

PRESS RELEASE

(FOR IMMEDIATE RELEASE)

Financial Services Commission Announces Enactment of the Insolvency and Bankruptcy Act, 2025

City of Belmopan, 17 September 2025 – The Financial Services Commission (FSC) is pleased to announce the enactment of the **Insolvency and Bankruptcy Act, 2025**, which repeals and replaces the Bankruptcy Act, Chapter 244, R.E. 2020. This landmark legislation modernizes Belize’s insolvency framework and represents a significant step toward strengthening the country’s financial and economic resilience.

Enacted on **1 August 1902** and last amended in **1998**, the former Bankruptcy Act addressed mainly individual cases and provided limited options for business recovery or restructuring. The new **Insolvency and Bankruptcy Act, 2025** establishes a **comprehensive, modern regime for both individual and corporate insolvency**, ensuring fairness, transparency, and alignment with international best practices.

Key Features

- **Regulatory Oversight:** Licensing and regulation of insolvency practitioners under the supervision of the FSC.
- **Transparent Liquidation Framework:** Clear procedures that protects the interests of creditors and debtors alike.
- **Rescue & Restructuring Mechanisms:** Tools to help viable businesses recover and preserve jobs.
- **Simplified MSME Regime:** A streamlined restructuring and debt-relief framework tailored to the needs of micro, small, and medium-sized enterprises, supporting business continuity and employment.

- **Netting Provisions:** Modern rules allowing the enforceability of close-out netting arrangements in financial contracts—reducing systemic risk and aligning Belize with global financial-market standards.
- **Unified Coverage:** A single framework for individuals, partnerships, companies, and trusts.
- **Cross-border Cooperation:** Provisions that align Belize with international standards and bolster investor confidence

FSC's Role

As the regulator of Belize's non-bank financial sector, the FSC will oversee the licensing and supervision of insolvency practitioners, ensuring adherence to international standards and safeguarding the interests of all stakeholders.

Phased Implementation

To ensure an orderly transition, the Act will be implemented in **five phases** between **September 2025 and October 2026**, allowing time for adaptation and stakeholder engagement.

PHASE 1 – Foundational Provisions (September 2025)

- Part I: Preliminary
- **Part XII: Netting**
- Part XX (s.501 only): Insolvency Surplus Account
- Part XXII: Miscellaneous

PHASE 2 – Institutional & Professional Infrastructure (January 2026)

- Part XX (excluding s.501): Insolvency Practitioners
- Part XXI: Official Receiver
- Part XVII: General Provisions on Insolvency Proceedings
- Part IX: Disqualification Orders and Undertakings
- Part X: General Provisions for Companies

PHASE 3 – Core Business Insolvency (April 2026)



- Part II: Creditors' Arrangements
- Part III: Administration
- Part IV: Receivership
- Part VI: Liquidation
- Part V: Common Provisions for Liquidation & Bankruptcy

PHASE 4 – Personal Insolvency & Debt Restructuring (July 2026)

- Part XIII: Bankruptcy
- **Part XI: Simplified Restructuring of Debts** (including MSME Regime)
- Part XIV: Bankruptcy Offences
- Part XVI: Bankruptcy Restrictions Orders

PHASE 5 – Cross-border & Supplementary (October 2026)

- Part VII: Voidable Transactions (Corporate)
- Part XV: Voidable Transactions (Bankruptcy)
- Part VIII: Malpractice
- Part XVIII: Cross-border Insolvency
- Part XIX: Orders in Aid of Foreign Proceedings

International Alignment

On June 28, 2025, the FSC was formally accepted as a member of the International Association of Insolvency Regulators (IAIR)—a milestone that reinforces Belize's commitment to international best practice and global cooperation. With the enactment of this comprehensive and forward-looking framework, Belize now stands at the forefront of insolvency and bankruptcy reform in the Caribbean, setting a benchmark for the region.

Next Steps

The FSC will collaborate with stakeholders to:

- Conduct consultations ahead of each commencement phase.
- Develop supporting regulations and guidance documents.
- Lead public-awareness and training initiatives to ensure smooth adoption.



The Gian C. Gandhi Building
6130 Iguana Avenue, Mountain View Area,
City of Belmopan, Belize, C. A.

+501 822 3800 / +501 822 2974

www.belizefsc.org.bz

The enactment of the **Insolvency and Bankruptcy Act, 2025** reflects Belize's commitment to a fair, transparent, and modern insolvency system—balancing creditor protection with opportunities for business recovery, **providing targeted relief for MSMEs**, promoting responsible lending, and enhancing confidence in the national and international financial system.

For more information, visit: www.belizefsc.org.bz/

Media Contact:

Communications & Public Relations Unit

Financial Services Commission

Email: communications@belizefsc.org.bz

Telephone: (501) 822.3800

Ends.