



## 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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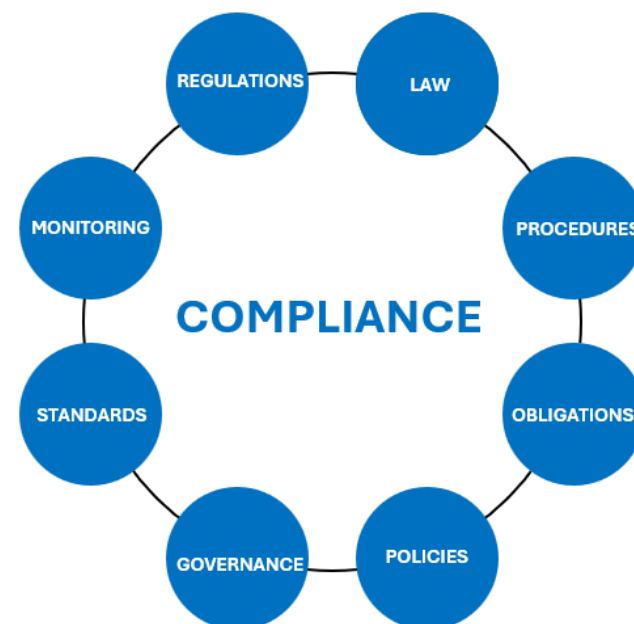
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# ANTI-MONEY LAUNDERING HIGHLIGHTS

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## COUNTERING CORRUPTION AND BRIBERY

Corruption is defined by the Financial Action Task Force (FATF) as the use of public office for private gain.

Bribery is a form of corruption which involves a person intentionally offering, promising or giving an undue advantage to an official or decision maker, with the intention that the official or decision maker acts or refrains from acting in relation to the performance of their duties (Organization for Economic Cooperation and Development, 2013).

The offences of corruption and bribery were assessed during the 2019 National Risk Assessment exercise as having a medium-high level of money laundering threat to financial institutions (FI) in Belize.

### INSIGHTS FOR DEVELOPING AN ANTI-CORRUPTION CULTURE

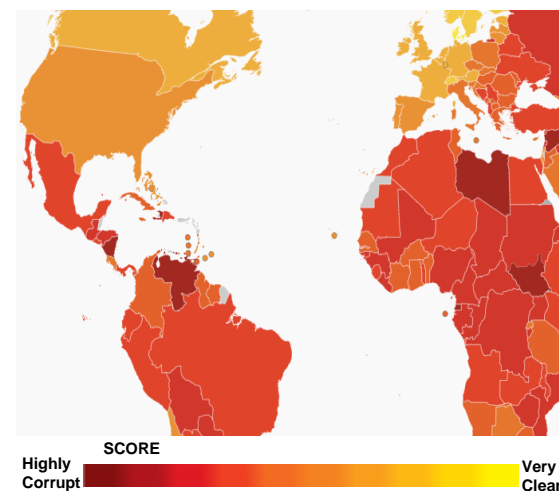
- ❑ Corruption in FIs can occur by direct and indirect actions of employees and clients.
- ❑ Pre-employment screening of employees helps to prevent corrupt persons from infiltrating the institution (FATF, 2010).
- ❑ FIs non-tolerance for corruption and bribery can be achieved, in part, by prohibiting employees and officers from becoming involved in corrupt practices while carrying out business activities (The Wolfsberg Group, 2023).



FI's must incorporate effective tools for fighting corruption and bribery into their compliance program. Such Anti-Money Laundering, Combating the Financing of Terrorism, and Counter-Proliferation Financing measures include:

- ❑ Verifying the identity of both natural and legal customers. This precaution hinders corrupt persons from conducting business anonymously and hiding their business relationships and transactions behind other people, corporate structures, or complex legal arrangements (FATF, 2010).
- ❑ Implementing internal controls and audit functions to ensure compliance with AML/CFT measures and detect transactions conducted or attempted by corrupt persons (FATF, 2010).
- ❑ Filing a suspicious transaction report (STR) with the Financial Intelligence Unit (FIU) when a transaction is suspicious. Some red flags for corruption and bribery activities include:
  - A payment made to any person residing in a country known for widespread corrupt activities;
  - A transaction where either the purpose of the transaction, origin or destination of funds is unclear; and
  - A transaction which is inconsistent with the FI's knowledge of the customer.

## CORRUPTION PERCEPTION INDEX



Source: *Transparency International*

### KEY TAKEAWAYS:

- ❑ FIs can experience corruption as a result of actions by employees and clients.
- ❑ Pre-employment screening and a no tolerance corruption policy fosters an institutional culture of anti-corruption.
- ❑ Verifying customers' identities, internal controls and an independent audit function can assist FIs to counter corruption and bribery.
- ❑ FIs are obligated to flag corruption and bribery incidences and report such suspicious activity to the FIU as per section 17 (4) (b) of the Money Laundering and Terrorism (Prevention) Act.