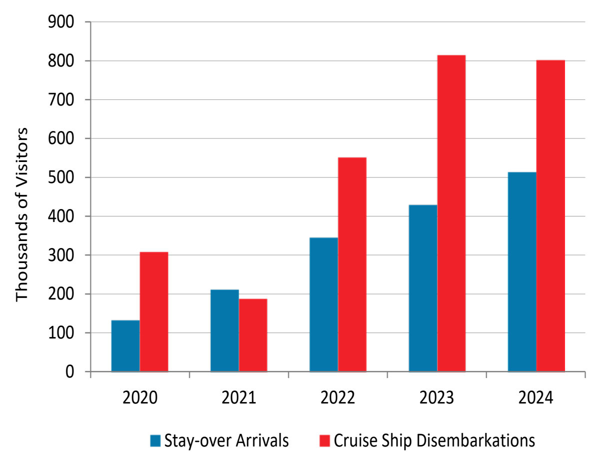
Furthermore, the production of wheat flour, a main staple, decreased by 10.4% to 12,724 long tons, as demand waned due to rising prices for flour-based products. Lastly, fertiliser production grew by 6.6% to 20,036 long tons, marking its second consecutive year of expansion.

Tourism

According to the World Tourism Organisation, global tourist arrivals reached 1.4bn for the first time since 2019, indicating a near-complete recovery to pre-pandemic levels. Compared to 2023, arrivals increased by 11.0%, with many destinations reaching or surpassing their pre-pandemic levels. By region, the Middle East and Africa experienced the most significant growth, exceeding 2019 levels by 32.0% and 7.0%, respectively. In contrast, arrivals to Europe grew by only 1.0% over 2019, primarily due to the ongoing effects of Russian aggression in Eastern Europe on tourism within the region. Meanwhile, in the Americas, arrivals recovered to 97.0% of pre-pandemic levels, with Central America, including Belize, boasting a 17.4% increase compared to 2019 and an 11.3% increase from 2023.

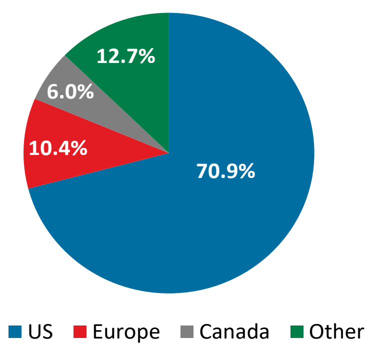
In Belize, stay-over arrivals rose significantly, increasing by 19.6% to 513,680 visitors compared to 2023, surpassing pre-pandemic levels in 2019 by 10.7%. This surge in international arrivals was driven by a 17.4% increase in inbound flights,

Chart 2.25: Tourist Visitors



Sources: BTB and Central Bank

Chart 2.26: Shares of Stay-over Arrivals by Source Markets



Sources: BTB and Central Bank

supported by strategic marketing campaigns targeting specific demographics in North America, South America, and Europe. Air arrivals grew robustly by 22.2% to 424,871, while land and sea arrivals recorded solid but more modest increases of 8.0% and 10.6%, respectively.

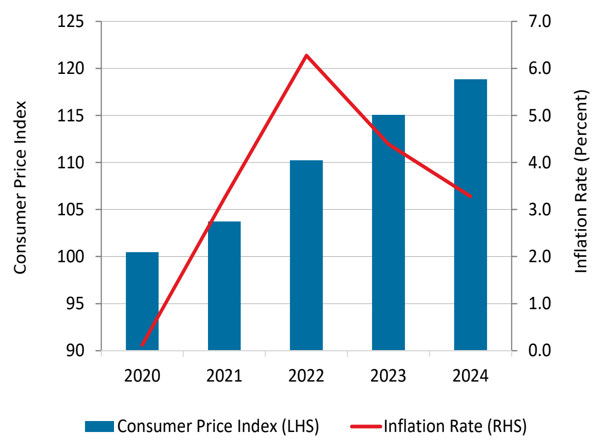
The composition of visitors by source market shifted minimally compared to 2023. The US remained the leading source market for international visitors, rising by 2.1 percentage points to 73.9% of the total, while the share of Canadian visitors grew by 1.1 percentage points to 6.5%. These gains in market shares by major North American countries coincided with a 2.1 percentage point decline in the share of European visitors to 8.0% and a 1.1 percentage point drop among all other nations to 11.6%.

In contrast, cruise ship disembarkations decreased by 1.1% to 804,965 passengers, falling short of the 2019 level by 23.6%. This decline was influenced by a 3.9% overall drop in port calls, which decreased from 308 in 2023 to 296 in 2024. As cruise lines pulled back against deploying larger ships at the port where smaller boats are used to transport passengers to and from shore, the Fort Street Tourist Village experienced a 13.0% decrease in port calls, from 238 in 2023 to 207 in 2024. However, Harvest Caye, with favourable docking facilities, received 27.1% more ships, rising from 70 in 2023 to 89 in 2024.

Consumer Price Index

In 2024, the CPI growth rate slowed to 3.3%, down from a 4.4% increase in 2023. Nonetheless, this year's inflation rate remained above the historical 10-year average of 1.7%, resulting in a larger-than-usual decline in purchasing power. The rising costs of food, restaurant services, and housing rents contributed to the elevated inflation rate. Accordingly, the "*Food and Non-Alcoholic Beverages*" sub-index surged by 5.6%, accounting for 43.9% of the total weighted change in CPI. Increased food prices were primarily driven by rising costs for fruits, vegetables, bread, dairy products, and meat. Concurrently, the "*Restaurants and Accommodation Services*" sub-index rose by 7.4%, reflecting the heightened costs of dining out. The "*Housing, Water, Electricity, Gas, and*

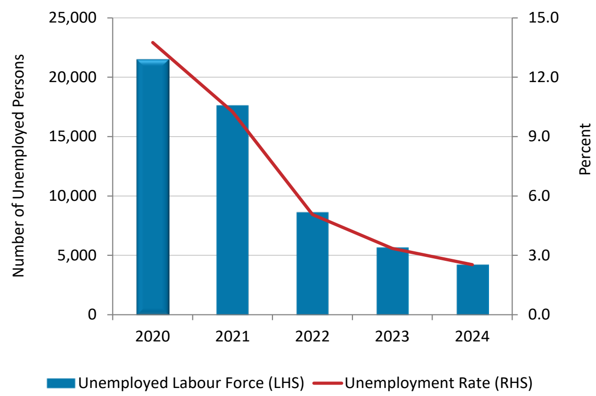
Chart 2.27: Consumer Price Index and Inflation Rate



Source: SIB

Other Fuels" category grew by 2.3% due to higher residential rental prices. Other sub-indices showed less significant increases, while the "*Transport*" and "*Information and Communication*" sub-indices decreased by 0.1% and 1.8%, respectively, helping to alleviate overall inflationary pressure to some extent. The drop in the "*Transport*" sub-index was linked to lower year-over-year prices for diesel and regular gasoline, while the "*Information and Communication*" sub-index fell due to declining costs for cell phones and televisions.

Chart 2.28: Unemployed Labour Force and Unemployment Rate



Source: SIB

Labour Force

The unemployment rate averaged a historic low of 2.5% in 2024, down from the previous record of 3.3% in 2023, as the labour force continued to shrink.

In the April 2024 LFS, the unemployment rate rose to 3.1%, reflecting a 0.3 percentage point increase from the 2.8% recorded in the same period of 2023. This increase was attributed to a decrease in the number of employed persons, as more individuals exited the labour force. The number of employed individuals fell by 1.7% (2,923) to 165,808, with 67.8% of the employed population working in the services sector. Within this sector, the majority of jobs were concentrated in the "*Wholesale and Retail Trade*," "*Tourism*," and "*Community, Social, and Personal Services*" industries. Meanwhile, the number of unemployed individuals rose by 5.0% (241) to 5,046, with females experiencing higher

Table 2.2: Belize Labour Force Statistics

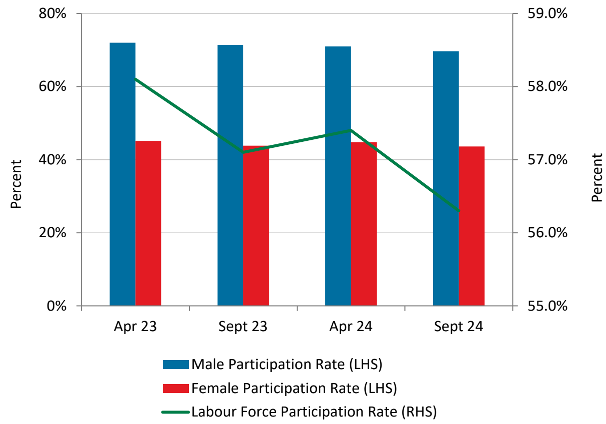
	Apr 2023	Sept 2023	Apr 2024	Sept 2024
Working Age Population	**298,589**	**293,260**	**298,464**	**298,379**
Employed Population	168,731	160,929	165,808	162,759
Unemployed Population	4,805	6,570	5,046	3,447
Persons Not in the Labour Force	125,053	125,762	126,946	129,007
Labour Force	**173,536**	**167,499**	**170,853**	**166,206**
Labour Force Participation Rate (%)	**58.10**	**57.10**	**57.40**	**56.30**
Male Participation Rate (%)	72.0	71.4	71.0	69.7
Female Participation Rate (%)	45.1	43.8	44.8	43.6
Underemployment Rate (%)	**6.5**	**4.5**	**2.5**	**2.2**
Unemployment Rate (%)	**2.8**	**3.9**	**3.1**	**2.1**
Male Unemployment Rate (%)	1.9	3.6	2.5	1.4
Female Unemployment (%)	4.1	4.5	3.9	3.1

Source: SIB

Chart 2.29: Unemployment Rate by Gender

Source: SIB

Chart 2.30: Labour Force Participation Rate by Gender



Source: SIB

unemployment than males at 3.9% compared to 2.5%. Women cited domestic duties and family care responsibilities as factors restricting their participation in the labour force. Consequently, only 44.8% of women participated in the labour force, compared to 71.0% of men, highlighting a significant gender gap. The total labour force participation rate declined by 0.7% to 57.4%, resulting in a 1.5% (1,893) increase in the number of individuals outside the labour force, to 126,946.

In the September 2024 LFS, the unemployment rate decreased to 2.1%, 1.8 percentage points lower than the 3.9% observed in September 2023. The number of unemployed individuals nearly halved, decreasing by 47.5% (3,123) to 3,447. As in the previous survey, females faced higher unemployment rates at 3.1%, while males reported a rate of 1.4%. At the same time, the number of employed persons increased by 1.1% (1,830) to 162,759, with job gains predominantly in the "*Agriculture and Related Services*," "*Manufacturing*," "*Wholesale and Retail Trade*," and "*Community, Social, and Personal Services*" industries. However, the labour force dipped by 0.8% (1,293) to 166,206, with males accounting for a higher participation rate of 69.7%, compared to 43.6% for females. Thus, the total labour force participation rate fell by 0.8% to 56.3%, while the number of persons outside the labour force grew by 2.6% (3,245) to 129,007.

BALANCE OF PAYMENTS

Belize's external current account deficit almost tripled from $39.5mn (0.6% of GDP) in 2023 to $103.5mn (1.5% of GDP) in 2024. This imbalance was primarily caused by a $204.3mn rise in the merchandise trade deficit, resulting from a surge in imports and a decline in exports. The primary income account deficit rose by $37.5mn, driven by higher interest payments on the external public sector debt and increased retained earnings of foreign-owned domestic banks. However, this deficit was partly offset by a significant boost in tourism earnings, leading to a $110.8mn rise in net services inflows. Additionally, the surplus on the secondary income account expanded by $67.0mn, attributed to increased inward transfers to religious and other non-profit organisations, alongside a modest rise in net remittances.

The current account deficit was covered by $236.0mn in net capital and financial flows, representing a $113.1mn increase from the previous year. Net liabilities rose as increases in net direct investments and net borrowings outweighed domestic banks' accumulation of net foreign assets. Consequently, the gross international reserves grew by $17.7mn to reach $964.2mn, equivalent to 3.9 months of merchandise import coverage.

Merchandise Trade

In 2024, the merchandise trade deficit rose by 13.1% ($204.3mn) to $1,759.0mn. This increase was attributed to higher spending on imported goods and a decline in revenues from merchandise exports. Imports (FOB) surged by 7.6% ($193.2mn) to $2,724.0mn, driven by a substantial 9.5% ($208.2mn) rise in domestic imports, which more than compensated for a 4.4% ($15.0mn) decrease in CFZ imports. Exports (FOB) decreased slightly by 1.1% ($11.2mn) to $965.0mn, primarily due to a 6.8% ($34.8mn) drop in re-exported goods, partially offsetting a 5.0% ($23.6mn) increase in domestic exports.

<u>Imports</u>

In 2024, the value of imports (FOB) increased by 7.6% ($193.2m) to $2,724.0mn. A significant share of this additional spending was directed toward several high-value goods in the "*Machinery*

Chart 2.31: Current Account and Trade Deficit

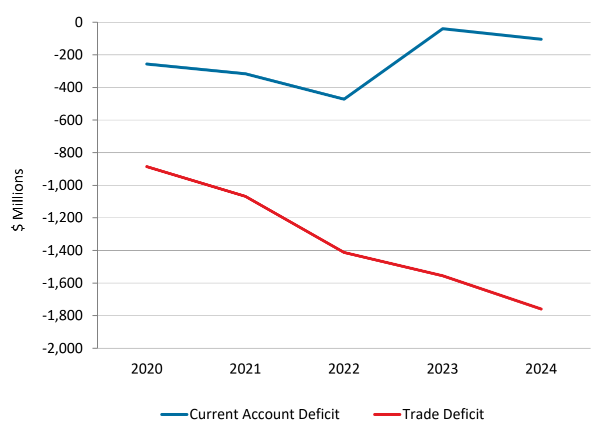
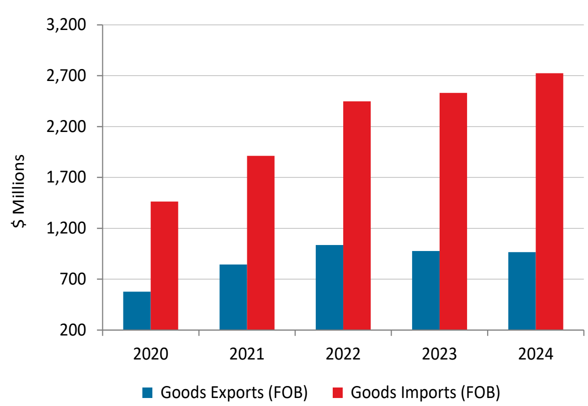


Chart 2.32: Merchandise Exports and Imports

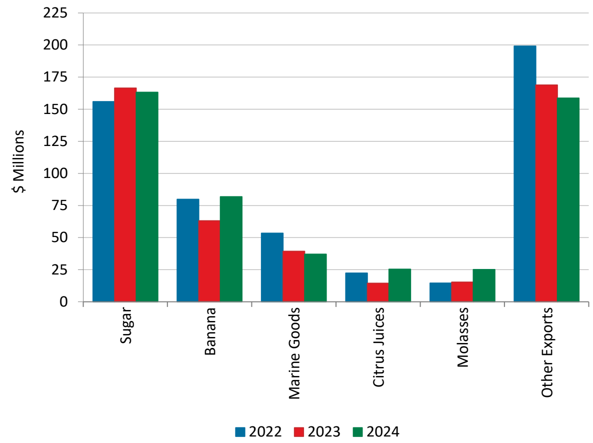


and Transport Equipment" category, which soared by 23.6% ($139.0mn), reaching $729.1mn. This growth represented 60.0% of the total increase in imports and included items like industrial generators, gas turbines, four-cylinder vehicles, electric buses, yachts, airplanes, and air conditioning units. Meanwhile, spending on "*Food and Live Animals*" increased by 9.0% ($27.2mn) to $329.0mn, primarily due to higher imports of orange concentrate, malt, and flour. Following this, the "*Mineral Fuels and Lubricants*" category grew by 5.3% ($25.4mn), driven by increased expenditures on kerosene, premium gasoline, Bunker C fuel, and liquefied petroleum gas. The "*Other Manufactures*" category also recorded an 11.0% ($23.1mn) uptick linked to increased imports of prefabricated steel structures, measuring instruments, and metal furniture. Additionally, "*Manufactured Goods*" grew by 5.2% ($19.4mn) due to higher purchases of steel support structures, galvalume steel coils, and cement. However, import growth was constrained by a 3.7% ($13.6mn) decline in the "*Commercial Free Zones*" category, attributed to reduced purchases of footwear and floor fans throughout the year. Additionally, the "*Designated Processing Areas*" category fell by 13.9% ($5.4mn) due to diminished spending on steel drums and other products.

Domestic Exports

Domestic export earnings increased by 5.0% ($23.6m) to $491.5mn. Revenue growth was driven primarily by higher income from bananas ($18.7mn), citrus juices ($10.9mn), and molasses ($9.8mn). However, reduced receipts from non-traditional goods ($9.5mn), sugar ($3.3mn), and marine products ($2.3mn) hindered the overall growth in exports.

Chart 2.33: Domestic Exports



Sources: SIB and Central Bank

Sugar and Molasses

Sugar export revenue decreased by 2.0% ($3.3mn), totalling $163.2mn, mainly due to an 8.7% drop in export volume to 120,633 long tons. However, a 7.4% increase in price softened this marginal revenue decline. International prices strengthened as major producers like China, India, and Thailand boosted global sugar output, offsetting the adverse impact of reduced production in Brazil amidst record-high global consumption levels. In Europe, Belize's primary sugar market, the average market price increased by 6.0% and accounted for 73.6% (88,802 long tons) of total sugar shipments, worth $109.8mn. The remaining shipments were primarily distributed between the US (13.9%) and CARICOM (12.4%). US export receipts surged by 24.1% to $26.0mn, driven by a 22.4% price upswing and a 1.4% increase in volume to 16,778 long tons. Conversely, sales to CARICOM fell by 7.0% to $27.2mn, as a 6.2% drop in export volume to 14,975 long tons was compounded by a 0.8% price dip for value-added bagged sugar. Exports to other destinations remained low at $0.2mn. Meanwhile, revenue from molasses exports soared by 63.6% to $25.1mn, propelled by a 10.1% price hike and a 48.5% surge in export volume to 55,812 long tons.

Citrus Juices and Pulp

Export revenues from citrus products surged by 73.3% ($10.8mn) in 2024 to $25.4mn, primarily due to a near-doubling in the price of orange concentrates, which accounted for 91.0% of the total export earnings. This significant price increase easily outweighed a 3.4% dip in citrus juice export volume, totalling 2.9mn ps. Orange concentrate prices soared as Brazil, a leading global producer, faced orange juice production constraints brought on by drought and citrus greening challenges.

CARICOM remained the sole market for orange juice concentrate, purchasing 2.6mn ps valued at $23.1mn. Meanwhile, grapefruit concentrate exports decreased by 13.5% to $2.2mn, as a 4.6% price increase mitigated a 17.3% drop in export volume. Not-from-concentrate juice and pulp exports were minimal during this period.

Banana

Earnings from banana exports rose by 29.7% ($18.7mn) to $81.9mn, driven by a 26.8% increase in export volume to 83,502 metric tons. The additional growth in export earnings was supported by premium margins earned from preparing tailored fruit packages for supermarkets abroad.

Marine Exports

Marine export revenue declined by 5.8% ($2.3mn) to $37.1mn due to reduced sales of lobster and farmed shrimp. On the one hand, lobster revenue fell by 6.9% to $21.7mn, as an 8.4% drop in export volume was partially offset by a 1.6% price increase. Additionally, farmed shrimp earnings collapsed by 30.6% to $2.0mn as a 16.2% decline in sales volume was compounded by a 17.2% price reduction. On the other hand, conch export revenue rose by 1.9% to $13.4mn, boosted by a 5.2% rise in export volume as prices fell by 3.2%. Exports of other fish, such as tilapia, remained minimal.

Chart 2.34: Average Price Paid for Citrus Juices

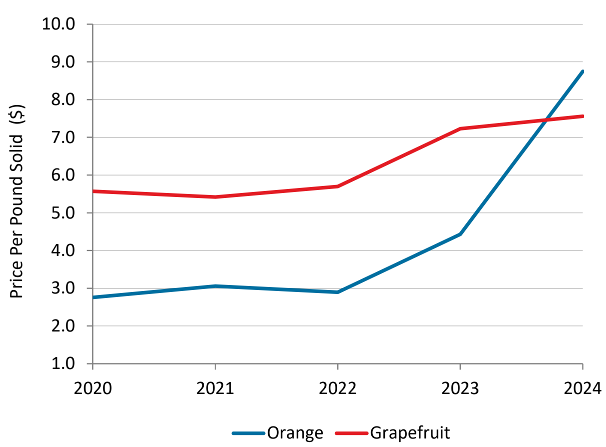
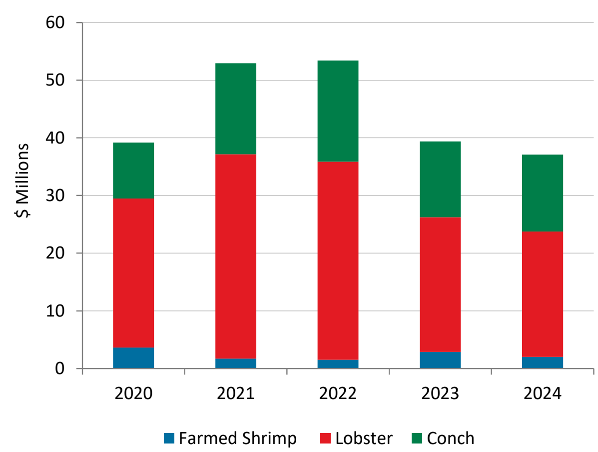


Chart 2.35: Exports of Marine Products



Source: SIB

Other Domestic Exports

Other domestic export earnings fell by 5.7% ($9.5mn) to $158.7mn. This outcome was linked to lower receipts from animal feed ($19.7mn), red kidney beans ($2.2mn), orange oil ($0.8mn), and pepper sauce ($0.4mn). However, the fall in revenue was mitigated by higher earnings from rum ($4.4mn), prefabricated houses ($1.3mn), and cattle ($0.2mn).

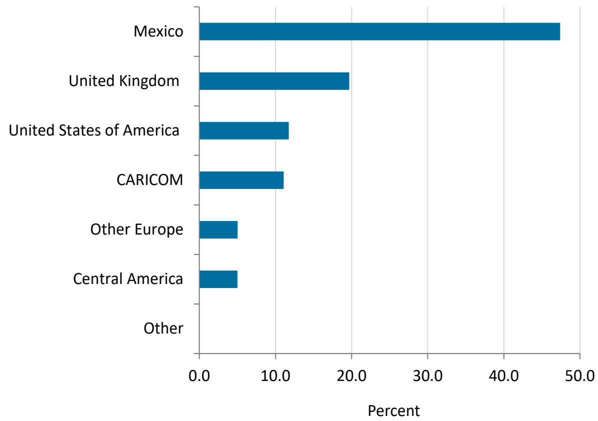
<u>Re-Exports</u>

Total re-exports fell by 6.8% ($34.8mn) to $473.5mn, as a decline in CFZ sales outweighed a slight increase in other re-exports. CFZ sales decreased by 9.2% ($40.1mn) to $397.8mn. In contrast, other re-exports rose by 7.5% ($5.3mn) to $75.7mn, primarily due to increased sales of surveying instruments, appliances, and kerosene.

Direction of Visible Trade

Mexico continued to be Belize's top export destination, making up 47.4% of total merchandise exports in 2024, including re-exports from the free trade zone adjacent to the northern border. Notwithstanding, the share of exports to Mexico decreased by 6.8 percentage points due to lower re-exports from the CFZ area. Conversely, the share of exports to the UK increased by 9.3 percentage points to 19.7%, primarily driven by higher sales of sugar and, to a lesser extent, bananas. The US held the third position, with its export share rising by 2.3 percentage points to 11.7%, reflecting increased shipments of molasses, sugar, and rum. Similarly, trade with CARICOM grew by 1.2 percentage points to 11.1%, supported by increased orange concentrate, coconut water, and crude soybean oil exports.

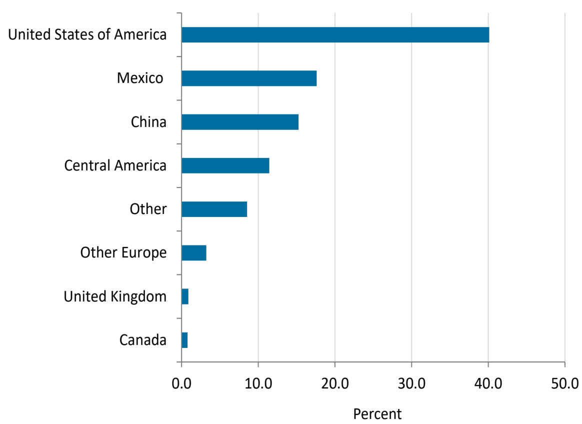
Chart 2.36: Direction of Visible Trade - Exports



Sources: SIB and Central Bank

As usual, the US remained Belize's primary source of merchandise imports. The percentage of goods procured from the US rose by 1.5 percentage points to 40.1%, boosted by the purchase of electricity generation equipment and increased imports of various motor fuels. Meanwhile, imports from Mexico fell by 1.1 percentage points to 17.6%, despite a rise in spending on frozen orange concentrate, building cement, and cereals. China ranked third, with imports from that source

Chart 2.37: Direction of Visible Trade - Imports



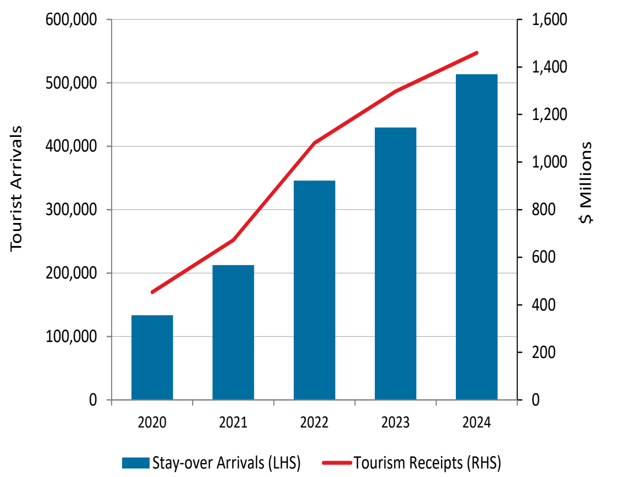
Source: SIB

slightly declining by 0.6 percentage points to 15.2% due to reduced purchases of flat-rolled iron and steel products, air conditioning units, printed T-shirts, and motorcycles. At the same time, the share of imports from Central America grew by 1.1 percentage points to 11.4%, attributed to increased expenditures on bars and rods, Bunker C fuel, and fertilisers.

Services

Net inflows on the services account increased by 7.5% ($110.8mn) to $1,591.2mn, the highest level recorded since independence. This outturn was driven by a surge in tourism earnings, which overshadowed higher transportation costs for ocean freight. The growth in net revenues from tourism, attributed to a substantial rise in overnight visitors, led to a 10.7% ($140.7mn) increase in the surplus on the "*Travel*" subaccount to $1,459.3mn.

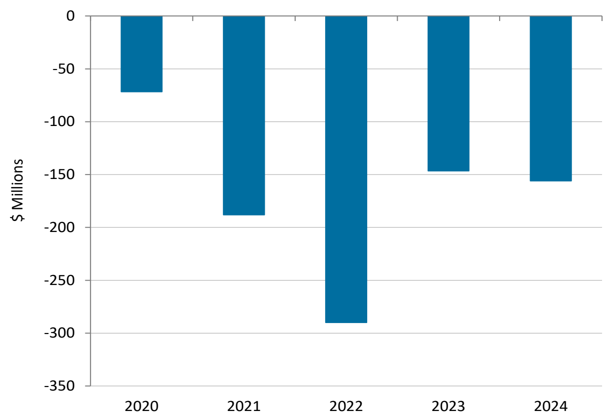
Chart 2.38: Tourist Arrivals and Tourism Receipts



Sources: BTB and Central Bank
Note: Tourism receipts represent net travel inflows in the balance of payments.

Conversely, the surplus from all other service activities fell by 18.5% ($29.9mn) to $131.9mn, primarily due to reduced inward transfers to regional organisations, which caused a $40.5mn decrease in net inflows for government services. Additionally, net outflows for insurance and pension services rose by $23.1mn, driven by higher payments to foreign reinsurance companies. Furthermore, net transportation costs increased by $9.5mn, attributed to larger volumes of containerised cargo coinciding with higher international shipping rates. These adverse developments were partly countered by a $26.1mn increase in net inflows from various miscellaneous services and a $15.8mn rise in business process outsourcing revenue.

Chart 2.39: Net Transportation Outflows



Primary Income

Net outflows on the primary income account increased by 16.9% ($37.5mn) to $259.9mn. The expanded deficit resulted from rising interest payments, reinvested earnings, and wages to seasonal workers. Interest payments on the public sector's external debt rose by $24.1mn to $122.1mn, reflecting the impact of elevated secured overnight financing rates for most of the year and the established interest rate step-up on the Blue Loan. The latter accounted for approximately one-fourth of the total interest paid on the public sector external debt. Furthermore, the retained earnings of domestic banks increased by $11.4mn to $76.8mn, underscoring the rebound in the sector's profitability. Meanwhile, compensation for seasonal labourers in the agricultural industry rose by $7.4mn to $16.0mn.

However, the deficit growth was partially mitigated by a $1.8mn decline in profit repatriation to $82.5mn. This outcome was driven by lower profit outflows in the energy ($25.2mn), transportation ($3.0mn), and insurance ($2.5mn) industries that outweighed the increased profit repatriation from the shipping ($8.2mn) and tourism ($7.3mn) industries. Additionally, the Central Bank's income on reserve assets rose by $1.1mn to $37.9mn.

Secondary Income

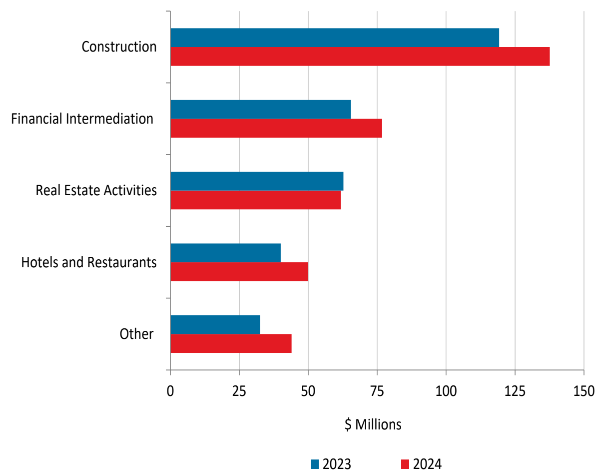
The surplus on the secondary income account rose by 26.1% ($67.0mn) to $324.2mn in 2024, driven by improvements in the balances in private and government transfers. The surplus from net private transfers increased by 19.3% ($54.7mn) to $337.5mn, bolstered by higher inward transfers to religious and other non-profit organizations ($20.5mn) and a slight rise in net personal remittances ($1.5mn). At the same time, the deficit on net government transfers nearly halved to $13.4mn, primarily due to the absence of $30.6mn in out-of-court settlement payments related to the nationalisation of the PBL in late 2023.

Capital and Financial Accounts

Net inflows in the capital account dropped significantly, down 74.7% from $50.3mn in 2023 to $12.7mn in 2024. In the previous year, the country benefitted from substantial investment grants to fund several major road rehabilitation projects. This was supplemented by donation of a high-value Cessna Caravan aircraft from the US Government. In comparison, capital transfers for the year under review were relatively smaller, directed towards social investment initiatives from the IDB ($3.8mn) and the International Fund for Agricultural Development ($1.2mn); climate resilience financing from the Green Climate Fund ($3.2mn); and military equipment from the US Government ($1.2mn).

Transactions in the financial account resulted in a $150.7mn increase in net liabilities, which reached $223.3mn in 2024. This outcome resulted from a substantial increase in net direct

Chart 2.40: Gross Foreign Direct Investment

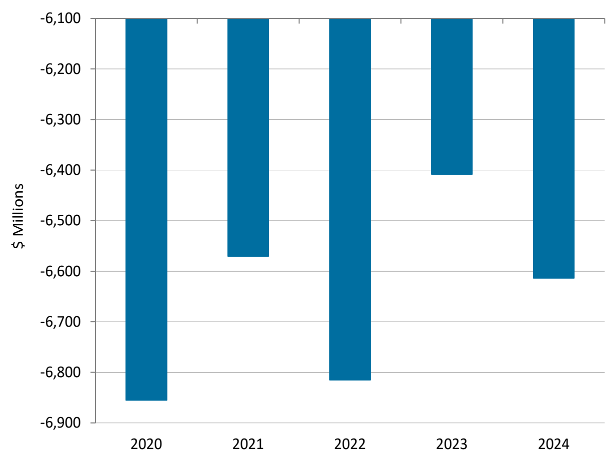


investment liabilities as transactions in other investments led to a rise in net foreign assets. Net direct investments in Belize grew by $223.0mn to $250.5mn, as investment inflows rose while investment outflows fell. On the one hand, direct investments into the economy increased by 15.7% ($50.2mn) to $370.1mn, concentrated in construction ($137.6mn), banking ($76.8mn), real estate ($61.8mn), and tourism ($50.0mn) activities. On the other hand, direct investments leaving the economy fell by 59.0% ($172.6mn) to $119.8mn, with the $166.7mn payment toward the nationalisation of PBL boosting the previous year's outturn. This year, direct investment withdrawals moderated, mainly including real estate transfers valued at $114.5mn. Conversely, other investment flows generated a $27.2mn increase in net foreign assets, as the accumulation of $245.4mn in other investment assets exceeded the incurrence of $218.2mn in other investment liabilities. While the former largely reflected of a $291.5mn increase in domestic banks' net foreign assets, driven by the upsurge in tourism earnings, increased net borrowings by the public ($142.5mn) and private ($123.8mn) sectors contributed to the latter.

International Investment Position

The deficit in Belize's international investment position grew by $205.5mn over the year to $6,613.6mn at the end of December, as the gap between the country's net external financial assets and liabilities widened. The net financial asset position strengthened by $228.3mn to $2,313.0mn, mainly due to an increase in foreign currency deposits in domestic banks and, to a lesser extent, reserve assets held by the Central Bank. However, net foreign liabilities rose by an even larger margin, up $473.7mn to $8,926.5mn, attributed to increased net foreign direct investments and net borrowings.

Chart 2.41: Net International Investment Position




Photography by tonyrath.com

III. FINANCIAL SYSTEM OVERSIGHT

FINANCIAL SUPERVISION

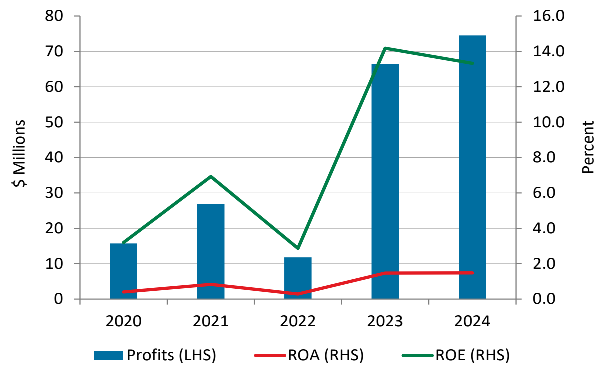
The Central Bank supervises financial institutions to ensure their operations are safe, sound, and efficient. To this end, the Central Bank employs a risk-based supervisory approach involving continuous off-site surveillance and on-site examinations of domestic and international banks, credit unions, moneylenders, and payment service providers, including remittance services.

In 2024, the Central Bank conducted 24 risk-based and thematic on-site examinations on domestic banks, international banks, credit unions, remittance service providers, and moneylenders. These risk-based examinations evaluated each institution's compliance with applicable laws, regulations, and prudential requirements. The thematic examinations assessed banks and credit unions' conformity with the Technology Risk Management Guidelines issued by the Central Bank in 2023 and the International Financial Reporting Standard 9. The latter ensured that these deposit-taking financial institutions adequately accounted for expected credit losses related to credit risk exposures.

DOMESTIC BANK PERFORMANCE

In 2024, the domestic banking sector recorded profits of $74.5mn, representing an $8.0mn increase over the $66.5mn achieved in 2023. This growth marked a return to pre-pandemic levels after two consecutive years of rising earnings. This year's growth was primarily driven by a substantial increase in interest income from loans, which grew by $14.5mn year on year. Despite these positive developments, the sector's return on assets (ROA) increased only slightly from 1.47% to 1.48%, while its return on equity (ROE) decreased from 14.2% to 13.3%, as the expansion in the sector's capital base overshadowed the rise in profits.

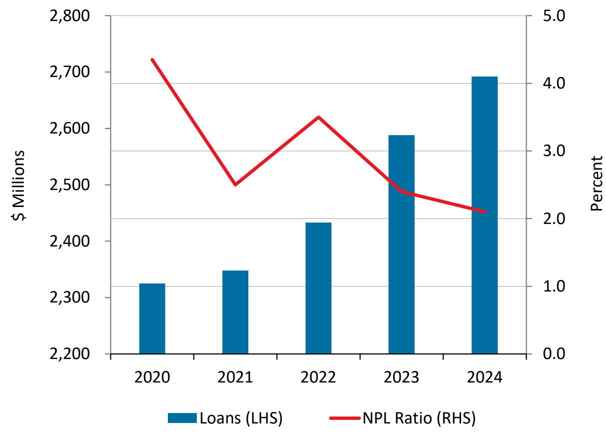
Chart 3.1: Profitability of Domestic Banks



Domestic banks' credit to the private sector rose by $104.7mn (4.1%) over the year to $2,660.7mn, supporting the sector's profit growth. This modest rate of credit expansion was primarily fuelled by increased lending to households and various manufacturing and service-oriented industries. The growth was reflected across several loan categories, including "*Personal Loans*" ($40.7mn), "*Real Estate*" ($35.0mn), "*Professional Services*" ($27.1mn), "*Manufacturing*" ($13.9mn), "*Transport*" ($7.3mn), and "*Distribution*" ($6.3mn). These upswings were partially offset by decreases in the "*Tourism*" ($15.4mn), "*Marine Products*" ($5.9mn), and *"Agriculture"* ($3.9mn) loan categories. Boosted by these results, two of the four domestic banks now have loan portfolios exceeding $1.0bn.

The quality of sector's loan portfolio also improved, supported by $19.2mn in write-offs of non-performing loans (NPLs) in 2024. At year end, the total amount of NPLs and the industry's ratio of NPLs (net of specific provisions) to total loans (NPL ratio) both declined, falling from

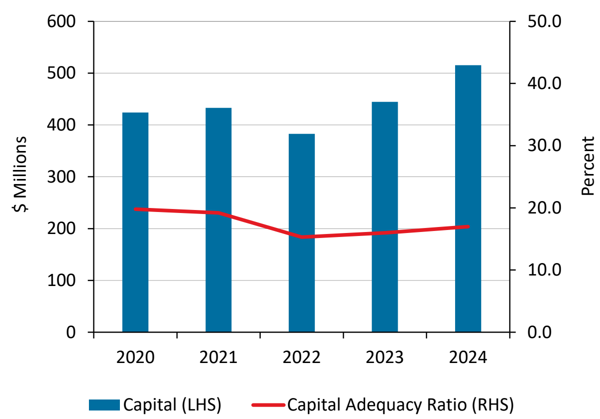
Chart 3.2: Asset Quality of Domestic Banks



$133.8mn and 2.4% in 2023 to $116.8mn and 2.1% in 2024, respectively.

The total capital of domestic banks summed to $515.5mn at the end of 2024, marking a 15.9%, or $70.9mn, increase over the previous year. Three main factors underpinned this growth: the reallocation of profits to retained earnings after $18.9mn in dividend distributions, capital gains resulting from fixed asset revaluation, and an increase in "other" reserves. As a result, the capital adequacy ratio (CAR) improved from 16.0% in 2023 to 17.0% in 2024, with all domestic banks exceeding the 9.0% statutory requirement.

Chart 3.3: Domestic Banks' Capital and Capital Adequacy Ratio

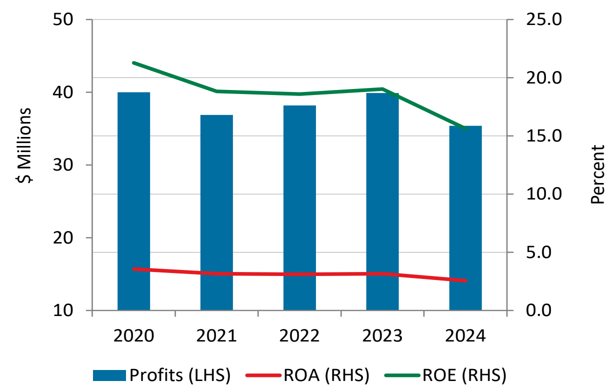


Notably, one domestic bank enhanced the quality of its Common Equity Tier I capital by converting $10.0mn in subordinated debt to paid-up capital. Although this measure did not alter the institution's capital base or CAR, it led to the reclassification of its capital items from Additional Tier I to Common Equity Tier I capital, boosting the quality of its capital.

CREDIT UNION PERFORMANCE

In 2024, the credit union sector generated $35.4mn in profits, a decrease of $4.5mn compared to the $39.9mn earned in 2023. This downturn was primarily due to a $10.6mn increase in loan loss provisions. As customary, the largest credit union generated most of the sector's profits, accounting for 57.4% of the total, with earnings of $20.3mn in 2024. This year's profit decline also resulted in lower ROA and ROE for the sector, which slipped from 3.2% and 19.0% in 2023 to 2.6% and 15.6% in 2024, respectively.

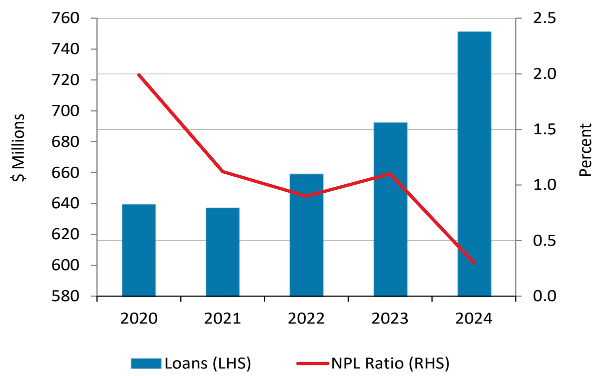
Chart 3.4: Profitability of Credit Unions



The credit union sector's loan portfolio continued to grow, rising by $58.6mn to $751.4mn in 2024. Most of this credit expansion was seen in three loan categories: "*Personal Loans*" ($40.0mn), "*Utilities*" ($38.9mn), and "*Distribution*" ($11.1mn). In line with regulatory standards, the sector wrote off

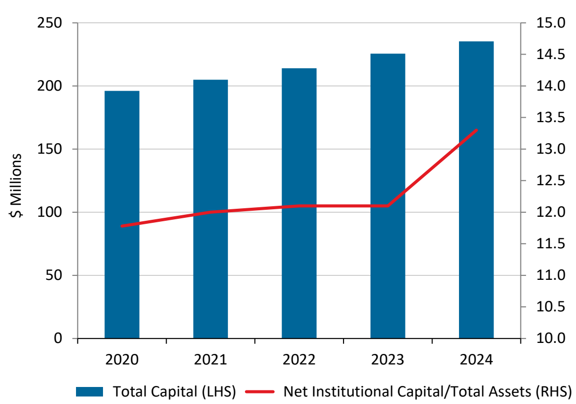
$3.9mn in NPLs, $2.0mn less than the $5.9mn reported the prior year. Total write-offs combined with significant loan growth, enhanced the sector's NPL ratio, which decreased from 1.1% in 2023 to 0.3% in 2024. Furthermore, all eight credit unions maintained an NPL ratio below the 5.0% prudential benchmark.

Chart 3.5: Asset Quality of Credit Unions



The sector's capital rose modestly by $9.7mn, or 4.3%, reaching $235.3mn in 2024. This increase was primarily a result of additional profit allocations to retained earnings and reserves. Consequently, the net institutional capital to total assets ratio improved from 12.1% in 2023 to 13.3% in 2024. All credit unions kept their net institutional capital to total assets ratios above the 10.0% regulatory requirement.

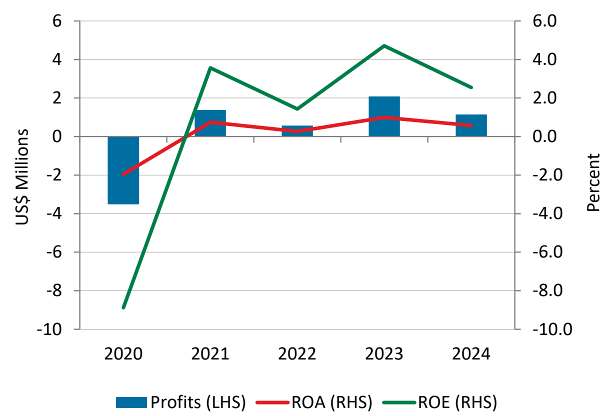
Chart 3.6: Credit Unions' Total Capital and Net Institutional Capital Ratio



INTERNATIONAL BANK PERFORMANCE

The financial performance of international banks noticeably declined, with the sector's total profits nearly halving from US$2.1mn in 2023 to US$1.2mn in 2024. This sharp drop was caused by the allocation of US$1.3mn in loan loss provisions due to US$1.9mn in write-offs of long-standing NPLs. Consequently, the sector's NPL ratio improved, decreasing from 6.8% in 2023 to 3.4% in 2024, settling well below the 5.0% prudential benchmark. However, the industry's ROA and ROE worsened from 1.0% and 4.7% in 2023 to 0.6% and 2.5% in 2024, respectively.

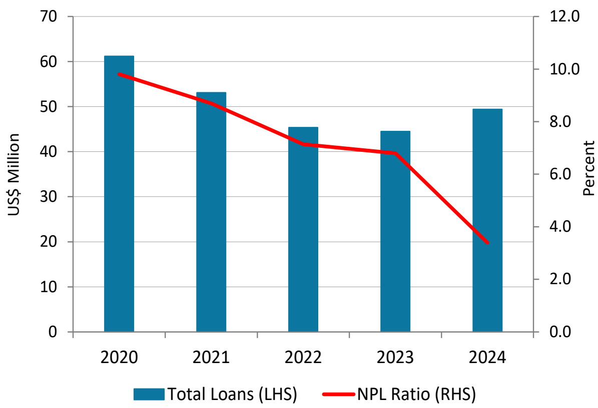
Chart 3.7: Profitability of International Banks



Despite the significant loan write-offs, increased credit, extended by two of the three international banks, raised the outstanding amount of loans for the sector from US$44.5mn in 2023 to US$49.4mn in 2024. This marked the first year-on-year growth in credit expansion for the sector over the past eight years.

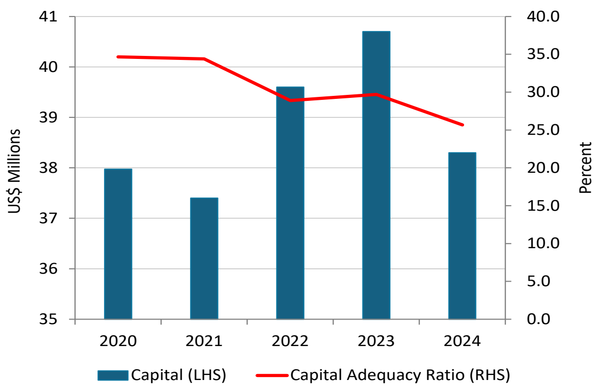
Nevertheless, the aggregate capital for international banks decreased from $40.7mn in 2023 to $38.3mn in 2024, mainly due to the noted loan loss provisions. The growth of

Chart 3.8: Asset Quality of International Banks



risk-weighted assets also contributed to the decline in the sector's CAR from 29.7% in 2023 to 25.7% in 2024. Nonetheless, the CAR of each international bank remained significantly above the regulatory minimum requirement of 10.0%.

Chart 3.9: International Banks' Capital and Capital Adequacy Ratio



COMPLIANCE

Throughout the year, the Compliance Department actively participated in projects of national significance, including the Caribbean Financial Action Task Force's Mutual Evaluation exercise, the National Risk Assessment exercise, and the Money and Currency Changers Project. These initiatives aimed to enhance the country's AML/CFT/CPF framework in alignment with international standards.

In December 2024, Belize's draft Mutual Evaluation Report was presented at the Caribbean Financial Action Task Force's 59th Plenary and Working Group Meetings in Negril, Jamaica. The report assessed the effectiveness of Belize's AML/CFT system and its compliance with Financial Action Task Force's 40 Recommendations. The Central Bank collaborated with other competent authorities to ensure that the report accurately reflected the country's existing AML/CFT landscape. Belize's ratings for Technical Compliance were the strongest achieved globally to date. Belize received Fully Compliant ratings for 38 of 40 Recommendations and a Largely Compliant rating for the remaining two. Furthermore, the ratings obtained for Effectiveness in the 11 "Immediate Outcomes" were the third highest in the region. Belize received "Substantial Effectiveness" ratings for five out of 11 Immediate Outcomes, "Moderate Effectiveness" ratings for another five, and "Low Effectiveness" ratings for only one Immediate Outcome. Additionally, the Mutual Evaluation Report highlighted the strong level of implementation of AML/CFT requirements by larger financial institutions, such as banks and remittance service providers, which have robust preventive measures in place to mitigate

ML/TF risks. Detailed recommendations were also provided to further strengthen the AML/CFT framework. The final report was published in January 2025.

In November 2024, the Cabinet approved Belize's National Money Laundering and Terrorist Financing Risk Assessment Report. The report identified Belize's understanding of ML/TF risks and outlined appropriate risk mitigation measures. The Central Bank played a crucial role in this assessment, with its staff leading the coordination efforts. The report will be published in 2025, accompanied by an awareness campaign to ensure that private and public sector stakeholders understand the criticality of ML/TF risks. The campaign will encourage stakeholders to implement measures in accordance with the national action plan, adjust their perspectives to prioritise identified ML/TF risks, and ensure the efficient allocation of resources to reduce risk levels.

During 2024, institutions regulated by the Central Bank were also supported in maintaining robust AML/CFT/CPF programmes. The Central Bank worked to ensure the effective operation of the Board-approved internal AML/CFT/CPF compliance programme, which was aligned with international standards. Furthermore, utilisation of a risk-based, AML/CFT/CPF approach continued to be a fundamental pillar of the Central Bank's supervisory strategy. On-site examinations were conducted on one international bank and one credit union to ensure adherence to the requirements of the MLTPA as well as the Central Bank's AML/CFT/CPF Guidelines. Off-site surveillance activities included annual AML questionnaires, reviews of moneylenders' policies, and a thematic review of the credit union sector. These efforts were complemented by outreach initiatives, including several meetings for compliance officers and sector training sessions on the amendments to the Central Bank's AML/CFT/CPF Guidelines that came into effect in December 2023.

In accordance with the Central Bank's internal compliance framework, 10 AML training sessions were provided to staff, alongside seven AML training sessions for external stakeholders, which included officers from the Government. Enhanced due diligence reviews were conducted on 74 source-of-funds declarations, totalling US$117.5mn, for three domestic banks. Furthermore, five compliance-related documented procedures were updated to ensure that current and accurate guidance remains accessible to the staff.

Box 3.1 | Group of Supervisors

The Central Bank assumed the chairmanship of the Group of Supervisors for 2024-2025. The Group of Supervisors, an arm of the National Anti-Money Laundering Committee, aims to enhance coordination and cooperation among AML/CFT supervisors.

Under the Central Bank's chairmanship, the Group of Supervisors successfully issued the revised AML/CFT Trainer Qualifications Guidance Notes, detailing the professional qualifications required of an AML/CFT/CPF trainer and the roles of key stakeholders. It also issued public statements identifying jurisdictions with strategic deficiencies, hence providing stakeholders with guidance to implement effective preventive measures against high-risk jurisdictions.

Box 3.2 | A Composite Indicator of Systemic Stress for Belize

Overview

The Central Bank utilises the Composite Indicator of Systemic Stress (CISS) to assess the overall stress and potential vulnerabilities in the financial system[1]. This index serves as a valuable macroprudential tool by:

- Monitoring systemic risk across various market segments[2], including the credit, housing, and money markets,
- Identifying periods of increased financial instability, and
- Facilitating early interventions to mitigate potential threats to financial stability.

Methodology

The CISS is constructed by aggregating sub-indices for the market segments. These sub-indices are subsequently transformed into standardised measures, which convert raw data into comparable units using a cumulative distribution function. This process enables the index to reflect real-time financial stress levels by incorporating new data as it becomes available and allows the CISS to have a range from 0.00 to 1.00. The standardised sub-indices are then aggregated in accordance with portfolio theory, where cross-correlations are calculated between the various market dimensions. A higher correlation among markets increases the index and signifies an amplification of systemic risk, as stress in one market can easily spread to others. Thus, a higher index value indicates a more vulnerable state of the financial system.

Results

Chart 3.10 shows the movement of the CISS for the years 2008 to 2024. The trends captured in the CISS are explained by notable economic and financial system episodes. Looking at the past ten years, the CISS recorded a pronounced spike from 2014 to 2016, attributed to heightened stress across three dimensions—increased loans, a rise in non-performing loans, and a significant widening of the short-term minus long-term credit rates. This movement in the CISS coincided with fiscal uncertainties and a volatile external environment.

Between 2017 and 2019, the CISS exhibited a downward movement, largely influenced by a reduction in non-performing loans, for both total credit and mortgage credit, bolstered by the legacy loan write-offs that occurred in 2017. The years 2020 to 2021 were marked by muted

[1] Currently only covering Belize's domestic banks.

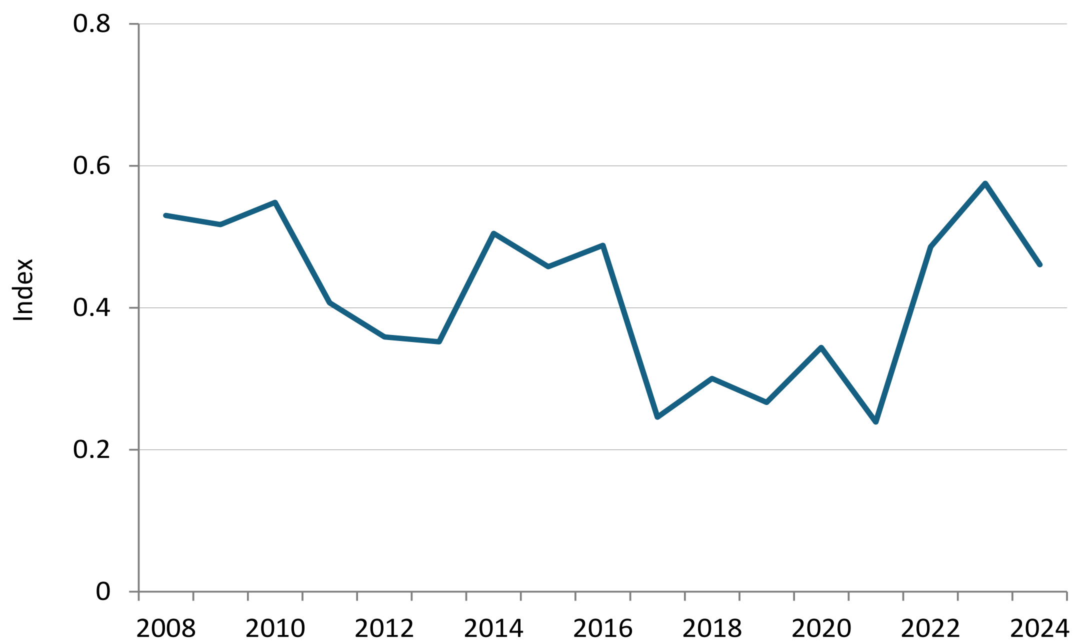
[2] Credit market variables include total credit gap, total NPLs gap, and net-interest margin to gross income ratio. Housing market variables include mortgage credit gap and mortgage NPLs gap. Money market variables include the short-term minus long-term credit rate spread, the Belize T-bill rate minus the US T-bill rate, and the time deposit rate minus the Belize T-bill rate.

Box 3.2 | A Composite Indicator of Systemic Stress for Belize (*continued*)

pressures in the CISS, reflective of pandemic-related temporary measures. However, by 2022, the CISS rose sharply, reflecting delayed increases in non-performing loans, following the expiration of COVID-19 forbearance measures and another steep rise in short-term minus long-term credit rates.

In 2023, the CISS surged further, driven by credit growth exceeding typical levels and heightened reliance by domestic banks on interest income. Conversely, 2024 saw stabilisation as pressures eased. Key contributing factors included a decline in non-performing loans and a normalisation of domestic banks' reliance on interest revenue.

Chart 3.10: Belize's Composite Indicator of Systemic Stress



Supervisory Implications

To enhance the Central Bank's policy response framework, the CISS, is classified into three levels of stress, derived from historical trends. Each stress level has a predefined interpretation and a proposed policy response, as shown in Table 3.1.

Box 3.2 | A Composite Indicator of Systemic Stress for Belize (*continued*)

Table 3.1: Matrix for Interpreting CISS Values

CISS Value	Financial Stress Level	Interpretation	Policy Response
0.00 - 0.30	Low Stress	Normal financial conditions	No immediate action
0.31 - 0.60	Moderate Stress	Isolated vulnerabilities in some markets, but no systemic crisis risk	Heightened monitoring and stress tests
0.61 - 1.00	High Stress	Elevated systemic risk, indicating a high probability of contagion	Activate macroprudential tools by increasing capital buffers, injecting liquidity, and/or restricting loan growth

By establishing these thresholds, the CISS provides a clear framework for monitoring financial stability, assisting policymakers in determining when intervention may be necessary. If the CISS rises to moderate or high stress levels, the Central Bank might take the following actions:

- Increase capital buffer requirements – Ensure that banks maintain adequate reserves to absorb shocks.
- Implement liquidity support measures – Inject liquidity into the money market to prevent funding shortages.
- Elevate loan growth monitoring – If excessive credit expansion is identified, implement targeted lending restrictions.

Conclusion

The CISS offers numerous benefits and has been utilised by other Caribbean jurisdictions. For Belize, the CISS provides a comprehensive measure of stress across various financial markets by capturing the interconnectedness of different market segments. This holistic perspective is valuable in policymaking for identifying potential vulnerabilities that may not be apparent when analysing individual markets in isolation. However, as with most macroprudential tools, the CISS is most effective when used alongside other measures to assess financial system vulnerability. For instance, when combined with stress tests and the aggregate financial stability index, it presents a more complete picture of the risks faced by the financial system. Nevertheless, by continually enhancing the CISS framework, the Central Bank can strengthen its financial stability toolkit, ensuring resilience in an evolving economic landscape.

Reference:

Milwood, T. (2013). A Composite Indicator of Systemic Stress (CISS): The Case of Jamaica. Journal of Business, Finance & Economics in Emerging Economies, 8(2).

Photography by tonyrath.com

IV. STATISTICAL APPENDIX

Table A.1: Major Economic Indicators

	2017	2018	2019	2020	2021	2022	2023[R]	2024[P]
POPULATION AND EMPLOYMENT								
Population (Thousands)	371.4	378.8	386.1	393.0	399.4	397.5	404.2	410.9
Employed Labour Force (Thousands)	150.1	155.9	167.7	134.9	154.7	162.4	164.8	164.3
Unemployment Rate (%)[(1)]	9.3	9.4	9.0	13.8	10.3	5.1	3.3	2.5
INCOME								
GDP at Current Market Prices ($mn)[(2)]	4,532.6	4,586.5	4,776.6	4,085.7	4,841.1	5,693.4	6,133.7	6,825.3
Per Capita GDP at Current Market Prices ($)	12,205.7	12,109.0	12,370.8	10,396.2	12,121.8	14,323.6	15,174.9	16,609.9
Per Capita GDP Growth (%)	2.9	-0.8	2.2	-16.0	16.6	18.2	5.9	9.5
Real GDP Growth (%)	-1.8	1.0	4.2	-13.9	17.7	9.7	1.2	8.2
Sectoral Distribution of Constant 2014 GDP (%)								
Primary Activities	10.6	10.4	9.8	10.7	11.3	10.3	9.3	8.6
Secondary Activities	14.1	13.9	13.9	16.2	15.8	14.3	13.5	13.7
Tertiary Activities	62.8	63.1	63.6	61.2	60.5	61.1	64.0	64.0
MONEY AND PRICES ($mn)								
Inflation (Annual Average Percentage Change)	1.1	0.3	0.2	0.1	3.2	6.3	4.4	3.3
Currency and Demand Deposits (M1)	1,565.9	1,598.5	1,681.8	1,965.5	2,233.1	2,423.5	2,667.7	3,331.7
Quasi-Money (Savings and Time Deposits)	1,372.6	1,418.8	1,510.4	1,568.3	1,735.5	1,731.1	1,778.9	1,532.1
Annual Change of Money Supply (%)	-0.4	2.7	5.8	10.7	12.3	4.7	7.0	9.4
Ratio of M2 to GDP (%)	64.8	65.8	66.9	86.5	82.0	73.0	72.5	71.3
Broad Money Supply (M2)	2,938.5	3,017.3	3,192.3	3,533.8	3,968.5	4,154.6	4,447.6	4,863.8
Excess Statutory Liquidity	269.0	240.6	200.7	420.3	698.3	702.9	744.1	746.0
Excess Cash Liquidity	284.0	196.6	193.8	351.9	415.6	499.3	509.3	472.3
Excess Securities	136.7	187.7	162.4	206.0	167.8	114.5	107.1	153.5
CREDIT ($mn)								
Domestic Banks' Loans and Advances	2,018.2	2,119.9	2,238.0	2,278.1	2,313.0	2,418.8	2,572.2	2,675.0
Public Sector	5.3	50.6	58.0	41.3	27.8	26.0	41.8	41.4
Private Sector	2,012.9	2,069.3	2,180.0	2,236.8	2,285.2	2,392.8	2,530.4	2,633.6
INTEREST RATES (%)								
Weighted Average Lending Rate	9.3	9.0	8.8	8.5	8.7	8.7	8.4	8.5
Weighted Average Deposit Rate	1.2	1.2	1.1	1.3	1.3	1.2	1.2	0.9
Weighted Average Interest Rate Spread	8.1	7.7	7.6	7.3	7.4	7.5	7.2	7.5
CENTRAL GOVERNMENT FINANCES ($mn)								
Current Revenue	1,047.9	1,139.4	1,147.7	944.2	1,082.1	1,287.4	1,348.2	1,504.0
Current Expenditure	1,005.8	1,052.9	1,084.5	1,007.4	933.9	1,052.5	1,148.6	1,249.8
Current Account Surplus(+)/Deficit(-)	42.1	86.5	63.2	-63.2	148.1	234.9	199.6	254.1
Capital Expenditure and Net Lending	171.8	168.4	222.2	345.1	265.2	333.1	347.1	425.4
Overall Surplus(+)/Deficit(-)	-103.4	-27.6	-130.8	-365.9	-82.9	-43.9	-130.3	-146.5
Ratio of Budget Deficit to GDP at Current Prices (%)	-2.3	-0.6	2.7	-9.0	-1.7	-0.8	-2.1	-2.1
Domestic Financing (Net)[(3)]	13.3	-2.9	54.3	162.2	-66.3	32.0	44.7	-8.6
External Financing (Net)	90.0	23.1	37.2	201.7	74.2	54.9	89.8	33.8

Table A.1: Major Economic Indicators *(continued)*

	2017	2018	2019	2020	2021	2022	2023[R]	2024[P]
BALANCE OF PAYMENTS (US $mn)								
Merchandise Exports (FOB)[(4)]	457.1	451.7	425.3	289.0	422.1	517.7	488.1	482.5
Merchandise Imports (FOB)	848.3	896.9	968.5	731.4	956.1	1,223.6	1,265.4	1,362.0
Trade Balance	-391.1	-445.2	-543.2	-442.4	-534.0	-705.9	-777.3	-879.5
Remittances (Inflows)	87.9	89.7	94.5	118.3	133.0	140.1	147.2	151.8
Tourism (inflows)	389.2	439.2	526.7	246.9	374.1	600.5	730.4	813.2
Services (Net)	300.3	396.8	442.5	255.2	327.5	501.4	740.2	795.6
Current Account Balance	-143.7	-151.7	-184.6	-127.9	-157.9	-235.6	-19.8	-51.8
Capital and Financial Flows	67.3	134.5	145.7	183.1	290.8	217.1	61.4	118.0
Gross Change in Official International Reserves	-64.6	-17.8	-17.8	70.2	75.1	58.4	-9.2	8.8
Gross Official International Reserves	313.0	295.6	277.9	348.1	424.0	482.5	473.3	482.1
Monthly Import Coverage	4.0	3.6	3.2	5.2	5.2	4.1	4.1	3.9
PUBLIC SECTOR DEBT								
Disbursed Outstanding External Debt (US $mn)	1,256.9	1,284.5	1,321.8	1,453.2	1,338.5	1,363.6	1,429.0	1,452.8
Ratio of External Debt to GDP at Current Prices (%)	55.4	56.0	55.4	71.1	55.3	47.9	46.6	42.6
External Debt Service Payments (US $mn)[(5)]	85.9	85.8	90.7	81.2	625.7	71.7	93.6	138.8
External Debt Service Ratio (%)	11.3	10.1	10.5	14.9	9.6	7.0	7.6	10.9
Disbursed Outstanding Domestic Debt ($mn)	1,026.5	1,045.3	1,103.4	1,313.2	1,315.8	1,315.6	1,507.9	1,519.1
Domestic Debt Service Payments ($mn)	34.1	35.9	36.6	40.9	41.3	42.6	60.7	47.4

Sources: MOF, SIB and CBB

(1) The unemployment rate from 2020 onwards was measured using a revised methodology.

(2) The 2024 figure was estimated by the Central Bank.

(3) In 2017, $208.3mn was deducted from net domestic financing for the acquisition of shares in a utility company, and in 2023, $166.7mn was deducted from the same for the nationalisation of the Port of Belize Limited.

(4) Includes CFZ gross sales.

(5) Debt service payments for 2021 included the US$552.9mn paid to external bondholders to repurchase and retire the 2034 US Dollar Bond.

P- Provisional

R- Revised

Table A.2: Central Bank Dealings in Foreign Exchange in 2024

$mn

Month	US $, Canadian $, and UK £			CARICOM Currencies		
	Purchases	Sales	Net	Purchases	Sales	Net
January	17.0	27.0	-10.0	0.0	0.1	-0.1
February	22.0	17.7	4.3	0.0	0.7	-0.7
March	31.1	21.3	9.8	0.0	1.0	-1.0
April	44.8	33.0	11.8	0.0	0.2	-0.2
May	102.5	29.5	73.0	0.0	0.0	0.0
June	13.9	16.6	-2.7	0.0	0.0	0.0
July	19.3	54.4	-35.1	0.0	0.9	-0.9
August	38.8	18.7	20.1	0.0	0.1	-0.1
September	5.3	11.8	-6.5	0.0	0.2	-0.2
October	32.5	50.4	-17.9	0.0	0.1	-0.1
November	27.8	28.7	-0.9	0.0	1.1	-1.1
December	23.0	18.1	4.9	0.0	0.1	-0.1
Total	**378.0**	**327.2**	**50.8**	**0.0**	**4.5**	**-4.5**

Table A.3: External Asset Ratio in 2024

Month	Foreign Assets $mn	Domestic Liabilities $mn	External Asset Ratio (%)
January	921.8	1,533.7	60.1
February	923.9	1,547.1	59.7
March	935.5	1,536.3	60.9
April	946.9	1,523.2	62.2
May	1,020.7	1,607.3	63.5
June	1,017.6	1,592.4	63.9
July	983.9	1,596.5	61.6
August	1,005.7	1,622.2	62.0
September	1,000.3	1,614.7	62.0
October	980.5	1,596.6	61.4
November	978.2	1,601.0	61.1
December	982.5	1,593.4	61.5

Table A.4: Domestic Banks' Balances with the Central Bank in 2024

$mn

Month	Average Deposit Liabilities	Required Cash Reserves	Actual Cash Holdings	Excess/ (Deficit)
January	3,923.8	255.0	710.6	455.6
February	3,953.8	257.0	710.4	453.4
March	4,022.4	261.5	738.0	476.5
April	4,105.8	266.9	675.9	409.0
May	4,164.4	270.7	679.9	409.2
June	4,191.1	272.4	696.1	423.7
July	4,205.4	273.4	735.0	461.7
August	4,224.6	274.6	760.2	485.6
September	4,251.2	276.3	769.8	493.5
October	4,277.5	278.0	754.8	476.7
November	4,261.6	277.0	772.0	495.0
December	4,306.6	279.9	752.3	472.3
Average	**4,157.3**	**270.2**	**729.6**	**459.3**

Table A.5: Currency in Circulation in 2024

$mn

Month	Notes	Coins	Total	Domestic Banks' Vault Cash	Currency with the Public
January	624.8	43.5	668.3	85.5	582.8
February	634.2	43.7	677.9	87.6	590.3
March	651.0	44.1	695.0	85.4	609.6
April	649.5	44.4	693.9	81.3	612.6
May	646.7	44.8	691.5	81.7	609.8
June	652.6	45.0	697.6	86.7	610.9
July	653.5	45.3	698.8	87.9	610.8
August	660.0	45.6	705.6	88.8	616.8
September	655.5	47.0	702.5	87.3	615.2
October	653.7	45.9	699.6	93.9	605.7
November	664.1	46.5	710.5	92.6	617.9
December	691.6	46.5	738.1	92.5	645.6

Table A.6: Composition of Treasury Notes

Tenor	Amount	Allocation ($mn)			Percent	
		Central Bank	Domestic Banks	Others	Coupon Rate 2023	Coupon Rate 2024
1-Year	316.0	275.7	35.0	5.3	2.00	2.00
2-Year	156.8	81.7	65.8	9.3	2.25	2.25
3-Year	39.5	14.0	25.5	0.0	2.80	2.80
4-Year	20.0	0.0	20.0	0.0	3.70	3.70
5-Year	220.0	73.8	65.1	81.1	3.50-4.50	3.5-4.50
5-Year[1]	32.1	0.0	20.0	12.1	6.50	6.50
7-Year	94.4	77.4	0.0	17.0	4.50	4.00
10-Year	225.0	47.1	20.0	157.9	7.75	7.75
20-Year	20.0	0.0	0.0	20.0	5.75	5.75
Total	**1,123.8**	**569.7**	**251.4**	**302.7**	n.a.	n.a.

[1] These five year T-notes are denominated in US dollars

Table A.7: Central Bank Credit to Central Government in 2024

$mn

Month	Treasury Bills	Treasury Notes	Overdraft Facility(1)	A	B
January	183.2	566.9	0.0	10.5	0.0
February	193.2	566.9	0.0	10.6	0.0
March	168.2	566.9	0.0	10.3	0.0
April	145.4	566.9	0.0	10.0	0.0
May	122.8	586.3	0.0	9.9	0.0
June	122.8	581.3	0.0	9.9	0.0
July	162.8	581.3	0.0	10.4	0.0
August	165.1	581.3	0.0	10.4	0.0
September	165.1	581.3	0.0	10.4	0.0
October	169.5	580.3	0.0	10.5	0.0
November	169.5	579.9	0.0	10.5	0.0
December	169.5	569.7	0.0	10.3	0.0

(1) Overdraft facility represents monthly averages rather than end of month positions.
A: The Central Bank's holdings of Government securities as a multiple of its paid-up capital and reserves.
B: Advances to Government as a percentage of Government's estimated recurrent revenues for the previous fiscal year.

Table A.8: Key Indicators for Advanced, Emerging, and Developing Economies

Country	GDP Growth Rate (%)		Inflation Rate (%)		Unemployment Rate (%)	
	2023[R]	2024[P]	2023[R]	2024[P]	2023[R]	2024[P]
Advanced Economies	1.7	1.7	4.6	2.6	4.4	4.6
United States	2.5	2.8	3.4	2.9	3.7	4.1
Euro Area	0.5	0.7	2.9	2.4	6.6	6.4
United Kingdom	0.1	1.1	6.8	3.3	4.1	4.3
Canada	1.2	1.6	3.9	2.4	5.4	6.3
Japan	1.5	0.1	3.2	2.7	2.6	2.5
Emerging and Developing Economies	4.4	4.2	8.1	7.9	n.a.	n.a.
China	5.2	5.0	0.2	0.2	5.2	5.1
India	7.6	6.5	5.7	5.2	6.6	6.4
Mexico	3.2	1.2	4.7	4.7	2.8	2.7
Russia	3.6	4.1	5.9	8.4	2.9	2.4
Brazil	2.9	3.4	4.6	4.4	8.0	6.8

Sources: IMF, UN, Bureau of Economic Analysis (US), Bureau of Labour Statistics (US), European Union Statistical Office (Eurostat), Office for National Statistics (UK), National Bureau of Statistics of China, Indian Central Statistics Office, Mexican National Institute of Statistics and Geography, and the Brazilian Institute of Geography.

Table A.9: Key Indicators for Central America

Country	GDP Growth Rate (%)		Inflation Rate (%)		Unemployment Rate (%)		Net International Reserves (US$bn)	
	2023[R]	2024[P]	2023[R]	2024[P]	2023[R]	2024[P]	2023[R]	2024[P]
Guatemala	3.5	3.7	4.2	1.7	5.7	3.1	21.3	24.4
Honduras	3.6	3.7	6.7	4.6	8.1	8.0	7.6	8.0
El Salvador	3.5	2.9	4.0	0.9	3.8	5.5	2.6	3.5
Nicaragua	4.6	3.6	5.6	2.8	2.5	2.0	5.4	6.1
Costa Rica	5.1	4.0	1.8	0.4	7.3	6.9	11.6	13.5
Panama	7.3	2.5	1.9	1.3	7.4	8.4	10.4	6.5

Sources: World Bank, ECLAC, and Central Banks of Guatemala, Honduras, El Salvador, Nicaragua, and Costa Rica.

Table A.10: Key Indicators for Selected Caribbean Countries

Country	GDP Growth Rate (%)		Inflation Rate (%)		Unemployment Rate (%)		International Reserves (US $mn)		Fiscal Balance (% of GDP)	
	2023R	2024P	2023R	2024P	2023R	2024P	2023R	2024P	2023R	2024P
The Bahamas	2.6	1.9	1.9	1.2	10.2	10.0	2,517.4	2,633.0	-3.8	-1.3
Barbados	4.2	4.0	3.2	1.4	8.3	7.1	2,999.5	3,184.3	-0.1	1.5
Belize	1.2	8.2	4.4	3.3	3.3	2.5	473.3	482.1	-2.1	-2.1
Eastern Caribbean Currency Union	3.9	4.5	2.2	1.9	n.a.	n.a.	2,015.0	2,202.0	-0.7	-1.5
Guyana	33.0	43.8	2.0	2.4	n.a.	n.a.	896.4	761.2	-6.7	-5.0
Jamaica	2.6	0.7	6.9	5.0	4.2	3.5	4,758.2	5,583.7	0.0	0.2
Suriname	2.1	3.0	51.6	19.1	10.6	10.3	1,346.1	1,632.4	-1.9	-1.0
Trinidad and Tobago	1.1	1.6	4.6	1.3	4.0	5.4	6,257.9	5,604.3	-1.7	-5.2

Sources: IMF, ECLAC, IDB, CDB, ILO, the Central Banks of Belize, Barbados, Guyana, Eastern Caribbean, Jamaica, Suriname, The Bahamas, and Trinidad and Tobago plus the Statistical Institutes of Belize, Jamaica, Barbados, Guyana, and Trinidad and Tobago.

Table A.11: Determinants of Money Supply[(1)]

$mn

	Position as at			Changes During 2024
	Dec 2022	Dec 2023	Dec 2024	
Net Foreign Assets	1,519.8	1,599.9	1,943.2	343.3
Central Bank	966.0	948.8	1,000.6	51.8
Domestic Banks	552.8	651.1	942.6	291.5
Net Domestic Credit	3,221.5	3,610.3	3,686.1	75.8
Central Government (Net)	713.9	927.7	903.0	-24.7
Other Public Sector	87.3	118.3	112.8	-5.5
Private Sector	2,420.4	2,564.3	2,670.3	106.0
Central Bank Foreign Liabilities (Long-term)	115.7	116.7	113.4	-3.3
Other Items (Net)	470.0	647.0	652.1	5.1
Broad Money Supply (M2)	4,154.6	4,446.6	4,863.8	417.3

[(1)] Transactions associated with the Universal Health Services loan with Belize Bank Limited are not included in this table.

Table A.12: Money Supply

$mn

	Position as at			Changes During 2024
	Dec 2022	Dec 2023	Dec 2024	
Broad Money Supply (M2)	4,154.6	4,446.6	4,863.8	417.3
Narrow Money Supply (M1)	2,423.5	2,667.7	3,331.7	664.1
Currency with the Public	523.1	587.7	645.6	57.9
Demand Deposits	1,899.9	2,079.4	2,685.2	605.8
Savings/Chequing Deposits	0.4	0.6	1.0	0.4
Quasi-Money	1,731.1	1,778.9	1,532.1	-246.8
Savings Deposits	966.4	1,054.5	782.0	-272.5
Time Deposits	764.7	724.4	750.1	25.7

Table A.13: Net Foreign Assets of the Banking System

$mn

	Position as at			Changes During 2024
	Dec 2022	Dec 2023	Dec 2024	
Net Foreign Assets	1,519.8	1,599.9	1,943.2	343.3
Central Bank	966.0	948.8	1,000.6	51.8
Foreign Assets	968.7	951.5	1,001.3	49.8
Foreign Liabilities (Demand)	2.7	2.7	0.7	-2.0
Domestic Banks	552.8	651.1	942.6	291.5
Foreign Assets	576.9	710.1	996.2	286.1
Foreign Liabilities (Short-term)	24.1	59.0	53.6	-5.4

Table A.14: Net Domestic Credit of the Banking System

$mn

	Position as at			Changes During 2024
	Dec 2022	Dec 2023	Dec 2024	
Total Credit to Central Government	931.1	1,128.5	1,123.8	-4.7
From Central Bank	677.5	782.9	738.9	-44.1
From Domestic Banks	253.6	345.6	384.9	39.3
Less Central Government Deposits	217.2	200.8	220.7	20.0
Net Credit to Central Government	713.9	927.7	903.0	-24.7
Plus Credit to Other Public Sector	87.3	118.3	112.8	-5.5
Plus Credit to the Private Sector	2,420.4	2,564.3	2,670.3	106.0
Net Domestic Credit of the Banking System	3,221.5	3,610.3	3,686.1	75.8

Table A.15: Domestic Banks - Sectoral Composition of Loans and Advances

$mn

	Position as at			Changes During 2024
	Dec 2022	Dec 2023	Dec 2024	
PRIMARY SECTOR	**265.7**	**264.1**	**253.4**	**-10.7**
Agriculture	236.9	237.9	234.0	-3.9
Sugar	94.6	94.2	92.3	-1.9
Citrus	16.8	11.9	7.3	-4.6
Banana	55.6	56.7	57.5	0.8
Grains	24.1	12.7	8.8	-3.9
Poultry and Eggs	9.1	13.0	8.2	-4.8
Cattle and Dairy	3.1	3.3	4.5	1.2
Other	33.6	46.1	55.4	9.3
Marine Products	23.2	21.0	15.1	-5.9
Other(1)	5.6	5.2	4.3	-0.9
SECONDARY SECTOR	**825.7**	**848.4**	**855.4**	**7.0**
Manufacturing	70.3	75.2	89.1	13.9
Building and Construction	723.3	735.5	739.2	3.7
Residential	475.9	460.1	449.7	-10.4
Commercial	134.0	140.5	133.6	-6.9
Infrastructure	45.2	38.4	29.5	-8.9
Home Improvement	68.1	96.4	126.4	30.0
Utilities	32.1	37.7	27.1	-10.6
TERTIARY SECTOR	**938.1**	**1,029.4**	**1,095.1**	**65.7**
Transport	55.5	67.9	75.2	7.3
Tourism	289.0	298.5	283.1	-15.4
Distribution	192.3	202.1	208.4	6.3
Real Estate	325.6	372.5	407.5	35.0
Residential	159.2	178.7	191.5	12.8
Commercial	103.8	111.7	116.7	5.0
Land Acquisition	62.6	82.1	99.3	17.2
Professional Services	57.4	68.9	96.0	27.1
Government Services	14.0	15.8	21.5	5.7
Other(2)	4.3	3.7	3.4	-0.3
PERSONAL LOANS	**389.5**	**430.3**	**471.0**	**40.7**
TOTAL	**2,419.0**	**2,572.2**	**2,674.9**	**102.7**

(1) Includes forestry and mining and exploration.
(2) Includes financial institutions and entertainment.

Table A.16: Domestic Banks - Holdings of Approved Liquid Assets

$mn

	Position as at			Changes During 2024
	Dec 2022	Dec 2023	Dec 2024	
Holdings of Approved Liquid Assets	**1,467.5**	**1,556.2**	**1,650.4**	**94.2**
Notes and Coins	98.7	119.6	116.6	-3.0
Balances with Central Bank	741.0	765.7	748.1	-17.6
Money at Call and Foreign Balances (due in 90 days)	467.7	454.3	512.9	58.6
Central Government Securities Maturing within 90 days[1]	135.7	125.6	168.4	42.7
Other Approved Assets	24.4	91.0	104.5	13.5
Required Liquid Assets	764.6	812.1	904.4	92.3
Excess/(Deficiency) Liquid Assets	**702.9**	**744.1**	**746.0**	**1.9**
Daily Average Holdings of Cash Reserves	735.9	761.2	752.3	-8.9
Required Cash Reserves	236.7	251.4	279.9	28.6
Excess/(Deficiency) Cash Reserves	**499.3**	**509.8**	**472.3**	**-37.5**
Actual Securities Balances[2]	114.5	107.1	153.5	46.4
Excess/(Deficiency) Securities	**114.5**	**107.1**	**153.5**	**46.4**

(1) Four-week average of domestic banks' T-bill holdings
(2) Face value of domestic banks' T-bill holdings at month end

Table A.17: Domestic Banks - Weighted Average Interest Rates

Percentage

	Position as at			Changes During 2024
	Dec 2022	Dec 2023	Dec 2024	
Weighted Lending Rates				
Personal Loans	11.54	11.45	11.40	-0.06
Commercial Loans	8.25	7.89	7.76	-0.12
Residential Construction	7.20	7.06	7.38	0.32
Other	7.06	7.18	7.51	0.33
Weighted Average	8.72	8.42	8.45	0.03
Weighted Deposit Rates				
Demand	0.13	0.13	0.15	0.03
Savings/Chequing	2.63	2.62	2.59	-0.03
Savings	2.64	2.66	2.69	0.03
Time	2.16	2.11	2.06	-0.05
Weighted Average	1.22	1.18	0.95	-0.23
Weighted Average Spread	**7.51**	**7.24**	**7.51**	**0.27**

Table A.18: Domestic Banks - Weighted Average Interest Rates on New Loans and Deposits

Percentage

	12- Month Rolling Averages			Changes During
	Jan 2022 to Dec 2022	Jan 2023 to Dec 2023	Jan 2024 to Dec 2024	Dec 2023 to Dec 2024
Weighted Lending Rates				
Personal Loans	10.17	10.00	10.44	0.43
Commercial Loans	8.01	8.14	7.98	-0.15
Residential Construction	8.42	9.07	10.28	1.21
Other	6.10	5.89	5.93	0.04
Weighted Average	8.54	8.68	8.81	0.13
Weighted Deposit Rates				
Demand	0.00	0.00	0.00	0.00
Savings/Chequing	1.54	1.54	1.49	-0.05
Savings	2.42	2.48	2.49	0.01
Time	2.42	2.17	2.46	0.28
Weighted Average	2.02	1.80	1.74	-0.06
Weighted Average Spread	**6.52**	**6.88**	**7.07**	**0.19**

Table A.19: Credit Unions - Sectoral Composition of Loans and Advances

$mn

	Position as at			Changes During 2024
	Dec 2022	Dec 2023	Dec 2024	
PRIMARY SECTOR	**62.1**	**74.2**	**79.5**	**5.3**
Agriculture	54.1	66.3	67.0	0.7
Sugar	5.7	5.2	4.9	-0.3
Citrus	1.3	1.2	1.1	-0.1
Banana	0.0	2.0	2.8	0.8
Grains	17.9	25.3	24.7	-0.6
Poultry and Eggs	7.5	9.2	10.7	1.5
Cattle and Dairy	5.3	6.5	6.9	0.4
Other	16.4	16.9	15.9	-1.0
Marine Products	7.7	7.7	12.3	4.6
Forestry	0.1	0.1	0.2	0.1
Mining and Exploration	0.2	0.1	0.0	-0.1
SECONDARY SECTOR	**221.7**	**240.0**	**250.1**	**10.1**
Manufacturing	29.8	35.5	34.3	-1.2
Building and Construction	187.4	196.9	169.3	-27.6
Residential	100.2	109.7	83.8	-25.9
Home Improvement	72.5	72.4	73.0	0.6
Commercial	12.1	11.9	9.9	-2.0
Infrastructure	2.6	2.9	2.6	-0.3
Utilities	4.5	7.6	46.5	38.9
TERTIARY SECTOR	**117.2**	**132.5**	**135.8**	**3.3**
Transport	1.0	4.8	5.1	0.3
Tourism	0.8	3.7	1.1	-2.6
Distribution	22.6	20.5	31.6	11.1
Real Estate	79.3	86.2	79.5	-6.7
Residential	3.2	2.5	3.1	0.6
Commercial	41.1	41.7	25.6	-16.1
Land Acquisition	34.9	41.9	50.8	8.9
Other[1]	13.5	17.3	18.5	1.2
PERSONAL LOANS	**258.4**	**246.0**	**286.0**	**40.0**
TOTAL	**659.4**	**692.7**	**751.4**	**58.7**

(1) Includes government services, financial institutions, professional services, and entertainment.

Table A.20: Development Finance Corporation - Sectoral Composition of Loans and Advances

$mn

	Position as at			Changes During 2024
	Dec 2022	Dec 2023	Dec 2024	
PRIMARY SECTOR	**33.3**	**43.2**	**49.0**	**5.8**
Agriculture	23.2	32.3	34.7	2.4
Sugar	2.9	3.8	4.5	0.7
Citrus	0.5	0.5	0.3	-0.2
Bananas	3.4	8.6	12.6	4.0
Grains	2.7	5.1	4.7	-0.4
Cattle and Dairy	7.8	8.8	8.0	-0.8
Other	5.8	5.5	4.4	-1.1
Marine Products	9.7	10.6	14.1	3.5
Other[1]	0.4	0.3	0.2	-0.1
SECONDARY SECTOR	**46.6**	**46.4**	**46.4**	**0.0**
Manufacturing	8.2	5.7	5.5	-0.2
Building and Construction	38.4	40.7	40.9	0.2
TERTIARY SECTOR	**38.5**	**43.0**	**41.7**	**-1.3**
Transport	1.6	1.6	1.5	-0.1
Tourism	17.8	18.3	14.0	-4.3
Professional Services	17.3	18.9	20.4	1.5
Other[2]	1.8	4.2	5.8	1.6
PERSONAL LOANS	**0.4**	**0.5**	**0.7**	**0.2**
STUDENT LOANS	**16.1**	**16.1**	**16.9**	**0.8**
TOTAL	**134.8**	**149.3**	**154.7**	**5.4**

[1] Includes forestry and mining and exploration.
[2] Includes financial institutions, distribution, real estate, and entertainment.

Table A.21: Central Government - Revenue and Expenditure

$’000

	Approved Budget 2024/2025	Actuals			
		Fiscal Year 2023/2024	Jan - Dec 2022	Jan - Dec 2023	Jan - Dec 2024[P]
TOTAL REVENUE AND GRANTS (1+2+3)	**1,519,113**	**1,426,701**	**1,341,636**	**1,365,428**	**1,528,738**
1). Current Revenue	1,483,088	1,402,341	1,287,383	1,348,234	1,503,957
Tax Revenue	1,387,798	1,325,128	1,194,401	1,273,985	1,391,637
Income and Profits	365,431	352,781	343,118	361,777	415,646
Taxes on Property	7,174	6,044	7,882	6,745	6,316
Taxes on Goods and Services	791,664	751,192	628,551	704,832	740,125
International Trade and Transactions	223,529	215,110	214,850	200,631	229,551
Non-Tax Revenue	95,290	77,213	92,982	74,249	112,320
Property Income	16,167	11,731	36,177	12,248	25,940
Licenses	25,796	21,775	18,756	17,393	43,948
Transfers from Government Departments	36,888	34,785	25,467	35,095	34,779
Repayment of Old Loans	1,292	793	307	769	717
Rent and Royalties	15,146	8,130	12,275	8,745	6,935
2). Capital Revenue	6,025	5,537	5,476	6,267	8,158
3). Grants	30,000	18,823	48,777	10,926	16,623
TOTAL EXPENDITURE (1+2)	**1,604,955**	**1,577,140**	**1,385,576**	**1,495,720**	**1,675,254**
1). Current Expenditure	1,174,225	1,193,978	1,052,499	1,148,630	1,249,849
Wages and Salaries	476,796	480,571	436,632	473,176	498,890
Pensions	110,060	110,560	97,458	103,860	130,781
Goods and Services	294,349	259,308	236,720	245,646	278,514
Interest Payments	112,900	140,215	97,300	136,524	160,073
Subsidies and Current Transfers	180,121	203,323	184,389	190,070	181,591
2). Capital Expenditure	430,730	383,162	333,077	347,091	425,405
Capital II (Local Sources)	276,848	307,573	249,202	259,601	333,634
Capital III (Foreign Sources)	146,582	74,813	83,479	86,710	91,007
Capital Transfer and Net Lending	7,299	775	396	779	764
CURRENT BALANCE	308,862	208,363	234,884	199,604	254,108
PRIMARY BALANCE	27,058	-10,224	53,360	6,232	13,557
OVERALL BALANCE	-85,842	-150,439	-43,940	-130,292	-146,516
OVERALL BALANCE WITHOUT GRANTS	-115,842	-169,262	-92,717	-141,219	-163,139
PRIMARY BALANCE WITHOUT GRANTS	-2,942	-29,047	4,583	-4,694	-3,066

Table A.21: Central Government - Revenue and Expenditure *(continued)*

$'000

	Approved Budget 2024/2025	Actuals			
		Fiscal Year 2023/2024	Jan - Dec 2022	Jan - Dec 2023	Jan - Dec 2024[P]
FINANCING	**85,842**	**150,439**	**43,940**	**130,292**	**146,516**
Nationalisation	0	-166,740	0	-166,740	0
Extraordinary Finance					37,492
Domestic Financing		224,450	31,966	211,464	-8,561
Central Bank		99,199	72,183	132,267	-15,005
Net Borrowing		72,279	66,215	105,472	-44,072
Change in Deposits		26,920	5,968	26,794	29,067
Commercial Banks		132,836	-46,203	82,372	-9,698
Net Borrowing		129,759	-72,198	91,944	39,330
Change in Deposits		3,077	25,995	-9,572	-49,028
Other Domestic Financing		-7,585	5,985	-3,174	16,143
Financing Abroad		89,404	54,914	89,830	33,765
Disbursements		194,746	126,162	189,817	144,762
Amortisation		-105,342	-71,248	-99,986	-110,998
Other[1]		3,325	-42,940	-4,262	83,820

Sources: Central Bank and MOF

(1) An "Other" reconciliation balance of $83.8mn was observed for 2024. This discrepancy between the fiscal balance and net financing suggests potential timing lags in revenue recognition at the end of December

Table A.22: Central Government - Domestic Debt 2024

$'000

	Disbursed Outstanding Debt 31/12/23[R]	Transactions Through December 2024				Disbursed Outstanding Debt 31/12/24[P]
		Disbursement/ New Issue of Securities	Amortisation/ Reduction in Securities	Interest	Net Change in Overdraft/ Securities	
Overdraft/Loans	0	0	0	0	0	0
Treasury Bills	335,000	0	0	2,358	0	335,000
Central Bank	218,764	0	0	1,117	-49,575	169,189
Domestic Banks	107,015	0	0	1,172	46,400	153,415
Other	9,221	0	0	69	3,175	12,396
Treasury Notes	1,081,146	14,000	2,601	42,181	0	1,092,547
Central Bank	564,504	0	0	16,142	5,464	569,968
Domestic Banks	238,552	0	2,000	9,477	-5,003	231,549
Other	278,090	14,000	601	16,562	-460	291,030
Belize Bank Limited[(1)]	91,000	0	0	0	0	91,000
Debt-for-Nature Swap	789	0	217	27	0	572
Total	**1,507,936**	**14,000**	**2,818**	**44,559**	**0**	**1,519,119**

(1) Caribbean Court of Justice award in November 2017 against the Government of Belize in favour of Belize Bank Limited relating to the loan guarantee. Since the first quarter of 2018, the Belize Bank has been offsetting its business tax against the Universal Health Services debt. At 2024 end, the Belize Bank Limited set-off approximately $102.5mn in taxes against the debt, split between principal payments ($74.9mn) and interest payments ($27.7mn).

Table A.23: Public Sector External Debt by Creditor

$mn

	Outstanding Debt 31/12/2023[R]	Disbursements	Amortisation	Interest and Other Charges	Valuation Adjustments	Outstanding Debt 31/12/2024[P]
Bilateral	936.5	68.2	34.2	33.5	-0.2	970.3
Multilateral	1,170.4	135.8	107.7	52.2	12.7	1,195.8
Commercial	751.1	0	11.5	38.6	0.0	739.5
Total	**2,858.0**	**203.9**	**153.4**	**124.2**	**-2.9**	**2,905.6**

Table A.24: Public Sector - External Debt 2024

$'000

	Disbursed Outstanding Debt 31/12/23[R]	Transactions Through December 2024				Disbursed Outstanding Debt 31/12/24[P]
		Disbursements	Principal Payments	Interest and Other Payments	Parity Change	
CENTRAL GOVERNMENT	**2,599,233**	**173,462**	**139,698**	**117,133**	**325**	**2,633,323**
Government of Venezuela[(1)]	429,692	0	0	0	0	429,692
Kuwait Fund for Arab Economic Development	36,037	8,424	2,522	1,050	-244	41,694
Mega International Commercial Bank Company Limited	45,714	0	1,429	3,723	0	44,286
Republic of China/Taiwan	397,725	53,320	26,322	27,242	0	424,723
Caribbean Development Bank	356,214	22,682	25,751	13,110	0	353,145
CARICOM Development Fund	5,708	0	599	165	0	5,109
European Economic Community	3,562	0	473	25	283	3,372
Inter-American Development Bank	284,501	25,021	17,534	19,557	0	291,988
International Fund for Agriculture Development	6,832	0	1,376	398	-13	5,443
International Bank for Reconstruction and Development	72,837	12,885	4,618	4,492	0	81,104
OPEC Fund for International Development	186,930	14,071	15,785	6,733	0	185,216
Central American Bank for Economic Integration	20,714	8,359	3,056	1,987	300	26,317
Caribbean Community Climate Change Centre	1,700	28,700	28,700	34	0	1,700
Belize Blue Investment Company LLC	728,000	0	0	37,492	0	728,000
US $30.0mn Fixed-Rate Notes	23,067	0	11,534	1,124	0	11,534
NON-FINANCIAL PUBLIC SECTOR	**61,630**	**5,840**	**9,303**	**2,960**	**0**	**58,166**
Caribbean Development Bank	36,352	4,440	5,414	1,608	0	35,377
Inter-American Development Bank	0	1,400	0	0	0	1,400
International Cooperation and Development Fund	25,278	0	3,889	1,352	0	21,389
FINANCIAL PUBLIC SECTOR	**197,128**	**24,642**	**4,372**	**4,150**	**-3,264**	**214,134**
Caribbean Development Bank	61,075	6,242	3,705	2,543	0	63,613
European Investment Bank	1,668	0	667	40	0	1,001
Inter-American Development Bank	15,600	11,960	0	1,480	0	27,560
International Cooperation and Development Fund	2,100	6,440	0	87	0	8,540
International Monetary Fund[(2)]	116,685	0	0	0	-3,264	113,421
GRAND TOTAL	**2,857,990**	**203,944**	**153,373**	**124,243**	**-2,939**	**2,905,623**

(1) Since September 2017, debt service payments for oil imports have been suspended due to US sanctions on Petroleos de Venezuela, S.A. Unpaid debt service payments up to the end of December 2024 amounted to principal of $131.1mn and interest of $26.3mn.

(2) International Monetary Fund Special Drawing Rights allocation is included as part of financial public sector external debt obligation.

Table A.25: GDP by Activity at Current and Constant 2014 Prices

$mn

	2022	2023	2024
GDP at Current Market Prices[1]	**5,693.4**	**6,133.7**	**6,825.9**
GDP at Constant 2014 Prices	**5,065.2**	**5,123.4**	**5,541.0**
Primary Sector	**521.5**	**487.0**	**474.7**
Agriculture, Forestry, and Fishing	459.3	430.9	422.4
Mining	62.2	56.0	52.3
Secondary Sector	**729.5**	**715.9**	**756.5**
Manufacturing	359.2	352.5	350.6
Electricity	81.7	69.3	92.0
Water Supply	35.5	37.2	39.8
Construction	253.1	256.9	274.1
Tertiary Sector	**3,097.0**	**3,210.1**	**3,547.9**
Wholesale and Retail Trade	722.3	714.4	810.1
Transportation	218.0	222.5	287.1
Accommodation and Food Service Activities	205.5	252.0	333.5
Information and Communication	182.6	181.7	160.0
Financial and Insurance Activities	417.1	427.2	440.0
Real Estate Activities	243.1	247.7	250.2
Professional Scientific and Technical Activities	43.3	42.5	61.9
Administrative and Support Service Activities	225.0	271.5	280.3
Public Administration and Defence	356.0	364.7	405.7
Education	230.2	229.2	242.3
Human Health and Social Work Activities	76.1	80.2	81.1
Arts, Entertainment, and Recreation	72.1	69.1	76.8
Other Service Activities	75.1	76.4	86.1
Activities of Households as Employers	30.5	31.1	32.7
Taxes and Subsidies	**717.2**	**710.4**	**762.0**
Gross Value Added	4,347.9	4,413.0	4,779.0

Source: SIB

(1) 2024 figure was estimated by the Central Bank

Table A.26: Annual Percentage Change in GDP by Activity at Current and Constant 2014 Prices

Percentage

	2022	2023	2024
GDP at Current Market Prices[(1)]	**17.6**	**7.7**	**11.3**
GDP at Constant 2014 Prices	**9.7**	**1.2**	**8.2**
Primary Sector	**-0.7**	**-6.6**	**-2.5**
Agriculture, Forestry, and Fishing	0.1	-6.2	-2.0
Mining	-5.8	-9.9	-6.6
Secondary Sector	**-0.8**	**-1.9**	**5.7**
Manufacturing	8.9	-1.9	-0.5
Electricity	-9.3	-15.2	32.7
Water Supply	3.7	4.8	7.1
Construction	-10.0	1.5	6.7
Tertiary Sector	**11.0**	**3.7**	**10.5**
Wholesale and Retail Trade	16.3	-1.1	13.4
Transportation	24.2	2.0	29.1
Accommodation and Food Service Activities	49.2	22.6	32.4
Information and Communication	5.1	-0.5	-11.9
Financial and Insurance Activities	-0.4	2.4	3.0
Real Estate Activities	-0.4	1.9	1.0
Professional Scientific and Technical Activities	-7.3	-1.7	45.6
Administrative and Support Service Activities	10.8	20.7	3.2
Public Administration and Defence	8.3	2.4	11.2
Education	-3.3	-0.4	5.7
Human Health and Social Work Activities	4.3	5.3	1.2
Arts, Entertainment, and Recreation	68.5	-4.2	11.2
Other Service Activities	34.3	1.7	12.7
Activities of Households as Employers	-0.5	1.7	5.3
Taxes and Subsidies	**26.0**	**-0.9**	**7.3**
Gross Value Added	-7.4	1.5	8.3

Source: SIB
(1) 2024 figure was estimated by the Central Bank

Table A.27: Sugar Cane Deliveries

	2021/2022	2022/2023	2023/2024
Deliveries (long tons)	1,787,488	1,485,129	1,659,297

Sources: BSI/ASR and Santander Group

Table A.28: Citrus Fruit Deliveries

	2021/2022	2022/2023	2023/2024
Deliveries (‘000 boxes)	**1,451**	**350**	**356**
Oranges	1,308	284	319
Grapefruits	143	67	37

Sources: Citrus Products of Belize Limited and Citrus Growers’ Association

Table A.29: Banana Acreage and Production

	2022	2023	2024
Production (40-pound Boxes)	**4,696,194**	**3,629,052**	**4,602,447**
Total Acreage Under Production	**7,917.6**	**7,438.0**	**7,166.8**
Harvestable Acreage	7,578.4	6,941.8	6,824.5
Acreage under Plantilla	282.2	224.2	137.3
Area ready to Plant	0.0	160.0	70.0
Area under Rehabilitation	57.0	112.0	135.0

Source: Banana Growers’ Association

Table A.30: Production of Sugar and Molasses

	2021/2022	2022/2023	2023/2024
Sugar Processed (long tons)	**175,065**	**176,089**	**144,090**
Molasses Processed (long tons)	**67,763**	**63,536**	**53,922**
Performance			
Factory Time Efficiency (%)	96.8	62.1	72.3
Cane Purity (%)	84.4	54.5	62.4
Cane-to-Sugar Ratio	10.7	10.2	10.3

Sources: BSI/ASR and Santander Group

Table A.31: Production of Citrus Juices, Pulp, and Oil

	2021/2022	2022/2023	2023/2024
Production (‘000 ps)	**8,112**	**1,706**	**1,815**
Orange Concentrate	7,385	1,381	1,654
Grapefruit Concentrate	549	251	111
Not-from-Concentrate	179	74	49
Production (‘000 pounds)			
Pulp	1,148	81	10
Citrus Oil	478	103	145

Source: Citrus Products of Belize Limited

Table A.32: Tourist Arrivals

	2020	2021	2022	2023	2024
Stay-over Arrivals	**133,695**	**212,568**	**345,728**	**429,541**	**461,184**
Air	107,561	197,261	293,412	347,674	381,971
Land	20,144	12,644	43,769	67,611	65,557
Sea	5,991	2,663	8,547	14,256	13,656
Cruise Ship Disembarkations	**277,910**	**170,277**	**496,152**	**732,221**	**619,597**

Sources: BTB and Central Bank

Table A.33: Annual Percentage Change in Consumer Price Index Components by Major Commodity Group

		Average Annual Index			
Major Commodity	**Weights**	**2022**	**2023**	**2024**	**Annual Change**
Food and Non-Alcoholic Beverages	258	111.9	125.7	132.7	5.6
Alcoholic Beverages, Tobacco, and Narcotics	35	101.6	104.2	108.0	3.7
Clothing and Footwear	44	101.2	100.8	103.6	2.7
Housing, Water, Electricity, Gas, and Other Fuels	195	104.2	104.0	106.5	2.4
Furnishing, Household Equipment, and Routine Household Maintenance	51	104.0	109.2	113.5	3.9
Health	26	103.1	108.0	111.3	3.0
Transport	153	133.4	130.3	130.2	-0.1
Information and Communication	46	98.9	96.9	95.2	-1.8
Recreation, Sport, and Culture	43	105.5	112.5	116.0	3.1
Education Services	25	100.0	100.3	100.7	0.3
Restaurants and Accommodation Services	65	108.6	121.9	130.9	7.4
Insurance and Financial Services	8	99.9	103.6	105.2	1.6
Personal Care, Social Protection, and Miscellaneous Goods and Services	51	101.3	105.0	109.6	4.3
All Items	**1,000**	**110.2**	**115.1**	**118.9**	**3.3**

Source: SIB

Table A.34: Labour Force Statistics

Indicators	Apr 2023	Sept 2023	Apr 2024	Sept 2024
Working Age Population	**298,589**	**293,260**	**298,464**	**298,379**
Employed Population	168,731	160,929	165,808	162,759
Unemployed Population	4,805	6,570	5,046	3,447
Persons Not in the Labour Force	125,053	125,762	126,946	129,007
Labour Force	**173,536**	**167,499**	**170,853**	**166,206**
Labour Force Participation Rate	**58.10**	**57.10**	**57.40**	**56.30**
Male Participation Rate (%)	72.0	71.4	71.0	69.7
Female Participation Rate (%)	45.1	43.8	44.8	43.6
Underemployment Rate (%)	**6.5**	**4.5**	**2.5**	**2.2**
Unemployment Rate (%)	**2.8**	**3.9**	**3.1**	**2.1**
Male Unemployment Rate (%)	1.9	3.6	2.5	1.4
Female Unemployment (%)	4.1	4.5	3.9	3.1

Source: SIB

Table A.35: Balance of Payments Summary

$mn

	2022	2023	2024
CURRENT ACCOUNT	**-471.1**	**-39.5**	**-103.5**
Goods: Exports FOB	1,035.5	976.1	965.0
Goods: Imports FOB	2,447.3	2,530.8	2,724.0
Trade Balance	-1,411.8	-1554.7	-1,759.0
Services: Credit	1,702.6	2,096.0	2,315.8
Transportation	67.4	74.2	104.4
Travel	1,201.0	1,460.9	1,626.3
Other Goods and Services	358.4	434.2	488.9
Government Goods and Services	75.8	126.8	96.3
Services: Debit	699.9	615.6	724.6
Transportation	357.3	220.6	260.3
Travel	120.7	142.2	167.0
Other Goods and Services	176.7	203.0	237.5
Government Goods and Services	45.2	49.7	59.8
Balance on Goods and Services	-409.0	-74.3	-167.8
Primary Income: Credit	21.4	41.6	42.7
Compensation of Employees	4.7	4.7	4.7
Investment Income	16.7	36.9	37.9
Primary Income: Debit	289.3	264.0	302.5
Compensation of Employees	11.4	8.6	16.0
Investment Income(1)	277.9	255.4	286.5
Balance on Goods, Services, and Income	-676.9	-296.7	-427.7
Secondary Income: Credit	352.8	389.2	419.0
Government	12.5	0.1	0.1
Private	340.3	389.1	419.0
Secondary Income: Debit	147.0	132.0	94.8
Government	72.2	25.8	13.4
Private	74.8	106.2	81.4
CAPITAL ACCOUNT, n.i.e.	**58.9**	**50.3**	**12.7**
Capital Account: Credit	58.9	50.3	12.7
Capital Account: Debit	0.0	0.0	0.0

Table A.35: Balance of Payments Summary (*continued)*

$mn

	2022	2023	2024
FINANCIAL ACCOUNT, n.i.e.	**-375.4**	**-72.6**	**-223.3**
Direct Investment Abroad	2.4	4.5	5.2
Direct Investment in Belize, n.i.e.	281.8	32.1	255.8
Portfolio Investment Assets	0.0	0.0	0.0
Portfolio Investment Liabilities, n.i.e.	0.0	0.0	0.0
Financial Derivatives Assets	0.0	0.0	0.0
Financial Derivatives Liabilities	0.0	0.0	0.0
Other Investment Assets	-69.5	184.6	245.4
Monetary Authorities	0.0	0.0	0.0
General Government	0.0	53.4	-37.5
Banks	-67.0	133.3	286.1
Other Sectors	-2.5	-2.0	-3.2
Other Investment Liabilities	26.4	229.7	218.1
Monetary Authorities	-0.1	0.0	-2.0
General Governement	56.1	132.1	105.0
Banks	-11.8	142.2	-5.4
Other Sectors	-17.8	-44.6	120.6
NET ERRORS AND OMISSIONS	153.7	-101.8	-114.9
RESERVE ASSETS	**116.9**	**-18.4**	**17.7**

(1) Data include an estimate for profit remittances from the tourism and petroleum industries.

Table A.36: Balance of Payments - Merchandise Trade

$mn

	2022	2023	2024	Percent Change
Goods Exports, FOB	**1,035.5**	**976.1**	**965.0**	**-1.1**
of which: Domestic Exports	525.5	467.9	491.5	5.0
Re-exports	510.0	508.3	473.5	-6.8
CFZ Sales	440.8	437.9	397.8	-9.2
Other Re-exports	69.2	70.4	75.7	7.6
Goods Imports, FOB	**2,447.3**	**2,530.8**	**2,724.0**	**7.6**
of which: Domestic Imports	2,070.3	2,191.9	2,400.0	9.5
CFZ(1)	376.9	339.0	324.0	-4.4
Merchandise Trade Balance	**-1,411.8**	**-1,554.7**	**-1,759.0**	**13.1**

(1) CFZ excludes fuel and goods obtained from the free circulation area.

Table A.37: Gross Imports (CIF) by Standard International Trade Classification (SITC)

$mn

	2022	2023	2024
Food and Live Animals	288.6	301.8	329.0
Beverages and Tobacco	53.1	51.6	56.3
Crude Materials	40.2	48.9	50.8
Mineral Fuels and Lubricants	483.8	477.8	503.2
Of which: Electricity	61.2	82.5	86.4
Oils and Fats	32.2	32.5	37.1
Chemicals Products	297.1	266.5	271.7
Manufactured Goods	399.9	372.1	391.5
Machinery and Transport Equipment	544.5	590.1	729.1
Other Manufactures	198.8	210.4	233.5
Commodities - n.i.e.	0.5	0.0	0.0
Designated Processing Areas	48.0	39.0	33.6
Personal Goods	3.7	3.4	3.7
Total	2,390.5	2,394.1	2,639.6
CFZ Direct Imports	433.4	369.6	356.0
Grand Total	**2,823.9**	**2,763.7**	**2,995.5**

Sources: SIB and Belize Electricity Limited
n.i.e. - not included elsewhere

Table A.38: Domestic Exports

$mn

	2022	2023	2024	Percent Change
Traditional Exports	326.3	299.0	332.8	11.3
Sugar[1]	155.9	166.5	163.2	-2.0
Citrus Juices[1]	22.4	14.5	25.4	75.1
Citrus Concentrate	22.1	14.5	25.4	75.5
Not-from-Concentrate	0.3	0.1	0.1	3.3
Molasses[1]	14.6	15.4	25.1	63.6
Banana[1]	79.9	63.1	81.9	29.7
Marine	53.5	39.4	37.1	-5.8
Non-traditional Exports	199.2	168.9	158.7	-6.0
Total Exports	**525.5**	**467.9**	**491.5**	**5.0**

Sources: SIB, BSI/ASR, Banana Growers' Association, Santander Group, Geology and Petroleum Department, and Citrus Products of Belize Limited
[1] Reported exports by industry stakeholders.

Table A.39: Exports of Sugar and Molasses[1]

	2022		2023		2024	
	Volume (long tons)	Value ($'000)	Volume (long tons)	Value ($'000)	Volume (long tons)	Value ($'000)
Sugar	**142,864**	**155,916**	**132,185**	**166,503**	**120,633**	**163,206**
Europe	108,036	108,478	99,665	116,245	88,802	109,763
US	12,989	16,938	16,552	20,994	16,778	26,049
CARICOM	21,741	30,322	15,969	29,264	14,975	27,214
Other	98	178	0	0	78	180
Molasses	**45,500**	**14,642**	**37,576**	**15,366**	**55,812**	**25,138**

Sources: BSI/ASR and Santander Group
(1) Reported exports by industry stakeholders.

Table A.40: Exports of Citrus Juices and Pulp[1]

	2022	2023	2024	Percent Change
Concentrate Exports ('000 ps)	7,276	3,037	2,939	-3.3
Orange	6,907	2,684	2,646	-1.4
Grapefruit	369	354	293	-17.3
Concentrate Value ($mn)	22.1	14.5	25.4	75.5
Orange	20.0	11.9	23.1	94.6
Grapefruit	2.1	2.6	2.2	-13.5
Not-from-Concentrate Exports ('000 ps)	49.9	13.7	10.0	-26.6
Orange	33.9	11.0	0.0	-100.0
Grapefruit	16.0	2.7	10.0	272.6
Not-from-Concentrate Value ($mn)	0.3	0.1	0.1	3.3
Orange	0.2	0.1	0.0	-100.0
Grapefruit	0.1	0.0	0.1	287.7
Total Citrus Juice Exports ('000 ps)	**7,326**	**3,051**	**2,949**	**-3.4**
Total Citrus Juice Receipts ($mn)	**22.4**	**14.5**	**25.4**	**75.1**
Pulp Export ('000 pounds)	1,315	145	0.0	-100.0
Pulp Value ($mn)	1.0	0.1	0.0	-99.8

Source: Citrus Products of Belize Limited
(1) Reflects actual sales as reported by the processor and not the value of export shipments as reported by SIB. Export shipments go into inventory for sale at a later point in time.

Table A.41: Exports of Banana

	2022	2023	2024
Volume (metric tons)	85,202	65,841	83,502
Value ($mn)	79.9	63.1	81.9

Source: Banana Growers' Association

Table A.42: Exports of Marine Products

	2022		2023		2024	
	Volume ('000 lbs)	Value ($'000)	Volume ('000 lbs)	Value ($'000)	Volume ('000 lbs)	Value ($'000)
Lobster	1,015	34,360.9	757.9	23,357.1	695	21,737.4
Farmed Shrimp	328	1,512.1	544	2,887.8	456	2,002.8
Conch	951	17,526.2	905	13,118.2	952	13,365.2
Whole/Fillet Fish	23	98	2	62.0	1	29.1
Other	0	0.0	0	0.0	0	0.0
Total	**2,318**	**53,497.6**	**2,209**	**39,425.1**	**2,103**	**37,134.4**

Source: SIB

Table A.43: Other Domestic Exports

	Jan - Dec 2023	Jan - Dec 2024
Other Domestic Exports ($'000)	168,883	158,671
Of which:		
Cattle	58,888	59,041
Animal Feed	34,609	14,937
Rum	5,293	9,707
Pepper Sauce	8,551	8,170
Red Kidney Beans	6,529	4,279
Prefabricated Houses	2,652	3,932
Grapefruit Oil	2,874	2,073

Source: SIB

Table A.44: Percentage Distribution of Visible Trade by Country/Area

Percentage

	Exports			Imports		
	2022	**2023**	**2024**	**2022**	**2023**	**2024**
US	10.7	9.4	11.7	38.0	38.6	40.1
Mexico[1]	49.7	54.2	47.4	19.2	18.7	17.6
UK	13.3	10.4	19.7	1.0	0.7	0.9
EU	10.1	10.7	5.0	3.5	3.2	3.2
Central America	4.2	5.3	5.0	12.1	10.3	11.4
CARICOM	9.8	9.9	11.1	1.9	2.2	2.2
Canada	0.1	0.0	0.0	0.9	0.8	0.8
China	0.0	0.0	0.0	16.0	15.8	15.2
Other	2.1	0.0	0.0	7.5	9.6	8.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

Sources: SIB and Central Bank

(1) Includes exports and imports by the CFZ.

Table A.45: Extended Balance of Payments Services Classification

$mn

		2022	2023	2024
Total Services	**Net**	**1,002.8**	**1,480.4**	**1,591.2**
	Credits	1,702.6	2,096.0	2,315.8
	Debits	699.9	615.6	724.6
Manufacturing Services	Net	0.0	0.0	0.0
	Credits	0.0	0.0	0.0
	Debits	0.0	0.0	0.0
Maintenance and Repair Services	Net	0.8	0.2	0.0
	Credits	0.8	0.2	0.0
	Debits	0.0	0.0	0.0
Transportation	Net	-289.9	-146.5	-156.0
	Credits	67.4	74.2	104.4
	Debits	357.3	220.6	260.3
Travel	Net	1,080.3	1,318.6	1,459.3
	Credits	1,201.0	1,460.9	1,626.3
	Debits	120.7	142.2	167.0
Telecommunications, Computer, and Information Services	Net	165.7	189.2	205.0
	Credits	183.0	210.2	231.7
	Debits	17.3	21.0	26.7
Construction Services	Net	0.6	0.0	0.0
	Credits	0.6	0.0	0.0
	Debits	0.0	0.0	0.0
Insurance and Pension Services	Net	-44.0	-50.7	-73.8
	Credits	1.1	1.0	1.0
	Debits	45.1	51.7	74.8
Financial Services	Net	11.7	14.1	24.7
	Credits	20.6	24.1	37.5
	Debits	8.9	10.0	12.8
Charges for the use of Intellectual Property, n.i.e.	Net	-25.4	-24.5	-32.7
	Credits	0.0	0.0	0.0
	Debits	25.4	24.5	32.7
Other Business Services	Net	69.5	98.2	124.3
	Credits	147.1	191.7	212.6
	Debits	77.6	93.5	88.3
Personal, Cultural, and Recreational Services	Net	2.7	4.6	3.8
	Credits	5.2	7.0	6.0
	Debits	2.5	2.4	2.2
Government Services, n.i.e.	Net	30.6	77.1	36.5
	Credits	75.8	126.8	96.3
	Debits	45.2	49.7	59.8

Table A.46: Balance of Payments - Service and Income Balances

$mn

	2022			2023			2024		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
Services	**1,702.6**	**699.9**	**1,002.8**	**2,096.0**	**615.6**	**1,480.4**	**2,315.8**	**724.6**	**1,591.2**
Transportation	67.4	357.3	-289.9	74.2	220.6	-146.5	104.4	260.3	-156.0
Travel	1,201.0	120.7	1,080.3	1,460.9	142.2	1,318.6	1,626.3	167.0	1,459.0
Other Goods and Services	358.4	176.7	181.7	434.2	203.0	231.2	488.9	237.5	251.3
Government Goods and Services, n.i.e.	75.8	45.2	30.6	126.8	49.7	77.1	96.3	59.8	36.5
Primary Income	**21.4**	**289.3**	**-267.9**	**41.6**	**264.0**	**-222.4**	**42.7**	**302.5**	**-259.9**
Labour Income	4.7	11.4	-6.7	4.7	8.6	-3.8	4.7	16.0	-11.3
Investment Income	16.7	277.9	-261.2	36.9	255.4	-218.5	37.9	286.5	-248.6
Secondary Income	**352.8**	**147.0**	**205.8**	**389.2**	**132.0**	**257.2**	**419.0**	**94.8**	**324.2**
Government	12.5	72.2	-59.7	0.1	25.8	-25.7	0.1	13.4	-13.4
Private	340.3	74.8	265.5	389.1	106.2	282.8	419.0	81.4	337.5

Table A.47: Official International Reserves

$mn

	Position as at			Changes During 2024
	Dec 2022	Dec 2023	Dec 2024	
Gross Official International Reserves	**964.9**	**946.5**	**964.2**	**17.7**
Central Bank of Belize	946.1	927.7	945.5	17.8
Holdings of SDRs	99.4	100.2	97.3	-2.9
IMF Reserve Tranche	17.0	17.4	16.8	-0.6
Other	829.6	810.1	831.4	21.3
Central Government	18.9	18.9	18.8	-0.1
Foreign Liabilities	**3.8**	**3.8**	**3.6**	**-0.2**
CARICOM	0.2	0.2	0.1	-0.1
Other	3.7	3.6	3.5	-0.1
Net Official International Reserves	**961.1**	**942.7**	**960.6**	**17.9**

Table A.48: Long-Term Private Sector External Debt by Economic Sector[1]

$'000

		Transactions Through December 2024			
Economic Sectors	Disbursed Outstanding Debt 31/12/2023	Disbursements	Principal Payments	Interest Payments	Disbursed Outstanding Debt 31/12/2024
Agriculture	35,411	0	0	0	35,411
Arts, Entertainment, and Recreation	0	0	0	0	0
Construction	1,051	0	0	0	1,051
Economic Diversification	0	0	0	0	0
Education	0	0	0	0	0
Electricity and Gas	13,037	0	1,161	1,397	11,876
Financial and Insurance	111	0	0	0	111
Fishing	9,355	0	0	0	9,355
Information and Communication	0	0	0	0	0
Real Estate	0	0	0	0	0
Tourism	91,939	0	91	380	91,848
Transportation	32,895	0	5,288	1,933	27,607
Wholesale and Retail Trade	2,153	0	578	136	1,575
Other	1,500	0	0	123	1,500
Total	**187,452**	**0**	**7,118**	**3,969**	**180,334**

[1] Data on contracted external private sector loans reported by residents to the Central Bank.

Table A.49: International Investment Position

$mn

	Position as at Dec 2023	Financial Account Transactions Jan - Dec 2024	Position as at Dec 2024
Net Position	**-6,408.0**	**-205.4**	**-6,613.6**
A. Assets	**2,044.7**	**268.3**	**2,313.0**
1. Direct Investment Abroad	156.3	5.2	161.5
2. Portfolio Investment	114.4	0.0	114.4
2.1 Equity Securities	40.4	0.0	40.4
2.2 Debt Securities	74.0	0.0	74.0
3. Other Investment	827.4	245.4	1,072.8
3.1 Trade Credits	-2.2	-0.7	-2.9
3.2 Loans	0.0	0.0	0.0
3.3 Currency and Deposits	829.6	246.1	1,075.6
3.4 Other Assets	0.0	0.0	0.0
4. Reserve Assets	946.5	17.7	964.2
4.1 Monetary Gold	0.0	0.0	0.0
4.2 Special Drawing Rights	100.2	-2.9	97.3
4.3 Reserve Position in the Fund	17.4	-0.6	16.8
4.4 Foreign Exchange	810.1	21.3	831.4
4.5 Other Claims	18.9	-0.1	18.8
B. Liabilities	**8,452.7**	**473.7**	**8,926.5**
1. Direct Investment	5,272.7	255.6	5,528.3
2. Portfolio Investment	0.0	0.0	0.0
2.1 Equity Securities	0.0	0.0	0.0
2.2 Debt Securities	0.0	0.0	0.0
3. Other Investment	3,180.1	218.2	3,398.3
3.1 Trade Credits	36.8	30.1	66.9
3.2 Loans	3,063.9	213.8	3,277.7
3.3 Currency and Deposits	78.3	-12.8	65.6
3.4 Other Liabilities	1.1	-13.0	-11.9

Table A.50: List of Licensed Banks

Domestic Banks	International Banks
Atlantic Bank Limited	Belize Bank International Limited
Belize Bank Limited	Caye International Bank Limited
Heritage Bank Limited	Heritage International Bank and Trust Limited
National Bank of Belize Limited	

Table A.51: List of Credit Unions

Blue Creek Credit Union Limited	St. John's Credit Union Limited
Holy Redeemer Credit Union Limited	St. Martin's Credit Union Limited
La Inmaculada Credit Union Limited	Spanish Lookout Credit Union Limited
St. Francis Xavier Credit Union Limited	Toledo Teachers Credit Union Limited

Table A.52: Capital for All Credit Unions

Capital Adequacy	Dec 2022	Dec 2023	Dec 2024
Total Capital/Deposits (%)	20.8	20.7	20.2
Total Capital/Total Assets (%)	17.1	17.0	16.7
Net Institutional Capital/Total Assets (%)	12.9	12.1	13.3
Total Capital ($mn)	**214.0**	**225.5**	**235.3**

V. FINANCIAL STATEMENTS

CENTRAL BANK OF BELIZE

Financial Statements

For the years ended 31 December 2024 and 2023
and Independent Auditor's Report

CENTRAL BANK OF BELIZE

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF THE CENTRAL BANK OF BELIZE

Report on the Audit of the Financial Statements
Opinion on International Financial Reporting Standards
We have audited the accompanying financial statements of Central Bank of Belize (the Bank), which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, the statement of changes in capital and reserves, the statement of cash flows for the year then ended and explanatory notes to the financial statements, comprising a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2024, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Belize, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to form a basis for our opinion.

MOORE

Emphasis of Matter

We draw attention to the statement of comprehensive income and Note 24 to the financial statements, which show the effects of Section 50 of the Central Bank of Belize Act Revised Edition 2020, which requires the profits or losses from any revaluation of the Bank's net assets or foreign securities as a result of any change in the par value of the Belize dollar, or of any change in the par value of the currency unit of any other country shall be excluded from the computation of the annual profits and losses of the Bank. International Financial Reporting Standards require any foreign exchange gains and losses on monetary assets and liabilities to be recognised in profit or loss contrary to Section 50 of the Central Bank of Belize Act. Our opinion is not modified in respect of this matter.

Other information

Other information consists of the information included in the Annual Report 2024, other than the financial statements and our auditor's report thereon. Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

MOORE

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank’s internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

• Conclude on the appropriateness of Management’s use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Moore Belize LLP.

Chartered Accountants
Belize City, Belize, C.A.
28 April 2025

Central Bank of Belize

Statements of financial position as at 31 December 2024 and 2023

(in Belize dollars)

	Notes	2024	2023
Assets			
Approved external assets			
Balances with foreign banks and foreign currency notes	2h,2i,3	7,292,750	6,221,839
Reserve Tranche and balances with the International Monetary Fund	2h,2j,4	114,035,336	117,566,734
Other foreign credit instruments	2h,2k,5	242,776,768	237,157,969
Cash-in-transit	2h,2l,6	278,174	-
Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions	2h,2m,7	617,749,419	571,239,484
Total approved external assets		982,132,446	932,186,026
Domestic assets			
Balances with local banks and cash on hand	2h,2n,8	1,839,142	1,593,069
Government of Belize securities	2h,2o,9	743,612,167	787,760,775
Other assets	10	37,566,580	30,500,946
Equity instruments	2h,2r,11	20,000,000	20,000,000
Property and equipment	2s,2u,12	35,504,172	34,536,293
Intangible assets	2t,2u,13	2,351,300	2,239,649
Total domestic assets		840,873,361	876,630,732
Total assets		1,823,005,808	1,808,816,759
Liabilities			
Demand liabilities			
Notes and coins in circulation	14	738,073,839	686,469,151
Deposits by licensed financial institutions	2h,2v,15	741,991,005	747,865,975
Deposits by and balances due to Government and Public sector entities in Belize	2h,2v,16	116,998,056	149,612,166
Deposits by international agencies	2h,2v,17	605,014	2,468,594
Total demand liabilities		1,597,667,914	1,586,415,886
Balances due to CARICOM central banks	2h,18	92,622	225,573
Other liabilities	19	30,987,470	28,920,671
Defined benefit plan net obligation	2w,20	830,000	2,341,500
International Monetary Fund SDR Allocations	2h,21	114,057,277	117,496,998
Commercial banks' discount fund	2h,22	1,654,034	1,654,034
Total liabilities		1,745,289,317	1,737,054,662
Capital and reserves			
Capital account	2y,23	40,000,000	40,000,000
Revaluation account	2z,24	313,455	165,853
Assets revaluation reserve	25	163,732	163,732
Post employment obligation reserve	2w,20	745,398	(766,102)
General reserve fund	2aa,	36,493,906	32,198,614
Total capital and reserves		77,716,491	71,762,097
Total liabilities, capital and reserves		1,823,005,808	1,808,816,759

The accompanying notes form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 28 April 2025 and are signed on its behalf by:

Chairman

Governor

Deputy Governor
Finance and Administration

Central Bank of Belize
Statements of comprehensive income for the years ended 31 December 2024 and 2023
(in Belize dollars)

	Notes	2024	2023
Interest income	2ab		
Approved external assets	26	35,051,691	34,086,127
Government of Belize securities	27	16,403,264	16,227,081
		51,454,954	50,313,208
Interest expense	2ab,28	(4,624,569)	(4,549,410)
Net interest income		46,830,385	45,763,798
Other income			
Discount on Government of Belize securities		1,001,280	879,087
Commissions and other income	29	4,787,981	5,251,458
Dividends on equity instruments	11	900,000	800,000
Total other income		6,689,261	6,930,545
Other expenses			
Printing of notes and minting of coins	30	(5,065,834)	(2,913,376)
Salaries and wages, including superannuation contribution and gratuities	31	(19,987,868)	(18,824,846)
Depreciation and amortisation	2s,2t,12,13	(3,569,515)	(3,375,711)
Administrative and general expenses	2ac,32	(10,578,791)	(8,187,726)
Total other expenses		(39,202,007)	(33,301,659)
Profit for the year		14,317,639	19,392,684
Transfers			
General reserve fund	2aa	4,295,292	5,817,805
Consolidated revenue fund	2aa	10,022,347	13,574,879
		14,317,639	19,392,684
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Revaluation	24, 36(ii)	147,603	38,904
Post employment obligation reserve	20	1,511,500	-
Artwork	25	-	1,383
Other comprehensive income for the year		1,659,103	40,287
Total comprehensive income for the year		15,976,742	19,432,971

The accompanying notes form an integral part of these financial statements.

Central Bank of Belize

Statements of changes in capital and reserves for the years ended 31 December 2024 and 2023

(in Belize dollars)

	Capital account	Revaluation account	Asset revaluation reserve	Post employment obligation reserve (Note 20)	General reserve	Total
Balance as at 01 January 2024	**40,000,000**	**165,853**	**163,732**	**(766,102)**	**32,198,614**	**71,762,097**
Comprehensive income						
Profit for the year	-	-	-	-	**14,317,639**	**14,317,639**
Other comprehensive income	-	**147,603**	-	**1,511,500**	-	**1,659,102**
Total comprehensive income	-	**147,603**	-	**1,511,500**	**14,317,639**	**15,976,741**
Transfer to consolidated revenue fund	-	-	-	-	**(10,022,347)**	**(10,022,347)**
Balance as at 31 December 2024	**40,000,000**	**313,456**	**163,732**	**745,398**	**36,493,905**	**77,716,491**
Balance as at 01 January 2023	40,000,000	126,949	162,349	(766,102)	26,380,809	**65,904,005**
Comprehensive income						
Profit for the year	-	-	-	-	19,392,684	**19,392,684**
Other comprehensive income	-	38,904	1,383	-	-	**40,287**
Total comprehensive income	-	38,904	1,383	-	19,392,684	**19,432,971**
Transfer to consolidated revenue fund	-	-	-	-	(13,574,879)	**(13,574,879)**
Balance as at 31 December 2023	40,000,000	165,853	163,732	(766,102)	32,198,614	**71,762,097**

The accompanying notes form an integral part of these financial statements.

Central Bank of Belize

Statements of cash flows for the years ended 31 December 2024 and 2023

(in Belize dollars)

	Notes	2024	2023
Cash flows from operating activities			
Profit for the year		**14,317,639**	19,392,684
Adjustments to reconcile profit to net cash provided by operating activities:			
Depreciation of property and equipment	**12**	**2,816,839**	2,642,157
Amortisation of intangible assets	**13**	**752,676**	733,554
Gain on disposal of property and equipment		**(56,524)**	(46,862)
Assets revaluation reserve		**-**	1,383
Change in expected credit loss, net		**56,852**	4,452
Accrued interest expense	**28**	**4,624,569**	4,549,410
Cash provided by operating activities before operating assets and liabilities		**22,512,051**	27,276,778
Changes in:			
Government of Belize securities		**(43,543,186)**	(10,496,000)
Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions		**(46,512,005)**	(95,270,223)
Reserve tranche in the International Monetary Fund		**487,025**	(168,413)
Other assets		**(7,110,260)**	(4,271,827)
Other liabilities		**2,066,799**	1,714,996
Net cash used in operating activities		**(72,099,576)**	(81,214,689)
Cash flows from investing activities			
Acquisition of property and equipment	**12**	**(3,811,905)**	(2,324,347)
Acquisition of intangible assets	**13**	**(1,010,697)**	(270,525)
Proceeds from sale of assets		**230,081**	583,428
Net cash used in investing activities		**(4,592,521)**	(2,011,444)
Cash flows from financing activities			
Net deposits (disbursements) made by CARICOM central banks		**(132,951)**	44,398
Net disbursements made by Government and Public sector entities in Belize		**(42,636,461)**	(34,929,397)
Net (disbursements) made by international agencies		**(1,863,579)**	(85,264)
Net (disbursements) deposits made by licensed financial institutions		**(5,874,969)**	20,998,212
Net change in International Monetary Fund SDR Allocations		**(3,264,420)**	410,667
Net change in notes and coins in circularisation		**51,604,688**	82,626,059
Interest paid		**(4,799,871)**	(4,268,246)
Net cash provided by financing activities		**(6,967,564)**	64,796,429
Cash and cash equivalents at the beginning of the year		**919,997,476**	938,388,278
Net decrease in cash and cash equivalents		**(83,659,660)**	(18,390,802)
Effect of revaluation of foreign funds and marketable securities		**147,603**	38,904
Cash and cash equivalents at the end of the year		**836,485,418**	919,997,476
Cash and cash equivalents comprise of the following:			
External assets			
Balances with foreign banks and foreign currency notes	**3**	**7,292,750**	6,221,839
Other foreign credit instruments	**5**	**242,810,484**	237,181,530
Cash-in-transit	**6**	**278,174**	-
SDR Holdings	**4**	**97,805,891**	100,850,264
		348,187,299	344,253,633
Domestic assets			
Balances with local banks and cash on hand	**8**	**1,839,142**	1,593,069
Current portion of Government of Belize securities	**36**	**486,458,981**	574,150,776
		488,298,123	575,743,845
		836,485,418	919,997,476

The accompanying notes form an integral part of these financial statements.

1. General information

Central Bank of Belize (the Bank), was established under the Central Bank of Belize Act (the Act), Chapter 262 of the Substantive Laws of Belize. Legislation covering the Bank's operations were revised in 2020 and includes the Central Bank of Belize Act and its related amendments, the Domestic Banks and Financial Institutions Act, the International Banking Act, Credit Unions Act, the Money Laundering and Terrorism (Prevention) Act, Treasury Bills Act, the Financial Intelligence Unit Act along with associated Statutory Instruments, Circulars and Guidance Notes, the Exchange Control Regulations Act, the National Payment Systems Act along with associated Practice Directions, Circulars, Requirements and Statutory Instruments. The principal objectives of the Bank are to foster monetary stability, especially regarding the exchange rate, and to promote banking, credit and exchange conditions conducive to the growth of the economy of Belize. The address of the Bank's registered office is Gabourel Lane, Belize City, Belize, C.A.

2. Summary of material accounting policies

a. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the financial reporting provisions of the Central Bank of Belize Act. These and any amendments thereto have been used as a model for the presentation and disclosure framework to provide additional information and analysis of key items in the financial statements.

b. Basis of preparation

The financial statements have been prepared on an accrual basis and under the historical cost convention except for the revaluation of investments. All amounts are rounded to the nearest dollar unless otherwise indicated.

c. Functional and presentation currency

The financial statements are presented in Belize dollars, which is the Bank's functional currency and is the primary economic currency of the environment in which the Bank operates.

d. Foreign currency transactions and translations

Transactions in foreign currencies are translated into Belize dollars at exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of other comprehensive income. Non-monetary items are not retranslated at year-end and are measured at historical cost, except for non-monetary items measured at fair value which are translated using the exchange rates when fair value was determined.

e. Foreign investment policy

Section 25(1) of the Act requires that the Bank shall, at all times, hold assets of an amount in value sufficient to cover the value of the total amount if its notes and coins fully for the time being in circulation. As at 31 December 2024, the ratio of total assets to the value of notes and coins in circulation was 2.5 (2023: 2.6) (Note 14).

2. Summary of material accounting policies (continued)

e. Foreign investment policy (continued):

Section 25(2) of the Act requires that the Bank maintains at all times a reserve of external assets of not less than 40.0% of the aggregate amount of notes and coins in circulation and of the Bank's liabilities to customers in respect of its sights and time deposits. As at 31 December 2024, total approved external assets approximated 61.5% of such liabilities (2023: 58.8%).

Section 25(3) of the Act requires that the reserve shall consist of any of the following:

• Gold in any form and at such a valuation as may be determined by the Bank;

• Foreign exchange in the form of demand or time deposits with foreign central banks, agents and correspondents, documents and instruments customarily used for making payments or transfers in international transactions;

• Notes and coins;

•Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions;

• Belize's drawing facility equivalent to its reserve position in the International Monetary Fund;

• Belize's holdings of special drawing rights in the International Monetary Fund.

f. Significant accounting judgments and estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ materially from those estimates.

Information about estimates and assumptions that may have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Defined benefit obligation (DBO)

The estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the defined benefit expenses.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change information technology equipment and software.

Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible, but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2. Summary of material accounting policies (continued)

g. Changes in accounting policies

The accounting policies adopted are consistent with those used in the previous financial year except that the Bank has adopted the following standards, amendments and interpretations which did not have a material effect on the financial performance or position of the Bank. Some, however, may give rise to additional disclosures or changes to the presentation of the financial statements in future periods.

The following amendments to IFRSs have become effective for the annual periods commencing on or after 01 January 2024 and have been adopted:
• Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current;
• Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback;
• Amendments to IAS 1 - Non-current Liabilities with Covenants;
• Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements.

The following standards and amendments will become effective for the annual periods beginning on or after 01 January 2025:
• IFRS 18 – Presentation and Disclosure in Financial Statements;
• IFRS 19 – Subsidiaries without Public Accountability: Disclosures;
• Amendments to IAS 21 - Lack of Exchangeability;
• Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments;
• Amendments to IFRS 9 and IFRS 7 – Contracts referencing Nature-dependent Electricity;
• Annual Improvements to IFRS Accounting Standards – Volume 11 (Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7).

The amendments will be adopted when they become effective. Their effects, if any, will be quantified at that time.

h. Financial instruments

Recognition and derecognition of financial assets

Financial assets are recognised when the Bank becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

2. Summary of material accounting policies (continued)

h. Financial instruments (continued):

Classification and initial measurement of financial assets (continued):

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

• amortised cost;

• fair value through other comprehensive income (FVTOCI);

• fair value through profit or loss (FVTPL).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within administrative and general expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost (AC)

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

• they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows;

• the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. Fair value of assets stated at amortised cost is close to their carrying value as at the reporting date.

Financial assets at fair value through other comprehensive income (FVTOCI)

A debt instrument is measured at fair value through other comprehensive income only if it meets both of the following conditions and is not designated as at fair value through profit or loss:

• the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

• the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than ‘hold to collect’ or ‘hold to collect and sell’ are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

2. Summary of material accounting policies (continued)

h. Financial instruments (continued):

Impairment of financial assets

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The Bank uses forward-looking information to recognise expected credit losses – the ‘expected credit loss (ECL) model’. The Bank considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this forward-looking approach, a distinction is made between:
• financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (‘Stage 1’) and
• financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (‘Stage 2’);
• financial assets that have objective evidence of impairment at the reporting date ('Stage 3').

The mechanics of the ECL calculations are outlined below and the key elements are as follows:
ECL = EAD x LGD x PD. See also Note 37(i).

EAD – The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

PD – The Probability of Default is an estimate of the likelihood of default over a given period of time.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Bank recognises loss allowances for ECL on the following financial instruments that are not measure at the fair value through profit or loss:
• financial assets that are debt instruments;
• financial guarantee contracts issued; and
• loan commitments issued.

No impairment loss is recognised on equity investments.

2. Summary of material accounting policies (continued)

h. Financial instruments (continued):

Impairment of financial assets (continued):

For regular receivables, the Bank applies a simplified model of recognising lifetime expected credit losses as these items do not have a significant financing component.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

• financial assets measured at amortised cost: as a deduction from gross carrying amount of the assets;

• loan commitments and financial guarantee contracts: generally as a provision;

• debt instruments measured at fair value through other comprehensive income: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Recognition and derecognition of financial liabilities

Financial liabilities are recognised when the Bank becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and measurement of financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities, which are measures at amortised cost.

Financial liabilities are classified at fair value through profit or loss if they are either held for trading or they are otherwise designated within this classification. Gains and losses on such financial liabilities are recognised in the statement of comprehensive income.

A financial liability is classified as held for trading if (a) it has been acquired principally for the purposes of subsequent short-term repurchase; (b) on initial recognition it is part of a portfolio of identified financial instruments which have a pattern of short-term profit taking; or (c) it is a derivative financial instrument that is not designated and effective as a hedging instrument.

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using effective interest method, with interest expense recognised on an effective yield basis in the statement of comprehensive income.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously. Such a right of set off (a) must not be contingent on a future event and (b) must be legally enforceable in all of the following circumstances: (i) in the normal course of business, (ii) in the event of default and (iii) in the event of insolvency or bankruptcy.

2. Summary of material accounting policies (continued)

i. Bank balances and deposits with foreign bankers

Comprises of cash at overseas correspondent banks and demand deposits including highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

j. Reserve tranche and balances with the International Monetary Fund (IMF)

The Reserve Tranche represents the difference between the assigned quota and the IMF currency holdings. The Reserve Tranche can be accessed at any time without fees or economic reform conditions. The remainder of the quota is held in Special Drawing Rights (SDR) which is a supplementary international reserve asset.

The SDR interest rate provides the basis for calculating the interest charged and the interest paid to members of the IMF for the use of their resources for regular (nonconcessional) IMF loans. It is also the interest paid to members on their SDR holdings and charged on their SDR allocation. The SDR interest rate is determined weekly and is based on a weighted average of representative interest rates on short-term debt instruments in the money markets of the SDR basket currencies.

k. Other foreign credit instruments

Comprises of short-term financial assets including fixed deposits and overnight deposits held at overseas financial institutions with maturities of a year or less. The Bank’s intention is to hold these until maturity.

Other foreign credit instruments are measured at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, by reference to external credit ratings, the instrument is then measured at the present value of its estimated future cash flows.

l. Cash-in-transit

Comprises of cash on hand held for shipment and in transit.

m. Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions

Comprises of short-term financial assets including bonds, debentures and US Treasury notes with maturities beyond a year.

n. Balances with local banks and cash on hand

Comprises of cash on hand and deposits held at local financial institutions that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

o. Government of Belize securities

Comprises of locally held financial assets including treasury bills and treasury notes issued and guaranteed by the Government of Belize.

2. Summary of material accounting policies (continued)

o. Government of Belize securities (continued)

Section 35 of the Act permits the Bank to purchase or sell treasury bills or notes issued or guaranteed by the Government of Belize for a period of maturity not exceeding 10 years. The Central Bank of Belize Amendment Act No. 28 of 2017 amended Section 35(2) of the principal Act on 31 March 2017 to stipulate that the Bank shall not at any time hold Government of Belize securities in an aggregate amount exceeding thirty times the aggregate amount at that time of the paid-up capital and general reserves of the Bank. As at 31 December 2024 the Bank's aggregate holding of these Government of Belize securities approximated 9.72 times (2023: 10.91 times), respectively, the amount of paid-up capital and general reserves of the Bank.

p. Advances to Government of Belize

Comprises of advances made to the Government of Belize as governed by section 33 and 34 of the Act. During 2024, GOB's current account remained as a deposit account, and continued to operate as a deposit account.

q. Other assets

Loans and other receivables

Loans are recognised when cash is advanced. It is stated at amortised cost using the effective interest method. Loans receivable are derecognised when the rights to receive cash flows from the financial assets have expired or extinguished. Their net carrying value is considered a reasonable approximation of fair value as these financial assets are callable.

Inventory of notes and coins

Inventory of notes and coins are measured at cost upon initial recognition. After initial recognition, they are measured at the lower of cost and net realisable value. Cost is determined on the weighted average cost method.

Supplies

Stationary, computer, building, kitchen and administrative supplies are held at cost and expensed when used.

Collectible coins inventory

Collectible coins, which are minted or packaged as collector items, are legal tender. New purchases of special coins are held as inventory and are charged against income when they are sold.

r. Equity instruments

Equity instruments are measured at FVTPL. Fair value of equity instruments held by the Bank cannot currently be measured reliably; thus, the cost is considered the best estimate of fair value. Impairment charges are recognised in profit or loss.

2. Summary of material accounting policies (continued)

s. Property and equipment

Land

Land held for use in the ordinary course of business is stated at costs. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction.

Property (buildings), equipment, vehicles

Buildings, equipment and vehicles are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Bank's management. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing items and restoring the site on which they are located. The cost of software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Buildings, equipment and vehicles are subsequently carried at cost less accumulated depreciation and impairments. Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of the asset. The following rates are applied:

Category	**Percentage**
Property	1% – 5%
Furniture	10%
Equipment	10% – 25%
Vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Assets that are subject to depreciation are reviewed at each reporting date to assess whether there is any indication that an asset may be impaired. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value (less costs to sell) and value in use. Gains or losses arising on the disposal of property and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

t. Intangible assets

Application software and licenses

Costs that are directly attributable to acquiring application software and licenses asset are recognised as intangible assets, provided they meet the following recognition requirements:

Category	**Percentage**
Application Software	33.3% – 10%
Application License	33.3% – 10%
Website	20%

Initial recognition of other intangible assets

• the costs can be measured reliably;

2. Summary of material accounting policies (continued)

t. Intangible assets (continued)

• the asset is technically and commercially feasible;

• the Bank intends to and has sufficient resources to complete the asset and the Bank has the ability to use or sell the application or licenses;

• the software will generate probable future economic benefits.

Costs not meeting these criteria for capitalisation are expensed as incurred.

Subsequent measurement

All finite-lived intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing annually.

Application software are amortised over a useful life of 3-10 years. Application licenses are amortised over the period the license is granted. Amortisation has been included within depreciation, amortisation and impairment of non-financial assets.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

u. Impairment of non-financial assets

At each reporting date, the Bank reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those non-financial assets have suffered an impairment loss. If any such indication exists, the recoverable of the non-financial asset is estimated in order to determine the extent of the impairment loss if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Bank estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increase carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant non-financial asset is carried at a revalued amount, in which case the reversal of the impairment loss will be treated as an increase in the revaluation.

v. Deposits

Comprised of deposits accepted on behalf of licensed banks, other licensed financial institutions including Government of Belize and Public Sector entities. Their carrying value is considered a reasonable approximation of fair value.

2. Summary of material accounting policies (continued)

v. Deposits (continued)

Under the revised provisions of Domestic Banks and Financial Institutions Act (No. 11 of 2012), it stipulates that every licensed bank shall maintain on account in its name with the Central Bank a minimum balance which on average shall be equivalent to at least five per centum of its average deposit liabilities represented by demand deposits, plus at least three per centum of its average deposit liabilities not represented by demand deposits, or such higher proportion of such demand deposits or other deposit liabilities as may from time to time be prescribed or specified by the Central Bank.

w. Defined benefit plan

Under the Bank's defined benefit plan, the amount of pension benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Bank, even if plan assets for funding the defined benefit plan have been set aside.

The liability recognised in the statement of financial position for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO every 3 years with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality.

x. Short-term employee benefits

Gratuity - the Bank is liable to pay gratuity for contract employees who are not eligible to participate in the pension scheme. In order to meet this liability, a provision is carried forward in the statements of financial position equivalent to an amount calculated on 20% of the annual salary for each completed year of service, commencing from the first year of service.

The resulting difference between the brought forward provision at the beginning of a year and the carried forward provision at the end of a year is dealt within the statement of income. The gratuity liability is neither funded nor actuarially valued.

Severance benefits payable – severance obligations are recognised at the point of not being able to withdraw from provision of the benefit to qualifying employees. The provision is calculated in accordance with the Labour Act of Belize Chapter 297.

Other short-term employee benefits – short-term employee benefits, including holiday entitlement, are current liabilities included in pension and other employee obligations, measured at the undiscounted amount that the Bank expects to pay as a result of the unused entitlement.

y. Capital account

In 2022, amendment was made to the Central Bank of Belize Act, approved on 31 March 2022 and gazetted on 02 April 2022. In accordance with Section 8, 'Capital of the Bank', the authorised capital was increased to $50,000,000 and the paid-up capital was increased to $40,000,000.

2. Summary of material accounting policies (continued)

z. Revaluation account

Section 50 of the Act requires the Bank to exclude profits or losses from any revaluation of the Bank's net assets or liabilities from the computation of the annual profits and losses of the Bank. All such profits or losses are carried in a special account called the revaluation account.

The Act also requires than no profits shall be credited to the General Reserve Fund or paid to Government of Belize under section 9 of the Act whenever the Revaluation Account shows a net loss. Such profits shall be credited to the Revaluation Account in an amount sufficient to cover the loss.

aa. General reserve fund

The profits of the Bank shall be distributed in accordance with the Central Bank of Belize Act, Chapter 262, Section 8(4) (Amendment 2022) and Section 9(1).

In 2022, Section 9 of the Central Bank of Belize Act, which provides for the establishment of a General Reserve Fund, was amended to indicate that 30 percent of the Bank's profit shall be paid into the General Reserve Fund and the remainder to the Consolidated Revenue Fund.

The Consolidated Revenue Fund is established under Section 114(1) of the Belize Constitution. It serves as the central account into which all revenues or other moneys raised or received by Belize are deposited, unless specified by law to be placed into another public fund. This fund is utilized to finance government expenditures, ensuring that withdrawals are made in accordance with legal authorizations and appropriations.

ab. Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised in the statement of profit or loss at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest to discount the future cash flows for the purpose of measuring the impairment loss.

ac. Administrative and general expense

Administrative and general expense are recognised in the profit or loss upon utilisation of the service or as incurred.

ad. Taxation

In accordance with Section 52 of the Central Bank of Belize Act, the Bank is exempt from the provision of any law relating to income tax or customs duties and from the payment of stamp duty.

2. Summary of material accounting policies (continued)

ae. Segment-reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Bank has determined the Board of Directors as its chief operating decision maker. The Bank has one operating segment for financial reporting purposes.

3. Balances with foreign banks and foreign currency notes

	2024	2023
Balances with other central banks and foreign banks	**6,666,694**	5,173,343
Foreign currency notes	**626,056**	1,048,496
	7,292,750	6,221,839

4. Reserve tranche and balances with the International Monetary Fund

Belize joined the International Monetary Fund (IMF) on 16 March 1982. As at 31 December its financial position in the IMF was as follows:

	2024	2023
SDR Holdings	**97,805,891**	100,850,264
Reserve Tranche	**16,229,445**	16,716,470
	114,035,336	117,566,734

SDRs are converted at an exchange rate of BZD 2.608269 to SDR 1.0 at 31 December 2024 (2023: BZD 2.683339 to SDR 1.0).

5. Other foreign credit instruments

	2024	2023
Fixed deposits	**210,597,387**	186,946,007
Overnight deposits	**32,213,097**	50,235,523
Expected credit losses	**(33,716)**	(23,561)
	242,776,768	237,157,969

Other foreign credit instruments are held with foreign banks and other foreign financial institutions.

5. Other foreign credit instruments (continued)

Movements in expected credit losses on other foreign credit instruments were as follows:

	2024	2023
1 January	**(23,561)**	(38,685)
(Charge)/release during the year	**(10,155)**	15,124
31 December	**(33,716)**	(23,561)

6. Cash-in-transit

	2024	2023
Cash-in-transit	**278,174**	-
	278,174	-

7. Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions

Amounts comprise debt securities at amortised cost:

	2024	2023
US Treasury notes	**500,302,885**	488,545,861
Bonds	**116,243,013**	81,325,367
Debenture	**1,219,971**	1,382,636
Expected credit losses	**(16,450)**	(14,380)
	617,749,419	571,239,484

US Treasury Notes represent securities issued by the government of the United States of America that bear a weighted average interest of 2.99% (2023: 2.24%) and mature through 2031.

Bonds represent bonds managed by foreign financial institutions that bear an average interest of 3.37% (2023:4.37%) maturing through 2034.

Debenture represents a foreign government debenture that bears an interest of 3.5% and matures in 2034.

7. Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions (continued)

Movements in expected credit losses on marketable securities issued or guaranteed by foreign governments and managed by international financial institutions were as follows:

	2024	2023
1 January	**(14,380)**	(10,149)
Charge during the year	**(2,070)**	(4,231)
31 December	**(16,450)**	(14,380)

8. Balances with local banks and cash on hand

	2024	2023
Balances with local financial institutions	**1,655,476**	1,344,354
Cash on hand	**183,666**	248,715
	1,839,142	1,593,069

9. Government of Belize securities

Amounts comprise debt securities at amortised cost:

	2024	2023
Treasury notes	**574,257,420**	569,165,105
Treasury bills	**169,354,747**	218,595,670
	743,612,167	787,760,775

10. Other assets

	2024	2023
Financial assets		
Staff loans receivable	**9,612,349**	8,312,364
Accounts receivable	**1,148,767**	1,441,587
Expected credit losses	**(47,460)**	(2,834)
Subtotal (Note 2h)	**10,713,656**	9,751,117

10. Other assets (continued)

	2024	2023
Non-financial assets		
Prepayments	**13,335,047**	3,459,267
Escrow accounts (Note 19)	**9,477,025**	9,537,025
Inventory of circulation notes and coins	**1,962,165**	5,768,296
Collectible coins inventory	**1,051,485**	1,065,645
Other assets	**515,049**	486,567
Supplies	**333,883**	265,140
Artwork	**178,270**	167,889
Subtotal (Note 2u)	**26,852,924**	20,749,829
	37,566,580	30,500,946

Movements in expected credit losses on accounts receivable and staff loans receivable were as follows:

	2024	2023
1 January	**(2,834)**	(2,613)
Charge during the year	**(44,626)**	(221)
31 December	**(47,460)**	(2,834)

11. Equity instruments

	2024	2023
Belize Telemedia Limited	**20,000,000**	20,000,000

The equity instruments represent the Bank's investment of 4,000,000 shares in Belize Telemedia Limited at a value of $5.00 per share totaling $20,000,000. Share certificates numbered 3165, 3166, 3167, 2668 and 2669 dated 17 June 2011 for 800,000 shares each have been received by the Bank. If the Bank chooses to sell, it can dispose of the shares at the rate of one million shares per annum and it shall offer the Government of Belize the right of first refusal and the right to object to any buyer before concluding the sale of any of the shares.

These instruments are secured by the Government of Belize with no valuation exposure to the Bank. As at 31 December 2024, BTL had declared dividends for the fiscal year 2024 at $0.225 (2023: $0.200) per share for a total of $900,000 (2023: $800,000).

Central Bank of Belize
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12. Property and equipment

	Property	Furniture	Equipment	Vehicle	Work in progress	Total
Cost						
Balance at 01 January 2024	**35,480,950**	**2,034,910**	**18,197,126**	**1,070,011**	**304,700**	**57,087,698**
Additions	**1,114,796**	**109,011**	**322,958**	**109,950**	**2,155,190**	**3,811,905**
Disposals	**-**	**(105,584)**	**(707,263)**	**(160,486)**	**-**	**(973,333)**
Transfers	**-**	**-**	**304,700**	**-**	**(304,700)**	**-**
Balance as at 31 December 2024	**36,595,746**	**2,038,337**	**18,117,521**	**1,019,475**	**2,155,190**	**59,926,269**
Accumulated depreciation						
Balance at 01 January 2024	**(8,230,651)**	**(1,542,539)**	**(12,461,367)**	**(316,847)**	**-**	**(22,551,404)**
Charge for the year	**(884,710)**	**(98,722)**	**(1,640,865)**	**(192,542)**	**-**	**(2,816,839)**
Disposals	**-**	**85,196**	**700,464**	**160,486**	**-**	**946,146**
Balance as at 31 December 2024	**(9,115,361)**	**(1,556,065)**	**(13,401,768)**	**(348,903)**	**-**	**(24,422,097)**
Net book value as at 31 December 2024	**27,480,385**	**482,272**	**4,715,753**	**670,572**	**2,155,190**	**35,504,172**
Cost						
Balance at 01 January 2023	35,241,272	1,990,141	17,075,943	726,219	252,609	**55,286,184**
Additions	92,132	75,348	1,317,737	565,815	273,315	**2,324,347**
Disposals	-	(35,009)	(265,802)	(222,023)	-	**(522,834)**
Transfers	147,546	4,430	69,248	-	(221,224)	**-**
Balance as at 31 December 2023	35,480,950	2,034,910	18,197,126	1,070,011	304,700	**57,087,697**
Accumulated depreciation						
Balance at 01 January 2023	7,441,355	1,481,433	11,096,023	305,383	-	**20,324,194**
Charge for the year	789,296	94,251	1,611,860	146,750	-	**2,642,157**
Disposals	-	(33,145)	(246,516)	(135,286)	-	**(414,947)**
Balance as at 31 December 2023	8,230,651	1,542,539	12,461,367	316,847	-	**22,551,404**
Net book value as at 31 December 2023	27,250,299	492,371	5,735,759	753,164	304,700	**34,536,293**

13. Intangible assets

	Application software and licenses	Work in progress	Total
Cost			
Balance at 01 January 2024	**7,675,842**	**128,249**	**7,804,091**
Additions	**211,728**	**798,969**	**1,010,697**
Disposals	**(151,417)**	**-**	**(151,417)**
Transfers	**128,249**	**(128,249)**	**-**
Balance as at 31 December 2024	**7,864,402**	**798,969**	**8,663,371**
Accumulated amortisation			
Balance at 01 January 2024	**(5,564,442)**	**-**	**(5,564,442)**
Charge for the year	**(752,676)**	**-**	**(752,676)**
Disposals	**5,047**	**-**	**5,047**
Balance as at 31 December 2024	**(6,312,071)**	**-**	**(6,312,071)**
Net book value as at 31 December 2024	**1,552,331**	**798,969**	**2,351,300**
Cost			
Balance at 01 January 2023	7,357,498	176,068	**7,533,566**
Additions	142,276	128,249	**270,525**
Transfers	176,068	(176,068)	**-**
Balance as at 31 December 2023	7,675,842	128,249	**7,804,091**
Accumulated amortisation			
Balance at 01 January 2023	(4,830,888)	-	**(4,830,888)**
Charge for the year	(733,554)	-	**(733,554)**
Balance as at 31 December 2023	(5,564,442)	-	**(5,564,442)**
Net book value as at 31 December 2023	2,111,400	128,249	**2,239,649**

14. Notes and coins in circulation

	2024	2023
Notes in circulation	**691,598,957**	643,154,885
Coins in circulation	**46,474,882**	43,314,266
	738,073,839	686,469,151

15. Deposits by licensed financial institutions

As at 31 December 2024 and 2023 deposits by local financial institutions comprised deposits of licensed financial institutions located in Belize.

16. Deposits by and balances due to Government and Public sector entities of Belize

	2024	2023
Government of Belize accounts	**110,844,078**	144,546,214
Public sector entities accounts	**6,153,978**	5,065,952
	116,998,056	149,612,166

17. Deposits by international agencies

The Bank acts as an agent for and accepts deposits from international financial agencies.

	2024	2023
Caribbean Development Bank	**398,741**	2,257,240
International Monetary Fund	**176,533**	181,614
International Bank for Reconstruction and Development	**29,740**	29,740
	605,014	2,468,594

18. Balances due to CARICOM central banks

	2024	2023
Bank of Jamaica	**81,200**	56,200
Bank of Guyana	**11,422**	-
Central Bank of Barbados	**-**	166,900
Central Bank of Trinidad and Tobago	**-**	2,473
	92,622	225,573

19. Other liabilities

	2024	2023
Financial liabilities		
Abandoned property	**8,559,349**	7,736,509
Deposits by licensed international offshore financial institutions (i)	**3,723,528**	3,779,647
Contribution (deposit insurance) (ii)	**1,000,000**	1,000,000
Accounts payable	**832,913**	758,077
Corozal Freezone Municipals Bonds – Sinking Fund	**259,349**	214,937
Unclaimed balances of Belize Unit Trust	**45,986**	45,986
Subtotal (Note 2h)	**14,421,125**	13,535,156
Non-financial liabilities		
Escrow accounts (Note 10)	**9,477,025**	9,537,025
Severance and gratuities	**4,909,168**	4,374,431
Other staff costs payable	**1,341,429**	953,523
Deferred income	**838,723**	520,536
Subtotal	**16,566,345**	21,112,574
	30,987,470	34,647,730

(i) Under Section 21 A (1) of the International Banking Act, licensed international offshore financial institutions are required to maintain an account of a minimum balance of $200,000 with the Bank. At 31 December 2024 total amount of such deposits included $ 3,114,462 (2023: $3,164,462) that relate to balances with international offshore financial institutions with active licenses and $609,066 (2023: $615,185) that relate to the Bank's liabilities in respect of minimal balances of such financial institutions, whose licensed have been revoked/surrendered by the Bank.

(ii) In accordance with Section 19 of the Deposit Insurance Act, 2020, the Central Bank is holding in escrow its contribution due on the commencement of the Deposit Insurance Corporation.

20. Defined benefit plan net obligation

The Bank operates a defined benefit pension scheme that receives contributions from the Bank and its eligible employees. The scheme is financially separate from the Bank and is managed by a Board of Trustees. Under the plan, the employees are entitled to annual retirement benefits capped at a maximum of 66 percent of the final pensionable salary on attaining the retirement age of 60. In addition, the Bank provides an optional post-retirement medical benefit. During the year under review, the Bank contributed $1,451,328 (2023: $3,230,997) to the scheme.

Significant actuarial assumptions used in the valuation were:	**2024**	2021
I. Discount rate at the end of the year (pa)	**7.5%**	6.0%
II. Future salary increases (pa)	**3.5%**	3.5%
III. Future pension increases (pa)	**0.0%**	0.0%

20. Defined benefit plan net obligation (continued)

The Bank has performed an actuarial valuation on its defined benefit pension scheme for the year ended 31 December 2024. The results of the valuation are presented below:

Reconciliation of defined benefit plan net obligation	
Defined benefit plan net (liability) as at 01 January 2024	**(2,341,500)**
Fair value of plan assets	**29,986,000**
Present value of defined benefit obligation	**(27,936,000)**
Adjusted defined benefit plan net asset as at 01 January 2024	**2,050,000**
Fair value of plan assets	**31,655,000**
Present value of defined benefit obligation	**(32,485,000)**
Defined benefit plan net (liability) as at 31 December 2024	**(830,000)**
Net change in defined benefit plan net obligation	**1,511,500**
Reconciliation of fair value of plan assets	
Fair value of plan assets at 01 January 2024	**29,986,000**
Interest income on plan assets	**2,269,000**
Members' contributions	**200,000**
Employer's contributions	**1,451,000**
Benefits paid	**(1,091,000)**
Reasurements - experience adjustments	**(1,160,000)**
Fair value of plan assets at 31 December 2024	**31,655,000**
Reconciliation of present value of defined benefit net obligation	
Present value of obligation at 01 January 2024	**(27,936,000)**
Interest cost	**(2,062,000)**
Service cost	**(2,820,000)**
Benefits paid	**1,091,000**
Members' contributions	**(200,000)**
Reasurements - experience adjustments	**(558,000)**
Present value of obligation at 31 December 2024	**(32,485,000)**
Defined benefit plan net (liability) as at 31 December 2024	**(830,000)**
Movement in net (liability)/asset	
Defined benefit plan net asset at 01 January 2024	**2,050,000**
Net interest income on plan assets	**207,000**
Service cost	**(2,820,000)**
Employer's contributions	**1,451,000**
Reasurements - experience net adjustments	**(1,718,000)**
Non-current pension liability 31 December 2024	**(830,000)**

20. Defined benefit plan net obligation (continued)

Revaluation of the pension plan is done on a 3-year rotation. An IAS 19 valuation was done during 2024 for the 2024 fiscal year, which shows a defined benefit plan net obligation of the plan of $830,000. Full revaluation of the plan will be done in the 2027 fiscal year.

Reconciliation of post employment obligation reserve	
Reserve as at 01 January 2024	**(766,102)**
Reasurements - net adjustments 2023	4,391,500
Reasurements - net adjustments 2024	**(2,880,000)**
Reserve as at 31 December 2024	**745,398**

21. International Monetary Fund SDR Allocations

	2024	2023
IMF SDR Allocations	**113,420,588**	116,685,007
Interest payable	**636,689**	811,991
	114,057,277	117,496,998

A general allocation of Special Drawing Rights (SDRs) equivalent to approximately US$ 250 billion became effective on 28 August 2009. The allocation is designed to provide liquidity to the global economic system by supplementing the Fund's member countries' foreign exchange reserves. The general SDR allocation was made to IMF members that are participants in the Special Drawing Rights Department (currently all 186 members) in proportion to their existing quotas in the Fund, which are based broadly on their relative size in the global economy. The Quota for the country of Belize is SDR 26,700,000 (2023: SDR 26,700,000) based on this Quota, the allocation for the country of Belize stood at SDR 43,485,004 (2023: SDR 43,845,004). At 31 December 2024, the SDR's were revalued at SDR 2.608269 to BZ$ 1.00 (2023: 2.683339 to BZ$ 1.00).

22. Commercial banks' discount fund

	2024	2023
Interest paid to United States Agency for International Development	**(2,311,316)**	(2,311,316)
Interest received by the Bank	**3,965,350**	3,965,350
	1,654,034	1,654,034

22. Commercial banks' discount fund (continued)

Commercial Bank Discount Fund (Fund) is a facility which was established by an agreement signed in March 1983 by the Government of Belize and the United States of America, providing for a discount fund to be operated through the Bank. The United States Government acting through United States Agency for International Development (USAID) earmarked US$ 5 million in loan funds up to 30 June 1987 to finance this facility. The facility enabled commercial banks in Belize to discount with the Bank up to 100% of loans made to sub-borrowers for projects approved by the Bank and USAID. The Bank is expected to accumulate significant net interest earnings over the repayment term of the USAID loan to form a permanent fund. In 1993, USAID and the Bank agreed that $2 million and $1.5 million from the reflows to the Discount Fund could be used as a line of credit to National Development Foundation of Belize and Development Finance Corporation, respectively.

23. Capital account

	2024	2023
Authorised capital	**50,000,000**	50,000,000
Paid-up capital	**40,000,000**	40,000,000

In 2022, amendment was made to the Central Bank of Belize Act, approved on 31 March 2022 and gazetted on 02 April 2022. In accordance with Section 8, 'Capital of the Bank', the authorised capital was increased to $50,000,000 and the paid-up capital was increased to $40,000,000.

24. Revaluation account

	2024	2023
1 January	**165,853**	126,949
Revaluation of foreign funds and marketable securities	**147,603**	38,904
31 December	**313,456**	165,853

25. Assets revaluation reserve

At 31 December 2024, management conducted an assessment of its historical and contemporary pictures and paintings and determined that they hold the carrying amount assessed by an independent appraiser, Carlos Bardalez, of Belize City whose report is dated 09 November 2009.

26. Interest on approved external assets

	2024	2023
Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions	**18,117,733**	13,230,767
Fixed deposits with foreign financial institutions	**10,169,252**	12,805,235
International Monetary Fund' facilities	**4,362,748**	4,349,206
Overnight deposits with foreign financial institutions	**2,335,880**	3,644,554
Other balances with foreign financial institutions	**66,078**	56,365
	35,051,691	34,086,127

27. Interest on Government of Belize securities

	2024	2023
Treasury notes	**16,403,264**	16,227,081

28. Interest expense

	2024	2023
International Monetary Fund facilities	**4,449,021**	4,432,593
Other interest expense	**175,548**	116,817
	4,624,569	4,549,410

29. Commissions and other income

	2024	2023
Cash shipment income	**1,157,810**	1,130,490
License and examination fees	**992,270**	932,545
Commissions	**902,159**	1,051,650
Penalty fees	**715,000**	406,057
Automated Payment and Securities Settlement System (APSSS) transaction fees	**599,491**	1,365,035
Miscellaneous income	**229,331**	157,465
Interest on staff loans	**147,296**	167,531
Sales of collectible coins	**43,544**	25,562
Gain on sale/purchase of financial instruments	**1,080**	15,123
	4,787,981	5,251,458

30. Printing of notes and minting of coins

	2024	2023
Printing of currency notes	**3,179,150**	1,145,290
Minting of circulation coins	**1,842,825**	1,741,036
Currency publicity campaign expenses	**43,859**	27,050
	5,065,834	2,913,376

31. Salaries and wages, including superannuation contribution and gratuities

	2024	2023
Salaries and wages	**12,289,499**	10,082,962
Employee benefits expenses	**5,915,303**	5,211,684
Pension contributions	**1,451,328**	3,230,997
Social security costs	**331,738**	299,203
	19,987,868	18,824,846

At the end of 2024 the Bank staff count was 224 employees (2023: 209).

32. Administrative and general expenses

	2024	2023
Computer software licenses	**2,256,409**	1,145,675
Repairs and maintenance	**1,156,231**	770,574
Professional services and technical support	**1,024,003**	1,270,731
Miscellaneous	**1,006,087**	559,136
Utilities	**991,832**	926,523
Meetings and conferences	**880,812**	907,288
Supplies and small equipment	**638,277**	628,230
Membership fees	**391,886**	185,343
Foreign investment professional fees	**379,573**	166,218
Legal fees	**368,940**	301,188
Directors' fees	**285,012**	346,332
Corporate communications	**200,243**	-
Insurance	**179,840**	148,818
Audit fees	**131,999**	106,714
Freight charges	**130,585**	48,108
Advertising	**72,480**	209,296
Bank charges	**70,897**	50,220
Donations	**67,260**	133,038
Travel	**62,939**	125,956
Subscriptions	**57,660**	55,320
Expected credit losses on financial instruments	**56,852**	4,453
Surveys	**56,193**	12,420
Business continuity	**31,893**	8,044
Entertainment	**29,630**	23,218
Firearm license and ammunition	**27,987**	30,990
Books and publications	**23,271**	23,893
	10,578,791	8,187,726

33. Related party transactions

The Bank considers a party to be related if control or significant influence over the Bank is exercised. The Bank's related parties include the Governor of the Central Bank, members of the Board of Directors (key management personnel) Government of Belize and other related public sector entities and the Bank's Defined Benefit Plan. Unless otherwise stated, none of the transactions include special terms and conditions and no guarantees were given or received.

33. Related party transactions (continued)

Transactions with key management personnel

Transactions with key management personnel includes short-term benefits, post employment benefits and termination benefits. The following is an analysis of these amounts.

	2024	2023
Short-term benefits	**1,299,873**	987,466
Termination benefits	**206,256**	127,058
	1,506,129	1,114,524

As part of its normal operations, the Bank also makes loans and advances to key management personnel. As at 31 December 2024, a total of $193,567 (2023: $77,519) was receivable from key management personnel as approved advances made by the Bank. No expected credit losses have been recognised in respect of loans given to related parties. The amount of collateral in respect of loans to related parties as at 31 December 2024 $742,300 (2023: $242,300). The Bank has a residential mortgage loan program for qualifying permanent staff. This facility is available for a maximum period of 25 years with a variable interest rate initially set at 0.50% (2023: 2.00%).

Transactions with the Government of Belize and public sector entities in Belize

Receivables and payables to the Government of Belize and other related public sector entities arise mainly from the Bank carrying out one of its key functions as a fiscal agent for all transactions with International financial institutions (Section 31, 33, 34 and 35 of the Central Bank of Belize Act Revised Edition 2011). Section 24 also permits the Bank to make direct advances to the Government of Belize. Below is an analysis of the transactions with the Government and other related public sector entities:

	01 January 2024	**Disburse-ments**	**Deposits**	**31 December 2024**
Social Security Board	**(3,569)**	**249,099**	**(360,000)**	**(114,470)**
Development Finance Corporation	**(94,637)**	**23,231,757**	**(23,170,000)**	**(32,880)**
Financial Intelligence Unit	**(1,051,277)**	**2,713,799**	**(3,200,000)**	**(1,537,478)**
Belize Tourism Board	**(1,795,148)**	**13,232,885**	**(12,867,640)**	**(1,429,903)**
Belize Electricity Limited	**(24,925)**	**4,134,793**	**(4,134,793)**	**(24,925)**
Belize City Council Sinking Fund	**(310,082)**	**85,000**	**(1,285,513)**	**(1,510,595)**
Belize Water Services Limited Sinking Fund	**(128)**	**20,969,178**	**(20,986,591)**	**(17,541)**
Financial Services Commission	**(1,786,184)**	**300,000**	**-**	**(1,486,184)**
Government of Belize (current account)	**(68,457,293)**	**714,867,790**	**(694,371,849)**	**(47,961,352)**
	(73,523,243)	**779,784,300**	**(760,376,386)**	**(54,115,328)**

33. Related party transactions (continued)

Transactions with the Government of Belize and public sector entities in Belize (continued)

	01 January 2023	Disburse-ments	Deposits	31 December 2023
Social Security Board	(76,488)	113,310	(40,391)	(3,569)
Development Finance Corporation	(1,752,732)	26,112,641	(24,454,546)	(94,637)
Financial Intelligence Unit	(481,627)	2,770,351	(3,340,001)	(1,051,277)
Belize Tourism Board	(2,480,972)	13,482,457	(12,796,633)	(1,795,148)
Belize Electricity Limited	(24,925)	4,524,419	(4,524,419)	(24,925)
Belize City Council Sinking Fund	(2,753,182)	6,870,209	(4,427,109)	(310,082)
Belize Water Services Limited Sinking Fund	(2,027,808)	18,319,799	(16,292,119)	(128)
Financial Services Commission	(2,786,184)	1,000,000	-	(1,786,184)
Government of Belize (current account)	(60,723,869)	934,221,416	(941,954,840)	(68,457,293)
	(73,107,787)	1,007,414,602	(1,007,830,058)	(73,523,243)

Transactions with the Central Bank of Belize Pension Scheme

The Bank accumulates the pension contributions for the Scheme's members and remits it to the Scheme on a monthly basis along with its own contributions. In addition, the Bank acts as an intermediary for payments of benefits to the Scheme's members and payment of professional fees. The Scheme periodically reimburses the Bank for such expenses.

	01 January 2024	Contributions paid by the Bank to the Scheme	Contributions due to the scheme	31 December 2024
Contributions to the scheme	**-**	**1,451,328**	**(1,451,328)**	**-**
	-	**1,451,328**	**(1,451,328)**	**-**

	01 January 2023	Contributions paid by the Bank to the Scheme	Contributions due to the scheme	31 December 2023
Contributions to the scheme	-	3,230,997	(3,230,997)	-
	-	3,230,997	(3,230,997)	**-**

34. Analysis of financial assets and liabilities by measurement basis

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies on Note 2h describes how financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

As at 31 December 2024	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Total
Financial assets				
Balances with foreign banks and foreign currency notes	-	7,292,750	-	7,292,750
Reserve Tranche and balances with the International Monetary	-	-	114,035,336	114,035,336
Other foreign credit instruments	-	242,776,768	-	242,776,768
Cash-in-transit		278,174		278,174
Marketable securities issued or guaranteed by foreign governments and international	-	617,749,419	-	617,749,419
Balances with local banks and cash on hand	-	1,839,142	-	1,839,142
Government of Belize securities	-	743,612,167	-	743,612,167
Other assets	-	10,713,656	-	10,713,656
Equity instruments	20,000,000	-	-	20,000,000
Total financial assets	20,000,000	1,624,262,075	114,035,336	1,758,297,411

34. Analysis of financial assets and liabilities by measurement basis (continued)

As at 31 December 2024	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
Financial liabilities			
Notes and coins in circulation	-	**738,073,839**	**738,073,839**
Deposits by licensed financial institutions	-	**741,991,005**	**741,991,005**
Deposits by and balances due to Government and Public sector entities in Belize	-	**116,998,056**	**116,998,056**
Deposits by international agencies	-	**605,014**	**605,014**
Balances due to CARICOM central banks	-	**92,622**	**92,622**
Other liabilities	-	**14,421,125**	**14,421,125**
International Monetary Fund' SDR Allocations	-	**114,057,277**	**114,057,277**
Commercial banks' discount fund	-	**1,654,034**	**1,654,034**
Total financial liabilities	-	**1,727,892,973**	**1,727,892,973**

As at 31 December 2023	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial assets at fair value through other compre-hensive income	Total
Financial assets				
Balances with foreign banks and foreign currency notes	-	6,221,839	-	**6,221,839**
Reserve Tranche and balances with the International Monetary	-	-	117,566,734	**117,566,734**
Other foreign credit instruments	-	237,157,969	-	**237,157,969**
Cash-in-transit	-	-	-	**-**
Marketable securities issued or guaranteed by foreign governments and managed by international financial institutions	-	571,239,484	-	**571,239,484**
Balances with local banks and cash on hand	-	1,593,069	-	**1,593,069**
Government of Belize securities	-	787,760,775	-	**787,760,775**
Other assets	-	9,751,117	-	**9,751,117**
Equity instruments	20,000,000	-	-	**20,000,000**
Total financial assets	20,000,000	1,613,724,253	117,566,734	**1,751,290,987**

34. Analysis of financial assets and liabilities by measurement basis (continued)

As at 31 December 2023	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
Financial liabilities			
Notes and coins in circulation	-	686,469,151	**686,469,151**
Deposits by licensed financial institutions	-	747,865,975	**747,865,975**
Deposits by and balances due to Government and Public sector entities in Belize	-	149,612,166	**149,612,166**
Deposits by international agencies	-	2,468,594	**2,468,594**
Balances due to CARICOM central banks	-	225,573	**225,573**
Other liabilities	-	13,535,156	**13,535,156**
International Monetary Fund' SDR Allocations	-	117,496,998	**117,496,998**
Commercial banks' discount fund	-	1,654,034	**1,654,034**
Total financial liabilities	**-**	1,719,327,647	**1,719,327,647**

35. Fair value measurement

Determination of fair value and fair value hierarchy

The Bank uses the following hierarchy for determining and disclosing their fair value of financial instruments by valuation technique:
Level 1: quotes (unadjusted prices in active markets for identical assets or liabilities).
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Bank recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The following table provides the fair value measurement hierarchy of the Bank's assets and liabilities.

As at 31 December 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets at FVOCI					
Reserve Tranche and balances with the International Monetary Fund	**4**	**114,035,336**	**-**	**-**	**114,035,336**
Financial assets at FVTPL					
Equity instruments	**11**	**-**	**-**	**20,000,000**	**20,000,000**
Total financial assets measured at fair value		**114,035,336**	**-**	**20,000,000**	**134,035,336**

35. Fair value measurement (continued)

As at 31 December 2023	Notes	Level 1	Level 2	Level 3	Total
Financial assets at FVOCI					
Reserve Tranche and balances with the International Monetary Fund	**4**	117,566,734	-	-	**117,566,734**
Financial assets at FVTPL					
Equity instruments	**11**	-	-	20,000,000	**20,000,000**
Total financial assets measured at fair value		**117,566,734**	**-**	**20,000,000**	**137,566,734**

36. Financial risk management

By its nature, the Bank’s activities are principally related to the use of financial instruments. The strategy for using these financial instruments is embedded in the mission of the Bank to foster an economic and financial environment conductive to sustainable economic growth and development.

The Bank has exposure to the following risks from its use of financial instruments:
- Credit risk
- Currency risk
- Liquidity risk
- Interest rate risk
- Operational risk

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. It has established two committees for this purpose:

(i) Investment Committee, which is responsible for providing oversight on the conversion of investment strategy into performance, risk exposure for the Bank’s Foreign Reserves, financial structure, and performance of the portfolio and investments.

(ii) Audit Committee, which is responsible for monitoring compliance with the Bank’s risk management policies and procedures and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Bank. The Audit Committee is assisted in these functions by the Internal Audit Department. This department undertakes both regular and ad hoc reviews of management controls and procedures, the results of which are reported to the Board of Directors and the Audit Committee.

(i) Credit risk

The Bank is exposed to credit risk, which is the risk of loss arising from the failure of a borrower, issuer, counterparty or customer to meet its financial obligations to the Bank. Credit risk arises in the Bank’s management of its financial assets, for example in the investment of the Bank’s own funds and in the course of the banking services it provides to its customers and employees.

Credit risk is managed on a portfolio basis consisting of both foreign, local and internal designations. Credit risk in respect of foreign designations, are managed via diversification of investments and held by major reputable financial institutions. In respect of local securities, the Bank transacts primarily with or investments related to the Government of Belize. Internal designations are managed using internal policies of eligibility and security for employee loans.

36. Financial risk management (continued)

(i) Credit risk (continued)

In measuring the expected credit losses, the Bank's foreign and local investments are considered to have low credit risk and the loss allowance recognised is based on the 12 months expected loss. Low credit risk are those with high-quality external credit ratings. The Bank has developed a model utilising external credit ratings to develop the probability of default (PD) against a loss given default of 25%.

Security

The Bank holds collaterals in respect of its internally designated financial assets as follows:

At 31 December 2024	**Maximum exposure**	**Stamped value**	**Appraised value**
Staff mortgage loans	**7,214,454**	**10,041,724**	**13,905,359**
Staff consumer loans (bills of sale)	**789,735**	**1,079,109**	**1,083,900**
Staff consumer loans (regular)	**2,405,086**	**-**	**-**
	10,409,275	**11,120,833**	**14,989,259**

At 31 December 2023	**Maximum exposure**	**Stamped value**	**Appraised value**
Staff mortgage loans	6,320,923	8,432,805	12,032,653
Staff consumer loans (bills of sale)	420,143	644,109	648,900
Staff consumer loans (regular)	1,571,299	-	-
	8,312,365	**9,076,914**	**12,681,553**

Significant increase in credit risk

The Bank continuously monitors all assets subject to ECL's. The Bank assesses whether there has been a significant increase in credit risk since initial recognition to determine whether a financial instrument is subject to 12 months ECL or life-time ECL.

36. Financial risk management (continued)

(i) Credit risk (continued)

Significant increase in credit risk (continued)

The following table details the gross carrying amounts and the corresponding ECL's by stage:

As at 31 December 2024	Notes	Level 1	Level 2	Level 3	Total
Other foreign credit instruments	5	242,810,484	-	-	242,810,484
Expected credit loss		(33,716)	-	-	(33,716)
		242,776,768	-	-	242,776,768
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	7	617,765,869	-	-	617,765,869
Expected credit loss		(16,450)	-	-	(16,450)
		617,749,419	-	-	617,749,419
Other assets	10	10,761,116	-	-	10,761,116
Expected credit loss		(47,460)	-	-	(47,460)
		10,713,656	-	-	10,713,656
Total net amounts		871,239,842	-	-	871,239,842
ECL as a % of carrying amounts		0.01%	-	-	0.01%

36. Financial risk management (continued)

(i) Credit risk (continued)

Significant increase in credit risk (continued)

As at 31 December 2023	Notes	Level 1	Level 2	Level 3	Total
Other foreign credit instruments	5	237,181,530	-	-	**237,181,530**
Expected credit loss		(23,561)	-	-	**(23,561)**
		237,157,969	-	-	**237,157,969**
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	7	571,253,864	-	-	**571,253,864**
Expected credit loss		(14,380)	-	-	**(14,380)**
		571,239,484	-	-	**571,239,484**
Other assets	10	9,753,951	-	-	**9,753,951**
Expected credit loss		(2,834)	-	-	**(2,834)**
		9,751,117	-	-	**9,751,117**
Total net amounts		818,148,570	**-**	**-**	**818,148,570**
ECL as a % of carrying amounts		0.00%	**-**	**-**	**0.00%**

Geographical concentration

The following tables break down the Bank's main credit exposure at their carrying amounts, as categorised by geographical regions as of 31 December 2024 and 31 December 2023. The Bank has allocated exposure to regions based on the country of domicile of the counterparties.

36. Financial risk management (continued)

(i) Credit risk (continued)

Geographical concentration (continued)

As at 31 December 2024

Financial assets	Belize	USA	Canada	UK	Europe	Dominica	Total
Balances with foreign banks and foreign	626,056	4,665,259	60,250	659,681	1,281,503	-	7,292,750
Reserve Tranche and balances with the International Monetary Fund	-	114,035,336	-	-	-	-	114,035,336
Other foreign credit instruments	-	200,953,292	-	41,823,476		-	242,776,768
Cash-in-transit		278,174					278,174
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	-	616,529,869	-	-	-	1,219,550	617,749,419
Balances with local banks and cash on hand	1,839,142	-	-	-	-	-	1,839,142
Government of Belize securities	743,612,167	-	-	-	-	-	743,612,167
Other assets	10,713,656	-	-	-	-	-	10,713,656
Equity instruments	20,000,000	-	-	-	-	-	20,000,000
	776,791,020	936,461,930	60,250	42,483,157	1,281,503	1,219,550	1,758,297,411

36. Financial risk management (continued)

(i) Credit risk (continued)

Geographical concentration (continued)

As at 31 December 2024 (continued)

Financial liabilities	Belize	USA	Barbados	Jamaica	Guyana	Trinidad & Tobago	Total
Notes and coins in circulation	738,073,839	-	-	-	-	-	738,073,839
Deposits by licensed financial institutions	741,991,005	-	-	-	-	-	741,991,005
Deposits by and balances due to Government and Public sector entities in Belize	116,998,056	-	-	-	-	-	116,998,056
Deposits by international agencies	-	206,273	398,741	-	-	-	605,014
Balances due to CARICOM central banks	-	-	-	81,200	11,422	-	92,622
Other liabilities	14,421,125	-	-	-	-	-	14,421,125
International Monetary Fund' SDR Allocations	-	114,057,277	-	-	-	-	114,057,277
Commercial banks' discount fund	-	1,654,034	-	-	-	-	1,654,034
	1,611,484,025	115,917,584	398,741	81,200	-	-	1,727,892,973

36. Financial risk management (continued)

(i) Credit risk (continued)

Geographical concentration (continued)

As at 31 December 2023

Financial assets	Belize	USA	Canada	UK	Europe	Dominica	Total
Balances with foreign banks and foreign	1,048,496	3,559,112	65,213	290,183	1,258,835	-	**6,221,839**
Reserve Tranche and balances with the International Monetary Fund	-	117,566,734	-	-	-	-	**117,566,734**
Other foreign credit instruments	-	181,833,758	-	55,324,211		-	**237,157,969**
Cash-in-transit	-	-	-	-	-	-	**-**
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	-	569,857,326	-	-	-	1,382,158	**571,239,484**
Balances with local banks and cash on hand	1,593,069	-	-	-	-	-	**1,593,069**
Government of Belize securities	787,760,775	-	-	-	-	-	**787,760,775**
Other assets	9,751,117	-	-	-	-	-	**9,751,117**
Equity instruments	20,000,000	-	-	-	-	-	**20,000,000**
	820,153,457	**872,816,929**	**65,213**	**55,614,394**	**1,258,835**	**1,382,158**	**1,751,290,987**

36. Financial risk management (continued)

(i) Credit risk (continued)

Geographical concentration (continued)

As at 31 December 2023 (continued)

Financial liabilities	Belize	USA	Barbados	Jamaica	Guyana	Trinidad & Tobago	Total
Notes and coins in circulation	686,469,151	-	-	-	-	-	**686,469,151**
Deposits by licensed financial institutions	747,865,975	-	-	-	-	-	**747,865,975**
Deposits by and balances due to Government and public sector entities in Belize	149,612,166	-	-	-	-	-	**149,612,166**
Deposits by international agencies	-	211,354	2,257,240	-	-	-	**2,468,594**
Balances due to CARICOM central banks	-	-	166,900	56,200	-	2,473	**225,573**
Other liabilities	13,535,156	-	-	-	-	-	**13,535,156**
International Monetary Fund SDR allocations	-	117,496,998	-	-	-	-	**117,496,998**
Commercial banks' discount fund	-	1,654,034	-	-	-	-	**1,654,034**
	1,597,482,448	**119,362,386**	**2,424,140**	**56,200**	**-**	**2,473**	**1,719,327,646**

(ii) Currency risk

Currency risk is the risk that the market value of, or cash flow from, financial instruments will vary because of exchange rate fluctuations. The Bank takes on exposure to fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. Because of its conservative nature, the Bank's exposure is limited since a significant portion of its external assets are held in US funds and in SDR funds necessary to meet Belize's quota with the IMF and SDR allocations. Other external asset funds are kept at a minimum. Management seeks to manage this risk by monitoring the levels of exposure by currency.

36. Financial risk management (continued)

(ii) Currency risk (continued)

As at 31 December 2024

Financial assets	BZD	USD	SDR	EUR	CAD	GBP	Total
Balances with foreign banks and foreign	-	6,682,784		532,350	60,250	17,366	7,292,750
Reserve Tranche and balances with the International Monetary Fund	-	-	114,035,336	-	-	-	114,035,336
Other foreign credit instruments	-	242,776,768	-	-	-	-	242,776,768
Cash-in-transit		278,174					278,174
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	-	617,749,419	-	-	-	-	617,749,419
Balances with local banks and cash on hand	1,839,142	-	-	-	-	-	1,839,142
Government of Belize securities	743,612,167	-	-	-	-	-	743,612,167
Other assets	10,713,656	-	-	-	-	-	10,713,656
Equity instruments	20,000,000	-	-	-	-	-	20,000,000
	776,164,964	867,487,146	114,035,336	532,350	60,250	17,366	1,758,297,411

36. Financial risk management (continued)

(ii) Currency risk (continued)

As at 31 December 2024 (continued)

Financial liabilities	BZD	USD	SDR	EUR	CAD	GBP	Total
Notes and coins in circulation	738,073,839	-	-	-	-	-	738,073,839
Deposits by licensed financial institutions	741,991,005	-	-	-	-	-	741,991,005
Deposits by and balances due to Government and Public sector entities in Belize	112,334,968	4,663,088	-	-	-	-	116,998,056
Deposits by international agencies	-	428,481	176,533	-	-	-	605,014
Balances due to CARICOM central banks	-	92,622	-	-	-	-	92,622
Other liabilities	4,944,100	-	-	-	-	-	4,944,100
International Monetary Fund' SDR Allocations	-	-	114,057,277	-	-	-	114,057,277
Commercial banks' discount fund	1,654,034	-	-	-	-	-	1,654,034
	1,598,997,946	5,184,191	114,233,810	-	-	-	1,718,415,947
Net currency position	(822,832,982)	862,302,955	(198,474)	532,350	60,250	17,366	39,881,465

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36. Financial risk management (continued)

(ii) Currency risk (continued)
As at 31 December 2023

Financial assets	BZD	USD	SDR	EUR	CAD	GBP	Total
Balances and deposits with foreign banks	-	5,543,706	-	547,551	65,213	65,369	**6,221,839**
Reserve Tranche and balances with the International Monetary Fund	-	-	117,566,734	-	-	-	**117,566,734**
Other foreign credit instruments	-	237,157,969	-	-	-	-	**237,157,969**
Cash-in-transit	-	-	-	-	-	-	**-**
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions	-	571,239,484	-	-	-	-	**571,239,484**
Balances with local banks and cash on hand	1,593,069	-	-	-	-	-	**1,593,069**
Government of Belize securities	787,760,775	-	-	-	-	-	**787,760,775**
Other assets	9,751,117	-	-	-	-	-	**9,751,117**
Equity instruments	20,000,000	-	-	-	-	-	**20,000,000**
	819,104,961	**813,941,159**	**117,566,734**	**547,551**	**65,213**	**65,369**	**1,751,290,986**

36. Financial risk management (continued)

(ii) Currency risk (continued)

As at 31 December 2023 (continued)

Financial liabilities	BZD	USD	SDR	EUR	CAD	GBP	Total
Notes and coins in circulation	686,469,151	-	-	-	-	-	**686,469,151**
Deposits by licensed financial institutions	747,865,975	-	-	-	-	-	**747,865,975**
Deposits by and balances due to Government and public sector entities in Belize	144,330,368	5,281,798	-	-	-	-	**149,612,166**
Deposits by international agencies	-	2,286,980	181,614	-	-	-	**2,468,594**
Balances due to CARICOM central banks	-	225,573	-	-	-	-	**225,573**
Other liabilities	13,535,156	-	-	-	-	-	**13,535,156**
International Monetary Fund SDR allocations	-	-	117,496,998	-	-	-	**117,496,998**
Commercial banks' discount fund	1,654,034	-	-	-	-	-	**1,654,034**
	1,593,854,684	**7,794,351**	**117,678,612**	**-**	**-**	**-**	**1,719,327,647**
Net currency position	**(774,749,723)**	**806,146,808**	**(111,878)**	**547,551**	**65,213**	**65,369**	**31,963,339**

36. Financial risk management (continued)

(ii) Currency risk (continued)

Statement of revaluation as at 31 December 2024

	Foreign currency	Year-end rate	Belize dollar value
Euro Dollar Fund	256,283	2.07720	532,350
Canadian Fund	43,376	1.38900	60,250
SDR Fund	43,720,696	2.60827	114,035,336
USD Fund	433,944,354	2.00000	867,888,707
Sterling Fund	6,928	2.50660	17,366
Belize Dollar Fund	(982,386,406)	1.00000	(982,386,406)
Revaluation gain for the year	-	-	147,603
Revaluation balance as at 01 January 2024	-	-	165,853
Increase in revaluation	-	-	147,603
Revaluation balance as at 31 December 2024	-	-	313,456

36. Financial risk management (continued)

(ii) Currency risk (continued)

Statement of revaluation as at 31 December 2023

	Foreign currency	Year-end rate	Belize dollar value
Euro Dollar Fund	247,671	2.21080	**547,551**
Canadian Fund	43,239	1.50820	**65,213**
SDR Fund	43,813,597	2.68334	**117,566,734**
USD Fund	407,278,922	2.00000	**814,557,844**
Sterling Fund	25,695	2.54400	**65,369**
Belize Dollar Fund	(932,763,807)	1.00000	**(932,763,807)**
Revaluation loss for the year	**-**	**-**	**38,904**
Revaluation balance as at 01 January 2023	-	-	**126,949**
Decrease in revaluation	-	-	**38,904**
Revaluation balance as at 31 December 2023	**-**	**-**	**165,853**

The following table demonstrates the sensitivity of profit and equity to a reasonably possible change in the foreign exchange rates, with all other variables held constant.

A 10% strengthening of the Belize dollar against the following currencies as at 31 December would have increased/(decreased) equity and profit or loss by the following amounts (in $BZD'000):

36. Financial risk management (continued)

(ii) Currency risk (continued)

	2024		2023	
	Profit or loss Effect of 10% increase/(decrease)	Equity Effect of 10% increase/(decrease)	Profit or loss Effect of 10% increase/(decrease)	Equity Effect of 10% increase/(decrease)
Financial assets				
SDR	-	**44**	-	70
CAD	-	**6**	-	7
EUR	-	**53**	-	55
USD	-	-	-	-
GBP	-	**2**	-	7
	-	**105**	-	139

(iii) Interest rate risk

Interest rate risk arises from the possibility that changes in market interest rates will affect the future cash flows or fair values of financial instruments. CBB's objective in the management of interest rate risk is to reduce the sensitivity of its earnings and overall portfolio value to variations in interest rates. The strategy employed to achieve this involves keeping a significant portion of all financial assets in Belize and United States dollars. The only other major category is Special Drawing Rights (SDRs) that are necessary to meet Belize's requirements and quota with the IMF. Other financial assets are kept at a minimum.

36. Financial risk management (continued)

(iii) Interest rate risk (continued)

The following tables present interest rate gap analysis in BZD'000.

As at 31 December 2024	On demand/less than 1 month	1-3 Months	3-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Rate sensitive assets							
Fixed deposits	-	-	514	1,029	-	-	1,543
Treasury bills	-	-	-	-	-	-	-
Treasury notes	-	-	855	2,279	3,703	5,127	11,963
Bonds	-	-	-	-	2,352	-	2,352
Debenture	-	-	-	-	-	1	1
Reserve Tranche and balances with the International Monetary Fund	-	-	-	-	-	964	964
Total rate sensitive assets	-	-	1,369	3,307	6,055	6,092	16,823
Rate sensitive liabilities							
International Monetary Fund' SDR Allocations	-	-	-	-	-	2,042	2,042
Total rate sensitive liabilities	-	-	-	-	-	2,042	2,042
Interest sensitivity surplus	-	-	1,369	3,307	6,055	4,051	14,781

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36. Financial risk management (continued)

(iii) Interest rate risk (continued)

As at 31 December 2023	On demand/less than 1 month	1-3 Months	3-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Rate sensitive assets							
Fixed deposits	-	-	80	-	-	-	**80**
Treasury bills	-	-	-	-	-	-	**-**
Treasury notes	-	-	135	120	841	1,784	**2,880**
Bonds	-	-	-	-	838	-	**838**
Debenture	-	-	-	-	-	1	**1**
Reserve Tranche and balances with the International Monetary Fund	-	-	-	-	-	1,288	**1,288**
Total rate sensitive assets	**-**	**-**	**215**	**120**	**1,679**	**3,073**	**5,087**
Rate sensitive liabilities							
International Monetary Fund' SDR Allocations	-	-	-	-	-	1,287	1,287
Total rate sensitive liabilities	**-**	**-**	**-**	**-**	**-**	**1,287**	**1,287**
Interest sensitivity surplus	**-**	**-**	**215**	**120**	**1,679**	**1,786**	**3,800**

36. Financial risk management (continued)

(iii) Interest rate risk (continued)

The table below analyses the average interest rates for the Bank's foreign deposit accounts and investments.

	2024	2023
Balances and deposits with foreign banks	**4.52%**	4.32%
Other foreign credit instruments - fixed deposits	**5.02%**	4.94%
Other foreign credit instruments - overnight deposits	**5.11%**	4.99%
Marketable securities - US Treasury notes	**2.99%**	2.24%
Marketable securities - bonds	**3.37%**	4.37%
Marketable securities - debentures	**3.50%**	3.50%

(iv) Liquidity risk

Liquidity risk is the risk that the Bank will not be able to meet its financial liabilities as they fall due. Prudent liquidity management requires maintaining sufficient cash and marketable securities, and ensuring the availability of funding through an adequate amount of committed standby credit facilities to meet commitments.

IFRS 7 requires an analysis of the Bank's assets and liabilities at the Statements of Financial Position date into relevant maturity groupings based on the remaining period to the contractual maturity date. This requirement is not relevant to the Central Bank which is the ultimate source of Belize dollar liquidity. In managing the foreign currency liquidity risk, the Bank makes every effort to hold appropriate cash balances by forecasting and monitoring liquidity through cash flow matching and holding a portfolio of liquid foreign exchange reserves. The table below analyses the Bank's assets into relevant maturity grouping based on the remaining period at the statements of financial position date to the contractual maturity date.

36. Financial risk management (continued)

(iv) Liquidity risk (continued)

As 31 December 2024

Financial assets	On demand/less than 1 month	1-3 Months	4-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Balances with foreign banks and foreign	7,292,750	-	-	-	-	-	7,292,750
Reserve Tranche and balances with the International Monetary Fund	-	-	-	-	-	114,035,336	114,035,336
Other foreign credit instruments	55,623,463	68,462,184	65,676,531	53,014,590	-	-	242,776,768
Cash-in-transit	278,174						278,174
Marketable securities issued or guaranteed by foreign governments and managed by foreign financial institutions					435,735,923	182,013,496	617,749,419
Balances with local banks and cash on hand	1,839,142	-	-	-	-	-	1,839,142
Government of Belize securities	65,360,520	223,697,705	75,325,528	122,075,228	182,240,727	74,912,459	743,612,167
Other assets	-	-	-	10,713,656	-	-	10,713,656
Equity instruments	-	-	-	-	-	20,000,000	20,000,000
Total	130,394,048	292,159,889	141,002,059	185,803,474	617,976,650	390,961,291	1,758,297,412

36. Financial risk management (continued)

(iv) Liquidity risk (continued)
As 31 December 2024 (continued)

Financial liabilities	On demand/less than 1 month	1-3 Months	4-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Notes and coins in circulation	-	-	-	-	-	738,073,839	738,073,839
Deposits by licensed financial institutions	-	-	-	741,991,005		-	741,991,005
Deposits by and balances due to Government and public sector entities in Belize	-	116,998,056	-	-	-	-	116,998,056
Deposits by international agencies	-	605,014	-	-	-	-	605,014
Balances due to CARICOM central banks	92,622	-	-	-	-	-	92,622
Other liabilities	-	-	-	14,421,125	-	-	14,421,125
International Monetary Fund SDR allocations	-	-	-	-	-	114,057,277	114,057,277
Commercial banks' discount fund	-	-	-	-	-	1,654,034	1,654,034
Total	92,622	117,603,070	-	756,412,130	-	853,785,150	1,727,892,972
Net liquidity position	130,301,426	174,556,819	141,002,059	(570,608,657)	617,976,650	(462,823,859)	30,404,439

36. Financial risk management (continued)

(iv) Liquidity risk (continued)

As 31 December 2023

Financial assets	On demand/less than 1 month	1-3 Months	4-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Balances with foreign banks and foreign	6,221,839	-	-	-	-	-	**6,221,839**
Reserve Tranche and balances with the International Monetary Fund	-	-	-	-	-	117,566,734	**117,566,734**
Other foreign credit instruments	130,346,896	74,682,475	32,128,598	-	-	-	**237,157,969**
Cash-in-transit	-	-	-	-	-	-	**-**
Marketable securities issued or guaranteed by foreign governments and managed by foreign	2,431,412	39,975,857	89,856,485	29,972,847	210,780,987	198,221,895	**571,239,484**
Balances with local banks and cash on hand	1,593,069	-	-	-	-	-	**1,593,069**
Government of Belize securities	83,871,775	251,325,000	66,008,000	172,946,000	142,838,000	70,772,000	**787,760,775**
Other assets	-	-	-	9,751,117	-	-	**9,751,117**
Equity instruments	-	-	-	-	-	20,000,000	**20,000,000**
Total	**224,464,991**	**365,983,332**	**187,993,083**	**212,669,964**	**353,618,987**	**406,560,629**	**1,751,290,986**

36. Financial risk management (continued)

(iv) Liquidity risk (continued)
As 31 December 2023 (continued)

Financial liabilities	On demand/less than 1 month	1-3 Months	4-6 Months	6-12 Months	1-5 Years	Over 5 years	Total
Notes and coins in circulation	-	-	-	-	-	686,469,151	**686,469,151**
Deposits by licensed financial institutions	-	-	-	747,865,975	-	-	**747,865,975**
Deposits by and balances due to Government and public sector entities in Belize	-	149,612,166	-	-	-	-	**149,612,166**
Deposits by international agencies	-	2,468,594	-	-	-	-	**2,468,594**
Balances due to CARICOM central banks	225,573	-	-	-	-	-	**225,573**
Other liabilities	-	-	-	13,535,156	-	-	**13,535,156**
International Monetary Fund SDR allocations	-	-	-	-	-	117,496,998	**117,496,998**
Commercial banks' discount fund	-	-	-	-	-	1,654,034	**1,654,034**
Total	**225,573**	**152,080,760**	**-**	**761,401,131**	**-**	**805,620,183**	**1,719,327,647**
Net liquidity position	**224,239,418**	**213,902,572**	**187,993,083**	**(548,731,167)**	**353,618,987**	**(399,059,554)**	**31,963,340**

36. Financial risk management (continued)

(v) Operational risk

The Bank is exposed to operational risk which can lead to financial losses through error, fraud or inefficiencies. The Bank mitigates this risk by constantly revisiting internal controls, adhering to its fraud policy and reliance on the internal audit function.

37. Commitments and contingencies

(i) Claims and litigations

The Bank is subject to certain legal proceedings and claims that arise in the ordinary course of business operations. Management believes that the amount of liability, if any, from these actions would not have a material effect on the financial statement of the Bank.

(ii) Printing of notes and minting of coins

The Bank commits to order currency from several minters and printers. As at 31 December, the Bank was committed to the following payments for currency:

	2024	2023
Not later than one year	**5,595,455**	1,205,631

38. Subsequent events

Subsequent events have been evaluated through 28 April 2025. Management is unaware of any events after that date that they believe would materially and adversely affect these financial statements. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.