

Inter-American Development Bank - Skills for the Future Program – (US\$15 Million) Loan Motion, 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 “Skills for the Future” Program that will contribute to the closing of the skills gap to prepare tomorrow’s workforce for the Fourth Industrial Revolution (“4iR”), (hereinafter called “the Program”);

AND WHEREAS, the Program will consist of three components whose activities will (i) increase access to instruction that accelerates learning in foundational skills; (ii) increase access to instruction that promotes learning in 4iR skills; and (iii) increase access to gender-specific education services to promote inclusive education;

AND WHEREAS, the proposed program will be financed through an IDB direct investment loan in the sum of US\$15,000,000.00, and a non- reimbursable investment financing of US\$5.0 million, financed from the resources of the Global Partnership for Education Fund;

AND WHEREAS, it is intended that the execution of the Program shall be carried out, on behalf of the Government, by the Ministry of Education, Culture, Science and Technology (MoECST), 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 four (4) 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\$384,615.38;

Purpose: To execute a Program that will provide 4iR and STEAM skills to secondary and TVET students, which is expected to increase student engagement in school and secondary education graduates accessing 4iR and STEAM jobs with better salaries;

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 expand the pedagogical model of the Belize City STEAM Laboratory school to more education institutions and to respond to the gaps in learning that widened during the pandemic, 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.