

International Bank for Reconstruction and Development - Climate Resilient and Sustainable Agriculture Project – (US\$25 Million) Loan Motion, 2022.

WHEREAS, Belize being a member of the International Bank for Reconstruction and Development (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 implement a Climate Resilient and Sustainable Agriculture Project to be undertaken by the Ministry of Agriculture, with the assistance of the Belize Social Investment Fund;

AND WHEREAS, this Project will provide funding for support to agriculture producers, with an emphasis on individual small holder farmers who are transitioning to more commercial production, while also supporting more established commercial farmers and farmer associations that wish to adopt climate smart practices to improve the sustainability of their enterprises; thus, the project will entail (i) capacity building for key public agricultural institutions, so that these are equipped to support a transition to more resilient, productive, and green agricultural development; and (ii) financing (using matching grants) for the adoption of improved practices and know-how by agricultural producers, as well as for collective/shared technologies and assets;

AND WHEREAS, the Bank has offered financing of up to **US\$25,000,000** for the said purpose under the following terms and conditions:

Lender:	The International Bank for Reconstruction and Development;
Loan Principal Amount:	US\$25,000,000.00;
Disbursement Schedule:	Over a period of five years, from the date of signature of the Loan Contract, up to 31 st July 2027 (four (4) months after the closing date of 31 st March 2027);
Loan Term:	Eighteen (18) years inclusive of a forty-eight (48) month Grace Period on Principal Repayments;

Repayment Period:	To be repaid in 28 approximately equal, semi-annual, and consecutive installments of about US\$892,857.14, on 15 th April and 15 th October of each year;
Purpose:	To increase agricultural productivity and the adoption of climate-smart agricultural approaches among project beneficiaries; and respond effectively to an eligible crisis or emergency event;
Rate of Interest:	Reference Rate based on the USD Secured Overnight Financing Rate (SOFR) plus the variable spread or such rate as may apply following a conversion; the Rate is currently at about 0.28% but will be fixed on date of signing;
Commitment Charge:	One quarter of one percent (0.25%) per annum on the unwithdrawn loan balance;
Front End Fee:	One quarter of one percent (0.25%) of the loan amount;

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 efforts to create a more productive and resilient agricultural system via capacity building and investments that can sustain rural transformation towards climate smart agriculture, approves and confirms that the Government may enter into a Loan Contract with the International Bank for Reconstruction and Development 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.