



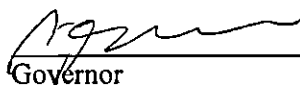
CENTRAL BANK
of BELIZE

EXCHANGE CONTROL DIRECTION
NUMBER 19
(Revised April 2019)

TO: AUTHORIZED DEALERS

Requirements for Authorized Dealers to Sell Foreign Currency and Limits on Foreign Investments of Authorized Dealers

1. In those instances where the domestic interbank market is ineffective in facilitating the public's access to foreign currency to meet bona fide external needs and obligations, the Central Bank of Belize (Central Bank) may direct domestic banks, whose foreign asset availability position (FAAP) exceeds the aggregate FAAP of domestic banks, to sell to the Central Bank a portion or all of the foreign assets that cause their individual FAAP to exceed the aggregate position of the domestic banks after taking into account outstanding obligations to meet the requirements of Exchange Control Direction No. 18.
2. The foreign asset availability position is defined as:
 - a. The ratio of the foreign assets (FA) less foreign investments approved by the Central Bank (AFI) less short-term foreign liabilities (STFL) less foreign currency deposits of customers (FCD) to the FA less AFI.
$$\text{FAAP} = \frac{(\text{FA} - \text{AFI} - \text{STFL} - \text{FCD})}{(\text{FA} - \text{AFI})}$$
 - b. The calculation will be done using figures taken from the bank returns submitted for the penultimate week of the most current month.
3. Authorized Dealers can invest foreign assets in sovereign and/or commercial securities subject to the following conditions:
 - i. Prior approval must be obtained from the Central Bank;
 - ii. Investments must be made in reputable financial entities and must be readily convertible into cash; and
 - iii. The Central Bank shall require banks to liquidate any foreign investment to make available foreign currency to the domestic market as required by the Central Bank.



Governor