



CENTRAL BANK
of BELIZE

EXCHANGE CONTROL DIRECTION
NUMBER 11/2014
(Revised December 2014)

TO: **AUTHORISED DEALERS AND AUTHORISED DEPOSITARIES**

Inward Investment and “Approved Status” and Outward Investments

Direct Investment

1. Direct investment in Belize by non-residents is encouraged and all investors are assured of approval to repatriate any capital invested. Investors should be advised to notify the Central Bank of the intention to make investments in Belize and to register the inflow of funds with the Central Bank.
2. Persons registering inward investment at the time the investment is being made will normally be granted “Approved Status”
3. Capital directly invested in Belize by non-residents registered with the Central Bank and granted “Approved Status” will ordinarily be granted routine approval for repatriation thereafter. The amount available for repatriation extends to any distribution arising from the liquidation of assets. The Central Bank reserves the right to request evidence to support applications to transfer profits, dividends, loan payments and interest.
4. “Approved Status” is intended primarily to relate to “Direct” investment made by non-residents in locally incorporated companies. It may also be applicable to funds invested by a non-resident company in a branch established and operating in Belize. Such a local company or branch is normally a pre-requisite for “Direct” investment in order to be able to establish from the accounts the amount of funds invested and the profits available for remittance.
5. An example of a “direct” investment would be where a non-resident manufacturing company forms a subsidiary company in Belize to manufacture goods, and exercises direction of the Belize concern.

6. Non-resident investors wishing to register investments and be granted “Approved Status” are asked to provide information on the proposed investment as outlined in the attached appendix.

Portfolio Investment

7. Portfolio investments by non-residents should not be made without the prior written permission of the Central Bank.
8. For the purpose of this Section “Portfolio Investment” includes all investments which do not form an integral part of an investment for which “Approved Status” has been granted. The following sub-paragraphs outline the more usual types of portfolio investment by non-residents.

(a) Investments in Equity Shares in Local Companies

- (i) Investments by non-residents should be made in foreign currency or from an External Account (or funds eligible for credit thereto).
- (ii) If a company makes a capital distribution or goes into liquidation the Central Bank will decide in the light of all the circumstances whether the proceeds are eligible for credit to an External Account.

(b) Investments in Fixed Interest Securities, Stocks, etc.

- (i) Investments may be made in foreign currency or from an External Account.
9. If the stock is sold to a non-resident the proceeds may either be paid in foreign currency or credited to an External Account. If sold to a resident, the proceeds are payable only in Belize dollars.

Outward Investments

The specific permission of the Central Bank is required for all overseas investments between residents and non-residents as per Sections 15 (1) and 15 (2) of the Exchange Control Regulations Act of 2003.



Controller of Foreign Exchange
CENTRAL BANK OF BELIZE

Appendix Questionnaire

Inward Investment and “Approved Status”

Information required for granting of approved status.

1. Give outline of:-

(a) Proposed Capital Structure

	RESIDENT	NON-RESIDENT
Loan		
Debenture/Bond		
Preference Shares		
Ordinary Shares		
Other		
TOTAL		

(b) List names and addresses of subscribers

(c) Over what period will capital be issued?

2. What are the objectives of the company?

3. Will the initial investments need to be augmented by local short or long term borrowing immediately or within the first two years? If so, give estimated figures.

4. What is the estimate of expenditure out of working capital which the company will normally expect to incur in foreign currency, whether directly or through contractors, importers, etc?

5. Give an estimate of direct foreign currency earnings or savings which the operations of the company might generate.
6. Give any other information or comments which you consider may be helpful in connection with the application.