



CENTRAL BANK  
of BELIZE



## QUICK FACTS

### National Payment System

#### Overview

The National Payment System (NPS) reform project began in 2010, with the goal to modernize Belize's payment system. The NPS enables the electronic flow of money domestically, and is aligned with the Central Bank of Belize's strategic objective to enhance the safety, reliability, and the efficiency of the financial system's payment infrastructure. The NPS is designed to be compliant with internationally accepted standards for payment systems, and securities settlement systems.

With collaboration of all participant banks and the Government of Belize, the Central Bank launched on 21 October 2016, the automated transfer system and central securities depository, the backbone infrastructure of the NPS reform. This system named the Automated Payment and Securities Settlement System (APSSS), provides electronic funds transfer and cheque processing services, and supports automated primary market operations. As of 7 July 2017, the Central Bank launched the automated cheque processing service component of APSSS.

#### Objectives

- The backbone infrastructure (APSSS) and the NPS law are giant steps toward ensuring that the following broad reform objectives are met: Provide secure and effective mechanisms for the exchange of money between transacting parties.
- Enable the management, reduction, and containment of systemic and other payment related risks.
- Promote systems that effectively contribute to Belize's financial stability, economic growth, and financial inclusion.

This transformational project provides a wider range of payment options and services such as (1) electronic transfer of cheque data and image, (2) new electronic payment instruments/services (3) automated clearing and settlement of payments.

#### Expected Results

- Electronic transfer of high value and time sensitive transactions, within an hour Electronic transfer of low value both single and bulk salary and supplier payments facilitating batch processes like payroll and accounts payable within the same day.
- Automated cheque processing service that reduces the clearing and settlement time to 2 days.
- Instant funds transfer that allows the intra bank transfer of funds within a few minutes.
- Improve efficiency and convenience of government payment and revenue collection processes.

#### Major Components of APSSS

The NPS reform comprises of 9 development pillars, 7 of which have been implemented. The 2 remaining pillars are part of a 5-year plan for continuing reform of financial infrastructures. The pillars being implemented are distinct initiatives or projects that will further develop the NPS.



COMPONENT	IMPACT
<b>Pillar I: LEGAL FRAMEWORK</b>	This pillar sets up a sound and appropriate legal framework, which is generally considered the basis for a sound and efficient payment system. Belize's NPS Law commenced in February 2017, and authorizes the Central Bank to establish, own, oversee, and regulate the NPS.
<b>Pillars II, III, IV, V: INFORMATION TECHNOLOGY INFRASTRUCTURE</b>	APSSS provides the effective mechanisms to facilitate the electronic transfer of money domestically between transacting parties. APSSS encompasses 4 pillars: a Real-time Gross Settlement system (RTGS) to process high value payments; an Automated Clearing House (ACH) to process low value payments; integration of government payment and collection mechanisms to improve efficiency and convenience; and Central Securities Depository (CSD) system to manage primary market activities. APSSS connects financial institutions in a local private and secure network and allows them to operate using technologically advanced features and security, including encryption protocols, digital certification, and digital signatures, among other security features.
<b>Pillar VIII: OVERSIGHT</b>	The Central Bank is developing an oversight and supervisory framework for the National Payment System that will aim at achieving efficiency and reliability for all systems. This includes oversight of APSSS as well as individual payment systems to verify that they satisfy user needs as well as risk and efficiency.
<b>Pillar IX: COLLABORATION</b>	Since the concept development stage of the project, the Central Bank adopted a collaborative approach, securing the active involvement of stakeholders through numerous working groups, meetings, presentations, and wide consultations. The NPS reform project is being implemented as a collaborative effort involving the Central Bank, Central Government and domestic financial institutions.

## Cheque Go Live!

As of July 7, 2017 the automated cheque processing component of APSSS became available. This allows the originating banks to create a digital image of the cheques deposited and send these data and electronic images for processing in less time.

This new service transforms the entire process from deposit of cheques at participant banks to settlement, which generally took several days to complete in the past; 3 days for local cheques and 7 days for out-district cheques.

## About Central Bank of Belize

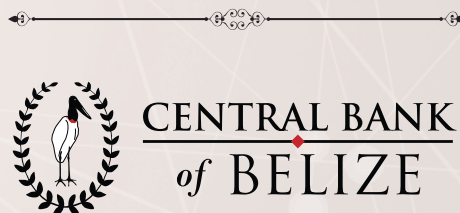
The Bank is guided in all its actions by the objective of fostering monetary stability that promotes the growth of the economy of Belize.

### Mission & Objectives

The Bank's mission is to advance the wellbeing of Belize by facilitating sustained economic growth, protecting the value of the Belize dollar, and assuring a safe, sound and efficient financial system.

In pursuit of this objective, the Bank performs the following functions:

- Provides economic advice and acts as fiscal agent to the Government of Belize
- Provides banking services to commercial banks, Government of Belize and public-sector organizations
- Issues monetary notes and coins in Belize
- Buys, sells and otherwise deals in foreign exchange
- Manages the Bank's foreign reserves
- Facilitates securities market transactions
- Administers monetary policies
- Supervises and regulates the financial system



### Contact

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### What do I need to do?

- ☒ **Cheques:** Protect the MICR line. Do not fold cheques or write on the MICR line.
- ☒ **Electronic Funds Transfer:** Provide the correct bank account number for electronic payments.