



FOR IMMEDIATE RELEASE

**Central Bank Governor Addresses Economic Development and Strategic Initiatives
to Support Belize's Financial Stability**

Belize City, 27 November 2024: The Central Bank of Belize Governor, Kareem Michael, hosted a press briefing today titled "*Central Bank and the Economy.*" The briefing provided key insights into trends impacting the economy and highlighted the Central Bank's efforts to strengthen economic resilience.

Despite global economic uncertainties, the Belizean economy has proven itself resilient, Michael stated. The economy has fully recovered since the onset of the pandemic and additional external shocks. The Central Bank projects that Belize's economy will grow 7.1% in 2024, an annual growth that outpaces the IMF's projected 2024 growth rates. Along with real GDP growth, inflation is trending downward and is expected to continue to do so in 2025.

Governor Michael also discussed domestic bank fees and charges, emphasising that the Central Bank's push for an inclusive fee structure is still unfolding. On the external sector, foreign assets in the banking system stand at \$1.9bn, and the pool of foreign exchange held by domestic banks total \$0.9bn, the highest it has ever been on record.

Speaking on the Central Bank's strategic initiatives, Governor Michael announced that as of January 2025, the Central Bank will be adjusting the foreign exchange limits for travel facilities to US\$10,000 for all travel types—a component of larger efforts to modernise the exchange control system. Michael also spoke on a two-pronged approach being undertaken to bolster credit union resilience: (1) redrafting outdated credit union legislation and (2) liquidating 19 defunct credit unions. "By building credit union resilience and fostering a balanced regulatory environment, we are enabling credit unions to offer more competitive products and to grow sustainably," stated Michael.

Governor Michael concluded his presentation with two significant announcements: the establishment of a credit reporting system in Belize, which promises to expand access to finance and promote financial inclusion, allowing borrowers to build reputational collateral through credit history; and the unveiling of new designs for Belize's family of currency banknotes in January 2025. Michael emphasised that design does not equal value; the value of the Belize dollar remains the same, with the rate of exchange being BZ\$2 to US\$1. "The new notes will have advanced security features to make them more secure against counterfeiting, while celebrating the legacy and heritage of Belize," Michael noted.

The Central Bank's press briefings are a part of its commitment to transparency and to promoting the stability and security of the financial system for the wellbeing of all Belizeans.

- ENDS -