



**No. 4 of 2015**

**I assent,**

**(SIR COLVILLE N. YOUNG)**

*Governor-General*

1st April, 2015

**AN ACT to make special provisions for borrowing money from Alba Petrocaribe (Belize Energy) Limited; and to provide for matters connected therewith or incidental thereto.**

*(Gazetted 1st April, 2015).*

**WHEREAS:**

- (a)* in June 2005, the Republic of Venezuela and several Caribbean countries (including Belize) entered into an Energy Cooperation Agreement providing for the establishment of PETROCARIBE;
- (b)* in furtherance of the said Energy Cooperation Agreement, Venezuela and Belize entered into a bilateral Energy Cooperation Agreement in September 2005;
- (c)* pursuant to Article 1 of the said bilateral Energy Cooperation Agreement, Venezuela agreed to supply

to Belize crude oil, refined products and Liquid Petroleum Gas (LPG) up to four thousand barrels per day (4,000 bpd) on an annual basis, and designated Petroleos de Venezuela SA (PDVSA) to supply the said petroleum products subject to certain terms and conditions;

- (d) to facilitate the supply of petroleum products, Belize and Venezuela established a joint venture company, **ALBA Petrocaribe (Belize Energy) Limited (APBEL)**, consisting of the Venezuelan state owned enterprise PDV Caribe, and the Government of Belize (GOB) owned company, Belize Petroleum and Energy Limited (BPEL);
- (e) APBEL has been jointly designated by Belize and Venezuela as the importing entity in Belize, for petroleum products purchased from PDVSA;
- (f) under the terms of the said Agreements, the supplies of petroleum products to Belize would consist of two portions, namely, a cash portion and a financed portion, in the ratio of approximately fifty percent each;
- (g) under the terms of the said Agreements, the cash portion would be payable to PDVSA by APBEL within 90 days of importation and the financed portion would be lent by APBEL to GOB on concessionary terms, repayable over 25 years;
- (h) the shipments of petroleum products arrive in Belize at different times and in different quantities and it cannot be ascertained beforehand the financed portion that would be lent by APBEL to GOB;
- (i) it would therefore be expedient to make special provisions to govern the borrowing by the Government of Belize from APBEL to give effect to the Energy Cooperation Agreement between Belize and Venezuela:

**BE IT, THEREFORE, ENACTED**, by and with the advice and consent of the House of Representatives and the Senate of Belize and by the authority of the same, as follows:

1. This Act may be cited as the

Short title.

**PETROCARIBE LOANS ACT, 2015.**

2. In this Act, unless the context otherwise requires:-

Interpretation.

(a) “Alba Petrocaribe (Belize Energy) Limited” or “APBEL” means a joint venture company owned by the Venezuelan State Enterprise, PDV Caribe and the Government of Belize company, Belize Petroleum and Energy Limited, in the ratio of 55% and 45%, respectively;

(b) “Loan Agreement” means the Loan Agreement dated 18 September 2012, between the Government of Belize and Alba Petrocaribe (Belize Energy) Limited, setting out the terms for lending the financed portion to the Government;

(c) “petroleum products” includes crude oil, refined products, Liquefied Petroleum Gas (LPG) and any other related product.

3. (1) Notwithstanding anything contained in the Finance and Audit (Reform) Act, 2005, or any other law to the contrary, it shall be lawful for the Government of Belize to borrow money from ALBA Petrocaribe (Belize Energy) Limited in any amounts without the prior authorisation of the National Assembly and to enter into a loan agreement with APBEL for the said purpose.

Authority to  
borrow money.  
No. 12 of 2005.

(2) The money borrowed from APBEL may be kept in a special account at the Central Bank of Belize and may be withdrawn from time to time as the need arises.

(3) No limitations shall apply to the use of the money borrowed from APBEL and it may be used to finance capital projects as well as to provide social and community assistance to the poor and the socially marginalised, and any other legitimate purpose as the Government may consider fit.

Validation  
of the Loan  
Agreement and  
the borrowings  
thereunder.  
No. 12 of 2005.

4. (1) Without prejudice to the generality of the foregoing provisions and notwithstanding anything contained in the Finance and Audit (Reform) Act, 2005, or any other law to the contrary, the following agreement and the borrowings are hereby validated and confirmed retrospectively:

- (a) Loan Agreement dated 18 September 2012, between the Government of Belize and ALBA Petrocaribe (Belize Energy) Limited;
- (b) Borrowing of US\$114,307,356 by the Government of Belize from APBEL during the period September 2012 to August 2014, under the aforesaid Loan Agreement;
- (c) Borrowing of US\$28,776,243.39 by the Government of Belize from APBEL during the period September 2014 to February 2015, under the aforesaid Loan Agreement.

(2) The general provisions of section 3 of this Act shall equally apply to the particular loans mentioned in this section.

Resolution of  
conflicts.

5. In the event of a conflict between the provisions of this Act and any other law, the provisions of this Act shall prevail.

Commencement.

6. This Act shall take effect retrospectively from 1st September 2012.