



PRESS RELEASE

FOR IMMEDIATE RELEASE

Central Bank Clarifies Misinterpretation of Proposed Amendments to the Moneylenders Act

Belize City, 26 August 2025: The Central Bank of Belize wishes to clarify a recent social media post made by a media house that incorrectly suggests that the proposed amendments to the Moneylenders Act and Regulations would increase the maximum interest charged by moneylenders from 48% to 148% per annum. The Central Bank categorically states that this is a gross misinterpretation of the facts and does not accurately reflect the proposed reforms.

On the contrary, the intent of the amendments is to place stricter limits on **the total interest, fees, and charges that moneylenders may impose on borrowers**, and to simplify the disclosure of costs to consumers. The existing law includes multiple limits, which permit moneylenders to charge:

- Up to 48% per annum in interest, as well as
- Up to 16% per month in fees and charges (192% per annum),

which, **when combined, could result in an effective annual cost to borrowers of up to 240% per annum.**

The proposed amendments introduce a consolidated cap on total interest, fees, and charges to **a single rate of 144% per annum, almost half the total allowable limit currently in place.** This single rate enhances transparency for borrowers and brings greater clarity to the cost of borrowing. Plus, moneylenders will be required to provide standardized disclosures that will include a breakdown of interest, fees, charges, total repayment, penalties and annualized percentage rate, among others, prior to loan acceptance. The amendments also provide mechanisms for enforcement actions and penalties against unlicensed and/or non-compliant entities.

The Central Bank reiterates that the proposed amendments are intended to ensure that all moneylenders operate fairly, transparently, and that consumers are protected from excessive and predatory lending practices. The Central Bank remains committed to promoting fair and responsible lending in Belize and will continue to work closely with licensed moneylenders as the consultation process progresses.

The public is advised that the amendments remain in **draft form** and are currently undergoing consultation with licensed moneylenders. The Central Bank further reiterates that there has been no official change to the rate that moneylenders are permitted to charge under the current legislation.

The Central Bank strongly encourages media houses and the public to seek official sources for accurate information.

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