

BELIZE

No. 20/1/13

SENATE

Wednesday, 14th March 2018

10:03 A.M.

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Pursuant to the direction of Mr. President, in writing, dated 9th March 2018, the Senate met in the National Assembly Chamber in Belmopan on Wednesday, 14th March 2018, at 10:03 A.M.

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Members Present:

Senator, the Honourable Lee Mark Chang – President
Senator, the Honourable Godwin Hulse – Leader of Government Business and
Minister of Agriculture, Forestry, Fisheries, the Environment, Sustainable
Development and Immigration
Senator, the Honourable Dr. Carla Barnett – Vice-President and Minister of State in
the Ministry of Finance and Natural Resources
Senator, the Honourable Herbert Panton – Temporary Senator
Senator, the Honourable Macario Coy Sr.
Senator, the Honourable Stephen Duncan
Senator, the Honourable Aldo Salazar
Senator, the Honourable Anthony Mahler – Temporary Senator
Senator, the Honourable Valerie Woods
Senator, the Honourable Paul Thompson
Senator, the Honourable Markhelm Lizarraga
Senator, the Honourable Rev. Ashley Rocke
Senator, the Honourable Elena Smith
Senator, the Honourable Edilberto Romero – Temporary Senator

Members Absent:

Senator, the Honourable Michael Peyrefitte – Attorney General
Senator, the Honourable Eamon Courtenay
Senator, the Honourable Osmany Salas

MR. PRESIDENT *in the Chair*.

PRAYERS *by Senator Rev. Ashley Rocke*.

OATH OF ALLEGIANCE OF NEW SENATORS

MR. PRESIDENT: Mr. Clerk, kindly administer the Oath of Allegiance to the new Senators.

SENATOR H. PANTON: I, Herbert Panton, do swear that I will bear true faith and allegiance to Belize and will uphold the Constitution and the law, and that I will conscientiously, impartially and to the best of my ability discharge my duties as a Senator and do right to all manner of people without fear or favour, affection or ill-will. So help me, God.

SENATOR A. MAHLER: I, Anthony Mahler, do swear that I will bear true faith and allegiance to Belize and will uphold the Constitution and the law, and that I will conscientiously, impartially and to the best of my ability discharge my duties as a Senator and do right to all manner of people without fear or favour, affection or ill-will. So help me, God.

SENATOR E. ROMERO: I, Edilberto Romero, do swear that I will bear true faith and allegiance to Belize and will uphold the Constitution and the law, and that I will conscientiously, impartially and to the best of my ability discharge my duties as a Senator and do right to all manner of people without fear or favour, affection or ill-will. So help me, God.

ANNOUNCEMENT BY THE PRESIDENT

MR. PRESIDENT: First of all, congratulations Senator Mahler, Senator Panton and Senator Romero. Welcome to our Sitting today.

Honourable Members, by letter dated March 9, 2018, Cabinet's recommendation has been signified to the following:

1. International Financial Services Commission (Amendment) Bill, 2017;
2. Inter-American Development Bank – Climate Vulnerability Reduction Program Loan Motion, 2018;
3. The OPEC Fund for International Development US\$40,000,000 – Upgrading of Caracol Road Project, Phase I Loan Motion, 2018;
4. Stores Orders (Amendment) Regulations, 2017 – Affirmative Motion, 2018;
5. Financial Orders (Amendment) Regulations, 2017 – Affirmative Motion, 2018; and
6. International Cooperation and Development Fund of the Republic of China (Taiwan) Loan Guarantee Motion, 2018, In Favor of Belize Telemedia Limited.

BILL BROUGHT FROM THE HOUSE OF REPRESENTATIVES

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Good morning, Mr. President, and fellow Senators. Let me first also welcome and congratulate our three new Senators. Mr. President, I rise to take charge of the of the International Financial Services Commission (Amendment) Bill, 2017.

And, Mr. President, in accordance with Standing Order No.49 (1), I move that this Bill be taken through all its stages forthwith.

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

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

PAPERS

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I rise to lay on the Table, Sessional Papers No. 38/1/13 - Central Bank of Belize – Estimates of Revenue and Expenditure for Fiscal Year 2018; Sessional Paper No. 39/1/13 - Stores Orders (Amendment) Regulations, 2017; and Sessional Paper No. 40/1/13 - Financial Orders (Amendment) Regulations, 2017.

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 Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): 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. **Resolution Authorizing the Ratification by Belize of the Framework Cooperation Agreement between Belize and the Republic of Honduras Motion, 2018.**

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that:- **WHEREAS**, the Framework Cooperation Agreement between Belize and the Republic of Honduras (hereinafter referred to as “the

Agreement”) was signed by the Government of Belize and the Government of the Republic of Honduras (hereafter referred to as “the Parties”) on 7th November 2012, in Tegucigalpa, Honduras;

AND WHEREAS, the objective of the Agreement is *inter alia*, to promote technical, economic, scientific and cultural cooperation between the Parties, to facilitate the participation of public and private sector entities and to place priority in the implementation of joint development technological projects;

AND WHEREAS, the Government of Belize is desirous of ratifying to the Agreement pursuant to Article 10 of the Agreement;

AND WHEREAS, section 61(A)(2)(a) of the Belize Constitution, as amended by the Belize Constitution (Sixth Amendment) Act (No. 13 of 2008), provides that the Senate shall authorize the ratification to any treaty by the Government of Belize;

NOW, THEREFORE, BE IT RESOLVED that the Senate authorizes the Government of Belize to ratify the Agreement establishing the Cooperation Framework between the Parties, a full text of which is hereto annexed.

MR. PRESIDENT: Honourable Members, that Motion is referred to the Constitution and Foreign Affairs Committee for examination, consideration and report.

2. Resolution Authorizing the Ratification by Belize of the Status of Forces Agreement between Belize and the Kingdom of the Netherlands Concerning the Status of the Armed Forces of the Kingdom of the Netherlands Whilst in Belize Motion, 2018.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that: - **WHEREAS**, the Status of Forces Agreement between Belize and the Kingdom of the Netherlands Concerning the Status of the Armed Forces of the Kingdom of the Netherlands Whilst in Belize (hereinafter referred to as “the Agreement”) was signed on 23rd November 2017, in Belize City, Belize;

AND WHEREAS, the objective of the Agreement is *inter alia* to establish the entry and exit requirements, discipline and jurisdiction, permits, claims and medical and dental support for personnel of the Ministry of Defense of the Kingdom of the Netherlands and their dependents, while present in Belizean territory;

AND WHEREAS, the Government of Belize is desirous of ratifying to the Agreement pursuant to Article XVII of the Agreement;

AND WHEREAS, section 61(A)(2)(a) of the Belize Constitution, as amended by the Belize Constitution (Sixth Amendment) Act (No. 13 of 2008), provides that the Senate shall authorize the ratification to any treaty by the Government of Belize;

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

MR. PRESIDENT: Honourable Members, that Motion is referred to the Constitution and Foreign Affairs Committee for examination, consideration and report.

3. Resolution Authorizing the Ratification by Belize of the Second Protocol to the Trade and Economic Cooperation Agreement between

the Caribbean Community (CARICOM) and the Government of the Republic of Cuba Motion, 2018.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that:- **WHEREAS**, the Member States of the Caribbean Community (CARICOM) signed the Second Protocol to the Trade and Economic Cooperation Agreement between CARICOM and the Government of Cuba, on 9th November 2017, in Georgetown, Guyana;

AND WHEREAS, the objective of the aforementioned Protocol is to give effect to amendments to the Trade and Economic Cooperation Agreement, specifically: 1) the inclusion of the new reciprocal market access commitments that will apply between CARICOM and Cuba; 2) improvements to the language of the Rules of Origin, with regard to what constitutes insufficient working and processing, verification of origin, and the legal obligations of the Parties in circumstances when a request for verification of origin has been made; and 3) the establishment of Contact Points to facilitate communication between the Parties on, *inter alia*, trade barriers, new trade and investment opportunities;

AND WHEREAS, in accordance with its Article 4, the Protocol shall enter into force in accordance with Article 30 of the Trade and Economic Cooperation Agreement between CARICOM and the Government of Cuba;

AND WHEREAS, section 61(A)(2)(a) of the Belize Constitution, as amended by the Belize Constitution (Sixth Amendment) Act (No. 13 of 2008), provides that the Senate shall authorize the ratification to any treaty by the Government of Belize;

NOW, THEREFORE, BE IT RESOLVED that the Senate authorizes the Government of Belize to ratify the Second Protocol to the Trade and Economic Cooperation Agreement between CARICOM and the Government of Cuba, a full text of which is hereto annexed.

MR. PRESIDENT: Honourable Members, that Motion is referred to the Constitution and Foreign Affairs Committee for examination, consideration and report.

4. Inter-American Development Bank – Climate Vulnerability Reduction Program Loan Motion, 2017.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): 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 a Climate Vulnerability Reduction Program;

AND WHEREAS, it is the intention of the Government to apply such financial assistance to reduce Belize’s climate vulnerability and risk through the implementation of climate resilient measures in the tourism sector and by improving the governance of Belize’s Disaster Risk Management;

AND WHEREAS, such project consists of climate reduction in the tourism sector, including climate resilient flood control measures in Belize City; investments in Caye Caulker and Goff’s Caye; environmental issues; coastal monitoring for Goff’s Caye

(erosion and coral reef); and management plans for Palapa beach (Caye Caulker) and Goff's Caye;

AND WHEREAS, the project also consists of Governance for Disaster Risk Management and Climate Change adaptation, including a risk information system, designing of building codes and climate risk financing strategy for the tourism and agriculture sectors; project management, annual evaluations and audits will also be financed by the project;

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\$10,000,000.00 from its Ordinary Capital Resources in support of the Climate Vulnerability Reduction Program under the following terms and conditions:

Lender:	The Inter-American Development Bank;
Loan Principal Amount:	US\$10,000,000.00 Single Currency Facility Loan;
Disbursement Schedule:	Over a period of forty-eight (48) 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\$256,410.25;
Purpose:	To execute Climate Vulnerability Reduction Program;
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 reduce Belize's climate vulnerability and risk through the implementation of climate resilient measures in the tourism sector and by improving the governance of Belize's Disaster Risk Management, approves and confirms 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: Thank you very much, Mr. President. Please allow me before I begin to congratulate and welcome, as well, the three new Senators that we have with us today. Mr. President, we certainly support and encourage all planning, all measures taken to improve and protect our tourism sector from this scourge of climate change. We certainly encouraged any efforts to strengthen our disaster risk management. The concerns we have, of course, at this time are not mint. We are always suggesting that we need to ensure, and I am happy for the most part, to be quite frank, to see that the provisions in this loan call for supervision, for reports and the like. What would have been nice, however, is if we would have been privy to not so much details as to the legalities of the loan conditions, etcetera itself, but more details and information as to the actual scope of works. That being said, however, and why do we ask for more information on the scope of works is because I know that that is available in some place. Nevertheless, I will say thank you for the information that was, in fact, provided. It was helpful to a certain degree, but it could have been a little more helpful had we been able to see specifically what works were being proposed for the different areas so that we know down the road how we measure and how we further support any other such measures.

As I said before, this scourge of climate change is a real one. And increasingly we have seen where it has added tremendous costs to our processes in construction and our processes for preparation and planning. And I believe, and I take this opportunity to say to our government, Mr. President, that Belize has, for the most part, been a good global citizen. We have been protecting our environment. We have been protecting our forests. We have basically taken huge chunks of our territory and declared them National Parks and protected them to some extent from abuse and misuse. But I believe that the time has come, Mr. President, for us to join, and join forcefully those that demand a lot more from those that pollute. And I am talking especially about the major industrialized countries that continue to pollute our globe. Why do I bring it up at this time, and I am going to go a little off base here right now, because in all of these preparations and in all these protections, it is certainly my belief, our belief, that these agencies that seek to protect are not for the most contributing as much as they should. And I would just like to throw that out there for conversation and debate, and for us to start thinking that maybe we need to start, especially in these challenging times not place all the burdens of this climate realities on our Belizean tax payers, that somehow part of our strategy needs to be to try and involve those that not only have tremendously more resources than we do, and not only impose upon us their views for protection, but we need to start inviting them to the table to commit financially as well, on these matters. So, I share those thoughts with you, Mr. President, thanks.

SENATOR. E. ROMERO: Mr. President, I rise to make my contribution on this. We all know and it has been said over and over, climate change is real. And Belize being a coastal community is being impacted, will be impacted by the effects of climate change. So I see this project as a very necessary project. In fact, I think we have taken too much, too long to do this project. This should have come ten years ago. And the issue is that there is funds abroad and we should go for those funds, not only loan funds. So the question is, why a loan when we can go out there looking for grants? The developed countries have industrialized have done a lot of economic activities that they benefitted from, and those economic activities have contributed greatly to this climate change phenomenon that we are now being impacted, so they should contribute to the reduction of our vulnerability to countries like Belize that are being affected by this phenomenon.

Flood control is something that is a direct impact from climate change. So we should seek those countries to help us, not necessarily a loan. I agree, this is a good loan on concessionary interest rate, that's great. A part of the project, I understand, is for investment in Caye Caulker and Goff's Caye, a part of it is for investment on environmental measures and monitoring. And in some of the project document I found it has to do with monitoring of the impact of tourism as well. If that's the case, then I agree

with Senator Lizarraga, those who pollute, those who damage the environment should pay for it. Cruise ship is an example of that. Why don't we make cruise ship pay for this? The investment in Caye Caulker is \$961,000.00, I understand. Environmental measures is \$200,000.00. The coastal monitoring, I understand, is \$303,000.00. Those are things that can be made that cruise ship pay for it. So why do we have to go and get a loan to cover impacts of some of this industries that are creating on our natural resources?

Again, I say I support the initiative, but my question is why do we have to go for a loan when there are other alternatives?

SENATOR V. WOODS: Mr. President, I rise to definitely support the initiative on the part of the government to address climate change and disastrous management and being proactive in doing so particularly in the coastal areas. I note in the Loan Agreement that it does refer to, if I am not mistaken, a portion of Orange Street or all of Orange Street. Those of us who live in the city clearly understand and appreciate. Quite frankly, even with a small down pour of rainfall that we are seeing the effects more and more being played out. I am also pleased to see that there was significant effort given to, on the part of Goff's Caye which is getting a lot of tourist attraction and that it took time to look at things, not just in terms of mangroves, vegetation and so forth, but at solar panels. I think as a national authority, the government, any government really, needs to be doing more of that in this time and age.

But I am particularly pleased, Mr. President, that it's been a long time, perhaps one of the few times where the loan agreement actually details in some manner what the total amount of the loan will be spent on. It allows for monitoring and evaluation to be done by oversight. It allows the Senate to better appreciate where tax payer's monies will actually be going to; how much of it would be actual procurement of goods and services; how much of it would be the project management unit, if you will; how much of it would be studies. And that's definitely welcomed and I appreciate the effort that was put into making sure we get that done today. Thank you, Mr. President.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Thank you, Mr. President, and I thank all the colleagues for supporting. Senator Lizarraga said he did not have details of the project only the legal details, there was a paper supporting...

SENATOR M. LIZARRAGA: I have enough details.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Oh, enough details. Okay very good. Yes, I think we all agreed that in these times that we do need to deal with the effects of Climate Change. I must, though, say that supportive of what Senator Romero said, the problem we do face and the ministry goes, or tries to attend all of these conferences, there's Green Climate Fund, etcetera. But bear in mind that there is a giant up north in the country of the United States that has simply said the past accord is kind of like rubbish and there are major contributor. So we have those difficulties as well and there is not much we can do about that. Thank you, Mr. President.

MR. PRESIDENT: Honourable Members, the question is **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 reduce Belize's climate vulnerability and risk through the implementation of climate resilient measures in the tourism sector and by improving the governance of Belize's Disaster Risk Management, approves and confirms 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.

5. The OPEC Fund for International Development US\$40,000,000 – Upgrading Of Caracol Road Project, Phase I Loan Motion, 2018.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that:- **WHEREAS**, Member States of the Organization of Petroleum Exporting Countries (OPEC), being conscious of the need for solidarity among all developing countries and aware of the importance of financial cooperation between them and other developing countries, have established the OPEC Fund for International Development (OFID) to provide financial support on concessionary terms to developing countries;

AND WHEREAS, the Government of Belize aims at improving the connectivity and accessibility, between the George Price Highway and the Caracol Archaeological Site, through the upgrading of the Caracol Road;

AND WHEREAS, the Government of Belize has requested assistance from the OFID in the sum of US\$40 million for the partial financing of the Project;

AND WHEREAS, the OFID has approved an offer of a Loan of US\$40 million to the Government of Belize to finance the upgrading of 42.5 km of roads and related infrastructure (Phase I) which represents 91% of the total costs of the civil works component of this Phase of the Project;

AND WHEREAS, the Government of Belize will cover the remaining 9% of the total costs of the civil works as counterpart contribution of approximately US\$3.96 million;

AND WHEREAS, the approved financing will be used towards the widening and upgrading of the existing carriageway, reconstruction of six reinforced-concrete bridges, construction of a drainage system and ancillary works, including the installation and relocation of streetlights and water mains and other protection and safety works;

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

Lender:	The OPEC Fund for International Development (OFID);
Loan Principal Amount:	US\$40,000,000.00;
Loan Term:	20 years (5 years grace period plus 15 years repayment period);
Grace Period:	5 years from the Date of the Loan Agreement;
Repayment period:	Repayment in thirty (30) semi-annual installments comprising of twenty-nine (29) installments of US\$1,333,330.00 and one (1) installment of US\$1,333,430.00 commencing February 15, 2023;

Purpose:	To improve connectivity and accessibility, between the George Price Highway and the Caracol Archaeological Site, through the upgrading of the Caracol Road;
Rate of Interest:	At a rate of 2.5 percent per annum on the principal amount withdrawn and outstanding and payable semi-annually on February 15 and August 15 in each year;
Service Charge:	At a rate of one percent (1.0%) per annum on the principal amount of the Loan withdrawn and outstanding payable semi-annually on February 15 and August 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 towards the efforts of the Government to improve connectivity and accessibility, between the George Price Highway and the Caracol Archaeological Site, through the upgrading of the Caracol Road, approves and confirms that the Government of Belize may enter into a Loan Agreement with the OPEC Fund for International Development (OFID) 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.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, let me start by saying that I am certainly a fan of the Pine Ridge and a fan of Caracol. And it would be lovely for us to have a super highway going to Caracol. The difficulty I have in supporting this particular loan Motion at this time is that while some description of the works has been provided, I think an important piece of information that would have certainly help me to make up my mind would have been some sort of a study in reference to the return of investment. I understand that this is a growing area for tourism. I understand that we have people that live along that road that deserve to have nice roads. I understand the potential that that area has. But I cannot justify it because I am lacking in those numbers. And at this time, especially, in our country and with all the realities of our countries finances before us, is this a priority? I know it's a political priority. But is it a financial priority? Are the returns on investments going to pay back for this investment? Should we not use our monies for other important things? And why do I say that, Mr. President? Why do I say that? Because this project is, in fact, Mr. President, as we can see, this Motion before us is only funding 90%. The total investment in this road is going to be some BZ\$88 million. That is a substantial amount of money. You are not talking about \$10 million or \$5 million, you are talking about \$88 million. And yes, we are going to get an upgrade, the road is going to be paved and aligned; we are going to have 6 new bridges. We are going to have drains. We are going to have barriers, signs, beautiful, but how much money will the government and people of Belize make off this \$88 million investment in the present, short and medium term? I have not seen those numbers. So I throw that out to question.

The business community as we all know remains extremely concerned about the debt burden. This is going to add substantially to that burden. Put that into context again, and this very morning news came to me that we've loss another case in the US courts adding some \$70 million more to our debt burden. I want to read from an affidavit, Mr. President, sworn by none other than our Financial Secretary in documents that were presented to the Caribbean Court of Justice. Where he says, and he swears that, "The facts

of this affidavit are save and where it is otherwise stated or appears from the context are within my personal knowledge and are true and to the best of my belief.” This affidavit is filed on the 26th day of January 2018, a short while ago, where he claims, “I mentioned that in debating the Supplementary Appropriation submitted by the Minister of Finance, the Members of parliament will be obliged to consider the state of exigencies of the public finances of Belize. And we need to decide whether the Government can or has the ability to pay. He goes on further to say what our domestic debt is, and what our budgetary short falls are, right. What capital expenditure has had to be restrained. That the government has on occasions had to borrow monies to meet its public service payroll obligations. And that government is faced with several outstanding judgements amounting to BZ\$20 million. Well I don’t know if this \$70 million was a part of this, obviously not. Which has to be paid within the next 18 months. Additionally he claims, “The government is obliged to pay compensation for land acquisition amounting to an estimated \$70 million.” Remember if we look at the loan documents, there is a component there which was not covered, which was land acquisition. So I don’t know if in repairing these roads, we are going to have to acquire land. And the government will have to come up with more money for land acquisition. Okay. So he lists all these obligations that we already have, that the government of Belize is able to allocate some \$11 million in its budget annually towards the settlement of these lands and the view of these facts, it will take another 7 years to fully pay off these existing debts only on land acquisition.

So faced with all of this, faced with the realities that we have the need to be slicing the watermelon a slice at a time in raising taxes. Facing the need that we continue to run budget deficits. Facing the fact that we need to borrow money to pay salaries, recurrent expenditures, which is something the government should never do. Facing all of those realities, is this the time to be committing the citizens of this country to another \$88 million plus in debt? Do we not have better places to be spending and investing our money? Have we not wasted enough money on projects that are not absolutely necessary for the social well-being of our people? Mr. President, I cannot support this Motion. Not because it would not be nice to drive on a nice paved road in the Pine Ridge, because that would be nice, but simply because our country cannot afford another close to \$100 million in a project that we don’t have any idea how we are going to find the money to pay back for it. This is the time for us to be prudent. This is not the time to be taking on more unnecessary debt. This is not the time to be doing anything that will further add to the tax burden of the Belizean people. Last year’s budget projected certain amount of income from the government and there was a tremendous short fall. Government continues to overestimate its income and underestimate its expenses. And it displays a continued lack of ability to curtail on expenses. So this project could very well end up costing us a lot more.

Mr. President, I absolutely, in good conscience cannot support this investment at this time. The Belizean business community, the economy, the tax payers, absolutely do not need to add to its debt burden today. We need to be looking at ways to save money, to cut the cost of big, expensive, incompetent and corrupt government. Am not a politician, Senator. I represent a constituency that pays a disproportionate amount towards the errs. So, Mr. President, I hope we can reflect soberly. It’s a time where we are going into the budget, we know what the numbers say, and put this one on hold man, give the economy an opportunity to bounce back. Work with the private sector to grow the economy then we can touch that. Let’s invest, I’ll talk about that because if we are serious about growing the economy to pay for these projects, I’ll talk about that budget time. What support we are seeing in there to truly grow the economy and truly enable the private sector and how much importance has been put in the private sector in this country. Government cannot continue to be the employer of last resort. It’s not working; it has failed, time and time again on the way to run your economy. We need to start investing our monies wisely. I am not going to talk about the projects that we have spent hundreds of millions of dollars on, and the projects that we’ve spent tens of millions of dollars on that have absolutely no return on investment. It’s nice to have nice things in your country, but it’s nicer yet to be able to afford them and to be able to pay for them. And the government cannot continue to

do so on future earnings. On the earnings of my children and my grandchildren. Absolutely cannot! We need to learn to be prudent. Thank you very much, Mr. President.

SENATOR A. MAHLER: I rise to make my contribution regarding this loan Motion. I, firstly, I share the sentiment with Senator Lizarraga. And anybody who knows me knows that tourism is dear to me. I've spent many years at the tourism board working to try to develop the product and marketing it internationally. But I agree with the Senator that almost \$90 million, we have spent \$1.6 million on consultancies already for feasibility studies so it's going to be closer to \$90 million. At this time adding to the debt that is already about 100% of GDP, causes great concern for me. And today, in fact, the government will get approval for an additional \$135 million in loan, so, \$80 million for the Caracol Project, \$35 million for a Broad Band Project for BTL and \$20 million for Climate Vulnerability Reduction. These are alarming numbers especially where we are at this time. And we have to look deep within us to say, is it worth it at this time, and again, what is the return on investment? Are we serious about making, lives better for the people of Belize? I don't think so, because a project like this just puts additional burden on economy, puts additional burden on the business community, puts additional burden on the people of Belize.

In total \$90 million for 26 miles of road. Now, I got some figures last night just to see how many people are going to or visiting Caracol, and over the last two years from what I gathered from BTB and the Archaeology Department, we are talking about 9,000 people. So, have the experts looked at how many people it will take to pay back this \$90 million? How many more tourist, or how many more visitors will go to Caracol and the Mountain Pine Ridge area if you want to include all of them? How much more investments will happen in the area? How many new resorts? Have all of these things been taken into consideration? Now I don't know if that's in the feasibility study but we have none of that. We have no report. The other things that concerns me for \$90 million, what are we getting? I know this government claims that they are the cement experts, so, I don't know if they are going to, I know they say asphalt, but I am not sure if they are going to cement the 26 miles, if they are going to hot mix it, if they are going to chip seal, what they are going to do? What sort of bridges are they going to build? What are we getting for this \$90 million? We have no record of it. We have no information to make a decision whether we support or not. Now for \$90 million I think we should get sidewalks like maybe Fabers Road, that costed \$8.1 million. This project may end up looking like Fabers Road. And that project is, I heard, stuck, for \$90 million we should get sidewalks, bike paths, LED lights, you name it, the best of the best, the bells and whistles because this is a large sum of money to be putting on the backs of the Belizean people. Or maybe, from what I heard, now this is information that I have gathered out there, a number of Ministers own real estate in the area and maybe they are just trying to increase the value of their real estate. Who knows? I don't know. The information is not there so I just have to guess.

I will ask a few questions. If this is Phase I of the project, what is Phase II, what is Phase III? How many phases? How much will they cost? Have these things been look at? I hope for the Belizean people sake, that this is not another Lake Independence Boulevard kind of investment, one that lasts six months. Like I said, it is important, very, very important that we get return on money for any type of investment like this. Developing nations like Belize cannot afford to waste money, cannot afford to waste the resources of the people.

Now when you look at the growing poverty rate, would this money not be better invested in education, in health care, in other things that are more important? Look at the crime and violence all across this country, and the police force, and the DPP don't have enough resources at hand to do their jobs professionally. So, Mr. President, I cannot support this Loan Motion today. Thank you.

SENATOR E. SMITH: I just have a few concerns that I need to raise on behalf of the group that I represent. And as was said earlier, our debt is almost at 100% of GDP and

so this is of great concern to us. When we look at what we have before us, we are concerned and we want to be assured, we want to know that we are going to be getting value for money. This is a lot of money to be spending, especially in this kind of climate that we have right now. And so there has to be somewhere where value is received for money being spent. We are also concerned as it relates to systems that may be in place, Mr. President. We are not sure whether the Ministry of Works has the technical expertise to be able to monitor, you know, all of these works to ensure that we are complying with specifications provided and that kind of thing.

We are also concerned with the matter of the Auditor General's Department. Are they equipped to be able to audit construction projects? We believe that there needs to be some, a little bit more that this department needs to be able to do and so they need to be better equipped to be able to do proper auditing of these projects again so that we are sure that we are getting value for money. And so, those are some of the concerns that we have, especially seeing that, again as I said, our debt is so high and we are being burdened with more that the working class has to be paying when we get these loans. So if those concerns can be addressed then we may look and see what it is going... with this matter. Thank you, Mr. President.

SENATOR DR. C. BARNETT (Minister of State in the Ministry of Finance and Natural Resources): Mr. President, first let me say welcome to our new Senators today, Senator Mahler, Senator Panton and Senator Romero as environmentalist in the room. The Caracol Road Project is one that we would have liked, and this is, definition of "we" is all good thinking people. That we would have liked to have been able to do one goal. It's an important road not only for, and maybe not even primarily for the development of tourism. That's one of the gains. We have people who go there quite regularly for tourism purposes. But there is a need for proper road infrastructure deep into our forest in the west for proper forest management, for proper security administration. It's hard to put a return on investment number on those kind of objectives, but often we hear of the difficulties of extracting people from the areas, the difficulties of managing and traversing in those areas. The reality is a good part of those forest are already under reserve so there are limitations unto the kind of tourism development that would be allowed anyway. So it's not only for access to Caracol. We call it the Caracol Road because that's where it goes. And we are building on an existing pathway and existing road. But it is not only and particularly for the expansion of tourism, it is for a larger purpose.

For those who may not be aware and it would have come, I think, with prior OPEC projects, OFID funded projects, there is a Project Execution Unit in the Ministry of Works that is dedicated to the implementation of these projects. It's well-staffed with road engineers, with financial specialists who manage not only this set of projects funded by the OFID but also other donor funded projects that may be required to pass through the Project Execution Unit. And that unit has been in existence, I believe, well over ten years that unit has been there and has been responsible for the execution of road projects across the country. This particular project if you look at the documentation that's been put before us, OFID is putting in US\$40 million. This is for, I believe, about 24 kilometers of road, 26 miles of road. Its 26 miles of road. It's a little bit over the million dollars per mile that we used to talk about. We don't talk about that anymore, generally speaking because of climate change engineering we have to, the prices have gone up. That's the reality. This is the costing that the engineers have come up with. That \$40 million represents 90.9% of the total cost of the project, and, therefore, the other three components which are land acquisition, consultancy services and the contribution of the existing Project Execution Unit, and you have to understand, all of this is not necessarily new money, its government counterpart contribution either through cash or through the provision of services from existing staff. So that would account for the remaining 9.1% of the project. So it's totally US\$44 million of which \$40 million comes from the OPEC Fund. You will not have a breakdown of all of these, particularly with land acquisition because that's a number that's until you are in the field having that conversation with where you need to widen, there is

not a cost that can be put to that. That's subject to agreement. But because of all of the prior work that has been done, there is a round number that factors into the total cost of the project which is the \$44 million that we expect it to cost, that it's being provided for under the agreement with the OFID Fund.

So, Mr. President, clearly I am in support of this. This is a long overdue road infrastructure that is required. We have to work on establishing the financing for the second phase, which ought to complete it, because it is really important for us to be able to access easily the resources of our forest in the west in order to be able to better manage and better address, in particular, emergency situation that arise and we have to take people out of the forest. But generally speaking, manage our forest resources in a better way. Thank you, Mr. President.

SENATOR S. DUNCAN: Mr. President, thank you. I rise to support the Motion. I feel that we were on the right track when we asked about the returns, revenue to be generated, but somehow I sense that we quickly went down hill in a direction that seem to have totally discarded that and have focused more on the ability of our people to deliver and the size of the debt. It is a well-established fact that we are carrying today, Mr. President, quite a bit of debt that did not contribute positively to our economy and our country that had accrued under the Administration of 1998-2008. And that is an established fact. But I think the question becomes that even as those debts impact our debt to GDP ratio, naturally it is a debt. The question still becomes, do we take all our resources to service those debts that are doing nothing for us, and did nothing for us, rather than try to find other ways for us to live and survive? We cannot suck down everything and suck down our country to put all our resources to service the super bond. We still have to live. We still have to get things done. And so what I see the government doing here is trying to create infrastructure, put in place infrastructure which we all know, when infrastructure is put in place it attracts the private sector to do things.

One comment was made that it is time for government to stop be the employer of last resort. For the last eight years or so, it is recognized that government has been carrying the economy in a large way through the projects that they've had to do. But I don't agree, nor do I get the impression that government is doing this because it wants to be the employer of last resort. I get the impression it is doing it because the private sector did not trip in. I get the impression its doing it because somebody has to keep the economy kicking over when the private sector does not want to invest. And we know that for years the private sector was not investing. I am pleased to see, and to say, that, in fact, we have seen a shift in that. And I think as that shift takes hold, and the private sector does its part that government will quite properly, step back and allow the private sector to continue. In fact, I would suggest that as they put in the infrastructure it is actually to facilitate the activities of the private sector to ensure that they are able to do things. So to me this is just another move in that direction.

And, over the last several years, we have seen a significant upscale of our people. In fact, when that bridge, oh boy! The bridge that connects Chetumal Street and Lake Independence Boulevard was constructed, I think the substructure and everything, if I am not mistaken, was done by M&M Engineering. The level of talent pool that we have developed in our country, the level of skill, I find it a little interesting that label which ought to be championing this type of growth in our people is questioning whether or not we have the expertise, or people in Ministry of Works had the expertise to do these things. I have no doubt that OPEC being an entity that has lent to Belize before, and is well established in this type of governmental projects, there would have been pre-qualifications and all of this to go with bids and so, that they would not go with a project if the right skill sets were not put forward to do the work. But I am just saying, here we are where the government is doing these things to grow, not just in terms of infrastructure, but also in terms of economic activity by the private sector and in terms of this development of our people. And yet we are finding ways to down play it and beat up on it, and to carry on over it as if though there is nothing positive emanating from these activities. It boggles the mind to be very honest.

No doubt the number of people going to Caracol presently is limited. When you drive, it takes three hours to drive 40 miles or so, 30 odd miles because the road is bad. It is no surprising that you do not get a lot of people going there. But that does not at all mean that once you fix the road that it will not indeed, attract people who want to go there and may want to do so instead of going across the border to Guatemala to Tikal. They will just stop right here when they are in the country and they do Caracol. We have seen the growth of tourism in the country. The government is investing in things that can enhance that product. There are investments that we can come to this Chamber and talk about, and discuss and debate, and kick the tires because they really happen, and yet we are trying to condemn those compared to those things that we could not see any benefit from, that really took up the national debt. Yes, all the secret agreements. That you can't kick the tires, there's no tire to kick. And here when you have stuff that come that we can talk about because they are really happening, we still find ways to try to down play it and shoot down everything. These are the things that we should be supporting and condemn the other things that are done under the secrecy of dark.

Mr. President, I fully support the government in trying to open up new channels in our country. When you put a road works infrastructure in there, other things in there will happen because the people at large will see opportunities and will come up with projects that maybe we are not doing today. And from that perspective alone, this things transcends just the government and just the tourist that come to the country. But I have no doubt we have a very positive impact on the Belizeans who live right here in Belize. Why is that not a good thing for a government to be spending to improve the lives of its people? And that is what is happening. I much prefer to work harder to pay back a loan that will help the people than one that we get no benefit from that we saw between 1998-2008. (Applause) So to my mind this is very much worth it. Everything might not be crucially accepted, everything might not be there, but certainly, I have to agree with the concept and what is being proposed. And from that perspective, Mr. President, I support this Bill.

SENATOR M. COY JR.: Mr. President, I stand in support of the Caracol, Phase I Loan Motion. But even before I continue, Mr. President, please allow me a minute to salute all our women and congratulate all our female Senator here today. We have Senator Woods, Senator Smith, and, of course, Dr. Carla Barnett. Happy Women's Month! And I also want to, oh, the Deputy Clerk, you are right. I said all the females, even the media houses from up there, Mr. President. I also want to say a Happy Women's Month to my beloved mother who brought me into this world that I am in today. And, of course, to my beautiful wife over there in Silver Creek. But, Mr. President, also allow me to welcome our new Senators this morning, Senator Romero, in fact, I made a confusion, I thought he was Senator Salas. I was calling him Senator Salas earlier. Senator Anthony, and, of course, whose the other new one? Oh, my good brother here, see I was looking for my brother Mike here.

But, Mr. President, I have a little note here, not a book. I am not going to read any book. It's just a little jotted points that have come up into my mind while I was listening to the other speakers, Mr. President. Mr. President, a number of things came to my mind while I was sitting down here. One, we are talking about this Caracol Loan Motion, what and how is it going to benefit the Belizean people? And many that may support the loan Motion, a few may not support it for specific reasons. Whatever reason it may be, but, Mr. President, I want to answer to some of it. For example, our very own colleague Senator Lizarraga said, he is not supporting this loan Motion at all for no reason. I will say this, Mr. President, it is not about us, it is about the Belizean people. We come to this Honourable Chamber not because we are asked by any individual to come here, we come and represent the people here. We come and we work for the beloved Belizean people out there, Mr. President. Seemingly some of us still may agree or not agree to it, but we cannot stop the development that is taking place in this entire country. And we can see that, and I continue to say, even the blind man can say that they have seen transformation and development happening across this country. We can open our eyes and raise our eyebrows and so, we can say municipal elections just went and the people have spoken. We appreciate that, we respect that, and we

love them for that. Especially down south, the areas where I come from, Stann Creek and Toledo, the culture capital, of course, Dangriga. But, Mr. President, yes, we may say that, but at the end of the day, like I said, we are here because of the Belizean people. We are here because we represent a portion of, in my case, I need to come here because I raised up between the Mayan communities. I am from the Mayan communities. And Caracol is one of our Mayan temple. It's been long built by our ancestors. In fact, if I was to study history, which I did not, of course, but researchers and whosoever do studies in history and archaeology and so on, Mr. President, can tell you that Caracol is one of our long standing Mayan temple.

And then, Mr. President, Senator Anthony Mahler also mentioned that he is not in support of this loan Motion. I will tell you today, my brother, this is not a secret agreement thing. This is about bringing it to the Chamber, bringing it into the House of Representative and having the Belizean people be aware of what we are doing. In fact, I don't want to go through all those secret talk agreement, I will leave that for another day. But today, Mr. President, this development, as I have said earlier, the transformation, the transforming of life of these Belizean people, you can only imagine how many Belizean people will be employed to get that work going when the Caracol road will start in the western part of our country. I cannot even start to think right now, I need to put on my thinking cap and start to imagine how beautiful this highway will be. This spanking new highway. I travel down south, you know. Don't let us forget that Hummingbird Highway, right, down south that is taking place there man. Before when you used to drive, even horses you would knock down in the dark because you couldn't see them. For years it had been like that. But now we can say, Mr. President, that the new renovated highway, Hummingbird Highway is spanking new, its brand new. Sometime I want to believe if I am already in the Garden of Eden out there.

Mr. President, I can only imagine how beautiful this new highway would be, what type of development this new highway will bring. In fact, Mr. President, I mentioned that the Caracol is known to be one of our greatest ancestor. It's a worshiping temple where the Mayan people used to be. Don't think that I am taking sides for the Mayan people, Mr. President. But I have to be, because, I mean, I have 100% blood of the Mayan people. I come from communities where the Mayan people are, they are from rural Toledo. Records and researches have spoken, Mr. President, that we must take pride in our culture. Don't let us forget this, the culture capital city. And I have family, members from another great culture which is our Garifuna culture. I have brothers, and sisters, and in-laws and so on within the Garifuna culture. And these are the two culture that we see, Mr. President, we continue to preserve. I am not saying that we do not honour for other cultures, but Mr. President, I am here because we need to preserve culture. Culture language is what makes us in Belize, it is what makes us, like the rice and beans, how delicious it is. You walk into a garden with different flowers, you will see all different types of flowers, that is how we are in Belize, Mr. President. It is a beautiful culture, we have the Chines; we have the Mennonites; we have the Japanese; we have the Mayans; we have the Garifuna; we have all of these. And, Mr. President, building a new spanking highway to Caracol, you can only imagine the amount of tourists that we are going to attract to this beautiful Caracol site.

And for those of us who are not in agreement to it, seemingly when we come here, we have our own agenda to play. I am not coming to play any political agenda here. I am coming to work on the agenda of the Belizean people who needs that highway. And not only will it benefit us but the people who live around that road, Mr. President. Yes, indeed, we might have seen small amount of people visiting there, nobody wants to go out there right now. In fact, I have been there once because of the condition, and the distance and so on. But if we have that spanking new highway coming up, Mr. President, believe me we will even want to spend weeks, and nights, and months out there. I would love to do that. I would probably be the first one to do that, Mr. President.

So, Mr. President, in fact, as I am saying that we should take time in preserving this. And it is stated that 10.6% of our Belizean people are made up of the Mayan people. Mr.

President, Caracol is one of the largest temple that we have in this country. Mr. President, we support the government in building that new highway on the Caracol road. And with that, Mr. President, I stand and I support this loan Motion. Thank you.

MR. PRESIDENT: Thank you very much for your loud and descriptive presentation, Senator.

SENATOR REV. A. ROCKE: Mr. President, I rise to give my contribution to the Motion before us, and, of course, welcome our new Senators to the House today, Mr. Mahler, Mr. Romero, and our friend Mr. Panton.

MR. PRESIDENT: Guys, can we please fix the microphone to make sure the Senator makes his presentation. Do you mind using Senator Lizarraga's one, in the meantime, Senator.

SENATOR REV. A. ROCKE: Undoubtedly, Mr. President, I am sure that I mentioned that this would have raised eyebrows because of certainly the climate that we are in right now and the many things that are going on around us. But, after reading the document, and for myself deciding on whether aye or nay on this there are some things that give me comfort and leverage in making my decision today. First off, I recall that I am no economist or financial wizard, I am just an ordinary person, a pastor, in church we don't have to really count anything. We just pray that God's blessing fall on the people. But first thing, I recall when I go to the bank and I request a loan from them, the bank will certainly want to know my payback capability. They will want to read my history. They will want to know whether I am capable of repaying my loan or not. And I will tell you that if they have concluded that I was not able to do so, for any reason whatsoever, they would look at me straight in the face, without blinking and say to me, no. If there was enough evidence that I could not repay or that I had defaulted in payment to other organizations they would say no. But in this case, what we are finding out is that the President of OFID exuberantly recommended this loan for Belize. And that is looking at that aspect.

The second thing about the Motion is that it is wonderfully pleasing that the contract to build this highway is not submitted to any private entity but it's going to be built by the government, which I suppose indicates sweet equity to some extent, because it means that the government will have to make sure that they are diligent in building the road. And all the intricacies and so on, I will leave that to Dr. Barnett and the rest of you. But I would suppose that the fact that the government is building its own road and not contracting to a private organization makes the world of sense.

Thirdly, the payment time that is allotted to this loan, I think with interest what was said about the climate at this time and everything else related around that, but I understand after reading the document that the payment of this loan is not going to be until five years from now. If I am correct, or I stand corrected if that is not so, but when I look at the document it says the payment will start in 2023, if I am not mistaken. So, what it does is it gives us five years in which to, as a people, I would not want to stand here and declare that the Belizean people are lazy and they are not going to get whatever they have to get done, but that giving five years to perform and, if like we said, if you look at the day now, the climate doesn't seem to afford that kind of thing. But we are talking about five years from now. And I am certainly convinced that the Belizean people have shown over and over that we are resilient and we are able to rise like the Phoenix from the Deuces. And so, with these factors, with these thoughts relating to the loan and talking to my colleagues, I am more convinced that this is a good loan. And despite the presentations made here by some of us, we agree that it's a good loan. So, we want to support this Motion.

SENATOR E. ROMERO: Thank you, Mr. President. I want to say thanks for the warm welcome I have received here. I really appreciate it. Now, my good friend, Senator Barnett, called me environmentalist, indeed, I am. I am rather a conservationist, which do

environment and sustainable development. I am also trained in Natural Resource and environmental economics. So allow me to say a few things from the economics perspective of this loan. Indeed roads are good for the development, and especially for tourism. Tourism needs access. Without access tourism will not function. So I could say it's a good project in this respect. However, as a person responsible thinking about our economy, thinking about our children, thinking about our future realizing that we already have a high debt burden. The questions comes, is this the right time for investing this huge amount of money which comes as a loan on this project? It's a long term investment but the question is, will this project pay for itself within its lifetime? We've already heard some of the numbers of tourism arrival. I can say by that, it won't pay the project. We realize this project will benefit other things, security and other things, but I was not able to see in the documents what is the contribution of that, and what is the value of that. I have not seen the feasibility study for this project. Projects of roads are long term investment and there are times that you have to invest and there are times that you have to wait based on the benefits of it. And so, how do I know that it's best to invest this, what is it, \$86.9 million on this project, as oppose to the Lamanai Road. As oppose to a project that will alleviate the impacts of flooding in May Pen, in the Belize River Valley and those communities, Mullings River, Monkey River. How can I say this is our priority? And, how can I say let's go head and invest in this?

Now this project also has a component of land acquisition that gets me nervous because I don't know what that's going to be. There is a figure that was mentioned, \$3.9 million for land acquisition and other things but I don't know how much of that would be land acquisition, you know, what do you expect as a reasonable estimate. It's true we cannot have the exact figures but we have scenarios and we could have estimates. I would support this project if I am convinced that this is our highest priority. If I would have the information that this is the right time for the investment on this project. I don't have that information right now. Thank you.

SENATOR A. SALAZAR: Mr. President, thank you. I always have a lighthearted banter with my colleague telling him that they don't like Cayo. But I know why now. I know why they don't like Cayo, Mr. President. But that aside, like I said in good humor, Mr. President, Caracol at its time was one of the most important regional political centers in the Maya world in Mesoamerica. And, in fact, it's well known, its recorded in history that Caracol rivaled Tikal in prominence. But that is not the case now. Tikal has many, many, many more, there can be no comparison drawn between Caracol and Tikal in terms of visitors. But not in terms of prominence as to the importance to our history and to our culture. And the major part of that is because of the road. It's simply put, it's because of the road. I have been to Caracol once, I had to get up at 5 A.M. and I refuse to go back because it's difficult to get there. And I cannot buy the argument that 8,000 people visited last year, I can guarantee you, if there is a proper road that figure will change astronomically. So, I also cannot buy the argument that we are not in an ideal financial situation so we should not spend on a project of this nature. I simply cannot buy that argument because that is like saying that we do not have funds so we should not buy bread. And why do I say that we should not buy bread? Why am I making that analogy because tourism is our bread and butter at this time. There is no hiding from that. That is the truth. So investing in tourism is like buying bread. So when Senator Lizarraga asked, is there no better project that we can spend on at this time, my answer is no. We need to invest in tourism. And let's not only believe that the tourism sector is going to be the only beneficiary from this because there is also a big agricultural sector in the Cayo District that will benefit from this. We are forgetting about that. That along that road there is agriculture, there is forestry and there is tourism. That is, in fact, our bread and butter. So I cannot buy that argument with respect, I really cannot.

The other thing, and I am going to quote directly from the OFID website, OFID.org because I am sure that these arguments will probably be repeated. OFID says, "The improve road will help ease travel constraints and boost income generation, thus helping to reduce poverty for 30,000 people. Some 50,000 people are expected to benefit

indirectly from the project.” That is on the OFID.org website. It’s there for anybody to look at. So, is there something else that we should be investing in? There are other things that we could invest in, yes. My colleague mentioned some good project, Mullings River and so on. Yes, but is there a better project at this time? I can’t agree with that in terms of priority. The other thing that I have heard, and this you cannot argue with, this is not the Belize Government saying. This loan was approved by an international funding agency. They did their studies, they reviewed it, and this is the conclusion that they arrived at. So anybody can take a look at that.

The other thing that I want to mention here, the Lake Independence Boulevard is, of course, unfortunate. We can’t hide from that. It’s an unfortunate situation. Was it intentional? No. But we should not take that as a poster child for the level of development that this government has seen. We like to do that in Belize. We like to take one thing that went wrong and put it up as if that is the standard and we question the Project Execution Unit. It is the same Project Execution Unit that over saw Placencia road. I am sure that all of us here, correct me if I am wrong, have been to Placencia and have driven on that road. And all of us here are old enough to remember what that was like before. And all of us have witnessed the unprecedented development that we’ve seen along the peninsula since the birth of the road. That is going to happen in Cayo. Should we not invest in this? Tell that to the people who own resorts along the road, Members of the Chamber, who own resorts along the road in the Mountain Pine Ridge. Tell that to the people who are growing oranges in the area. Tell that to the people who are extracting hard woods, pine, come on man. Let’s not be blinded because we have an affinity to oppose. I’ve always said, it’s not only because we are in Opposition we must oppose everything. We cannot hide from facts. You are entitled to your own opinion, but you are not entitled to your own facts. Thank you, Mr. President.

SENATOR H. PANTON: Thank you, Mr. President. Mr. President, if I did not see him when I came in this morning, when I heard the presentation of Senator Lizarraga, if I did not see him I would have thought it was an IMF consultant that was speaking. Shut down everything! Don’t spend on this! Don’t spend on that! Don’t do this! Don’t do that. Whatever is the state of our economy, and we can spend all day discussing that. It is only investment in our people that is going to get us out. And he went on and on about politics and corrupt, projects and corrupt government. Mr. President, if you look at any definition of a corrupt government, that definition will tell you that a corrupt government cannot exist without a corrupt business sector. Who feeds the corruption? Where do these monies that these so called corrupt politicians are coming from? It comes from the business sector. A corrupt government cannot exist without a corrupt business sector. Fundamental corruption 101.

Senator Mahler mentioned only 9,000 people visited. The fundamental fact, Mr. President, is that this road has been in the planning for, I would hazard I guess of a minimum of 15 years, if not longer. The government has been shopping around for some time to find financing for this project. This project was on the table when the good Senator Woods was Director of the Belize Tourism Board. This project was on the table when Senator Mahler was Deputy Director of the Belize Tourism Board, from way back then. So that, this is not something that was simply pulled out of the sky or flown on the Cabinet table because a representative out west decides that, well this is a road for my constituents. This has been a priority for this government. It has been a priority for the government before this one. And it ought to be applauded that finally the project is coming to fruition. Mr. President, I think it is not too late, but I think it ought to be done at the time of orientation when new Senators come in to the National Assembly. But it is still not too late. I think a tour of the Ministry of Economic Development and a tour of the Ministry of Works would be extremely beneficial to the Senate. Because it is clear that people do not understand the stages that these projects go through before they land here in this Chamber. You are talking about a project that is over 15 years old. That has gone through all its paces through the Ministry of Economic Development. It has gone through all its paces through the Ministry of Works, and it is here today. Are there better projects? I am sure

there are better projects. No one will argue with that. But projects don't make it, make their way in front of the Senate via a loan Motion in the blink of an eye. There is a process. And, it is sad that Senators are quick to rush and say, if I had more information. The good Senator sat right down there, thanks to the beautiful broad band connectivity of BTL and found what OFID had to say about the project. While we did not bring it here, Senator Mahler referred to a feasibility study that was done. So we had this discussion on the last occasion that why the information was not provided, and my good friend, Senator Michael, the Attorney Generals said plainly, go and do your research; the information is readily available out there. Go and do your research.

Now if you will recall, Mr. President, there was a whole lot of hullabaloo when the incident happened with Danny Conoquie. If we can recall the time it took to get reinforcements in. Now, we are, it was totally unintended because as I had indicated, this project predates Danny Conoquie many, many, years. But that is an obvious benefit that the good Senator brought up before this Chamber. National Security will be impacted tremendously, perhaps more than any other sector in this country. But it is amazing that we rush, to oppose, and to oppose for opposition sake. I would like to ask the question, Mr. President. What is the difference between this loan Motion and the one just prior to it? That one, even though all Senators did not speak, I am certain that one carried a unanimous support, you know. So we are bothering. I crave your indulgence, Mr. President, age is a terrible thing. We are borrowing US\$10 million for the reduction of Climate Vulnerability. Everybody spoke of this in grown terms. It is not a grant. It is a loan. A loan and my colleague Senator, the banker, will correct me if I am wrong here, but from the look of the rate of interest, that seems to me to be variable interest rate. So now, for Climate Vulnerability Reduction with a variable interest rate, we don't even know because it is tagged to Libro so we don't even know what the interest rate is. All hail praise and glory. Why when it comes to the Caracol Road, an over 15 years old program rate of interest 2.5%; it is 2.5% fixed, not only fixed; it is fixed like how they fix it at Credit Union. You pay this on the amount you have drawn down on. What is the problem with that? So we have unanimous support for a variable, a loan with a variable interest rate, and everybody want to play dodge the ball for a fixed rate of interest for the Caracol Road.

I had mentioned earlier, Mr. President, that I think it would be a good opportunity, a good thing for the Senate to visit both the Ministry of Economic Development, and the Ministry of Works. But let me spend a little time on that because we have recently completed a project similar to this in Belize City. The Flood Mitigation Project in Belize City was a \$25 million project or whereabouts, I can't recall the exact figure offhand. But that project included, just as this, this was an IDB funded project by the way, and it included, just like this project, monies for the acquisition of land. And I can speak personally of the project, Mr. President, because at the time I was the legal advisor to the unit. And, so, canals were built along the entire length of the Albert Hoy Avenue in Belama Phase I, II and III in order to drain those parts of the city. And along the way, the canal, the route of the canal went through across, in one instance took the entire property of a property owner in Belama Phase III. And, there was never any hanky panky. The Ministry of Works appointed a project engineer. The Ministry of Economic Development had direct connections with the IDB and so that whenever any decision was made as to what would be the value of the land it was after the property owner had submitted a valuation. The Ministry of Natural Resources has submitted a valuation and a third independent valuer was engaged to submit a valuation. And an independent team was put together to assess which of the three, if any, or if none at all and a different offer would be made to that land owner. Today, we have the entire Belama Phases I, II, III and IV properly drained and that drain is connected to the sea. Simple efficient project did not even blink an eye. You see, and that is the fundamental thing here. This is not a government funded project. This project is coming as a result of our multilateral relationship with OFID and those that carry very stringent conditions as any loan would. And that is not new. Those conditions, that relationship did not just get here today. We are talking of over 20 or more plus year's relationship with OFID. But rather than, and not

only the relationship, but numerous successful projects that have been completed over the years. But the rush, the rush to oppose for oppose sake has obviously gotten the better of this Chamber.

I will close with the observations of my colleague, Senator, when you compare Tikal to what we are trying to do. And it is amazing, it is amazing because it may very well be the only difference in terms of volume of visitors, between Tikal and Caracol, it be one road, one road that has evaded us for over 15 years. In all fairness to the government, they had been trying to get this at concessionary rates rather than having to go and make it into a commercial affair. And it is a sad day, indeed, when the government succeeds in doing the right thing and all that this Chamber could do is throw them under the bus? No man. Mr. President, this project is long overdue. And my colleague Senators in this Chamber, if they are genuine, prudent, and honest would agree with me. I 100% support this Motion.

MR. PRESIDENT: One second, Senator Woods, one second. Senator Hulse.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, in accordance with Standing Order 10 (8), I move that the proceedings on the Order Paper 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 may be entered upon and proceeded with at this day's Sitting at any hour though opposed.

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

SENATOR P. THOMPSON: Mr. President, I would also like to welcome the new Senators here today. I have a very simple question for someone from the government side. In the notes here, it states that this project will pave this 26 miles of road and it will be asphalted. Sometimes we say asphalted and we confuse asphalt with chip seal and the other types of methods. So I would like some guarantee that, indeed, it's going to be asphalted. There is a major difference between chip seal asphalt. Chip seal tends to erode much quicker than asphalt. And you know, sometimes promises are made, for example, I personally heard the Prime Minister say that the road between the airport and the Haulover Bridge would have been a four-lane highway. I don't see that. So I would like someone to tell us, this is going to be asphalted like it said on the paper here. Thank you.

SENATOR V. WOODS: Thank you, Mr. President. Mr. President, I rise to give my contribution to the discussion on the matter of the Caracol Road Project, specifically this Phase I loan. I've listened to all previous Senators comment on the achilles of the Caracol archaeological site, its history, its prominence, our culture, and none of us in the Senate disagrees with any of that. The history books are replete with all the detailed stories of the Caracol and the Maya period involved. Indeed, it has rival Tikal. One shortfalls if you are looking at comparison. You see Caracol, the gem that it is, is when you go there, it's really only about 5 or 6 of the temples that have been excavated out of a possible thirty or so. So when we, all of us Belizeans say that we are so blessed with culture and natural resources, we truly are. What we appear to fall short is the ability to plan properly, to consult more effectively, to determine if we do want to excavate more, how much more, because that in and of itself could possibly, and more than likely, garner more appeal and bring the attraction, which is what a lot of the discussion was about previously. But then if you are going to use terms like compare it to Tikal, then compare it to Tikal, because you then have to ask yourself if that is the kind of tourism that you want. And you really ought to ask those in the tourism industry, Belizean, as well as foreign owned properties and operators, and tour guides, if that is what they want. And then you need to plan for that if that is what they

want. So if you are going to just throw the terminologies and the comparisons, then by all means do it comprehensively. But this is not a discussion on the virtues and on the achilles of the Caracol site itself. Every one of us here, those who have been and those who have not, recognize the beauty, the royalty, the history, the cultural importance, the archaeological exquisiteness if you will, of Caracol. There is absolutely no denying that. But that is not what we are debating here. If you are going to say, as Senator Salazar said, that tourism is our bread and butter, then by all means those in the industry at the very least should have been consulted.

You see there is an IDB Sustainable Tourism Project. There was project I and project II. This is not that. The BTIA were consulted on that STP Project. They don't know about the extent of this loan agreement and what it will or will not do. There is no denying that a road to one of our major archaeological sites should be upgraded when it's in the level of disrepair that the road to Caracol is. There is no denying that. It's a principle position, all Belizeans would support that. It's as synonymous as asking, do you support poverty alleviation? Of course we do.

One of the Senators, I believe it is Senator Panton said, and I believe he used example of the Flood Mitigation Project, IDB, Belama to be precise. You know, IDB and OFID are two very different and distinct entities. He referred to the loan Motion prior, that Senators were so quick to support it. Well if one wants to compare that as well, let's do that, because, Mr. President, when you look at what was presented by the IDB, that US\$10 million was clearly itemized. You don't even have to question where it is going. In my remarks I stated that was a welcome change. That's for US\$10 million. This, however, is for US\$40 million with no explanation, no itemization. On that comparison that Senator Panton gave, where he suggested that those of us who are opposing on either side, or simply opposing for opposing sake, I think it's a bit disingenuous. Not every single thing is a priority. And when you are running an economy where its debt is nearing 100% of GDP, not everything can be a priority. Tough decisions are required. Do we hold off? Is there another way to upgrade this road? But you see, in comparing both the IDB funded loan Motion for the Climate Change Vulnerability Project and comparing this, an upgrade to the road to Caracol, there very two very different things. Our brothers and sisters in the Caribbean, many of whom were wiped out, devastated because of climate change, thousands upon thousands, upon thousands impacted. That was a wakeup call to all Caribbean communities, all coastal communities, whose populations are extremely vulnerable. And the cost of not addressing something that is urgently and rapidly changing would be too much should it not be given the attention, Mr. President. But that is not in this project document that I read, if that is what you would call a project document. There was no mention of climate change vulnerability. I've heard it used, however, to defend Caracol, but that's not in here.

Now, Mr. President, in my papers it says that this is Phase I Loan Motion to finance the, I am paraphrasing here, and if you indulge me to just read from the Motion paper. It says, "To finance the upgrading of 42.5 kilometers of roads." So here are some of my questions. That works out to roughly 26 miles, which 26 miles? The road from Georgeville to Caracol is roughly 46 miles. So when you say you are doing this, finally, we are going to upgrade the road to Caracol, are we really doing that? Because I looked and I looked and I could not find it. Which 26 miles? Why is that important, Mr. President? Well, Georgeville to San Antonio junction is approximately 37 miles. Then there is Douglas to Silver to Caracol, that's about 21 miles or so, may be off by a couple miles. So which section of the Caracol road are we going to spend \$80 million, actually \$88 million, and when you add in the feasibility study cost, we are already above BZ\$90 million. Which of the mileage, which 26 miles? That's important. Because we've heard the arguments being made that it is going to improve the traffic, from which end? Now this is Phase I. None of us in here can say what Phase II is. Will there be a Phase III? Will there be a Phase IV? And what is the totality of this loan project? That's important. Why is that important? Well, this Senate has had to approve loans for major road projects, what we thought was the total amount, only to be brought back again into Chambers to add more money, and add more money, and add more money. So that is important.

Analogies were used, going to a bank. When you go to a bank to get an approval, one has to have your business plan to determine the return on investment, to determine if you are in a position to pay this off. That hasn't been done here. And having receive the notice of this Senate Meeting at approximately 1:36 P.M. via text on Friday, which was the start of a three day weekend, where Monday is a holiday, attempting to call and contact the Ministry of Works to get a copy of the feasibility study is practically impossible. But the request have been made, and so at some point, because I'm sure the ayes may have it on this one, we may actually see what this feasibility study is about; and then we will know what it is that we are actually paying for because none of us in here, based on the arguments I have heard, can state specifically what it is. The argument I have heard is that this has been around for a long time. Many thing, indeed, in this country has been. But like in any good business, when you don't have the cash flow, you got to go back and rethink, Mr. President. The question of the type of road is important because it determines cost. But if you are going to use tourism as an example going through multiple protected areas, the question of the type of road is even more critical, because you define the type of tourism that you want. I've heard from Senator Coy, it's a highway. So we're going to put a highway through our protected areas. Is that the authentic experience that we want? Is that what the community want? We've heard that the hoteliers in the Mountain Pine Ridge area want, that would be all of 3 or 4. That's GAIA, that's Hidden Valley, that's Blancaneux. I believe there is still Pine Ridge, unless there's been some changes there which is a smaller property. So the natural question will be, did the feasibility study speak to the increase tourism attractions and hotels, both large scale and small scale that will come? Or are we actually taking a field of dreams approach, build it and they will come when we are near a 100% of GDP?

There is no denying that several of the roads throughout the country need to be upgraded. And that will always be something that any government will have to contend with in prioritizing which roads do we go after and when based on cash flow, based on future indebtedness that it puts its citizenry in. You know the Prime Minister in one of his, both Independence and New Year's presentation made this same claim, build the road so that tourism can thrive for Lamanai. Build the road to Lamanai. But it wasn't a road to Lamanai, and he said it and it was never challenged. There was no documentation presented to determine the pros and cons, and the priorities. Senator Romero quite accurately mentioned, there are definitely a lot of other roads that can positively impact citizenry and people of Belize; and improve lives as what Senator Duncan is trying to go after, by virtue of mitigating the flooding paths which eventually hurt their agricultural crops far more than the few hoteliers that's on that stretch of road. So the question of prioritizing when we are going to spend is an important one when our cash flow is tight.

Mr. President, I also heard that these days we don't speak anymore of \$1 million per mile per road. Indeed, we don't. With this one it's working out to \$3.4 million, but with Faber's Road it was just all of \$8 million. Yet in here, in these few pages for \$80 million, it doesn't justify how its \$3.4 million. In these few pages it doesn't tell you how doing this is going to positively impact both Belizeans living in and around the area, and tourism and other business interest in the area, as well as raised and bring other investment in the area. It doesn't say so. And it's for \$80 million. That's important because if it did I would at least be satisfied that some thought was given to a strategy or responsible plan for tourism and business generation in the area. But it did not, Mr. President. It simply did not. I've heard things of its more than tourism. We have to extract people from time to time from these areas. Again, I am asking which area because the road is about 46 miles, but this is for about 26 miles. And the extraction that occurs is not necessarily on that road to Caracol.

Now we are getting in to the Chiquibul Forest Reserve. That certainly needs help in getting people out of the reserve. Those who are doing wrong and bringing them to the main road because sometimes it takes days. But I am reminded that we do have a few helicopters you see. Helicopters that hover land, allow people to be picked up and extracted out. Las Cuevas Station, not too far from Caracol has a landing area. So again, I am not seeing where that argument is justified for \$80 million, \$90 million by the time you add the government's contribution and that of the amount of money spent on the feasibility study. A feasibility

study that has not yet been made public. That was not attached to this loan document and in the interest of the buzzed words that have lost value in this country, transparency and accountability. In the interest of a project going on two years called UNCAC that is supposed to demonstrate an effort on all of us that we want to do it better. Why is it not attached? Maybe not even the full feasibility study, but why not the executive summary? Why not that?

Mr. President, nowhere did I find, and I looked, for any reference on the necessary EIA that would be required for a project of this magnitude in an area surrounded by protected areas. Nowhere did I find it. Again I ask, how will the \$80 million be spent? I could not understand given the dire economic situation that we find ourselves in. I could not understand why this needed to be approved today, at this time, and under these conditions. Now I've heard Senator Pantón referred to fixed rate and that this is so much better than the one with IDB. You know, again, looking back at the IDB that's talking to the Libor and the Libor is less than the fixed rate. Again, IDB and OFID, those of you who have been in this far longer than I have, can attest that they are very two different entities, and level of stringent oversight is not necessarily the same. Now talking about oversight, I have heard the argument in defense of why we don't need to be concerned, I believe is referred to as the Project Execution Unit in the Ministry of Works. And there is no denying that there is very good technical people there. In fact, so good that they defied, they defied the norm and said on that Lake Independence Boulevard, this is what needs to be done, you cannot shortchange it, because if you do, you are wasting money and you are going to cause a whole heap of trouble. So they are good, as long as they are allowed to do their work. So there is no assurance that we won't have another episode where that same Project Execution Unit councils and advices but yet their recommendation is overturned. You see, that's the climate that we are being asked to approve over \$90 million. That's the environment that we are in. We are in an environment where the people of Belize seriously have issues with trusting this government with accountability and transparency, with responsible management of the financing. That's not an opinion, that's a fact. If it were not, we would not be in the mess that we are in, if it were not, there would not be an UNCAC Project. If it were not there would not be so many protest occurring, both socially and physically. What does it hurt to hold this back? What's the design? Is it absolutely needed for \$80 million, or can it be retweet? Can the expenses be cut? Nobody in this Chamber knows the answer because the feasibility study has not been provided. Now, when you get the feasibility study, which, of course, now I know it would be provided because we have now written for it since it's not publicly available. It is important to ask those questions given the climate that we are in because one should know what the alternatives are. In a feasibility study, it should have looked at the various scenarios and types of roads where the bridges were, we know none of this. More importantly, we don't know which 26 miles this is going to fund. But because it's a feasibility study, it should also give us some guidance on how we are going to recover these loan monies. In most, if not all IDB Project, there is a sustainability component that it calls for. One has to demonstrate how the country is going to recover the monies spent because it's not warrant money.

So the point that, as per the public statistics available by the Belize Tourism Board up to 2016 of where there is 9,200 there about guests per year is a valid one. Because over the lifetime of this project, one would like to see what the projection is because of this one road. How that 9,200 will grow per year, each year? What would be the investment incentive package provided to stimulate the growth in the area? What would be the ancillary services? Because, unlike all archaeological sites, and this is one of the most remote that is available to the public, one would want to see that there is plans for a triage center of source, emergency medical services, that's if we are serious about all this tourism growth that is supposed to come. The Forestry Reserve as it is, the revenues coming out of there is minimal. So again the feasibility study should speak to what would that percentage growth be because of this one road. But you can't speak to it, Mr. President, in isolation of Phase I. What will Phase II be? Will it end at Phase II? Because 26 miles of 46 miles is not going to do all that, unless there are the formulas in that feasibility study that demonstrates otherwise.

Mr. President, it's important to understand that there are more than, there are several ways that one can improve visibility, accessibility, enhance security since the unfortunate death of Danny Conroy. There has been an improve presence at Caracol. There's been an improve protocol. It's unfortunate that it took that incident. But Senator Pantan suggests that it was due to the lack of road why reinforcements could not have been sent. I would like to remind Senator Pantan that it was almost a year prior to the incident that public officers sent the call up to National Security that presence was needed there. It wasn't about access to the area. We did not listen to that call. So it's not that there was no upgrade on the road. It's that we did not listen to that memo. We did not take heed.

But, Mr. President, I want to stress why I think it's so important that we don't rush this loan Motion. And I associate myself with the comments made from my colleagues in this Chamber that is signaling the concern of our ability to pay back, and the fact that the level of our debt is already nearing 100%. It's above the 90 mark. Mr. President, I go back to the fact that we are being asked to approve a loan Motion of \$90 million when you add it all up for 26 miles of road. Yet, on December 29, I beg your indulgence for me to refer, so that I can quote correctly, the words of the Prime Minister. On December 29, 2017, rather elated in his New Year's message that finally we got funding for the full paving of the Caracol Road. And he stated, "I just received a letter from the Director General of OFID, confirming an offer of a US\$40 million financing package for construction of the entire Caracol Road." The entire road, Mr. President. He went on to say, "We had thought we would need several partners to fund a project of this magnitude which will greatly add to the overall tourism vision and open up the natural and environmental wonder of that entire area, including Mountain Pine Ridge." Those aren't my words, those are the words of the Prime Minister of this country who said, BZ\$80 million was for the entire Caracol Road. At what point did that go to 26 miles? And which 26 miles? And what is the tourism vision and plan for that area? And is it only for tourism of that area? Because I have heard about agriculture, I have heard about flood mitigation, I have heard about national security, yet it was not mentioned by the Prime Minister.

So, Mr. President, I have difficulty in approving at this juncture a loan Motion for \$90 million for 26 miles of road, when our Prime Minister of this country said it was going to be for the entire road. And when nobody can demonstrate why it changed, how it changed, when nobody can demonstrate what is the return on the investment. We are not here to debate the greatness of the Caracol Archaeological Reserve. Like some of my colleagues, I have been there and I have camped out there. It's glorious. That is not what we are debating. But I do get concerned when somebody change the project scope from the entire road to 26 miles, went against the Prime Minister's words, yet we have not been told why in the entire discourse today. Mr. President, it was referred that this road has been an area of concern from the time that I was, my brief time as Director of Tourism. And at the expense of aging myself, that's about some 20 years. I can tell you, Mr. President, that the likes of 80 million was never discussed. I can tell you that back then the level of visitation wasn't where it is now. I can tell you, back then the debt was not at where it is now. But, Mr. President, I can also tell you that in the same likeness of the words, or at least in the same spirit that I took it to mean by the Prime Minister, the magnitude of such a project would have required a comprehensive feasibility study. The pros, the cons scenario, one scenario, two scenario, and all the consultation, meaningful one at that so that you could have looked at the percentage growth, not just in tourism in the area via arrivals, but in terms of the tourism plant. In terms of the increase in perhaps crop per acre for the farmers in the area; in terms of ancillary services provided by community residence in the area; In terms of boost in Belizean visitation to one of the more remarkable places of this country but we don't know that now. And that is why I cannot support this loan Motion. At some juncture we are going to have to change the way we do business, or at least how we do discourse in this Chamber. And it certainly would help, Mr. President, if we had all the information with us.

And I close, Mr. President, as it was remiss of me not to do so earlier, to congratulate the new Senators with us today, Senator Pantan, Senator Romero and Senator Mahler. And I hope that it would signal to all three that the varying perspectives that should come out of

this Chamber should certainly be different than what we hear in the House, and I welcome their perspectives for different view on things. Thank you.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Thank you, Mr. President. In winding up this very lengthy debate, Mr. President, there are a few points. First of all, I want to remind colleagues of the roles and the separation of the roles. The way we are governed gives authority to an Executive composed of a Cabinet and then technical people, highly qualified technical people, for all intense and purposes, who are then able to do everything we do. In fact, if you are a student of the British Constitution you will understand, there used to be a program from the Ministry. Highlighted the fact that all that was done with the Minister was to write his speech and put the scissors in his hand and tell him where to cut the ribbon. But his authority was that he wanted that bridge opened on the 9th September, and not the 10th. And the finance people and the engineering people and everyone got that done. I preface with that because while I heard, and I always hear Senator Woods and all our other illustrious colleagues who give their presentations and request for documentation.

I go back to a time passed in 2003, right up when I was first in this Senate when documentation was passed. I have insisted, Mr. President, that we present as much details as possible to be able to refer to the Motion at hand. And now, we are elevating that. But that is why we have an Executive. Let me be very clear. All of us in here, I think, all of us in here are professionals at different levels, but that is not how we are appointed. The Constitution of Belize simply says, "To be a Member of the other House, you need to be a citizen of Belize of age 18, and upwards, and you have to be resided here at least one year immediately before you were elected." As a Senator, you have to be a citizen of Belize, age 18, and you have to reside in Belize at least one year before you are appointed. It doesn't require any other professional requirement. There was the question of management of the project. That is not our responsibility. We cannot determine that. We do not have that expertise here to determine whether x, y, and z can manage. That is why there is a Project Execution Unit, not a Project Advisory Unit. An Execution Unit staffed by topnotch engineers. And I've heard reference time and time again, to the Faber's Road Project. But I recall when that one came up, there was a press conference where a very well qualified engineer got up and he spoke for about an hour and fifteen minutes and he detailed every block, every depth, every quantity and how they arrived at that price. And the media had no questions after that. Because that is what you do. That was not for the Prime Minister to do. The policy decision was, we'll will do Faber's Road. The engineers, and the technicians, and the accountants, and the finance people, and the legal people worked that out. But it is the responsibility of us and the authority of us to contact all those people in the Executive to get whatever piece of information we may need to satisfy ourselves. It is not the responsibility of anybody in here to bring that and to detail that here to Senators. It's the other way around.

Senator Mahler talked about the road but there is a paper that was circulated. I trust he had gotten his copy which talks about the civil works and its description. It says, "The road works will be widening and upgrading the existing single carriage way, Caracol Road to an asphalt surface road." Senator Thompson asked why it was asphalt and that's what it says here. If he has further questions, the Ministry of Works will be able to answer that. "With two lanes totaling 7.3 meters width, with a 1.5 meter shoulder on each side. And the works include the improvement of the geometric alignment, both horizontal and vertical and the construction of embankments." That is details we need for the road works. "The bridges, we will be constructing 6 reinforced concrete bridges with a single span varying from 15 meters to 70 meters. Bridges will be 9.2 meters wide and include 2 (3.7) meter wide traffic lanes with 0.6 meter wide shoulder one each side. Bridges will have two reinforced concrete abutments at each end, and in addition, further works will include the improvement of the furniture lighting and safety measures." It tells you about drainage. And it says, "Including the provisions of line drains on both sides of the road." And it tells you about ancillary works. That is the details we are being asked. We are given so that we

can decide, are we going to support the request of the Executive to improve access to Caracol? It's about access.

And Senator Woods talked about which 26 miles? Any way you take it, it is 26 miles of top high quality access on the road to Caracol. Government's job, Mr. President, is to build infrastructure, roads, bridges, parks, sporting facilities, water systems, and electricity. Government supports the private sector in this. No private sector entity takes that on. Government, through its department support the private sector in every way. Government supports in health and education. But it's the first time I am hearing whether a particular road, the study should indicate whether the road can pay back. If I was on the private sector side, agreeing with government to build the road, and government was going to toll the road, then I would figure when maybe I could earn my money back, but this is what government does. Because you see, Mr. President, if we look at a lot of the investment, in electricity for example, all the way to Punta Gorda, if you look at a 100 miles road to Punta Gorda, I am sure that the few villages along that road would never justify the construction. But that is what government does. It does create access. Access then brings opportunity for the private sector.

I heard Senator Romero talk about Lamanai. Well, and I heard Senator Woods says it's not a road to Lamanai. But there is a road to the beautiful village of Lemonal. And when you get there, it's an exactly 18 minute now ride to Lamanai. Absolutely beautiful. And I have never seen a feasibility study or anything, but because am in that area, I have seen buses, and buses, and buses of tourists going there now, that perhaps never visited Lamanai, because originally they had to go to Orange Walk and go on a terrible road all the way around, or take a lengthy boat ride about 25 miles or some such thing. That access has created the opportunities for a lot of people, and so there's increase tourism business.

I heard Senator Romero talk about other areas, but let's look at the road for St. Mathews, that was done and what did it create? Cave tubing, all sorts of businesses in that area because that's what access does. Belize River Valley, of course, everybody knows that's my area. The people there are happy when they saw that Lemonal Road because in the old days to get from those villages down would take you forever. And if it ever rained, you were on horseback. So, people are grateful for that. Government will not recover the cost of that road by the road itself. It's the expanded potential and economic activity that infrastructure creates.

Besides, I also understood that the sustainable tourism development master plan included the Caracol Road and that had wide consultation. So it is part of that master plan. Now we can argue and I will appreciate and accept the argument of how to spend limited resources, or how to balance limited resources, or how to balance limited resources. And that is fine, but one of the things that we should not argue about is that, in fact, we have not, by these loans created a burden, and I will tell you why, because, Mr. President, a burden connotes that you have taken on a responsibility, a liability and there is no benefit. If you look at balance sheet of the nation, you will readily recognize that for this loan, the nation get an improved road. So the balance sheet shows a liability that the people of Belize collectively will pay but there is an asset. I can trace back our short history of 35 years and find many times when that balance sheet showed only the liability and no asset. And therefore, when you look at burdens in your business, in my good colleagues business, that's what we look at. Are we going to spend this million dollars and what are we going to get for it? And is that going to benefit us in any way? It is undeniable, yes, right now maybe 9,000 people have gone to Caracol, but who is going to bounce up for 3 to 4 hours on a road, that's dusty, that's hot, that has holes that washboard your shocks and beat them out and everything. You see how beautiful it is now for us to travel. I always use the river valley, and I have been there all my life. There was a time when I would leave my house in Belize City, or where I live now on the Western Highway, and it would take me, 2 ½ hours to get into the river valley. You had a ferry to cross, you had a disgusting Boom Road, etcetera. I can leave there, I leave there sometimes at 11:30 P.M. because I know that at 12:00 I am in my house. That is what infrastructure and access does. And it's a government responsibility to help in those areas.

Finally, Mr. President, I want to make the point that as we talk about these projects that we are borrowing for, remember that the typical thing is not necessarily the GDP ratio to the debt. It is the repay-ability. This project goes on 5 years before we pay the first dollar. Five years! And then we have another 15 years. All the experts in finance, the lending institutions, they are not stupid. Remember this is not the old times when we had commercial loans that we paid high interest rate on a short term because nobody cared. There is a lot of money being made with just processing those loans. These are institutions that don't willy-nilly lend their money. They sit-down, they look, they work, they determine, they look at the macro situation and they determine you have 20 years to repay it back. And you have a low rate of interest and there is going to be benefits. And yes, I am sure that the Honourable Senator will get a copy of the feasibility study. And I appreciate the enthusiasm to look at it but we must put it in its right perspective. This Senate is being asked a simple question, do we approve that US\$40 million should be spent on this road, which has been described, which will give access to Caracol, which is part of the tourism master plan? The question is, yes or no?

I ask that the question be put.

MR. PRESIDENT: Honourable Members, the question is **NOW, THEREFORE, BE IT RESOLVED** that this Honourable House, being satisfied that the loan proceeds would significantly contribute towards the efforts of the Government to improve connectivity and accessibility, between the George Price Highway and the Caracol Archaeological Site, through the upgrading of the Caracol Road, approve and confirm that the Government of Belize may enter into a Loan Agreement with the OPEC Fund for International Development (OFID) on the term and conditions set out above, and further authorize the Minister of Finance to execute and deliver the said Loan 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.

6. Stores Orders (Amendment) Regulations, 2017 – Affirmative Motion, 2018.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that:-**WHEREAS**, the provisions of section 23 of the Finance and Audit (Reform) Act, Chapter 15 of the Substantive Laws of Belize, confers powers upon the Minister responsible for Finance to make Regulations for giving better effect to said Act;

AND WHEREAS, the Minister of Finance has used such powers to make Regulations to amend the Stores Orders 1968 to increase the ceilings under which Accounting Officers may purchase stores and also to obtain stores items from abroad without first having to obtain the written approval of the Financial Secretary;

AND WHEREAS, increase in the ceilings are as follows:

1. Total Cost of Individual items of stores: \$10,000 (up from \$3,000);
2. Total Cost of Items of stores in one Single Order: \$20,000 (up from \$7,000);
3. Total Cost of items to be obtained from abroad: \$50,000 (up from a requirement that all foreign purchases required prior approval);

AND WHEREAS, no change has been made to the Tender procedure itself as

outlined in Chapter 10 of the Financial Orders;

AND WHEREAS, these new Regulations were deemed necessary as the last time the ceilings were adjusted was in the year 1992;

AND WHEREAS, with the passage of time, such low ceilings had become unduly constraining and restrictive and have contributed the slow processing of government purchases;

AND WHEREAS, a copy of the new Regulations entitled STORES ORDERS (AMENDMENT) REGULATIONS, 2017, is annexed as Sessional Paper No. 39/1/13;

AND WHEREAS, section 23 (4) of the Finance and Audit (Reform) Act, Chapter 15 of the Laws of Belize, Revised Edition 2011, provides that all Regulations made by the Minister shall be subject to affirmative resolution of the National Assembly;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the said STORES ORDERS (AMENDMENT) REGULATIONS, 2017, will give better effect to the provisions of the Finance and Audit (Reform) Act, Chapter 15 of the Laws of Belize, Revised Edition 2011 and to the general efficiency of government operations approve and affirm these said Regulations.

Mr. President, my colleague, Senator Rocke has been asking if we didn't lay it on the Table. Let me just do a quick explanation. There are two types of S.I's or Statutory Instruments or Regulations, one for negative resolution and one for positive resolution. This is one of those that's positive resolution and requires approval of both the House of Representatives and the Senate before it comes into effect. The others are generally, can be questioned, but generally they don't necessarily require that approval as they simply follow a subsidiary legislation to the principal Act. This one is one of two today that requires affirmative action. And what it attempts to do, as we said, is just to raise the ceiling. As you know, back in 1992, in fact, back in 1968, salaries at some of the bigger institutions were like \$30 or \$40 per month. Bicycle, I was reminding my colleague, you would buy a bicycle, a good racer bike in those days for \$72 at Sabido and Hydes lane. Today you are looking at \$10,000, or \$15,000, or \$20,000 for those bikes. So it is simply so that the accounting officers who are the CEO's have the authority, with a higher sealing than previously existed and burden the Financial Secretary less. It is not subject to any less regulations but simply increase in the sealing.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, while I will acknowledge that these Regulations have not been adjusted since 1992, I caution that today we are in an environment when we certainly need more fiscal discipline, when we need more oversight, and when Belizeans are demanding, our right thinking Belizeans, at least, are demanding that we have more controls. I wonder, Mr. President, and it would be interesting to know if the Auditor General had any input into these recommendations. We are seeing now that Accounting Officers are now able to buy items from abroad without first having to obtain the written approval of the Financial Secretary. And it goes, Items of Stores - \$10,000, Other Items of Stores, Single Order - \$20,000, and the total cost of items to be obtained from abroad, \$50,000. Well, this is no small change. This is not any small change at all. If we have so many questionable spending in all the Auditor General's Report that we have seen, shouldn't we be focusing as well, on how do we deliver better oversight? More transparency and more accountability in how you spend? Maybe the sums are outdated. But one certainly would have appreciated in today's day and age with the low confidence people have in those that spend tax payer's money, wouldn't we have been better served by seeing legislation accompanying these increase in limits to tighten, to discipline first of all, the transparency second of all, and the accountability? We see no such. What we are seeing today is the relaxing that now a CEO under instructions from his Minister will be able spend and purchase up to \$50,000 without going to tender etcetera, etcetera from abroad. One would have thought that in trying to stimulate the local

economy that we would have seen legislation that would have said, let us put this out to tender so that the Belizean business class have an opportunity to supply these needs.

Mr. President, in the environment of low confidence that exists in our country today, we advise that measures accompany this piece of legislation that will guarantee, that will give tax payer's every confidence that the spending of such monies are being overlooked, that the oversight mechanisms are in place. And most of all, I recommend strongly that the Auditor General's input be sought before we change any of the Regulations that deal with the spending of the people's money. Thank you, Mr. President.

SENATOR H. PANTON: Aye! I did not anticipate as a temporary Senator I would be working so hard for that little stipend, Mr. President, but work I must. From my colleague Senator's presentation, you would think that absolutely nothing else, but first of all, before we get to the substance of the Regulation, right, it is not the legislation, it is a piece of Regulation. It is not here for passage. It is here for affirmative resolution. Only Regulations carry that distinction. Now, prior to the proposing of these Regulations, the Finance and Audit Reform Act designated the Financial Orders and Stores Orders as administrative only. Right? Administrative policy only. So they had no force of law, no substance, and no thief behind it. They were administrative only. And for completeness, and for the benefit of all, with your permission, Mr. President, I would want to read the amendment out in its totality, particularly section II, because the entire picture must be gotten. With your permission, the Standing Order 7 (1) of the principal Act is repealed and the following is substituted. "An Accounting Officer may make verbal contracts for works and services under \$10,000." An Accounting Officer may make written contracts to a limit of \$50,000, with the approval of that Accounting Officer's Minister. "Tenders shall normally be invited for contracts over \$20,000. Tenders shall be invited for contracts over \$50,000." So what we've done now, we've gone from a situation where the Financial Orders and Stores Orders were administrative in effect only, to now, there are instances when contracts may be entered into and there are instances when contracts shall be entered into.

So, I am going to use the most diplomatic language to say disingenuous but, Mr. President, what is contained in these amended regulations today is not the same thing that Senator Lizarraga was speaking of.

SENATOR V. WOODS: It's actually a question, Mr. President. Is Senator Panton referring to Stores Regulations or Financial Regulations, I thought we were on the Stores. Just a question. His references appear to be, perhaps it was the glasses. But your references appear to be on a Motion that has not been read.

SENATOR H. PANTON: If I may, yes, right. I thank my colleague for that very insightful correction. And yes, it was the glasses. But for totality, let's read that one as well. Make sure I have the right one, Stores Orders.

SENATOR M. LIZARRAGA: Does, the gentleman have the ability to come back again and debate the matter again? He's had his opportunity to debate it, wrongly, but he's had his turn.

MR. PRESIDENT: Senator Lizarraga, the Senator over that side made the correction. He is just correcting the mistake. Please, continue. One second, Senator Panton. Let us please move on with the Senate business, right. I do not want another instance where this nitty-gritty back and front continues, okay. Please. Senator Panton, please continue.

SENATOR H. PANTON: If I may, with your permission, Mr. President, read the amendment to the Stores Orders Regulations. "Where possible, stores shall be purchased from the cheapest source, whether local or foreign. However the Accounting Officer or other responsible officer shall ensure, prior to purchase, that the quality of item is suitable

and satisfactory. An Accounting Officer shall obtain the prior written approval of the Financial Secretary, where the cost of individual items of stores to be purchased locally, exceeds \$10,000, or the total cost of items to be purchased locally in any single order exceeds \$20,000. Accounting Officers and other responsible officers shall use the tender procedure outlined in Chapter 10 of the Financial Orders.” And with your indulgence, Mr. President, at subsection 3, 15 of the principal order is repealed and substituted for order 15 is, and I quote, “Where an Accounting Officer desires to obtain from abroad, stores whose cost exceed the sum of \$50,000, he shall first obtain the written approval of the Financial Secretary.” So this is a little bit wider but accomplishes this exact same fact. It moves the Financial Orders and the Stores Orders from an administrative position to one that is contained in regulations outlining with specific figures when the tender process is to be used, when it is not to be used and the process to be entered in, depending on which process you are using.

Finally, Mr. President, I had suggested that it would be wise for Senators to tour the Ministry of Economic Development and the Ministry of Finance, but actually, far more than a tour, Senators need to be appraised of how the government system works, because no CEO can order anything. No Minister can order anything. There are system of checks and balances in the government system. No one person, no one single person can do anything with a single penny of government money. The Finance Officer in the ministry is what is referred to as the first approver, but what gets on the Finance Officer’s desk is not what the Finance Officer decides. Whatever is needed comes up through the ministry. If a box of paper clips is needed on the desk of the secretary, the secretary goes to her superior and says, I need a box of paper clips. The superior goes to his superior and a formal purchase order is written out. That purchase order goes to the Finance Officer. That Finance Officer checks what is budgeted for that month, what is allocated for that month with regards to office supplies to see if monies are available in that vote. If so, that formal purchase order is generated and it goes then to the Accounting Officer for second approval. There is a process. It doesn’t happen overnight. And now concomitant with that process are specific things that must attend to when you choose to spend \$10,000, when you choose to spend \$20,000, when you choose to spend \$50,000, contained in the Stores Orders which were previously administrative only. Thank you, Mr. President.

MR. PRESIDENT: Honourable Members, the question is **NOW, THEREFORE, BE IT RESOLVED** that this Honourable House, being satisfied that the said STORES ORDERS (AMENDMENT) REGULATIONS, 2017, will give better effect to the provisions of the Finance and Audit (Reform) Act, Chapter 15 of the Laws of Belize, Revised Edition 2011, and to the general efficiency of government operations approves and affirms these said Regulations.

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

7. **Financial Orders (Amendment) Regulations, 2017 – Affirmative Motion, 2018.**

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that:- **WHEREAS**, the provisions of section 23 of the Finance and Audit (Reform) Act, Chapter 15 of the Substantive Laws of Belize, confers powers upon the Minister responsible for Finance to make Regulations for giving better effect to said Act;

AND WHEREAS, the Minister of Finance has used such powers to make Regulations to amend the Financial Orders 1965 to increase the ceiling under which Accounting Officer may make verbal and written contracts;

AND WHEREAS, increase in the ceilings are as follows:

1. Authority to make Verbal Contracts: \$10,000 (up from \$2,000);
2. Authority to make Written Contracts with approval of the Minister: \$50,000 (up from \$20,000);
3. Authority for Accounting Officers to Normally Invite Tenders: Above \$20,000 but below \$50,000 (up from \$10,000);
4. Authority above which Accounting Officers Shall Invite Tenders: Above \$50,000 (up from \$20,000);

AND WHEREAS, these new Regulations were deemed necessary as the last time the ceilings were adjusted was in the year 1992;

AND WHEREAS, with the passage of time, such low ceilings had become unduly constraining and restrictive and have contributed to the slow processing of approval for small government contracts;

AND WHEREAS, a copy of the new Regulations entitled FINANCIAL ORDERS (AMENDMENT) REGULATIONS, 2017, is annexed as Sessional Paper No. 40/1/13;

AND WHEREAS, section 23 (4) of the Finance and Audit (Reform) Act, Chapter 15 of the Laws of Belize, Revised Edition 2011, provides that all Regulations made by the Minister shall be subject to affirmative resolution of the National Assembly;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the said FINANCIAL ORDERS (AMENDMENT) REGULATIONS, 2017, will give better effect to the provisions of the Finance and Audit (Reform) Act, Chapter 15 of the Laws of Belize, Revised Edition 2011, and to the general efficiency of government operations, approve and affirm these said Regulations.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, again, we see an effort to slacken controls rather than to tighten controls. And we ask, why? Here we have in this piece of legislation before us that an Accounting Officer may now make verbal contracts. Verbal contracts for works and services under \$10,000. And an Accounting Officer may make written contracts to a limit of \$50,000, with the approval of that Accounting Officer's Minister. It goes on to say that tenders shall normally be invited for contracts over \$20,000. 'Shall normally,' what does that mean? It goes on to say, tenders shall be invited for contracts over \$50,000. So it's not normal then, for contracts over \$20,000. Again, discretion.

Remember, Mr. President, and colleagues, that the law before allowed them to make verbal contracts of 2,000, now we are taking it up 5 times. Or I can tell you, boy go ahead. Or the Minister can instruct, give that one that thing, go ahead. No tendering process. No oversight. Correct me if I am wrong, colleague, and I am sure you will. But it says, "With the approval of the Accounting Officer's Minister." So now the Minister is getting involved. A while ago you said, and I hope I heard you right, or wrong, you know, that there was a process and it came from the bottom. That people in the ministry decided that they need certain things and they were going to buy a box of staples or whatever it is, paper clips, as you said. Well paper clips doesn't cost \$50,000. But now you see its coming from the top. Now it's the Minister who can approve and tell the Accounting Officer that he may commit certain things with certain people, and its legal now under law.

Again, it says here, "the authority may make written contracts with the approval of the Minister to \$50,000." And this is up from 20, so again, the Minister is involved, okay. So, Mr. President, and colleagues, again, we question from a strictly administrative standpoint, colleagues. Is it wise and prudent in these days when people are calling for more accountability, for us to be relaxing, so to speak, the limits under which political persons can now instruct professional persons, what to buy, from who to buy, up to a certain limit? We

certainly advise against it, and we certainly look forward to, at some time, hearing from the Auditor General, if this was one of her recommendations for strengthening and tightening the way we use, and, in many times, abuse of the spending of the public purse. Thank you, Mr. President.

SENATOR V. WOODS: Mr. President, just a few comments. I note in the Motion it refers to the need to amend the Regulation. One of the reasons cited is because it's become unduly, constraining and restrictive. That really is a subjective term. I mean, how much of a constraint has it been, how restrictive? I associate myself with the comments of Senator Lizarraga because I do think in terms of the environment that we find ourselves in, perhaps it's not an increase in limits that we should be looking for, but perhaps a more effective change in the system. Having worked or briefly in public sector, verbal briefly, many years ago, and having worked in the private sector, I have come to appreciate check and balance, because where you least expect it sometimes is where the mismanagement is occurring. What comes to mind, for example, in a private sector analogy is that of petty cash. And the stories from so many accountants from different businesses, can tell you what occurs when so much subjective and individual authority is given. So I am a bit concerned in terms of how unduly these constraints have been that have resulted in an increase in limits to subjectivity as oppose to looking at the system instead.

I am also reminded of a comment that Senator Panton made earlier in the day that a corrupt government requires a corrupt business sector. If one subscribes to that, I am not so sure how this is addressing that, especially the individual aspect, the individual authority. I would think that if one subscribe to that view, we would definitely want to make sure that government isn't certainly facilitating that. And now why do I say that? I say that because it may seem like a minimal figure to go from \$3,000 to \$10,000. Why is the Regulation not stating how many times can an accounting officer do that? Ten thousand can easily amount to \$120,000 if you do it once per month. It can easily be \$240,000 if you do it twice per month and so forth, and so on. So an attempt to limit or control that it doesn't go uncontrolled and unregulated perhaps should have limited the amount of times an Accounting Officer, in a month, in a quarter, in a year, can approve verbal contracts. Now let me say, as a matter of principle, I do not subscribe to verbal contracts. And if there must be because of administrative efficiency then it really ought to be at the absolute minimum. Even more so, if you are not going to put in the regulation a limit for the amount of times because it is not just \$10,000 if the person can do it once per week, once per month, once a quarter, it's just not \$10,000 anymore. And also on the type of expense. So that's a concern I have and if there is room to improve that, I certainly would suggest it.

The authority to make written contracts with the approval of the Minister. Again, the same point applies. And then the authority, I am a little bit concerned also on the choice of words for normally, I am not so sure what the intent is there. I am assuming from a layman's perspective that that is suggesting that may or may not. And every time you have something like that it introduces a measure of subjectivity without any limits again, it can get out of control. And I don't think we should pretend that we don't that's a reality. It's one both in the private sector, as well as in the public sector. But doing this as is without any limits upper, minimum, as well as frequency of time, I think we may be opening a door and one in an environment right now that we can least afford. So, Mr. President, while I am always from a private sector perspective looking for efficiency, I do value the importance of process, procedure, and check and balance. And I don't see how this is addressing check and balance without having a limit on the frequency and with even allowing verbal contracts to go above where it is. Thank you.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Thank you, Mr. President. Just some clarification because there seems, to be perhaps some confusion. First of all, we have to remember that this is not an open-end thing where there is a kitty of money that the Accounting Officer will dabble in. These stem from a budget with heads and subheads which are controlled tightly. So if your head and then your subhead has \$20,000, that is where you are. You cannot, it's not open ended.

But what we are doing here? This is not new regulations and I want to remind this Honourable House that from 2005 to 2008, we had no regulations because the Honourable Ralph Fonseca suspended them when he was Minister of Budget Planning. And the Finance and Audit (Reform) Act Section 23 said, tell me if I remember well, was suspended. It was brought back into force under this government in 2008. I insisted it come back in. What we are doing here? The old law says, and I will read it, “Verbal Contracts,” so there were always verbal contracts, “May be made for works and services under \$1,000. Accounting Officers may make written contracts to a limit of \$20,000, with the approval of their Minister.” It was always there. ‘And tenders shall normally be invited for contracts over \$10,000. Tenders shall be invited for contracts over \$20,000.’ And that is the 701. So nothing in the structure has changed, It’s just the quantum. And the quantum has changed, as I have said before, because, Mr. President, back in 1965 and 1992, the prices of things were so completely different. You know right now, and if you go way, way back in history when I was a little boy, and fortunately for me, my dad had won a lottery and he won a car from the then Santiago Castillo. A Vauxhall. A brand new Vauxhall for \$800.00. Try and buy a new car now for that price, I saw started working at the Royal Bank of Canada in 1964, and my salary was \$25.00 per month. A bicycle was \$72.00. I see Santiago Castillo and those boys riding racer bikes now for \$6,000; \$10,000; \$20,000; and \$30,000. So all this is intended to do is to allow some efficiency but it doesn’t remove the checks, it doesn’t remove the balances, they still have to go through SmartStream, the Finance Officer still has to do it, the Accounting Officer still has to do it. No Minister is on SmartStream. None of them pay anything etcetera. So when the Accounting Officer says, Minister, this is the situation, he still has to go to the budget that was approved, he still has to go through SmartStream, the Financial Secretary will still know. And let me tell you something about the Financial Secretary, half of the things that you apply for you don’t get you know, because he simply says, there is no money. You have to understand, and when he says there is no money, it means that he has to have the income stream before he can approve the outflow stream, that is always how the budgets work. It doesn’t mean that because it was approve of a billion dollars that that is sitting somewhere in the bank for you to draw down. So all of those checks and balance exist man. So please, we are just taking the limits up a little bit and we should be vigilant to maintain those limits. I understand everybody is concerned about transparency and accountability, but let us not spring up these boogie man that everybody is corrupt and everybody is going to do something wrong and the Ministers are going to now start to go haywire and buy from every and anybody because it is not so.

I move the question.

MR. PRESIDENT: Honourable Members, the question is **NOW, THEREFORE, BE IT RESOLVED** that this Honourable House, being satisfied that the said FINANCIAL ORDERS (AMENDMENT) REGULATIONS, 2017, will give better effect to the provisions of the Finance and Audit (Reform) Act, Chapter 15 of the Laws of Belize, Revised Edition 2011, and to the general efficiency of government operations, approve and affirm these said Regulations.

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

8. International Cooperation and Development Fund of the Republic of China (Taiwan) Loan Guarantee Motion, 2018, In Favor of Belize Telemedia Limited.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that:- **WHEREAS**, Belize Telemedia Limited (“BTL”), is a private company incorporated under the laws of Belize which provides under license an extensive array of telecommunications and related services;

AND WHEREAS, majority shares in BTL are together held by the Government of Belize and by the Belize Social Security Board;

AND WHEREAS, BTL is desirous of borrowing funds from the International Cooperation and Development Fund (“the TaiwanICDF”) to assist in the financing of its National Broadband Program;

AND WHEREAS, the TaiwanICDF is prepared to offer BTL such financing in the amount not to exceed Seventeen Million and Five Hundred Thousand United States Dollars (US\$17,500,000) (“Loan”) under certain terms and conditions including the provision by the Government of Belize of an irrevocable and unconditional Loan Guarantee to the TaiwanICDF in favor of BTL, supported by a Resolution of the House of Representatives;

AND WHEREAS, section 6 of the Finance and Audit (Reform) Act, 2005 also requires that the Government of Belize seeks the prior approval of the National Assembly by way of Resolution to offer such a Loan Guarantee;

AND WHEREAS, the main terms and conditions of the TaiwanICDF Loan Offer to BTL are as follows:

Borrower:	Belize Telemedia Limited;
Lender:	The International Cooperation and Development Fund (TaiwanICDF);
Loan Principal Amount:	Up to US \$17,500,000.00 (Seventeen Million Five Hundred Thousand United States Dollars);
Loan Commitment Period:	Three Years;
Loan Term:	Twelve Years including a Three Years Grace Period;
Purpose:	To assist with financing of the installation of a state-of-the-art fiber optic network to connect homes and businesses throughout Belize;
Interest Rate:	5.5% per annum (fixed);
Repayment:	Repayment of the facility will be over a period of Nine Years after a Three Year Grace Period;
Commitment Fee:	0.75% per annum on the portion of the commitment that has not been drawn or cancelled;
Security:	Irrevocable and Unconditional Guarantee from the Government of Belize to the TaiwanICDF in favor of BTL for lending up to US\$17.5 million (Seventeen Million Five Hundred Thousand United States Dollars) to BTL, plus Interest and all other related charges, supported by a Resolution of the House of Representatives;

AND WHEREAS, the Government of Belize is desirous of obtaining the prior authorization of the National Assembly, by way of a Resolution, for the issue of such Loan Guarantee;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that a sovereign guarantee is a key requirement of the TaiwanICDF in the case of this specific Loan, and being further satisfied that the Belize Telemedia Limited has the financial ability to make the payments and repayments in respect of the Loan, and being additionally satisfied that this Loan will lead to the growth of the economy of Belize, hereby approve and confirm that the Government of Belize may issue the required Loan Guarantee to the International Cooperation and Development Fund (TaiwanICDF) in favor of Belize Telemedia Limited for the performance of the Loan, on the terms and conditions set out above, and further authorize the Minister of Finance to execute and deliver the said Guarantee Agreement and all other documents associated therewith for and on behalf of the Government of Belize.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, we've been hearing song of the wonders of this investment in BTL. And the wonders of that continued investments to the tune of some, this is but a portion of the total investments I am being told, an investment that will total approximately \$100,000,000.00 I understand at the end of the investment. We hear tell of a company that is going to deliver great dividends for the people and country of Belize. A company that has a book value of \$1 billion. And we've been through the whole debate about the viability, the profitability whether it made sense or not. But I am going to focus right now on one point. And that after we've hear so much of the grandeurs performance of these companies that we nationalized, we see in the budget book that has just been presented to us, performance dividends from BTL and BEL slightly doing better than they did in last fiscal year. Returns of \$11.5 million in dividends from BTL and BEL combined. And based on the numbers that we have been seeing in the budget presentation at least for BTL. And I am not going to debate those numbers although the business community is well on record as having debated the numbers. But let us take an instance that I believe the numbers show that we've invested some \$300 plus, close to \$400,000,000 in BTL. And I am not going to get into the argument again, as I said, because those numbers do not reflect opportunity costs and interest. And we have invested some \$70 odd million I believe, in BEL. So all told, we've invested half of a billion dollars according to the government's numbers before us today in these two utilities. And dividends from this investment, about \$11 million, less than 2%. Certainly we could have realized that on just business tax at 1.75%. So one again questions whether these, in fact, were stellar investments that were going to add a lot to the national purse, when you see both of them combined, only putting in \$11 million.

Mr. President, Taiwan is saying, look, I am going to lend you the money but I want a national guarantee. I won't stand only on the guarantee of BTL. Do they know something that we don't know? I agree it's a public company when it suits people but then on the other hand it's a private company when it suits them as well. Why was this private company not able to guarantee its own loan requirements if these investments were going to bring back so much returns? Well, if one looks at the budget and believes the budget, we know why. Because, in fact, again, we see the underperformance of these utilities. And what is more, Mr. President, is that one would think that after this \$100 million is going to be invested, and after all the investments in BEL and BTL, that our return on investments on dividends would go up. And according to the budget again, Mr. President, and budget projections, next year we will make same thing \$11 million. In 2019/2020 it's going to go to \$12 million, and \$12 million again, in 2021. So where is the justification for this additional \$100 million ejected into this company? It's certainly not projecting in the returns being projected by the very government that's making these investments. So I must be missing something here. He who owns a company that has a value of \$1 billion will control it. The other one, you have a company that's valued at over \$200 million, probably closer to \$3 billion, \$1.3 billion, you are in control of them, and yet you are projecting minimal growth from these companies and you call it solid investments. And, again, I have to remind that these investments in BTL

have not reflected the cost of money and opportunity cost again. Again you have to question, are we deploying our very scarce resources in the best possible way to cure, not only the economic ills that we have in our society, but our societal ills as well? We have to begin to invest in addressing the core causes of crime in this country, that should be a priority. Taking our people out of misery and poverty, half of our people that should be our priority. Yes, there's a benefit to capital investment. Yes, there is a benefit to infrastructure, but if anything the people in Belize City has demonstrated is that you cannot eat infrastructure, and it's not helping them to advance and get out of poverty man. The social ills will not go away until the people of this country, start benefitting from the investments that we make. The formula is wrong. And these numbers clearly show that the formula is not right. Thank you, Mr. President.

SENATOR V. WOODS: Thank you, Mr. President. Mr. President, there are several questions that come to mind when I read this Loan Motion. And I recognized that Leader of Government Business, Senator Minister Hulse, spoke as the government Senators always do, reminding us of our roles. And that really, there's not much this Senate can do regarding Loan Motions or money Bills. But what it can do is certainly ensure that we have information, and that the public is provided with the relevant and necessary information so that they know what it is that they will be paying for, because it is the people of Belize that's paying for all of this. And why do is state that? I state that Mr. President, because in the Motion and on the document that was sent it refers to the National Broadband Program to assist in the financing of its National Broadband Program. And on the document itself in terms of the loan agreement, it refer to, in relation to, that Broadband Project. So my question is what is the National Broadband Plan for Belize? Where is it? It wasn't provided for. It certainly didn't come attached. Is it a phased plan and how much of this US\$17.5 million is going to address? Which phases? Is it country wide, meaning all districts? Will both north side and south side Belize City have fiber optic to the homes? It doesn't, we don't know. We don't know because once again, there is a loan for a hefty sum of money for what sometimes is a public company and sometimes it's a private company that the Belizean tax payers are asked to pay but they don't know what they are paying for. We should all have a problem with that. So I don't see how we can even consider this. We should ask for that. We should ask for that also because what this Loan Motion is doing is asking for government to guarantee a loan for what sometimes is dubbed private and sometimes is dubbed public. Why is government required by Taiwan to guarantee this loan? What is the state of affairs of Belize Telemedia that on its own merit, cannot embark on whatever the National Broadband Program is because we don't know because it's not here? Why is it that they need a guarantee? And if it is that they need a guarantee, Madam President, if it is that they need a guarantee, then should we not then be given some information on the business plan to ensure that they can meet it? Should we not be given some measure of confidence assurance that the phone company that government is going to guarantee, US\$17.5 million for a National Broadband Plan that the country does not know its extent, where it will cover, how many phases, if there is a phase? For a company whose stock management is practically all foreign, yet it is our company, it's our Belizean company, the one that we have spent so many millions for. So I'm concerned that after asking for US\$17.5 million, we can't address any of that. What are your plans or projections to repay so that the Government does not have to act on that guarantee? Certainly there is a reason why Taiwan felt the need to ask for a guarantee on what should be a very profitable company. And what is the coverage of National Broadband Plan? We don't know because it's not in here. So that's a question. And though I am not raising any undo alarm or boogie man concept, as Senator Hulse alluded to earlier, in that case there was no boogie man, it actually had a name by the name of Mr. Blang, but I won't go there.

Madam President, I am also concerned that we are accepting this now and in this format because the Constitution allows for this Senate to send back to the House. And why do I raise that? Because I checked with Mrs. Pech, Deputy Clerk, for the Motion that was passed in the House and I did that because I was a little bit confused in the Motion that was given in my package and it says, "**AND WHEREAS**, section 6 of the Finance and Audit (Reform) Act." So I went to section 6, and with your indulgence I will read section 6. It

says, "Section 6, the Minister may," and this is in reference to advances not loans, not guarantees, advances. And it says, "the Minister may by advance warrant authorize the issue from the Consolidated Revenue Fund and other public funds of Belize advances." This is not an advance;

(A) On behalf of a recoverable fund, other governments;

(B) To an account of trust or other funds administered by the government or to or on behalf of public bodies, or institutions, or individuals, where such advances are in the public interest and are recoverable within a period not exceeding 12 months after the close of the financial year.

This is not an advance. This is a loan guarantee.

(C) To Members of the National Assembly for the purpose of meeting conference expenses abroad subject to advances being repaid immediately on return. And for the purpose of purchasing motor vehicles under the terms and conditions approved by the Minister. This is not that.

(D) To public officers for the purposes and under the condition set out in the Public Service Regulations for the time being enforced; This is not that either.

Then it goes on, section 6, because that is what this is referring to, and that I haven't checked with the Deputy Clerk that that is what was approved in the House, section 6, **WHEREAS**, the total advances under paragraph C and D, read earlier in subsection (1), shall not after repayments have been deducted exceed at anytime \$500,000.00 without the prior approval of the National Assembly. So this is not that. This is not an advance. Section 7, however.

SENATOR DR. C. BARNETT: Its section 7, paragraph 6.

SENATOR V. WOODS: It is section 7, Madam President. I cannot understand how this Senate can approve something that was wrongly approved in the House. This cannot stand, and we in the Senate have no authority to correct that, we have absolutely none! Because as we have been reminded ever so often, we cannot usurp the authority of the House, and we should not be participating in it today. We should not be allowing it. We should not condone it. It speaks very sloppy because this is a loan, it's a guarantee. And as you rightly pointed out and confirmed, Madam President, it is under section 7. So we cannot approve this today. This needs to go back to the House.

In addition to that, Madam President, it was in October of 2017, I believe it was the House Meeting of October 21, it was on a Friday, you may check the date, but we the Senate met on the 25 on Bills, on amendment to Bills that emanated from the House of Representatives meeting a few days earlier. And that Bill, one of those Bills, was the International Banking. And it was done specifically to allow Belize Telemedia to borrow monies from an international bank. With your indulgence I will quote, The Right Honourable Dean Barrow, the Prime Minister of the country in the House of Representatives stated on the occasion of the amendment of the International Banking Act, "The need for speed is because BTL has announced this National Broadband Plan, wants to move posthaste, as quickly as possible ahead with their program to bring fiber to the homes," FTTP is their program or FTTH, "so that the services overall, and, in particular the internet services can be improved. This is a matter of great moment and this is a matter with respect to which BTL is looking to seize the day. They have been trying to negotiate loans because it's a huge capital investment. All together it should be something like \$65 to \$70 million. The first phase requires this \$35 million investment. They have been talking to various commercial banking institutions here at home and certainly to one institution in the region in the Caribbean. They have a term sheet from Atlantic Bank and they want to move. The

longer they take the more time is wasting.” So they were expected, they have the term, the indicative term sheet from Atlantic Bank International. Lawyers for that bank signed off on that indicative term sheet and the consulting work that they did for that particular bank. It can be checked if one looks very carefully for the lawyer and his invoice. So the question I ask, how do we go from having changed a Bill, specifically for BTL, to get a loan at that time was never asked for guaranteeing by the government, for BZ\$35 million, from an international bank, named by the Prime Minister, as Atlantic Bank International? How do we go from that, Madam President, to a loan guarantee from the government, for \$35 million? What happened to the first one? That was the reason, the rationale for changing the law. It was for that company and that singular purpose. So there are more questions. Perhaps they can now be answered because this loan Motion cannot be carried today, it has to go back to the House because it cannot be carried under section 6 of the Finance and Audit (Reform) Act. And, Madam President, we really, in good conscience cannot usurp that. It needs to go back. We have been reminded time and time again, we are only just the Senate. We cannot undo that, correct it. It has to go back and be corrected by the House of Representatives.

SENATOR S. DUNCAN: Thank you, Madam President. I stand in support of this Motion before us and honestly feel a sense of pride as we look at the institution called BTL. We have come to a point where BTL is able to increase, improve, enhance its infrastructure to be able to deliver services equivalent to international standards. And we are dealing with an entity that, for the most part, the board and the majority of the staff are all Belizeans. It is owned by Belizeans 49% plus to the Government of Belize, some 34% or so to Social Security Board, and approximately 16% to the general public. We have a company here that over and above the level of dividends that was mentioned earlier, which would be, I suspect the dividends paid specifically to government. We have a much broader base part of our society collecting dividends from this company which would not be included in that document because that budget estimates relates to government. And the dividends mentioned in there is over and above the tax that government collects from the company as well. So I wouldn't want us to limit our understanding of the company to just the dividends that you may see government collect because it plays a much broader role for us.

In addition, years ago, when it was owned by the Ashcroft Group, these profits used to go out and become a drain on our foreign reserves. They now stay in the country. So I do not want us to limit the benefit of what our government under the Right Honourable Dean Barrow did when he nationalized BTL. And I would add rightly so. Back then the biggest trick was played on the people of Belize. The biggest deception where we were led to believe that there was competition. The same person who owned the majority of SMART, some 77%, owned the majority in BTL, and we tried to call it competition. So today, with the breath that BTL touches the number of Belizeans, regular Belizeans and government dividends and the Social Security Board dividends, in addition to the fact that it is being run by Belizeans by and large, I feel that it is a source of pride. In fact, it has been said earlier that we've paid some, I don't know, \$400 million for it. But I think it is only proper that we say on the flip side, that the company will generate much more than that in order to pay back for what we paid for it. We are fully aware, its public knowledge, that in the documents relating to the case surrounding BTL that the expert witness for the Ashcroft Group, PWC, well recognized internationally, has made it clear that up to 2025, the company would have generated \$1.2 billion. And 2025 was not the extent of the Accommodation Agreement. The Accommodation Agreement would have run up to 2034. And only up to 2025, between 2009 and 2025 the company would have generated \$1.2 billion for the Ashcroft Group. That was in the papers, the court papers that were filed by the Ashcroft Group, not by the government. In fact, when you extrapolate and take it to its natural conclusion at 2034, the income is more like, it's closer to \$3 billion. So to pay \$400 million, if that is what we paid for it, I don't know the exact figure, but I know that was mentioned earlier, to pay that while we generate the revenue to cover it. I don't see anything wrong with that. And now for the government to be saying we want to bid on what we have done, so we want to support this entity, but I think that makes a lot of sense.

This is a guarantee that we are being asked to pass. A Motion for the Government of Belize to guarantee BTL, and I want to just make sure we distinguish this from the fact of paying for it. The government is not being asked to pay the debt. The Taiwanese are lending and they want some degree of collateral, and they have asked for a guarantee from the government. This will only be called upon if BTL is not able to repay its debts, its own obligations. But we all know that BTL has been paying its debts and its obligations. For the last couple years BTL's profit has been in the region of \$20 million or there about, I don't remember the exact figure. So as long as the company, and because its own publicly, the shares are owned, the information is very broad based in terms of the performance of BTL, very well known, very public. Because BTL is able to pay its obligations and have been paying and is able to pay the debt, the government feels comfortable to provide this guarantee knowing that it will not need to cough up that amount of money to pay it because BTL can pay it itself. This, Madam President, in a context of a BTL that has substantially reduced the pricing for the products and services we were getting under the Ashcroft Group compared to now, and even with the reduction they are able to pay their bills and give a reasonable and decent return dividends to the general public. In just one instance, I mean the price reduction is not just cosmetic. In just one instance, one megabyte of band whiff has gone from \$500.00 to \$69.00. And even with that type of benefit to the public we are still trying to convince ourselves that what the government did was not proper. With the type of reduction in cost and pricing that they have been able to force and put in place, that of itself made it worth the while to nationalize BTL. And just for clarity, when you add the benefit to the broader public, to the dividends that were being touted about, that is how you come up with the true benefit of what the government did. You cannot just look at just the dividend that government collects. We are now, everybody in this country talks about VOIP, WhatsApp, all kinds of things that was not possible when the Ashcroft Group had it because it was stipulated in the accommodation agreement that it could not be done. So by nationalizing BTL, government then, now, has the flexibility to remove that and to put these things in place, another benefit to the general public. To my mind we are coming a long way and have come a long way from the deception that we experienced under the administration of 1998 to 2008, when we were led to believe that we had competition, not knowing that the same people owned the two telecommunication company in this country. To where we are now, where the information is transparent, the performance of the company is public, there are no management fees being siphoned off out of the country, the profits are still in the country to help the people of Belize and the country develop and grow, prices are reducing, there is no accommodation to eat up our taxes. To my mind, Mr. President, this is a very good move by the government.

Just to add to the point that BTL is able to hold its own. I think it should be made clear that this investment, my understanding is that it cuts like in three parts, roughly 1/3 each where the Taiwanese will be funding this portion, a bank will be funding another 1/3 or there about, and the company itself will be injecting out of its own resources a further 1/3 or so. So the company is not on any deadraise kind of operation. This is a company that's putting its money where its mouth is, and is able to afford it, and is doing a very good job at it. I know talk has been made of a couple, I think, there are probably two or three foreign employees of BTL presently. Buy again, they are here now, but I don't want that to overshadow the fact that they were not always there. They've just come in and I have no doubt they will build on what is there, but Belizeans have been caring this ship and Belizeans will continue to carry this ship. The policy body of this company, the board, is run by Belizeans. So I am very comfortable with what we are doing.

Finally before I sit, the comment has been made about the Finance and Audit (Reform) Act, and the clear error instead of section 7 (6), it was only reported as section 6. It's clear that the 7 was left off instead of section 7 subsection 6. But let me just be clear. We are not debating the Finance and Audit (Reform) Act, we are not here to amend that, we are not here to discuss that. We are here to decide whether or not we want to allow our government to guarantee a debt on behalf of a government owned entity, irrespective of which section of whichever law it comes under. The fact is that we can give our approval for government to issue the guarantee. And that is what we are being asked to do. They are

asking for a guarantee and we have the authority to say, yes, or no, to the guarantee. I do not see why because there has been an error which says that the section 7(6) instead of section 6. The question before us is about the guarantee that we are being asked to do and whether or not it is proper for the government to do it. And I am saying, Mr. President, that it is proper. The government can issue a guarantee. It is doing it for a company that we believe to be solid. We believe that it would be a good use of the resources of our country. And we are comfortable, I am comfortable, in supporting the Motion. Thank you.

SENATOR V. WOODS: I am seeking clarification, Mr. President, and I want to be clear on what I stated because Senator Duncan is referencing to an error. It's not an error. It is, I checked with the Deputy Clerk, I got the papers from the House, it should not be section 6. We cannot be approving, we cannot be debating, discussing, whatever terminology you would like to use based on a paper that came from the House that is referring to a wrong section. Madam President, Mr. President, in your absence she confirmed that I was right in that. So I am asking for clarification if we are going to be asked to carry a Motion that was unlawfully approved in the House. It is not an error. It needs to state 7. There is a clear distinction between advance and loan/guarantee.

SENATOR S. DUNCAN: Mr. President, we have a position that was put forward by one person. I have put forward that I thought, I that we let the debate continue. If Mr. Pantan gets up and say something, I want to make sure that what he says is not his presentation and they will not claim that he has gotten up twice. So if he will be able to clarify that point...

SENATOR H. PANTON: I haven't, that's separate from the point I'm making.

SENATOR S. DUNCAN: Well that's the point I am making.

SENATOR H. PANTON: I have no intentions of even acknowledging that. Mr. President, the amazing thing about this guarantee agreement is that it contains 1, 2, 3, 4, 5, 6, appendices. And I would need to go through them one by one because with all the talk of good governance and transparency, and accountability, when that slaps you in the face, when that is clear for you to see, when Philip Goldson, who is dead and blind, would have to acknowledge that, we don't hear a peep out of Senator Lizarraga. We don't hear a peep out of the Opposition. We don't hear a peep from anywhere. Let's look at Appendix 1. This appendix is appended to accompany the loan guarantee agreement, sorry. And that Appendix 1 is the necessary approval for Belize acting by and through its Ministry of Finance to be the guarantor of the loan agreement such as approval from Parliament. Immediately the Accommodation Agreement comes to mind. Not only did the Accommodation Agreement not have this, it did not see the light of day in this Chamber. Appendix 2, is the Promissory Note. Appendix 3, is the Certificate of Incumbency designating the signatures of who are to sign. Acceptance of appointment as process agent. And Appendix 6, Mr. President, is a Legal Opinion by Guarantor's Counsel. No less than the Attorney General of Belize, has put together legal opinion on this guarantee, and has not only put a legal opinion, has appended it to the guarantee agreement. And that forms part of that agreement. As open, and as transparent as one can possibly get. But do we hear any accolades? Do we hear any support for this approach? Do we hear anything of that sort? No! All we hear is the beat of the same drum. It is wrong. It is wrong. I have no reason why it is wrong but it is wrong. That is why because this was not in place this government went to the Supreme Court, went to the Court of Appeal, went to the Caribbean Court of Justice who characterized the behavior of the previous government with regards to matters that should come before this Chamber as 'malignant tumors.' On the democracy of this nation, malignant tumors.

This Loan Guarantee went before the House with these Appendices. It is here today before the Senate. It is contrary to anything that happened under the previous government. It is the new way of governance. I would go as far as to say it is exactly what Senator Lizarraga continues to advocate in this House, but does he has anything to say about it? No! No! That is for his own reasons. I won't profess to be Ms. Cleo. If I were, I would have

already bought my number for tonight. Fundamentally, Mr. President, what you have, what we have before us this afternoon, is the greatest example of transparency, of integrity. The greatest example and the total aphesis of what transpired or what didn't transpire, because that agreement never saw the light of day either in the House below or in this House. It never saw the light of day. So it is almost poetic justice that the same institution, the same BTL in which they played hard-and-fast and loose with the money and the assets of that cooperation in hiding this accommodation agreement and committing all sorts of taxes and things to the previous owners. It is fitting that it is that institution this government has taken to show, not only these Senators, but the nation how it is approached to lending, an approach to guaranteeing loans ought to happen. Thank you, Mr. President.

SENATOR A. SALAZAR: Mr. President, I must start by addressing something which my Senator colleague mentioned, which I find particularly distasteful and evidences peculiar political bias. And I am sorry that she is not here for me to address it directly, because I have no issues in disclosing that I am the lawyer that she was talking about. And that private transaction has nothing to do with this Motion before the Senate. In fact, I will point out that my support of this goes contrary to my own personal pecuniary interest because I do not work for the government of Taiwan, they have never been a client of mine. Yet, I stand here in support of this because whatever I do in my private practice is beyond reproach and above board. And I have no issues disclosing that I am the person to whom she is referring to. I don't want to drag any of my clients into such lowly dispute.

And I won't say that the fact that there is an indicative term sheet, the fact that there were commercial terms which private lending institutions were willing to lend to this company is testament to the fact that the company is solid and it does not need this guarantee, because it can access the money on its own within the commercial sector, both internationally and locally as the Senator has said. There were interest internationally and locally. So that goes contrary to the argument that BTL needs this. The only reason why BTL is doing this is because it is getting concessionary rates and concessionary terms. So as far as I understand it, if this were to fall through, if the Government of Taiwan were to say we are not interested anymore, BTL will still get its GPON Fiber Optic Network and we will still move forward because it has access to the financial market. So that is a myth. And why is that a myth? Because if we look at the profits for BTL for the past 2 years, it's over \$20 million. In excess of \$20 million. As far as I understand, BTL has a guaranteed return of dividends of 45% to shareholders, 45% of profits to shareholders. So whenever BTL makes a profit, the shareholders are guaranteed 45% of it. Who are the largest shareholders of BTL? It doesn't matter what they say. As I said, you are entitled to your own opinion but not to your own facts. The largest shareholders of BTL are the people of Belize through the government and the Social Security Board. Now you are getting 45%, and I should say, the rest are Belizeans as well you know. The other shareholders are also Belizeans. So you are guaranteed 45% of \$20 million coming into the local economy every year, and the purpose of this is so that the company can make more money.

You see, if you took the time to look, if you look at the revenue streams of BTL, the smallest revenue stream, in fact, there was, I don't like to call negative growth negative growth because it is not really growth, but there was a decrease in its income from broadband of 2% last year, and the year before that was one of the smallest revenue streams, the bigger ones are mobile and so forth, it's right on BTL's website. It is right on BTL's website for you to see. Look at the annual report to the shareholders, it is right in there the revenue streams and the breakdown of percentages. This initiative of BTL is geared towards increasing that revenue stream. Cutting into the competition, some may not like that for reasons which are obvious and which belabored. I don't want to get into it because I prefer to keep the debate clean. So if we look at it, BTL is trying to increase its revenue, increase its profit margins for us as Belizean people to be able to also increase our take.

Also on the BTL website is a list of its top management. I heard my colleague mentioned that top management was mostly foreigner, that is absolutely untrue. While she was speaking, I looked at it on the website. That is not true. BTL's Board is all Belizean.

BTL top management is, in fact, mostly Belizean from what I saw. And even so, what is the xenophobia? Aren't we looking for the best people for the job? BTL is for the Belizean people, we own a majority of it. If we need to employ people with the skills and expertise that we, perhaps have not been able to develop and perhaps we have better expertise in one position, perhaps the CEO, are we not going to engage people simply because they are foreigners? I don't think that that is a valid argument to make. Foreigners are welcomed in Belize, they are assisting in the development of Belize. I don't understand that argument.

In closing, Mr. President, we need to understand that this is not a loan. This is not a loan, it is a guarantee, yes, but it is a guarantee for an entity which is making money for the people of Belize. There is a guaranteed rate to its shareholders who are Belizeans annually. And based on the interest that same Senator spoke about internationally, based on that interest it is more than capable of paying back this loan. This is not a risky guarantee for the Government of Belize. So, Mr. President, I think that when all is said and done, this is a good investment, a good guarantee, and it is going to improve the lives of Belizeans. Thank you.

SENATOR E. ROMERO: Thank you, Mr. President. I rise to contribute on this debate for this Motion. It says that BTL is a private company, so this Motion is to provide an unconditional guarantee. And so, once again, we are providing unconditional guarantee to a private company which we know we've had a bad experience before, and we're having all the consequences to live with. So, the question is, have we learned about providing unconditional guarantees to private companies? What gives me some level of comfort is that the majority shares is owned by the Government of Belize and the Social Security Board. It also says that BTL has financial ability to make the payments and repayments. Now I haven't seen any documents that says that. So the question is, which entity has provided, confirm, certified that statement that BTL has the financial ability to make those payments? If that is the case, I do not have a problem in supporting this Motion. But I do hear the statements from Senator Woods about section 6 and section 7 (6), I am no legal expert so I would like to have a clarification on that. Thank you.

SENATOR DR. C. BARNETT: Mr. President, I just have very few words to say about the Loan Guarantee as I rise to support it. It's really just to clarify 3 simple points. The first is that BTL clearly has no difficulty raising loan funds. From the private sector, in fact, as my Senator colleague indicated before, that's why it had gone through the process and had gotten a term sheet from an offeror. And the only reason why that would have been done is because people offering to lend look at a company and assess the capacity to pay and it was found to be good. The fact that BTL is now coming for a loan from the ICDF, which is the Taiwan Government, it is a state owned financial institution reflects the fact that they can get better terms. It is as basic as that, it's better terms. They are able to borrow at a cheaper rate, from this agency. So that's the second point.

And the third point is that a government guarantee arises because the borrowing is from one state entity to a state owned entity. So it is not a loan to government, it's a loan to an agency owned by government in the majority. And therefore, as is normally the case, when one state is lending to another it happens when, if you are borrowing from a World Bank or an IDB for example, in a company in Belize through the private sector arm there would be a requirement for a government guarantee if it's a government owned entity. It's as basic as that. So there is nothing strange. There is nothing ontoware, there is nothing outside of the norm. For there to be a loan from a foreign owned, foreign government owned entity to a Belizean Government owned entity, and there is nothing ontoware. It is altogether normal for there to be a guarantee by the government for that kind of transaction. It is the way it is normally structured. That is all I will say about that.

As regards the concern regarding whether its section 7.6 or section 6, it's clearly 7.6. Clearly there is an error. This does not change the fact that what we are being asked to do is to approve a guarantee under the Finance and Audit (Reform) Act. What I would ask us to do, since I am also not a lawyer, is to get the opinion of Parliamentary Counsel, because I

would think that we would be, we are not changing the content of the money Bill, because it is a “Money Bill”, which we cannot change. But we are not changing the content of it, what we are actually doing is making a correction that maintains the integrity of the Bill. That would be my position but I would ask that that, the Parliamentary Counsel just tell us, is this something that we can do? I would think it is. I would think for us to try and send it back on the basis of what is a simple typographical error as we can see, would be a little bit frivolous. So, I concede the floor. I fully support this guarantee.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Thank you, Mr. President. Mr. President, let me start off by dealing with the section 7, section 7.6, and I did call the Solicitor General for courtesy purposes. He is to get back to me. But just a brief discussion. The section, ladies and gentlemen, those who are concerned of is referenced for Members who would want to look up the particular provision under the law. It is clearly a typographical error. This can be read; “**AND WHEREAS**, the Finance and Audit (Reform) Act of 2005, also requires that the Government of Belize seeks the prior approval of the National Assembly by way of a resolution to offer such a guarantee.” And that would be fully accurate. As you will knowing the laws, there are these little side notes and side bars that give you a reference. The principal concept of the Act, we must go through to see if it has been followed. It says, “before the government offers any guarantee or some other form of security in support of any loan made directly to a private sector entity, or a statutory body by any public and private bank, financial institution, or capital market in or outside Belize, the government shall seek the approval of the National Assembly signified in a resolution made in its behalf specifying.” And I can tell you because Senator Barnett and myself, and, Senator Lizarraga, were part of a team based on the very UHS issue that we have where government did a guarantee to a private institution and it was back and forth and a whole lot of thing without the National Assembly’s approval that we insisted that this be in the Finance and Audit (Reform) Act. This was crafted by me. Senator Lizarraga, remember, we had, and, Senator Barnett. And so it goes on to say, these are the conditions that must be met. “The terms and condition under which the government shall make the guarantee, 1, that’s A. B, that the National Assembly is satisfied that the loan will lead to the growth of the economy of Belize.” And it goes on to say, “provided that the National Assembly shall only issue a Resolution under this section if the National Assembly is satisfied that the lending institution requires as part of its overall lending policies, in other words, it’s the lending institution that required it, all in respect of the specific loan, a sovereign guarantee by the Government of Belize. I think Senator Salazar spoke clearly to that. And B, that the private sector entity or statutory body, which will be the recipient of the loan has the financial ability to make payments in respect of the loan including assets of a value equivalent to the extent of the government guarantee. And I think all those conditions have been met with this proposal for this guarantee.

The reference to the section which is clearly a typographical error does not, in any way nullify or change, or make obscure the principal purpose of the Resolution. I repeat again, there would be nothing wrong in saying, “**AND WHEREAS**, the Finance and Audit (Reform) Act,” without any reference to a section, ‘requires that the Government of Belize seeks the prior approval of the National Assembly by way of a Resolution to offer such a guarantee,’ and that would be absolutely, perfectly, totally completely accurate.

I move the question.

MR. PRESIDENT: Honourable Members, the question is **NOW, THEREFORE, BE IT RESOLVED** that this Honourable House, being satisfied that a sovereign guarantee is a key requirement of the TaiwanICDF in the case of this specific Loan, and being further satisfied that the Belize Telemedia Limited has the financial ability to make the payments and repayments in respect of the Loan, and being additionally satisfied that this Loan will lead to the growth of the economy of Belize, hereby approve and confirm

that the Government of Belize may issue the required Loan Guarantee to the International Cooperation and Development Fund (TaiwanICDF) in favor of Belize Telemedia Limited for the performance of the Loan, on the terms and conditions set out above, and further authorize the Minister of Finance to execute and deliver the said Guarantee Agreement and all other documents associated therewith, for and on behalf of the Government of Belize.

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

SENATOR V. WOODS: Mr. President, can we have a division of votes.

MR. PRESIDENT: I am sorry, but I have already said it in a previous Senate Meeting which you were here too when Senator Courtenay did the same thing, and I said if you guys want a division of votes, you request it prior to the voting or prior when I was reading it you could have interrupted me.

SENATOR V. WOODS: As per the Standing Orders it does not necessarily say that.

MR. PRESIDENT: As per the Standing Orders, yes, I agree with you, but other Standing Orders also say that I have the ultimate say. I have already given you guys on this side...

SENATOR V. WOODS: Clearly noted, Mr. President.

MR. PRESIDENT: Thank you. I think the ayes have it.

9. Appointment of Ombudsman Motion, 2018.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move that:- **WHEREAS**, section 3(2) of the Ombudsman Act, Chapter 5 of the Substantive Laws of Belize, Revised Edition 2011, provides that the Ombudsman shall be appointed by the Governor-General, acting on the recommendations of both Houses of the National Assembly contained in resolutions passed in that behalf;

AND WHEREAS, MR. LIONEL ARZU possesses the relevant qualifications and fulfils the requirements for appointment to the office of Ombudsman, as contained in the Ombudsman Act;

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that MR. LIONEL ARZU is a fit and proper person to be appointed as Ombudsman, recommends to the Governor-General that MR. LIONEL ARZU be appointed as Ombudsman for a period of one (1) year with effect from 1st April, 2018, in accordance with the provisions of the Ombudsman Act.

Mr. President, Mr. Arzu has acted as Ombudsman for 5 years, this would be his 6th year. He has submitted all his report on time to this Honourable House and therefore we have no difficulty in recommending his reappointment for another year.

SENATOR M. LIZARRAGA: Thank you, Mr. President. Mr. President, I don't know if what we are seeing here is another typo, but certainly where this Motion reads that Mr. Lionel Arzu be appointed as Ombudsman for a period of one (1) year with effect from 1st April 2018, in accordance with the provisions of the Ombudsman Act. When I

referenced the Ombudsman Act, it clearly states that his appointment should be for 3 years, not 1 year. So, okay. I stand to be corrected then if that is the interpretation. And then one would wonder why Mr. Arzu is not being appointed then for 3 years and why only 1 year?

Mr. President, there are some things that bother me, and with your indulgence, I will refer back to the Ombudsman's Report for 2016. It is unfortunate that when these reports are ordered to lie on the Table we do not have an opportunity to discuss them then. Because as you know, Mr. President, you do not give us permission to debate Papers that were ordered to lie on the Table. But I must say, Mr. President, that in his Executive Report, in the Executive Summary of his Report he mentioned that he saw or received some 207 new complaints. But yet when we look at his presentation in the budget, as he is obligated to do so under Program Budgeting, he is supposed to give us performance indicators and information. Under the year 2016/2017, he has 220 cases, which clearly conflicts with what he put in his Report. In his presentation for the budget he clearly states that the number of complaints received, were 220 as I said, but that the number of complaints investigated were 81. Yet in his Report it states 24. He also states under his Program Performance Information, that the number of complaints resolved were 7. Yet in his Report he states 45. The number of recommendations made, he claims were 2. Yet in his Yearly Report there is 0. The number of complaints under Investigation in his Report states 70, but in his Program Performance Information it is 0. And the number of complaints not in his jurisdiction, he claims in his Report is 68, but yet in his Program Performance Information there is a blank. There is no such.

Why do I raise these points? In that this information, Senator, is important for us because the functions of the Ombudsman speak to investigating complaints of corruption, wrong doing, injustice, injury, abuse including dishonesty, etcetera, etcetera. And he is supposed to play a supervisory role in helping to ensure the production and constitutional rights and freedoms of persons and the role of law in Belize. And is also supposed to make recommendations to this Honourable House, to Parliament. He falls under the Legislature and he is supposed to advise us in areas where we are supposed to strengthen the laws for the protection of such freedoms and such rights. So it is very concerning to me that I see him report one set of numbers in his yearly report, and a completely different set of numbers in his report to Parliament through the budget.

Also, under the outcome indicators a measurement that I believe to be very important is certainly the rating of public satisfaction to the recommendations that he has made. And again, as in previous two years, he has not made any submissions as to what the approval rating or the rating for the public satisfaction has been. And I think if we are going to be monitoring the performance of these institutions of oversight that it is important for us to be getting information that is not only accurate, but information that we can use to strengthen these offices when it comes to the allocation of resources for him to properly do his work. So I submit that for your consideration colleagues. I must say that he has been submitting yearly reports. But now I am a little uneasy because of the variances that I see in what he is reporting to us through the budget, and in what I saw in his yearly report. Thank you, Mr. President and colleagues.

SENATOR V. WOODS: Yes, Mr. President, I asked the Clerk to see the actual Act because there is a suggestion that it says up to, and I am not seeing that. It says under section 4(1), subject to the provision of this section any person appointed as Ombudsman shall hold the office for a period of 3 years. That's the tenure. And shall, at the expiration of such period be eligible for re-appointment. The suggestion, as I understand it is, oh, there is no limit for re-appointment. It begs the question, why is the Ombudsman not being appointed as provided for, for a period of 3 years? Why are we doing this every year? I do note that he has submitted reports. I believe the last one was up to 2016. There is no report for 2017. As per his track record and all previous submissions, he normally submitted them by February, therefore, I am not quite sure why that is not so. There are some inconsistencies in some of the Reports submitted, so again, I am not so sure why it is that

we would support an appointment of 1 year. Is it because of the inconsistencies; is it because he hasn't submitted for 2017; and will this be the trend to bring to the Senate a re-appointment for every year as oppose to what the Act provides for which is 3 years?

SENATOR M. COY SR.: Mr. President, I stand in support of the Appointment of Ombudsman Motion, 2018. Mr. President, I certainly believe that Mr. Lionel, forgive me if I am not pronouncing his name correctly, Lionel Arzu, as what Senator Lizarraga said, I think he wants a title, I certainly believe a hardworking man like Mr. Lionel Arzu, does not need a title. In fact, he was probably born with one, he was born with the title, of a "Hard-working Individual". Mr. President, but also I believe that he is the man for the job. Of course listening to Senator Lizarraga saying that there is over a 100 and odd complaints, it leads me to a question, to my very own question probably, where is my Honourable colleague getting all of these magic numbers together? Where? I don't see here. I have been turning around papers, flipping over papers, going through this big, thick book here, where is this number coming from? Where is it? It leaves me to question where is it coming from? Senator Lizarraga, where are the magic numbers, I don't see them. How can he prove it? He also mentioned that this man is a dishonest man. How can we prove a man to be dishonest when he is doing his report? How? Where? Where is that? How can I prove someone to be dishonest? In fact, to be correct, my BTNU President is saying he did not say that, I heard it; probably I heard the wrong thing then. Madam President, I salute you by the way. So where is this thing happening? Where do I see a man dishonest from here if he is providing his report? And Mr. Arzu, probably in my humble opinion is doing a job. I mean when you are certainly doing a job, you will do your utmost best, to do the job. So, Mr. President, I can go back and forth and debate. I like to debate, don't get me wrong, but I certainly believe that Mr. Lionel Arzu, don't believe because he is the son of the soil of the south, a brother, but believe me he is the man with the works. So, Mr. President, I support that Mr. Lionel Arzu be re-appointed as Ombudsman. Thank you.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I move the question.

MR. PRESIDENT: Honourable Members, that Motion is referred to the Constitution and Foreign Affairs Committee for examination, consideration and report.

II BILL FOR SECOND READING

1. International Financial Services Commission (Amendment) Bill, 2017.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I rise to move the second reading of a Bill for an Act to amend the International Financial Services Commission Act, Chapter 272 of the Substantive Laws of Belize, Revised Edition 2011; to vary the composition of the Commission; and to provide for matters connected therewith or incidental thereto.

MR. PRESIDENT: Honourable Members, the question is that the Bill for an Act to amend the International Financial Services Commission Act, Chapter 272 of the Substantive Laws of Belize, Revised Edition 2011; to vary the composition of the Commission; 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.

III COMMITTEE OF THE WHOLE SENATE ON MOTIONS AND BILL

MR. PRESIDENT: Honourable Members, in accordance with Standing Order 68A the Senate will now resolve itself into the Constitution and Foreign Affairs Committee, a Committee of the whole Senate, to consider the Motions referred to it and, thereafter, in accordance with Standing Order 54 the Committee of the whole Senate to consider the Bill that was read a second time.

Honourable Members, I will now take the Chair as the Chairman of the Constitution and Foreign Affairs Committee and then as the Chairman of the Committee of the whole Senate.

Members in the gallery, can you please excuse us for this portion of the Committee Meeting. Thank you.

(In the Constitution and Foreign Affairs Committee)

MR. PRESIDENT in the Chair.

1. **Resolution Authorizing the Ratification by Belize of the Framework Cooperation Agreement between Belize and the Republic of Honduras Motion, 2018.**

Motion in its entirety agreed to.

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

2. **Resolution Authorizing the Ratification by Belize of the Status of Forces Agreement between Belize and the Kingdom of the Netherlands Concerning the Status of the Armed Forces of the Kingdom of the Netherlands Whilst in Belize Motion, 2018.**

Motion in its entirety agreed to.

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

3. **Resolution Authorizing the Ratification by Belize of the Second Protocol to the Trade and Economic Cooperation Agreement between the Caribbean Community (CARICOM) and the Government of the Republic of Cuba Motion, 2018.**

Motion in its entirety agreed to.

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

4. Appointment of Ombudsman Motion, 2018.

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. International Financial Services Commission (Amendment) Bill, 2017.

Clauses 1 and 2 agreed to.

Bill to be reported back to the Senate without amendment.

THE SENATE RESUMES

PUBLIC BUSINESS

A. GOVERNMENT BUSINESS

IV MOTIONS

(Adoption of Motions)

1. Resolution Authorizing the Ratification by Belize of the Framework Cooperation Agreement between Belize and the Republic of Honduras Motion, 2018.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, the Constitution and Foreign Affairs Committee has met and considered the Resolution Authorizing the Ratification by Belize of the Framework Cooperation Agreement between Belize and the Republic of Honduras Motion, 2018, and has agreed that it be returned back to this Senate for Adoption.

I therefore move that the question be put.

MR. PRESIDENT: Honourable Members, the question is, **NOW, THEREFORE, BE IT RESOLVED** that the Senate authorizes the Government of Belize to ratify the Agreement establishing the Cooperation Framework between the Parties, a full text of which is hereto annexed.

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

2. **Resolution Authorizing the Ratification by Belize of the Status of Forces Agreement between Belize and the Kingdom of the Netherlands Concerning the Status of the Armed Forces of the Kingdom of the Netherlands Whilst in Belize Motion, 2018.**

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, the Constitution and Foreign Affairs Committee has met and considered the Resolution Authorizing the Ratification by Belize of the Status of Forces Agreement between Belize and the Kingdom of the Netherlands Concerning the Status of the Armed Forces of the Kingdom of the Netherlands Whilst in Belize Motion, 2018, and has agreed that it be returned back to the Senate for Adoption.

I therefore move that the question be put.

MR. PRESIDENT: Honourable Members, the question is, **NOW, THEREFORE, BE IT RESOLVED** that the Senate authorizes the Government of Belize to ratify the Agreement, a full text of which is hereto annexed.

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

3. **Resolution Authorizing the Ratification by Belize of the Second Protocol to the Trade and Economic Cooperation Agreement between the Caribbean Community (CARICOM) and the Government of the Republic of Cuba Motion, 2018.**

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, the Constitution and Foreign Affairs Committee has met and considered the Resolution Authorizing the Ratification by Belize of the Second Protocol to the Trade and Economic Cooperation Agreement between the Caribbean Community (CARICOM) and the Government of the Republic of Cuba Motion, 2018, and has agreed that it be returned back to the Senate for Adoption.

I therefore move that the question be put.

MR. PRESIDENT: Honourable Members, the question is, **NOW, THEREFORE, BE IT RESOLVED** that the Senate authorizes the Government of Belize to ratify the Second Protocol to the Trade and Economic Cooperation Agreement between CARICOM and the Government of Cuba, a full text of which is hereto annexed.

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

4. Appointment of Ombudsman Motion, 2018.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, the Constitution and Foreign Affairs Committee has met and considered the Appointment of Ombudsman Motion, 2018, and has agreed that it be returned back to the Senate for Adoption.

I therefore move that the question be put.

MR. PRESIDENT: Honourable Members, the question is, **NOW, THEREFORE, BE IT RESOLVED** that this Honourable House, being satisfied that MR. LIONEL ARZU is a fit and proper person to be appointed as Ombudsman, recommends to the Governor-General that MR. LIONEL ARZU be appointed as Ombudsman for a period of one (1) year with effect from 1st April, 2018, in accordance with the provisions of the Ombudsman Act.

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

V REPORTING AND THIRD READING OF BILL

1. International Financial Services Commission (Amendment) Bill, 2017.

SENATOR G. HULSE (Leader of Government Business and Minister Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I rise to report that the Committee of the Whole Senate has considered the International Financial Services Commission (Amendment) Bill, 2017, 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 International Financial Services Commission Act, Chapter 272 of the Substantive Laws of Belize, Revised Edition 2011; to vary the composition of the Commission; 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 Agriculture, Forestry, Fisheries, the Environment, Sustainable Development and Immigration): Mr. President, I now move that this Senate do now adjourn.

MR. PRESIDENT: Senator Woods.

SENATOR V. WOODS: Thank you, Mr. President, I will be brief and I appreciate the consideration to say a few words before we all leave. It would be remiss of me, colleagues not to say a few words specifically because we are in the month of Women's Month and Child Stimulation Month. But it has not been a very good month, neither for women, and neither for children. It's been a tough one actually and we're only 14 days into it. It certainly strikes many Belizeans with deep outrage, deep anger, deep concern what we are witnessing. On one hand there are questions in terms of the child sexual abuse, is it as a result that we are being more brave and people are reporting more, what was always hidden. And if that is the case which only research can undercover for us, then that is something that we should be encouraged by that voices are being heard and both women and children, and citizens are finding the power of their voices. However, it is very sad because the cases that do, are very alarming and they seem to be at an increasing rate and at the most vulnerable, those of our children, some as young as 4, allegedly as young as 17 months, some with very horrific alleged acts. As mothers, I don't think we can ever truly appreciate what another mother goes through, when she has to be confronted with that. But as fathers I don't think, especially good fathers, I don't think we can ever understand either what a good father goes through when he has to be confronted with that.

I wondered, Mr. President, if I should say these words because it's difficult because there is no one answer. No it is not government's responsibility alone to solve this. And no it is not a political issue. It's everybody's business. We can never recover what has been taken away from these children. We can never fully explain to our children listening to the news why it is happening. I struggled with the questions that my daughter asks me. I struggled with the questions that my son asks of me, because we should be doing better as a nation. The vigils, the candlelight walks, the protest, they should not stop because the promotion of a safe environment needs to continue and the awareness of our actual environment needs to continue. We all should be outraged and angry and I am sure we are, Mr. President, but we all should be moved to act. And by acting it comes in many different ways, moving private Bills, encouraging our colleagues in the House, perhaps to amend legislation that speaks to the social infrastructure. To work with our Local Community Organizations, to try and help to raise the level of awareness. To volunteer to say something when we see something. To say something when we suspect something. And to insist that our laws are complied with, and where they fall short to insist that we strengthen them.

I am also very concerned about the aftercare that is required. And I use the term loosely for the children, the family, the mothers, the friends. It's a very weighty matter. A couple years ago in the economist, you know China, the billion population, it had to do some serious soul searching because it had a tremendous amount of children sexual abuse. And not until they started to do the research because of the amount of reporting, did they discover the extent of the problem throughout that country. I fear that that may be the case here. And so I urge all of us who are in positions of authority to appeal for that necessary work to be done because perhaps we are only scratching the surface. We are a small nation with a very young population. And if we do not arrest this now, if we do not provide that aftercare, the counseling and the social services improvement in the Judiciary and the Legislation, we are going to have a much bigger issue on our hands. Every one of us, those of us who have children and those of us who don't want our children to live in a safe society; and our homes of all places should be the safest, it should be our refuge. As a woman I am concerned with the level of violence and my personal security. I am concerned with the personal security of so many women because it's no longer just the cat calling and the verbal abuse on the streets. It's wondering if you are in the wrong place at the wrong time, and if you are going to be caught by a bullet. It's the same for their children too. We used to be a society where we can play in our yard. We used to be a society where we can go across the street to our neighbor and not worry. I cannot underscore, Mr. President, these are dark times, these are horrible moments. It cannot be

business as usual for any of us, when every day we look out to see who is next. Do we get another case of child abuse? Will there be another shooting where an innocent mother, in her home, resting on her chair, is killed? So I urge all of us who are in that position of authority, to perhaps step outside of the norm and work with those who can do more and encourage our law makers to do more. And where we can find resources to get the necessary research awareness campaigns going, to begin the long journey because it will not happen overnight that we do so with vigor with commitment, and with passion, Mr. President. Thank you. (Applause)

SENATOR DR. C. BARNETT: Mr. President, if I may, I would like to associate myself 100% with the comments by my colleague Senator. What we are facing in relation to violence in our society, violence against our children, violence against women, violence generally in terms of random shootings, men against men, it's not at all anything that we can ignore, and it is really not further for political maneuverings of any kind. I had reason yesterday to post similar things on the internet because we've really reached a stage where we seem not be surprised by anything. I, like my colleague across the floor, am not sure whether we are seeing an increase or an increase reporting. What I would want us to at a very personal and individual level and to call on your colleagues and your friends and the organizations that we work with, I would like us to work very hard at making it easier for people to report incidences of violence, and particularly sexual violence and in particular sexual violence against children. Because we come from a society where we never ever used to talk about those things that is why I believe that what we are seeing is an increase in reporting, it may be that it's also an increase in activity but it's also, I think, an increase in reporting because, and this is the not so good part, nothing surprises us anymore. It is not that we are reporting it because we feel any sense of personal responsibility to make change. And that is where I think we need to all come together and begin to exercise that personal responsibility in our own person spaces, in our families, in our communities, our community organizations so that we can make it much more easy; let me just say much easier for victims of these kinds of heinous crimes to come forward and report. This will require us in our institutions or social service institutions to do better in terms of support for victims. To do better in terms of collection of evidence where we need to prosecute crime but it will require. It will require politicians on all sides. It will require the churches to take a stand, and to work with their congregations. It will require in our schools for us to be much more aware when children are obviously being hurt and we can't explain because it's not happening in the school ground, it must be happening somewhere else. So I want to, Senator Woods, to associate myself with your comments and to ask everybody to do what is necessary in their personal spaces and in their official capacities to do the right thing. Thank you.

SENATOR REV. A. ROCKE: I would just want to make short comment too.

MR. PRESIDENT: Okay, you know this is not protocol but I will allow it this time since you are from the church.

SENATOR REV. A. ROCKE: As church representative, I want to also allow myself with the comments of the Senators.

MR. PRESIDENT: One second, it's for a good cause right.

SENATOR REV. A. ROCKE: It has been a sad situation in our city and our country. And it is not a time for grandstanding but simply to say that we have been, as the church, I am sure that most ministers will come here and tell you that they have not seized from that clarion call to return to faith, but people have their own choice. And one of the things that God will not do, he will not force anybody to serve him. But I believe this is particularly the way that our nation needs to go. We need to go back to that basic family values that comes to us through faith. And so I want to use this opportunity to say so.

MR. PRESIDENT: Thank you.

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 stand adjourn.

The Senate adjourned at 3:22 p.m. to a date to be fixed by the President.

PRESIDENT.
