

Saudi Fund for Development - Construction of Solar Energy Plant Project - 288,750,000 Saudi Riyals/US\$77 Million - Loan Motion, 2023.

WHEREAS, the Saudi Fund for Development (SFD) (hereinafter referred to as “the Saudi Fund”) is a government organization that provides soft loans and grants to finance development projects and programs in developing countries;

AND WHEREAS, the Government of Belize has requested assistance from the Saudi Fund to provide partial financing for the construction of a Solar Energy Plant (hereinafter referred to as “the Project”);

AND WHEREAS, the Board of Directors of the Saudi Fund for Development has recently approved a Loan to the Government of Belize in the amount of Two Hundred Eighty-Eight Million Seven Hundred and Fifty Thousand (288,750,000) Saudi Riyals, (equivalent to approximately US\$77 Million), to assist in financing for the Project;

AND WHEREAS, the purpose of the Loan is to assist the Government of Belize in financing the construction of utility scale solar power plants with a total capacity of no less than 60 megawatts of solar PV generation, and supply and install solar panels to avoid emissions from the energy sector of the equivalent of about 60,000 tons of carbon dioxide equivalent per year through system efficiency and consumption of at least 100 GWH/year;

AND WHEREAS, the Project will consist of two main components whose activities will include the supply of PV modules, inverters, racking and mounting, cabling and wiring, and grid connection; the Project will contribute to adding sixty (60) megawatts of clean energy source to the national electricity grid;

AND WHEREAS, it is intended that the execution of the Program shall be carried out, on behalf of the Government, by the Central Executing Unit of the Ministry of Economic Development, acting as Executing Agency;

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

Lender:	The Saudi Fund for Development;
Loan Principal Amount:	Two Hundred Eighty-Eight Million Seven Hundred and Fifty Thousand Saudi Riyals (or approximately US\$77 million);
Loan Term:	Twenty (20) years (5 years grace period plus 15 years repayment period);

Grace Period: Five (5) years from the effective date of the Loan Agreement;

Rate of Interest: Fixed interest rate of two percent (2.0%) per annum on the principal amount withdrawn and outstanding from time to time;

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 have a positive impact on improving the reliability of the electrical network and reduce the cost of electricity to national electricity provider, as well as improve the energy sector and contribute to the economic development of Belize, approves, confirms and ratifies that the Government of Belize may enter into a Loan Agreement with the Saudi Fund for Development on the term 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 with effect from 1st August 2023.