

**Caribbean Development Bank – Philip Goldson Highway and Remate Bypass  
Upgrading Project (US\$34,300,000.00) Loan Motion, 2021.**

**WHEREAS**, section 3(1) of the Loans (Caribbean Development Bank) Act, Chapter 74 of the Substantive Laws of Belize, Revised Edition 20011, provides that subject to such conditions as may be agreed between 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**, the Board of Directors of the Bank has recently approved a Loan to the Government of Belize in the sum of **US\$34,300,000**;

**AND WHEREAS**, the Board of Directors of the Bank has recently approved a Grant to the Government of Belize of an amount not exceeding the equivalent of **US\$18,675,450** from CDB, acting as Administrator of the UK Caribbean Infrastructure Partnership Fund (CIF) Grant, to assist in financing the Project;

**AND WHEREAS**, the purpose of the Loan is to provide assistance in financing major road rehabilitation and upgrade work to approximately 125km of roadway of the Philip Goldson Highway and the Remate Bypass. And whereas this Road Upgrading Project consist of the following components: (i) Project Preparation Assistance including a consultancy for the preparation of a feasibility study and detailed designs, undertaken with grant funding from UKCIF; (ii) Land Acquisition (ongoing) of approximately 6.9 hectares of land by Government for road realignment and widening; (iii) Major and minor works for road rehabilitation and upgrade work to approximately 125 km of roadway to be undertaken in four lots; (iv) Engineering and Construction Related Services for the construction supervision of major works and for the design and construction supervision of minor works associated with the creation of safe school zones; (v) Other Project Support Services targeting the communities along the project corridor; (vi) Project Management including the current Project Execution Unit (PEU), additional personnel/consultants to supplement the PEU, two project management vehicles, and Furniture and equipment for the PEU;

**AND WHEREAS**, the expected outcomes of the Project are: increased safety, accessibility, efficiency, and resilience of PGH Miles 24.5 to 92, and the Remate Bypass; and improved capacity for informed decision making for livelihood enhancement along PGH and the Remate Bypass;

**AND WHEREAS**, the entire Project is estimated to cost some US\$59.8 million including some US\$8.8 million in Counterpart Financing;

**AND WHEREAS**, the Bank has offered to lend to the Government the sum of **US\$34,300,000** (“the Loan”) to finance the Project on the following terms and conditions:

**Ordinary Capital Resources Portion**

- (a) **US \$21,300,000 Ordinary Capital Resources (OCR)** – to be repaid in forty-eight (48) 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 3.75% (variable) per annum to be paid quarterly on the outstanding OCR portion of the loan;
- (c) **A Commitment Fee** of 1% to be paid quarterly on the un-withdrawn portion of the loan from time to time, to accrue from the sixtieth (60<sup>th</sup>) day after the date of the Loan Agreement;

**Special Funds Resources Portion**

- (a) **US \$13,000,000 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 1% per annum to be paid quarterly on the outstanding SFR portion of the loan;

The Loan shall be fully disbursed by December 31, 2024, or such later date as the Bank may specify in writing;

**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 increase safety, accessibility, efficiency, and resilience of PGH Miles 24.5 to 92, and the Remate Bypass; and improve capacity for informed decision making for livelihood enhancement along PGH and the Remate Bypass, 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 authorises the Minister of Finance to execute and deliver the said Agreement and all other documents associated therewith.