



**BELIZE**

**DEVELOPMENT FINANCE CORPORATION ACT  
CHAPTER 279**

**REVISED EDITION 2000**  
SHOWING THE LAW AS AT 31ST DECEMBER, 2000

This is a revised edition of the law, prepared by the Law Revision Commissioner under the authority of the Law Revision Act, Chapter 3 of the Laws of Belize, Revised Edition 1980 - 1990.

This edition contains a consolidation of the following laws-	Page
<b>ARRANGEMENT OF SECTIONS</b>	3
<b>DEVELOPMENT FINANCE CORPORATION ACT</b>	5
Amendments in force as at 31st December, 2000.	



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**CHAPTER 279**

**DEVELOPMENT FINANCE CORPORATION**

**ARRANGEMENT OF SECTIONS**

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**CHAPTER 279**

**DEVELOPMENT FINANCE CORPORATION**

CAP. 226,  
R. E. 1980-1990.  
2 of 1961.  
15 of 1963.  
40 of 1963.  
6 of 1968.  
23 of 1972.  
16 of 1986.  
22 of 1987.  
16 of 1989.  
14 of 1993.  
Commencement .  
S. I. 39 of 1963.

*[29th September, 1963]*

1. This Act may be cited as the Development Finance Corporation Act. Short title.
2. In this Act, unless the context otherwise requires:- Interpretation.

“Board of Directors” means the Board of Directors established under section 7;

“Corporation” means the Development Finance Corporation, established by section 3;

“financial year” in relation to the Corporation means the period of twelve months beginning on 1st January in any year;

“shareholder” means a shareholder in the Corporation.

- 3.-(1) There is hereby established a body to be called the Development Finance Corporation which shall be a body corporate with perpetual succession and a common seal with power to purchase, take, hold and dispose of land and other Establishment of Development Finance Corporation.

property of whatever kind, to enter into contracts, to sue and be sued in the said name and to do all things necessary for the purposes of this Act.

23 of 1972.

(2) The seal of the Corporation shall be affixed to any instrument in the presence of the Chairman, but shall not be so affixed except by the authority of a resolution of the Board, and shall be authenticated by the joint signatures of one director of the Corporation and the Manager.

(3) The seal of the Corporation shall be kept in the custody of the Manager.

Purposes.  
23 of 1972.

4.-(1) The purposes of the Corporation shall be to expand and strengthen the economy of Belize by-

16 of 1986.

- (a) supplying finance, either alone or in association with others, for the development of agriculture, forestry, fishing, industry, agro-industry, tourism, education, housing and public utilities;
- (b) purchasing, developing, improving land, and engaging in commercial ventures, either alone or in association with others;
- (c) promoting and facilitating capital investment, both domestic and foreign, to achieve its purposes;
- (d) undertaking, promoting and facilitating economic and financial studies as a guide to investment.

(2) The Board may, with the approval of the Minister, sanction other activities and commitments for the Corporation to engage in which are conducive to the purposes of the Corporation.

Powers.

5. In carrying out its purposes, the Corporation may exercise all or any of the following powers-

15 of 1963.

- (a) provide finance in the form of loans, or by purchasing or

subscribing for shares or other securities, or by acquiring any other interest;

- (b) underwrite new issues of stocks, shares, bonds, debentures and other securities;
- (c) guarantee loans from other sources;
- (d) make funds available by selling any investments of the Corporation when and as appropriate;
- (e) borrow funds for the purposes of the business of the Corporation from sources either in Belize or abroad and give security for any loans obtained;
- (f) furnish managerial, technical, and administrative advice and assist in obtaining managerial, technical and administrative services for enterprises in Belize;
- (g) invest idle funds and reserves of the Corporation in such securities as the Board may determine;
- (h) acquire, hold, take or give on lease or hire, mortgage, pledge and sell, or otherwise dispose of, any immovable or movable property;
- (i) accept, before the date on which it is due, any payment in respect of a loan granted by the Corporation;
- (j) open deposit accounts with any bank;
- (k) draw, accept, or endorse bills of exchange for the purposes of the business of the Corporation;

- 16 of 1986.
- (l) accept deposits of money which may be withdrawn or repaid on demand or after a fixed period or after notice, and employ those deposits in whole or in part by lending or any other means for the account and at the risk of the Corporation;
  - (m) give any guarantee or indemnity to, and enter into any arrangements with, the Government, any local authority, or any body corporate or other person, in order to obtain any rights, concessions and privileges that may seem to the Corporation to be conducive to any object of the Corporation;
  - (n) make appropriate provision for the welfare of employees or ex-employees of the Corporation and of their dependants; and
  - (o) do all such other things as are incidental or conducive to the attainment of its purposes.

Share capital,  
subscription for  
shares,  
shareholder's  
liability.  
23 of 1972.  
16 of 1986.  
14 of 1993.  
14 of 1993.

6.-(1) Subject to this section, the authorised share capital of the Corporation shall be thirty million dollars divided into ordinary shares of the par value of ten dollars each.

(2) The Government of Belize may subscribe for the three million shares mentioned in subsection (1) or such other number as the Minister may from time to time determine.

(3) Any person may subscribe for and hold shares in the Corporation subject to rules as may be made by the directors with the approval of the Minister in that behalf.

(4) The liability of any shareholder shall be limited to the amount unpaid on his share.

Board of Directors. 7.-(1) There shall be a Board of Directors of not more than seven persons

appointed by the Minister, of whom four shall be persons not holding offices of emolument in the public service in Belize.

- (2) (i) The Financial Secretary or a representative appointed by him, the Permanent Secretary to the Ministry of Economic Development, and the Permanent Secretary to the Ministry of Agriculture shall be *ex officio* directors. 16 of 1986.  
16 of 1989.
- (ii) Of the four non-official directors, one shall be appointed after consultation with the Minister responsible for Commerce and Industry.

(3) The Minister may appoint another person to act as a director in place of a director who is temporarily absent or unable to act as such.

(4) The Minister shall appoint one director to be the Chairman and another to be the Deputy Chairman of the Board.

(5) The Deputy Chairman shall exercise the functions of the Chairman in case he is absent or unable to act.

(6) The directors present at the meeting shall elect one from amongst themselves to act as Chairman at that meeting in case both the Chairman and the Deputy Chairman are absent or unable to act.

(7) No member of the National Assembly shall be appointed a director.

(8) A director shall hold office for a period not exceeding two years from the date of appointment but may be re-appointed.

(9) A director who is not holding office of emoluments in the Public Service may resign his post by giving the Minister, through the Chairman, a written notice of resignation. The Chairman may resign his post by giving a written notice of resignation to the Minister.

(10) The names of the directors appointed and every change and new appointment shall be published in the *Gazette*.

(11) The Minister may terminate the appointment of any director if such director-

- (a) becomes of unsound mind or is incapable of carrying out his duties;
- (b) becomes bankrupt or compounds with, or suspends payment to, his creditors;
- (c) is convicted and sentenced to a term of imprisonment or to death;
- (d) is convicted of any offence involving dishonesty;
- (e) is guilty of misconduct in relation to his duties;
- (f) is absent, except on leave granted by the Board, from three consecutive meetings of the Board;
- (g) fails to carry out any of the duties or functions conferred or imposed on him under this Act; or
- (h) refuses to act or withholds information as required under section 9(1).

Functions of the Board.  
23 of 1972.

8.-(1) The Board of Directors shall administer, supervise and control the affairs and business of the Corporation, subject to any directions of a general character given by the Minister as to policy to be followed by the Corporation in the exercise and performance of its functions.

(2) The Board may utilise the funds of the Corporation for the purpose of discharging legal obligations and commitments of the Corporation.

(3) No payment out of the funds of the Corporation shall be made unless it has been authorised by writing authenticated by the joint signatures of the Chairman or one director authorised to act in that behalf and of the Manager:

Provided that officers of the Corporation who are specifically authorised by the Board may effect petty disbursements or immediate payments out of the funds they may be permitted by the Board to hold from time to time.

(4) The Board shall ensure that any loan made by the Corporation is utilised for the purpose for which it was made.

(5) The Board shall ensure that every application to the Corporation for a loan receives prompt attention and is considered strictly on its financial and economic merits and in the light of recommendation as to character of the applicant.

(6) The Corporation shall not make an investment in or otherwise transact business with an enterprise in which a director of the Corporation or his spouse is a partner, shareholder, director, or is in any other way directly or indirectly interested, unless the investment or the transaction is approved by the Minister on a favourable recommendation of the Board.

(7) The Board shall furnish the Minister with such returns, accounts and information, as he may require with respect to the property, transactions and activities of the Corporation, and shall afford him or his duly accredited representative all facilities for verification thereof.

9.-(1) Any member of the Board whose interest is likely to be affected or has been affected by a decision of the Board or a transaction to which the Corporation is a party shall make a written disclosure to the Board of the nature of his interest to be affected or affected soon after the relevant facts have come to his knowledge.

Interested  
directors.  
23 of 1972

(2) The Board shall forthwith transmit a copy of the disclosure to the Minister.

(3) Unless the Minister otherwise directs, such member shall not attend the meetings of the Board at which the matter affecting his interest will be dealt with.

Regulations.  
23 of 1972.

10. The Board, subject to the approval of the Minister, may make regulations generally for the better carrying out of the purposes and objects of this Act.

Government  
loans.  
15 of 1963.

11. For the purposes of its business, the Corporation may borrow from the Government, and the Government may lend to the Corporation from the Consolidated Revenue Fund or from funds borrowed by the Government in accordance with such conditions as may be agreed between the Corporation and the Government. Every sum in repayment of such loan shall be paid to the Accountant General who shall credit it to the Consolidated Revenue Fund or to the fund from which it was lent.

Reserves.

12.-(1) The Corporation shall set aside in each year out of the net profits of the Corporation a minimum of ten *per centum* of such profits towards a general reserve fund until the amount standing to the credit of such general reserve fund shall equal the paid up share capital of the Corporation.

(2) The general reserve fund created under subsection (1) may be used to meet contingencies and for such other purposes as the Corporation may think fit, but this fund may not be used for distribution of profits of shareholders.

Borrowing.  
13 of 1972.

13. The Corporation may, with the approval of the Minister, borrow sums required by it for meeting any of its obligations or discharging any of its functions.

Securities.  
15 of 1963.

14. The Corporation may issue debentures or bonds for the purpose of exercising its borrowing powers under this Act.

15. Where any property mortgaged as security for a loan made under this Act is acquired by the Corporation, the Corporation may manage and hold such property or carry on any business with or sell or otherwise dispose of such property as it may think fit.

Acquisition of mortgaged property.

16.-(1) The Corporation shall keep proper accounts of all its financial transactions, of assets and liabilities, and complete record of all other matters relating to its finances and shall prepare annually a statement of accounts in a manner satisfactory to the Minister and in conformity with sound commercial practice.

Accounts and audit.  
23 of 1972.

(2) The accounts of the Corporation shall be audited annually by an auditor or auditors appointed by the Minister.

(3) The auditor of the Corporation shall be supplied with a copy of the annual balance sheet of the Corporation, and it shall be his duty to examine such balance sheet together with the accounts and vouchers relating thereto. He shall at all reasonable times have access to the books, accounts and vouchers of the Corporation and shall be entitled to require from the directors and officers of the Corporation such information and explanation as may be necessary for the performance of his duties.

(4) The auditor of the Corporation may, if he so desires, make a continuous audit of the accounts of the Corporation.

(5) The auditor of the Corporation shall make a written report upon the annual balance sheet and accounts of the Corporation and shall in such report state whether he has or has not obtained all the information and explanations required by him and whether, in his opinion, such accounts are properly drawn up so as to exhibit a true and correct view of the Corporation's affairs according to the best of his information and the explanations given to him and as shown by the books of the Corporation.

(6) Copies of the report of the auditor shall be transmitted by him to the Board and to the Minister.

(7) Notwithstanding anything in this section, the Minister may, in his discretion, at any time require the Auditor-General to examine the report on the accounts as well as the accounts of the Corporation, in which event the Board shall afford the Auditor-General with all facilities for examination as the Auditor-General may require.

(8) All the expenses incurred for the purpose of auditing shall be paid out of the funds of the Corporation.

Submission of  
budget estimates.

17. The Corporation shall, in such form and by such dates as may be prescribed by the Financial Secretary, prepare and submit to the Minister responsible for Finance, through the Minister responsible for the Corporation, estimates of income receivable and the expenditure to be incurred during each financial year (including any supplementary estimates), and the Minister responsible for Finance shall present the said estimates to the National Assembly with such amendments, if any, as he may consider necessary.

Secrecy.  
23 of 1972.

18.-(1) Except in so far as may be necessary for the performance of his duties, every director, officer and employee of the Corporation shall preserve and aid in preserving secrecy with regard to all matters relating to the affairs of the Corporation that may come to his knowledge in the course of his duties.

(2) Any such director, officer or employee who communicates any such matter to any person other than a member of the Board or any officer of the Corporation authorised in that behalf by the Manager, or who suffers or permits any unauthorised person to have access to any books, papers or records relating to the Corporation, commits an offence and is liable on summary conviction to a fine of five hundred dollars or to imprisonment for a term not exceeding six months, or to both such fine and term of imprisonment.

(3) No director, officer or employee of the Corporation shall be required to produce in any court any book or document or to divulge or communicate to any court any matter or thing coming under his notice in the performance of his duties under this Act except on the direction of the court in so far as may be necessary for the purpose of carrying into effect the provisions of the Act.

19.-(1) The Board shall prepare an annual report of its activities as soon as may be after the close of each financial year. Annual report.

(2) Without limitation on the discretion of the Board as to matters to be included in the annual report, that report shall specifically include-

- (a) a description of the Corporation's activities during the year under review;
- (b) a statement of the assistance given by the Corporation to enterprises in the various categories listed in section 4 (a);
- (c) an assessment of the effect on the economy of Belize of the Corporation's activities;
- (d) information on any studies made under section 4(d);
- (e) a copy of the audited accounts.

(3) The annual report shall be submitted to the Minister of Finance not later than four months after the close of the Corporation's financial year and shall be laid on the table of the National Assembly.

20.-(1) The profits of the Corporation shall not be liable to any taxes. Exemption from income tax. 15 of 1963.

(2) Dividends paid on shares in the Corporation shall not be taken into account in ascertaining the chargeable income of shareholders under the Income and Business Tax Act. CAP. 55. 16 of 1986.

(3) Subsection (2) shall not apply to any shareholder who would become liable under the laws of his country to pay income tax on dividends or shares in the Corporation as a result of those dividends not being subject to income tax in Belize.

General Manager.  
23 of 1972.

21.-(1) The Board shall, subject to the approval of the Minister, appoint a fit and proper person to be the General Manager of the Corporation on such terms and conditions as it may determine from time to time.

(2) The General Manager shall be the chief executive officer of the Corporation and shall be responsible for the day to day management, direction and control of the business of the Corporation.

(3) The Board may appoint and employ, at such remuneration and on such terms and conditions as it thinks fit, officers, agents, and servants, as it may think necessary for the efficient performance of the business of the Corporation.

Corporation acting  
as an agent.  
23 of 1972.

22. Notwithstanding anything to the contrary in this Act, the Corporation may act as an agent for the Government or for a department or a Ministry thereof, or for a statutory corporation, in connection with any matter or for any purpose whatsoever, whether enabled by this Act or not.

Minutes  
receivable in  
evidence.

23. Minutes made of meetings of the Corporation shall, if duly signed by the Chairman or director presiding at the meeting, be receivable in evidence in all legal proceedings without further proof and every meeting of the Corporation in respect of which minutes have been so signed shall be deemed to have been duly convened and held and all the directors present thereat to have been duly qualified to act.