

Belize: Selected Issues and Statistical Appendix

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BELIZE

Selected Issues and Statistical Appendix

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Approved by the Western Hemisphere Department

March 10, 2004

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Belize: Basic Data

I. Social and Demographic Indicators

Area (sq. km)	22,960	Access to safe water (most recent year)	
Arable land (percent of land area, 1996)	3	Percent of population	
		Urban (1999)	100.0
Population (most recent year)		Rural (1999)	69.0
Total (in thousands, end-2003)	258	Education (most recent year)	
Annual rate of growth, recent period (percent a year, 2000)	4.2	Adult literacy rate, in percent (1998)	75.5
Density (per sq. km., 2003)	11.2	Gross enrollment rates, in percent	
GDP per capita in US\$ (2001)	3,520	Primary education (1994)	121
		Secondary education (1994)	49
Population characteristics (most recent year)		Tertiary education (1996)	1
Life expectancy at birth (in years, 2000)	74	GDP (millions of Belize dollars, 2001)	1,747.6
Crude birth rate (per thousand, 1997)	32	GDP (millions of U.S. dollars, 2001)	873.8
Crude death rate (per thousand, 1997)	5		
Infant mortality (per thousand live births, 2000)	30.8		
Under 5 mortality rate (per thousand, 2000)	37.6		
Health (most recent year)			
Population per physician (1998)	1,538		
Population per hospital bed (1998)	435		
Population per nurse (1998)	592		

II. Economic Indicators, 1998–2002

	1998	1999	2000	2001	2002
(In percent of GDP)					
Origin of GDP					
Agriculture, fishing and mining	15.4	15.7	15.6	14.9	14.5
Secondary Activities	16.1	16.1	17.9	16.9	16.5
Services	58.0	57.6	56.7	58.3	59.8
Other	10.5	10.6	9.8	9.8	9.2
(Annual percentage changes, unless otherwise indicated)					
National accounts and prices					
Real GDP	3.7	8.7	12.1	4.9	4.3
Real GDP per capita	-0.6	8.7	7.6	2.8	2.2
GDP deflator	1.6	-2.3	1.2	-0.5	2.5
Consumer price index (period average)	-0.8	-1.2	0.6	1.2	2.3
Consumer price index (end of period)	-0.9	-1.0	0.7	0.9	3.2
Unemployment rate (in percent)	n.a.	12.8	11.1	9.3	...
(Ratios to GDP)					
Gross domestic investment	19.0	24.5	29.6	24.8	23.9
<i>Of which:</i> public investment	12.1	12.9	14.6	14.9	12.8
Gross national savings	13.0	14.8	10.9	6.8	6.7
External savings	6.0	9.7	18.7	18.0	17.2
Private consumption	71.4	73.6	79.3	80.8	77.4
Public consumption	14.0	14.1	12.7	13.0	12.7
Public finances (fiscal year, beginning April)					
Central government					
Total revenue	24.1	22.5	22.3	24.7	22.8
Total expenditure	27.9	31.1	31.3	34.3	31.7
<i>Of which:</i> interest	1.9	2.0	2.4	3.0	3.9
Current savings	2.3	1.3	2.6	3.6	2.3
Overall balance	-4.1	-5.6	-9.7	-9.8	-9.6
Central government borrowing requirement	4.1	5.6	6.2	9.5	7.1
Nonfinancial public sector					
Overall balance	-9.6	-9.3	-9.4	-6.7	-2.3
Public sector borrowing requirement	6.1	9.0	6.9	6.5	1.5

Belize: Basic Data

II. Economic Indicators, 1998–2002

	1998	1999	2000	2001	2002
(12-month percentage changes, unless otherwise indicated)					
Money and credit 1/					
Liabilities to private sector	8.4	12.6	15.6	9.3	3.2
Of which: money and quasi money	8.3	10.8	15.3	7.6	0.2
Quasi money	6.6	8.0	10.3	4.6	2.3
Net domestic assets of the banking system 2/	13.1	4.0	22.0	24.8	-7.7
Of which					
Credit to the public sector (net)	4.4	-6.8	-5.9	7.1	-19.8
Credit to the private sector	10.4	7.4	22.3	16.5	18.6
Money and quasi-money	8.3	10.8	15.3	7.6	0.2
Average lending rate (in percent)	16.5	16.3	16.0	15.4	15.2
(In millions of U.S. dollars, unless otherwise indicated)					
Balance of payments 3/					
Current account	-41.4	-71.1	-155.4	-156.5	-159.8
Merchandise trade balance	-132.6	-101.3	-170.1	-186.7	-190.9
Exports	194.4	264.8	291.5	273.8	307.0
Imports	-327.0	-366.1	-461.6	-460.5	-497.9
Services and transfers (net)	84.4	32.8	17.3	38.4	52.8
Of which: public sector interest payments	-13.2	-16.6	-27.8	-43.8	-54.3
Capital and financial account	28.1	98.4	207.1	146.0	160.3
Direct investment and portfolio	13.5	32.4	23.3	23.4	24.8
Other capital (net)	7.3	30.9	3.7	15.7	65.0
Other private 4/	7.4	35.1	180.0	106.9	70.5
Change in net international reserves (- increase)	13.3	-27.3	-51.7	10.5	-0.5
Exports (in percent of GDP)	30.6	35.4	35.1	33.2	34.4
Imports (in percent of GDP)	-51.5	-49.0	-55.6	-55.9	-55.9
Current account (in percent of GDP)	-6.0	-9.7	-18.7	-18.0	-17.2
Merchandise exports (in US\$, annual percentage change)	...	...	5.8	-0.7	12.1
Merchandise imports (in US\$, annual percentage change)	...	...	38.3	-1.2	8.1
Terms of trade (annual percentage change)	-2.7	3.8	-6.6	4.0	0.8
Real effective exchange rate (12-month percentage change) 5/	-0.3	-2.5	1.4	1.9	-0.7
International reserve position and external debt					
Gross official reserves	37.2	64.2	114.7	104.2	106.2
(in months of imports)	n.a.	0.4	0.2	0.3	1.7
Available gross official reserves 6/	37.2	14.7	11.5	16.0	90.5
Net official reserves	35.0	62.2	113.9	102.8	103.3
Outstanding external debt, in percent of GDP 7/	31.8	48.2	65.6	75.6	86.2
Total debt service ratio (in percent of exports of GNFS) 8/	6.9	5.7	8.3	10.8	20.1
IMF data (August 16, 2002)					
Membership status:					Article VIII
Intervention currency and rate					U.S. dollar at BZ\$2.00 per U.S. dollar
Quota					SDR 18.8 million
Fund holdings of Belizean dollars					SDR 14.6 million
(as percent of quota)					77.5 percent
Outstanding purchases and loans					none
SDR department					
Net cumulative allocation					none
Holdings					SDR 1.56 million

Sources: Belize Central Bank; Central Statistical Office; Ministry of Finance; and Fund staff estimates and projections.

1/ Includes banking system only.

2/ Annual changes, as percent of liabilities to private sector at the beginning of period.

3/ Change in balance of payments methodology starting in 1999.

4/ Includes errors and omissions.

5/ Net of CBB collateral deposits in creditor banks.

6/ End of period. An increase (decrease) indicates appreciation (depreciation).

7/ Public debt and publicly guaranteed debt.

8/ Central government external debt.

I. THE FOREIGN EXCHANGE SYSTEM IN BELIZE¹

A. Parallel Market Exchange Rate

1. In May 1976, Belize broke its long-standing link to the British pound and pegged the Belizean dollar to the U.S. dollar at the rate of BZ\$2 to US\$1. This change followed the breakdown of the Bretton Woods exchange rate system in the 1970s, and reflected a recognition of the growing importance of trade relations with the United States.
2. Nonetheless, as in many other countries operating under fixed pegs (see e.g., Kiguel et al., 1997), an illegal parallel market for foreign exchange also appeared in Belize. In the case of Belize, its emergence and continued existence can be attributed to the pervasive exchange controls (mainly surrender requirements for export proceeds and current and capital account controls), attempts to avoid banking fees, as well as the prevalence of cash transactions in the tourist sector. More fundamentally, pressures on the balance of payments, fueled by large fiscal deficits in recent years, caused the exchange rate spread to widen and created additional incentives for export proceeds to move to the parallel market.
3. We can distinguish four major periods in the development of the parallel exchange rate in Belize after the parity change in 1976 (Figure 1).

The parallel rate before 1982

4. During the 1976–81 period, political uncertainties related to the long-standing territorial dispute with Guatemala began to dissipate, especially in 1979, when the prospect of a military conflict with Guatemala faded and independence drew near. As a consequence, the demand for U.S. dollars as a safe haven eased the supply of foreign exchange from both the revived tourism industry and official transfers increased (Figure 2), and the premium in the parallel market narrowed. However, fiscal deficits rose from 0.7 percent of GDP in 1978 to 2.8 percent in 1982, reflecting import demand (Figure 3). The current account balance deteriorated turned from a surplus of 0.7 percent of GDP in 1978 to a deficit of 2.4 percent of GDP in 1981, pressuring the currency in the parallel market in the subsequent period.

Depreciation of the parallel rate between 1982–87

5. In 1982, Belize's trade competitiveness declined sharply due to the devaluation of the Mexican peso by 73 percent vis-à-vis the US dollar and a sharp fall in international prices for Belize's main export commodities. This led to a 20 percent drop in export values in 1982, while the external current account deficit increased to 10.3 percent of GDP. As a result of the trade shock, the parallel rate depreciated by 13 percent. Although the current account position improved slightly in the two following years, with the deficit narrowing to 1.9 percent of

¹ Prepared by Emilia Jurzyk.

GDP, capital inflows and net international reserves fell by over US\$12 million during 1982–84. This contributed to a depreciation of the parallel rate by BZ\$3.13 per US\$1 by end-1984, resulting in a spread of 57 percent.

6. The devaluation of the Mexican peso and the authorities' policy response to the exogenous shock also had a significant impact on the fiscal balance in Belize (Figures 4 and 5). As imports moved away from official channels, import taxes and transshipment fees fell sharply, while the government did not succeed in containing expenditure (mainly due to an increase in transfers to the Electricity Board, which could not cover its costs for the imports of fuel from Mexico). As a result, the fiscal deficit increased to 7.2 percent of GDP in 1982, while public and publicly guaranteed debt rose to 32.1 percent of GDP. Although the authorities managed to reduce the fiscal deficit to 5.2 percent of GDP in 1983, this was not sufficient to reverse the debt dynamics or reduce the foreign borrowing requirement, threatening the sustainability of the fixed peg and making further and sharper adjustment policies unavoidable.

7. In 1984, the government implemented measures to strengthen the public finances and shore up the balance of payments with the support of an IMF standby agreement. A major tax package, implemented in mid-1984, included increases in taxes on beverages, stamp taxes, as well as a new tax on foreign exchange transactions. On the expenditure side, the government committed itself to reducing current expenditure by about 1.5 percent of GDP. The decrease in the fiscal imbalance and the return to an external current account surplus reversed the depreciation of the parallel rate and helped prevent the collapse of the exchange rate regime.²

Appreciation and stability of the parallel rate between 1988–95

8. Over the 1988–1995 period, the parallel premium narrowed further, notwithstanding a deterioration in the external current account and expansionary fiscal and monetary policies, due to substantial sales of foreign exchange by the central bank (Figures 4 and 6). The fiscal position began to deteriorate in 1991 and the fiscal deficit reached 7.7 percent of GDP in 1992. Although remedial revenue and expenditure measures were taken, which brought the deficit back to 2.8 percent of GDP in 1995, the growth of public debt remained significant. During the period, substantial sales of foreign exchange by the central bank helped to contain the parallel market spread at around 5 percent, but at the cost of falling international reserves.

² The adjustment in demand policies led to a decline in the parallel premium from 67 percent in 1987 to 24 percent in 1988. Fiscal adjustment resulted in a budget surplus of 9 percent of GDP and a reduction of public debt to 39 percent of GDP by 1988. Moreover, a sharp improvement in tourist receipts and large FDI inflows in the areas of telecom-munication, agriculture, and tourism contributed to the increase in the supply of foreign exchange.

Stability and depreciation between 1995–2001

9. After 1995, the fiscal position of the government deteriorated again. The new government, which came to power in 1999, decided to boost growth through further expansionary fiscal and monetary policies. Fueled by public sector demand and the demand impact of the lending activities of the DFC, imports increased sharply and central bank reserves fell. The central bank was forced to ration foreign exchange, making foreign exchange available only for importers of essential goods and services. As a result, the amount of transactions conducted outside of official channels increased and the parallel rate started depreciating. To prevent a rapid collapse of the currency peg, the authorities began to borrow heavily abroad to finance the increased spending and the associated increase in import demand. Public and publicly guaranteed debt increased from 51 percent of GDP at end-1999 to 88 percent at end-2001.

B. Transaction Volume in the Parallel Market

10. To assess the importance of the parallel market in Belize, we estimated the volume of transactions taking place outside of the official channels between 1990 and 2001. To do so, we compared the volume of foreign exchange transactions reported by the commercial banks with the amounts of inflows and outflows of foreign currency recorded in the balance of payments (Figure 7).³

11. In general, the volume of transactions in the parallel market declined in the first half of the 1990s, and rose in the following years. Volumes fell from around 50 percent of GDP in the early 1990s to around 5 percent of GDP by the middle of the decade, before rising again to around 20 percent of GDP. The decline was related to the central bank's sales of foreign exchange in the official market, which were aimed at preserving the fixed peg and in the light of the government's expansionary fiscal policy. In the second half of the 1990s, as the shortages of foreign exchange became more pronounced, both the parallel market premium and the volume of transactions increased (Figure 8).

C. Foreign Exchange Houses

12. In 2002, in an attempt to recapture parallel market transactions within official channels, the government allowed the establishment of 11 foreign exchange houses (*cambios*). These are allowed to buy and sell foreign currency from the tourist industry at a rate different from the official one, with certain restrictions applying to both the exchange rate and the volume of transactions.⁴ Their very existence, however, constitutes a partial

³ The difference between data is related mainly to the fact that foreign exchange transactions are recorded by the banking system while exports and imports are recorded by customs.

⁴ *Cambios* cannot trade at a rate of more than BZ\$2.15/US\$ or buy or sell in one transaction or in related transactions more than US\$10,000 a day.

abandonment of the fixed peg regime and the introduction of a multiple currency practice. In addition, this step was widely perceived as a decriminalization of the parallel market. This led to an increase in the transparency of the parallel market transactions and to the integration of the wide number of informal and disconnected parallel foreign exchange markets that existed until that time. This happened despite the fact that the volume of transactions officially registered by the *cambios* remained very small.

13. The introduction of a multiple currency practice raises a number of concerns. Exchange rate regimes where a legal or decriminalized parallel market exists alongside of the official market tend to encourage fraudulent behavior and the prevention of illegal shifting of funds between the two markets and, require costly monitoring by the authorities (Agenor and Flood, 1992; Kiguel and O'Connell, 1995). Moreover, these systems create incentive for rent-seeking, as various interest groups are likely to pressure the authorities to secure access to foreign exchange at the official (i.e., pegged) rate. Since the parallel rate is usually more depreciated than the official one, a dual regime is also likely to harm exporters that have to sell the export proceeds at the official rate while benefiting importers with access to the foreign exchange at the official rate. Exporters are otherwise likely to divert the foreign exchange to the parallel market, either directly by selling to importers or foreign exchange intermediaries, or by introducing special banking fees.

Figure 1. Parallel Premium, 1976-2001
(In percent over the official exchange rate)

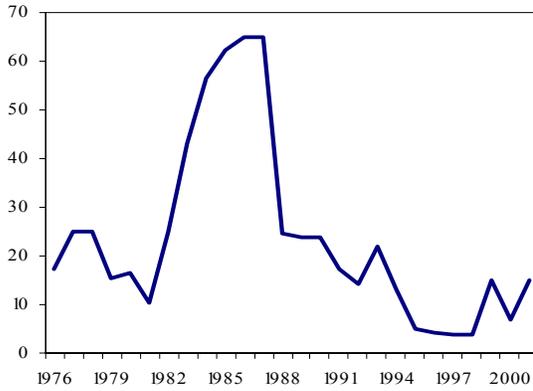


Figure 2. Tourism Receipts and Official Transfers, 1978-2001
(In US\$ millions)

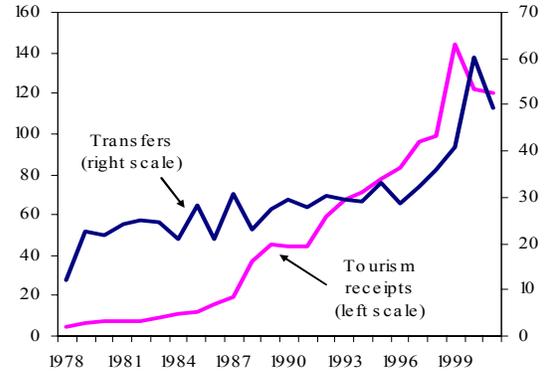


Figure 3. Trade Statistics, 1978-2001
(In percent of GDP)

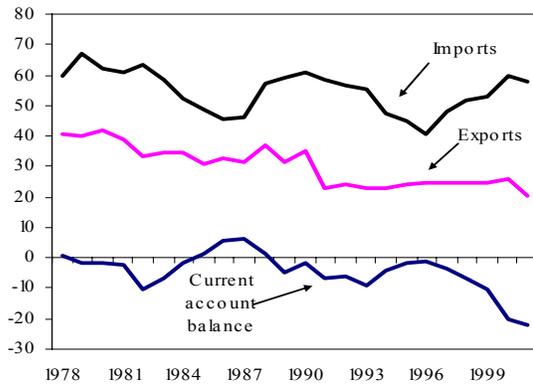


Figure 4. Central Government Revenue, Expenditure, and Balance, 1978-2002
(In percent of GDP)

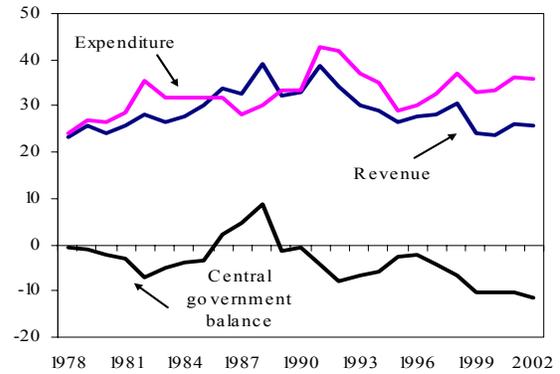


Figure 5. Public and Publicly Guaranteed Debt, 1978-2002
(In percent of GDP)

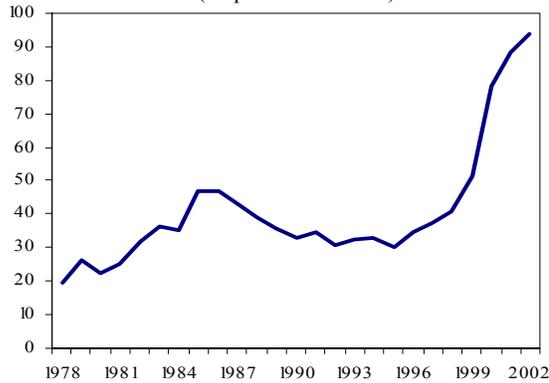
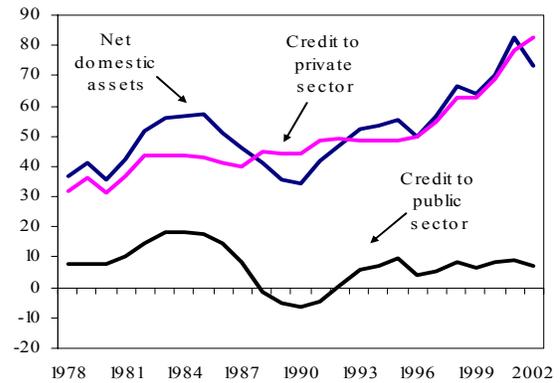


Figure 6. Monetary Indicators, 1978-2002
(In percent of GDP)



Sources: International Currency Analysis, Inc., World Currency Yearbook; and IMF Recent Economic Development (various issues).

Figure 7. Volume of Transactions in the Parallel Market, 1990-2001
(In US\$ millions)

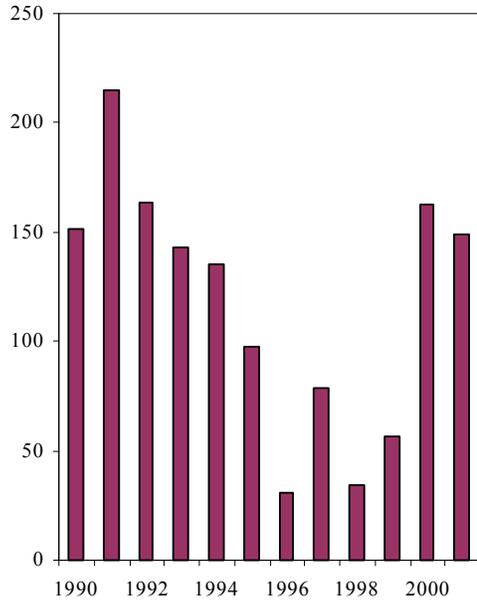


Figure 8. Volume of Transactions in the Parallel Market vs. Parallel Premium, 1990-2001

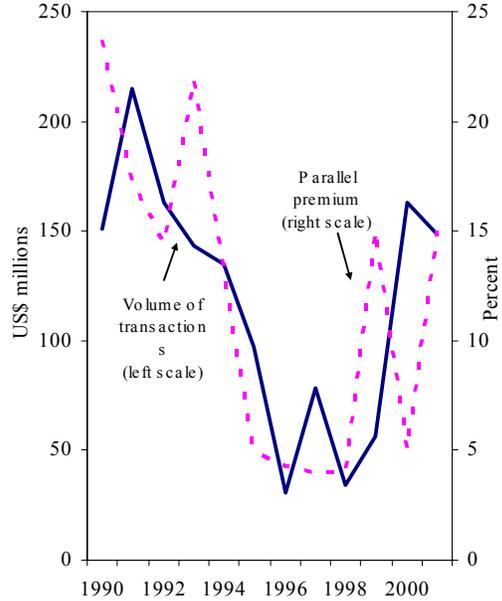


Figure 9. Relative Volume of Transactions in the Parallel Market and the Parallel Premium, 1990-2001

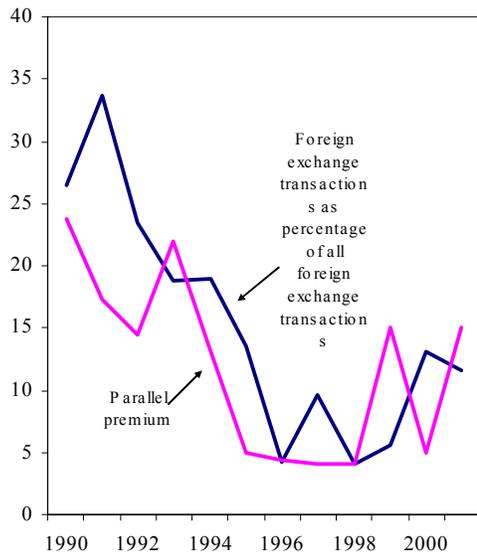
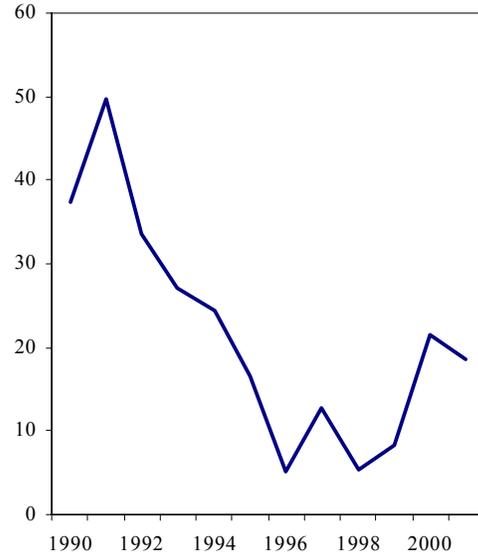


Figure 10. Volume of Transactions in the Parallel Market, 1990-2001
(In percent of GDP)



Sources: Central Bank of Belize; IMF Recent Economic Developments (various issues); International Currency Analysis, Inc., World Currency Yearbook; and author's and Fund staff estimates.

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II. THE FINANCIAL SYSTEM IN BELIZE⁵

A. Overview

14. **This chapter provides a brief overview of the financial system in Belize and reviews some of the key challenges facing the sector.**⁶ Overall, the system does not appear to face serious systemic risks: the banking system is well capitalized and, while the insurance sector, is exposed to natural catastrophes (hurricanes), it has been able to pass most of this risk offshore through reinsurance. Nonetheless, there remain challenges going forward:

- The supervisory regime in Belize is diffuse, with a large number of agencies having responsibility for sub-sectors, and supervisory agencies face difficulties in retaining qualified staff. In addition, the bank and insurance supervisors enjoy little operational independence.
- Prudential supervision is uneven, and systemically important sub-sectors in the system—e.g., a large public sector bank, building societies and credit unions—receive little supervision.
- The banking sector is relatively concentrated, and the small size of the economy means that banks have large single exposures.

15. **Encouragingly, steps have been taken to address a number of these issues.** Legislative measures are underway to update the provisions for supervision of domestic banking and insurance, while the Development Financial Corporation (DFC) has been placed under the supervision of the central bank effective January 2004. In addition, a variety of actions have been taken in the last three years to strengthen financial supervision and the AML/CFT regime. These include the creation of a Financial Intelligence Unit (FIU) in late 2002 and legislation to implement UN regulations with respect to terrorist financing.

B. The Banking System

16. **The banking sector in Belize is small.** It consists of five domestic commercial banks, seven international banks, and three quasi-government banks. At the end of 2002, assets of the domestic banking system totaled approximately BZ\$1,257 million (67 percent of GDP) and the international banks held additional assets of BZ\$296 million (15 percent of GDP). In addition, there are credit unions and building societies engaged in deposit taking

⁵ Prepared by Pau Rabanal (WHD).

⁶ The chapter is partly based on the 2001 Module 2 Offshore Financial Center (OFC) report and its subsequent 2003 update, both conducted by the IMF's Monetary and Financial Systems department (MFD).

and lending activities similar to banks, and the government-owned Development Finance Corporation (DFC).

17. **The domestic banking sector is highly concentrated.** Belize Bank Ltd. is responsible for 48 percent of the assets of the domestic banks. Domestic banks provide demand, savings, and term deposits, and make demand and term loans, including residential mortgages. Virtually all domestic banking activity is denominated in Belize dollars. Domestic banks avoid currency mismatches by lending in U.S. dollars only to firms with significant foreign currency receivables (exporters).

Table 1. Assets and Liabilities of Domestic and International Banks

(In thousands of Belize dollars)

	Domestic				International	
	1999	2000	2001	2002	2001	2002
Assets	909,730	1,004,203	1,181,273	1,257,179	203,128	296,032
Liquid assets	219,855	273,369	369,420	262,477	57,414	104,190
Loans	653,651	687,145	758,296	940,386	128,902	151,456
Less:						
Specific provisions	(8,703)	(12,186)	(14,056)	(12,815)	(6)	(6)
General provisions	(6,302)	(7,131)	(7,590)	(10,999)	(1,310)	(1,508)
Premises and equipment	31,307	32,156	36,306	40,742	6,158	9,156
Other securities	2,660	3,259	6,149	10,523	10,928	31,222
Other assets	17,262	27,591	32,749	26,865	1,042	1,522
Liabilities	832,009	898,155	1,057,712	1,102,041	193,802	276,680
Deposits	785,791	866,030	1,005,524	1,060,324	187,712	264,208
Other liabilities	46,218	32,125	52,188	41,716	6,090	12,472
Shareholder's equity	77,721	106,046	123,562	155,139	9,322	19,354
Share Capital	30,098	30,098	33,098	42,970	6,732	11,934
Reserves	15,758	19,354	23,315	24,148	0	0
Revaluation account	695	695	695	695	0	0
Unappropriated profits	31,170	55,899	66,454	87,327	2,590	7,420

Source: Central Bank of Belize

18. **Foreign currency transactions are largely handled by international banks.**⁷

International banks are not allowed to take deposits or lend to Belizean residents but may take foreign currency deposits from and lend to firms operating in Export Processing Zones (EPZs), Commercial Free Zones (CFZs), and governmental agencies. Several of the smaller foreign owned international banks have common ownership with banks in neighboring countries (Costa Rica, Guatemala, and Honduras) and are primarily engaged in offering foreign currency deposits and offering foreign currency loan facilities to clients of the home country parallel bank.

19. **The Belize government has actively sought to develop an offshore financial sector since the early 1990s.** In addition to international banking, which falls under the supervision of the Central Bank, a variety of offshore investment vehicles are authorized, registered, or regulated by the International Financial Services Commission (IFSC).⁸ Tax exemptions, low registration costs, and a flexible trust law that facilitates asset protection trusts are among the advantages Belize offers as an offshore financial center. Legislation also provides for the formation and registration of international business companies (IBC).

20. **The banking system appears sound and profitable.** The Central Bank of Belize (CBB) sets the required capital adequacy ratio in accordance with the Basel Core Principles. For domestic banks the minimum ratio is 9 percent, while for international banks the minimum rate is 10 percent. In September 2003, the aggregate risk-weighted capital asset ratio (CAR) was 13.6 percent, and all banks complied with the legal requirement (Table 2). The domestic banks have a return on assets of 4.7 percent, and a return on equity of 37 percent, reflecting strong interest margins. Nonperforming loans held by domestic banks are also at a moderate level, having decreased from 5.5 percent of total loans in 1998 to 3.8 percent in 2003. Rules governing capital adequacy, loan classification and provisioning appear sound. However, the rise in the loan-to-deposit ratio in recent years has adversely affected the liquidity of commercial banks.

21. **Domestic banks have to conform to cash and liquidity requirements.** Banks must keep 6 percent of deposits in reserves at the CBB and a further 18 percent of deposits in liquid assets. However, certain loans may be counted as liquid assets implying a lower effective minimum level of liquidity.⁹ The penalty for not complying with the cash or the liquidity requirement is a monthly 10 percent fee on the shortfall, but this rule does not

⁷ This role was expanded as a result of the 2002 amendment to the International Banking Act.

⁸ These include offshore insurance, trusts, mutual funds, protected cell companies, partnerships, and limited life companies.

⁹ Residential mortgage loans are included in the ratio, despite the absence of a secondary market for mortgages.

appear to be applied rigorously. For example, a commercial bank recently fell short the cash requirement and was provided a loan by the central bank to cover the shortfall at an annualized rate of 11 percent.

Table 2: Main Financial Soundness Indicators of Domestic Commercial Banks 1/

(In percent)

	1998	1999	2000	2001	2002	2003 2/
Capital adequacy analysis						
Primary capital/ assets	7.90	8.47	10.49	10.40	12.28	12.79
Equity/gross loans	10.95	11.78	15.33	16.20	16.42	16.47
Asset growth rate	6.26	10.94	10.38	17.63	6.43	4.76
Capital growth rate	2.80	18.96	36.77	16.63	25.70	8.56
Capital/deposits	9.22	9.80	12.16	12.22	14.57	15.88
Asset quality						
NPLs/ total loans	5.51	5.38	6.20	4.46	3.87	3.71
Provisions/NPLs	45.3	42.7	45.3	64.0	65.5	n.a.
Earnings analysis						
Return on average assets	2.48	3.23	5.13	4.61	4.66	3.21
Return on equity	30.47	36.25	46.59	41.03	36.77	25.86
Net interest margin	7.88	7.67	9.28	9.02	8.81	7.96
Net interest income/Total operating income	74.84	72.20	76.25	77.18	77.13	80.58
Noninterest income/Total operating income	25.16	27.80	23.75	22.82	22.87	19.42
Liquidity Analysis						
Deposit growth rate	5.43	11.93	10.21	16.11	5.45	5.83
Loans/Total assets	72.09	71.85	68.43	64.19	74.80	77.64
Net loans/Deposits	82.92	82.08	77.94	74.02	87.48	94.14
Liquid assets/Deposits	27.70	27.98	31.57	36.74	24.75	25.68

Source: Central Bank of Belize.

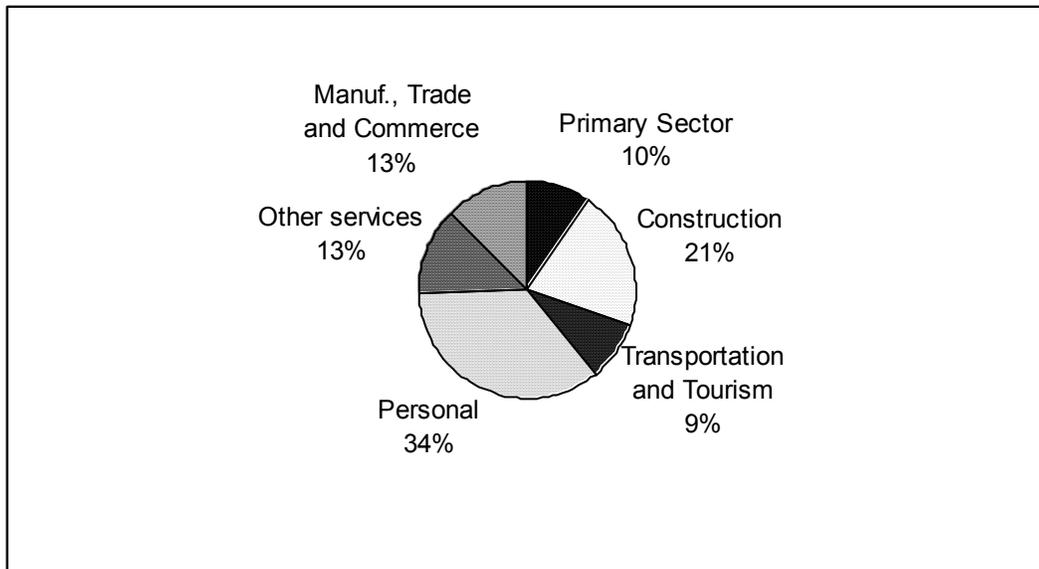
1/ Includes the five domestic banks supervised by the FSSD and therefore does not include the DFC.

2/ Up to September 2003.

22. **Financial soundness indicators for international banks also appear solid.** The average risk-weighted CAR for international banks amounted to 15 percent at end-2003, and all banks were above the legal requirement of 10 percent. Moreover, the ratio of nonperforming loans over total loans remains negligible (0.84 percent) and was fully provisioned for with a ratio of provisions over NPL of 120 percent. International banks are not subject to any type of cash or liquidity requirement.

23. **Given the small size of Belize, banks have difficulty in diversifying their loan portfolio.** Prudential regulations require supervisory approval for loans in excess of 25 percent of capital, but all banks have significant single large exposures. Two of the banks have aggregate large exposures in excess of the legal limit of 600 percent of capital. About one third of bank credit is directed to personal loans (mainly consumption) (Figure 1). One fifth of bank credit is directed each toward construction (mostly mortgages) and export-generating industries (primary sector, transportation, and tourism).

Figure 1: Sectoral Distribution of Loans
(Commercial Banks, DFC and Credit Unions)
(In percent, end-2002 data)



Source: Central Bank of Belize.

24. **The Development Finance Corporation (DFC) faces significant strains.** The DFC provides a wide range of credit facilities to support development projects such as housing, housing mortgages, tourism facilities, transportation, infrastructure and education. The DFC is large in relation to the banking system, with total assets accounting for 26 percent of GDP, of which two-thirds correspond to loans, and one-third to assets held for resale (land, houses, and a soy mill). DFC funding is provided by credit facilities from international development agencies, the government, commercial borrowing, private placements, and government guaranteed foreign borrowing against its future cash-flow (securitizations). Although allowed to, the DFC does not accept deposits from the public. After a period of rapid expansion since 1998, DFC's NPL ratio amounts to around 24 percent, and the DFC is now undergoing restructuring and consolidation, and a downsizing of its balance sheet is planned for 2004 by selling part of the loan and fixed asset portfolio to international investors. The DFC has been placed under the oversight of the banking supervisor since January 2004.

25. **The private sector financial system also includes credit unions, building societies, and a domestic mutual fund.** As of March 2002, there were 15 registered credit unions with total assets of BZ\$238 million (14 percent of GDP). The largest credit union, Holy Redeemer, accounted for 75 percent of this total. The 2002 Credit Union Act introduced more detailed commercial and regulatory standards for credit unions, but credit unions are lightly supervised. Two building societies have been authorized, one of which is dormant.

26. **Foreign exchange houses (*cambios*) were authorized in 2002 in an effort to regularize parallel currency transactions.** A total of 14 *cambios* have been licensed, but they are limited to exchange transactions of up to US\$2,500 (up to US\$10,000 with Central Bank authorization), and are required to have premises, to maintain transactions records, and to file reports with the Central Bank. Tourism, worker remittances, pensions, and gifts appear to be the primary sources of foreign exchange for the *cambios*, while commercial firms appear to be the major purchasers of foreign exchange. Central Bank statistics indicate that turnover is only around US\$2 million per month, a relatively modest amount compared with the volume of transactions that remains in the unofficial parallel market.

C. Insurance

27. **There are 17 insurance firms and one underwriting association licensed to write insurance policies in Belize.** Six are life insurance companies, nine are general companies, and three are composites. Of these, two life insurance companies are closed to new business. There are no reinsurance companies operating within Belize and Belize insurers are wholly dependent on external reinsurers for cover. The domestic market is small; at the end of 2001 the industry had BZ\$89.3 million in assets (5.1 percent of GDP).

28. **The insurance sector has significant exposure to catastrophe losses (hurricanes) but most of this risk is passed offshore through reinsurance.** The industry's resilience to major claims, and the effectiveness of its reinsurance protection were tested by Hurricane Keith (October 1, 2000). Total claims arising from Keith amounted to BZ\$59.5 million (3.5 percent of GDP) of which only BZ\$7.4 million was retained in Belize. By December 31, 2002, all claims had been settled with no reported reinsurance nonperformance.

D. Supervisory Challenges¹⁰

29. **Financial supervision is entrusted to variety of agencies.** Supervision of banks, both domestic and international, is the responsibility of the Central Bank. Credit unions and building societies are registered by the Registrar of Credit Unions and the attorney general, respectively, but are not subject to systematic prudential oversight. The supervisor of insurance is an official of the Ministry of Finance and is responsible for supervision of domestic insurance companies under the Insurance Act. International insurance companies, subject to a separate International Insurance Act, are supervised by the Supervisor of International Insurance who operates under the International Financial Services Commission (IFSC). The Director General of the IFSC is currently the Supervisor of International Insurance. He is also an official of the Ministry of Finance and Home Affairs.¹¹ The Central Bank has authority to require reports from credit unions and from building societies, and to examine these entities. In September 2002, the Central Bank for the first time invoked its authority to examine the one active building society, and in 2004 it placed the DFC under its banking supervision.

30. **The supervisory and regulatory framework for commercial banks appears sound, but there is scope for improvement.** Legal and institutional arrangements give the Supervisor of Banks relatively little operational autonomy within the Central Bank or vis-à-vis the Minister, who retains legal authority to make decisions on licensing and enforcement matters. Recent amendments to the International Banking Act have reduced the role of the minister with respect to international banks and there is scope for similar provisions with respect to domestic banks. However, staff shortages hamper the Banking Supervisor's ability to implement on-site and off-site supervision. Moreover, there may be increased need for consolidation of the diverse supervision arrangements as international banks with foreign ownership become more active and as the ownership structures of all banks becomes more complex, with less clear-cut ability to rely on support from an overseas parent. Similarly, a more risk-based approach to supervision would be desirable as the financial system modernizes and becomes more internationalized.

31. **Domestic insurance supervision deals adequately with the products offered in Belize.** In general, the domestic insurance industry is small, risk averse, offers traditional and

¹⁰ The 2001 OFC assessment, with a Module 2 follow-up conducted in August 2003, observed that the domestic sector was generally better regulated than the offshore sector, but identified numerous weaknesses in financial supervision practices. This subsection reflects some of the assessment's recommendations.

¹¹ Supervision of nonbank offshore activities—international insurance, international mutual funds, IBCs, and trust and company service providers—is the responsibility of the IFSC. This Commission is a mixed private sector/public sector body.

simple products, and well disciplined as evidenced by sustained profitability despite recent high hurricane-related claims. Regulations and guidance are in place with respect to corporate governance, prudential controls, and market conduct, although several points should be updated.

32. **Nevertheless, there is some scope for improvement in insurance supervision.** Increasing the authority and independence of the Supervisor of Insurance—to include authority to take immediate action in urgent cases, or share information with other supervisory authorities—would improve the supervisor’s ability to respond quickly to crises. Both the business of international insurance and the supervision of international insurance business are embryonic. It would be desirable to unify regulation for domestic and offshore insurance supervision.

33. **A number of actions have been taken to improve the AML/CFT regime.** A Financial Intelligence Unit (FIU) was established in December 2002 with broad responsibility to investigate and prosecute financial crimes, function as the Supervisory Authority for the Money Laundering Prevention Act, ensure coordination among government departments, regulatory agencies, and private parties in the prevention and suppression of financial crimes, and to receive suspicious transactions reports, issue guidelines, and deal with legal assistance and exchange of information matters. Legislation has also been passed to implement UN regulations with respect to terrorist financing.

34. **There is some scope to strengthen the AML/CFT regime.** Currently, compliance with current AML/CFT measures are reviewed on a three-year cycle, although the banking supervisor is already considering moving to a two-year cycle. Furthermore, the FIU has been established with broad powers but careful consideration needs to be given to the mechanisms for the effective performance of its role. The FIU will be required to ensure coordination and cooperation between law enforcement agencies, government departments, regulatory authorities, private institutions and members of relevant professions to prevent and suppress financial crimes.

Table 1. Belize: Selected Economic Indicators, 1998-2002

	1998	1999	2000	2001	2002
(Annual percentage changes, unless otherwise specified)					
National income and prices					
GDP at constant prices	3.7	8.7	12.1	4.9	4.3
Consumer prices (end of period)	-0.9	-1.0	0.7	0.9	3.2
External sector (U.S. dollars)					
Exports	...	...	5.8	-0.7	12.1
Imports	...	...	38.3	-1.2	8.1
Terms of trade (deterioration -)	-2.7	3.8	-6.6	4.0	0.8
Nominal effective exchange rate	2.9	0.9	3.9	3.2	-1.0
Real effective exchange rate	-0.3	-2.5	1.4	1.9	-0.7
Money and credit					
Net domestic assets 1/	13.1	4.0	22.0	24.8	-7.7
Credit to the private sector 2/	11.6	8.0	25.0	17.1	18.1
Money and quasi-money (M2)	8.3	10.8	15.3	7.6	0.2
(In percent of GDP)					
Central government 3/					
Revenue	24.1	22.5	22.3	24.7	22.8
Current expenditure	19.3	19.2	17.6	19.1	19.1
Capital expenditure	8.5	11.9	13.7	15.2	12.6
Primary balance	-2.2	-3.6	-7.3	-6.7	-5.8
Overall balance	-4.1	-5.6	-9.7	-9.8	-9.6
Privatization	0.0	0.0	3.5	0.3	2.5
Central government borrowing requirement	4.1	5.6	6.2	9.5	7.1
Foreign financing	1.9	4.2	12.2	4.6	13.0
Domestic financing	2.2	-0.3	-6.2	4.9	-5.9
Gross domestic investment 4/	19.0	24.5	29.6	24.8	23.9
Gross national savings 4/	13.0	14.8	10.9	6.8	6.7
External current account 5/	-6.0	-9.7	-18.7	-18.0	-17.2
Public and publicly guaranteed debt 6/	38.6	53.1	71.6	83.4	88.0
Domestic debt	6.8	4.8	6.0	7.8	1.8
External debt	31.8	48.2	65.6	75.6	86.2
Debt service 7/	3.4	3.3	4.5	5.6	10.9
In percent of exports of goods and services	6.9	5.7	8.3	10.8	20.1
In percent of government current revenue	15.5	15.8	22.5	26.1	46.7
(In millions of U.S. dollars, unless otherwise specified)					
Overall balance of payments	-13.3	27.3	51.7	-10.5	0.5
Gross official reserves 8/	37.2	64.2	114.7	104.2	106.2
Usable reserves 8/	37.2	14.7	11.5	16.0	90.5
In percent of projected 12-month external public debt services	n.a.	28.6	14.6	9.3	51.0
In months of imports	n.a.	0.4	0.2	0.3	1.7

Sources: Belize authorities; and Fund staff estimates and projections.

1/ In percent of liabilities to the private sector at the beginning of the period.

2/ Comprises credit by commercial banks and the Development Finance Corporation.

3/ Fiscal year starting on April 1.

4/ Official national income accounts likely overstate saving and investment flows.

5/ Including official grants.

6/ Public and publicly guaranteed external debt.

7/ Central government external debt.

8/ End of period.

Table 2. Belize: Sectoral Origin of Real Gross Domestic Product

(In thousands of Belize dollars at constant 2000 prices)

	1998	1999	2000	2001	2002
GDP at constant factor cost	1,189,100	1,292,100	1,457,000	1,519,300	1,585,600
Primary activities	210,500	232,700	259,800	260,700	263,300
Agriculture and forestry	165,100	175,400	188,600	185,600	192,400
Fishing	38,600	50,000	62,200	65,800	62,100
Mining	6,800	7,300	9,000	9,300	8,800
Secondary activities	219,400	239,600	298,700	296,100	301,300
Manufacturing	120,600	128,400	159,200	157,800	157,500
Electricity and water supply	47,700	51,600	56,700	56,900	58,200
Construction	51,100	59,600	82,800	81,400	85,600
Services	793,000	856,000	944,000	1,019,700	1,089,100
Wholesale and retail trade, repairs	222,500	242,900	272,200	292,600	304,600
Hotels and Restaurants	47,200	52,900	58,500	66,400	68,000
Transport and communication	112,000	125,300	141,100	157,700	175,400
Financial intermediation	68,300	79,700	108,300	115,400	135,400
Real estate, renting and business services	91,700	101,100	98,200	110,800	121,500
Community, social and personal services	97,100	99,100	100,700	102,200	104,900
General government services	154,200	155,000	165,000	174,600	179,300
Banking charges	-33,800	-36,200	-45,500	-57,200	-68,100
Net indirect taxes	177,500	194,200	208,600	228,300	236,500
GDP at constant market prices	1,366,600	1,486,300	1,665,600	1,747,600	1,822,100

Sources: Belize authorities

Table 3. Belize: National Accounts at Current Prices

	1998	1999	2000	2001	2002
(In millions of Belize dollars)					
Gross domestic expenditure	1,443	1,649	2,026	2,062	2,116
Consumption	1,180	1,289	1,533	1,631	1,672
Private sector	987	1,081	1,321	1,405	1,436
Public sector	193	208	212	226	236
Gross domestic investment	263	360	493	431	444
Fixed capital formation	259	360	437	437	421
Private sector	92	170	193	178	183
Public sector	167	190	244	259	238
Change in inventories	4	0	56	-6	23
Balance of goods and nonfactor services 1/	-60	-180	-360	-324	-259
Exports	725	807	866	881	974
Imports	785	987	1,226	1,205	1,233
GDP at market prices	1,383	1,469	1,666	1,738	1,856
Net factor income payments abroad	-58	-87	-126	-155	-199
GNP at market prices	1,325	1,381	1,540	1,583	1,657
Net indirect taxes	-202	-188	-209	-237	-264
GNP at factor cost	1,122	1,194	1,331	1,346	1,393
Consumption of fixed capital	-59	-108	-148	-129	-147
National income	1,063	1,086	1,183	1,217	1,247
(In percent of GDP at market prices)					
Gross domestic expenditure	104.3	112.3	121.6	118.6	114.0
Consumption	85.3	87.7	92.0	93.8	90.1
Private sector	71.4	73.6	79.3	80.8	77.4
Public sector	14.0	14.1	12.7	13.0	12.7
Gross domestic investment	19.0	24.5	29.6	24.8	23.9
Fixed capital formation	18.7	24.5	26.2	25.1	22.7
Private sector	6.7	11.6	11.6	10.3	9.8
Public sector	12.1	12.9	14.6	14.9	12.8
Change in inventories	0.3	0.0	3.4	-0.4	1.2
Balance of goods and nonfactor services	-4.3	-12.3	-21.6	-18.6	-14.0
Exports	52.4	54.9	52.0	50.7	52.5
Imports	56.7	67.2	73.6	69.3	66.4
GDP at market prices	100.0	100.0	100.0	100.0	100.0
GNP at market prices	95.8	94.1	92.4	91.1	89.3
GNP at factor cost	81.2	81.3	79.9	77.4	75.1
National income	76.9	73.9	71.0	70.0	67.1
Ratio of private consumption to national income	92.8	99.6	111.6	115.5	115.2

Sources: Central Bank of Belize; and Fund staff estimates.

1/ Change in balance of payments methodology starting in 1999.

Table 4. Belize: Savings and Investment

	1998	1999	2000	2001	2002
(In millions of Belize dollars at current prices)					
Gross domestic investment	263	360	493	431	444
Fixed capital formation	259	360	437	437	421
Private sector	92	170	193	179	183
Public sector	167	190	244	258	238
<i>Of which</i>					
Nonfinancial public enterprises	51	24	25	26	10
Change in inventories	4	0	56	-6	23
Gross national savings	180	218	182	118	124
Private sector	98	148	99	13	25
Public sector	82	70	83	105	99
<i>Of which</i>					
Nonfinancial public enterprises	17	14	8	6	4
Foreign savings 1/	83	142	311	313	320
(In percent of GDP)					
Gross domestic investment	19.0	24.5	29.6	24.8	23.9
Fixed capital formation	18.7	24.5	26.2	25.1	22.7
Private sector	6.7	11.6	11.6	10.3	9.8
Public sector	12.1	12.9	14.6	14.9	12.8
<i>Of which</i>					
Nonfinancial public enterprises	3.7	1.6	1.4	1.5	0.5
Change in inventories	0.3	0.0	3.4	-0.4	1.2
Gross national savings	13.0	14.8	10.9	6.8	6.7
Private sector	7.1	10.1	5.9	1.0	2.1
Public sector	5.9	4.8	5.0	5.8	4.6
<i>Of which</i>					
Nonfinancial public enterprises	1.3	1.0	0.5	0.3	0.2
Foreign savings 1/	6.0	9.7	18.7	18.0	17.2
Savings minus investment	-6.0	-9.7	-18.7	-18.0	-17.2
Private sector	0.2	-1.5	-9.0	-9.0	-9.0
Public sector	-6.1	-8.2	-9.6	-9.0	-8.2

Sources: Central Bank of Belize

1/ Current account deficit of the balance of payments.

Table 5. Belize: Main Agricultural Crops, Acreage, and Production 1/

	1998	1999	2000	2001	2002
(Units as indicated)					
Sugarcane					
Acreage	65,000	60,000	58,500	57,322	59,500
Production ('000 long tons)					
Sugarcane	1,160	1,163	1,095	1,023	1,151
Sugar	119	115	120	104	111
Sugar exports ('000 long tons)	104	118	108	90	103
Oranges					
Planted acreage 2/	48,441	63,080	72,235	...	...
Producing acreage	40,005	...	...	30,418	31,724
Production ('000 90 lb. boxes)	3,898	4,455	5,630	5,589	4171
Grapefruit					
Planted acreage 2/	8,497	11,000	9,735	...	...
Producing acreage	7,564	...	...	4,812	4,645
Production ('000 80 lb. boxes)	1,236	1,328	1,458	1,334	1246
Bananas					
Acreage	3,608	4,635	4,662	5,181	4,784
Production ('000 42 lb. boxes)	2,806	3,097	3,626	2,606	2,368
Corn					
Acreage	35,439	...	35,019	30,168	35,335
Production (million lbs.)	83	90	60	81	74
Rice					
Acreage	12,899	...	8,953	9,935	10,243
Production (million lbs.)	21	28	25	27	24
Red kidney beans					
Acreage	11,384	...	13,266	17,056	11,582
Production	6,905	8,044	9,299	12,796	4,939
(Output per acre)					
Sugar					
Cane per acre (long tons)	18	19	19	18	19
Cane to sugar ratio	10	10	9	10	10
Oranges (90 lbs. boxes per acre) 3/	97	...	...	184	131
Grapefruit (80 lbs. boxes per acre) 3/	163	...	...	277	268
Bananas (42 lbs boxes per acre)	778	668	778	503	495
Corn (lbs. per acre)	2,339	...	1,713	2,685	2,094
Rice (lbs. per acre)	1,615	...	2,792	2,718	2,343
Red kidney beans (lbs. per acre)	607	...	701	750	426

Sources: Central Bank of Belize; and Ministry of Agriculture.

1/ Production data on a crop year basis.

2/ Includes maturing plantings not yet producing harvestable fruit.

3/ Calculated on the basis of total producing acreage.

Table 6. Belize: Agriculture and Forestry Production

	1998	1999	2000	2001	2002
(In units as indicated)					
Sugarcane (long tons) 1/	1,160	1,163	1,095	1,023	1,151
Oranges ('000 90-lb. boxes)	3,898	4,455	5,590	5,589	4,171
Grapefruit ('000 80-lb. boxes)	1,236	1,328	1,391	1,407	1,246
Corn (million lbs.)	83	90	60	81	74
Rice paddy (million lbs.)	21	28	25	27	24
Cocoa (thousand lbs.)	198	50	82	66	56
Red kidney beans ('000 lbs.)	6,905	8,044	9,299	12,796	4,939
Honey ('000 lbs.)	98	193	143	96	105
Pork (fresh)('000 lbs.) 2/	1,740	1,873	1,532	2,403	2,149
Beef (fresh)('000 lbs.) 2/	3,260	2,526	2,074	3,233	4,066
Poultry ('000 lbs.)	15,856	18,399	16,781	22,622	28,755
Bananas ('000 42-lb boxes)	2,806	3,097	3,626	2,606	2,368
Milk ('000 lbs.)	2,492	2,934	2,203	5,580	7,796
Eggs ('000 doz.)	2,678	2,733	2,805	2,881	2,153
(Annual percentage change)					
Sugarcane 1/	-2.5	0.3	-5.8	-6.6	12.5
Oranges	-14.4	14.3	25.5	-0.02	-25.4
Grapefruit	-12.8	7.5	4.7	1.2	-11.4
Corn	1.1	8.6	-33.3	35.0	-8.6
Rice paddy	-43.7	34.4	-10.7	8.0	-11.1
Cocoa	7.0	-74.7	64.0	-19.5	-15.2
Red kidney beans	-26.2	16.5	15.6	37.6	-61.4
Honey	-26.1	96.4	-25.9	-32.9	8.9
Pork 2/	3.2	7.6	-18.2	56.9	-10.6
Beef 2/	-2.0	-22.5	-17.9	55.9	25.8
Poultry	-4.0	16.0	-8.8	34.8	27.1
Bananas	-3.4	10.4	17.1	-28.1	-9.1
Milk	-0.8	17.7	-24.9	153.3	39.7
Eggs	3.7	2.0	2.6	2.7	-25.3

Source: Central Bank of Belize.

1/ Production data on a crop year basis (December-November).

2/ In slaughterhouses only.

Table 7. Belize: Cane Deliveries to the Sugar Factories,
Cane Prices, Sugar and Molasses Production 1/

(In long tons, unless otherwise specified)

	1998	1999	2000	2001	2002
Cane deliveries	1,167,321	1,162,578	1,109,308	1,023,402	1,150,656
By Corozal district	584,291	584,402	546,433	531,635	575,683
By Orange Walk district	575,366	569,857	542,696	479,540	554,432
By research farmers	7,664	8,319	9,642	12,227	20,541
Sugarcane prices paid to farmers (in Belize dollars per ton)	49.90	45.27	42.18	41.10	38.08
Sugar production	119,112	115,205	119,595	103,862	111,312
Molasses production	44,847	40,285	34,943	34,411	40,947
Memorandum items					
Sugarcane per acre	17.78	19.70	18.60	15.89	17.86
Cane to sugar ratio	9.70	10.02	9.14	10.00	10.34

Source: Belize Sugar Industry Limited.

1/ Figures based on a crop-year basis (December-November).

Table 8. Belize: Production and Exports of Marine Fish Products

(In thousands of pounds)

	1998	1999	2000	2001	2002
Total					
Export volume	4,334	5,683	8,237	7,934	7,342
Local sales	321	3,135	3,505	3,685	933
Total production	4,654	8,817	9,689	11,160	8,275
Lobsters					
Export volume	549	606	603	498	499
Local sales	4	277	127	17	63
Total production	553	883	750	478	562
Conch					
Export volume	479	365	545	680	485
Local sales	78	91	127	...	62
Total production	557	456	691	...	547
Shrimp					
Export volume	3,186	4,637	6,947	6,719	6,330
Local sales	100	2,414	3,204	3,583	804
Total production	3,286	7,051	8,101	9,964	7,134
Others					
Export volume	119	75	142	37	28
Local sales	5	6	6	14	4
Total production	258	428	148	138	32

Sources: Department of Fisheries; and Ministry of Agriculture.

Table 9. Belize: Industrial Production

	1998	1999	2000	2001	2002
Sugar (long tons) 1/	119,112	115,205	119,595	103,862	107,209
Molasses (long tons) 1/2/	44,847	40,285	34,943	34,291	35,633
Flour ('000 lbs.)	25,061	17,780	25,204	26,122	26,078
Fertilizer (short tons)	21,326	25,236	23,277	23,749	27,775
Cigarettes (millions)	94	92	84	88	84
Beer ('000 gals.)	922	1,455	2,033	2,385	2,388
Soft drinks ('000 cases)	1,441	1,728	2,174	2,350	3,684
Batteries (units)	7,439	7,440	7,808	5,397	4,307
Garments ('000 units)	2,144	2,134	1,760	1,507	1,183
Citrus concentrates ('000 gals)	3,301	3,750	6,469	5,706	4,351
Single strength juices ('000 gals)	2,946	2,743	2,783	...	...
(Annual percentage change)					
Sugar 1/	-3.8	-3.3	3.8	-13.2	3.2
Molasses 1/2/	-13.4	-10.2	-13.3	-1.9	3.9
Flour	-2.2	-29.1	41.8	3.6	-0.2
Fertilizer	-0.9	18.3	-7.8	2.0	17.0
Cigarettes	7.3	-2.6	-8.7	4.8	-4.5
Beer	12.8	57.9	39.7	17.3	0.1
Soft drinks	8.3	19.9	25.8	8.1	56.8
Batteries	-6.6	0.0	4.9	-30.9	-20.2
Garments	7.6	-0.5	-17.5	-14.4	-21.5
Citrus concentrates	-8.7	13.6	72.5	-11.8	-23.7
Single strength juices	-40.2	-6.9	1.5	...	...

Source: Central Bank of Belize.

1/ Production data are on a crop year basis (December-November).

2/ Data refers to Tower Hill factory.

Table 10. Belize: Indices of Industrial Products

(1984 = 100)

	Weight (percent)	1998	1999	2000	2001	2002
Sugar 1/	53.4	117	113	118	102	103
Molasses 1/	1.9	138	124	107	105	117
Flour	1.5	991	703	997	1033	1015
Fertilizer	2.0	460	544	502	512	586
Cigarettes	4.9	146	142	131	136	133
Beer	6.0	146	231	323	379	385
Soft drinks	11.5	161	193	243	262	274
Batteries	0.3	134	134	141	97	78
Nails and roofing	1.2	2	1	0	0	0
Garments	6.1	109	109	90	77	60
Citrus concentrates	11.3	308	333	496	555	428
Single strength juices 2/	...	898	836	848	...	...
Industrial production 3/ (change in percentage)	100.0	165.3	171.8	205.3	209.3	197.4
		-2.9	3.9	19.5	2.0	-5.7

Source: Central Statistical Office

1/ Production data are on a crop year basis (December-November).

2/ Index: 1994 = 100.

3/ Based on value added of the manufacturing sector.

Table 11. Belize: Consumer Price Index 1/

	Weights	1998	1999	2000	2001	2002
(Index numbers: November 1990 = 100)						
End of period 2/	100.0	119.5	118.2	119.4	120.5	124.4
Food, beverages, and tobacco	34.7	120.8	119.1	119.8	120.0	122.3
Clothing and footwear	9.2	100.5	94.8	91.0	89.2	88.7
Household goods and maintenance	8.5	115.8	112.4	112.5	111.4	112.1
Rent, water, fuel, and power	16.7	130.3	131.5	133.9	134.7	136.8
Medical care	1.9	130.0	131.3	136.4	137.5	140.6
Transportation and communication	17.2	112.4	112.6	116.7	123.1	136.1
Recreation, education, and culture	8.0	125.6	125.1	125.6	124.6	129
Personal care	3.8	120.3	118.7	120.0	121.0	122.7
Average	100.0	119.5	118.1	118.8	120.2	122.9
Food, beverages, and tobacco	34.7	120.6	118.6	119.3	119.8	121.2
Clothing and footwear	9.2	102.2	96.6	93.0	89.8	89
Household goods and maintenance	8.5	116.2	113.3	112.6	111.6	112.1
						135
Rent, water, fuel, and power	16.7	129.8	130.8	132.9	135.7	140.4
Transportation and communication	17.2	112.3	112.1	114.2	120.2	132
Recreation, education, and culture	8.0	126.5	125.0	125.5	125.1	127.5
Personal care	3.8	121.3	119.2	120.6	121.0	121.9
(Annual percentage change)						
End of period 2/	100.0	-0.9	-1.0	1.0	0.9	3.2
Food, beverages, and tobacco	34.7	-0.8	-1.4	0.6	0.2	1.9
Clothing and footwear	9.2	-3.8	-5.7	-4.0	-2.0	-0.5
Household goods and maintenance	8.5	-0.8	-2.9	0.2	-1.0	0.7
Rent, water, fuel, and power	16.7	0.8	0.9	1.9	0.6	1.5
Medical care	1.9	0.3	1.0	3.9	0.9	2.2
Transportation and communication	17.2	-0.7	0.2	3.6	5.5	10.5
Recreation, education, and culture	8.0	-2.7	-0.4	0.4	-0.8	3.6
Personal care	3.8	-1.4	-1.3	1.0	0.9	1.3
Average	100.0	-0.8	-1.2	0.6	1.1	2.3
Food, beverages, and tobacco	34.7	-1.0	-1.7	0.6	0.5	1.2
Clothing and footwear	9.2	-3.7	-5.4	-3.7	-3.5	-1.1
Household goods and maintenance	8.5	-0.4	-2.5	-0.6	-0.9	0.4
Rent, water, fuel, and power	16.7	0.4	0.8	1.6	2.1	-0.6
Medical care	1.9	0.1	1.7	2.6	1.9	2.6
Transportation and communication	17.2	-1.0	-0.2	1.9	5.3	10.4
Recreation, education, and culture	8.0	-1.2	-1.2	0.4	-0.4	1.8
Personal care	3.8	-1.1	-1.7	1.2	0.3	0.8

Sources: Central Bank of Belize.

1/ Based on the household expenditure survey conducted four times a year: February, May, August, and November.

2/ November of each year.

Table 12. Belize: Average Prices for Selected Products and Services

(Annual percentage changes)

	1998	1999	2000	2001	2002
Food, beverages, and tobacco	-0.8	-1.4	0.6	0.2	1.9
Clothing and footwear	-3.8	-5.7	-4.0	-2.0	-0.5
Household goods and maintenance	-0.8	-2.9	0.2	-1.0	0.7
Rent, water, fuel, and power	0.8	0.9	1.9	0.6	1.5
Medical care	0.3	1.0	3.9	0.9	2.2
Transportation and communication	-0.7	0.2	3.6	5.5	10.5
Recreation, education, and culture	-2.7	-0.4	0.4	-0.8	3.6
Personal care	-1.4	-1.3	1.0	0.9	1.3
Premium gasoline	0.0	5.8	11.4	1.7	16.1
Regular gasoline	-1.2	4.2	12.0	3.0	16.5
Kerosene	-4.9	4.4	11.1	0.0	24.1
Diesel	-4.1	3.1	17.5	0.0	17.7

Source: Central Statistical Office

Table 13. Belize: Price Structure of Petroleum Products

(Belize dollars per gallon)

	December 2000				December 2001				December 2002			
	Premium	Regular	Kerosene	Diesel	Premium	Regular	Kerosene	Diesel	Premium	Regular	Kerosene	Diesel
Retail price	5.85	5.60	3.40	4.29	5.95	5.77	3.40	4.29	6.91	6.72	4.22	5.05
Total landed cost	2.05	1.99	2.46	2.31	1.39	1.34	1.46	1.41	2.04	1.96	2.07	2.05
Acquisition cost	1.90	1.84	2.32	2.16	1.24	1.19	1.31	1.26	1.91	1.83	1.94	1.92
Handling charges	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.13	0.13	0.13	0.13
Remittance charge	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Government charges	2.87	2.71	0.32	1.29	3.63	3.53	1.32	2.19	3.84	3.76	1.38	2.08
Stamp duty	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.02	0.02	0.02
Value-added tax	0.29	0.28	0.28	0.30	0.21	0.20	0.16	0.19	0.29	0.28	0.24	0.27
Import duty	0.45	0.45	0.00	0.27	0.45	0.45	0.00	0.27	0.45	0.45	0.00	0.27
Revenue replacement value	2.11	1.96	0.00	0.70	2.95	2.86	1.12	1.71	3.08	3.01	1.12	1.52
Other 1/	0.02	0.02	0.03	0.03	0.03	0.03	0.03	0.03	...	...	...	...
Commercial charges	0.93	0.90	0.62	0.69	0.93	0.90	0.62	0.69	1.03	1.00	0.77	0.92
						0.07	0.06	0.06	0.07	0.07	0.06	0.06
Delivery cost to service station	0.07	0.07	0.06	0.06	0.07	0.38	0.23	0.28	0.41	0.38	0.28	0.41
Gross margin-dealer	0.45	0.45	0.33	0.35	0.45	0.45	0.33	0.35	0.55	0.55	0.43	0.45

Source: Esso Standard Oil Co. Ltd. (Belize).

1/ Tonnage dues and foreign exchange tax.

Table 14. Belize: Consolidated Operations of the Nonfinancial Public Sector

(In percent of GDP)

	1998/99	1999/2000	2000/01	2001/02	2002/03
Total revenue and grants	24.8	27.9	25.8	25.3	24.9
Revenue	23.4	26.9	24.8	25.0	24.6
Current revenue	22.6	26.0	24.5	24.0	23.9
Central government	20.1	22.8	21.4	21.0	21.1
Social Security Board	2.1	2.9	2.8	2.8	2.8
NFPE's current surplus	0.4	0.3	0.2	0.2	0.0
Capital revenue	0.7	0.3	0.2	0.2	0.0
Grants	1.4	1.0	1.0	0.3	0.3
Total expenditure	34.2	38.1	34.4	32.0	27.2
Current expenditure	18.8	21.1	21.3	21.7	20.3
General government	18.8	21.1	21.3	21.7	20.3
Central government	17.6	19.1	19.1	19.6	18.2
Social Security Board	1.2	2.0	2.2	2.1	2.1
NFPE's current deficit	0.0	0.0	0.0	0.0	0.0
Capital expenditure 1/	15.5	17.0	13.2	10.3	6.9
General government	13.9	15.5	12.9	10.1	6.8
Central government	13.7	15.2	12.6	9.9	6.6
Social Security Board	0.1	0.3	0.3	0.2	0.2
Public enterprises	1.6	1.5	0.3	0.1	0.1
Overall balance (after grants)	-9.6	-9.3	-9.4	-6.7	-2.3
Privatization	3.5	0.3	2.5	0.9	0.0
Public sector borrowing requirement	6.1	9.0	6.9	6.5	1.5
External financing	12.5	5.9	12.9	12.4	3.0
Domestic financing	-6.5	3.2	-5.9	-5.9	-1.5
Financial system	-4.4	4.0	-6.5	-5.3	-0.3
Central bank	-4.8	4.7	2.8	1.5	-0.2
Commercial banks	1.2	-0.5	-1.2	-0.8	-0.2
Development Finance Corporation	-0.8	-0.1	-8.1	-6.0	0.0
Private sector bonds 2/	-0.1	-0.1	0.0	0.0	0.0
Other 3/	-2.0	-0.7	0.5	-0.6	-1.2
Exceptional financing 4/	0.2	0.0	0.0	0.0	0.0
Memorandum items					
NFPS savings	5.3	5.9	4.2	2.6	3.9
Central government	4.0	4.7	3.3	1.7	3.1
Social Security Board	0.9	0.9	0.7	0.7	0.7
Nonfinancial public enterprises	0.4	0.3	0.2	0.2	0.0

Sources: Ministry of Finance; Statutory Boards; and Fund staff estimates.

1/ Includes unidentified expenditure.

2/ In 1999/2000 it includes repayment of loans to the social security of about BZ\$14.4 million. Since 1999/2000 it includes an annual payment of BZ\$2 million corresponding to the wage bond issued in 1996/97.

3/ Includes the overall balance of the Social Security Board invested mainly in the private sector.

4/ Sale of mortgages.

Table 15. Belize: Consolidated Operations of the Nonfinancial Public Sector

(In millions of Belize dollars)

	1998/99	1999/2000	2000/01	2001/02	2002/03
I. Consolidated Nonfinancial Public Sector					
Total revenue and grants	389.3	388.9	417.6	493.9	488.5
Revenue	373.1	365.3	393.8	475.7	469.7
Current revenue	355.2	357.8	381.4	459.7	463.2
Central government	304.6	310.4	338.8	402.4	406.0
Social Security Board	33.1	33.4	36.2	51.5	53.6
NFPE's current surplus	17.5	14.1	6.4	5.9	3.6
Capital revenue	18.0	7.5	12.4	15.9	6.5
Grants	16.2	23.6	23.8	18.2	18.8
Total expenditure	470.7	513.5	576.5	672.8	652.2
Current expenditure	291.0	314.3	316.1	372.9	402.8
General government	291.0	314.3	316.1	372.9	402.8
Central government	271.6	291.2	295.8	338.1	362.0
Social Security Board	19.5	23.1	20.3	34.9	40.8
NFPE's current deficit	0.0	0.0	0.0	0.0	0.0
Capital expenditure	179.7	199.2	260.4	299.9	249.3
General government	128.9	183.7	233.4	274.0	244.6
Central government	119.9	180.5	231.4	268.0	238.9
Social Security Board	9.0	3.2	2.0	6.0	5.7
Public enterprises	50.8	15.5	27.0	25.8	4.8
Unidentified expenditure	-10.4	-39.2	3.6	-14.5	15.2
Overall balance (after grants)	-71.0	-85.4	-162.4	-164.4	-178.9
Privatization	0.0	0.0	59.2	5.2	47.6
Financing	71.0	85.4	103.2	159.3	131.3
External	44.7	63.1	210.2	103.4	243.9
Domestic	26.3	-4.6	-110.0	55.8	-112.5
Financial system	26.7	-4.7	-73.5	70.8	-122.4
Central bank	20.4	-31.0	-80.1	82.2	53.2
Commercial banks	-3.7	28.4	20.4	-9.4	-22.4
Development Finance Corporation	10.0	-2.0	-13.8	-2.0	-153.2
Nonfinancial system	-0.4	0.1	-36.4	-15.0	9.9
Private sector 1/	0.0	-2.0	-2.0	-2.3	0.0
Other 2/	-0.4	2.1	-34.4	-12.7	9.9
Exceptional financing 3/	0.0	26.9	3.0	0.0	0.0
Memorandum items:					
Current savings	89.1	105.0	79.2	52.8	83.1
Central government	66.9	82.5	62.8	34.8	67.7
Social Security Board	15.8	16.6	12.8	14.0	15.1
Nonfinancial public enterprises	6.4	5.9	3.6	4.0	0.4

Table 15. Belize: Consolidated Operations of the Nonfinancial Public Sector

(In millions of Belize dollars)

	1998/99	1999/2000	2000/01	2001/02	2002/03
II. General Government					
Revenue and grants	353.9	367.4	398.8	472.1	478.4
Revenue	337.7	343.8	374.9	453.8	459.6
Central government	304.6	310.4	338.8	402.4	406.0
Social Security Board	33.1	33.4	36.2	51.5	53.6
Grants	16.2	23.6	23.8	18.2	18.8
Total expenditure	419.9	498.0	549.5	647.0	647.4
Current expenditure	291.0	314.3	316.1	372.9	402.8
Capital expenditure and transfers	128.9	183.7	233.4	274.0	244.6
Unidentified expenditure	10.1	52.5	1.7	7.2	-8.0
Overall balance (deficit -)	-56.0	-78.2	-149.0	-167.8	-177.0
Privatization	0.0	0.0	59.2	5.2	47.6
Financing	56.0	78.2	89.8	162.6	129.4
External	26.6	63.1	205.2	81.3	246.2
Domestic	29.4	-11.8	-118.4	81.3	-116.8
Financial system	25.4	8.8	-93.2	77.1	-122.3
Central Bank	20.4	-31.0	-80.1	82.7	53.2
Commercial banks	-5.0	46.8	0.7	-3.6	-22.3
Development Finance Corporation	10.0	-6.9	-13.8	-2.0	-153.2
Nonfinancial system 1/	14.5	0.0	-0.2	3.4	-0.7
Other 2/	-10.5	-20.6	-25.0	0.8	6.2
Exceptional financing 3/	0.0	26.9	3.0	0.0	0.0
IIa. Central Government					
Revenue and grants	338.7	341.5	375.1	436.5	431.3
Revenue	322.5	317.9	351.2	418.3	412.5
Current	304.6	310.4	338.8	402.4	406.0
Tax	271.5	265.2	296.7	326.1	359.6
Nontax	33.1	45.2	42.1	76.3	46.4
Capital	18.0	7.5	12.4	15.9	6.5
Grants	16.2	23.6	23.8	18.2	18.8
Total expenditure	391.5	471.7	527.2	606.1	600.9
Current expenditure	271.6	291.2	295.8	338.1	362.0
Capital expenditure and transfers	119.9	180.5	231.4	268.0	238.9
Unidentified expenditure	-5.1	44.9	-11.4	-3.4	-12.7
Overall deficit	-57.8	-85.3	-163.5	-173.0	-182.3
Privatization	0.0	0.0	59.2	5.2	47.6

Table 15. Belize: Consolidated Operations of the Nonfinancial Public Sector

(In millions of Belize dollars)

	1998/99	1999/2000	2000/01	2001/02	2002/03
IIIa. Operations of the Belize Electricity Board 4/					
Revenue and grants	73.5	39.1	0.0	0.0	0.0
Current revenue	73.5	39.1	0.0	0.0	0.0
Operating revenue	70.5	39.1	0.0	0.0	0.0
<i>Of which: sale of electricity</i>	66.8	36.5	0.0	0.0	0.0
Nonoperating revenue	3.0	0.0	0.0	0.0	0.0
Total expenditure	95.4	37.0	0.0	0.0	0.0
Current expenditure	60.2	30.3	0.0	0.0	0.0
Operating expenditure	54.0	26.5	0.0	0.0	0.0
Wages and salaries	9.4	...	0.0	0.0	0.0
Fuel and lubricants	30.5	...	0.0	0.0	0.0
Maintenance	4.1	...	0.0	0.0	0.0
Other	9.9	...	0.0	0.0	0.0
Interest	6.3	3.8	0.0	0.0	0.0
Capital expenditure	35.2	6.7	0.0	0.0	0.0
Operating surplus	16.5	12.6	0.0	0.0	0.0
Current surplus	13.2	8.8	0.0	0.0	0.0
Overall balance	-22.0	2.1	0.0	0.0	0.0

Sources: Ministry of Finance; and Fund staff estimates.

1/ Starting in 1999/2000 it includes an annual payment of BZ\$2 million corresponding to the wage bond issued in 1996/97.

2/ Starting in 1999/2000 it includes the overall balance of the Social Security Board, invested mainly in the private sector.

3/ Sale of mortgages.

4/ The electricity company was sold to the private sector in October 1999, and the water authority in March 2001.

Table 16. Belize: Operations of the Central Government

	1998/99	1999/2000	2000/01	2001/02	2002/03
(In percent of GDP)					
Revenue and grants	24.1	22.5	22.3	24.7	22.8
Revenue	23.0	20.9	20.9	23.7	21.8
Current revenue	21.7	20.4	20.1	22.8	21.4
Tax	19.3	17.5	17.6	18.4	19.0
Nontax	2.4	3.0	2.5	4.3	2.5
Capital revenue	1.3	0.5	0.7	0.9	0.3
Grants	1.2	1.6	1.4	1.0	1.0
Expenditure	27.9	31.1	31.3	34.3	31.7
Current expenditure	19.3	19.2	17.6	19.1	19.1
Wages and salaries	10.0	9.8	9.0	9.3	9.1
Interest payments	1.9	2.0	2.4	3.0	3.9
Goods and services	4.1	4.1	3.6	3.8	3.4
Other	3.3	3.3	2.6	3.1	2.7
Capital expenditure 1/	8.5	11.9	13.7	15.2	12.6
Capital expenditure	8.5	11.9	13.7	13.1	11.7
Capital II expenditure	3.5	5.1	3.2	6.0	4.9
Environmental Expenditure	0.0	0.0	0.0	0.0	0.3
Capital III expenditure 2/	5.0	6.7	7.4	5.0	5.7
Emergency expenditure 2/	0.0	0.0	3.1	2.1	0.9
Net lending	0.0	0.0	0.0	2.1	0.9
Overall balance	-4.1	-5.6	-9.7	-9.8	-9.6
Privatization	0.0	0.0	3.5	0.3	2.5
Central government borrowing requirement	4.1	5.6	6.2	9.5	7.1
External (net)	1.9	4.2	12.2	4.6	13.0
Domestic	2.2	-0.3	-6.2	4.9	-5.9
Financial system	1.2	-0.3	-6.2	4.7	-5.8
Other 3/	1.0	0.0	0.0	0.2	0.0
Exceptional financing 4/	0.0	1.8	0.2	0.0	0.0
(Annual percentage change)					
Revenue and grants	7.1	0.8	9.8	16.4	-1.2
Revenue	7.8	-1.4	10.5	19.1	-1.4
Total expenditure	12.5	20.5	11.8	15.0	-0.9
Current expenditure	7.6	7.2	1.6	14.3	7.1
Capital expenditure	25.3	50.5	28.2	15.8	-10.9

Sources: Ministry of Finance; and Fund staff estimates.

1/ Includes unidentified expenditure.

2/ Donor and multilateral financed projects.

3/ In 1999/2000 it includes repayment of loans to the social security of about BZ\$14.4 million. Since 1999/2000 it includes an annual payment of BZ\$2 million corresponding to the wage bond issued in 1996/97.

4/ Sale of mortgages.

Table 17. Belize: Central Government Revenue

	1998/99	1999/2000	2000/01	2001/02	2002/03
(In percent of GDP)					
Total revenue and grants	24.1	22.5	22.3	24.7	22.8
Total revenue	23.0	20.9	20.9	23.7	21.8
Tax revenue	19.3	17.5	17.6	18.4	19.0
Income tax	4.6	4.2	4.5	4.4	4.2
Property tax	0.1	0.1	0.1	0.2	0.1
Taxes on goods and services	7.6	6.6	6.0	6.1	6.0
Taxes on international trade	7.0	6.5	6.9	7.8	8.7
Nontax revenue	2.9	2.6	2.3	3.3	3.9
Capital revenue	2.4	3.0	2.5	4.3	2.5
Grants	1.3	0.5	0.7	0.9	0.3
(In percent of total revenue)					
Income tax	19.9	20.3	21.7	18.4	19.1
Property tax	0.5	0.7	0.6	0.7	0.6
Taxes on goods and services	33.1	31.3	29.0	25.8	27.5
Taxes on international trade	30.6	31.1	33.1	33.1	40.0
Nontax revenue	10.3	14.2	12.0	18.2	11.3
Capital revenue	5.6	2.4	3.5	3.8	1.6
(Annual percentage change)					
Tax revenue	5.6	-2.3	11.9	9.9	10.3
Income tax	14.9	0.6	18.3	0.9	2.5
Taxes on goods and services	8.9	26.3	-1.5	27.5	-11.7
Taxes on international trade	2.0	-6.8	2.4	6.0	5.0
Nontax revenue	7.6	36.6	-6.8	81.1	-39.1

Sources: Ministry of Finance; and Fund staff estimates.

Table 18. Belize: Central Government Revenue

(In millions of Belize dollars)

	1998/99	1999/2000	2000/01	2001/02	2002/03
Total revenue and grants	338.7	341.5	375.1	436.5	431.3
Total revenue	322.5	317.9	351.2	418.3	412.5
Current revenue	304.6	310.4	338.8	402.4	406.0
Tax revenue	271.5	265.2	296.7	326.1	359.6
Income tax	64.1	64.5	76.3	77.0	78.9
Taxes on property	1.7	2.2	2.2	2.8	2.5
Taxes on goods and services	97.9	82.0	101.8	107.9	113.5
Taxes on international transactions	98.8	106.4	116.3	138.4	165.0
<i>Of which</i>					
Import duty	51.9	58.8	63.6	64.9	75.4
Revenue replacement duty	40.4	39.8	38.8	58.9	74.8
Other taxes	8.9	10.1	0.0	0.0	-0.3
Nontax revenue	33.1	45.2	42.1	76.3	46.4
Capital revenue	18.0	7.5	12.4	15.9	6.5
Economic citizenship program	4.9	2.1	7.7	7.5	0.4
Other	13.1	5.4	4.7	8.4	6.1
Grants	16.2	23.6	23.8	18.2	18.8
(In percent of GDP)					
Total revenue and grants	24.1	22.5	22.3	24.7	22.8
Total revenue	23.0	20.9	20.9	23.7	21.8
Tax revenue	19.3	17.5	17.6	18.4	19.0
Nontax revenue	2.4	3.0	2.5	4.3	2.5
Capital revenue	1.3	0.5	0.7	0.9	0.3
Grants	1.2	1.6	1.4	1.0	1.0

Sources: Belize authorities; and Fund staff estimates.

Table 19. Belize: Central Government Expenditure

	1998/99	1999/2000	2000/01	2001/02	2002/03
(In percent of GDP)					
Total expenditure	27.9	31.1	31.3	34.3	31.7
Current expenditure	19.3	19.2	17.6	19.1	19.1
Wages and salaries	10.0	9.8	9.0	9.3	9.1
Goods and services	4.1	4.1	3.6	3.8	3.4
Interest payments	1.9	2.0	2.4	3.0	3.9
Subsidies and current transfers	2.1	1.9	1.5	1.6	1.4
Other	1.3	1.4	1.1	1.4	1.4
Capital expenditure and net lending	8.5	11.9	13.7	15.2	12.6
Capital expenditure	8.5	11.9	13.7	13.1	11.7
Capital II expenditure	3.5	5.1	3.2	6.0	4.9
Environmental Expenditure	0.0	0.0	0.0	0.0	0.3
Capital III expenditure	5.0	6.7	7.4	5.0	5.7
Emergency expenditure	0.0	0.0	3.1	2.1	0.9
Net lending	0.0	0.0	0.0	2.1	0.9
(In percent of total expenditure)					
Current expenditure	69.4	61.7	56.1	55.8	60.2
Wages and salaries	35.8	31.5	28.8	27.0	28.8
Goods and services	14.5	13.2	11.5	11.0	10.8
Interest payments	7.0	6.4	7.6	8.8	12.2
Subsidies and current transfers	7.5	6.1	4.8	4.8	4.3
	4.5	4.5	3.4	4.1	4.3
Capital expenditure and net lending	30.6	38.3	43.9	44.2	39.8
Capital expenditure	30.6	38.3	43.9	38.1	37.0
Capital II expenditure	12.6	16.6	10.3	17.4	15.3
Environmental Expenditure	0.0	0.0	0.0	0.0	1.0
Capital III expenditure	18.1	21.7	23.5	14.6	17.8
Emergency expenditure	0.0	0.0	10.0	6.1	2.8
Net lending	0.0	0.0	0.0	6.1	2.8
(Annual percentage change)					
Total expenditure	12.5	20.5	11.8	15.0	-0.9
Current expenditure	7.6	7.2	1.6	14.3	7.1
Wages and salaries	7.9	6.0	2.0	7.8	5.7
Goods and services	10.1	9.7	-2.6	10.0	-3.3
Subsidies and current transfers	0.3	-1.1	-11.6	13.6	-11.7
Capital expenditure and transfers	25.3	50.5	28.2	15.8	-10.9

Sources: Ministry of Finance; and Fund staff estimates.

Table 20. Belize: Central Government Expenditure

(In millions of Belize dollars)

	1998/99	1999/2000	2000/01	2001/02	2002/03
Total expenditure	391.5	471.7	524.0	574.3	600.9
Current expenditure	271.6	291.2	294.6	326.2	362.0
Wages and salaries	140.3	148.7	151.7	162.7	172.9
Pensions	17.8	21.0	17.8	23.6	25.6
Goods and services	56.9	62.4	60.8	62.6	64.6
Interest payments	27.3	30.2	40.3	51.6	73.3
Domestic	10.8	11.4	12.5	12.1	11.9
Foreign	16.6	18.8	27.8	39.6	61.3
Subsidies and current transfers	29.2	28.9	24.0	25.7	25.6
Capital expenditure and net lending	119.9	180.5	229.4	263.3	238.9
Capital expenditure	119.9	180.5	231.4	231.0	222.2
Capital II expenditure	49.2	78.1	54.4	105.7	92.2
Environmental Expenditure	0.0	0.0	0.0	0.0	6.1
Capital III expenditure	70.7	102.4	124.1	88.3	107.2
Emergency expenditure	0.0	0.0	52.9	37.0	16.7
Net lending	0.0	0.0	0.0	37.0	16.7

Sources: Ministry of Finance; and Fund staff estimates.

Table 21. Belize: Operations of the Social Security Board

(In percent of GDP)

	1998/99	1999/2000	2000/01	2001/02	2002/03
Revenue	2.4	2.2	2.1	2.9	2.8
Contributions	1.2	1.1	1.0	1.8	1.9
Interest and other income	1.2	1.1	1.1	1.1	0.9
Total expenditure	1.5	1.6	1.3	2.3	2.5
Current expenditure	0.0	1.3	1.4	1.4	1.8
Benefit payments	0.8	0.9	0.8	1.3	1.5
Administration	0.6	0.6	0.5	0.6	0.7
Capital expenditure	0.1	0.0	0.1	0.1	0.2
Shares and other long-term investments 1/	0.0	0.0	0.0	0.0	0.0
Current balance	1.0	0.7	0.9	0.9	0.7
Overall balance	0.9	0.6	0.9	0.6	0.4

Sources: Belize authorities; and Fund staff estimates.

1/ In 2000/01 the Social Security Board bought shares of the water authority equivalent to BZ\$6 million from the central government.

Table 22. Belize: Operations of the Nonfinancial Public Enterprises 1/

(In percent of GDP)

	1998/99	1999/2000	2000/01	2001/02	2002/03
Revenue	7.4	4.8	2.6	1.7	1.0
Operating revenue	7.0	4.7	2.5	1.7	1.0
Nonoperating revenue 2/	0.3	0.1	0.1	0.0	0.0
Expenditure	9.7	4.9	3.9	2.9	1.1
Current expenditure	6.1	3.9	2.3	1.4	0.8
Operating expenditure	5.4	3.4	2.1	1.2	0.7
Nonoperating expenditure 3/	0.7	0.5	0.2	0.2	0.1
Capital expenditure	3.6	1.0	1.6	1.5	0.3
Operating surplus	1.6	1.3	0.4	0.6	0.3
Current surplus	1.2	0.9	0.3	0.3	0.2
Overall balance	-2.4	-0.1	-1.2	-1.1	-0.1

Sources: Ministry of Finance; Statutory Boards; and Fund staff estimates.

1/ The electricity company was sold to the private sector in October 1999, and the water authority in March 2001. The port was sold during fiscal year 2002/03.

2/ Includes transfers from government.

3/ Includes interest payments.

Table 23. Belize: Civil Service Indicators

	1998/99	1999/2000	2000/01	2001/02	2002/03
(In thousands of Belize dollars)					
Wages and salaries	151,095	157,817	162,266	173,626	182,693
<i>Of which</i>					
Central government	142,476	148,728	151,698	162,665	172,856
<i>Of which</i>					
Health sector	19,187	20,002	20,940	23,149	24,786
Education sector	47,911	48,586	53,574	59,094	61,847
State-owned enterprises	8,619	9,089	10,568	10,961	9,837
Development Finance Corporation	2,363	2,697	2,969	3,244	3,355
Social Security Board	3,700	4,100	5,200	5,400	4,000
Belize Airport Authority	1,995	1,800	1,874	1,805	1,896
Marketing Board	561	491	526	512	586
Pensions	17,697	20,997	19,416	23,590	25,616
<i>Of which</i>					
Central government	17,697	20,997	19,416	23,590	25,616
(In units)					
Public employment	7,652	8,024	8,079	8,304	8,330
<i>Of which</i>					
Central government	7,143	7,517	7,586	7,796	7,789
<i>Of which</i>					
Health sector	843	881	927	880	941
Education sector	2,567	2,674	2,757	3,039	3,098
State-owned enterprises	509	507	493	508	541
Development Finance Corporation	109	124	132	132	127
Social Security Board	214	247	223	251	260
Belize Airport Authority	160	102	108	103	119
Marketing Board	26	34	30	22	35
Memorandum item:					
Average public sector wages	19.7	19.7	20.1	20.9	21.9

Source: Belize authorities.

Table 24. Belize: Summary Accounts of the Financial System

(Central Bank + Commercial Banks + Development Finance Corporation)

	1998	1999	2000	2001	2002
(In millions of Belize dollars)					
Net foreign assets	50.3	119.5	235.9	184.4	239.5
Of which: international reserves	73.0	126.4	227.7	205.5	206.5
Domestic credit	726.6	755.9	939.0	1,177.2	1,096.3
Credit to the public sector	96.5	46.2	-2.7	66.0	-142.4
Central government (net)	132.5	104.9	52.2	110.5	-94.1
Rest of public sector (net)	-36.0	-58.7	-54.9	-44.5	-48.2
Credit to private sector	686.2	740.8	926.2	1,084.9	1,280.8
Other assets (net)	-56.0	-31.1	15.5	26.4	-42.2
Foreign liabilities (medium and long term)	37.8	42.8	212.5	309.9	250.6
Liabilities to private sector	739.2	832.6	962.3	1,051.7	1,085.2
Money and quasi-money	649.8	719.8	829.8	892.7	894.5
Money	180.2	212.5	270.0	306.9	295.5
Quasi-money 1/	469.6	507.3	559.8	585.7	599.0
Foreign currency deposits	15.4	22.7	18.7	26.3	29.3
Capital and reserves	74.0	90.1	113.8	132.7	161.4
Memorandum items:					
Monetary base	135.2	143.2	197.4	208.4	191.2
Foreign reserve coverage	52.6	88.3	115.3	98.6	108.0
(Annual change, as percent of liabilities to the private sector, at the beginning of the period)					
Domestic credit	13.1	4.0	22.0	24.8	-7.7
Credit to the public sector	4.4	-6.8	-5.9	7.1	-19.8
Central government (net)	4.0	-3.7	-6.3	6.1	-19.5
Rest of public sector (net)	0.5	-3.1	0.5	1.1	-0.4
Credit to the private sector	10.4	7.4	22.3	16.5	18.6
(Annual percentage change)					
Liabilities to the private sector	8.4	12.6	15.6	9.3	3.2
Money and quasi-money	8.3	10.8	15.3	7.6	0.2
Money	14.3	17.9	27.1	13.7	-3.7
Quasi-money 1/	6.6	8.0	10.3	4.6	2.3
Capital and reserves	11.7	47.1	-17.3	40.4	11.3
(In percent of GDP)					
Domestic credit	53.2	50.9	56.4	67.4	60.2
Credit to the public sector	7.1	3.1	-0.2	3.8	-7.8
Central government (net)	9.7	7.1	3.1	6.3	-5.2
Rest of public sector (net)	-2.6	-4.0	-3.3	-2.5	-2.6
Credit to the private sector	50.2	49.8	55.6	62.1	70.3
Other assets (net)	-4.1	-2.1	0.9	1.5	-2.3
Liabilities to the private sector	54.1	56.0	57.8	60.2	59.6
Money and quasi-money	47.5	48.4	49.8	51.1	49.1
Money	13.2	14.3	16.2	17.6	16.2
Quasi-money 1/	34.4	34.1	33.6	33.5	32.9
Capital and reserves	5.4	6.1	6.8	7.6	8.9
(Annual percentage change)					
Memorandum items:					
Monetary base	8.1	5.9	37.9	5.6	-8.3
Credit to the private sector	11.6	8.0	25.0	17.1	18.1

Source: Central Bank of Belize; Fund staff estimates

Table 25. Belize: Detailed Accounts of the Financial System

(In millions of Belize dollars)

	1998	1999	2000	2001	2002
I. Central Bank					
International reserves (net)	71.1	126.4	227.7	205.5	21.0
Assets	74.3	128.5	229.3	208.4	212.5
Liabilities (-)	-3.2	-2.1	-1.7	-2.9	-6.0
Net domestic assets	15.5	-22.7	-112.5	-80.2	-73.9
Credit to nonfinancial public sector (net)	90.9	37.1	65.9	97.2	4.5
Central government (net)	89.0	58.3	-13.0	62.9	-3.0
Loans and advances	45.1	42.0	45.0	65.5	0.0
Securities	49.8	25.8	17.7	12.7	63.8
Treasury bills	37.7	13.6	5.5	0.5	53.8
Other securities	12.2	12.2	12.2	12.2	10.0
Deposits (-) 1/	-5.9	-9.4	-75.7	-15.3	-66.8
Rest of nonfinancial public sector	1.8	-21.2	78.8	34.3	7.5
Loans and advances	2.3	1.0	84.2	84.0	15.0
Deposits	-0.4	-22.2	-5.4	-49.7	-7.5
Net position of commercial banks	-47.7	-38.8	-81.8	-83.0	-58.6
Advances	0.9	0.6	0.4	0.2	0.0
Deposits (-)	-48.6	-39.4	-82.2	-83.2	-58.6
Other assets	7.4	7.4	6.6	32.9	31.9
Fixed assets	3.4	3.4	2.6	30.6	30.3
Local bank clearing	4.0	4.0	4.0	2.4	1.6
Other liabilities	-33.1	-27.7	-19.1	-33.8	-33.2
Capital and reserves	-20.8	-20.8	-23.8	-21.7	-22.2
Undistributed profits	-6.8	-6.8	-4.8	-4.8	-4.8
Other liabilities, residual	-5.5	-0.1	9.5	-7.3	-6.2
Medium-term external liabilities 1/	-1.9	-0.6	-84.0	-93.5	-18.5
Currency issue	86.7	103.8	115.2	125.3	132.7
II. Commercial Banks					
Net foreign assets	-20.8	-6.9	8.2	-21.1	32.9
Foreign assets	73.8	86.3	138.7	133.7	113.5
Foreign liabilities	-94.6	-93.2	-130.5	-154.8	-80.5
Net claims on central bank	64.0	58.4	101.0	103.1	84.4
Cash in vault	16.3	19.6	19.2	20.1	25.9
Reserve deposits	48.6	39.4	82.2	83.2	58.6
Advances (-)	-0.9	-0.6	-0.4	-0.2	0.0
Net domestic credit	627.2	708.3	767.3	885.2	871.5
Nonfinancial public sector (net)	16.9	48.5	59.2	73.3	39.7
Central government (net)	46.1	73.7	71.2	80.2	51.0
Treasury bills and other securities	55.1	78.1	86.1	87.8	56.4
Deposits (-)	-9.0	-4.5	-15.9	-7.7	-12.0
Rest of public sector (net)	-29.2	-25.1	-12.0	-6.8	-11.3
Loans and advances	15.6	6.4	10.2	12.9	9.4
Securities	0.1	0.1	0.1	0.1	5.1
Deposits (-)	-44.9	-31.6	-22.3	-19.8	-25.8
Social Security Board	-31.7	-17.1	-8.3	-12.8	-14.7
Statutory bodies	-12.0	-14.1	-12.8	-6.4	-8.9
Other	-1.3	-0.4	-1.1	-0.6	-2.1
Credit to private sector	620.2	678.9	726.9	818.2	976.0
Other assets net 2/	-9.8	-19.1	-18.8	-6.4	-144.1
Liabilities to the private sector	670.4	759.8	876.5	967.2	988.9
Deposits	596.4	669.7	762.8	834.5	827.5
Domestic currency	581.0	647.0	744.0	808.2	798.2
Demand deposits	111.4	139.7	184.2	222.4	199.2
Savings deposits	128.2	141.2	173.5	203.7	197.3
Time deposits	341.4	366.1	386.3	382.1	401.7
Foreign currency	15.4	22.7	18.7	26.3	29.3
Capital and reserves	74.0	90.1	113.8	132.7	161.4

Table 25. Belize: Detailed Accounts of the Financial System 1/

(In millions of Belize dollars)

	1997	1998	1999	2000	2001	2002
III. Consolidated Banking System (I+II)						
Net foreign assets	87.8	3.4	3.4	2.6	30.6	30.3
Assets	174.5	4.0	4.0	4.0	2.4	1.6
Liabilities	-86.7	-33.1	-27.7	-19.1	-33.8	-33.2
Net domestic assets	603.1	-6.8	-6.8	-4.8	-4.8	-4.8
Nonfinancial public sector (net)	72.2	-5.5	-0.1	9.5	-7.3	-6.2
Central government (net)	103.4	0.0	0.0	0.0	0.0	0.0
Claims	152.1	-1.9	-0.6	-84.0	-93.5	-18.5
Deposits (-)	-48.7	0.0	0.0	0.0	0.0	0.0
Rest of the nonfinancial public sector	-31.2	86.7	103.8	115.2	125.3	132.7
Claims	9.5	0.0	0.0	0.0	0.0	0.0
Deposits (-)	-40.7	0.0	0.0	0.0	0.0	0.0
Social Security Board	-22.0	0.0	0.0	0.0	0.0	0.0
Other public agencies	-18.8	0.0	0.0	0.0	0.0	0.0
Credit to private sector	552.1	-20.8	-6.9	8.2	-21.1	32.9
Deposits of private financial institutions	-12.3	73.8	86.3	138.7	133.7	113.5
Other assets (net) 2/	-8.9	-89.3	-71.5	-102.5	-76.8	-80.5
Liabilities to the private sector	690.9	0.0	0.0	0.0	0.0	0.0
Money and quasi-money	607.1	64.0	58.4	101.0	103.1	84.4
Money	160.6	16.3	19.6	19.2	20.1	25.9
Currency in circulation	66.4	48.6	39.4	82.2	83.2	58.6
Demand deposits	94.2	-0.9	-0.6	-0.4	-0.2	0.0
Quasi money	446.5	0.0	0.0	0.0	0.0	0.0
Savings deposits	123.0	627.2	708.3	767.3	885.2	871.5
Time deposits	323.5	16.9	48.5	59.2	73.3	39.7
Foreign currency deposits	16.4	46.1	73.7	71.2	80.2	51.0
Bank capital and reserves	67.4	81.2	130.5	1.0	0.0	6.6
IV. Development Finance Corporation						
Claims on banks	2.6	32.8	32.1	32.1	37.4	40.1
Deposits	2.6	6.1	6.6	10.6	9.7	8.7
Net claims on central bank	-4.7	8.1	11.1	14.6	14.6	59.6
Cash and deposits	0.7	0.0	0.0	0.0	0.0	1.0
Advances (-)	-5.4	-9.8	-19.1	-18.8	-6.4	-144.1
Net domestic credit	37.0	0.0	0.0	0.0	0.0	0.0
Credit to nonfinancial public sector	-9.7	670.4	759.8	876.5	967.2	988.9
Central government (net)	-1.3	596.4	669.7	762.8	834.5	827.5
Rest of public sector (net)	-8.4	581.0	647.0	744.0	808.2	798.2
Credit to private sector	60.8	111.4	139.7	184.2	222.4	199.2
Capital and reserves	-10.7	128.2	141.2	173.5	203.7	197.3
Other assets (net)	-3.4	341.4	366.1	386.3	382.1	401.7
Foreign liabilities (medium and long term)	34.9	74.0	90.1	113.8	132.7	161.4

Table 25. Belize: Detailed Accounts of the Financial System 1/

(In millions of Belize dollars)

	1997	1998	1999	2000	2001	2002
V. Government Savings Bank						
Net domestic credit	8.7	9.6	10.7	11.2	11.6	...
Credit to the central government (net)	9.3	10.2	11.3	11.8	12.2	...
Official capital and reserves	-0.6	-0.6	-0.6	-0.6	-0.6	....
Liabilities to private sector (savings deposits)	8.7	9.6	10.7	11.2	11.6	...
VI. Credit Unions						
Claims on banks	13.3	0.0	0.0	0.0	0.0	0.0
Demand deposits	2.4	-33.5	-38.1	-105.7	-97.5	-161.0
Time deposits	10.9	0.0	0.0	0.0	0.0	0.0
Net claims on central bank (cash in vault)	0.3	181.8	223.9	280.2	327.6	306.0
Net domestic credit	90.7	111.4	139.7	184.2	222.4	199.2
Credit to private sector	97.1	469.6	507.3	559.8	585.7	599.0
Other assets (net)	-6.4	128.2	141.2	173.5	203.7	197.3
Liabilities to private sector	104.2	15.4	22.7	18.7	26.3	29.3
Share capital	82.8	74.0	90.1	113.8	132.7	161.4
Reserves	21.5	0.0	0.0	0.0	0.0	0.0
VII. Consolidated Rest of the Financial System (IV+V+VI)						
Claims on banks	15.9	0.0	0.0	0.0	0.0	0.0
Demand deposits	5.0	0.0	0.0	0.0	0.0	0.0
Time deposits	10.9	0.0	0.0	0.0	0.0	0.0
Loans (-)	0.0	0.0	0.0	0.0	0.0	0.0
Net claims on central bank	-4.4	0.1	8.8	1.4	2.5	4.4
Cash in vault	1.0	-5.7	-5.4	-4.5	-85.3	-15.0
Advances (-)	-5.4	0.0	0.0	0.0	0.0	0.0
Domestic credit	136.3	1.5	2.5	8.8	18.2	6.1
Credit to nonfinancial public sector (net)	-0.5	0.0	0.0	0.0	0.0	0.0
Central government (net)	7.9	0.0	0.0	0.0	0.0	0.0
Rest of the public sector	-8.4	40.0	36.2	122.8	281.0	236.5
Credit to private sector	157.9	-11.3	-39.4	-127.8	-104.6	-177.9
Official capital and reserves	-11.3	-2.7	-27.1	-6.1	-32.6	-144.6
Unclassified assets (net)	-9.8	-8.6	-12.4	-121.7	-72.0	-33.2
Liabilities to private sector	112.9	-11.9	-13.8	-15.8	-23.9	-37.5
Share capital	82.8	-2.8	27.5	67.1	142.8	147.0
Savings deposits	8.7	0.0	0.0	0.0	0.0	0.0
Other reserves	21.5	35.9	42.2	128.5	216.4	232.1
Foreign liabilities (medium and long term)	34.9	0.0	0.0	0.0	0.0	0.0

Table 25. Belize: Detailed Accounts of the Financial System

(In millions of Belize dollars)

	1997	1998	1999	2000	2001	2002
VIII. Consolidated Financial System (III+VII)						
Net foreign assets	87.8	0.0	0.0	0.0	0.0	0.0
Assets	174.5	0.0	0.0	0.0	0.0	0.0
Liabilities (-)	-86.7	0.0	0.0	0.0	0.0	0.0
Domestic credit	737.1	0.0	0.0	0.0	0.0	0.0
Credit to nonfinancial public sector (net)	71.7	9.6	10.7	11.2	12.1	12.4
Central government (net)	111.3	10.2	11.3	11.8	12.7	13.0
Claims	160.1	10.2	11.3	11.8	12.7	13.0
Deposits (-)	-48.7	0.0	0.0	0.0	0.0	0.0
Rest of the public sector (net)	-39.6	0.0	0.0	0.0	0.0	0.0
Credit to private sector	710.0	-0.6	-0.6	-0.6	-0.6	-0.6
Official capital and reserves	-20.2	0.0	0.0	0.0	0.0	0.0
Other assets (net) 3/	-24.4	9.6	10.7	11.2	12.1	12.4
Foreign liabilities (medium and long term)	38.0	0.0	0.0	0.0	0.0	0.0
Liabilities to private sector	786.9	0.0	0.0	0.0	0.0	0.0
Currency in circulation	65.5	14.5	18.7	30.1	43.7	51.5
Demand deposits	89.2	2.9	3.8	3.8	5.5	6.5
Time deposits	312.6	11.6	14.9	26.3	38.2	45.0
Savings deposits	131.6	0.0	0.0	0.0	0.0	0.0
Foreign currency deposits	82.8	0.4	0.5	0.5	0.5	0.5
Share capital	16.4	0.4	0.5	0.5	0.5	0.5
Capital and reserves	88.8	0.0	0.0	0.0	0.0	0.0

Sources: Central Bank of Belize; credit unions; Development Finance Corporation; and Fund staff estimates.

1/ Financing and expenditure related to the construction of the central bank building included in the central government accounts.

2/ Letters of credit, bank acceptances, and bank guarantees included in credit to the private sector.

3/ Includes official capital and reserves and medium-term external liabilities.

Table 26. Belize: Interest Rates 1/

(Annual percentage)

	Treasury Bill Discount rate	Central Bank Lending rate	Commercial Bank Rates					Weighted Average		US\$LIBOR 90-Day	Spread lending minus deposits interest rates	Difference between Belize and international interest rates 3/
			Saving deposits	Time deposits 2/	Personal loans	Commercial loans	Mortgage loans	Deposits	Loans			
1998												
I	3.4	12.0	5.4	9.2	17.5	16.1	15.7	6.7	16.5	5.7	9.8	3.5
II	3.4	12.0	5.4	8.8	17.4	16.2	15.9	6.5	16.6	5.8	10.1	3.0
III	3.4	12.0	5.5	8.5	16.9	16.5	15.9	6.2	16.5	5.6	10.3	2.9
IV	5.9	12.0	5.4	8.3	16.8	16.3	15.7	6.0	16.3	5.3	10.3	3.0
1999												
I	5.9	12.0	5.5	8.2	16.7	16.3	15.6	5.9	16.2	5.0	10.3	3.2
II	5.9	12.0	5.4	8.2	16.9	16.3	15.5	5.9	16.3	5.1	10.4	3.1
III	5.9	12.0	5.4	8.0	17.1	16.2	15.4	5.7	16.3	5.6	10.6	2.4
IV	5.9	12.0	5.3	8.0	16.9	16.2	15.3	5.7	16.3	6.1	10.6	1.9
2000												
I	5.9	12.0	5.4	7.9	17.0	16.1	15.0	5.5	16.2	6.3	10.7	1.6
II	5.9	12.0	5.5	7.8	16.8	15.6	15.0	5.4	16.0	6.8	10.6	1.1
III	5.9	12.0	5.4	7.6	16.8	15.5	14.7	5.3	15.9	6.8	10.6	0.8
IV	5.9	12.0	5.4	7.2	16.5	15.5	14.7	5.0	15.8	6.4	10.8	0.8
2001												
I	5.9	12.0	5.5	6.6	16.6	15.6	14.5	4.4	15.6	4.9	11.2	1.7
II	5.9	12.0	5.5	6.4	16.5	15.1	14.1	4.3	15.3	3.8	11.0	2.6
III	5.9	12.0	5.4	6.1	16.4	15.0	14.0	4.2	15.3	2.6	11.1	3.5
IV	5.9	12.0	5.4	6.1	16.8	14.8	14.0	4.3	15.4	1.9	11.1	4.2
2002												
I	4.1	12.0	5.2	6.1	16.8	14.9	13.9	4.2	15.4	1.9	11.2	4.2
II	3.5	12.0	5.1	6.2	16.6	14.9	13.9	4.2	15.3	1.9	11.1	4.3
III	3.3	12.0	5.1	6.2	16.4	14.8	13.8	4.2	15.1	1.8	10.9	4.4
IV	3.1	12.0	5.1	6.2	16.1	14.7	13.7	4.3	14.9	1.5	10.6	4.7

Source: Central Bank of Belize.

1/ Quarterly averages.

2/ 90-day time deposits.

3/ Time deposits rate compared with U.S. dollar LIBOR, both for 90-day deposits.

Table 27. Belize: Treasury Securities by Holder

(In millions of Belize dollars, end of period)

	1998	1999	2000	2001	2002
Total holdings	87.8	93.3	93.3	93.3	123.3
Treasury bills	70.0	70.0	70.0	70.0	100.0
Central Bank of Belize	38.0	13.7	5.6	0.5	54.1
Commercial banks	32.0	55.1	63.1	64.9	33.2
Other 1/	0.0	1.2	1.3	4.6	12.6
Treasury notes at commercial banks	17.8	23.3	23.3	23.3	23.3

Source: Central Bank of Belize.

1/ Includes Caribbean Development Bank.

Table 28. Belize: Sectoral Distribution of Credit to the Private Sector

	1998	1999	2000	2001	2002
(In millions of Belize dollars)					
By source	797.5	836.0	1,033.2	1,215.6	1,403.9
Commercial banks 1/	625.6	654.5	695.4	788.5	904.5
Development Finance Corporation	66.0	61.9	199.3	266.6	304.6
Credit unions	105.9	119.6	138.5	160.5	194.8
By destination	797.5	836.0	1,033.2	1,215.6	1,403.9
Primary sectors	94.9	86.1	114.7	139.5	132.0
Agriculture	81.1	68.4	88.1	98.1	88.7
Sugar	20.2	19.1	19.6	20.6	15.1
Citrus	36.6	24.0	26.7	23.6	20.5
Bananas	10.3	13.6	22.4	32.1	38.4
Rice	2.5	6.1	9.2	10.0	4.3
Other agriculture	11.5	5.6	10.2	11.8	10.3
Other primary	13.8	17.7	26.6	41.4	43.3
Secondary sectors	188.4	200.6	281.3	318.2	318.3
Manufacturing	41.3	53.3	50.1	49.3	25.2
Construction	147.1	150.6	231.2	268.9	293.1
Services	254.4	244.6	316.4	405.0	459.6
Transportation	19.6	29.9	35.6	73.0	58.5
Tourism	38.3	42.3	45.3	71.4	66.1
Trade and commerce	119.5	117.3	133.0	136.3	150.9
Other services	77.0	55.1	102.5	124.3	184.1
Personal 2/	259.8	304.7	320.8	352.9	493.8
(In percent of total)					
By source	100.0	100.0	100.0	100.0	100.0
Commercial banks 1/	78.4	78.3	67.3	64.9	64.4
Development Finance Corporation	8.3	7.4	19.3	21.9	21.7
Credit unions	13.3	14.3	13.4	13.2	13.9
By destination	100.0	100.0	100.0	100.0	100.0
Primary sectors	11.9	10.3	11.1	11.5	9.4
Agriculture	10.2	8.2	8.5	8.1	6.3
Sugar	2.5	2.3	1.9	1.7	1.1
Citrus	4.6	2.9	2.6	1.9	1.5
Bananas	1.3	1.6	2.2	2.6	2.7
Rice	0.3	0.7	0.9	0.8	0.3
Other agriculture	1.4	0.7	1.0	1.0	0.7
Other primary	1.7	2.1	2.6	3.4	3.1
Secondary sectors	23.6	24.0	27.2	26.2	22.7
Manufacturing	5.2	6.4	4.8	4.1	1.8
Construction	18.4	18.0	22.4	22.1	20.9
Services	31.9	29.3	30.6	33.3	32.7
Transportation	2.5	3.6	3.4	6.0	4.2
Tourism	4.8	5.1	4.4	5.9	4.7
Trade and commerce	15.0	14.0	12.9	11.2	10.7
Other services	9.7	6.6	9.9	10.2	13.1
Personal 2/	32.6	36.4	31.0	29.0	35.2

Sources: Central Bank of Belize; Development Finance Corporation; and credit unions.

1/ Loans and advances only.

2/ Includes mortgage loans, credit card balances, and credit union loans.

Table 29. Belize: Commercial Banks' Liquidity Position

	1998	1999	2000	2001	2002
(In percent of average deposit liabilities)					
Minimum liquid assets requirement	24.0	24.0	24.0	24.0	24.0
Cash reserve requirement 1/	5.0	5.0	5.0	5.0	6.0
Other liquid assets requirement 2/	19.0	19.0	19.0	19.0	18.0
Actual liquid assets	28.1	32.0	38.6	36.6	30.0
Reserves at central bank 1/	6.0	5.3	8.0	8.9	6.4
Other liquid assets 2/	22.1	26.7	30.6	27.7	23.6
<i>Of which</i>					
Foreign assets	9.3	10.8	14.0	10.9	11.2
Treasury bills	6.9	6.8	7.2	6.9	3.3
Excess liquidity	4.1	8.0	14.6	12.6	6.0
(In millions of Belize dollars)					
Memorandum items:					
Average deposit liabilities	722.0	791.6	903.3	968.6	1,014.1
Total deposits (end-of-period)	742.5	795.8	931.0	988.1	1,020.0
<i>Of which</i>					
Central government	9.0	4.5	15.9	7.7	7.7
Social Security Board	31.7	17.1	8.3	12.8	12.8
Total loans and advances	620.2	678.9	726.9	818.2	904.5
Credit/deposit ratio	83.5	85.3	78.1	82.8	88.7

Source: Central Bank of Belize.

1/ Deposits at the central bank.

2/ Includes cash in vault, Belize government treasury bills, foreign assets, and other approved assets.

Table 30. Belize: Balance of Payments

	1998	1999	2000	2001	2002
(In millions of U.S. dollars)					
Current account balance	-41.4	-71.1	-155.4	-156.5	-159.8
Trade balance	-132.6	-101.3	-170.1	-186.7	-190.9
Exports, f.o.b.	194.4	264.8	291.5	273.8	307.0
Imports, c.i.f.	-327.0	-366.1	-461.6	-460.5	-497.9
Services	84.4	32.8	17.3	38.4	52.8
<i>Of which:</i> travel	78.0	69.4	77.3	81.4	86.8
Embassy and military	13.7	11.2	9.0	15.3	6.2
Other	-7.3	-47.8	-68.9	-58.3	-40.2
Income	-29.1	-43.6	-63.0	-77.6	-99.7
Public sector interest payments	-13.2	-16.6	-27.8	-43.8	-54.3
Interest on public debt	-13.2	-14.4	-18.4	-30.9	-26.6
Interest on mortgage and other securitization	0.0	-2.2	-9.5	-12.8	-27.8
Investment income from mortgage sinking funds	0.0	0.5	2.6	3.4	2.1
Other	-15.9	-27.4	-37.8	-37.3	-47.5
Transfers	35.9	41.0	60.3	69.5	78.1
Private (net)	27.4	31.0	51.8	60.3	64.3
Official (net)	8.5	10.0	8.5	9.2	13.7
Capital account balance	28.1	98.4	207.1	146.0	160.3
Public sector	15.8	82.6	210.9	115.6	122.2
Disbursements	35.7	45.6	204.7	116.4	243.9
Amortization	-19.9	-19.4	-33.0	-47.7	-145.5
Privatization proceeds	0.0	22.3	0.0	24.8	0.0
Securitization and other	0.0	34.1	39.2	22.2	23.9
Private capital 1/	12.3	15.7	-3.8	30.4	38.0
Commercial banks	5.1	-15.2	-7.5	14.7	-27.0
Other	7.3	30.9	3.7	15.7	65.0
Direct investment and portfolio	13.5	32.4	23.3	23.4	24.8
Other private 1/	-6.2	-1.5	-19.6	-7.7	40.3
Overall balance	-13.3	27.3	51.7	-10.5	0.5
(In percent of GDP)					
Current account balance	-6.2	-9.7	-18.7	-18.0	-17.2
Trade balance	-19.8	-13.8	-20.4	-21.5	-20.6
Capital account	4.2	15.2	28.1	17.8	16.6
Public sector	2.4	11.2	25.3	13.3	13.2
Private sector 1/	1.8	4.0	2.7	4.4	3.4
Overall balance	-2.0	3.7	6.2	-1.2	0.1
Public and publicly guaranteed external debt (end of period)	...	48.2	65.6	75.6	86.2
(Annual percentage change)					
Export volume	-6.4	23.2	9.2	1.0	n.a.
Import volume	8.8	13.1	17.0	5.1	n.a.
Terms of trade	-2.7	3.8	-6.6	4.0	0.8
Public debt service ratio 2/	9.8	8.2	13.5	20.6	43.0
Gross official reserves 3/	1.0	1.6	2.3	2.1	2.1

Sources: Central Bank of Belize; Ministry of Finance; Central Statistical Office; and Fund staff estimates.

1/ Includes errors and omissions.

2/ In percent of exports of goods and nonfactor services.

3/ In percent of imports of goods and nonfactor services of the following year.

Table 31. Belize: Principal Domestic Exports 1/

(In millions of U.S. dollars, volume as indicated, unit value in U.S. dollars)

	1998	1999	2000	2001	2002
Total exports (value)	194.4	240.3	259.7	255.1	291.9
Total domestic exports (value)	155.3	171.6	170.5	157.8	150.7
Main exports (value)	145.1	158.3	155.4	144.5	133.5
Other exports (value)	10.2	11.3	15.1	13.3	17.2
Reexports, f.o.b.	39.0	68.5	89.0	93.9	141.0
Coverage adjustments 2/	0.2	0.2	0.2	0.2	0.2
Sugar					
Value	44.5	43.3	37.1	29.7	32.9
Volume ('000 long tons)	104.3	117.8	107.6	90.1	102.5
Unit value (U.S. cents/lb.)	19.0	16.0	15.0	14.8	14.1
Molasses					
Value	1.1	0.2	0.1	0.8	1.4
Volume (million gallons)	7.2	5.6	5.1	4.8	5.6
Unit value (U.S. cents/gallon)	15.3	3.9	2.6	17.2	24.0
Seafood products					
Value	21.8	27.8	33.3	31.9	33.8
Volume (million pounds)	4.3	5.7	6.2	7.5	7.2
Unit value (U.S. dollars/pound)	5.1	4.9	4.7	4.3	4.7
Banana					
Value	24.7	28.4	32.9	21.4	20.5
Volume (million boxes of 42 lbs.)	2.7	2.7	3.1	2.3	2.4
Unit value (U.S. cents/lb.)	22.0	21.0	21.2	20.1	17.3
Citrus concentrates 3/					
Value	21.6	27.4	25.0	38.8	27.1
Volume (million gallons)	3.3	3.7	5.6	5.8	3.7
Unit value (U.S. dollars/gallon)	6.5	7.9	8.5	6.7	7.3
Single strength juices 3/					
Value	9.0	9.5	4.7	5.5	1.7
Volume (million gallons)	4.1	4.3	5.0	2.7	0.7
Unit value (U.S. dollars/gallon)	2.2	2.2	2.4	2.1	2.3
Sawn wood					
Value	2.7	2.1	2.4	1.2	1.3
Volume (million board feet)	3.1	2.1	2.4	1.0	1.0
Unit value (U.S. cents/bd. foot)	86.6	101.0	98.1	111.7	133.9
Garments					
Value	19.7	19.6	19.9	15.2	14.8
Volume ('000 dozens)	172.0	196.7	219.0	166.7	334
Unit value (U.S. dollars/doz.)	114.5	99.6	90.9	91.2	44.3
Memorandum items:					
Total exports (percent change)	-2.8	23.6	8.1	-1.8	14.4
Total exports (percent of GDP)	29.1	33.0	31.6	30.0	32.3

Sources: Central Statistical Office; and Fund staff estimates.

1/ Domestic exports defined as total exports minus reexports.

2/ Exports through parcel post.

3/ Comprises actual sales abroad, net of inventory accumulation abroad.

Table 32. Belize: Domestic Exports by Standard
International Trade Classification Category

	1998	1999	2000	2001	2002
(In thousands of U.S. dollars)					
Total domestic exports, f.o.b. 1/	156.4	169.6	199.5	162.7	158.3
Food	130.6	146.7	175.8	144.2	134.3
Crude material	3.1	2.6	2.7	1.6	1.7
Chemicals	0.3	0.1	0.2	0.3	0.9
Manufactured goods	0.6	0.3	0.3	0.4	5.8
Machinery and equipment	0.0	0.2	0.3	0.7	0.5
Miscellaneous manufactures	21.7	19.7	20.2	15.5	15.2
(In percent of total exports)					
Total domestic exports, f.o.b. 1/	100.0	100.0	100.0	100.0	100.0
Food	83.4	86.5	88.1	88.6	84.8
Crude material	2.0	1.5	1.3	1.0	1.1
Chemicals	0.2	0.1	0.1	0.2	0.6
Manufactured goods	0.4	0.2	0.2	0.2	3.7
Machinery and equipment	0.0	0.1	0.2	0.4	0.3
Miscellaneous manufactures	13.9	11.6	10.1	9.5	9.6
Memorandum item:					
Domestic exports as percent of GDP	24.8	24.7	25.8	19.1	17.5

Sources: Central Statistical Office; and Fund staff estimates.

1/ Domestic exports defined as total exports minus reexports.

Table 33. Belize: Retained Imports by Standard International Trade Classification Category

	1998	1999	2000	2001	2002
(In millions of U.S. dollars)					
Gross imports, c.i.f. 1/	295.2	369.6	532.4	525.9	537.3
Temporary imports 2/	24.1	50.7	13.2	8.1	12.1
Retained imports, c.i.f. 1/	271.1	318.9	468.0	454.4	416.7
Food and live animals	47.9	48.6	51.2	58.7	53.5
Beverages and tobacco	2.2	3.9	3.2	3.8	4.1
Crude materials	1.9	2.6	4.0	5.7	3.7
Mineral, fuels and lubricants	15.2	26.6	85.9	75.8	57.6
Animal and vegetable oils	1.7	1.9	1.9	1.6	1.5
Chemicals and related products	30.5	32.7	41.8	35.5	42.3
Manufactured goods: materials	54.9	56.2	71.7	67.9	63.9
Machinery and transport equipment	69.4	98.1	117.2	113.7	96.6
Miscellaneous manufactured articles	36.0	40.4	32.2	37.4	39.9
Commodities and transactions N.E.C. 3/	11.3	7.9	58.9	54.3	53.6
(In percent of total retained imports)					
Retained imports, c.i.f. 1/	100.0	100.0	100.0	100.0	100.0
Food and live animals	17.7	15.2	10.9	12.9	12.8
Beverages and tobacco	0.8	1.2	0.7	0.8	1.0
Crude materials	0.7	0.8	0.8	1.2	0.9
Mineral, fuels and lubricants	5.6	8.3	18.4	16.7	13.8
Animal and vegetable oils	0.6	0.6	0.4	0.4	0.4
Chemicals and related products	11.3	10.3	8.9	7.8	10.1
Manufactured goods: materials	20.2	17.6	15.3	14.9	15.3
Machinery and transport equipment	25.6	30.8	25.1	25.0	23.2
Miscellaneous manufactured articles	13.3	12.7	6.9	8.2	9.6
Commodities and transactions N.E.C. 3/	4.2	2.5	12.6	12.0	12.9
Memorandum items					
Retained imports					
Percentage change	7.1	17.6	0.47	-0.03	-0.08
In percent of GDP	40.6	43.7	56.2	52.0	44.3
Gross imports					
Percentage change	3.1	25.2	1.4	1.0	1.0
In percent of GDP	48.9	51.0	63.9	60.2	57.1

Sources: Central Bank of Belize; and Fund staff estimates.

1/ Includes imports through parcel post and electricity.

2/ Starting in 1997 with the opening of the Corozal free trade zone discrepancies arose between temporary imports and reexports.

3/ Commodities & Transactions N.E.C. from 2000 to 2002 includes transactions for Export Processing Zones and electricity purchased from Mexico.

Table 34. Belize: Sugar Exports by Destination

(In millions of U.S. dollars; volume in thousands of long tons; prices in U.S. cents per pound)

	1998	1999	2000	2001	2002
Total sugar exports					
Value	44.5	43.3	37.1	29.7	32.9
Volume	104.3	117.8	107.6	90.1	102.5
Unit Value (U.S. cents/lb.)	19.0	16.0	15.0	15.0	14.1
United States					
Value	7.2	5.5	4.1	4.4	4.8
Volume	15.9	13.7	11.0	10.9	11.0
Unit Value (U.S. cents/lb.)	20.2	20.3	17.0	18.2	19.4
European Union					
Value	28.7	29.2	25.8	18.8	21.9
Volume	54.6	57.4	54.9	44.6	48.9
Unit Value (U.S. cents/lb.)	23.5	22.7	21.0	20.0	20.0
Free market					
Value	8.6	8.6	7.2	7.0	7.0
Volume	33.8	46.7	41.7	34.6	42.6
Unit Value (U.S. cents/lb.)	11.3	8.4	7.9	9.1	7.3
Memorandum item:					
Share of sugar exports in domestic exports (in percent)	28.6	25.2	21.7	18.4	21.8

Sources: Central Statistical Office; and Fund staff estimates.

Table 35. Belize: Visitor Arrivals 1/

	1998	1999	2000	2001	2002
Total arrivals	277,006	387,491	428,399	447,689	458,210
<i>Of which</i>					
Tourists	119,400	167,033	180,760	195,955	199,521
Origin					
United States	110,404	142,383	167,848	166,276	139,747
Continental Europe	25,795	32,493	36,363	35,135	32,218
Canada	11,657	12,657	15,026	15,233	13,709
United Kingdom	11,223	11,864	23,169	12,706	13,619
Central America	76,260	97,822	105,811	130,034	168,401
Other	41,667	90,222	80,182	88,305	90,516
Arrivals					
By air	106,482	153,414	171,435	174,201	174,038
By land	144,486	185,334	191,595	212,753	253,107
By sea	26,038	47,743	65,369	60,735	31,065
Tourism receipts (US\$ million)	99.1	114.4	122.0	120.5	132.8
Total arrivals (percentage change)	-26.0	39.9	10.6	4.5	2.4
<i>Of which</i>					
Tourists	6.4	39.9	8.2	8.4	1.8
Tourism receipts	2.7	15.4	6.6	-1.2	10.2

Sources: Belize Tourist Board; Immigration Department; and Fund staff estimates.

1/ Includes migrant labor, returning Belizeans, and tourists.

Table 36. Belize: Direction of Trade

	1998	1999	2000	2001	2002
(In millions of U.S. dollars)					
Domestic exports, f.o.b. 1/	155.3	171.6	210.4	162.7	158.3
United States 2/	64.2	70.5	104.2	84.3	84.1
United Kingdom	50.6	55.3	60.5	39.0	39.0
Other European Union 3/	18.1	23.3	22.0	11.4	14.8
Canada	1.1	3.2	0.4	1.2	0.9
Mexico	0.9	1.0	1.4	1.2	1.9
CARICOM	11.4	9.8	9.0	10.8	11.2
Other	9.1	7.5	12.8	14.9	6.5
Total imports, c.i.f.	327.0	378.7	524.3	516.8	524.5
United States	159.4	192.7	261.8	237.0	226.9
United Kingdom	13.9	15.6	12.7	11.0	14.1
Other European Union	15.7	13.7	26.1	26.4	27.2
Canada	34.8	5.4	9.5	5.3	16.1
Mexico	15.1	45.9	42.9	43.5	40.9
CARICOM	10.7	13.1	14.9	20.8	15.9
Other	77.4	92.3	156.4	172.8	183.4
(In percent of total)					
Domestic exports, f.o.b. 1/	100.0	100.0	100.0	100.0	100.0
United States	41.3	41.1	60.7	49.1	49.0
United Kingdom	32.6	32.2	35.3	22.7	22.7
Other European Union	11.6	13.6	12.8	6.6	8.6
Canada	0.7	1.9	0.3	0.7	0.5
Mexico	0.6	0.6	0.8	0.7	1.1
CARICOM	7.3	5.7	5.2	6.3	6.5
Other	5.8	4.4	7.4	8.7	3.8
Total imports, c.i.f.	100.0	100.0	100.0	100.0	100.0
United States	48.7	50.9	49.9	45.9	43.3
United Kingdom	4.2	4.1	2.4	2.1	2.7
Other European Union	4.8	3.6	5.0	5.1	5.2
Canada	10.7	1.4	1.8	1.0	3.1
Mexico	4.6	12.1	8.2	8.4	7.8
CARICOM	3.3	3.5	2.8	4.0	3.0
Other	23.7	24.4	29.8	33.4	35.0

Sources: Central Bank of Belize; and Fund staff estimates.

1/ Domestic exports defined as total exports minus reexports.

2/ Net of orange juice inventory accumulation during 2000 of about US\$ 11.5 million.

3/ Net of orange juice inventory accumulation during 2000 of about US\$ 18.1 million.

Table 37. Belize: Public and Publicly Guaranteed Debt

	1999	2000	2001	2002
(In millions of U.S. dollars)				
Debt outstanding (end-of-period)	389.8	595.9	724.8	816.5
Domestic debt 1/	35.4	50.0	67.7	16.4
External debt	354.3	546.0	657.1	800.1
Public sector debt	253.3	375.2	413.8	489.4
Central government	192.9	305.2	341.3	470.6
Rest of the public sector	46.1	17.2	24.2	8.1
CBB	14.3	52.8	48.4	10.7
Publicly guaranteed external debt	101.0	170.8	243.2	310.7
DFC 1/	69.9	141.3	201.5	254.7
Privatized public enterprises	31.1	29.4	41.8	56.0
(In percent of GDP)				
Debt outstanding (end-of-period)	53.1	71.6	83.4	88.0
Domestic debt 2/	4.8	6.0	7.8	1.8
External debt	48.2	65.6	75.6	86.2
Public sector debt	34.5	45.1	47.6	52.7
Central government	26.3	36.6	39.3	50.7
Rest of the public sector	6.3	2.1	2.8	0.9
CBB	1.9	6.3	5.6	1.2
Publicly guaranteed external debt	13.8	20.5	28.0	33.5
DFC 1/	9.5	17.0	23.2	27.4
Privatized public enterprises	4.2	3.5	4.8	6.0
Memorandum items:				
Sinking funds (in millions of US dollars)	8.0	28.7	28.7	50.2
Sinking funds (in percent of GDP)	1.1	3.4	3.3	5.4

Source: Central Bank of Belize.

1/ Includes DFC securitization and other DFC external debt.

2/ Excludes debt between public sector entities.

Table 38. Belize: External Debt by Creditor and Borrowing Agency

	1998	1999	2000	2001	2002
(In millions of U.S. dollars)					
Amount outstanding (end-of-period) 1/	258.4	354.3	546.0	657.1	800.1
Public debt by creditor	258.4	253.3	375.2	413.8	489.4
Official	203.0	197.7	183.1	212.3	244.9
Caribbean Development Bank	...	...	...	18.8	22.6
Inter-American Development Bank	...	...	...	34.3	48.6
European Union	...	...	...	7.7	8.8
World Bank	...	...	...	32.2	36.6
United Kingdom Government	...	...	...	11.0	9.8
United States Government	...	...	...	7.5	6.7
Commonwealth Development Corporation	...	...	...	0.0	0.0
Venezuela (FIVEN and FINEXPO)	...	...	...	1.0	1.3
OPEC	...	...	...	2.0	3.5
China	...	...	...	0.1	0.1
International Fund for Agricultural Development	...	...	...	1.1	1.0
Government of Spain	...	...	...	0.4	0.2
Government of Taiwan (POC)	...	...	...	71.3	91.8
Government of Kuwait	...	...	...	10.7	13.9
Other	...	...	...	14.3	0.0
Other	55.4	55.7	192.1	201.5	244.5
Banks	47.4	47.9	170.7	180.9	233.0
Suppliers	8.0	7.8	21.4	20.6	11.5
Publicly guaranteed debt 2/	0.0	101.0	170.8	243.2	310.7
Public debt by debtor	258.4	253.3	375.2	413.8	489.4
Nonfinancial public sector	222.3	239.0	322.4	365.4	478.7
Central government	178.5	192.9	305.2	341.3	470.6
Rest of nonfinancial public sector	43.8	46.1	17.2	24.2	8.1
Financial Public Sector 3/	36.1	14.3	52.8	48.4	10.7
Publicly guaranteed debt 2/	0.0	101.0	170.8	243.2	310.7
(In percent of total)					
By creditor 4/					
Official	78.5	78.0	48.8	51.3	50.0
Other	21.5	22.0	51.2	48.7	50.0
By debtor 4/					
Public sector					
Nonfinancial public sector	86.0	94.4	85.9	88.3	97.8
Central government	69.1	76.1	81.3	82.5	96.2
Rest of nonfinancial public sector	16.9	18.2	4.6	5.8	1.7
Financial public sector	14.0	5.6	14.1	11.7	2.2

Source: Central Bank of Belize.

1/ Includes public and publicly guaranteed external debt.

2/ Includes the guaranteed debt of BEL, WASA, and securitization operations of DFC/SSB.

3/ Includes the Central Bank of Belize

4/ Distribution of public debt only.

Table 39. Belize: Indices of Effective Exchange Rate 1/

(Indices 1990 = 100)

	Nominal effective exchange rate	Real effective exchange rate 2/
Quarterly averages		
1998		
I	120.7	94.9
II	122.4	96.6
III	124.0	98.0
IV	125.1	100.7
1999		
I	124.6	101.4
II	125.0	101.3
III	128.4	103.2
IV	129.4	103.1
2000		
I	131.6	103.9
II	132.0	103.6
III	134.5	105.0
IV	134.7	103.9
2001		
I	135.4	103.5
II	131.7	100.1
III	134.0	101.4
IV	136.1	101.5
2002		
I	135.9	100.3
II	135.1	99.2
III	136.8	100.0
IV	139.6	101.6
Annual averages		
1998	123.1	97.6
1999	126.8	102.3
2000	133.2	104.1
2001	134.3	101.6
2002	136.8	100.3

Sources: IMF *Information Notice System*; and Fund staff estimates.

1/ Trade weighted, an increase (decrease) indicates appreciation (depreciation).

2/ Nominal exchange rate deflated by seasonally adjusted relative consumer prices.