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PRESS RELEASE

Statement on “The Pandora Papers”

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The Government of Belize (GOB), after reviewing releases from the International Consortium of Investigative Journalists (ICIJ) described as the “Pandora Papers”, makes the following statements.

1. Over 30 years ago, Belize, like many other countries including the United States of America and others in Europe, Asia, Central America, and the Caribbean, established an international financial services (IFS) industry that conducts business with foreign persons and businesses. Caribbean countries and territories like the Bahamas, Barbados, Belize, Bermuda, the British Virgin Islands, the Cayman Islands, St. Kitts & Nevis, St. Lucia, and Anguilla, to name some, did so as a means of diversifying their narrow economic bases and to attract US dollars in the face of vanishing economic aid and preferential markets for their agricultural commodities. In Belize, the industry represents a \$50 million annual contribution to Belize’s GDP, the equivalent of a US\$300 billion sector in the USA, and employs hundreds of highly skilled persons.
2. Belize’s international financial services industry is a legitimate and viable industry, and the Government of Belize does not countenance and will not permit the use of the industry to engage in money laundering, terrorism financing, corruption or any form of criminal or unlawful activity, whether in Belize or elsewhere.
3. The reports of ICIJ about Belize, however, tends to create the impression and impute that there is something illegal or nefarious

about the industry and practitioners in Belize who offer international financial services. The following points should be noted:

- The IFS industry and its financial tools were created by developed countries and introduced into our countries.
- Although the ‘Pandora Papers’ characterize Belize as an “opaque jurisdiction” and “secretive tax haven”, the industry in Belize is in fact transparent, heavily regulated and underpinned by various pieces of legislation approved by a sovereign, democratic parliament and easily accessible online by the world.
- In support of the regulatory framework, Belize has acceded to numerous key international treaties and otherwise introduced international standards-based laws in relation to money laundering prevention, combating terrorism financing, tax information exchange, mutual legal assistance, extradition, mutual administrative assistance in tax matters, prevention of base erosion and profit shifting, and economic substance. In fact, Belize is among the nearly 140 countries that joined the OECD/G20 inclusive framework for international tax reform highlighted in the international media today.
- Regulatory authorities providing oversight of the sector include the Financial Intelligence Unit, the International Financial Services Commission, and the Central Bank of Belize, all independent, well-funded and empowered bodies, that meet international standards.
- Accordingly, practitioners within the IFS sector are subject to extensive due diligence prior to licensure as well as ongoing monitoring and auditing by the regulatory authorities in the conduct of their respective businesses.
- The tools of the industry are equally well-known to governments and regulators the world over. If Belize had

enacted any laws or promoted behaviour odious to the international community of nations or engaged in illegal practices harmful to foreign nations, Belize, as a tiny nation state would have long faced severe sanctions, especially from OECD countries.

- In the distant past, when it was felt that Belize's regulations were not sufficiently transparent or robust, Belize, like several other IFS jurisdictions, came under scrutiny and pressure from global powers to become more tax transparent. We did so fully and without delay as a cooperative and transparent jurisdiction. Belize met the deadline set by the OECD's Forum on Harmful Tax Practices to remove tax features perceived as "harmful" from its IBC Regime and was assessed as compliant in January 2019 and later removed from the EU's so-called Blacklist that same year.
 - Belize very plainly plays by the international rules and complies with the standards set internationally and therefore rejects any suggestion by the ICIJ or any other party within or outside Belize of being anything but a reliable, responsible, and cooperative state among the international community of nations.
4. Belize remains committed to maintaining a transparent, internationally compliant international financial services industry that adheres to local laws and regulations and international best practices and ethical standards. Where service providers fall afoul of these laws and standards, then the relevant authorities in Belize are fully empowered and obliged to fully enforce the applicable laws in pursuit of any and all rule breakers.
 5. Belize places its reputation, high standards and the rule of law above all else.

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