

BELIZE

No. 24/1/12

SENATE

Monday, 30th March 2015

10:10 A.M.

Pursuant to the direction of Mr. President, in writing, dated 27th March 2015, the Senate met in the National Assembly Chamber in Belmopan on Monday, 30th March 2015, at 10:10 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 Rev. Fr. Noel Leslie
Senator, the Honourable Ray Davis

MR. PRESIDENT *in the Chair.*

PRAYERS *read by Mr. President.*

ANNOUNCEMENT BY THE PRESIDENT

Mr. President made the following announcement:-

“Honourable Members, by letter dated 27th March 2015, Cabinet’s recommendation has been signified to the following: General Revenue Appropriation (2015/2016) Bill, 2015; General Revenue Supplementary Appropriation (2014/2015) Bill, 2015; Petrocaribe Loans Bill, 2015; Write-Off (No. 1) Motion, 2015; Write-Off (No. 2) Motion, 2015; The Kuwait Fund for Arab Economic Development Rehabilitation of Hummingbird Highway Project Loan Motion, 2015; Central American Bank for Economic Integration (CABEI) – Belize Integral Security Program Loan Motion, 2015; Alba Petrocaribe Belize Energy Limited Loan Motion, 2015; and Official Charities Fund Motion, 2015.”

BILLS BROUGHT FROM THE HOUSE OF REPRESENTATIVES

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality signified his willingness to take charge of the General Revenue Appropriation (2015/2016) Bill, 2015; General Revenue Supplementary Appropriation (2014/2015) Bill, 2015; and the Petrocaribe Loans Bill, 2015.

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality moved that the Bills be taken through all their stages forthwith.

Question put and agreed to.

PAPERS

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality layed:-

- 157/1/12 - Draft Estimates of Revenue and Expenditure for Fiscal Year 2015/2016.
- 158/1/12 - Supplementary Appropriation (No. 2) Schedule for Fiscal Year 2014/2015.
- 159/1/12 - Financial Statements for the Years Ended December 31, 2013, and 2012, an Actuarial Review of the Social Security Scheme - 2014.
- 160/1/12 - Central Bank of Belize Estimates of Revenue and Expenditure for Fiscal Year 2015.
- 161/1/12 - Report of the Auditor General for the year April 2011 to March 2012.

Papers were ordered to lie on the Table.

MOTIONS RELATING TO THE BUSINESS OR SITTINGS OF THE SENATE

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and

Nationality moved that, at its rising, the Senate adjourn to a date to be fixed by the President.

Question put and agreed to.

PUBLIC BUSINESS

A. GOVERNMENT BUSINESS

I MOTIONS

1. Resolution Authorizing the Ratification by Belize of the Instrument on the Establishment of the Small Island Developing States Dock (SIDS DOCK) Motion, 2015.

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality moved:-

WHEREAS, the Instrument on the Establishment of the Small Island Developing States DOCK (SIDS DOCK) (hereinafter referred to as “the Statute”) was signed on 1 September 2014;

AND WHEREAS, the objective of the Statute is to establish the SIDS DOCK as a center of excellence and advocacy for the development of renewable energy technology for SIDS;

AND WHEREAS, the Government of Belize is desirous of ratifying the Statute pursuant to Article XVII(1) of the Statute;

AND WHEREAS, section 61(A)(2)(a) of the Belize Constitution as amended by the Belize Constitution (Fourth Amendment) Act (No. 39 of 2001) provides that the Senate shall authorize the ratification of any treaty by the Government of Belize;

NOW, THEREFORE, BE IT RESOLVED that the Senate authorizes the Government of Belize to ratify the Statute, a full text of which is hereto annexed.

Motion was referred to the Constitution and Foreign Affairs Committee for examination, consideration and report.

2. Write-Off (No. 1) Motion, 2015.

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality moved:-

WHEREAS, on 3rd April 2007, Government of Belize vehicle license plate BZB-1472 attached to the Ministry of Health was involved in a traffic accident and sustained extensive damages;

AND WHEREAS, the Police investigation found the driver to be at fault, however, no charges were brought against him and the Solicitor General advised that it would not be prudent to surcharge as the limitation period had elapsed; as a result the Accounting Officer made recommendation for the write-off of this loss;

AND WHEREAS, the Accountant General, the Auditor General and the Financial Secretary are in support of the write-off;

AND WHEREAS, the total cost of repairs borne by the Government of Belize is \$14,647.21;

NOW, THEREFORE, BE IT RESOLVED that this House approves the write-off of \$14,647.21 as a loss to the Government of Belize.

Question put and agreed to.

3. Write-Off (No. 2) Motion, 2015.

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality moved:-

WHEREAS, on 26th February 2013, Government of Belize vehicle license plate BZB-0214 attached to the Police Department was involved in a traffic accident where Police Officer O. Gabourel accidentally lost control of the vehicle and crashed into a building; the officer died on the spot;

AND WHEREAS, the vehicle was valued at \$30,000.00 at the time of the accident; the Accounting Officer made recommendation for the write-off of this loss;

AND WHEREAS, the Accountant General, the Auditor General and the Financial Secretary are in support of the write-off;

NOW, THEREFORE, BE IT RESOLVED that this House approves the write-off of \$30,000.00 as a loss to the Government of Belize.

Question put and agreed to.

4. The Kuwait Fund for Arab Economic Development Rehabilitation of Hummingbird Highway Project Loan Motion, 2015.

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality moved:-

WHEREAS, the Kuwait Fund for Arab Economic Development (hereinafter referred to as “the Kuwait Fund”) provides support to Arab and other developing countries by providing concessionary financing and technical assistance for implementation of key development projects and programmes;

AND WHEREAS, the Government of Belize has requested assistance from the Kuwait Fund in the financing of the Rehabilitation of the Hummingbird Highway Project (hereinafter referred to as “the Project”);

AND WHEREAS, this Project comprises of the Rehabilitation of the Hummingbird Highway with of a total length of 55 miles, consisting of two lanes, a width of about 23 feet and shoulders of about 5 feet on each side, and includes improved drainage, new pavement layers, and the

replacement of several single lane bridges with double width ones, as well as, safety provisions and new signage on the Highway;

AND WHEREAS, the total cost of the Project is estimated at Seventy-five point one million (BZ\$75.1 million) Belize Dollars;

AND WHEREAS, the Fund has approved an offer of a Loan in the amount of Four Million (4.0 million) Kuwait Dinars equivalent to approximately US\$13.5 Million to the Government of Belize to assist in the financing of this Project;

AND WHEREAS, the approved funding will be used to finance: 40% of the amount needed for the civil works and 100% of the amount needed for the Technical Assistance and Institutional Support required under the Project;

AND WHEREAS, it is expected that the OFID Fund will make a loan of US\$12.0 million to the GOB to cover a further 32% of the total project cost and that the GOB will cover the remaining 28% of the project costs through counterpart resources;

AND WHEREAS, the terms and conditions of the Kuwait Fund Loan Offer are as follows:

Lender:	The Kuwait Fund for Arab Economic Development;
Loan Principal Amount:	Kuwait Dinars 4.0 million (or approximately US\$13.5 million);
Disbursement Schedule:	Withdrawals shall be made from time to time up to December 31, 2018;
Loan Term:	Twenty –four (24) years in total including Grace Period;
Grace Period:	Four (4) years from the Date of the Loan Agreement;
Repayment Period:	Repayment in forty (40) semi-annual installments commencing July 15, 2018;
Purpose:	To rehabilitate 55 miles of the Hummingbird Highway, to reduce travel times, and vehicle operating and road maintenance costs;
Rate of Interest:	At a rate of two percent (2.0%) per annum on the principal amount withdrawn and outstanding and payable semi-annually on January 15, and July 15, in each year;
Service Charge:	At a rate of one half of one percent (1/2%) per annum on the principal amount of the Loan withdrawn and outstanding payable semi-annually on January 15, and July 15, in each year;

AND WHEREAS, under the provisions of section 7 of the Finance and Audit (Reform) Act 2005, the Government of Belize is required to obtain the prior authorization 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 contribute to the economic and social development of Southern Belize by improving the condition of the Hummingbird Highway, and addressing the increasing demand for the transportation of goods and services in the area, thereby promoting trade and business, approves and confirms that the Government of Belize may enter into a Loan Agreement with the Kuwait Fund for Arab Economic Development on the term and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Loan Agreement and all other documents associated therewith.

After debate thereon, question put and agreed to.

5. Central American Bank for Economic Integration (CABEI) – Belize Integral Security Program - Loan Motion, 2015.

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality moved:-

WHEREAS, Belize being a member of the Central American Bank for Economic Integration (CABEI), 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 requested assistance from CABEI to finance the Belize Integral Security Program, the overall objective of which is to support the betterment of the quality of life for Belizeans and support regional efforts for the prevention, reduction and combat of crime;

AND WHEREAS, the key goal of the Belize Integral Security Program is to strengthen citizen security by providing support to those institutions directly linked to maintaining National Security;

AND WHEREAS, the Board of Directors of CABEI has approved financing in the sum of US \$30,000,000;

AND WHEREAS, the approved CABEI financing will be used for investments in infrastructure and equipment for the Belize Defense Force, Belize Police Department, Belize Coast Guard and the National Forensic Sciences Service, including construction works, refurbishing and improvement of existing buildings as well as the supply of specialized technical equipment, surveillance and monitoring equipment, mobilization equipment, etc., for these institutions;

AND WHEREAS, the terms and conditions of the CABEI Loan Offer are as follows:

Lender:	The Central American Bank for Economic Integration;
Loan Principal Amount:	US \$30,00,000.00;
Disbursement Schedule:	Withdrawals shall be made from time to time beginning with the effective date of the loan and ending five years thereafter;
Loan Term:	Fifteen (15) years inclusive of a three year grace period, starting from date of first disbursement;
Repayment Period:	To be repaid in equal, semi-annual and consecutive installments in the amounts and dates determined by CABEI;
Purpose:	To strengthen citizen security in Belize by providing support and enhancing the capabilities to key institutions linked to maintaining National Security;
Rate of Interest:	6-month LIBOR + a 355 basis point spread set by CABEI;
Other Charges:	A Supervision and Administration Commission of one quarter of one percent (0.25%) on loan amount, to be paid once only, at the latest at the time of the first disbursement;

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

NOW, THEREFORE, BE IT RESOLVED that this Honorable House, being satisfied that the Loan Proceeds would support the betterment of the quality of life for Belizeans and support regional efforts for the prevention, reduction and combat of crime, by up scaling Belize's National Security, approves and confirms that the Government of Belize may enter into a Loan Agreement with the Central American Bank for Economic Integration on the terms and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Loan Agreement and all other documents associated therewith.

After debate thereon, question put and agreed to.

6. Alba Petrocaribe Belize Energy Limited Loan Motion, 2015.

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality moved:-

WHEREAS, 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;

AND WHEREAS, in furtherance of the said Energy Cooperation Agreement, Venezuela and Belize entered into a bilateral Energy Cooperation Agreement in September 2005;

AND WHEREAS, 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;

AND WHEREAS, 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);

AND WHEREAS, APBEL has been jointly designated by Belize and Venezuela as the importing entity in Belize, for petroleum products purchased from PDVSA;

AND WHEREAS, 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;

AND WHEREAS, in September 2012, GOB and APBEL signed a revised loan agreement setting out the terms for lending the financed portion to the GOB;

AND WHEREAS, under the terms of the said Agreements, the cash portion is payable to PDVSA by APBEL within 90 days of importation and the financed portion is lent by APBEL to GOB on concessionary terms, payable over 25 years at one percent (1%) interest per annum;

AND WHEREAS, in November 2014, this Honourable House approved GOB borrowing from APBEL in the total sum of US \$114,307,356 covering the period September 2012, to August 2014;

AND WHEREAS, during the period September 2014, to February 2015, APBEL lent to the GOB a further sum of US \$28,776,243.39;

AND WHEREAS, the main terms and conditions of these further borrowings were as follows:

Repayment Term:	23 equal annual installments over 25 years, inclusive of two years grace period;
Rate of Interest:	1% per annum payable on the outstanding balance from time to time;

AND WHEREAS, the purpose of the borrowings was principally to finance capital projects, including the construction and rehabilitation of

streets and road infrastructure countrywide; to finance the construction of sporting facilities; and to provide social and community assistance to the poor and the socially marginalized in accordance with GOB's social and economic programmes;

AND WHEREAS, section 7(2) of the Finance and Audit (Reform) Act, 2005, provides that any agreement effecting borrowing by the Government over or above the amount of ten million dollars, (BZ \$10.0 million), or the aggregate amount of borrowings in any fiscal year exceeding the amount of ten million dollars, shall require a Resolution of the National Assembly authorizing such borrowing;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the loan proceeds from APBEL, on the terms and conditions set out above, would greatly assist the GOB in achieving the aforesaid purposes, confirms and validates the borrowing by the GOB from APBEL of the total sum of US\$28,776,243.39 during the period September 2014 to February 2015.

After debate thereon, question put and agreed to.

7. Official Charities Fund Motion, 2015.

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality moved:-

BE IT RESOLVED THAT this House approves the expenditure of \$2,352,589 from the Official Charities Fund as detailed in Appendix A of the Draft Estimates of Revenue and Expenditure for the year ending 31st March 2016.

After debate thereon, question put and agreed to.

II BILLS FOR SECOND READING

1. General Revenue Appropriation (2015/2016) Bill, 2015.

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality moved that the above-mentioned Bill be read a second time:

Bill for an Act to appropriate certain sums of money for the use of the Public Service of Belize for the financial year ending March 31, 2016.

Suspension of the debate on the General Revenue Appropriation (2015/2016) Bill, 2015.

In accordance with Standing Order 10(8), the Leader of Government Business moved that the proceedings on the matters on the Order Paper be entered upon and proceeded with at the Sitting at any hour though opposed.

Question was put and agreed to.

Resumption of the debate on the General Revenue Appropriation (2015/2016) Bill, 2015.

MADAM VICE-PRESIDENT in the Chair.

MR. PRESIDENT returned to the Chair.

After debate thereon, question put and agreed to.

Bill accordingly read a second time and, pursuant to Standing Orders, was committed to a Committee of the whole Senate.

2. General Revenue Supplementary Appropriation (2014/2015) Bill, 2015.

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality moved that the above-mentioned Bill be read a second time:

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 fifteen.

After debate thereon, question put and agreed to.

Bill accordingly read a second time and, pursuant to Standing Orders, was committed to a Committee of the whole Senate.

3. Petrocaribe Loans Bill, 2015.

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality moved that the above-mentioned Bill be read a second time:

Bill for 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.

After the debate, a division was requested by Senator Lisa Shoman. The Senators voted as follows:

Senator Godwin Hulse	-	Aye	Senator Juliet
Thimbriel	-	Aye	
Senator Joy Grant	-	Aye	
Senator Charles Gibson	-	Aye	Senator Lisel
Alamilla	-	Aye	Senator Gerardo Sosa
	-	Aye	Senator Lisa Shoman
	-	No	
Senator Anthony Sylvestre Jr.	-	No	
Senator Patrick Andrews	-	No	Senator Markhelm
Lizarraga	-	No	Senator Fr. Rev. Noel Leslie
	-	No	
Senator Ray Davis	-	Abstain	

Thereon, the result was six (6) ayes, five (5) noes, and one (1) abstention.

Bill accordingly read a second time and, pursuant to Standing Orders, was committed to a Committee of the whole Senate.

III COMMITTEE OF THE WHOLE SENATE ON MOTION AND BILLS

In accordance with Standing Order 68A, the Senate, without question put, resolved itself into the Constitution and Foreign Affairs Committee, a Committee of the whole Senate, to consider the Motion referred to it and, thereafter, in accordance with Standing Order 54, into the Committee of the whole Senate to examine and consider the Bills that were read a second time.

(In the Constitution and Foreign Affairs Committee)

MR. PRESIDENT in the Chair.

1. **Resolution Authorizing the Ratification by Belize of the Instrument on the Establishment of the Small Island Developing States Dock (SIDS DOCK) Motion, 2015.**

Motion in its entirety agreed to.

Motion to be reported back to the Senate for adoption without amendment.

(In the Committee of the whole Senate)

MR. PRESIDENT in the Chair.

1. **General Revenue Appropriation (2015/2016) Bill, 2015.**

Clauses 1 to 3 agreed to.

Schedule agreed to.

Bill to be reported back to the Senate without amendment.

2. **General Revenue Supplementary Appropriation (2014/2015) Bill, 2015.**

Clauses 1 and 2 agreed to.

Schedule agreed to.

Bill to be reported back to the Senate without amendment.

3. **Petrocaribe Loans Bill, 2015.**

Preamble along with Clauses 1 to 3 agreed to.

Clause 4 agreed to with minor typographical corrections.

Clauses 5 and 6 agreed to.

Bill to be reported back to the Senate without amendment.

MR. PRESIDENT in the Chair.

THE SENATE RESUMES.

A. GOVERNMENT BUSINESS

IV MOTION

(Adoption of Motion)

1. **Resolution Authorizing the Ratification by Belize of the Instrument on the Establishment of the Small Island Developing States Dock (SIDS DOCK) Motion, 2015.**

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality reported that the Constitution and Foreign Affairs Committee met and considered the above captioned motion and has agreed for it to be adopted without amendment.

Question put and agreed to.

V REPORTING AND THIRD READING OF BILLS

1. **General Revenue Appropriation (2015/2016) Bill, 2015.**

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality reported that the Committee of the whole Senate has considered the abovementioned Bill, clause by clause, and has agreed upon it without amendment.

Whereupon the Senator moved that the Bill be read a third time.

Question put and agreed to.

Bill read a third time.

2. **General Revenue Supplementary Appropriation (2014/2015) Bill, 2015.**

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality reported that the Committee of the whole Senate has considered the abovementioned Bill, clause by clause, and has agreed upon it without amendment.

Whereupon the Senator moved that the Bill be read a third time.

Question put and agreed to.

Bill read a third time.

3. **Petrocaribe Loans Bill, 2015.**

The Leader of Government Business and Minister of Labour, Local Government, Rural Development, National Emergency Management and Immigration and Nationality reported that the Committee of the whole Senate has considered the abovementioned Bill, clause by clause, and has agreed upon it as corrected without amendment.

Whereupon the Senator moved that the Bill be read a third time.

Question put and agreed to.

Bill read a third time.

ADJOURNMENT

The Senate adjourned at 6:22 P.M. to a date to be fixed by the President.

PRESIDENT

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