

**BELIZE**

**No. HR22/1/13**

**HOUSE OF REPRESENTATIVES**

Friday, 10<sup>th</sup> March 2023

10:00 AM

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**SUPPLEMENTARY (2)**

**ORDERS OF THE DAY**

**7. Presentation of Reports from Select Committee.**

No. HR157/1/13 - Report from the Finance and Economic Development Committee on the Caribbean Development Bank – Belize Resilience Programme – B Resilient Loan Motion, 2023.

No. HR158/1/13 - Report from the Finance and Economic Development Committee on the Caribbean Development Bank - Belize Social Investment Fund III – Additional Loan, Loan Motion, 2023.

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

**14. Public Business.**

**A. Government Business**

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

1. Caribbean Development Bank – Belize Resilience Programme – B Resilient Loan Motion, 2023.

*(referred 10<sup>th</sup> March 2023.)*

2. Caribbean Development Bank - Belize Social Investment Fund III – Additional Loan, Loan Motion, 2023.

*(referred 10<sup>th</sup> March 2023.)*

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

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

**NOTICES OF QUESTIONS AND MOTIONS**

**M O T I O N S**

**1. Caribbean Development Bank –Belize Resilience Programme –  
B Resilient Loan Motion, 2023.**

*(referred 10<sup>th</sup> March 2023.)*

**WHEREAS**, section 3(1) of the Loans (Caribbean Development Bank) Act, Chapter 74 of the Substantive Laws of Belize, Revised Edition 2003; provides that subject to such conditions as may be agreed between the Government of Belize (“the Government”) and the Caribbean Development Bank (“the Bank”), the Government may borrow from the Bank from time to time such sums as may be required by the Government;

**AND WHEREAS**, section 3(2) of the said Act, further provides that no Agreement in respect to the sums borrowed under the powers conferred by section 3(1) shall be executed unless the terms and conditions thereof have been first approved by a Resolution of the House of Representatives to that effect;

**AND WHEREAS**, the Bank has offered to lend to the Government the sum of **US\$5,000,000**. (“the Loan”) from the Bank’s Special Funds Resources;

**AND WHEREAS**, the purpose of the Loan is to provide co-funding to assist the Government in the continued implementation of the Resilient Rural Belize (B-Resilient) Programme, currently financed by the International Fund for Agricultural Development (IFAD) and the Green Climate Fund (GCF), that will improve smallholder commercial agricultural production, access to markets and resilience to climate change (referred to as “the Project”);

**AND WHEREAS**, the Loan will be used to co-finance activities under the B-Resilient Project as it relates to infrastructure works for agricultural/rural roads rehabilitation, and engineering and construction related services;

**AND WHEREAS**, the Loan is being offered on the following terms and conditions:

- (a) US\$5 million from Special Funds Resources (SFR)** – to be repaid in eighty (80) equal or approximately equal and consecutive quarterly installments commencing five (5) years after the date of the Loan Agreement;

- (b) **Interest** at the rate of 0.75% per annum to be paid quarterly on the amount of the Loan disbursed and outstanding from time to time;
- (c) The Loan shall be fully disbursed by December 31, 2026, or such later date as the Bank may specify in writing;

**NOW, THEREFORE, BE IT RESOLVED** that this Honourable House, being satisfied that the Project will continue to minimize the impacts of climatic and economic events on smallholder farmers while supporting sustainable market access for their produce, approves and confirms that the Government may enter into a Loan Agreement with the Caribbean Development Bank on the terms and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Agreement and all other documents associated therewith.

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

2. **Caribbean Development Bank Belize - Social Investment Fund III – Additional Loan, Loan Motion, 2023.**

*(referred 10<sup>th</sup> March 2023.)*

**WHEREAS**, section 3(1) of the Loans (Caribbean Development Bank) Act, Chapter 74 of the Substantive Laws of Belize, Revised Edition 2003; provides that subject to such conditions as may be agreed between the Government of Belize (“the Government”) and the Caribbean Development Bank (“the Bank”), the Government may borrow from the Bank from time to time such sums as may be required by the Government;

**AND WHEREAS**, section 3(2) of the said Act, further provides that no agreement in respect of sums borrowed under the powers conferred by section 3(1) shall be executed unless the terms and conditions thereof have been first approved by a Resolution of the House of Representatives to that effect;

**AND WHEREAS**, on the 8<sup>th</sup> June 2017, the Government of Belize entered into a Loan Agreement with the Caribbean Development Bank to provide funding for the Belize Social Investment Fund (BSIF) III, to undertake several projects geared toward providing basic social and economic infrastructure, social services, and organizational strengthening services to poor and vulnerable communities in Belize;

**AND WHEREAS**, on the 17<sup>th</sup> June 2022, the Government of Belize approached the Bank for an additional loan to be able to meet the shortfall in the financing of approved sub-projects under the 2017 BSIF III Loan Agreement, due to the unexpected significant increases in anticipated costs, thereby affecting the ability to complete the implementation of the remaining sub-projects;

**AND WHEREAS**, the Board of Directors of the Bank has recently approved an “Additional Loan” to the Government in the sum of **US\$1,262,400** from the Bank’s Special Funds Resources;

**AND WHEREAS**, the purpose of the Additional Loan will be to remedy the shortfall in funding for the remaining community sub-projects approved under the BSIF III for project implementation;

**AND WHEREAS**, the Additional Loan is being offered on the following terms and conditions:

- (a) **US\$1,262,400 from Special Funds Resources (SFR)** – to be repaid in eighty (80) equal or approximately equal and consecutive quarterly installments commencing three (3) years after the date of the Additional Loan Agreement;

- (b) **Interest** at the rate of 0.75% per annum to be paid quarterly on the amount of the Additional Loan portion withdrawn and outstanding from time to time;
- (c) The Loan shall be fully disbursed by the 31<sup>st</sup> December 2024, or such later date as the Bank may specify in writing;

**NOW, THEREFORE, BE IT RESOLVED** that this Honourable House, being satisfied that this Additional Loan for the BSIF III will significantly contribute to the Government’s continued, dedicated efforts to alleviate poverty and to improve the living conditions of its citizens, specifically in the rural communities, approves and confirms that the Government may enter into a Loan Agreement with the Caribbean Development Bank on the terms and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Agreement and all other documents associated therewith.

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

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

