

THE CENTRAL BANK OF BELIZE

WELCOMES YOUR INTEREST

IN BANKING IN BELIZE



PROCEDURES FOR OBTAINING AN INTERNATIONAL BANKING LICENCE UNDER THE INTERNATIONAL BANKING ACT

The procedure for establishing an international bank in Belize occurs in five basic steps.

- ◆ introductory meeting;
- ◆ pre-filing meeting;
- ◆ acceptance and processing of the application;
- ◆ recommendation and decision; and
- ◆ organization of the new bank.

The Central Bank favours granting licenses to the branches and subsidiaries of established and reputable banks originating from jurisdictions which supervise banks in compliance with the Basel Core Principles for Effective Banking Supervision.

Applications from parallel-owned banks will not be accepted; that is where a bank in one jurisdiction has the same as or is similar to the ownership as a bank in another jurisdiction and where one is not a subsidiary of another.

*YOUR COMMENTS OR QUESTIONS
REGARDING THE PROCESS OUTLINED
HEREIN SHOULD BE FORWARDED TO
THE CENTRAL BANK OF BELIZE AT THE
ADDRESS STATED BELOW.*

*Central Bank of Belize
P.O. Box 852
Belize City, BELIZE*

*Telephone No.: 501-223-6194/95/96
Facsimile No.: 501-223-6222*

*Produced by: Financial Sector Supervision Dept.
Printed by: CBB Reprographic Centre*

INTRODUCTORY MEETING:

Interested parties are invited to introduce themselves to the Central Bank to discuss the application. The application package is given to the applicant at this meeting.

PRE-FILING MEETING:

The applicant or a representative should contact the Central Bank to schedule a pre-filing meeting. This meeting will provide a forum to clarify any areas of the application and licensing processes that are not fully understood by the organizer (s).

At the pre-filing meeting, a member of the organizing group must be identified as spokesperson to represent the organizer (s) in all subsequent contacts with the Central Bank.

APPLICATION ACCEPTANCE AND PROCESSING:

Upon receipt of the application form together with the personal biographical report and financial statements of the directors, officers and officials of the proposed bank, the Central Bank begins processing the application. Simultaneous with the submission of the documents mentioned above, organizers are expected to provide the following information concerning the proposed bank.

- *details of the types of banking business in which the applicant or applicant group proposes to engage;*
- *basic corporate information including memorandum and articles of association, principal place of business and proposed branch offices, and proposed capitalization;*
- *detailed business plan with pro-forma financial statements for at least three years, the financial information should be consistent with statements contained in the business plan; and*
- *historical financial statements [balance sheet, income statement, statement of cash flows]; historical information should cover at least three prior years of operation, if available.*

The applicant is required to pay a non-refundable application fee of US\$2,500 at the time the application package is submitted to the Central Bank.

Firstly, the Central Bank reviews the package in order to ensure that all the required sections of the application have been completed. If the package is found to be incomplete, then the spokesperson for the proposed bank is informed. Please note that the additions or corrections must be provided before the Central Bank can accept the application. Failure to provide the requested information and to meet the requirements will delay the processing of the application.

Following acceptance of an application, an in-depth review and analysis of the application is conducted by the Central Bank. The processing of an application is carried out in two parts. Under Part 1, the Central Bank carries out its due diligence [personal information submitted on the principals, shareholders and directors, including character reference and police reports are assessed]. Please note that the Central Bank will proceed to Part 2, which is the processing of the application, only if the information provided under Part 1 is satisfactory. The decision to recommend approval or disapproval is based on the prospects for success of the proposed bank. The Central Bank is prepared to further assist in clarifying the procedures and standards that must be met, before approval is granted.

RECOMMENDATION AND DECISION TO APPROVE OR NOT APPROVE A LICENCE:

After reviewing the application, the Central Bank's Management and Directors, decide whether a licence will be issued.

ORGANIZATION OF THE NEW BANK:

If approval is granted by the Central Bank to issue a licence, the organizers are expected to proceed with organizing the new bank on a timely basis and to abide by all relevant laws, regulations and conditions attached to the approval. It is not advisable to organize the bank prior to obtaining the necessary approval.