

Central American Bank for Economic Integration - Expansion and Rehabilitation of the Philip Goldson Highway Loan Motion, 2022.

WHEREAS, Belize being a member of the Central American Bank for Economic Integration (CABEI), is eligible for development assistance in the form of loans, grants, and technical assistance from the Bank on such terms and conditions as may be agreed between Belize and the Bank from time to time;

AND WHEREAS, the Government of Belize has requested assistance from CABEI to partially finance the expansion and rehabilitation of a 25.75-kilometer (16.0 mile) section of the Philip Goldson Highway from miles 8.5 to 24;

AND WHEREAS, the Board of Directors of CABEI has approved financing in the sum of US\$24,000,000;

AND WHEREAS, the approved CABEI financing will include the following scope of works: (i) Resealing approximately 25.75 km of the highway; (ii) Base failure repairs; (iii) Construction of new paved shoulders, 1.5m wide on both sides; (iv) Improvement of both vertical and horizontal alignments to address and improve road safety; (v) Revision and enhancement of drainage infrastructure to reduce vulnerability to flooding; and (vi) Installation of road safety furniture, which includes pedestrian crossings, signs, road markings and studs, guard rails and lighting; the approved financing will also include the procurement of consulting services, engineering software, and project vehicles;

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

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

Lender:	The Central American Bank for Economic Integration;
Loan Principal Amount:	US\$24,000,000.00;
Disbursement Schedule:	Withdrawals shall be made from time to time beginning with the effective date of the loan and ending thirty-six (36) months thereafter;
Loan Term:	Twenty (20) years inclusive of a thirty-six (36) months grace period, starting from the date of the first disbursement;

Repayment Period:	To be repaid in equal, semi-annual, and consecutive installments in the amounts and dates determined by CABEI;
Purpose:	To partially finance the expansion and rehabilitation of a 25.75-kilometer (16.0 mile) section of the Philip Goldson Highway;
Rate of Interest:	Six (6) month Libor, currently at 2.05429% plus a margin of two hundred and forty basis points (240 bps), variable, revisable, and adjustable quarterly by CABEI;
Other Charges:	A monitoring and administration fee of one-quarter of one percent (0.25%) on the loan amount, to be paid once only, at the latest at the time of the first disbursement;

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

NOW, THEREFORE, BE IT RESOLVED that this Honourable House, being satisfied that the Loan Proceeds would reduce transportation costs and accident rates, increase access to services, increase employment opportunities and improve climate resilience, approves and confirms that the Government of Belize may enter into a Loan Agreement with the Central American Bank for Economic Integration on the terms and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Loan Agreement and all other documents associated therewith.