

BELIZE

No. HR2/1/14

HOUSE OF REPRESENTATIVES

Monday, 12th May 2025

10:00 AM

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S U P P L E M E N T A R Y (3)

ORDERS OF THE DAY

7. Presentation of Report from Select Committee.

No. HR 3/1/14 - Report from the Finance and Economic Development Committee on the Kuwait Fund for Arab Economic Development - George Price Highway Project - (Belmopan to La Democracia Section USD\$13 Million) Loan Motion, 2025.

(The Honourable Chairperson of the Finance and Economic Development Committee)

14. Public Business.

A. Government Business

I MOTION *(For Text of Motion see Notice Paper attached)*

1. **Kuwait Fund for Arab Economic Development - George Price Highway Project - (Belmopan to La Democracia Section USD\$13 Million) Loan Motion, 2025.**

(The Honourable Prime Minister and Minister of Finance, Investment, Economic Transformation, Civil Aviation, and E-Governance)

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**S U P P L E M E N T A R Y (3)**

**ORDERS OF THE DAY**

**NOTICE OF QUESTIONS AND MOTIONS**

**M O T I O N**

1. **Kuwait Fund for Arab Economic Development - George Price Highway Project - (Belmopan to La Democracia Section USD\$13 Million) Loan Motion, 2025, 2025.**

**WHEREAS**, the Kuwait Fund for Arab Economic Development (hereinafter referred to as “the Kuwait Fund”) provides support to Arab and other developing countries by providing concessionary financing and technical assistance for implementation of key development projects and programmes;

**AND WHEREAS**, the Government of Belize has requested assistance from the Kuwait Fund for partial financing of the Belmopan to La Democracia Section for the Rehabilitation works to be done under the George Price Highway Project (hereinafter referred to as “the Project”);

**AND WHEREAS**, this section of the Project will comprise the upgrading of the existing 29 km Road by increasing the carriageway width and shoulders to 3.65 meters and 1.5 meters wide on each side, respectively; the Project will see the paving of the entire road and shoulders with hot mix asphaltic concrete, and will include improved drainage, the replacement and rehabilitation of several main culvert structures and two (2) bridges, as well as 16 new bus lanes, safety provisions and new signage on the road;

**AND WHEREAS**, the Fund has approved an offer of a Loan in the amount of Four (4) Million Kuwaiti Dinars, equivalent to approximately US\$13 Million, to the Government of Belize to assist in the financing of the Belmopan to La Democracia Section of the Project;

**AND WHEREAS**, the approved funding will be used to finance 47% of the total amount needed for the entire civil works required under the Project;

**AND WHEREAS**, the Government of Belize will cover the remaining 53% of the total costs of the civil works for the Project, through counterpart contribution and the possibility of a second loan from the Kuwait Fund for Arab Economic Development;

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

Lender: The Kuwait Fund for Arab Economic Development;

Loan Principal Amount: Four Million Kuwaiti Dinars (or approximately US\$13 Million);

|                        |                                                                                                                                                                                                                                                                                                                                                          |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Disbursement Schedule: | Withdrawals shall be made from time to time up to 31 <sup>st</sup> December, 2029;                                                                                                                                                                                                                                                                       |
| Loan Term:             | Twenty-one (21) years (5 years grace period plus 16 years repayment period);                                                                                                                                                                                                                                                                             |
| Grace Period:          | Five (5) years from effective date of the Loan Agreement;                                                                                                                                                                                                                                                                                                |
| Repayment period:      | Repayment in thirty-two (32) equal semi-annual installments of approximately US\$407,612 commencing 1 <sup>st</sup> October, 2030.                                                                                                                                                                                                                       |
| Purpose:               | To partially fund the upgrade of the Belmopan to La Democracia Section of the George Price Highway - making it climate resilient and in line with international standards, improving the accessibility and movement of people and goods along this corridor, increasing transport efficiency and reducing the potential occurrence of traffic accidents; |
| Rate of Interest:      | At a rate of Two percent (2.0%) per annum on the principal amount withdrawn and outstanding, and payable semi-annually on 1 <sup>st</sup> April and 1 <sup>st</sup> October of each year;                                                                                                                                                                |
| Service Charge:        | At a rate of one half of one percent (1/2%) per annum on the principal amount of the Loan withdrawn and outstanding payable semi-annually on 1 <sup>st</sup> April and 1 <sup>st</sup> October of each year.                                                                                                                                             |

**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 significantly contribute to the enhancement of a major road network in Belize and improve the economic and social development of the settlements along the George Price Highway, approves and confirms that the Government of Belize may enter into a Loan Agreement with the Kuwait Fund for Arab Economic Development 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.

**Cabinet's recommendation to be signified.**

***(The Honourable Prime Minister and Minister of Finance, Investment, Economic Transformation, Civil Aviation, and E-Governance)***