

BELIZE

No. 26/1/12

SENATE

Friday, 4th September 2015

10:05 A.M.

Pursuant to the direction of Mr. President, in writing, dated 2nd September 2015, the Senate met in the National Assembly Chamber in Belmopan on Friday, 4th September 2015, at 10:05 A.M.

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Members Present:

Senator, the Honourable Marco Pech – President
Senator, the Honourable Godwin Hulse – Leader of Government Business
and Minister of Labour, Local Government, Rural Development,
National Emergency Management and Immigration and
Nationality
Senator, the Honourable Juliet Thimbriel – Vice President
Senator, the Honourable Joy Grant – Minister of Energy, Science and
Technology and Public Utilities
Senator, the Honourable Charles Gibson – Minister of Public Service and
Elections and Boundaries
Senator, the Honourable Lisel Alamilla – Minister of Forestry, Fisheries and
Sustainable Development
Senator, the Honourable Gerardo Sosa
Senator, the Honourable Lisa Shoman
Senator, the Honourable Anthony Sylvestre, Jr.
Senator, the Honourable Patrick Andrews
Senator, the Honourable Markhelm Lizarraga
Senator, the Honourable Ray Davis

Member Absent:

Senator, the Honourable Rev. Fr. Noel Leslie

MR. PRESIDENT *in the Chair.*

PRAYERS *read by Mr. President.*

ANNOUNCEMENT BY THE PRESIDENT

MR. PRESIDENT: Honourable Members, by letter dated September 2, 2015, Cabinet's recommendation has been signified to the following: General Revenue Supplementary Appropriation (2015/2016) (No.2) Bill, 2015; Electricity Acquisition (Settlement) Bill, 2015; Caribbean Development Bank -Belize Education Sector Reform Programme II Loan Motion, 2015; and the Inter-

American Development Bank – George Price Highway Rehabilitation Loan Motion, 2015.

SENATOR L. SHOMAN: On a point of order, thank you, Mr. President. I don't see my Notice of Motion listed on the Order of the Day, Mr. President. And I would like for the record to state that I understand that you tell me that this is a special sitting and that it is therefore not listed.

MR. PRESIDENT: Senator, I think I gave you a response letter and I outlined the reasons.

SENATOR L. SHOMAN: Yes, Mr. President. I would like your assurances that that would be listed at the next meeting because I think it is something for Senators to decide upon.

MR. PRESIDENT: Senator, yes, we have spoken on that matter okay.

SENATOR L. SHOMAN: Much oblige, Mr. President. I will wait for it to be listed next meeting.

BILLS BROUGHT FROM THE HOUSE OF REPRESENTATIVES

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): A pleasant good morning, Mr. President, I rise to take charge of the following Bills:

- 1. National Protected Areas System Bill, 2015;
- 2. Protected Areas Conservation Trust (Amendment) Bill, 2015;
- 3. General Revenue Supplementary Appropriation (2015/2016) (No. 2) Bill, 2015; and
- 4. Electricity Acquisition (Settlement) Bill, 2015

Mr. President, in accordance with Standing Order No. 49 (1), I move that the Bills be taken through all their stages forthwith.

MR. PRESIDENT: Honourable Members, the question is that the Bills be taken through all their stages forthwith.

All those in favour, kindly say aye.

SENATOR L. SHOMAN: Mr. President I claim a division on that vote.

MR. PRESIDENT: Clerk, please proceed.

CLERK:	Senator Godwin Hulse	–	Yes
	Senator Juliet Thimbriel	–	Yes
	Senator Joy Grant	–	Aye
	Senator Charles Gibson	–	Yes
	Senator Lisel Alamilla	–	Yes
	Senator Gerardo Sosa	–	Aye
	Senator Lisa Shoman	–	No
	Senator Anthony Sylvestre	–	Absent

Senator Patrick Andrews	–	No
Senator Markhelm Lizarraaga	–	Abstain
Senator Fr. Rev. Noel Leslie	–	Absent
Senator Ray Davis	–	Abstain

MR. PRESIDENT: Senators, here is the outcome for that division: six (6) say yes, two (2) abstentions, two (2) noes and two (2) absences. So I think the ayes have it.

PAPERS

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I rise to lay on the Table Sessional Papers No. 167/1/12 - Development Finance Corporation – Annual Report 2014; and No. 168/1/12 - Supplementary Appropriation (No. 2) Schedule for Fiscal Year 2015/2016.

MR. PRESIDENT: Honourable Members, those papers are ordered to lie on the Table.

MOTIONS RELATING TO THE BUSINESS OR SITTINGS OF THE SENATE

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I move that, at its rising today, the Senate adjourn to a date to be fixed by the President.

MR. PRESIDENT: Honourable Members, the question is that, at its rising today, the Senate adjourn to a date to be fixed by the President.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

PUBLIC BUSINESS

A. GOVERNMENT BUSINESS

I MOTIONS

1. Caribbean Development Bank - Belize Education Sector Reform Programme II Loan Motion, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I move that – WHEREAS, section 3(1) of the Loans (Caribbean Development Bank) Act, Chapter 74 of the Substantive Laws of Belize, Revised Edition 2003, provides that subject to such conditions as may be agreed between the Government and the Caribbean Development Bank (“the Bank”), the Government may borrow from the Bank from time to time such sums as may be required by the Government;

AND WHEREAS, section 3(2) of the said Act further provides that no agreement in respect of sums borrowed under the powers conferred by section

3(1) shall be executed unless the terms and conditions thereof have been first approved by a Resolution of the House of Representatives to that effect;

AND WHEREAS, the Board of Directors of the Bank has recently approved a Loan to the Government of Belize in the sum of US\$35,000,000;

AND WHEREAS, the purpose of the Loan is to continue the good efforts of the Belize Education Sector Reform Programme I to enhance the learning outcomes across all levels of the education sector in Belize; – (together referred to as “the Programme”);

AND WHEREAS, the primary objectives of the Programme are to enhance the learning environment by constructing and equipping thirty-five (35) new schools at the pre-primary, primary and secondary levels; and to enhance the mechanisms and capacity for quality service delivery;

AND WHEREAS, the Bank has offered to lend to the Government the sum of US\$35,000,000 (“the Loan”) to finance the Programme on the following terms and conditions:

Ordinary Capital Resources Portion

- (a) US \$21,000,000 Ordinary Capital Resources (OCR) – to be repaid in sixty-eight (68) equal or approximately equal and consecutive quarterly installments commencing five (5) years after the date of the Loan Agreement;
- (b) Interest at the rate of 3.90% per annum (variable) to be paid quarterly on the outstanding OCR portion of the loan;
- (c) A Commitment Fee of 1% to be paid quarterly on the un-withdrawn portion of the loan from time to time, to accrue from the sixtieth (60th) day after the date of the Loan Agreement;

Special Funds Resources Portion

- (a) US \$14,000,000.00 Special Funds Resources (SFR) – to be repaid in eighty (80) equal or approximately equal and consecutive quarterly installments commencing five (5) years after the date of the Loan Agreement;
- (b) Interest at the rate of 2.5% per annum to be paid quarterly on the outstanding SFR portion of the loan;

The Loan shall be fully disbursed by April 30, 2021, or such later date as the Bank may specify in writing;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the Programme will significantly contribute to the Government’s continued, dedicated efforts to improve the educational sector in Belize which will ultimately enhance human capital and reduce poverty in the country, approve and confirm that the Government may enter into a Loan Agreement with the Caribbean Development Bank on the terms and conditions set out above, and further authorize the Minister of Finance to execute and deliver the said Agreement and all other documents associated therewith.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President before I comment I'd like to ask your approval and state for the record that the business community was extremely disgusted by the verbiage that continues to be deployed in the debates by Honourable Members of the Lower House, and we certainly hope and place on the record that we call for an end to the unparliamentary behavior and language continuously displayed in the Lower House. We continue to call on our leaders to behave in a manner that demands and exemplifies respect and lends to the improved image of our parliamentarians and our country Belize.

Mr. President, as I rise to make my contributions to this Motion before us today, I'd like to commence by profusely thanking the Leader of Government Business and the Clerk for providing us with the 141- page document at 5 o'clock yesterday evening in reference to this Loan Motion. While I did not have the opportunity to read all 141 pages, I did have the opportunity to peruse at least the first 25 pages, and, with your permission, Mr. President, I would like to refer to the document that was provided and highlight some of the things, the important points that this document raises. Mr. President, this document highlights early in its pages that there is a widening balance deficit in our trade balance. We saw that in 2010 the trade balance was \$174 million, and in 2014 it was \$336 million. It highlights this for a specific purpose, I believe, because it is a reflection perhaps that we are not providing the jobs and the opportunities, the industries that are necessary to shorten that gap, to close that gap.

It claims, Mr. President, that primary school enrollment has, in fact, fallen from 94.6% in 2011 to 88.6% in 2014. Secondary school enrollment, however, has gone up from 49.6% in 2011 to 51.6% in 2014, a modest increase. It claims, Mr. President, that this US\$35,000,000- project is designed to help us achieve the development goal of increasing equitable access to pre-primary/ secondary levels of education which are an integral part of the country's overall development strategy. But it cautions, however, that the Government of Belize must continue to remain fiscally responsible while ensuring growth in sustain at manageable levels despite spending optics typically of prior election cycles.

Well, it is our intension to support this Bill, this motion, Mr. President, because of the dire need we have to strengthen our educational systems. We can't help but continue to shudder, of course, at the ticking time bomb we hear every time our national debt is expanded. This document, of course, cautions to that. We see, Mr. President, that the intension is to provide for the construction of 35 new schools providing 5,300 new places across pre-primary, primary and secondary levels, but the document also advises that we have a dire and desperate need to place 19,000. So while this is a step in the right direction, we still are only attempting to meet the needs of 25% of those students that deserve an education. It also makes provision for furniture and equipment and consultancy services. There will be, as a component of this, a determination whether to increase on the implications of increasing the age of compulsory education. There will be a review of school feeding programs, a development of schools' maintenance policy and planning, which is desperately needed because the document also claims that some 80% of our schools are in dire need of maintenance, and the development and implementations of a public education and communication strategy. Interestingly, it waives in the procurement guidelines for the purchase of specified new vehicles without restriction to the total waiver of US\$90,000. The document does not say why. I thought that was interesting.

Mr. President, while we will approve this Loan Motion today, I caution that a lot of the results of these initiatives we will not see until as far as 2020 and beyond. I question, for example, why is it that we are in 2015, that no classrooms

will be built in 2016, that 28 classrooms will be built in 2017, 36 in 2018, 28 in 2019, and 66 in 2020? Why is it that the training of teachers and officers will not begin until 2016, where we project to train 180 in 2016, 42 in 2017 and 42 in 2018? And why is it that only 960 students will benefit until 2017, 1,160 will benefit in 2018, 920 will benefit in 2019 and 2,260 have to wait until 2020 to benefit from improved physical classroom conditions and enhanced teacher competence? One would have thought that certainly the need that has been identified would have lent more urgency to the schedule.

In analyzing the loan request, the bank stated that sector diagnosis identified a number of critical issues, including weak governance, the absence of quality and relevance in our education system and the need for increase equitable access. It also made some comments on the macro-economic overview and claims that physical outturns have not met expectations as the two debt restructurings in 2007 and 2013, respectively, have had limited success in counteracting the effects of a weak fiscal stance. It goes on to say that per capital income remains the third lowest in our country from among the CDB borrowing member countries ranking only Guyana and Haiti below us. It says that together with issues of inequality, in income distribution this is reflected through high levels of unemployment and poverty in Belize. Significantly reducing poverty and improving social conditions, it claims, will require more sustainable inclusive growth which in turn requires an appropriate business climate to promote private sector development and foreign investment. We cannot do this without the involvement of the private sector. (Applauses) It claims, and we agree, that addressing the deficiencies in education is an important strategy to improve long-term economic growth prospects, to address our societal ills that threaten our citizen security and improve life chances for these persons to escape poverty. We agree, we support this concept. We will support this Loan Motion, Mr. President, for these very reasons.

However, the challenges in the education sector are significant, it claims, particular in relation to the low participation rates at all levels. There is a strong correlation between gender inequality, poverty and economic development that will continue to present challenges in the management of human capacity and the potential for economic growth. It says that the country's poverty profile is characterized by large households, poor educational attainment and high unemployment. It claims that 41% of our population is poor, and this is an increase from 33% in 2002, our people are getting poorer, with child poverty rates of 50% and 57% within the under 15 age group and 15 to 24 age group, respectively. It is reasonable then to expect that poverty level has increased since the last study was undertaken. Unemployment particularly among youth 14 to 25 years, which stood at 25.4%, is to be noted, and the female unemployment rate stood at 20% more than 3 times the 6.7% recorded for males. Why is this important, Mr. President? It is because later on in the report it states that females are the ones that are remaining in school but yet these are the people that have the highest unemployment rate. So are we educating our females for the jobs that we can provide for them?

Mr. President, I was glad to see that this report speaks to the Gini coefficient which I have always claim is a better measurement of the impact we are having on the lives of our citizens than GDP growth. The report says that the poverty situation is also compounded by a high level of inequality as measured by Gini, which shows an increase from point 4 in 2002, to point 42 in 2009 and translates to the poorest 20% of our population consuming only 6% of our goods and services while the richest 20% consumes almost 50%. My goodness, I thought they were taking about Guatemala but they were talking about Belize.

The situation is further compounded by a number of social issues that include: family breakdown, crime and violence, citizen insecurity, pressures on the poorly educated and unskilled male and female household, heads to generate income in the labor market, early parenthood, truancy, high dropout rates, and under performance of students in an educational system in need of comprehensive reform. Keeping in mind, Mr. President, that we invest 26% of our budget in education and we are not getting bank for our buck. We spent in 2014 US \$130,000,000, somewhere around 6% of GDP, nearly half of this was for primary education followed by 25% on secondary education and 14% on tertiary education and 1.5% on pre-primary schools, and this is the age when we need to capture the minds of our citizens. You need to capture them in those 2 to 5 years, and this is where we invest the least amount of our money. I am happy to see that this loan will allow us to make small inroads into the provision of more pre-primary schooling, not enough but small inroads.

It goes on to say that our expenditure is considered high among countries in Latin America and the Caribbean, where it says that Mexico and Guatemala typically average approximately 5% and 2.9% of GDP, respectively, while other countries average approximately 5%. So we are spending the money in education, we are spending it but we are not getting the results that we should get. Hopefully, again, I see that there are certain components in this for training, educating of teachers and managers, and I am hopeful that this will have an impact. But I caution, Mr. President, that this approach, we should learn from history, this approach should be one of partnership and not confrontation; it should be one of dialogue. Over 80% of all the schools in this country are privately owned, mostly by the church, and, it claims, heavily subsidized by the state. It also claims that we have not always adhered to the standards and accountability measures for improvement of sources in this sector. Mr. President I ask that we seriously come to the table with the players in education and make every effort to reorganize, rechannel our energies into repairing what appears to be in many instances friction, threats, intimidation.

Mr. President, we send our kids to school to prepare for 2 basic big exams, one is the PSE and one is the Caribbean Secondary Education Certificate. These are the tools we use to measure their success, their educational success, to date. But when you look at the PSE it states that the PSE improved in 2014 to over 25% of children taking the examination. Sorry, it says, while the PSE improved from 2009 to 2012, it claims that in 2014 over 25% of the children taking this exam still failed to meet the minimum standard; 25% of children could not pass the PSE; and only 48% were entered, in fact, to write the Caribbean Secondary Education Certificates in English and 21% in Mathematics. Now all of us know that it is critical for us to have our kids with a fair grasp of English and Mathematics. They need to be able to comprehend. They need to be able to communicate. They need to be able to write. They need to be able to calculate. They need to be able to budget.

So Mr. President, again, there is a lot that we can improve before we continue to spend on more classrooms even though the classrooms are needed. Mr. President, but perhaps most alarming is that the number of children in school represents only 71% of all school aged children. It says that further evidence is that we have a lower net enrollment rate than Mexico and Guatemala and members of CARICOM. It claims that the survival rate is only 63% in 2013 to 2014. What does that mean? It means that only 63% of the kids that enter school go to the end; 36% of our kids leave our school system before they receive their full education, more than one third. They will drop out before graduating. It claims that there are currently 216 primary schools catering to less than half the age cohort, which is 42.7%, which is significantly below the CARICOM average

of 68%. Such inadequate access can largely be attributed to the prohibitive cost of what is essentially a private provision and the limited spaces provided by the Government of Belize, which Government of Belize only accounts for 15% of the overall spaces in our school system, so all the more reason for there to be this effort to increase communication and partnership with those private providers of education in our country.

It claims that while 95% of primary school aged children were enrolled in 2012 that the net enrollment dropped to 88.6% in 2014. People are not enrolling now to go to the schools. Is this as a result that they cannot afford it to send their children to school? This is scary. (Applauses) It states that we will not be able to meet our millennium development goals by 2015, and it says that 25% of those children not enrolled are predominantly from the rural districts. It says, in secondary school the net enrollment rate, now listen to this one, is currently 51.6% compared to the CARICOM average of 94%. These are the people that we have invited to compete in our free market economy. They are educating 94% of their students in secondary schools. We are only doing 51.6%, and we want to prepare our citizens to compete against CARICOM. We are at a disadvantage from the get go. (Applauses)

Mr. President it speaks about internal efficiency being low in Belize, and what does it mean? It states that we have a general repetition rate averaging 7% in 2013, disproportionately again affecting boys, and it says that only 2 of every 5 children enrolled in primary school completed this level in the prescribed 8 years. Alright, I want to repeat that, only 2 in every 5 children enrolled in primary school completed this level in the prescribed years; that is 40%. So we have a 60% of our kids taking more time to go through the required material, the required curriculum. This is inefficient because those students should be graduating so that we have more capacity in the classrooms, so we don't have to build as many classrooms. If we could bring about a higher number than that, we would've immediately created a tremendous amount of space in our classrooms. Only 2 out of 5 children finish in the prescribed 8 years. That to me was alarming. But it gets worse. It says that repetition rates in the first grade of primary schools were higher than 11% in Orange Walk and Stann Creek, both above 13%, registering 19.5% and 15%, respectively, for boys on those districts. My Goodness, it says that this data is very consistent, of course, with the absence of adequate pre-primary programming for effective preparation to achieve success in the formal education. So while we know that we should be preparing them in the formative years, the 2 to 5 years, that is the area where we are spending the least amount of money in this project, that is where we should be spending more. (Applauses) If you only have 40% of the students completing their education in the 8 years, imagine if we could take that up to 80%, how much class rooms would that free? So for very little more investment in the pre-formative years we could be making the whole system more efficient in the later years. That is common sense but we are only investing 1.5% of this money today in preschools.

It says that the dropout rates are consistently high in secondary education, registering 8.6% in 2013, while in Guyana, remember Guyana now and Haiti were singled out as examples of having lower GDP than us, while in Guyana the dropout rate was only 2%. High dropout rates, again, among boys 10.1% overall is a growing concern, it says, and this correlates directly with the increasing incidents of crime and violence among youth in Belize, both as victims and perpetrators. So we see the effect that it is having on us. We see that it is necessary for us to capture them in the formative years, the 2 to 5, the pre-school years, because it affects them. They drop out of school. They remain too long in school, inefficiency. Why aren't we spending more on pre-schools?

Mr. President, I could go on and on in this. I am completely grateful, of course, for the provision of these documents, and I hope that we all take the time to read it and look at it and understand it because it is important. It is important from our standpoint because when you spend money you want to get the most bang for your buck. We want to improve the efficiencies not only in the education system but in the results. We want to make sure that children are learning what they are supposed to learn at the age that they can sponge it in. We want to make sure that we move the kids through the primary school system in 8 years so that we have more spaces available for the 19,000 that we still need to put into school. Yet our targets, we look at them, only speak to a 10% increase in the gross enrollment rate in tertiary education to 2030, look how far down the road we are kicking the ball, and a 20% increase of heads of households with secondary level education by 2030 again, kicking the ball down the road. When we talk about a 3-year time line, baseline being 2015, and we talk about increased equitable access to quality basic education, our targets are: for preprimary to go from 42.7 to 70, in primary 88.6 to 95, where we were back in 2012 or whenever, and secondary from 51 to 76. We applaud these targets and goals. But, again, we remind that these targets and goals will not be achieved unless you have a strong partnership with the private providers of education in this country.

Our goal is to decrease the repetition rate of boys from 13% to 5%, and we applaud that, and to decrease the repetition rate in girls from 9.3% to 4.3%. Mr. President, by 2021, we expect to have 90% of our students equitably enrolled, and by 2020, we expect to have feeding programs that are at operation in operation in pilots schools, according to the established standards. I am not sure what those standards were because, as I said, the document was 141 pages and I haven't had the time to read all, and it speaks again to having a program of maintenance for the schools that are being built by 2020. As far as capacity and quality service delivery it claims that at least 84 Ministry of Education and youth officers and principals and other school leaders are trained and oriented in resource allocation planning by December 2018.

All in all, Mr. President, I think this report has been very useful. I thank the Leader of Government Business again and I thank the Clerk for providing us with the details, and we certainly recognize and acknowledge the need for investment in education. But we have seen, Mr. President, that building classrooms is not going to be enough in our educational reform. (Applauses) We need to do so much more in education. We constantly say that our Belizean children are the future of Belize but the reality is that they are going to be the future debt payers. The reality is that these kids will pay for these investments that we make today. So we owe it to them to invest these monies wisely and in the most effective way. At the very least let's give them the quality of education that we once had in this country.

MR. PRESIDENT: Senator, you are about to exhaust your time. So please wrap it up.

SENATOR M. LIZARRAGA: Mr. President, I am wrapping up now. Thank you. At the very least let us grow the private sector to provide them with the meaningful jobs they deserve, to lower the poverty rate and crime, to afford them descent and prosperous livelihood and thus giving them meaningful opportunity to contribute to the tax base, which they have to pay anyhow, (applauses) enabling them, tooling them, so that they could have the dignity of work, and allowing them to have a true opportunity to contribute to the social and economic prosperity of our nation, Mr. President. We owe them that. For the love of our children, Mr. President, let's get this right. I applaud the commencement, I

applaud the recognition, but there is much more to be done. Thank you, Mr. President. (Applauses)

SENATOR L. SHOMAN: Thank you, Mr. President. Mr. President, I rise to speak on the Belize Education Sector Reform Programme II Loan Motion, 2015 or, as I like to call it, “The Repair of Faber’s Failure”. (Applauses) Mr. President, this Loan Motion has us being asked to approve a loan to the Government of Belize in the sum of US\$35,000,000. On top of the monies that our children are already yoked too, this will join all of the loans that have been made. Mr. President, there is no denying that the loan is for a necessary expenditure. It is necessary because of the failures of this Government for the past 8 years, (applauses) and Patrick Faber, in particular, as the Minister of Education. (No, don’t leave, Senator. You should hear this.) Mr. President, it is inconceivable that the House was given access to the 141 page explanation document because I am sure that there is no way that Patrick Faber could have stood up in the House and blown his own trumpet and beat his own chest, in the face of the damning indictments contained in this document. (Applauses) It was received by us electronically late yesterday evening, and I commit to the media that I will provide you with the full electronic document and I will also provide it to all Belizeans to read because you should read it. It is the most damning indictment of what this Government has done since 2008 that I have ever seen. (Applauses)

For some time now we have been pointing out that no new schools have been built. Here and there Government has assisted with funds through SIF, through the Energy Trust, through other means, to help the building of certain schools. A stone’s throw from where we sit right here there are children in classrooms that are so overcrowded that they are bursting at the scenes and teachers cannot keep up. There are children going to school, in classrooms with no fans, as we sit here in air-conditioned comfort. There are children who are crammed in and going to school without a proper feeding program. And let me tell you that thank God for our friends at the US Embassy because they took up, after seeing the conditions at Kuxlin Ha, they took up upon themselves to help Kuxlin Ha, to help those children to be able to attend school in some comfort. Kuxlin Ha, for your information, is a school in Belmopan, a stone’s throw from where we sit, a school that is so overcrowded. You would have to see the conditions how those children go to school. These are the children that we all love to cry over, lament over, and, Lord, as the future of Belize, our future leaders, and we love them so much. These are the children who are supposed to take on the roles and responsibilities we have to today. These are the children who are required to learn in an environment that is hostile, arduous. These are children who go to school not like private school children who get to school for 8 o’clock or quarter to 8 before the bell ring. These are children who go to school 8:30 and later. These are children who miss Fridays because teachers have to go and get their pay. These are children who stay in school for shorter hours than private school children, and this happens all over the nation. It is not unusual to Kuxlin Ha. It’s not unusual to the school in San Martin. (Applauses)

Mr. President, we are being asked here to approve US\$35,000,000, and we are being asked to approve it on the basis of abject, miserable, failure and abdication of this Government. (Applauses) We have here a Loan Motion that states that we are going to be enhancing the learning environment by constructing and equipping 35 new schools at the pre-primary, primary and secondary levels and enhancing the mechanisms and capacity for quality service education. But as my friend, the business Senator, has pointed out, put that against a backdrop where there is abject and miserable failure. You know, I looked at my colleagues on the Government side while the Senator was speaking and I was really marveled at the faces that I was seeing. I marveled because I saw depression and

if I was wrong and I didn't see depression, and, they weren't depressed by this, they should be. I am profoundly affected and depressed by what I see in here.

Do you want to deal with a rearview mirror? Let's deal with a rearview mirror, starting in 2008 to now, the past 8 years, where this Loan Motion has the guts, the *faciness*, to say that Government has been continuing and dedicated at improving the education sector. Now you tell me if that is not the height of *faciness*. When you look at the document that was provided to us, and I am glad it was provided to us. I thank the Government to provide it to us because this is no longer an era like the colonial era where we were prevented from knowing what was happening. The new era of governance demands that the legislature be provided with the wherewithal to make intelligent and informed decisions. (Applauses) And what this document reveals is that there has been systematic failure at every level on the social and educational front to deal with the welfare of Belizeans and their children, and this will impact them going forward into Carla Barnett's much touted Horizon 2030.

We miss the boat completely on the millennium development goals; that was this year. It is apparently going to take us another, maybe, 15 years to catch up to where we should have been this year. It is the retro grade application of thousands of dollars, thousands and millions of dollars that we are being asked now to fix the problems we have, and despite the fact that we have the highest spending that one could ask for among countries in Latin America and the Caribbean, comparatively, where, for instance, Mexico and Guatemala average 5.1% and 2.9% of GDP on education, we spend a whopping 26% of the national budget and 6% of GDP, for what? To fail, 60% of our children who do not finish school according to the time that they should finish. That is the truth. Those are the facts, anywhere else Patrick Faber would have tendered his immediate resignation. (Applauses) But since he won't, this is a factor for Belizeans to consider, as to whether they want this boastful man to continue as their Minister of Education, given the proven track record that is placed in this overview because it is clear that on every front we have failed. We have failed in governance; we have failed in quality and relevance; and a lot of this Senator Lizarraga has already gone through. So I won't bore you with the details again. We have failed in access and participation. We have failed in pre-primary, in primary and in secondary.

We have an enrollment of 51% compared to a CARICOM average of 94%. I agree with the Senator. We are going to see a semi and free movement of labour for what, because we have not adequately prepared our high school and post secondary students to be able to compete effectively. Some will compete; thank God we have our outliers. Thank God we have our children who shine no matter what. But the attrition rate is horrendous for us to arrive at those outliers, and those outliers don't shine because of this system. They shine in spite of the system. They shine in spite of the neglect, and we can't continue to think that we are going to throw up a Usain Bolt and rejoice but don't worry about the 2,000 other children who fall by the wayside because that one Usain Bolt was produced. That is a continued recipe for complete and total disaster.

We failed on internal efficiency. We failed on infrastructure. We failed on our strategy, and that is but to name a few of the failures and the litany of woes that are outlined. And as Senator Lizarraga points out, here we are borrowing US \$35,000,000, BZ\$70,000,000, which is not chump change, and we are expecting our children to pay this back, the same children who are not completing high school, the same children who are only coming out of secondary school, the same children who will not have the kinds of jobs that permit them to pay the taxes, that permit us to have the revenue, that permit them to start businesses so that they can

be taxed, so that we can pay this loan. It is a vicious cycle. It is a vicious cycle in which so few of our citizens enjoy so many of our benefits and where so few of our citizens are able to access those benefits and those sweets and yet so many of them are living in such deep, such dire poverty.

Here we are, here we are expecting children to study when their villages have not been electrified. (Applauses) Here it is we think that we are going to rely on the missionaries who bring solar lights, solar lamps that they have to put to make the children study and pass. We have to be truthful to the people of Belize. We have to tell them where it is; we have to tell them what it is. We have to face failure. We have to have the courage to face failure, to acknowledge that we have failed and to pick up ourselves and not to waste this money that we are borrowing but to use it rationally, carefully and for the best needs for our children who will be shackled with this debt. We are already a debt slave nation. *Lawd Masta, we got it pan we back.* Don't fail our children. Don't fail our children because then history will not absolve any of us who sat here and voted for this, and we will have nothing to puff out our chest and call ourselves the best Government ever, one Government for all, right, and that you are benefiting everybody, one country, one people, one Government for all, except for the two-third of the children who are not completing school. (Applauses)

Let us not get this wrong. This situation has the potential to keep us down, out and a basket case for a long time to come if we don't turn it around. So I don't want to hear that we are going to be awarding these contracts to cronies and our friends them, and we are spending the money because I saw in the documents that apparently we could buy vehicle out of it. Ah vehicle! We will be buying furniture and equipment. Let that furniture and equipment be from Belizean craftsmen who can make some money out of this at least to help pay back this loan. Let it be for the benefit of the children of Belize in a manner that is sensible and sane, and then let us tackle the endemic weaknesses in the education system. Let us just not think that building classrooms will solve this problem because it will not. Let us look at the feeding programs that are necessary for children to be able to start the school day on a full stomach and be able to concentrate in class and do better so that we are not lagging behind in CARICOM, so that we are not lagging at the bottom of the barrel with some of our sister and brother countries. I'm sorry for them. But do you know what? I'm sorrier for us. I am deeply concerned that we do not fail our children, that we do not mortgage our future for what the bible will call a mess of pottage because I fear that is what we are doing.

Mr. President, I am not going to vote against this Loan Motion. I will support it. I will support it on the condition that the best possible use is made out of it and that the Ministry of Education gets the message that they need to find a solution in the short-term to deal with those children who are already in horrible conditions and not be waiting on charity, foreign friends, the private sector or anybody else to do their job and start doing something now. In San Pedro one restaurant had to put on a fundraiser to provide fans in the classrooms for the children because they were passing out from the heat, and do you know what the Government turned around and did? Fine them \$2,000 for the used Mexican avocado because there was none in Belize. That is the price of doing a good Deed. Let us rationally start to think about our children. Start to think about things like, if necessary, putting in double shifts in schools so that children can benefit right away. (Applause) Let us start to think about keeping them in school for longer periods, if that's what we have to. But let them catch up and let them have a chance because it is only if we get them now are we going to be able to ensure their human right of being full productive citizens of this country. Thank you, Mr. President. (Applauses)

SENATOR P. ANDREWS: Mr. President, I rise to make my contribution to the Belize Education Sector Reform Programme II Loan Motion. Mr. President, as I walk around Belmopan particularly leading up to the opening of our schools a week ago, there were many parents that came to me, like I am sure to the business Senator on the next side, because it seems as though we have a Government, a UDP Administration that is living in a bubble. I say that they are living in a bubble because they seem to be out of touch with the reality that is on the ground facing the Belizean people. As the report has shown, as the business Senator has mentioned, we have almost over 50% of our kids that are supposed to be in school are not in school today. Mr. President, and as I listen to these parents, it is not because there is no classroom, it is not because there is not teachers, and, yes, while it is true that there are many classrooms that are in deplorable conditions, while there are classrooms that are full to over capacity, there is a much greater problem in our country. There is a much greater problem where our Belizean parents cannot afford to send their kids to school, and that, Mr. President, is the real issue facing our country.

When you have a parent who has to look at his 13 year old son and daughter in their eyes, and this is reality. Again, my colleagues on the next side might not be able to acknowledge this because clearly they are living within those privileged few Belizeans that have had tremendous access to the millions of dollars that have been borrowed by this UDP Administration. But when a parent has to look their 13 year old son or daughter in their eyes and tell them, "I cannot send you to high school, not because you are not smart enough, not because your dad is not working," because when you have a family of 5, when a father is only making \$150 a week, and there are many families here in Belmopan, particularly in the peripheries and also in the central Belmopan, where a dad might only be bringing in between \$150 to \$200 a week. (Applause) How can a parent afford to send 3 or 4 kids to school when it has been estimated that for each child to go to school it's almost between \$2,400 annually. And if you times that by 5, Mr. President, tell me how could our Belizean families be sending our kids to school. (Applause) And this is an issue. There are no jobs in this country and I am not saying that all the 1/3 or 50% of the kids that are out of school are because of the economical situation. But I am saying that majority of them have come to me, Patrick Andrews, over the last several weeks and asking, bringing threatening letters from different schools that, if you don't pay this registration fee, your 8 or 9 year old daughter cannot come back to school.

This is the failure of this UDP Government as it relates to education, and yet we have a ship, if I could use the words of the former UDP Minister, Mr. Hubert, we have a ship that has run on the reef, and we have a ship that does not have only one hole, Mr. President. We have a ship that have many holes, and for this UDP Government to feel that US\$35,000,000 that will be borrowed could fix our problem, they are gravely mistaken because at the end of the day, if there is no job, if there is such a high level poverty in this country, the families cannot afford to send their kids to school. So you could spend US\$35,000,000 on schools and you will end up with empty schools because you have not address the issue of poverty. (Applauses) You've not address the issue of the tremendous unemployment in this country, and this is the failure of this UDP Administration where we've spent millions upon millions.

I think it was last November, Mr. President, that I came to this House and we approved almost half a billion dollars in loans. I think it was around \$470,000,000 to be correct, if I could be corrected by one of my colleagues. But in one day we came here and we approved almost a half a billion dollars in borrowed money. Today, Mr. President, we will be asked to approve over \$140,000,000 in borrowed money again by this UDP Administration. We have,

and this is what is happening, and to agree with my colleague, Senator Lisa Shoman, who is going to pay these millions and millions of dollars when we are failing so terribly at educating our Belizean children? Who is going to pay it?

Mr. President, the issue will not be solved in only building schools because I am telling you that you can build 100 schools but if the parents cannot afford to buy text books, if they cannot afford to buy shoes, if they are not able to buy uniforms for their kids, you will have 35 empty classroom buildings across this country, and that is the reality. Let us deal with the real issue, create jobs, and create opportunities so that our parents could send our kids to school. (Applauses) That is the real issue, and this Government is missing the real issue as it relates to empowerment for our Belizean people. It is true, Mr. President, while we are asked to approve \$70,000,000, and it hurts my heart to be able to approve this because I have no faith that this US\$35,000,000 will go where it is most needed. I have no faith these contracts will not just be used for political expediency as has been done in the past. Even here in Belmopan.

There are families across this country, Mr. President, and even in our nation capital there are kids that will not be able to enjoy the benefit of this US \$35,000,000 but yet they will be asked to be able to pay back this \$70,000,000. But there is always a way of sunlight in every dark cloud, and I wanted to be known to the nation of Belize and to all those families and parents who have struggled, who have not been able to send their kids to school, that under the next PUP Government that we will ensure that we have free education throughout this country. (Applause) We will have free education under the next PUP Government because we believe and we know what the real issue is that is affecting this country, Mr. President. So with those brief comments I want to say, Mr. President, in closing that I could only ask and hope that the US\$35,000,000 will go where it is most needed and it will not be used for political expediency once more to just see how this UDP Government could secure a next general election. Thank you, Mr. President. (Applauses)

SENATOR A. SYLVESTRE, JR.: Thank you, Mr. President. Mr. President, I will be very brief. Mr. President, Nelson Mandela once said that, and it is true, the more schools that you build it means that you will have less prison. But, Mr. President, the circumstances in Belize today have shown that there isn't absolute truth in that. In fact and in truth, Mr. President, as both Senator Andrews and Senator Shoman have expressed, there has to be an overall approach with respect to this matter and that what has been thrown consistently is the failing of the Government to address the social issues that impact students while they are in school, their parents unable to have jobs or being employed any at all as well as those who are underemployed. I am told that the latest information from the Central Statistics reveals that there is quite a lot of under employed persons in Belize. I think it is in the range of about 15,000 or 16,000 which reveals a very important and sad state of affairs that there are many people who, in fact, maybe receiving necessary education, maybe graduating from high school but are still unable to actually reach the economic plateau that they would have expected having gone through high school.

So that, Mr. President, in very brief, while I would support this Motion because, as I said, the building of schools and any initiative towards education is a good thing, at the same time I would wish to draw the Government's attention to the fact that there is still a great failing on part of the Government to address other issues which are impacting the students while they are in school. And so that merely building schools and having buildings will not in by itself create the panacea to crimes and to other social ills. (Applauses) And those in brief are my comments, Mr. President. Thank you.

SENATOR G. SOSA: Mr. President, I stand to make my contribution in favor of the Belize Education Sector Reform Programme II Loan Motion, 2015. This Loan Motion, Mr. President, is a clear indication of a Government prioritizing certain areas of need in education, and I say certain areas because the development of our nation and any nation has several components, and education is out right in the root of anything that will end up being sound development of a growing nation. This Loan Motion seeks to enhance the learning environment by constructing and equipping 35 new schools at the pre-primary, primary and secondary levels across this country. Whilst that in itself is an area of need in education, it is clearly a priority of the Ministry of Education and the Government of Belize on a way forward.

I must indicate that, as the Leader of the Opposition in the Senate stood up and made aggressive criticisms of failure, I actually didn't hear anything much about the plans for the future if they were to win any other future elections as a Government. However, she also went back on the rear mirror, and I think that that strategy was not her best approach because she went 8 years ago, and we need to go and compare at least the last 5 years of the PUP administration in Government with the last 5 years of the UDP administration in Government. And as most Belizeans recall, the Ministry of Education through its Minister under the PUP Administration at the time was granting scholarships to 5 year old students. That's where they said genuinely the money was being spent, 5 year old students getting so big scholarships if you understand and read in between the lines. Educational grants were given, Mr. President, to students that were never enrolled in any educational institution. That's where the PUP Administration was prioritizing expenditure and what they called investment in education. Under the PUP Administration the teachers suffered freezing salary structures and increases, and I am not being unfair, I am being very real because the teachers did not get their well deserved salary increase at the time, and if any schools were built let's question quality and priority.

So over the last ten years we have seen education in Belize really not at its best. Certainly developing education in Belize has been a great challenge for both administrations. But whilst I mentioned those activities of the People's United Party Administration in their last 5 years of Government we certainly have to acknowledge that this Government is paying the CXC exams for students at the secondary level. That is positive investment. This Government of the United Democratic Party provides school grants to first-year and second-year students at the secondary level.

MR. PRESIDENT: What is the point of order, Senator?

SENATOR M. LIZARRAGA: Mr. President, are we talking about the Motion before us today?

MR. PRESIDENT: Yes, I think the Honourable Senator is speaking to what is relevant to the Motion.

SENATOR M. LIZARRAGA: Mr. President, nowhere in this document does it speak to the things that he is talking about. We have a lot of things to cover today. I would hope we would be efficient. Thank you, Mr. President. (Applauses)

SENATOR G. SOSA: Mr. President, we are speaking about how this Government has invested its monies in education to make education a better improved asset to all Belizeans, and that is part of the objectives of this Loan

Motion too, to increase the environment and how have we been increasing the learning environment in this country, and those are very important matters. As you guys had criticized, the Opposition had made very much criticisms about what we did or did not, and I have mentioned what they did and failed to do. Tertiary level institution, students have all gotten tablets. (It never worked, good.) This Government has increased salaries to teachers. So we have been creating a sound environment.

Mr. President, whilst they did not prioritized sound educational environment, this Government has taken every action at every given opportunity to provide and facilitate better learning environment for students across this country. Whilst this Loan Motion is a needed one, it is one of great priority because it seeks to take it one step further, because we have a growing population and growing communities, and constructing 35 new school buildings is a way forward. Whilst portions of this loan seek to create an environment for training of teachers and managers, it's creating a learning environment. This, Mr. President, takes us or will take us one step forward in facilitating the educational process for all across the country, and I support the Loan Motion. Thank you. (Applauses)

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, thank you. I have just a few comments. Mr. President, first of all, I want to thank the Senator for the business community and the Senators across the aisle for supporting the Loan Motion, thank you. Education, Mr. President, is everybody's responsibility. I don't really know when our people became so dependent that it became only the responsibility of the Government, which ever Government. I don't know when that happened. But I want to take those who are too young back to a time when our parents said, "Get a good education". They didn't know how they would do that, and they used to finish it by saying, "So you could get a good job", which became a little issue. But I see and I salute and welcome the CEO in the Ministry of Energy, Dr. Colin Young, who comes from the River Valley, and let me tell you a little bit of the River Valley, quickly, Mr. President, it won't take long. In that village all the families were very poor, Mrs. Jessie and Mr. Pan, as he used to call his dad. They were poor people, farmers. I don't even know if they went to high school. I certainly know that the family is married in to for 40 years. The father and the mother never went or barely went to primary school. But they raise 14 children, and the least educated of the 14 has a bachelor's degree and never depended a day on Government, never had any money, never had any electricity, and never had any running water. In fact, running water just got in the River Valley a couple weeks ago when we inaugurated it. (Applauses) If you crossed the street you would find the next did the same thing with 13 children, engineers who are now working for Fortis in Canada, and in that era people with 12, 13, 14, 15 children managed to educate their children without Government assistance at all, and that is a fact. Yes, there was the church-state system. It still exists. But I want to say that in all the criticisms we have, step back, take the politics out of it, and ask yourself the question, is it not the responsibility of each and every one of us, especially of those who have had an opportunity to get better learning, each one to teach one?

Now, and I say that because I am not going to lament the issues that been have raised. I am simply going to say that if you are going to throw mud, and I don't believe in the negative seas. I don't believe in the criticism characterizations, etc. But if you were to look at what we are talking about the children who are coming out of school now at the age of 18 and looking for a job were through primary school and pre-school at the time when this Government came to office. They were 10, 11 and 12. So the foundation was laid. The ones

coming out of school are 18 and 19. They didn't start 8 years ago. They started 18 years ago from they exited their mother's womb. That's when the education process started. In fact, some experts say before they do. I make the point that, if we are going to sling mud, then we have to look at the overall policies of all the Ministries of Education past and present.

SENATOR L. SHOMAN: Mr. President, on a point of order, I am not going to accept the characterization of slinging mud. Mr. President, all we have to do is read the report. (Applauses) That is all we are doing not slinging mud. Read the report.

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, may I continue?

MR. PRESIDENT: You can go ahead, Senator.

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): And I want to state that the reason the Government has undertaken this project, which thank you for supporting, is because it is an effort to correct failures over many years, failures over many years, not failures that begun last year or year before. Yes, the most important resource in any country is the human resource. The countries that are highly developed for the most part have limited natural resources but great human resources that they have developed. That requires a certain structure and none of us in this room, I think, are really experts on that. It is an issue I quarrel with my family who are in the education field all the time. My wife taught for 40 odd years. I said I do not agree with the way we educate our people over the last 40 years. In many cases we educate for jobs. By the time you get that training the job is gone. We don't educate for creativity. We do not educate to think.

One of the lamentations I had, Mr. President, is that we send students to the university and they come back and they sit and they wait. Where is the creativity to innovate, to articulate and to build the new jobs that would then entice others into that vein? Where is that? It cannot be, and I had said years ago when we started the Belize River Valley program, it cannot be that we would come back from school to parents who struggled to send us to school and come back and say, "Yes, ma, yes, dad, but no good jobs are out there, so I am going to the States or I am going back to England or somewhere else". Where is our creativity? There is a link in that thing. There is innovation, creativity, analysis, and it is the responsibility of all of us to get it done.

Yes, that is why we made the report. It's not because it's something to put under the rug. The report is there. It says we have a problem to fix. It is all of our responsibility to fix it. Across this nation, Government, Opposition, NGOs, families especially, education begins in the home; that is where it begins. You see a deteriorating analysis of some of the rural areas. I am here to tell you that there are thousands of children in the rural areas, especially in the south, who are children of immigrants, immigrants who can barely read and write, and the school system is being overburdened with those immigrant children trying to get into school. They have a great difficulty. The glorious days of Belize boasting of 98% literacy and all of that were days when the so-called Anglo section of our societies, apart from the Latin section that were coming in, were those who put the focus on education, training and betterment. That is why today all of us in here had an opportunity to go to some school. All of us in here today had an opportunity to better ourselves, and I don't think the characterization that we were

from rich and wealthy parents held water because I don't see anybody in here from a rich and wealthy parent who started their education when they were a kid, including my good friends in the media up there and those people in the back.

So it's the responsibility of all our people to participate in this; this starts the process. Yes, keep the light on it to see how it will result, call it out whenever it shifts, and make sure that if there is something going awry, call it out. There is nothing wrong with that. So we have to do it. But it is the responsibility of everybody to ensure we move this nation. Many years ago I've spoken on this matter, and if it was up to I and I alone I thought that we should have reached a goal where 100% of our people had a quality university education. I remember Cuba saying you know, I remember Cuba saying they will create democracy, Fidel Castro, create democracy when every single Cuban has a tertiary education, and they are almost there. I think they have about 97%. That's when they'll create it because that is when people will be able to think, will be able to analyze, will be able to articulate, etc. It can be done. But it is the responsibility of all of us. Let's come together, let's find common ground, let's cooperate and let's unleash the creativity of all of us to move this process forward. We will not do it if we continue to criticize, condemn and chastise. We have to pull together to create a situation where all our children are able to reach that other level.

I'll leave you with a final thought, Mr. President. It has always been difficult for me to use the word education because it's banded about in these different quarters. You know in my house I never said to my children, "Get a good education". I said, "Learn everything you possibly can and learn it well. If you are sweeping, learn to sweep well, wash the dishes, learn to do it properly, take out the garbage, learn to do it properly". And at many graduations I spoke. I remember one day my father saying to me, he said, "Lord boy, you don't even know how to kill a doctor fly". And I said what on earth is he talking about. He said, "You have your fingers close when trying to hit the doctor fly, and the doctor fly feels the pressure and takes off long before you. Why do you think a fly swat has holes? Open your fingers and knock and you will catch it, learn to kill a fly well". The idea was that whatever we do, bring that level of perfection in it and we will move the nation forward. I thank the colleagues for supporting the Motion. I move the Motion.

MR. PRESIDENT: Honourable Members the question is NOW, THEREFORE, BE IT RESOLVED that this House being satisfied that the Programme will significantly contribute to the Government's continued, dedicated efforts to improve the educational sector in Belize which will ultimately enhance human capital and reduce poverty in the country, approve and confirm that the Government may enter into a Loan Agreement with the Caribbean Development Bank on the terms and conditions set out above, and further authorize the Minister of Finance to execute and deliver the said Agreement and all other documents associated therewith.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

2. Inter-American Development Bank – George Price Highway Rehabilitation Loan Motion, 2015

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President I move that, WHEREAS, Belize being a member of the Inter-American Development Bank (the "Bank"), is eligible for development assistance in the form of loans, grants,

and technical assistance from the Bank on such terms and conditions as may be agreed between Belize and the Bank from time to time;

AND WHEREAS, the Government of Belize has approached the Bank for financial assistance in the execution of George Price Highway Rehabilitation Project;

AND WHEREAS, it is the intention of the Government to apply such financial assistance to substantially improve the road connectivity within Belize's main districts and with Central America by rehabilitating the George Price Highway (hereinafter referred to as the "GPH") road infrastructure between miles 47.9 in Belmopan and 67.3 in Santa Elena to national standards, decreasing travel time and costs, reducing road fatalities and injuries, and ensuring road accessibility by improving the climate change resilience of the corridor;

AND WHEREAS, such project consists of civil works for the rehabilitation of the GPH from mile 47.9 (Belmopan) to 67.3 (Santa Elena Bypass); replacement of the Roaring Creek Bridge (mile 48); supervision of the civil works; two years of maintenance of the civil works; and land acquisition, compensation and utilities relocation. The project will also finance activities to support the administration of the project and to strengthen the Ministry of Works and Transport, and particularly the Project Execution Unit and the Road Maintenance Unit;

AND WHEREAS, it is intended that the execution of the project shall be carried out on behalf of the Government by the Ministry of Works, acting as Executing Agency;

AND WHEREAS, the Bank has offered the Government financing of up to US\$27,000,000 from its Ordinary Capital Resources in support of the Rehabilitation of the George Price Highway under the following terms and conditions:

Lender:	The Inter-American Development Bank;
Loan Principal Amount:	US\$27,000,000.00 Single Currency Facility Loan;
Disbursement Schedule:	Over a period of sixty (60) months from the date of signature of Loan Contract;
Loan Term:	Twenty five (25) Years inclusive of a sixty-six (66) month Grace Period on Principal Repayments;
Repayment Period:	To be repaid in 39 approximately equal, semi-annual, and consecutive installments of about US \$692,307.69;
Purpose:	To execute George Price Highway Rehabilitation;
Rate of Interest:	Lending Rate is based on the Single Currency Facility Loan with a

LIBOR-Based Interest Rate plus the applicable lending spread for the Bank's ordinary capital loans, to be paid semi-annually beginning six months from date of signature of Loan Contract;

Credit Fee:

A Credit Fee will be at a percentage to be established by the Bank on a periodic basis, not exceeding 0.75% per annum;

AND WHEREAS, under the provisions of section 7 (2) of the Finance and Audit (Reform) Act, 2005, the Government of Belize is required to obtain the prior authorisation of the National Assembly, by way of a Resolution, for such a borrowing;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the Loan proceeds would significantly assist the Government of Belize in its endeavor to rehabilitating the GPH road infrastructure between miles 47.9 in Belmopan and 67.3 in Santa Elena to national standards, decreasing travel time and costs, reducing road fatalities and injuries, and ensuring road accessibility by improving the climate change resilience of the corridor, approve and confirm that the Government may enter into a Loan Contract with the Inter-American Development Bank on the terms and conditions set out above for financing the said Project, and further authorize the Minister of Finance to execute and deliver the said Loan Contract and all other documents associated therewith.

SENATOR M. LIZARRAGA: Mr. President, thank you. Mr. President, I would like to thank again the Leader of Government and the Ministry, I suspect, and the Clerk for providing us with this contract document, granted it was provided to us at 9:35A.M. this morning. I have not had the opportunity to thoroughly review it but I did a quick scan of it and I'll be making some comments on it. I am somewhat disappointed though that we are not provided with the project details. Perhaps that can be provided similar to what was done in the previous motion, the details or the levels of details that were provided for the education motion could be provided for this one. I'd also like to indulge by giving my thanks to the CEO and officers in the Ministry of Public Works for providing loan details to us on the demonstration corridor that we had asked for. I have subsequently provided those documents to the organizations that I represent for their comments. So I certainly congratulate once again the effort that has been made in providing us with details when Loan Motions are presented. I hope it continues.

Mr. President, briefly looking at the documents this morning, I note, and perhaps the Leader of Government Business can provide us with some explanation, under interest rates for this loan, it claims that the facility will be libor plus the applicable spread. While I understand that libor is flexible and changes frequently on a daily basis, the applicable spread at least, I think, could have been identified. It concerns me that we are borrowing \$54,000,000 and we don't know what the interest rate is and what the relevant fees will be, and I think some effort should have been made at least to identify what's the applicable lending spread for the banks ordinary capital loans.

In browsing through the contract this morning, I am very pleased to see that one of the requisites of the lender is that the borrower is responsible for

providing an external audit for the use of the funds of this project, and they have set a time line of not less than 4 months. Mr. President, this pleases us tremendously, and I would hope that, as a part or that after that exercise has been completed, that perhaps the results of these audits could be made available to the Honourable Members of this House because we agree that this project is a necessary project. We intend to and we will support it and actions like this lend to our comfort, tremendous comfort in the support of these motions. Like I said, hopefully when that audit is completed we will be provided with a copy. That is a right move in the direction of transparency and accountability, I believe. What is concerning however is that, if you look at Article 10.03, it talks about the convening of the tribunal, and it says that, in the case of arbitration. I suspect, that a tribunal will be convened in Washington, District of Columbia, United States. And I question, Mr. President, whether this speaks poorly of what others think of our trust in our judicial systems. I think it is a travesty that we can't have other people recognize that our courts have the capacity or trust in our judicial system for the enforcements of these contracts.

Again, while I am happy to see that there is a project description that speaks to the civil works for replacing the Roaring Creek bridge, the supervision of civil works, two years maintenance of the civil works once concluded, and I am glad to see that 2 years in here, Mr. President, because I have reported to this Honourable House before on Neal Penn Road, and let me stick this in. While I had complained at the last couple of sitting about Neal Penn Road had been totally redone, was a nice road but had developed humongous holes again, those holes were patched and now today again Neal Penn Road is filled with holes. So I hope, Mr. President, that, because of my intervention, Neal Pen Road can be repaired again. I will put in a plug. There is a crater in the front of my business on Albert Street West, and I pay tax, and that road again was recently completed. So I would hope that any time we spend the people's money that we insist on a maintenance period. (Applauses) And I am happy to see that the maintenance period in this contract is for two years once the works have been concluded. I applaud the inclusion of that clause. Apparently this contract also involves acquisition compensation and utility relocation, pedestrian facilities, improved drainage, better pavement conditions, etc., mitigating for flood and flood levels with drainage and elevation, etc.

Mr. President, I am happy that we were provided with the details. I am happy that I've seen those provisions in this contract. I call and I hope that we can see the project documents and the project details so that we would be able to say specifically and hold those responsible specifically for the jobs that need to be completed. I must say though that in the project details that we received for the demonstration corridor, that section between Belmopan and Belize City, the details were not very useful in many instances because, for example, it said to provide for cat's eyes for so many thousands of meters. Well, I think it should have said that we would have provided for cat's eyes between mile so and mile so. So that we could then go and see if those things were put in. I am not going out there with a measuring tape to go measure them to see if we have so many thousands of meters of cat's eyes or so many thousands of meters of lines. But I will say however, Mr. President, that that project seems to still be a work in progress because there are many places, and I drive that road a lot, where lines are non-existent. There still remain places where the cat's eyes have been removed. I see that an effort has been made to replace a lot of the cat's eyes but we seem to be having some problems getting those cat's eyes to stick in place.

So Mr. President, all I am saying is let us continue to ensure that we are getting bank for our buck. Let us ensure that our maintenance period be for at least a minimum of two years on these major projects, and let us ensure that we

hold the contractors to the maintenance of these super expensive projects that we are embarking on because again every time we borrow money, we tremble, right, because our loan portfolio is just getting bigger and bigger. (Applauses) The least we can do is to ensure that we get bank for our buck and that we get the works that we intend. Thank you so much, Mr. President, for letting me go through those documents.

Mr. President, we know that expenditures are no doubt necessary inputs for the growth of our country and development, and we know and that is why today we are proud to support the efforts for the physical infrastructure and human capital formation in these two loans. But we would like to begin to see as well at some stage feasibility studies that show that these inputs are compatible in both quality and quantity along with the other necessary inputs from the private sector to bring the desired returns to service these loans. We have to start to be thinking about that now. We've been focused on borrowing and borrowing but we are not focused on how we get the returns to pay back these loans and these investments. Our trade deficit continues to widen at an alarming rate, and our debt ratio is rapidly increasing, Mr. President. The budget deficit for this year, Mr. President, we put it, will be scary, and that's putting it mildly. Budget surpluses, it seems, are but a distant dream now. What really is the rationale, the motive that is driving these conspicuous spendings?

Belize is very vulnerable to insolvency given our financial position and our management performance. Business acumen and principles whether in the public or private sector cannot be ignored. When we are spending money and ask to support money, please let us think about it as if we are spending our own money because it is. To do so would be unwise. If the Government continues to increase this country's debt burden, it will have a detrimental impact on macroeconomic fundamentals and in turn have seriously adverse effects on our long-term economic development which is desperately needed for Belize. So we have to be very careful how we manage and spend money. Because of the continued borrowing that is currently taking place, the Government and, by default, the people of Belize in the future will be faced with even larger expenditures for debt servicing, and this way of concern will leave little surpluses for the Government to adequately finance other priority areas that are desperately needed and require development, like housing, like health, like education, and like security. We are very concerned that these items that contribute significantly to the quality of life of our citizens are constantly being ignored. Thank you, Mr. President. (Applauses)

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President in accordance with Standing Order 10 (8), I move that the proceedings on the order paper may be entered upon and proceeded with at this day's sitting at any hour though opposed.

MR. PRESIDENT: Honourable Members, the question is that the proceedings on the order paper be entered upon and proceeded with at this day's sitting at any hour though opposed.

All those in favor, kindly say aye; those against, kindly say no. I think the ayes have it. You can proceed, Senator.

SENATOR L. SHOMAN: Thank you, Mr. President. Mr. President, I rise to address the Inter-American Development Bank - George Price Highway Rehabilitation Loan Motion of 2015. Mr. President, I arrive this morning to find

significant documentation relating to this on my desk, and I note, Mr. President, that there is no date as to when these documents were generated and when the Government had them. But I think I see there that at least the draft loan contract was done last year in 2014, and so it means that Government should have had this for some time, and I am disappointed that I arrived on the morning of the day when we are discussing this Loan Motion to be given this document. Now before I am accused of being a grudgeful *croffy*, let me say, Mr. President, that it is an improvement to have it, rather than not to have it, and I will express my measure of gratitude for that. But this ungrateful *croffy* would like to see, Mr. President, that we have this documentation in sufficient time to be able to intelligently absorb and respond to what is contained herein because once again, Mr. President we are being asked to approve the spending of US\$27,000,000 which will burden our people for 25 years inclusive of a 66-month grace period on principal replacements. That means that those children that we are going to educate with the first loan that we made will be called upon not only to pay that loan but this loan as well by their tax dollars, and the rate of interest is not really specified in here. We are only given a formula that says that, based on the Single Current Facility Loan with a LIBOR-Base Interest Rate plus the applicable lending spread for the Bank's ordinary capital loans, to be paid semi-annually beginning 6 months from the date of the signature of the Loan Contract.

So, Mr. President, we are being asked to approve US\$27,000,000 in a loan in order for us to do works from mile 47.9 to mile 67.3. That is a bit less than 20 miles if my mathematics serves me well and let me tell you, plain and straight, I am not the mathematics genius here. I will defer to Senator Sylvestre and Senator Lizarraga because I didn't passed mathematics to good in the CXC when I took it, which is why I chose to do law. Mr. President, my mathematics, however, is sufficient for me to be able to establish that we are borrowing a lot of money and we will have to pay back a lot of money for 20 miles. What a road! That is more than 1 million US dollars for every striking mile we are purporting to improve. Not only is that a lot of cat's eyes but it is also going to be, I am sure, to buy vehicles, to supervise civil works, to maintain civil works, to acquire land, to compensation, to utilities relocation, and I hope that all of it is use for the purposes that we say it will be used for. So that comes right back to the audit that my friend has been talking about, and this has to be a road that will decrease time and cost of travel, reduce road fatalities and injuries, very important, and ensure road accessibility by improving the climate change resilience of the corridor. It is also meant to strengthen the Ministry of Works and Transport. Let me tell you, the way it is presently constituted that is a task of shoveling out Augean Stable. That is Hercules on task and somebody will have to figure out the river that they will divert to wash out that said metaphorical stable known as the Ministry of Works and Transport, not because there are not competent engineers there you know, but because the political directorate in charge of that Ministry has a bad habit of making things worse for the people who have to deal with the reality on the ground. And that is one of the concerns that we have on this issue.

We will support the Loan Motion, Mr. President, and I will take up the kind invitation of my friend, the Senator of Government Business, and whether I am here or not, I will make plenty noise if this is not done properly, plenty noise. (Applauses) Who knows, maybe I may end up like our friend and former colleague, Senator Gordon, who is on Love Television almost every morning these days, and I welcome these things because we have a duty to be watch dogs for the people and to bark very loudly when we see things going wrong. There is no question in anybody's mind that the patch-patch cannot continue. There is no question in anybody's mind that the repair has to be done. But, Mr. President, let us not forget that this is not only one of the critical corridors in Belize but, as it says, this is one of our outlets to Central America. So therefore when this

improvement is done we had better have a secure border crossing at Melchor with all of the necessary things to be able to safeguard that border crossing. And while we are at it, Mr. President, let us not forget that we spent millions of dollars to build a Jalacte road and that we have to make sure that we put the proper infrastructure in place so that that too can provide us with proper access to the rest of Central America.

Mr. President, it is critical and important for us to understand what is in these loan documents. There is an annex here that speaks to the project, and it tells us what will be done and what not will be done. I'd like to assure the media, Mr. President, I will scan these documents and make them available to you because these are documents that the Belizean people should have. I think that we can only increase the transparency, and I really advocate for these documents to be placed on the National Assembly website ahead of our coming to any sitting of the Senate and any sitting of the House because I'm not even sure that our colleagues in the House got these documents. I reiterate again my small measure of gratitude so as not to look like an ingrate of the worse kind but I will express my preference that we continue to march along the path of increasing transparency. Thank you, Mr. President. (Applauses)

SENATOR A. SYLVESTRE, JR.: Thank you, Mr. President. Mr. President, I mainly wish to highlight and to bring to the attention of the Belizean public and members of this Senate that, if you calculate the Loan Motion that was passed earlier, the education loan motion which was US\$35,000,000 or BZ \$70,000,000 as well as this Loan Motion which is US\$27,000,000 or BZ \$54,000,000, that comes up to BZ\$124,000,000. So in like about less than an hour or so we will be approving Government to spend and to burden the Belizean people another \$124,000,000. Now \$124,000,000 isn't no small number, is no small figure. It is, indeed, an extreme large sum.

Now I support the road construction which this project is to be financed and being a person who loves the Cayo District, Senator, your home district, I do, in fact, support the motion. But I think I'll be remiss if I do not point out that we are borrowing, Mr. President, and we are burdening our Belizean public and in particular the future of Belize, the children, with an extremely, extremely high debt. Mr. President, if we haven't been taking stocks, I would like to remind us that in March of this year we passed in one sitting of the Senate, a BZ\$27,000,000 loan was passed through the Kuwait Fund for Arab Economic Development. An additional \$60,000,000 was approved for by this Senate by a loan that is to be granted by the Central American Bank of Economic Integration (CABEI), and in that same sitting in March we approved a loan of \$57,552,486 which was loan proceeds from Petrocaribe from September 2014 to February 2015.

Now it is important to point out that since March of this year to now, we are in September, another 6 months would have passed and certainly we all know, it is no state secret, everybody knows that every month we receive Petrocaribe funds, and so that if we calculate from March to now it is an additional six months. So we could calculate and we could add to the existing or the continuing debt from March of this year, the continuing monies that we've been borrowing from March of this year to these two Loan Motions and these two loans that we are approving. And I do not attest to be the best mathematics person but my figure rounds out, Mr. President, to \$330,104,000 that would have been approved for Government to borrow or Government has borrowed since March of this year. That's quarter billion dollars with a "b".

Now again, Mr. President, while we are all thankful and we are all glad and happy and ecstatic about roads being built and streets being built after 8

years, quarter billion dollars added to our debt which in January of this year stood at almost 2.3 billion dollars, this is an extremely important matter for us to take cognizance of, Mr. President. And it would be remiss of me if this was not highlighted and it was not pointed out because, whilst it is true that we appreciate the goods and services because, of course, that's what I'm sure the Government would be saying, "Oh, we are providing good and services", but the point needs to be made, as Senator Lizarraga certainly would say, at what cost are these goods and services being given.

So, Mr. President, I think it is important for us to understand and it is important for us to appreciate that whilst this project may be good in principle it is, however, just an additional debt which this country is being saddled with. And so, Mr. President, with those short remarks, those are my contributions in this respective Loan Motion.

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Thank you, Mr. President. Mr. President, just a few comments, again, I thank the colleagues who spoke for supporting it, and, yes, we will lament the increase in debt. The problem is that sometimes we can't have it both ways because we have to borrow to build. As long as we build, we get value for money; we see what we build; it enhances our country, our structure, helps to create a better environment for investment, better roads generally do; it's a good thing; down the road it pays off. We cannot do it and we don't have the resources in house, the savings to do it. But there are just two points I wanted to point out today. My colleague, Honourable Senator Shoman, in fact, in that fund there is \$3.7 million roughly, \$3.4 million for the Roaring Creek Bridge. We all know, those of us that live in this area, that whenever there is a massive flood sometimes the water gets over the rail of that bridge. Traffic is stopped for a whole half day or more, all those years. So it is to raise the level, create, build a new bridge, etc., and that is part of the loan and also to my colleague on the business sector, section 3.02 (a) to (d), I think, covers the various issues concerning the interest rate. Mr. President, I move the motion.

MR. PRESIDENT: Honourable Members, the question is, NOW, THEREFORE, BE IT RESOLVED that this Honorable House, being satisfied that the Loan proceeds would significantly assist the Government of Belize in its endeavor to rehabilitating the GPH road infrastructure between miles 47.9 in Belmopan and 67.3 in Santa Elena to national standards, decreasing travel time and costs, reducing road fatalities and injuries, and ensuring road accessibility by improving the climate change resilience of the corridor, approve and confirm that the Government may enter into a Loan Contract with the Inter-American Development Bank on the terms and conditions set out above for financing the said Project, and further authorize the Minister of Finance to execute and deliver the said Loan Contract and all other documents associated therewith.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

II BILLS FOR SECOND READING

1. National Protected Areas System Bill, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I rise to move the second reading of a Bill for an Act to provide for the maintenance of a coordinated management of a system of protected areas that is representative of internationally agreed categories, effectively managed, ecologically based, consistent with international law, and based on best available scientific information and the principles of sustainable development for the economic, social and environmental benefit of present and future generations of Belize; to repeal the National Parks System Act, Chapter 215 of the Substantive Laws of Belize, Revised Edition 2000; to amend the Fisheries Act, Chapter 210 and the Forests Act, Chapter 213 of the Substantive Laws of Belize, Revised Edition 2000; and to provide for matters connected therewith or incidental thereto.

SENATOR L. ALAMILLA (Minister of Forestry, Fisheries and Sustainable Development): Mr. President, first, I would like to thank all the people that have made this a reality. This has been in the works for more than 10 years. Many NGOs, stakeholders, Government officials have invested hundreds of hours talking about this Bill, identifying the need that Belize needs modernize its protected areas system because we have been managing our protected areas as single units instead of a system. This Bill addresses that. It is really a system that we will manage as a whole. The objective of this Protected Areas Act is to establish, as I said, a National Protected Areas System. It is to ensure the sustainable use of Belize's protected areas. It is to ensure genetic diversity and the diversity of species and habitats within these areas, including but not limited to threatened species and species of economic social or cultural values. It addresses the provision of ecosystem services and goods which we haven't identified before. We take the services and goods that protected areas gives to our country for granted. This Bill aims to ensure that we identify that as important and ensure that we manage our natural resources so that we continue to enjoy these goods and services that the protected areas gives to Belize. It strengthens the coordination and collaboration between nature-based protected areas and archeological reserves. In many instances archeological reserves exist within big protected areas systems, and so this will ensure that we are coordinating our work.

The National Protected Areas System will ensure that we are coordinated in even how we develop our management plans. It brings forward that we will develop the management plans in a like manner so that we are able to coordinate and measure the same thing. So that we are not coordinating and measuring, trying to measure apples and oranges. It makes, under law, it marks, under law, the commitment of Belize to all the different conventions that Belize has been party to: the United Nations Convention on Biological Diversity, the United Convention on Climate Change, the United Nations Convention to Combat Desertification, Convention on Wetlands of International Importance, especially as waterfall habitat, the Convention on International Trade of Endangered Species and UNESCO World Heritage Convention. That didn't exist before. We had signed on to these conventions, but we had not created the legal framework to make sure that we are implementing it.

What is also very important and quite an achievement, as a result of this Act, is that Belize has now come in line with the global community in having all the categories of protected areas that the global community has recognized as important. There is a shift and recognition in the world that protected areas really are in certain areas we have to conserve them, but in many areas we have to recognize that we have to utilize them in a sustainable manner, and so this Bill addresses that. We have expanded therefore the types of protected areas and brought under this protected areas other systems that form part of the larger

protected areas system. For example, Belize used to only have one category of wildlife sanctuary. We now have two: Wildlife Sanctuary One and Wildlife Sanctuary Two. One of them allows for extraction of resources. That has been the cry, for example, from Crooked Tree. We recognize that people want to go in there. They have traditionally used resources from those areas, and now we are creating the legal framework for them to be able to access that.

Another great achievement, and if you speak to landowners who own large tracks of lands who have been very much interested and keen to become part of the Protected Areas System of Belize, is the category of private protected areas. That is a huge achievement. TIDE, for example, has large tracks of land that it has bought to put under conservation, but there didn't exist a category to identify those areas legally. We now have a private protected area category. We also have a protected landscape or protected seascape. We now legally recognize, within the national protected areas system, spawning aggregation sites. We also now recognize special management areas which really is trying to address the marine and terrestrial biological corridors. We have been doing the work of establishing these corridors. We are now setting the legal framework for those corridors to exist. We've also added the category of scenic landscape of geomorphic significance.

Mr. President, I am really just trying to outline what are the big achievements in this Bill because there is a lot in this Bill. So, if you allow me to just identify those, it addresses, for example, that every managing entity being public managing entity or co-management entity has the power to appoint a person as an authorized officer to assist in the enforcement of any provision of this Act or any of its regulation. Therefore, again it provides the legal framework for us to partner within a legal structure with our NGOs.

Another great achievement that should not go unnoticed is that we have now created the legal framework for co-management of Belize's protected areas. Belize has for more than 40 years entered into a gentleman's agreement in how we manage protected areas with NGOs. We were doing this solely by an agreement but we did not have the legal framework for this. This Bill finally addresses that, and it clearly outlines how Government and any other entity which it engages will go about managing these protected areas. Mr. President, my Ministry is proud of this achievement. My Ministry is proud that my colleagues have supported this from the onset. My Ministry is proud of all the work that everyone put in to make this a reality, and so I really want to thank them again for all the work. Thank you, Mr. President.

SENATOR P. ANDREWS: Mr. President, I rise to make my contribution to the National Protected Areas System Bill. Mr. President, it is sad that our 13th Senator from the NGO is not here this day after it has been promised by the UDP Administration. In fact, it has been passed through all its stages but yet our Prime Minister has refused to appoint the 13th Senator which should have been here from the NGO. Yes Sir, I am clearly saying that if we would have followed procedures that we would have had a Senator represented here from the NGO to give their views and opinion on this Bill, and I can't see why when we are discussing a conservation Bill why that cannot be permitted. But having said that we heard from the Government side of this Bill which I believe it's no secret that I, Patrick, have no confidence in anyone of those remarks. For instance, Mr. President, we clearly see in this Bill where there has been a move to consolidate the authority more in the ministerial discretion and taking away from the NGOs.

For instance, in the structure of the PACT Board of Directors, the reduction of directors from PACT has been reduced and more Government

officials will be in charge of that Board of Directors. And it is a tremendous problem, Mr. President, because we in this democratic society are all for check and balance. But every time we tamper with the check and balance and we give more power to the executive we always find out what happens. And we don't want to be living in a system where we have heard, particularly the Leader of Government Business, know well how this clause of ministerial discretion has affected us in so many instances in this country. And here we are today passing a Bill that is limiting and taking away power from the NGO and giving more power to this Minister to make decisions and to be able to rule more with an iron fist in these areas. And, if you would ask me in whom I have more confidence as it relates to these NGOs or to our Ministers to make decisions, then clearly it has to be stated, Mr. President, that I, for instance, have no confidence because we've seen over and over the abuse of ministerial discretion as it relates in this country. (Applauses)

We don't want to hear some year down the road that there is a dereservation of our national park because some Minister wants to distribute some pristine land to some of their UDP cronies, and what I am saying is that within this Bill there opens the loophole for ministerial discretion to dereserve our pristine parks in this country, and it is taking away power from the NGO and consolidating that power to the ministerial discretion. And so, Mr. President, there is much that could be said on this matter but for sure I wanted to state my comments in objection as it relates to more centralized Government rule, and we need to continue to keep in place the check and balance that have continued to govern for good governance within this country. Thank you, Mr. President. (Applauses)

SENATOR L. ALAMILLA (Minister of Forestry, Fisheries and Sustainable Development): On a point of clarity, if you would allow me, Mr. President, the good Senator is confusing things and the good Senator would have done well if he had read the previous Bills, if he was here purporting misinformation to the public. There was nothing; these protected areas fall under the responsibility of the Government of Belize. This Bill, in fact, brings in the NGO to partner legally with the Government of Belize in the management of protected areas, Sir. So I would advise you that before you stand to speak in this Honourable House that you inform yourself properly. Secondly, you are mixing two Bills. There are two Bills being tabled today, the National Protected Areas Systems Act and the Protected Areas Conservation Trust (Amendment). Whoever has advised you has advised you wrongly. Thank you. (Applauses)

SENATOR P. ANDREWS: Mr. President.

MR. PRESIDENT: Senator, the Senator raised on a point of clarification and you had your opportunity to do your presentation.

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I move that the question be put.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to provide for the maintenance of a coordinated management of a system of protected areas that is representative of internationally agreed categories, effectively managed, ecologically based, consistent with international law, and based on best available scientific information and the principles of sustainable development for the economic, social and environmental benefit of present and future generations of Belize; to repeal the National Parks System Act, Chapter

215 of the Substantive Laws of Belize, Revised Edition 2000; to amend the Fisheries Act, Chapter 210 and the Forests Act, Chapter 213 of the Substantive Laws of Belize, Revised Edition 2000; and to provide for matters connected therewith or incidental thereto, be read a second time.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

Bill read a second time.

2. Protected Areas Conservation Trust (Amendment) Bill, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I rise to move the second reading of a Bill for an Act to amend the Protected Areas Conservation Trust Act, Chapter 218 of the Substantive Laws of Belize, Revised Edition 2000 – 2003, to provide for a new definition of “protected area” and a new composition of the Board of Directors; to expand the functions of the Trust; to provide for the appointment of a Finance and Audit Committee, Technical Committee on Protected Areas and other Committees by the Board of Directors; to further strengthen the provisions of the Act in order to enhance the operations of the Trust in achieving its mission of promoting the sustainable management of Belize’s protected areas; to make better provisions relating to the exemption from payment of the conservation fee; and to provide for matters connected therewith or incidental thereto.

SENATOR L. ALAMILLA (Minister of Forestry, Fisheries and Sustainable Development): Mr. President, the Government of Belize makes no apologies for the fact that this has been amended to ensure that Government has majority on the board. The NGOs knew this from the onset when we were discussing this with them. This was no secret. This was the only way we are going to go forward because we had tried the model where the majority was NGOs and that model did not bring forward the results that we wanted from PACT. We’re now trying something different. We are recognizing, as I said earlier, because these two Bills are integrated and there is synergy between them that we have now come to recognize that protected areas are important to Belize’s sustainable development, and we have to bring in other players. They don’t only belong to the people who are interested in conservation. They belong to all the people, and all the sectors need to come in and help us manage these protected areas.

We have revised the governance structure, and we have now included the Ministry of Economic Development which didn’t exist before. We have invited NEMO, the Chief Executive Officer for the Ministry responsible for NEMO, and we have also invited the President of the University of Belize or his representative to be part of this. We have invited one representative from the largest private sector umbrella. We have only edited that because first it said BTIA. But things change in the NGO sector. They come and go. Some of them are in existence for a long time. Some of them are unable to adapt to changes or able to raise the fund. So our Bill should not be named NGO. They should just identify what kind of civil society organizations that we want to engage because we can’t come to the House every time we need to change things in regards to who sits on the board. So this is more clear; it allows an opportunity for us to be more dynamic and to respond to what is happening in reality on the ground. And so that is what we have done, and the reason, as I said earlier and I repeat because I think it is important, is that protected areas need to be integrated into the development of

this country. And I know the Opposition might respond and they might be shouting the same thing that they have been hearing on the media and regurgitating the lies and the new narrative that they have rewritten history. But I have in my possession just from 2011; I didn't ask my staff to go very far back because this has been in discussion for more than 11 years; and in my tenure we've had more than 20 meetings. I have the list, locations, the names of people that have participated here, and the NGOs are very well represented during these discussions. So I would hope the good Senators, if they are going to respond, that they don't bind to their lies.

What is important about this too that didn't appear before is that the Trust shall every 3 years submit to the House of Representatives and publish a report on the state of protected areas in Belize, including management effectiveness and financial scorecard results. What that is basically trying to do is create the transparency and accountability. PACT invests all its money into protected areas; we don't know if it is actually achieving what is supposed to achieve. We are now ensuring that they are able to report to the House or we are now demanding that they are to report to the House of Representatives and show how they are, in fact, delivering on what they are committed and required to do. It also asks and requires that every manager of any protected area shall provide such information as may be requested by the Trust. I think what is important here and what the NGOs have been lobbying and what this good Government has given the NGOs which I think they need to celebrate and really let people know is that primary activities that qualify for trust funding are core costs, including cost of permanent staff of nongovernmental organizations at such levels or positions as determined by the Trust.

The Government recognizes that managing protected areas is an expensive endeavor, and we recognize that raising the money from international donors all the time is not very sustainable. So this is Government's recognition of that hard work, Government's recognition that we need to put more boots on the ground, and that is where PACT is going to invest a large percentage of its money. And so, Mr. President, I hope that everyone is really able to be mature enough to recognize that we have done well by this country in the management of Belize's protected areas, that we have modernized both the actual protected areas system management and also addressed the Protected Areas Conservation Trust so that it can conduct its fiduciary responsibility to ensure that it is able to raise the capital necessary, in addition to the PACT entry fees that are contributed because that money is never enough. It's not enough. We need more money than what PACT raises, and this amendment to the PACT Act will allow us to be able to raise those monies. Thank you. (Applauses)

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I move that the question be put.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the Protected Areas Conservation Trust Act, Chapter 218 of the Substantive Laws of Belize, Revised Edition 2000 – 2003, to provide for a new definition of "protected area" and a new composition of the Board of Directors; to expand the functions of the Trust; to provide for the appointment of a Finance and Audit Committee, Technical Committee on Protected Areas and other Committees by the Board of Directors; to further strengthen the provisions of the Act in order to enhance the operations of the Trust in achieving its mission of promoting the sustainable management of Belize's protected areas; to make better provisions

relating to the exemption from payment of the conservation fee; and to provide for matters connected therewith or incidental thereto, be read a second time.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

Bill read a second time.

3. General Revenue Supplementary Appropriation (2015/2016) (No.2) Bill, 2015.

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I rise to move the second reading of a Bill for an Act to appropriate further sums of money for the use of the Public Service of Belize for the financial year ending on the thirty-first day of March, two thousand and sixteen.

Mr. President, this is in accordance with the Bill that has been made available to all Senators, and there was a paper, a Sessional Paper 168/1/12 laid on the Table which gives the details. The details are rather simple; \$10,000,000 of this is to redeem BDF bonds; and the remaining \$70,220,500 is in respect of the next Bill to be debated which is the Electricity Acquisition (Settlement) Bill, 2015.

SENATOR M. LIZARRAGA: Mr. President, the business community is pleased to see that we're finally using Petrocaribe money, affordable loan money to retire debt obligations of taxpayers in the settlement of the BDF bonds and the Fortis debt. We are pleased to see that the Government has heeded the advice of the business community for the use of the Petrocaribe money in this most appropriate manner. What continues to concern us, however, is the macro status of our country's public debt and debt obligations. The constant barrage of Supplementary Appropriations and borrowing, Mr. President, remains alarming for us. And Government's unceasing appetite to borrow and borrow in spite of all the alarming debt indicators, and to date we still have no debt sustainability analysis, remains worrisome for us. I believe, Mr. President, that we are sufficiently on the record for this matter. Thank you, Mr. President.

SENATOR L. SHOMAN: Thank you, Mr. President. Mr. President, I join the business Senator in his concerns, and, as my colleague, Senator Sylvestre, pointed out a while ago, this continues along the path of borrowing. Yes, we can always excuse it by saying that this is Petrocaribe financing but no one should ever forget that Petrocaribe financing is a loan which will have to be paid back. In this case, Mr. President, and more will be said on this later, the specific purpose for which the borrowing is being done is to pay Fortis for those shares which were taken in 2011 and also to retire a BDF bond. Mr. President, we will continue to look for these Appropriation Bills coming, and we will likewise continue to do the addition of the alarming external debt that we have mounting, which is now with the latest amounts being borrowed, as my learned friend, Senator Sylvestre, pointed out this morning, is taking us into a stratospheric almost 3 billion dollars. Thank you.

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I move that the question be put.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to appropriate further sums of money for the use of the Public Service of Belize for the financial year ending on the thirty-first day of March, two thousand and sixteen, be read a second time.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

Bill read a second time.

4. **Electricity Acquisition (Settlement) Bill, 2015.**

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I rise to move the second reading of a Bill for an Act to facilitate the implementation of the terms of a Deed of settlement and compromise between the Government and the Fortis Companies arising from the acquisition by the Government, in the public interest, of shares in Belize Electricity Limited held by the Fortis Companies, and to provide for matters connected therewith or incidental thereto.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, the Constitution of Belize allows for the Government to operate public utilities in order to serve the best interest of our Belizean people. Two economists: Baniak and Lipatov in 2011 stated, “The striking difference when compared to private ownership is that a public enterprise does not necessarily focus on maximizing profits. Instead, its primary goal is to maximize social welfare all in all” they say, “theory predicts that public enterprise will be less efficient since it maximizes political support rather than profit”. Mr. President, we are happy to see this motion before us today, one that we will support because this motion today vindicates and exonerates the business community, the Belize Chamber of Commerce and Industry, its leadership and its then Senator, Senator Hulse. Our position then was clearly that Government had taken a premature position, an unjustified solution in the acquisition of BEL. Our position then was vilified by the Government; our messengers were attacked, slandered, as is common practice. Today, 4 years later we are vindicated as Government has come to its senses and negotiated a settlement as was our advice to them 4 years ago.

Now that the ownership of BEL is no longer questionable, the Belize Chamber of Commerce and Industry and the business community call on the Government to move swiftly to repair the damage done to Belize’s investment climate and to restore investor confidence in Belize. (Applauses) We applaud, Mr. President, an end to the litigation, and, while we lament the unnecessary and burdensome legal fees that the taxpayers of this country have borne over the past few years in resolving this matter, we are certainly happy to see an end to these expenses. We will continue, Mr. President, to support and to promote for good faith and peace a willingness to engage in dialogue and to resolve conflicts and differences with the private sector. We are pleased that the settlement of this debt conforms with our advice for the use of Petrocaribe funds. Mr. President, the business community however calls for full disclosure and transparency of the total financial cost associated with the BEL settlement agreement.

Mr. President, due to the tardiness in providing us with the relevant documents, the business community was robbed of the opportunity to undertake proper cost benefit analysis of the takeover settlement. We intend to do so in the days to come, and the Belizean public will be apprised of our position on this matter. For the record again, Mr. President, we only receive our Senate papers on

Thursday mid-morning. Mr. President, in reference to the selection of an attorney retained and legal fees expended in dealing with this matter, we would like to quote from the Constitution, Section 121 (1) (a) of our Constitution, the code of conduct governing parliamentarians, states that persons shall conduct themselves in such a way as not to place themselves in a position in which they could have, or, sorry, they have or could have a conflict of interest. Let me repeat that. The Constitution states that we should not place ourselves in a position in which we have or could have a conflict of interest. Subsection (c) says that we are not to use our office for private gain, and subsection (e) says that we are not to have or allow our integrity to be called into question; these rules apply to all parliamentarians.

In addition, Mr. President, we ask, isn't it the policy of the Ministry of Finance to put out to tender or at the very least invite three quotations when procuring goods and services? How else do the custodians of the public purse assure their employers, we the taxpayers, that they have received value for money? How does the CEO of Belize, the Prime Minister, the Minister of Finance assure us of this? Mr. President, we would never call into question the integrity of the Prime Minister, but we believe that the nepotistic preferences and appointments certainly can and continue to repeatedly cause serious concerns and questions to the many appointments made by him that appear to preference or favor his family.

Mr. President, the tax breaks granted to Fortis in this settlement is perhaps unprecedented in that they have no end dates. Usually tax breaks are given for a specified period of time. However, in this case there is no end date to the tax relief granted, and furthermore it is in a virtually unprecedented move that will benefit not only them but any future successor entitled. These concessions defy, Mr. President, and depart from the stated policy objective of the Government of Belize of broadening the tax base and that all investors equitably contribute to the financial health of the nation by providing investment capital and employment but also taxes.

Mr. President, perhaps the time has come for the business community to make a bid on its own, and we make that bid today for the removal of taxes on dividends paid to all investors, (applauses) since, Mr. President, the imposition of the business tax on gross receipts on dividends and also taxation on the dividends have a double taxation effect. You tax us on our gross income, and then you tax us on dividends. That's double taxation. CARICOM persons are already exempted of this. Why should Belizeans be given a less or any less favorable treatment? We would like to call on the Government to remove then taxes on dividends right across the board, and in doing so, in following precedence that they have said, in removing this double taxation burden also on local investors, this would provide for an incentive for local investors to invest in equity holdings and hopefully invest those hundreds of millions of dollars we have sitting in our local banks. If it is good for a foreign company it should be good for a Belizean company as well. (Applauses)

Restoring investor confidence, Mr. President, must start with an increase in transparency. It includes strengthening the financial management systems, updating our legislative framework, implementing sweeping land and electoral reform, empowering and strengthening of our oversight bodies by increasing private sector and social partner involvement, strengthening the rule of law which holds everyone but especially members of Government accountable. It includes leveling the playing field through e-governance, combating corruption and taking the necessary measures for meaningful reconciliation aimed at achieving enduring peace and prosperity for all Belizeans.

Mr. President, perhaps the time is opportune for me to say that the business community will shortly be coming out with a list of initiatives, reform initiatives, where it will invite all the political parties of this country to support and endorse our continued journey in the democratization of our country and our continued call for reform. Hopefully, Mr. President, you will be seeing those initiatives shortly from the business community. I thank you, Mr. President. (Applause)

SENATOR L. SHOMAN: Mr. President, I rise to address the Electricity Acquisition (Settlement) Act, and I request your permission, Mr. President, to refer to my notes from time to time.

MR PRESIDENT: You may, Senator

SENATOR L. SHOMAN: Three years ago when Prime Minister Borrow seized all of the Fortis shares in BEL and not just those which were needed for control of the company, all 70% and not the 35% needed for effective control and laid waist to the serious long serving management structure, the Prime Minister at the time beat his chest with nationalistic fervor and with pumped up, pride declared that he was nationalizing the utility for the people of Belize. On Monday afternoon last, perhaps humbled by his own hubris, and on the cost of a CCJ ruling by his own admission which might have proven to be long lasting and seriously problematic for the Government of Belize and that was almost certain to deliver a judicial, as the young people say, “beat down of epic Mayweather proportions” and us older ones would say, “Mike Tyson like proportions”, the Prime Minister meekly conceded that a deal had been made and that Fortis was given back almost half of what was snatched by the Government in 2011. The Prime Minister also notified us that he and the Cabinet had discussed this and that they were compelled by the circumstances to cough up the hairball of compensation at a rate that has ultimately proven to be higher than even its own expert recommended sometime back.

Let it be known that this is not this piece of legislation about national pride or patriotic fervor. It is not about Fortis Incorporated and whether it was good or not good or good again for Belize as a strategic partner. It is not about some jingoistic alchemy that will now turn straw into gold. This was about reality hitting home and hitting hard and the ultimately high price and heavy cost that we are going to be forced to pay, and that is the truth here. That truth no matter how one manipulates the figures is one that will ultimately be recognized, if not now, down the road. Remember that this is a Government that gave itself a tax break quite some time ago on dividends in terms of collecting taxes but which however didn't gave itself a break on legal fees by employing Government attorneys. No, it went ahead and employed private attorneys. This is a deal in which management attrition has been severe, and corporate moral has suffered greatly. It is a deal in which massive tax breaks will be given not only to Fortis but to its successor entitled. This is a deal in which the now famous put option is a central feature of the deal that has been made, and, Madam President, the chickens are still out there laying the golden eggs, and we will find them in the months and years ahead. The fox may have been forced to surrender but who is it that will have to pay? We will.

There was quite a bit of a discussion, Madam President, about BEL and the rates of electricity that were being charged and that it was a struggling and bankrupted company that was begging the Government to allow it to raise rates to some crazy level when in truth and in fact, and I have no need to defend Fortis, but in truth and in fact when you go back and look the company was careful to say that they were in a seasonal crash crunch and wanted some ameliorating

relief. On the pretext that this would make our lives better, the shares of Fortis were seized, as I've said, not enough to control the company alone but the entire 70%, and anybody who cares to go back in history and search the news items at the time will see what language was used to wallop our strategic partner, Fortis Incorporated. Madam President, in 2011 when BEL was seized, the main kilowatt hour was 41.81%. At that time BEL was asking for a modest increase in order to be able to deal with its problems as well as asking the Government of Belize to go and talk to the Mexicans about the cost of acquiring electricity. Not only did the Government not do anything just after it seized BEL in term of rates but it waited until just before the 2012 election, February 1, 2012, to be precise, to give a modest decrease of 6.14% to Belizeans, probably as a sweetener. However, a few months later there was BEL, our own utility company owned now by our own Government and our Social Security Board and Belizean investors, asking for a 17% price increase of which they got 16.87% increase and the mean rate shut up from 41.81% to 46.86%, mean rate, claiming that unexpectedly electricity rates had shut up in the last half of 2012. This is precisely the same problem that Fortis pre-acquisition had. The Government beat it over the head and grab it, took it away, snatch it, claiming they were unable to manage things properly, and yet by the last half of 2012 our owned, wholly owned BEL was crying that electricity prices were unexpectedly high. And it was the truth. Oil prices started to shoot through the roof just then. However, not only were we taken from 41.81% to 48.86% mean rates, I want to point out that this is before the Prime Minister even went to Mexico to do anything about this, and by then remember no management fees were being paid to any Fortis or anybody else, and a whole bunch of executives had already been chased off.

The PUC, Madam President, did not give a reduction until sometime after the Prime Minister had gone to speak to President Peña Nieto, in Mexico and it gave a measly reduction of 1%. From a high in 2013 of oil prices we have now gone, Madam President, down to less than \$38 a barrel, and yet we didn't receive a cut until 2015 of 5% earlier on this year to take us then to 41.29 from 43.47. And we didn't see a further cut until May to start July 1, of this 15% cut that has taken down the electricity price to what is now touted as being a historic low of 38 cents per kilowatt hour. Two years we were punished with unduly high electricity rates all the while the world price of oil was falling. It took BEL 4 years to come back down to the price that electricity was when it was seized from Fortis, 4 years, and this is despite the heavy fall in oil prices' 2014 and the concessionary Mexican rates that were promised to the Government in 2013. All of that to say that, when we look at the deal that has been struck; we have to realize that it is the Government that has woken up from its self-delusional coma to now admit that they need the strategic partner of Fortis Inc., and it is no doubt the smelling salts of a CCJ judgment that has taken them out of that self-induced coma. (Applauses)

When we look at the piece of legislation, Madam President, and I love to look at the language of legislation. It is important to note that there are significant things in there. As we know, the shares that are being handed back in BEL are some 23, almost 23 million shares, 22,984,662 ordinary shares, which represent 33.3% of the issued and outstanding ordinary shares in the capital of BEL. This means, Madam President, that if there is any vote at a shareholders' meeting of BEL that is a vote that needs a 2/3 majority, correct my math if I am wrong, Senator, they won't get it, and forget about a 3/4 majority it is not going to pass without Fortis' agreement. That is important to note. We also note that all the amounts that are payable by the Government of Belize are payable to Fortis as shareholder or its transferee. So it doesn't just benefit Fortis. It benefits anyone who Fortis transfers these shares to. That is by any measure a pretty sweet deal, and it says that if either "Fortis (or its transferee) exercises the Put Option in the

Settlement Deed that shall be paid by the Financial Secretary and shall be a charge on the Consolidated Revenue Fund and paid within the times as recited in the Put Option,” and that “Notwithstanding anything to the contrary in any law in Belize whatsoever the exemptions from taxes, duties, fees, imposts, exchange control requirements vest in Fortis and shall have effect in Belize commencing from the date of the Deed of Settlement and continuing for so long as either Fortis (or its transferee) remains a shareholder”. When we look at the extent of the exemptions which are set out in the First Schedule, they are not only completely impressive but, as I’ve said, redound to the benefit of the transferee, and that is contained on page 4 going into page 5 of the document we have been given.

It also, Madam President, and fellow Senators, at point 2, binds all future Governments by stating that the Fortis company and any transferee of the shares. So any Government that is in power at the time of either Fortis holding the shares or its transferees are deemed to be exempt from the provisions of the Exchange Control Act that would apply both for the transfer of the shares to the Fortis shareholder from dividends and distributions paid from BEL to the shareholder who is Fortis or its transferee, by the Fortis shareholder to its shareholders in respect of any payment received pursuant to the tag along provision and in consideration paid by the Government to Fortis in the event that Government must exercise at the option of Fortis, the Put Option. Also, it exempts from stamp duties and from any and all taxes duties, charges, fees and imposts, even if they don’t exist at present but that would be payable by Fortis or its transferee otherwise.

Then, when you get into the meat that is appended in the Second Schedule, which is the Deed of Settlement and Compromise, you then start to realize why this Deed of Settlement and Compromise has been shoved in front of us with such undue and indecent haste and rapidity. This is consideration that is set out at point 2 and page 2 of the Settlement Deed and the Government commits itself, as soon as reasonably practicable following the date of this Deed and in any event no later than the 7th September 2015, pass legislation and/or take such executive action as may be required by law to authorize the Government to enter into the Deed, make the payment to Fortis Cayman Inc. pursuant to sub-clause 2.1(b)(i), enter into the Put Option and pay to Fortis consideration for the Fortis shares. All of that is to be done by the 7th, no later than the 7th of September. That means Monday. And the question has to be asked, how long did the Government know it was going to enter into this and why weren’t the Opposition and the social partners given the full extent of this deal before so that we could perhaps tried to provide some assistance, some advice to our Government that their own private attorneys who they are paying so handsomely did not do? Well, whether they can do that or not, they did it. Didn’t they? They are going to do it today because we had a vote today that they are going to pass everything through in 3 readings.

Mr. President, this Deed of Compromise states that the Government will confer on Fortis full exemption from stamp duty payable on transfer of shares, full exemption from stamp duty on foreign exchange permits, full exemption from all taxes payable. Now the Government control all it wants, that the Government does not charge itself these things. But let us not forget, this isn’t a benefit to the Government of Belize. It is a benefit to Fortis. (Applauses) Fortis is being exempted from these things in order for Fortis to agree to this deal being made. Foreign exchange stamp duty is not paid because somebody has to write down on a little piece of paper the permit. It is paid because it is revenue to the state in acknowledgement that there is an acquisition cost of US dollars. So you could shout that you got all the US dollars you want in the Central Bank, that is beside the point. The rest of us have to pay those acquisition costs. Merchants have to

pay those acquisitions costs. People who are sending their children to school abroad have to pay those acquisition costs. So let us not have the crowing because it's not going to help. It also exempts fully Fortis and its transferee from the provisions of the Exchange Control Regulations Act and any regulation made from time to time including in the future in respect of transfer of shares, and full exemption from all taxes, duties, charges, fees and imposts, if any payable not only to the transferee, not only to Fortis but its transferee and the Put Option.

So then it continues and it says, "The Government shall, on the business day following the Legislation being enacted, and remember this has to be done by no later than Monday. It shall pay \$35 million in the currency of the United States of America, they weren't taking no chances with that currency, you notice how they say it, in immediately available funds to Fortis Cayman Inc. by transferring into a bank account at a bank that carries business outside of Belize. I guess somebody must have told them about the correspondent bank problems we are having here. It shall also transfer the shares to Fortis shareholder and that BEL shall take and procure such corporate actions as required by the Act. So it would seem to me that not only are we going to be required to pass this law this afternoon but it sounds like they will have to Gazette it and Governor General will have to sign either tonight or first thing Monday so that these people can get their money. And it is important that Belizeans understand that this is the most indecent of haste and that no good explanation has been given for why we have not been appraised every step of the way as to what is to occur.

But there is more. It also requires that the Governor General, sorry, my mistake, it also requires that the Attorney General issue an opinion to Fortis. The Attorney General, the Honourable Wilfred Elrington, shall issue an opinion to Fortis entitling Fortis to rely on such opinion, okay. So that means that they could take this and take it to the bank. Two things: (a) the transaction documents and the obligations therein, entered into between the Government and Fortis, including the Put Option, and those of you who have this document you can look at the top of page 6, a valid binding, and enforceable obligations of the Government. A written opinion must be given by the Government on this and that the transfer of the shares to Fortis will not result by the Government having less than 51% and will not create any veto power or special rights in favor of Fortis. And that opinion has to be issued immediately. It also says that if all the closing obligations, including that opinion are not ready before the date specified in clauses 2.1 (a) and (b) above which is going back the 7th of September, except for the sub-clause, then all the provisions of this Deed will lapse and cease to take effect. It sounds to me as though these people weren't taking any chance with accepting Government's word that it was going to do these things by that date. They are taking no chances.

Also, Mr. President, in looking at this incredible piece of documentation, it also states here that the Government covenants, at 4.4, page 7 at the top, the Government acknowledges that by law the PUC is obliged to afford the company a reasonable rate of return, in a Deed of Settlement this is appearing, or investment when operating in a manner compatible with international standards. And it goes on to say that the Government covenants with Fortis that it shall procure, that means ensure, that neither BEL nor BSSB, which I take to mean the Belize Social Security Board which owns shares, shall not take any steps to convert to ordinary shares any of the outstanding preference shares of the company. That means they are telling Government, "Don't try to put a fast one either on the rest of the shares; so you all dilute our shareholdings", in the document.

Then the infamous Put Option appears at clause 5. That Put Option is granted not only to Fortis but to any transferee of Fortis, and it requires the Government to purchase all the shares in BEL then held by it, the Fortis shares, at the Put Option price and on the terms and conditions set out herein. And the price payable shall be in the United States dollar equivalent of the amount of the book value of Fortis shares. I do not see, that is specified in that clause, Put Option price, anything about the book value of the Fortis shares at that time. And yet this is one of the things that the Prime Minister was congratulating himself about in the House meeting.

I do not have any problem in being proven wrong you know; I want to be proven that I'm wrong because then I'll feel better about this. The Put Option notice can only be served after the 4th anniversary of the Deed, except, and you weren't told this because the Leader of the Opposition was talking about when it could be put and the Prime Minister lambasted him and said, "Oh, speaking about your legal expertise and talking about lawyers of the distaff side, which is a very rude and sexiest thing to do. But he failed to tell Belizeans that there are several events that can trigger the Put Option immediately, and those several events are contained at the bottom of page 7. This doesn't require any big legal expertise you know. All it requires is that you finish school to such a level that you can read and understand what is contained in here because the language is pretty plain. And it says that if there is any enactment of any legislation, regulation, decree or other action or inaction by Government or Government related body, entity, authority or regulator in Belize that targets directly or indirectly the company or the Fortis shareholder or its transferee and/or has a material adverse effect on the company or the Fortis shareholder or the transferee's shareholdings in the company. That is virtually anything that can happen, and it will be remembered at the election of Fortis to interpret this clause in such a way that they can trigger the Put Option right away.

It also says that if the Government doesn't perform its obligations under clause 6 by Long Stop Date, if Social Security Board doesn't become a party to the Shareholders Agreement by Long Stop Date, if there is the creation, issuance, purchase, redemption, conversion, including BSSB's preference shares, or other reorganization of any of the share capital of the company without the consent of Fortis, other than the redemption of preference shares held by SSB no later than December, 31, 2015, they can exercise the Put Option. If this Deed or any part of it is found by a court or tribunal of competent jurisdiction to be void or in violation of applicable law in Belize, if there is a breach of the Government of the Deed of Assurance or the Shareholders Agreement, if any event occurs that has a material adverse effect on the reputation of the company or its shareholders, which is not Fortis' fault, or if there is any action or inaction of the Government, including any Government regulated body, entity, authority or regulator which would result in the company having rates which, listen carefully, would not recover the reasonable costs to serve customers, or deliver a fair and reasonable market-based return on capital comparable to other utilities operating in North America, absorb that carefully, for all of these reasons Fortis doesn't have to wait 4 years. It can immediately say to the Government, "Here, take back your shares and pay me the book value for those shares". And then there is going to be a quarrel, clearly and obviously a legal quarrel over what that means. And guess who is going to collect more legal fees?

The completion of the Put Option is something, Mr. President, that we have to be very careful about because when it is put the Government shall pay that is at 5.4 (b), page 8, near the bottom. The Government shall pay in full the Put Option price free of all taxes, duties, fees, imposts and deductions, in immediately available funds in US dollars at a Bank, you guess it, outside of

Belize because they don't want to hear nothing about a bank in Belize, in accordance with this Deed. I know Senator I would shake my head too; I am shaking my head as we speak. Also there is appended hereto a consent order to the CCJ. Now this is interesting because the council will agree with me that the CCJ doesn't have to accept this consent order. Most likely it will but it does not have to. So I find it very interesting because not only is there going to be a consent order but immediately following the completion or waiver by Fortis of the closing obligations the Government will have to agree for the following companies to become a part of the lawsuit: Fortis Cayman Inc., Maritime Electric Cayman Inc., Newfoundland Energy Cayman Inc., to be added as respondent to the CCJ appeal.

So any of you that think that this CCJ thing will be over and done with on the 8th of September are very much mistaken as to the effect of what this will cause. And there is a strong likelihood, Mr. President, and fellow colleague of the Senate, that there will be produced such dispute as to necessitate a complex dispute settlement clause which is set out in this agreement. And before we get there, I want to invite you to join me on page 12 of the Deed of Settlement at clause 11 which speaks to breach. And it says, "Each of the parties acknowledges, having regard to the nature of this Deed that damages would not be a fully adequate remedy for any breach of the Deed and that the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of this Deed should also lie to enforce any of the obligations herein". That's lawyer's verbiage. So I'm going to help, Mr. President, by explaining what that means. Normally the Government is not subject to what is called coercive remedy. No sovereign Government allows itself to be enjoined or forced to specific performance. Those are coercive remedies. Normally it is enough to say, "We pay your money, we pay your compensation, roll". Not in this agreement. In this agreement Fortis has extracted a promise from the Government that the Government will submit itself voluntarily to the remedies of injunction, specific performance and other equitable relief from any threatened, it doesn't even have to happen, they just have to smell it, you know like the whiff of corruption, they just have to smell it, and those coercive remedies will lie. Yes, Senator Thimbriel, they will lie, and that is important because somebody has at last been able to force the Government of Belize to sign a Deed of Agreement acknowledging that they will submit themselves to it and they won't be able to wiggle out of this. They won't be able to wiggle out of this.

So the promises that the Prime Minister made verbally are now in writing. Any whiff of a problem and these remedies will lie; it won't be like the mandamus that was made against the Commissioner of Police either, where he sat on his hat and did nothing. Fortis Inc, these people who are forcing a settlement with Government of Belize have made sure that in black and white, signed by the Government of Belize, the Government of Belize will do what it doesn't do with to its own citizens, submit itself to coercive remedies. We are not getting it but I notice that the Government is going to lie down for it under this Deed of Settlement. Also and shamefully I have to say it, shamefully as a Belizean, this do not sit good with me. But the entire dispute resolution section talks about the courts in Belize having, "Non-exclusive jurisdiction to settle any dispute, claim, difference or controversy arising out of, relating to or having any connection with this Deed, including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any the non-contractual obligations arising out of or in connection with it and each party submits, including the Government of Belize, to the non-exclusive jurisdiction of the Belize courts". This is the Government tantamount to giving up its sovereignty and agreeing to go before a foreign court to settle disputes of even controversies in this. (Applauses) And I can speak about

it, Senator Thimbriel, because it is written into this Deed of Agreement and that will be signed by your agreement to pass this law because I am going to vote no.

So you can go ahead and vote yes because you will summit, Mr. President, everyone who votes yes will summit the Government of Belize to a foreign court, and that is whether it is arbitration or litigation. So jump high, jump low the Government of Belize has surrendered its national courts, its sovereignty, its immunity from prosecution in a foreign court, surrendered it under the terms of this agreement. So you can go ahead and shout about how beautiful and how nice this is but, as usual, the devil can be found in the details and this devil is not an imaginary devil. It is real. We can see its hooves. We can smell its breath. We can see the fire, and we are going to get strike with the pitchfork, because this will be here to strike us for all times.

MR. PRESIDENT: Senator, you are about to exhaust your time.

SENATOR L. SHOMAN: Thank you, Mr. President. It is a good thing I am almost there, and we waive our immunity to the fullest extent of the law under 22.5. After the Government passed a law making it a crime to force us to go to arbitration in a foreign court, we are giving it up under this law. The waiver of immunity, Mr. President, under clause 22.5 states that to the fullest extent possible permitted by the law the Government irrevocably, means it can't take it back, and unconditionally submits to the jurisdiction of the Belize and English courts in relation to any dispute, that is read out under clause 22 above, and you can shake your head all you want, this is what it is, and it submits to the jurisdiction of the Belize and English courts and the courts of any other jurisdiction, including Canada in relation to the recognition of any judgment or order of the Belize or English courts in relation to any dispute under this agreement and consents to the enforcement of any order, judgment or award in connection with the dispute and given by any Belize or English court whether by way without limitation of relief by way of interim or final injunction, attachment of its assets. So any embassy building in any country in Belize, outside Belize can be ceases once we own it. Enforcement or execution against, yes, I would walk out too, any enforcement or execution against any property, revenues, or assets whatsoever and waives and agrees will not claim sovereign immunity from jurisdiction for the Belize and English courts in relation to the enforcement of this judgment. Mr. President, I signal to you I will be claiming a division on this because I want to see who is going to vote for this. Let it be on record. History will not absolve you. It doesn't matter, Senator Thimbriel, if you are going to succeed, let that be your triumph. My triumph will come when the judgment of history says that this was a due that the Government of Belize got itself into because it grabbed what it shouldn't have had to grab and it had to give it up back under pressure. Thank you, Mr. President. (Applauses)

SENATOR A. SYLVESTRE JR.: I salute Senator Shoman for your very clear distillation of those things Belizean public will now come to realize the alarming and dangerous provisions and clauses in that Settlement Deed. Now, Mr. President, the circumstances under which the Government came to expropriate BEL from its former owners, Fortis, were to put it mildly suspicious, and the records reflect this. Even until now, Leader of Government Business, Senator Godwin Hulse, had his reservations about the Prime Minister Barrow and his Government's sincerity and bona fides good faith, in their haste and rush to expropriate a strong BEL from Fortis. And I refer to Channel 5 news, June 23, 2011, news item, Chamber's Senator Godwin Hulse speaks about BEL, and in that news item Senator Hulse questioned whether the Prime Minister could not have simply check with his law partner, Mr. Rodwell Williams, who was and still is the Chairman of BEL to refute and to check and to support whether, in fact, the

Prime Minister's allegation and assertion that Fortis was cooking the books, whether that was true or not. And, indeed, there were other social partners who expressed concern, in Channel 5, June 24, news item, NTUCB as well expressed concern. They, of course, supported the nationalization but as well expressed concern.

So, Mr. President, the concern that this side of this chamber has had is not one which can be said to be solely a PUP concern or a concern of naysayers, of course and unless the Government side wish to characterize Senator Hulse's then concern as one of being a naysayer. Of course, it wasn't. It was a valid concern, and so we've seen four years later that the concerns were warranted. And, indeed, Mr. President, everyone has committed and has said that what was propagated and what was questioned and put forward by the Prime Minister as the basis for taking and expropriating BEL is now seen to have been a roost and that, in fact, there may have been another alternative or intention to have expropriated BEL. Now some will say all of it does not matter at this stage because BEL is now ours. We, Mr. President, it does matter. It matters firstly, Mr. President, because you will recall, and one has to wonder and question, how is it that this Prime Minister will now seek to league himself,, align himself with this terrible, vicious company that was gorging the public and cooking its book as Fortis was demonize back in 2001? How is it now that this company is now been viewed and seen as a strategic partner?

Mr. President, this has to concern us because it shows that from the outset that the expropriation of BEL, whilst it is conceded we, as Belizeans, we are happy that we have the company, there has been and it has been shown that a lot of benefit and primary benefit has come to the Prime Minister, in particular the Prime Minister's brother who has represented BEL throughout the various litigations. The question has been post to the Prime Minister as it relates to the exact specific sums that have been paid out. There are many rumors that have been circulating about untold millions that possibly may have been paid out. Now the Prime Minister could squarely have answered this question when it was put to him in the House on Wednesday but he did not, and he suggested that he will at a later point in time answer that question. That concerns us, Mr. President, because, as everyone knows, in fact, we have a fully-staff Attorney General Ministry, competent attorneys who could as well and who were actually, in fact, involved in the matter at the initial stage. So that one has to question whether, in fact, there was this necessity to pay exorbitant fees when we are at this point in time, when it has now been shown that Fortis has actually recoup a portion of BEL and it has actually put us in the position which is perhaps more disadvantageous than we were in 2011. Senator Shoman has brilliantly explained, going through the various clauses how this Settlement Deed does nothing for the benefit of the Belizean public. (Applauses) But, in fact, what it does it put Fortis in an advantageous position.

Now, Mr. President, one of the first things that grabbed my attention as well as grabbed Senator Shoman's attention was clause 2(1)(a) which speaks to the fact that, as a consideration, now consideration, Mr. President, with lawyers what it basically means is the price you pay to settle this dispute. And one of the prices is that the Government shall, as soon as reasonably practicable following the date of this Deed which was the 28th of August 2015, and in any event no later than 7th of September 2015, pass legislation and/ or take such executive action as may be required by law. Now, Mr. President, our Constitution is very clear as to who authorizes or who has the power to make laws, and the powers of the National Assembly to make laws is very explicit and clear in section 68. It says that the powers to make laws are subject to the provisions of the Constitution. It is not subject to any side deal or any side agreement as it has been done here. The

Prime Minister and Government made an agreement with Fortis, and in doing that what they have start to do is they have start to usurp the authority of this National Assembly. They should have come first to the National Assembly and seek approval before they enter that Settlement Deed. (Applauses)

In fact, Mr. President, it is extremely disheartening that the Government side would support such an action when, in fact, they were the ones who boast and beat their chest when the CCJ made that ruling in that case which clearly explained that such actions were to be taken to the National Assembly before. (Applauses) So, Mr. President, today is a very interesting day where we see the Government side actually as was pointed out in the House, is a lot of vomit being swallowed, being eaten. These are the things that they criticized and they spoke so vehemently about. They are now doing the same thing, and it's even worse because, perhaps in the past it could have been said that there was no specific guidance or no law that could have guided them, but now they, having taken a matter to the court and having received a judgment they should know better. Mr. President, a parliament, a National Assembly sovereign, and to have, as clause 2.1(a) seeks to do, it seeks to force the National Assembly to actually pass a law in a specific time frame so as to give effect to an agreement. That, Mr. President, turns the whole concept of a sovereign parliament on its head. It's a parliament who passes laws and passes them when it wants. It cannot be told when to pass a law or what law to pass. This is what clause 2.1(a) does, and it behooves me, Mr. President, that those in Government side will countenance such a thing. How will they be able to support such a thing, when, as it has been said, it has been their mantra that they speak so vehemently about such types of acts?

Mr. President, when you go through, as well as Senator Shoman pointed out the various tax exemptions that are conferred on Fortis, now, Mr. President, you don't confer something on somebody. You don't give something on somebody and then later on say, "Oh, it is nothing", as the Prime Minister started to do in saying that, "Oh these tax exemptions, they are nothing because the Government really doesn't need to collect the revenues in any event". Mr. President, the purpose of why these provisions are put in this clause is to ensure for all time that Fortis will not pay a cent in revenue to the people and Government of Belize. (Applauses) Now, one has to wonder then, why would a Prime Minister in the Government who beat his chest so boldly back in 2011 would agree to such a thing? Why would he agree to such a thing, Mr. President, when he would have characterized such things or such provisions in the past as accommodation agreements? Yet we see that they've come a full 360 circle.

Now, Mr. President, Senator Shoman as well pointed out that in clause 4.3 there is this provision which provides that the Government acknowledges that by law, the Public Utilities Commission, or such other regulatory body is obliged to afford the company a reasonable rate of return on its investment when operating in a manner compatible with international standards of efficiency. Now, Mr. President, you may recall that one of the issues that may have led all of this to come to a head with the takeover in 2011 was that BEL, Fortis, was contending that they were not getting their fair rate of return. And Government said, "That is your business. You can't chance the taxpayers. You can't chance the Belizean public", but here it is, 4 years later after nationalization, the Government of Belize in writing, in black and white, is telling Fortis, "You will be able to get your fair rate of return". Now, Mr. President, this is extremely distressing and is extremely frightening to see that this full reversal of all the things that they spoke about, as being bad and being terrible and being evil, they now acknowledge and agree to do. Now, Mr. President, it is frightening as well because the Public Utilities Commission, as you may know, is an independent autonomous body. It is not Government directed. Well, by the way, you know, Mr. President, BEL was

claiming from way back in 2008 that, in fact, PUC was Government controlled. In fact, there were cases that went before the court in which they challenged the PUC because they felt that they were claim number 512 of 2008, where they appealed the final decision of PUC made on the 26 of June 2008. That would have been a couple months after the UDP came to Government. So now the Government is confirming what Fortis believed at the time that it was Government controlled because they've confirmed it now that we, the Government, will make sure that PUC ensure that you get your fair rate of return. Now that could be anything, Mr. President, but what it solely means is that Fortis will not end up getting any losses. It will definitely receive profits.

Mr. President, when you look to as well at clause 5.3 (b)(viii) the exercise of the Put Option that Senator Shoman spoke about, it says that, and the Put Option that Senator Shoman spoke about is Fortis being able to just say that it wants to end itself and rid itself of this agreement. That occurs or that happens when there is "any action or inaction by the Government including any Government related body, entity, authority or regulator which would result in the company having rates which would not recover the reasonable costs to serve customers, or delivering a fair and reasonable market-based return on capital comparable to other utilities operating in North America". Now this is very strange because what the Government is doing there is that the Government is betraying the Belizean Government. (Applauses) They are leaguings themselves, aligning themselves with Fortis to ensure that Fortis will always get its profits to the detriment of the Belizean public. (Applauses) That is what this clause is emphasizing. Now, Mr. President, when you read such clause, you have to be shocked, and you have to be bewildered. It's like, is this the same Prime Minister who in 2011 beat his chest and boast about driving these slave masters and driving these colonial masters from Belize? This is the same Prime Minister who signed this agreement last Friday, the 28th of August. (Applauses)

Then we have, Mr. President, clause 7(c), and this clause, Mr. President, is a very sinister clause because what it does is that it ties the hands of all future Governments. And here it says, "The Government covenant", in other words the Government agrees that, "It will not institute or initiate any claim suit or proceeding before any court of competent jurisdiction or seeking to impeach impugn or having declared void the transfer of the shares to Fortis". So what that means therefore is that, if there is a new Government and they wish to have a reversal of the share transfer, they want to take the position back to where the company is fully nationalized the 100% shares to be owned by Belizeans, it can't be done because this agreement says the Government. And a Government is a Government in perpetuity. It doesn't mean a UDP Government or a PUP Government. That is something extremely distressing, and it goes on further to say this, Mr. President. It says, "It will fully and faithfully at its own expense", meaning at the Belizean taxpayers' expense, "defend Fortis in any claim suit or proceedings instituted or initiated by any third party before any court of competent jurisdiction or tribunal that seek to impeach impugn or have declare void the transfer". So, Mr. President, if you say under Belize laws you want to challenge all this that is taking place to say, "No, I don't want that, I want to ensure that BEL is 100% owned by Belizeans", if you, Mr. President, were to seek to make a challenge in the court on Monday when this legislation comes into effect, you know that it's your own same Government which will defend against you.

It seems to be very contradictory because the Government is supposed to be for the benefit and support of the people. But yet they are in black and white saying explicitly that they will support and defend any claim at the people's expense which seeks to impugn and seeks to make void this transfer. That again,

Mr. President, it shows a betrayal of what was pouted, what was declared, what was boasted in 2011 when BEL was nationalized. It seems therefore now, as they like to speak about being in bed, that this Government is in bed with Fortis. (Applause) Why would they agree to such terms? These terms are not to the benefit of the Belizean public. They are solely and unconditionally to the benefit of Fortis.

This one also struck me, Mr. President. This one struck me, and it seems to have been placed there just in case this legislation was unable to be passed, just in case when this law came to the Senate that you had perhaps maybe one of the Government Senators believing that really this is not good for Belize, this is not good, and they voted against it. They have, in clause 10, this provision, Senator Shoman, which says that, “If for any reason whatsoever, this Deed”, which was signed last week, “has not been validly executed and delivered by any of the parties hereto, the Deed shall continue to be fully binding and enforceable against all and each of the remaining parties”. What that means, therefore, Mr. President, is that even if it seems to me that this law isn’t passed this Settlement Agreement would still continue to be enforceable. But, of course, that could not be possible because the clauses which set out, for instance, the tax exemptions, the imposts exemptions, those would have to receive the parliamentary approval by way of the legislation which we are now debating.

Finally, Mr. President, as Senator Shoman pointed out, it is extremely distressing that this Government after having passed in 2011, there was an amendment to the Supreme Court of Judicature Act, where the Government criminalized and made it criminal, where it is on extremely hefty fines and penalties, where if a company, a foreign company sought to have a foreign arbitration take place against the Government of Belize and the Government of Belize in a Belizean court got an injunction to have that be stayed and that was still proceeded with, that the directors of those companies would be liable to extremely harsh penalties. And, indeed, there was a case, Philip Zuniga, et al., which went all the way to the CCJ, the Criminal Caribbean Court of Justice, where that specific legislation was passed. And at the time the legislation was passed the Government said that it was necessary so as to stop the multiplicity of litigations that were taking place all over the world. No one would have thought that you would never be able to see the same Prime Minister who grandfather such a law would today actually agree and concede to such a thing taking place, and that is what is taking place with the provisions of this Settlement Deed.

Mr. President, these few clauses that I have enumerated and highlighted, Mr. President, show fully why we cannot on this side of this chamber support the Settlement Deed and support this legislation whilst it has been touted by the Prime Minister and the Government as being the best possible solution or resolution to the problem, the problem that they created, now the problem which history has now shown was not necessary to have been created in the first place. We have now seen that, in fact, Fortis will now be in a stronger position that it was when this Government came to power in 2008. They have now been able to get all that they wanted. So, Mr. President, for those reasons we don’t support this Deed of Settlement not because we do not support companies investing in Belize but we will not support what this Government has taken this country to, the four years, the many years of litigation, unnecessary litigation to the costs of millions and millions of dollars untold. We cannot support this Deed of Settlement and this Bill for those reasons and many more. Those are my comments, Mr. President. (Applauses)

SENATOR P. ANDREWS: Mr. President, I will be brief in my comments in regard to the Electricity Acquisition (Settlement) Bill, 2015, as both of my

colleagues have done an exceptional job in going through the agreement, Mr. President, that has clearly shown the hypocrisy of this UDP Administration over and over. One would have to question, Mr. President, why the rush to pass through in just over a hundred hours the payment of \$70,000,000 by the 7th of September to Fortis? It has been rumored that judgment from the CCJ was pending which drove this UDP Administration into an agreement that clearly does not reflect the best interest of the Belizean people but clearly looks out for the interest of Fortis who has walked away with probably one of the sweetest deal that any businessman or any business could have hoped for by this UDP Administration. Mr. President, the Belizean people, they were promised the nationalization of our utilities company. They were sold a dream that life would have been better that somehow when we the Belizean people own our electric company that it would have been better for us. But let the facts show, Mr. President, that in 2011 and in 2010 that Fortis was only making about 2% or 3% profit margin. In the year 2013/2014, because of drastic reduction in fuel, this said company that was supposed to be owned by the Belizean people made profit in 2013 of over \$18,000,000 and in 2014 over \$36,000,000. Now keep in mind that it was the UDP that beat their chest and say that you will benefit from the nationalization of BEL but yet the same Government has extracted \$36,000,000 from the hardworking poor Belizean people in profits from a company that they have sold a dream that they owned. (Applauses) Who have benefited?

Every day, not every day but occasionally people come to my office, Mr. President, and complain about the high electricity bill. It was in 2013 that we saw almost a 16.7 increase in electricity rate by this UDP Government, by a company they say we owned. Now because my colleagues from the other side will be quick to say, “Yes we saw a reduction recently”, which only indicates to us that it is true that election is around the corner because whenever you see oil price or electricity or water go down in this county, Mr. President, is only an indication that elections are around the corner. But the point is, Mr. President, how could a Government with a clear conscience in knowing that the poverty rate is at such high level of over 40%, close to 50%, depending on who you ask, knowing that the unemployment rates are at such high numbers, how could they walk away with \$36,000,000 profit in this country? And the Prime Minister of this country on Wednesday of this week, Mr. President, he owes it to the Belizean people to be transparent and to be accountable in how many millions and millions of dollars his brother has benefited from this nationalization of this company because clearly the Belizean people have not benefited. I just showed you numbers where this Government has extracted \$36,000,000 in just 2014 alone from the poor people of this country.

In Maya Mopan which is just a stone throw away from this National Assembly, there are hundreds of people in Maya Mopan, in the nation capital that are living without electricity as we speak. (Applauses) In Rivera, Mr. President, which is only a stone throw away, not even a mile from where we are standing right now, and I think my colleague said this morning that thank God we are enjoying the air condition in this room. But a mile away from this National Assembly over at Rivera there are still kids in this country that have to be using lamps at night to do their homework. (Applauses) How have the Belizean people benefited? They were sold a dream that was empty Mr. President. They were sold a dream that was empty, and this is why the fury of the Belizean people has been increasing because they see through the lie and deception that by Tuesday the taxpayers of Belize, not the Government, because sometimes when you say the Government it feels like it is only 14 people. But the reality of it is that it's all 360,000 of us who will write a check for \$70,000,000 on Tuesday to be paid to Fortis, on Monday, thank you. And how about those other millions that we have not been told of? How about those millions? I hope that the Prime Minister

understands that it's not his personal money that his brother was paid. It's the people's money that his brother was paid, and the people of Belize demand an answer from the Prime Minister of this country on how many millions and millions his brother Denys Barrow, walked away from all of these litigations, Mr. President. (Applauses)

As stated, there is not much to be said that my colleagues have not covered. But I did wanted to bring up, Mr. President, the great lie that the Belizean people know of now that these nationalizations have not profit the Belizean people, whether it has the BEL or whether it was BTL because even today the Prime Minister's law partner still sits as the chair person of BEL, his law partner. His son sits as the Chair Person for BTL. We in Belmopan know where of a company that was called Mytheon Solutions that was made to sell credit by the Minister of Belmopan. So how the Belizean people have benefited from these nationalizations? How have they benefited? Again just to state for the record that, yes, it's true that we the Belizean people for maybe a few months will enjoy reduction in electricity fees but that only let us know that elections are around the corner and that we the Belizean people and we on this side of this House believe in true empowerment. We believe in truly lowering the cost of living for our people and not continue the wasteful spending of the Belizean taxpayers. (Applauses)

My colleague this morning, Mr. President, clearly showed that, since March of this year in 5 to 6 months time, this UDP Government has borrowed over \$330,000,000 in 5 months, Mr. President. That is a great injustice because it will be us the people that will continue to suffer, as my colleague, Anthony Sylvestre, said, and it's Fortis that has walked away with a sweet deal and it will be this company that will continue to extract the money from the hardworking Belizean people while the Government has not defended the people of this country. But there is hope in the future because all Belizeans need to know that the future Government, Mr. President, under the PUP they will have a Government that truly fights for the Belizean people and truly looks out for the good of the Belizean people. Those are my few contributions today. (Applauses)

SENATOR J. GRANT (Minister of Energy, Science and Technology, and Public Utilities): Mr. President, I rise to support the Electricity Acquisition (Settlement) Act of 2015. I would like to start, Mr. President, by looking at this situation from a macro-perspective. This is a very good deal from an economic and financial perspective, when a Government is able to reduce from its books a debt of \$300,000,000 which was put there in the event that that was what we would have to pay to Fortis. To have that remove in itself is a very good representation for this Government, when the IMF looks at our books and see that there is this decrease in indebtedness. That means that when the World Bank and the IMF and all the other institutions come and see what we are doing that it will mean that the ratios that they compute will all be lower and will all be in the benefit of the country of Belize. I think that at times in going to the details, good or bad, we miss the big picture, and I want to start by making it very clear that this has to be good for the people of Belize and very good for what can happen in the future as we look to get concessionary funds, be them grants or loans to do the many projects that we aim to do.

I've heard that this Government stated that nationalization would solve all our problems. Well, from all my reviews of what happened before I have never seen anything stating that. In fact, when the Government had to move, and I will keep my comments not BTL but to Fortis, it was clear at that point that this company was almost, if not, bankrupt, and they were trying to frighten the Belizean people by saying that they would be rolling blackouts and that the

business sector would, of course, have come to a halt, that they would not been able to continue to operate. Any responsible, sensible Government would have had to move and move quickly to make sure that this did not happen. So let us go back, let us put it in the historical context that this was what was happening at that time.

Now, looking now at the settlement, it is clear that investors have always been referring to the nationalization of BEL and BTL and sometimes kinda saying that, well they have to be very careful when looking at Belize to invest, although we have had investments throughout the years that the UDP Government has been in power. But removing this from off the books, from an issue, will only increase the confidence that investors have to come to Belize, and this again cannot be anything, Mr. President, but a very good thing. Whenever and wherever possible, it is always best to go to settle a dispute by negotiation and not through the courts. I have been involved in several negotiations, and there is not one negotiation that I've walked away from thinking that my side got everything because a negotiation is a give and take, and I'm sure the other side feels the same way. You come to a point in time where the deal that you are going to agree on is the best deal that you can devise for both sides. Of course, it could go on and on and try to get a little bit here and a little bit there. But, for this Government, this was the best deal that they could have come up with in a very short period of time for the Belizean public, and, Mr. President, we are very proud of it.

Mr. President, I am a strong supporter of public-private partnerships. In business a public-private partnership is good for the bottom line and it's good for the people of Belize. We certainly expect BEL to be a better company by having three directors on the Board of Directors from BECOL. They are international companies, and they will bring to the table other projects that they have done elsewhere, and that will make the discussion within that boardroom a much richer one. However, we have majority shares in the company and we have majority on the board. So everybody will be able to say and state what is best from their estimation but the majority of the directors from the Government side will make the decisions.

I also want to say that hearing Mr. Perry, the Chairman of Fortis state publicly that his company is very much interested in solar energy, of course, it has been music to my ear because, as the Minister of Energy, Science and Technology and Public Utilities, this has always been an issue that the Ministry has been pushing for a very long time. We believe that it is good for Belize, for us to embrace new renewable energy projects, and, of course, solar being one of them. So that's good. That's a coming together in a public-private partnership arrangement where both sides have the same priorities and will seek to implement them. Yes, Fortis will be getting 1/3 of the dividends declared but I do not think, Mr. President, that any investor will expect less. This is how companies operate.

We have heard about the Put Option clause, and that is good for both sides. This clause states that in 4 four years, but it could be earlier, that if Fortis does not want to stay on, as owning 33 1/3% of the shares, that they can up out of the agreement and that they will give the Government 2 years to be able to purchase back the shares. Although not stated, of course, it's implicit that the Government of Belize can go and get another investor to come in and buy the shares. Mr. President, what could be wrong with this. This is absolutely a good thing because it gives the Government also the opportunity to get back these shares if they decide to sell them. So I think this also, again, is a very good thing for all Belizeans.

Mr. President, this Government will always employ the best attorneys to work on its behalf, not to say that the attorneys employed by the Government are not good. But I have spoken to them and they have told me that they are very happy to work with independent attorneys because they gain and they learn from that. So we don't have enough and we want them. We don't have enough attorneys, and we certainly will always employ the best attorneys. If on the other side there are good attorneys, then the PUP's should employ them.

Now I heard earlier the talk about the Mexicans. Well, I want to say that before I took over as Minister, the Honourable Manuel Esquivel with a team had gone to Mexico to try to get the rates that they charge us for the electricity that we buy from them reduce which is 60% of what we use. This was not approved, and it was stated clearly that they would not reduce the rate that they were selling us for because at that time the company was not a local company, and they said all we will do is to pass this on as a benefit in profits to this non-Belizean company.

When I came as the Minister of Energy, Science and Technology and Public Utilities, I visited Mexico several times, and this Government through my intervention was able to get what is called the opportunity cost which stood at 20% reduced to 10% which resulted in an annual saving to this country and to the utility of \$7.5 million annually. That is a very important point for us to remember, and, although we don't go about saying a lot about this, this remains in effect today and will continue as long as the company is there.

Now we also heard a lot of talk about the taxes that are outlined in this agreement. Now, if you look at any agreement given to a company, many times these very taxes are the ones that we exempt. But in this case the taxes that are stated were given under the previous PUP Government. So all we are doing is continuing in that process, and nobody would have expected BECOL to expect anything less.

Also, I think there is quite a bit of confusion on the Public Utilities Commission. A lot of what was stated about, "Oh, we have to get a certain return, etc," that is not true. What happens is that the PUC, an independent body has been set up to renew documents submitted to them, financial documents, and then they determine what a reduction or an increase in a rate should be to the Belizean public. They are there to ensure that Belizeans are not overcharged for utilities which would result in profits for the company. This is a very important role and probably one of the most important roles that the PUC has and that they do which is on a price. Most of it is price per year. Also, whenever they decide on a reduction or an increase, that has to be made public, and anyone can go and make some kind of submission if they feel that what is being proposed is not in the best interest of Belizeans. Again, what could be wrong and bad about that? That is only for our benefit.

You all talked about the rural electrification project, a program. Yes, I will admit that we have not been able to get electricity in all the villages. That is not because we have not been trying and not because BEL has not maybe put it in their plans that they will do this. I was listening to John Mencias and the Chairman of the Board Mr. Rodwell Williams, on the television this week saying that their plans clearly state that they will be doing a number of villages in the very near future, and I, of course, will be supporting that in any and every way that I can. As usual, the Prime Minister has dealt with a national issue in a transparent and equitable manner, and the result is for the benefit of Belizeans. I thank you. (Applause)

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, a lot has been said on this matter on both sides. I thank the business community for supporting. But I think we need to go a little bit again to the history, a little further back to the history, and I have just a few points. In 1998, when the Government changed from a Government controlled by the UDP to one controlled by the PUP, at that time there was a kind of world concept that privatization was the way to go. It was sort of the team of the developed countries, the Europeans, the Americans, the Canadians and everybody. At that time any Government and every Government was the custodian of the people's assets. That's what Government does. So in that period of time with this world concept of privatization the Government undertook to sell many of its assets, BEL being one, and sold it to a foreign private owner. The effect of that really was the following: that foreign owner had already been given, or had been given concessions for what is called BECOL which is the electricity generating company. It used the water in the Belize River free. It had a 50-year term, which was given to it by the then Government. It was paid in US dollars under purchase agreement, and that continued, and it then got control of the distribution part of electricity.

At the time I personally was very opposing of that because I felt that, while power generation is one thing, power distribution we should have some control over, just like water distribution. We should have control over our ports, airports and those things, even in the face of the so-called privatization because in poor small countries, even when the PUC was formed as a regulatory body, I felt that life is real and there is no way a small country with some PUC, notwithstanding its legal authority, would be able to strong-arm the foreigner and get our way when he decides to stick it to us, so to speak. But the control of that utility was taken out of the hands of Belize and put in the hands of Fortis. At that time I don't think that the Belizean people were asked whether they like that or not or whether that should have happened, and I don't think the Belizean people even knew how that deal went down.

But we come to 2011, when the Government of the day, the UDP Government decides to recover this, and I was then Senator for the business community, and I had a disagreement with my colleagues because inside of my craw I always felt we should own this thing. We have to have control of that. Fortis did not do any expansion because a company will do it only if it makes money, and in some of the rural areas there is no money to be made. I can tell you, if you expand, as has happened recently in some areas, and I heard the Representative for Toledo East talked about connections. But he should know because I discussed it with him that there is a program where a thousand households were connected free, one thousand. It was paid for by some leftover funds by the EU and BEL. But a lot of the expansion was tentative because we had to settle this issue.

This asset had to come back home, had to come home to us, and that may be philosophical but it is what I strongly and formally believe. So I stood where my colleague, Senator Lizarraga, stood and I supported the acquisition. And unfortunately or I did not find myself, and I was contradict to what the Chamber's board thought, etc., and, of course, they have means for the usual once over. I didn't find myself in the position and I'm glad to see Senator Davis here. I didn't find myself in that position, because I had some convictions and also I had a structure in place to justify my vote at the time. But I was saddened that it turned out to be a litigious matter all over the place, and I'm not sure whether we will finally just say amen to this matter. But over the past weeks negotiations ramped out, and, as my colleague Senator Grant, Minister of Energy, said, in

negotiations, and I am currently in negotiations with BEL's management and union, there is a give and take. Nobody walks away with everything. But you walk away with the best. And what has happened? We've paid US\$35 million. We've given back some shares to Fortis. I am not sure we've given back because in this whole deal we haven't gotten everything yet. It hasn't been finalized. But for whatever it is they got 33 1/3%, and there are various conditions which we've gone through at ad nauseam.

But what is the bottom line? We have a company now that the Belizeans can say once again we own and we control. We have control over our electricity distribution and never again can any foreign company or any foreign entity tell us that they could stimulate blackouts or turnoffs or etc., if we don't take Belizean money to support them, and that is a good thing. (Applause) Once again we also have a situation where we did not touch BECOL. We left it as it is. We did not get involved in that. That was ongoing, so it is. So BECOL which is owned by Fortis recognizes, I am sure, ultimately that this is not malicious, and I've heard all the things that they will get. But remember that every time they get dividends so does the people of Belize by the majority ownership of the company. But the bottom line is that we have control of our company, and that is philosophically, that is proper, and it is the right thing to do. Any right-thinking Belizean will tell you that that electricity that runs that line, it's not as though you had competition and you could say, "I will not buy from Fortis." You have no choice. You have to hook up, and now that it is back home we say or I say, "Thank God."

I knew not what was going to happen with the CCJ, and I'm glad I don't have to know because I know what has happened now, and I know where we are now. And, yes, there are provisions because any potential investor wants to have some security, and it's not the kind of security that I saw with CJ but they want some assurances. We all know that. But we can also recover that portion of the shares if it ever comes to that.

But the last point I want to make, this so-called investor confidence that was destroyed. Well, in my ten years so far as Minister responsible for Labour and Immigration, etc., and chairing the Investment Committee, I have seen ASR massive investment, and I heard all that was going to happen and not happen. But this is the best year for sugar even though the crop started late. The farmers got the best payment; the company is doing well and could do better. So there is investment. I see Santander, lots of difficulties, yes, like any investment, but it is coming there. I see Insel about to start up shortly. There is Blackadore. There is SSE. There are many investments in agriculture and in tourism.

So, Mr. President, at the end of the day our Government took that asset and put it in the hands of some foreigners, and our Government brought that asset back home where it rightly belongs. Whenever we have to put money, if we ever come back here in 10, 15 or 20 years, I might be long dead and forgotten, but even if we have to come back here with a Bill, because parliament goes on forever, to pass some appropriation to shore up the company, at least we know that the Belizean people's money is going into an asset they own. And I say amen to that. It's a good day. Thank God. God bless Belize. I move that the question be put. (Applause)

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to facilitate the implementation of the terms of a deed of settlement and compromise between the Government and the Fortis Companies arising from the acquisition by the Government, in the public interest, of shares in Belize Electricity Limited held by the Fortis Companies, and to provide for matters connected therewith or incidental thereto, be read a second time.

All those in favour, kindly say aye.

SENATOR L. SHOMAN: I ask for a division.

MR. PRESIDENT: Clerk, you can administer the division.

CLERK:	Senator Godwin Hulse	–	Yes
	Senator Juliet Thimbriel	–	Yes
	Senator Joy Grant	–	Yes
	Senator Charles Gibson	–	Yes
	Senator Lisel Alamilla	–	Yes
	Senator Gerardo Sosa	–	Yes
	Senator Lisa Shoman	–	No
	Senator Anthony Sylvestre	–	No
	Senator Patrick Andrews	–	No
	Senator Markhelm Lizarraga	–	Absent
	Senator Fr. Rev. Noel Leslie	–	Absent
	Senator Ray Davis	–	Yes

MR. PRESIDENT: I will read the outcome of the division called: 7 Senators agree, 3 Senators say no and 2 Senators were absent. I think the ayes have it.

Bill read a second time.

III COMMITTEE OF THE WHOLE SENATE ON BILLS

MR. PRESIDENT: Honourable Members, in accordance with Standing Order 54, the Senate will now resolve itself into the Committee of the whole Senate to consider the Bills that were read a second time.

Honourable Members, I will now take the Chair as the Chairman of the Committee of the whole Senate. I will also at this time ask the visitors in the galleries to please leave.

(In the Committee of the whole Senate)

MR. PRESIDENT in the Chair.

1. National Protected Areas System Bill, 2015.

Clauses 1 to 55 agreed to.

Schedule agreed to.

Bill to be reported back to the Senate without amendment.

2. Protected Areas Conservation Trust (Amendment) Bill, 2015.

Clauses 1 to 23 agreed to.

Schedule agreed to.

Bill to be reported back to the Senate without amendment.

3. **General Revenue Supplementary Appropriation (2015/2016) (No.2) Bill, 2015.**

Clauses 1 and 2 agreed to.

Schedule agreed to.

Bill to be reported back to the Senate without amendment.

4. **Electricity Acquisition (Settlement) Bill, 2015.**

Clauses 1 to 7 agreed to.

First and Second Schedules agreed to.

Bill to be reported back to the Senate without amendment.

MR. PRESIDENT in the Chair.

IV REPORTING AND THIRD READING OF BILLS

1. **National Protected Areas System Bill, 2015.**

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I rise to report that the Committee of the whole Senate has considered the National Protected Areas System Bill, 2015, and passed it without amendment.

I now move that the Bill be read a third time.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to provide for the maintenance of a coordinated management of a system of protected areas that is representative of internationally agreed categories, effectively managed, ecologically based, consistent with international law, and based on best available scientific information and the principles of sustainable development for the economic, social and environmental benefit of present and future generations of Belize; to repeal the National Parks System Act, Chapter 215 of the Substantive Laws of Belize, Revised Edition 2000; to amend the Fisheries Act, Chapter 210 and the Forests Act, Chapter 213 of the Substantive Laws of Belize, Revised Edition 2000; and to provide for matters connected therewith or incidental thereto, be read a third time.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

Bill read a third time.

2. **Protected Areas Conservation Trust (Amendment) Bill, 2015.**

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I rise to report that the Committee of the whole Senate has considered the Protected Areas Conservation Trust (Amendment) Bill, 2015, and passed it without amendment.

I now move that the Bill be read a third time.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the Protected Areas Conservation Trust Act, Chapter 218 of the Substantive Laws of Belize, Revised Edition 2000 – 2003, to provide for a new definition of “protected area” and a new composition of the Board of Directors; to expand the functions of the Trust; to provide for the appointment of a Finance and Audit Committee, Technical Committee on Protected Areas and other Committees by the Board of Directors; to further strengthen the provisions of the Act in order to enhance the operations of the Trust in achieving its mission of promoting the sustainable management of Belize’s protected areas; to make better provisions relating to the exemption from payment of the conservation fee; and to provide for matters connected therewith or incidental thereto, be read a third time.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

Bill read a third time.

3. **General Revenue Supplementary Appropriation (2015/2016) (No.2) Bill, 2015.**

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I rise to report that the Committee of the whole Senate has considered the General Revenue Supplementary Appropriation (2015/2016) (No.2) Bill, 2015 and passed it without amendment.

I now move that the Bill be read a third time.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to appropriate further sums of money for the use of the Public Service of Belize for the financial year ending on the thirty-first day of March, two thousand and sixteen, be read a third time.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

Bill read a third time.

4. **Electricity Acquisition (Settlement) Bill, 2015.**

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I rise to report that the Committee of the whole Senate has considered the Electricity Acquisition (Settlement) Bill, 2015 and passed it without amendment.

I now move that the Bill be read a third time.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to facilitate the implementation of the terms of a deed of settlement and compromise between the Government and the Fortis Companies arising from the acquisition by the Government, in the public interest, of shares in Belize Electricity Limited held by the Fortis Companies, and to provide for matters connected therewith or incidental thereto, be read a third time.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

Bill read a third time.

ADJOURNMENT

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, I move that the Senate do now adjourn.

SENATOR L. SHOMAN: Mr. President, this afternoon I have the honour, the duty and the responsibility of speaking to you, my fellow Senators, and Belizeans about the events that occurred last month in the Sarstoon River in the southern most sector of our nation. Mr. President, at the end of July the Belizean group known as the Belizean Territorial Volunteers published an invitation to all Belizeans to join them in organizing to raise the Belizean flag on the island located at the mouth of the Sarstoon River which is known as Sarstoon Island. Mr. President, as a result of that public announcement, several things began to occur. On the 4th of August the Guatemalan Foreign Ministry sent a diplomatic note to the OAS requesting verification of that activity even though the OAS has never done verification of activities before in the Sarstoon River. On the 5th of August the OAS officials were notified that Belize too was concerned, and on the 12th of August the OAS office received a direct request from the CEO of Foreign Affairs of Belize for the OAS to play a role of observation and “peace keeping” within the vicinity of the Sarstoon River during the BTV expedition.

Now, Mr. President, I will declare my knowledge in this matter and say that for 7 years I was Belize’s Permanent Representative to the Organization of American States from 2000 to 2007, and I can definitively say that in all the years that I was there I know that the OAS plays an observer role but I also know that it does not have peace-keeping forces. Nevertheless, it is now a matter of record that the OAS was asked to play formally a peace-keeping role. This is important, Mr. President, because it says that at the highest levels officials of the Government of Belize were concerned that during the BTV expedition there would be need for peace keeping. On the 13th of August, after listening to the news, the night before on the 12th in which Minister John Saldivar was heard disparaging the efforts of the BTV volunteers and insisting, “that the women and children should not go”, I became very worried that at the highest levels of my own Government no serious efforts were being made to address the safety and security of Belizean citizens in Belizean internal waters. And therefore I thought about it. I reflected on it. I spoke to the Leader of the Opposition. I spoke to other people whose trust I have, and ultimately I made a decision that, as a Senator of this country, as a person who has had knowledge of the unfounded claim of Guatemala, as a former Foreign Minister, as the representative of the Leader of the Opposition, it was my duty and my responsibility to accompany the BT Volunteers to the Sarstoon River because I needed to be able to be there, to be able to be an observer, to be able to report back to this body what were the results of what had happened.

I was truly concerned, and I didn’t stop there, Mr. President. I wrote a letter to the Foreign Minister of Belize, which was published in the media,

requesting that the Minister of Foreign Affairs notify the Ministry of National Security, the BDF, the Coast Guard that not only were BT Volunteers going to be out there but that I was going to be out there and that I felt it was important, not because I was going to be out there but because Belizeans were going to be in the Sarstoon River, that somebody be prepared and on standby to ensure their safety and security. The Ministry of Foreign Affairs informed no one in this country that they had asked the OAS for any peace keeping or observation mission at that time. But that very day, when I sent out my letter to the Ministry of Foreign Affairs, I also sent it to the OAS, and to several other people, including the Commandant of the BDF, Admiral Borland, Vice Admiral Bennett and several other people. That letter is now a matter of public record. My own Government did not see fit to respond to me in any way, including to indicate formally that they had received my letter, that they were considering my request, or any matter of the sort. The OAS, on the other hand, did respond to say they had received my letter and that they were going to be in Belize for the activity which was scheduled for the 16th of August.

It is important to know that I also wrote a formal letter to the Guatemalan Ambassador in Belize to notify him that not only was I going to the Sarstoon with the BTV but that there were no hostile intentions involved, that we were on an activity in our own sovereign nation, and that at all costs we wished that any confrontation be avoided. I must say that the Ambassador responded to me in writing to indicate that he had forwarded that letter to its highest destination in his capital and that he offered me the assurances of his best wishes, a response which by the way, Mr. President, I did not receive from my own Government. But, be that as it may, an entire press release was emitted not only calling my motives in question but once again seeking to castigate Belizean patriots, seeking to diminish their means and their goals, seeking to dissuade and seeking to denounce them.

Mr. President, I wish it to be known that on the same day that I wrote to my Government and my Government did not respond to me the Government of Belize sent a diplomatic note to Guatemala, which has not yet been notified to this nation but which I have seen, and that that diplomatic note states that it has the honour to assure the Government of Guatemala that it has publicly denounced the expedition by the BTV and stating that Lisa Shoman who is a Senator is not going in any official capacity nor does she have the support of the Government of Belize. That diplomatic note was sent the same day. The Belizean people have a right to know the full contents of that diplomatic note. Unfortunately, as a member of the Bipartisan Commission on Guatemala, I still find myself bound by rules of confidentiality and I am invoking my immunity in this House for this reason only that Belizeans should know that their Government wrote to the Government of Guatemala assuring it that it had publicly denounced, in those words, the actions of the BTV and that Lisa Shoman did not have her Government support in this activity.

Mr. President, on the 14th day of August, the day after, the Secretary General of the OAS submitted a letter to, then President Otto Perez Molina of Guatemala requesting his assistance with regard to the activities of the BTV and asking that the navy be coordinated with the representative of the OAS to avoid unnecessary friction, errors, accidents or misunderstandings that could harm the important work that has happened so far. The Belizean people need to understand that it is perhaps those words, those thoughtful words of Secretary General Luis Almagro which helped to avoid a worst situation in the Sarstoon. Mr. President, on that same day, when the Secretary General was writing to the then President of Guatemala, the National Security Council published an unprecedented press release, unprecedented in my memory, and most Belizeans didn't even know that we had such a creature, much less had ever heard from the National Security

Council of Belize. And that press release was calling for the expedition to be cancelled because of the potential risks and consequences that it involved. I am not going to go into that, Mr. President, because that is a matter of public record and can be read by all those who care to do a search on the Facebook page of the Press Office of the Government of Belize.

Mr. President, on the morning of August 16, 2015, some of the persons who were accompanying the BTV expedition, including myself, left just before the OAS boat from Punta Gorda, Belize on route to Barranco for a meet-up with those of the Northern Territorial Volunteers and other BTV members. And at that point, Mr. President, I can tell you that there was firm confirmation that several boat captains had been dissuaded from giving their services to the BTV or renting their boats to the BTV, having been told that they could possibly lose their boating licenses if they went along with the BTV. Nevertheless, Mr. President, those of us who left from Punta Gorda boarded the boat and left and went to Barranco at about 8:30 in the morning. In Barranco, Mr. President, we met up with other boats and with members of the Northern Territorial Volunteers. I can't tell you, Mr. President, how joyful I felt on approaching Barranco to see a coast guard cutter moored off the shore of Barranco. I knew then that somebody had taken a decision that Belizeans would not be completely abandoned. I can tell you, Mr. President, without prejudice because I was there and I spoke to them, that they were personnel from the Coast Guard in Barranco who gave us a safety briefing, who expressed their regret that they could not do more because they had to follow orders from civilian authority, and then, Mr. President, we boarded approximately six boats and left to go to the mouth of the Sarstoon River.

Now let me explain, for the benefit of those who don't understand the geography that the Sarstoon River, like all rivers has a very wide mouth and a wide delta, and there are several very shallow areas; so that in approaching the mouth of the Sarstoon, you have to know where the shallows are. And the BTV, having in days previously scouted the area and had their own problems with Guatemalan gunboats, had decided that it would not be possible to hold the activity of putting a flag on Sarstoon Island but that they would hold a ceremony in the shallows at the mouth of the Sarstoon River, clearly and definitively in front of the coast of Belize, and that is what we did. For about an hour Belizeans of all walks of life, men, women, children, UDP, PUP, NIP, BTV, whatever kind of B you want to call it, VIP, People's National Front, PNP, we were all together in the brown flood waters at the mouth of the Sarstoon River as one thing, and one thing only Belizeans, asserting their *Belizeanness*; Belizeans asserting their right to be in their own country, that simplest of privileges that people all over the world, citizens of every nation take for granted. We don't take it for granted.

For the past 200 years we have been forced at every turn to assert our sovereignty and territorial integrity to an aggressive and, at times, hostile neighbor. First it was by being inheritors of the 1859 Anglo Guatemalan Treaty, thereafter by an exercise of demarcation of our borders which made sure in the first article that it was understood that the southernmost boundary of Belize is the main navigable channel of the Sarstoon River and that everything to the north of that is Belizean territory, including Sarstoon Island, that made sure that all boundary markers at Gracias A Dios, at Garbutts Falls, at Aguas Turbias, mark our border in the west and that our border in the north is the proud Rio Hondo that we sing about in our anthem and that runs all the way from the north to the south in the old Sarstoon.

So we were clearly, Mr. President, not even in Belizean territorial waters. We were in Belizean internal waters. Those are our internal waters. We song our National Anthem. There were speeches made, and then, Mr. President, the

announcement was made that those who wish to do so could accompany the boats that were going to make a circle, that were going to pass around Sarstoon island so that people could see what it was and so that people could, by their act of civil disobedience and defiance, show that we Belizeans claim, reclaim, affirm and leave no doubt that the Rio Hondo is our southernmost boundary and that we claim Sarstoon Island.

Mr. President, it is important to note that on arrival at the sandbanks could be clearly seen the gunboat that, I believe, is still stationed out there and that some say is actually either the same or of the same class that run up into the reef in Belize, was released and has still, I believe, not paid the fine for the damage that was done. But the boats left around midday and started their trip; the largest boat contained Wil Meheia, and Ms. Audrey Matura Sheppard and other persons of the BTV. I was in one of the smaller boats. There were four of them, and we started to try to move around the Sarstoon Island.

Now, Mr. President, the large boat that was carrying Mr. Meheia and others could not enter the mouth of the river in the same manner that the small boats could because it carries a deeper draft and therefore had to cut in closer to the island and use less of the northern channel. That is the boat that was confronted by the gunboat containing the Guatemalan navy boat which came towards all of the Belizean boats and, as history has now shown, driving directly towards us in internal Belizean waters in an illegal incursion into our internal waters. They deployed a blocking maneuver to stop the larger boat, and there was a heated exchange not only between Mr. Meheia and Ms. Matura Sheppard but also coming aggressively and wrongfully from the individual identifying himself as Vice Admiral Carlo Tomas. That individual pointed and shouted at the Belizeans to get out of Guatemalan waters, to go, to leave, and, while that argument was occurring, the smaller boats decided that we would go around and in the shallows of the northern channel between the mainland of Belize and Sarstoon Island try to go around Sarstoon Island. We were followed by two smaller metal boats containing Guatemalan naval personnel who then started to use their boats, which were bigger and heavier than the small Mexican fiberglass skiffs that we were in, to block our boats, deliberately bumping them even though they could see that those boats contained civilian men, women and children. Not once did these individuals ever say anything to us about safety, about carrying too many passengers, about life vests. That was not their concern. Their sole concern was that we were in, according to them, Guatemalan waters and we should immediately leave because they would deal with us.

Well, Mr. President, I have to say, and I perhaps have a different view than other people. I have to say that I do not know what would have happen if it were not for the presence of the OAS in the skiff Good Times. This is one time, if there ever was, that a skiff was properly named, because they never left our side for one minute as our boats were continually bumped and harassed, and they even had to face, let's say it a barrage of insults from Belizeans who thought that their mission there was to stop what Guatemala was doing when in point of fact their only role was to watch and report. And I had a hard time trying to convince the people in the boat with me of what was happening. Mr. President, that boat that Mr. De la Fuente was in, which contained his small son in the bow of the boat hit that fiberglass boat so hard at least a dozen times that you could hear the impact and you could see the boat shutter and almost threaten to tip. There is no doubt in my mind that the activities of the Guatemalan marines at that time were not simply to block but that they were actively harassing Belizeans who were in those boats, trying to frighten us sufficiently so that we would turn back, either not caring or utterly reckless as to the effect of their activities, and you know how you know that they know, Mr. President, because they put it in a diplomatic note. That's

right. They put in a diplomatic note that this was an organized NGO that went out there that was in boats that were very loaded, and yet out there on the water they hit that boat in such a way that it is only providence and the skill of the boat captain that worst did not occur.

I was afraid. I am not ashamed to say it, Mr. President. I was afraid not for myself because, to tell you the truth, I was ready for whatever was going to happen, and I will tell you why in a minute. I was afraid because there were young children in that boat and they could see it and they did not care. It wasn't a blocking activity; it was aggressive bumping of that boat to potentially cause a mishap or not caring if a mishap resulted. Finally, when they saw, Mr. President, and it almost became farcical that, even if they kept bumping De La Fuente's boat, the 3 other boats, including my boat, were going to continue, despite, let us say it, the protest of some who were then genuinely afraid, and I say I was one of them because I was worried that people would get hurt, not because we were out there going around Sarstoon Island, because of what the Guatemalan naval marine officers were doing with their big metal boats, and we had nobody to see what was happening, except the OAS who has no right to interfere or to stop what was going on.

Finally, Mr. President, when we reached the end of the northern channel and these people saw that they were not going to be able to stop us, that is when and only then, and let me tell you that was the longest stretch of going down the Sarstoon I have ever been, and it is not the first time I've been down the Sarstoon. I've been down there several times, and I've never had to face a situation like that. Finally, they stop bumping the boats and they let us calmly and peacefully, without stopping us, sail up, motor up the southern channel of the Sarstoon and exit out into the sea, and they followed us all the way into Belizean internal waters again because I will tell you this, nobody can ever prove or say that we were in Guatemalan waters at anytime because we were hugging that island so close. Some of the captains were worried about their engines catching on fishing lines or hooking on mangrove roots, and we were on constant watch with poles trying to push away from getting too close; so worried we are. When you look at a map, the map looks like the southern channel is much narrower than the northern channel. I will tell you that there is plenty space in that southern channel and that we were nowhere near the midpoint. We concluded and we completed our mission.

Finally, the boat which was retained with Mr. Meheia and Ms. Matura Sheppard and the others was allowed free from the clutches of that Guatemalan gunboat, and because of the presence of the OAS and the carefulness of those who were captaining those boats we were able to come back without a serious mishap. It is interesting, Mr. President, that minutes after we got back really, and we are told that at all times there was somebody from Foreign Affairs on the phone to Guatemala. I don't know what they were telling them, unless they had a mole in the boat. I really don't know what they would have been telling them. But the media was there. So they can tell you what happened, and they're here to be witnesses of honour that what I say is what happened that day. A little while after we were able to get back the Ministry of National Security of Belize who had not spoken, since John Saldivar told the women and children not to go, issued a press release expressing "Its utmost satisfaction that no incident with serious consequences had occurred" and talking about the net of diplomacy that they had put around us. It is a funny net you know, Mr. President, a funny net that will surround us to watch but do nothing because that is precisely what occurred.

It is important for Belizeans to know that, when the Government of Belize sent a diplomatic note on the 7th of July to inform the Guatemalans that we would

be building a Forward Operating Base, it only said that it would only be a temporary FOB for Belize Defense Force which would be exploring an area to identify a suitable site within Belize's territory to construct a permanent Forward Operating Base. So, when those soldiers were stopped out there, the Government of Guatemala was not under any illusion other than that we were going there for a temporary reason to scout out anything permanent. Mr. President, I must confess that I am profoundly disturbed by the fact that the Government of Belize, whose primary purpose is to represent the people of Belize, saw it fit to write a diplomatic note on the 13th of August to notify the Guatemalans that it had the honour to reiterate GOB's position which was stated in the public domain and denounces the plans of the BTV, in those words. It also clarified that, while one Lisa Shoman is a Senator, she was acting without official consent or support of the Government of Belize.

Mr. President, I am not a woman that is given to being an alarmist. I try to be very precise about my words, and I try at all times, especially when I am talking about my nation, to conform to the highest standards required of someone who is a Senator and a former Foreign Minister. This is why I could not allow Carlos Raul Morales's statements on military bases to stand unchallenged in Belize, (Applause) and I will tell you, Mr. President, that, when somebody calls me out for doing something like this and says it is a political ploy, I will carry that cross and I will carry it proudly. But I never expected my Government to write to a foreign nation to say that they are denouncing the acts of its own citizens and to deny my involvement in any of it as being completely without Government cover. That, Mr. President, is something I never expected my Government to do either verbally or in writing. And, Mr. President, I invoke my privilege and immunity in this House, in this sacred chamber, to state that the nation of Belize must know that the Government of Belize did write a protest note to Guatemala, but it has never told its citizens that Guatemala answered that protest note. It has never said to Belizeans, Mr. President, that the Government of Belize's diplomatic note to Guatemala called the BTV expedition the visit of a few unarmed Belizeans, civilians, and said that it was out of prudence and restraint and out of an abundance of caution to avoid any possible confrontation or mishap that the Government of Belize withheld its own armed forces from being in the vicinity of the activity.

Now you know, Mr. President, that most Belizeans believe that this protest note really whopped what happened and said, "How dare you come in to our internal waters. You came in here illegally." But do you know what? That's not what it says. What it says is that, yes, the Guatemalan vessels rammed Belizean civilians and obstructed free navigation and entered into illegally in Belizeans water and that it reaffirms its position as to the Anglo Guatemalan Treaty and that by as such time as this thing is settle in the ICJ that the Government of Belize will stick to the Confidence Building Measures and will not do anything that will cause incidents on the ground and that it will agree to exercise caution and restraint. It does not say, "You all went there, went to do badness, illegally, and you all better don't do it again, or we will deal with you, diplomatically or otherwise" granted that may not be precise diplomatic language. But certainly we would have wanted to have seen the kind of language in this protest note that we received from the protest note back from Guatemala where they basically said, "We hear everything that you say in your note. We reject it totally and completely. We blame you for what happened because you were the one who allowed this organization that was organized BTV, and this Senator Lisa Shoman to go. We blame you for that, and moreover do not come to tell us nothing about the Sarstoon because", in precise diplomatic language, "We do not recognize the existence of borders with Belize". That was Guatemala's response. "We do not recognize the existence of borders with Belize."

Mr. President, there has to be recognition in the Handsard, in the record, in the history of this nation, that not only did we act in a manner that was correct and precise in the assertion of our sovereignty but that we did so within our rights as citizens of this nation. Whatever repercussions it has for me, I will never regret having gone. It was the right thing to do. You can throw political in my face, you can say that I was just grandstanding, I'll carry that blame because in my heart, in my mind I know I did the right thing to be there as a witness and as a participant. Mr. President, Guatemala tells us formally in writing in that protest note that "they are allowing us to go to Cadenas, they are providing us with escort, and that we should be grateful for that because that is their river, their island, their waters, and we enter at their sufferance." So, Mr. President, I have heard everything, with all due respect to the Commandant of the Belize Defense Force, the Brigadier General. I have heard everything he had to say on television but I can assure him, from where the Guatemalans sit, not only were they escorting him but they were doing so out of courtesy and they made sure that they followed the Belizean BDF boat at a high speed all the way into Belizean waters before withdrawing, and they have said that they will continue to do so in a spirit of goodwill and cooperation which has been distorted by the Government of Belize who has interpreted their cooperation as a nonexistent act of sovereignty.

Mr. President, if this protest note does not demand that the Government of Belize act with precision, with correctness and with an immediate assertion to one and all that we claim the Sarstoon as our southernmost boundary, that we have done so since 1859 and we will not resile, the time has come, Mr. President, for us not only to build that Forward Operating Base whether it is on Sarstoon Island or anywhere else appropriate, to bulk up Customs and Immigration at Barranco, to deal with illegal fishermen and gill nets in the Sarstoon River and to re-internationalize Belize's just claim. (Applause)

Mr. President, I put before this Honourable chamber a Notice of Motion that all Senators should have been able to support, and I really do, Mr. President, advocate and request that that be put at the next sitting of the House because I believe it is only in exercising, fellow Senators, our duties and responsibilities under the Constitution to address this matter of national importance that we will get for the Belizean people the assurances and answers that they demand. We cannot allow bureaucratic fear or political concerns to divide us on this. I appeal to you, not as a Senator of the Opposition, I appeal to you as a Senator who is a Belizean, who loves her country, just like you love your country. I don't question your love for your country. Let us join together in passing a Motion that will permit us to bringing the CEOs of National Security and Foreign Affairs to notify us and advise us by whatever terms they think necessary. If it is confidentiality, so be it. But let us get answers as to what are the steps forward for our Government in the face of the outrage that has been produced by the actions of Guatemala in the events surrounding the 16th of August and also in the days that followed afterwards. Belizeans demand no less. Thank you, Mr. President. (Applause)

MR. PRESIDENT: Senator, will you speak on the same matter?

SENATOR M. LIZARRAGA: Yes, Mr. President, you've given me permission to speak on this matter.

MR. PRESIDENT: Senator, please try to be brief and do not repeat.

SENATOR M. LIZARRAGA: Sure, Mr. President. Thank you very much, Mr. President, we share as well our concerns on the deliberate actions of our Government in respect of the unfounded Guatemalan claim to Belize and in

not providing security for our citizens on the Sarstoon on August 16, 2015. Mr. President, the incident at the Sarstoon termed by some now as “the Battle of the Sarstoon” took place on the 16th of August, as we’ve heard. And history should record.

MR. PRESIDENT: Senator, I think Senator Shoman had already mentioned those, and that has been out there also. It is public knowledge.

SENATOR M. LIZARRAGA: Okay, Mr. President, then let me continue. History will record the valiant effort of these true patriots, Mr. President, all heroes in our minds, that they were confronted and bullied by armed Guatemalan naval officers well within our internal waters. What concerns us, Mr. President, is that our Government was not just voluntarily absent, they were absent intentionally. The Belize Territorial Volunteers and their supporters are truly, in our eyes, national heroes. (Applause) Their bold nationalistic actions have highlighted Government’s abandonment of our Sarstoon Island and our Sarstoon territorial rights, of course, except on most Tuesdays when they confuse escorted passage with the exercise of national sovereign control. It appears as well that we have abandoned our commercial and fishing rights in this area. We apparently continually allow by this abandonment, illegal fishing to occur in our waters, including gill net fishing, Mr. President.

MR. PRESIDENT: Senator, I believe that the Standing Order calls that one Senator makes a presentation on that particular matter. But I was just trying to be lenient but I think you are repeating, and these things are public knowledge already. So please do your conclusion.

SENATOR M. LIZARRAGA: Mr. President, we believe that this belief that our Government has is most alarmingly, okay, that they believe these cherish friends that they have in the highest Guatemalan diplomatic levels, Mr. President, is extremely concerning. There is a truth that reveals itself, and history will record that, even though our Government knew well in advance, even though the Government of Guatemala knew and the OAS knew, they showed up and our Government did not. We believe, Mr. President, that our Government has failed in its most basic obligation, the protection of our citizens in our country.

MR. PRESIDENT: Senator, I believe, I will ask you to cease from the presentation because it is repetitive. Thank you.

SENATOR L. SHOMAN: Mr. President, what do we have to fear from the Senator’s speaking?

MR. PRESIDENT: Senator, I was just trying to be lenient here.

SENATOR L. SHOMAN: I understand, Mr. President.

MR. PRESIDENT: You made a presentation and the Standing Order calls for it.

SENATOR L. SHOMAN: But there is freedom of speech. Please, Mr. President.

MR. PRESIDENT: Yes, but it is on the same matter. If he had brought another matter, maybe on another public issue, but this is the same matter.

SENATOR L. SHOMAN: Every single time we come here, we get a reinterpretation. Senator Alamilla was allowed to respond to me at length in a

Senate meeting, at length on the same subject. I don't see why Senator Lizarraga should be prevented.

MR. PRESIDENT: Senator, I think you are referring to that response which was on a point of order or clarification.

SENATOR G. HULSE (Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality): Mr. President, it is unfortunate that the issue of Guatemala which has always united this country would seek to divide it. But I just want to respond to a few things. I think a lot of information has been out there. A press conference has been held, etc. The Honourable Senator, and I applaud her efforts, and I applaud that of everybody who went on that expedition. They were right. They are in Belizean territory. We know that to be Belizean territory. But there are two issues. The first is that the General of the Army made his statement, and so, Mr. President, I think that the matter has been ventilated and ventilated well, and I would like to leave it at that.

SENATOR L. SHOMAN: It is unfortunate that Senator Hulse gets to respond but Senator Lizarraga does not. Mr. President, that is not right.

MR. PRESIDENT: Senator, I just said that you have spoken on that matter, and we do not allow another Senator to do that. So we close this session today.

Honourable Members, the question is that the Senate do now adjourn.

All those in favour, kindly say aye; those against, kindly say no. I think the ayes have it.

The Senate now stands adjourned.

The Senate adjourned at 3:36 P.M. to a date to be fixed by the President.

PRESIDENT
