



Beneficial Ownership & Belize: Policy Needs & Opportunities



WHAT IS BENEFICIAL OWNERSHIP?

The “beneficial owner” is the individual or individuals that truly control and economically benefit from a company. When beneficial ownership (BO) information is not available or inaccurate, it allows companies to be used as vehicles for illicit activity.

WHY IS IT IMPORTANT TO COLLECT THIS INFORMATION?



To combat tax evasion, corruption, money laundering, shell companies, and terrorism financing



To provide greater financial and fiscal transparency



To help law enforcement with investigations



To meet international standards and best practices

CASE STUDIES: BENEFICIAL OWNERSHIP IN BELIZE

Unknown Owners a Gamble: From 2009 until early 2023, Brad’s Gaming Group Ltd. (BGGL) held an exclusive license from the Belizean government to run the government boledo and lottery games. A previous search at the Belize Companies and Corporate Affairs Registry revealed that BGGL is majority owned (60 percent) by Good Lee Limited, an offshore company registered in St. Lucia, with the remaining 40 percent owned by Kim Y. Chee, the owner of Brad’s Store, however information released by the government in January 2023 also shows Countach Technologies Ltd, registered in Grand Cayman, as a shareholder. The beneficial owner(s) of Good Lee Ltd, is unknown, and three of its directors are companies registered in St. Lucia and Dominica; neither jurisdiction has publicly available information on beneficial owners. Because the beneficial owner(s) of BGGL is unknown, the Belizean government never truly knew with whom they were doing business, presenting the potential for fraud as well as conflicts of interest.¹

Fraud Scheme with Shell Companies: In May 2016, Robert Bandfield, a U.S. citizen and resident of Belize, pleaded guilty to money laundering conspiracy for setting up fraudulent shell companies and brokerage firms in Belize and the West Indies. Bandfield and his corrupt clients fraudulently manipulated the stocks of dozens of U.S. publicly traded companies. The structure was designed to conceal the clients’ ownership interest in the stock of U.S. public companies that enabled the corrupt investors to engage in trading under the nominee’s names through brokerage firms.²

1 See [“In Opposition, Briceno Complained About Company Secrecy,”](#) [“P.M. Briceno Lays into Former Prime Minister Barrow Over Boledo Contract,”](#) and [“GOB revokes Brad’s license, company seeks payout.”](#)

2 See [“Architect Of Offshore Fraud Haven And Orchestrator Of More Than 40 Pump And Dump Schemes Sentenced To 6 And 12 Years In Prison, Respectively, For Executing A \\$250 Million Money Laundering Scheme.”](#)



Trusts and Shell Companies: Belize allows individuals and corporations to establish trusts and anonymous companies to protect their wealth and legally reduce their tax liabilities. However, the opacity within this system has attracted unsavory characters. A financial and corporate services firm in Belize served as a “one-stop shop for American clients” including a convicted murderer, a fraudster, and a sex offender. According to research by the *Washington Post* and the International Consortium of Investigative Journalists, documents identified as part of the Pandora Papers “expose how a prolific offshore operator in Belize served suspect American clients by setting up trusts and shell companies. The records also underscore the challenges faced by government investigators probing cases of fraud, tax evasion and corruption.”³

WHAT IS THE CURRENT STATUS OF BO IN BELIZE?

Belize has an official definition for a “beneficial owner” in the Money Laundering and Terrorism (Prevention) Act. Companies must maintain a list (“register”) of those individuals who own or control 10 percent or more of the entity. This register must be kept at a company’s registered office and/or with their registered agent. Currently, companies are not required to report BO information to the government, and there is no central BO registry in Belize. The government requires financial entities, securities dealers, life insurance companies, brokers or independent agents, and money services businesses to obtain BO information from their clients. However, this information is also not automatically reported to the government.

POLICY SOLUTIONS

Recommendations for the adoption and implementation of a BO registry in Belize:

- Pass a law requiring legal persons and arrangements to declare their ultimate beneficial owner(s) to the government and create a central beneficial ownership registry.
- Make this information easily accessible to all relevant government agencies as well as the public.
- Establish and impose effective penalties for failure to provide accurate and updated beneficial ownership.
- Look for opportunities to implement progressive best practice in beneficial ownership transparency across technical, legislative, regulatory, and administrative areas. This can include implementing beneficial ownership transparency into areas such as government procurement and contracts.
- Work in partnership with all stakeholders, including the private sector, civil society and the media.

Important elements to consider:

- How will the beneficial ownership information be stored? Can it be incorporated into the existing Online Business Registry System?
- Which government agency will be responsible for maintaining this information?
- What type of legal persons and arrangements will be covered by the law?
- What information will be required, i.e., full name, date of birth, address, personal identification number, etc.?
- What mechanisms will be used to accurately verify and update this information?
- How often will the information be updated?
- Will the information be publicly accessible, or only accessible to government agencies?

3 See [“Rogue Americans shielded money offshore, eluding victims and criminal investigators.”](#)