



THE CENTRAL BANK OF BELIZE

MISSION

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

AML STRATEGY

It is the policy of the Central Bank of Belize (Central Bank) to contribute to the national AML strategy to prevent money laundering, terrorism financing, and financing the proliferation of weapons of mass destruction.

This strategy is a collaborative effort between the Central Bank, other domestic and foreign supervisory authorities, and supervised institutions to actively identify, understand, and assess ML/TF/PF risks in Belize's financial system. Together, risk-based mitigating measures are implemented to align with international standards and best practices. In addition, on-going outreach is undertaken to sensitize stakeholders on AML matters.



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CENTRAL BANK
of BELIZE

ANTI-MONEY LAUNDERING HIGHLIGHTS

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THE RISK-BASED APPROACH

The Financial Action Task Force (FATF) Recommendation 1 (REC.1) requires financial institutions (FIs) to take appropriate steps to identify, assess and understand its money laundering, terrorist financing and proliferation financing (ML/TF/PF) risks to which they are exposed, with the objective of achieving effective risk mitigation.

Based on the assessment, FIs should apply the risk-based approach (RBA) to ensure that anti-money laundering, combating the financing of terrorism and counter-proliferation financing (AML/CFT/CPF) measures are commensurate with risks identified.

IMPLEMENTING A RISK-BASED APPROACH

FIs are required to implement a risk-based approach by:

- ☐ Conducting a risk assessment;
- ☐ Implementing a compliance program to manage risks identified;
- ☐ Monitoring risks on an ongoing basis and verifying that controls are effectively mitigating risks;
- ☐ Determining whether and how to launch new products, services, or technologies.

Read about the requirements for the ML/TF/PF Risk Assessment at this link:
<https://www.centralbank.org.bz>



Source: FATF

RISK ASSESSMENT PROCESS

FIs should consider the following steps in conducting risk assessments not limited to:

- ☐ Identify risk factors that will be assessed to understand your institution's risk exposure. In this step, FIs are to consider analyzing data associated with each risk factor such as customer type, geographic areas, products and services, and delivery channels.
- ☐ Establish risk tolerance levels (e.g. low, medium, high);
- ☐ Conduct analysis and apply risk rating for each risk factor assessed.
- ☐ Manage the risk by establishing and implementing the appropriate AML/CFT/CPF controls.
- ☐ Evaluate the residual risk by determining risks remaining after incorporating mitigation measures.
- ☐ Monitor and review risk on an ongoing basis.

Belize's Technical Compliance Rating

R.1-Assessing Risk & Applying Risk-Based Approach

C-Compliant

Source: Belize's Mutual Evaluation Report 2025

Read about Belize's ratings for REC.1 at this link:
<https://www.centralbank.org.bz>

OBLIGATIONS

FIs are obligated to:

- ☐ Conduct a risk assessment every one to three years to identify, assess and understand ML/TF/PF risks;
- ☐ Ensure risk assessments are documented and kept up-to-date;
- ☐ Develop, document and implement a robust AML/CFT/CPF compliance program;
- ☐ Provide initial and updated risk assessments to the Central Bank upon request.

KEY TAKEAWAYS

FIs are required to:

- ☐ Conduct a risk assessment to identify, assess and understand its ML/TF/PF risks.
- ☐ Establish and implement a risk-based compliance program, incorporating documented policies, controls, and procedures designed to manage and mitigate risks.
- ☐ Ensure risk assessments are kept up-to-date.