

BELIZE

No. HR20/1/13

HOUSE OF REPRESENTATIVES

Friday, 3rd February 2023

10:00 AM

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S U P P L E M E N T A R Y (2)

ORDERS OF THE DAY

7. Presentation of Reports from Select Committees.

No. HR146/1/13 - Report from the Finance and Economic Development Committee on the Inter-American Development Bank - Trade and Investment Facilitation Program for Belize – US\$8 Million Loan Motion, 2023.

No. HR147/1/13 - Report from the Finance and Economic Development Committee on the Inter-American Development Bank - Program for Digital Innovation to Boost Economic Development in Belize - US\$10 Million Loan Motion, 2023.

No. HR148/1/13 - Report from the Finance and Economic Development Committee on the Inter-American Development Bank - Program for Sustainable and Inclusive Belize – US\$15 Million Loan Motion, 2023.

(The Honourable Chairman of the Finance and Economic Development Committee)

No. HR149/1/13 - Report from the Constitution and Foreign Affairs Committee on the Appointment of Ombudsman Motion, 2023.

(The Honourable Chairman of the Constitution and Foreign Affairs Committee)

14. Public Business.

A. Government Business

I MOTIONS *(For Text of Motions see Notice Papers attached)*

1. Appointment of Ombudsman Motion, 2023.

(Referred on 3rd February 2023.)

2. Inter-American Development Bank - Trade and Investment Facilitation Program for Belize – US\$8 Million Loan Motion, 2023.

(Referred on 3rd February 2023.)

3. Inter-American Development Bank - Program for Digital Innovation to Boost Economic Development in Belize - US\$10 Million Loan Motion, 2023.

(Referred on 3rd February 2023.)

4. Inter-American Development Bank - Program for Sustainable and Inclusive Belize – US\$15 Million Loan Motion, 2023.

(Referred on 3rd February 2023.)

(The Honourable Prime Minister and Minister of Finance, Economic Development, and Investment)

II BILLS FOR SECOND READING

III COMMITTEE OF THE WHOLE HOUSE ON BILLS

IV BILLS FOR THIRD READING

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**S U P P L E M E N T A R Y ( 2 )**

**N O T I C E S O F Q U E S T I O N S A N D M O T I O N S**

**M O T I O N S**

**1. Appointment of Ombudsman Motion, 2023.**

**(Referred on 3<sup>rd</sup> February 2023.)**

**WHEREAS**, section 3(2) of the Ombudsman Act, Chapter 5 of the Substantive Laws of Belize, Revised Edition 2020, 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**, the office of the Ombudsman has been vacant since March 31<sup>st</sup> 2021;

**AND WHEREAS**, sections 61A (2) (c) and (3) of the Belize Constitution provide that the Ombudsman can only be validly appointed with the prior approval of the Senate;

**AND WHEREAS**, the Senate has, on the 14<sup>th</sup> day of December, 2022, approved the appointment of **MAJOR HERMAN GILBERT SWASO (Ret'd)** as Ombudsman;

**AND WHEREAS**, **MAJOR HERMAN GILBERT SWASO (Ret'd)** is 61 years of age (d.o.b. 13 April 1961) and falls within the age limit prescribed by the Ombudsman Act;

**AND WHEREAS**, **MAJOR HERMAN GILBERT SWASO (Ret'd)** fulfils the requirements for appointment to the office of Ombudsman as prescribed in the Ombudsman Act;

**NOW, THEREFORE, BE IT RESOLVED** that this Honourable House recommends that **MAJOR HERMAN GILBERT SWASO (Ret'd)** be appointed as Ombudsman for a period of **three (3) years** with effect from the 1<sup>st</sup> day of January 2023.

**Cabinet's recommendation to be signified.**

2. **Inter-American Development Bank - Trade and Investment Facilitation Program for Belize – US\$8 Million Loan Motion, 2023.**

(Referred on 3<sup>rd</sup> February 2023.)

**WHEREAS**, Belize, as 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 to execute a Program that will promote Belize’s Foreign Direct Investment (FDI) and trade performance;

**AND WHEREAS**, the Program will consist of three components whose activities will: (i) improve investment facilitation through simplification, standardization, and automation of key investment procedures through the implementation of the Single Investment Window; (ii) improve the investment promotion and export development tools and Small and Medium Enterprises (SMEs) internationalization through the strengthening of the trade and investment institutional apparatus; and (iii) improve trade facilitation through simplifying, standardizing, and automating key trade processes;

**AND WHEREAS**, it is intended that the execution of the project shall be carried out, on behalf of the Government, by the Ministry of Finance, Economic Development and Investment, acting as Executing Agency;

**AND WHEREAS**, the Bank has offered financing of up to US\$8,000,000.00 from its Ordinary Capital Resources for the said purpose under the following terms and conditions:

|                        |                                                                                                                                                                                       |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Lender:                | The Inter-American Development Bank;                                                                                                                                                  |
| Loan Principal Amount: | US\$8,000,000.00;                                                                                                                                                                     |
| Disbursement Schedule: | Over a period of five (5) years from the date of signature of the Loan Contract;                                                                                                      |
| Loan Term:             | Twenty-five (25) Years inclusive of sixty-six (66) months Grace Period on Principal Repayments;                                                                                       |
| Repayment Period       | To be repaid in 39 approximately equal, semi-annual, and consecutive installments of about US\$205,128;                                                                               |
| Purpose:               | To execute a program that will improve Belize’s external position to foster inclusive and sustainable growth;                                                                         |
| Rate of Interest:      | Interest will be charged on the daily outstanding balance of the loan, as per the SOFR-Based Interest Rate, plus the applicable lending spread for the Bank’s ordinary capital loans; |

Credit Fee: A Credit Fee will be charged on the undisbursed loan balance 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 efforts to transform the external sector through diversification (attract more diverse FDI), integration (facilitate trade with neighbor countries) and innovation (promote positive spillovers of FDI), 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, and further authorizes the Minister of Finance to execute and deliver the said Loan Contract and all other documents associated therewith.

**Cabinet's recommendation to be signified.**

**3. Inter-American Development Bank - Program for Digital Innovation to Boost Economic Development in Belize - US\$10 Million Loan Motion, 2023.**

**(Referred on 3<sup>rd</sup> February 2023.)**

**WHEREAS**, Belize, as 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, in an effort to promote growth and increase efficiency in Belize's economy, has approached the Bank for financial assistance to execute a Program that will promote the digitalization of firms and government services;

**AND WHEREAS**, the Program will consist of two components whose activities will: (i) promote the growth of firms, especially women-led MSMEs, through increased adoption of digital solutions; (ii) promote the efficiency of firms through digitalization of licensing processes; and (iii) reduce costs for citizens through the digitalization of civil registration services;

**AND WHEREAS**, it is intended that the execution of the project shall be carried out, on behalf of the Government, by the Ministry of Finance, Economic Development and Investment, acting as Executing Agency;

**AND WHEREAS**, the Bank has offered financing of up to US\$10,000,000.00 from its Ordinary Capital Resources for the said purpose under the following terms and conditions:

|                        |                                                                                  |
|------------------------|----------------------------------------------------------------------------------|
| Lender:                | The Inter-American Development Bank;                                             |
| Loan Principal Amount: | US\$10,000,000.00;                                                               |
| Disbursement Schedule: | Over a period of five (5) years from the date of signature of the Loan Contract; |

|                   |                                                                                                                                                                                       |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Loan Term:        | Twenty-five (25) Years inclusive of sixty-six (66) months Grace Period on Principal Repayments;                                                                                       |
| Repayment Period  | To be repaid in 39 approximately equal, semi-annual, and consecutive installments of about US\$256,410;                                                                               |
| Purpose:          | To execute a program that will stimulate increase in sales and efficiency of firms through digital transformation and increase their supply and access to digital services;           |
| Rate of Interest: | Interest will be charged on the daily outstanding balance of the loan, as per the SOFR-Based Interest Rate, plus the applicable lending spread for the Bank's ordinary capital loans; |
| Credit Fee:       | A Credit Fee will be charged on the undisbursed loan balance 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 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 assist the Government of Belize in its continued efforts to drive economic growth in Belize by promoting digital innovations in order to achieve its vision for Belize to become a digital economy, 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, and further authorizes the Minister of Finance to execute and deliver the said Loan Contract and all other documents associated therewith.

**Cabinet's recommendation to be signified.**

**4. Inter-American Development Bank - Program for Sustainable and Inclusive Belize – US\$15 Million Loan Motion, 2023.**

(Referred on 3<sup>rd</sup> February 2023.)

**WHEREAS**, Belize, as 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 to execute a Program that will improve the competitiveness, climate resilience, and environmental sustainability of Micro Small and Medium-sized Enterprises (MSMEs);

**AND WHEREAS**, the Program will consist of two components whose activities will (i) provide direct support to farmers, agricultural groups and MSMEs for sustainable and inclusive development in the area of environmentally sustainable and climate resilient farming systems and sustainable and inclusive Agri-food markets and (ii) create an enabling environment for sustainable and inclusive tourism development to address competitiveness, sustainability and resilience entrepreneurship barriers;

**AND WHEREAS**, it is intended that the execution of the project shall be carried out, on behalf of the Government, by the Ministry of Finance, Economic Development and Investment, acting as Executing Agency;

**AND WHEREAS**, the Bank has offered financing of up to US\$15,000,000.00 from its Ordinary Capital Resources for the said purpose under the following terms and conditions:

|                        |                                                                                                                                                                                       |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Lender:                | The Inter-American Development Bank;                                                                                                                                                  |
| Loan Principal Amount: | US\$15,000,000.00;                                                                                                                                                                    |
| Disbursement Schedule: | Over a period of five (5) years from the date of signature of the Loan Contract;                                                                                                      |
| Loan Term:             | Twenty-five (25) Years inclusive of sixty-six (66) months Grace Period on Principal Repayments;                                                                                       |
| Repayment Period       | To be repaid in 39 approximately equal, semi-annual, and consecutive installments of about US\$384,615;                                                                               |
| Purpose:               | To execute a program that will improve incomes and promote sustainable livelihoods in the agriculture and tourism sectors;                                                            |
| Rate of Interest:      | Interest will be charged on the daily outstanding balance of the loan, as per the SOFR-Based Interest Rate, plus the applicable lending spread for the Bank's ordinary capital loans; |
| Credit Fee:            | A Credit Fee will be charged on the undisbursed loan balance 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 efforts to support sustainable and inclusive economic growth among MSMEs in two of Belize’s main economic sectors, 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, and further authorizes the Minister of Finance to execute and deliver the said Loan Contract and all other documents associated therewith.

**Cabinet’s recommendation to be signified.**

*(The Honourable Prime Minister and Minister of Finance, Economic Development, and Investment)*

