

# NARRATIVE REPORT ON BELIZE



## PART 1: NARRATIVE REPORT

Belize is increasingly marketing itself as a ‘flag of convenience’ providing attractive taxes and fees for international shipping. In 2012 the county announced a new set of [incentives](#) for ship owners to move their registration to the country that came into effect in 2013. Belize is one of the top 15 open maritime [registries](#) in the world. The bulk of large ships are foreign-owned with 50% trading in Asia. West African offshore oil industries such as Nigeria are connected to Belize for oil rigs. For an initial total fee of \$393, vessels, including oil rigs, can be registered in one day to any nationality. For an annual cost of less than \$6000, ships of 10 000 G.T or more can maintain good standing. The ownership of a ship can be registered to a Belize offshore corporation.

The Belize corporate registry provides a number of secrecy services ring fenced for foreign entities. This includes the use of bearer shares, zero disclosure, zero taxes, nominee representatives, and zero requirements for audits, tax returns, or annual accounts to be provided or filed. In addition to the provision of harmful trusts, foundations and other legal vehicle, no company ownership is maintained on official records, and no company details or accounts are publicly available.

In 2013 the government [took control](#) of the International Business Companies Registry (IBCR) and the shipping registry which had been operated by a private company. This followed threats from the EU of trade sanctions after Belize flagged vessels were found to be illegally fishing in EU waters.

The private company which had run the registries, Belize International Services Limited (BISL), had created more than 100 000 companies and was co-owned by UK-billionaire and major Tory party donor Lord Ashcroft via Waterloo Investment Holdings Limited (WIHL) based in the British Virgin Islands (BVI). The other co-owner was Panamanian law firm Morgan & Morgan.

### Read more

- [Full data for Belize](#)
- [Belize on TJN Blog](#)
- [Full Methodology](#)

Rank: 60

Chart 1 - How Secretive?

79  
Secrecy  
Score

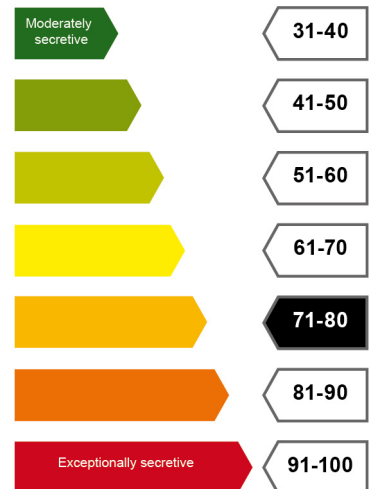
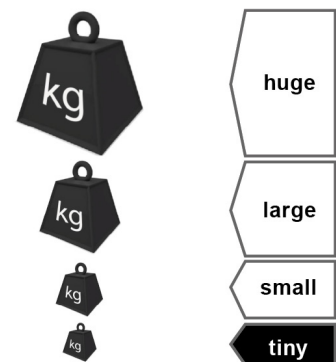


Chart 2 - How Big?



*Belize accounts for less than 0.1 per cent of the global market for offshore financial services, making it a tiny player compared with other secrecy jurisdictions.*

The ranking is based on a combination of its secrecy score and scale weighting.

- Read more
- [Full data](#)
  - [Belize on TJN Blog](#)
  - [Full Methodology](#)

## PART 2: BELIZE'S SECRECY SCORE

### TRANSPARENCY OF BENEFICIAL OWNERSHIP – Belize

- 1 ▶ **Banking Secrecy:** Does the jurisdiction have banking secrecy?  
Belize partly curtails banking secrecy
- 2 ▶ **Trust and Foundations Register:** Is there a public register of trusts/foundations, or are trusts/foundations prevented?  
Belize partly discloses or prevents trusts and private foundations
- 3 ▶ **Recorded Company Ownership:** Does the relevant authority obtain and keep updated details of the beneficial ownership of companies?  
Belize does not maintain company ownership details in official records

### KEY ASPECTS OF CORPORATE TRANSPARENCY REGULATION – Belize

- 4 ▶ **Public Company Ownership:** Does the relevant authority make details of ownership of companies available on public record online for free, or for less than US\$10/€10?  
Belize does not require that company ownership details are publicly available online
- 5 ▶ **Public Company Accounts:** Does the relevant authority require that company accounts are made available for inspection by anyone for free, or for less than US\$10/€10?  
Belize does not require that company accounts be available on public record
- 6 ▶ **Country-by-Country Reporting:** Are all companies required to publish country-by-country financial reports?  
Belize does not require public country-by-country financial reporting by companies

### EFFICIENCY OF TAX AND FINANCIAL REGULATION – Belize

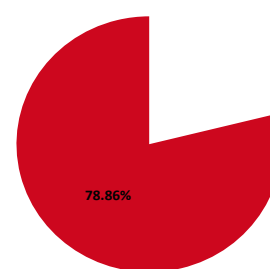
- 7 ▶ **Fit for Information Exchange:** Are resident paying agents required to report to the domestic tax administration information on payments to non-residents?  
Belize does not require resident paying agents to tell the domestic tax authorities about payments to non-residents
- 8 ▶ **Efficiency of Tax Administration:** Does the tax administration use taxpayer identifiers for analysing information efficiently, and is there a large taxpayer unit?  
Belize does not use appropriate tools for efficiently analysing tax related information
- 9 ▶ **Avoids Promoting Tax Evasion:** Does the jurisdiction grant unilateral tax credits for foreign tax payments?  
Belize does not avoid promoting tax evasion via a tax credit system
- 10 ▶ **Harmful Legal Vehicles:** Does the jurisdiction allow cell companies and trusts with flee clauses?  
Belize does allow harmful legal vehicles

### INTERNATIONAL STANDARDS AND COOPERATION – Belize

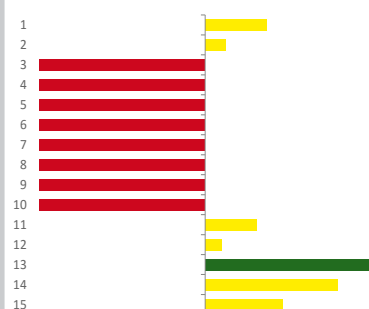
- 11 ▶ **Anti-Money Laundering:** Does the jurisdiction comply with the FATF recommendations?  
Belize partly complies with international anti-money laundering standards
- 12 ▶ **Automatic Information Exchange:** Does the jurisdiction participate fully in multilateral Automatic Information Exchange via the Common Reporting Standard?  
Belize partly participates in Automatic Information Exchange
- 13 ▶ **Bilateral Treaties:** Does the jurisdiction have at least 53 bilateral treaties providing for information exchange upon request, or is it part of the European Council/OECD convention?  
As of 31 May, 2015, Belize had at least 53 bilateral tax information sharing agreements complying with basic OECD requirements
- 14 ▶ **International Transparency Commitments:** Has the jurisdiction ratified the five most relevant international treaties relating to financial transparency?  
Belize has ratified less than five of the most relevant international treaties relating to financial transparency
- 15 ▶ **International Judicial Cooperation:** Does the jurisdiction cooperate with other states on money laundering and other criminal issues?  
Belize partly cooperates with other states on money laundering and other criminal issues

## Secrecy Score

Belize - Secrecy Score



Belize KFSI-Assessment



### Notes and Sources

The ranking is based on a combination of its secrecy score and scale weighting (click [here](#) to see our full methodology).

The secrecy score of 79 per cent for Belize has been computed by assessing its performance on 15 Key Financial Secrecy Indicators (KFSI), listed on the left. Each KFSI is explained in more detail, [here](#).

Green indicates full compliance on the relevant indicator, meaning least secrecy; red indicates non-compliance (most secrecy); and yellow indicates partial compliance.

This paper draws on data sources including regulatory reports, legislation, regulation and news available as of 31.12.2014 (with the exception of KFSI 13 for which the cut-off date is 31.05.2015).

Full data on Belize is available here: <http://www.financialsecrecyindex.com/database/menu.xml>

All background data for all countries can be found on the Financial Secrecy Index website: <http://www.financialsecrecyindex.com>