

International Bank for Reconstruction and Development Through its International Development Association (IDA) – Belize Development Policy Credit With Catastrophe Drawdown Option – US\$20 Million – Loan Motion, 2025.

WHEREAS, Belize being a member of the International Bank for Reconstruction and Development (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 the Government of Belize and the Bank from time to time;

AND WHEREAS, in 2024, the Bank offered the Government of Belize the opportunity to access a Catastrophe Deferred Drawdown Option (Cat-DDO) to enhance Belize’s crisis preparedness and prevention by providing a contingent financing line that offers immediate liquidity to address shocks related to natural disasters and public health emergencies caused by a biological event;

AND WHEREAS, in an effort to receive approval for this Cat-DDO funding, the Government over the past year began engaging in several reform initiatives demonstrate its commitment to improve disaster preparedness and climate resilience; and strengthen financial protection to improve the country’s ability to respond to shocks;

AND WHEREAS, after recognizing Belize’s actions to successfully commit to the reform initiatives, in July 2025, the Bank approved for Belize to access the Cat-DDO, in the form of a concessional financing in the amount of US\$20 million, which will be expeditiously disbursed in the event of a natural disaster or health related emergency, providing the Government with critical liquidity to respond. The Cat-DDO disbursement will be immediate and flexible once the event occurs;

AND WHEREAS, the total loan financing allocated through the IBRD will be as follows:

1. US\$5 million loan funds - financed from resources of Belize’s country allocation under the International Development Association (IDA) (which is a development finance institution of the WB group);
2. US\$10 million loan funds - financed from the Global & Regional Opportunities Window (GROW);
3. US\$5 million loan funds - financed from the Crisis Response Window (CRW);

AND WHEREAS, it is intended that the implementing agency for the Cat-DDO will be the Ministry of Finance, on behalf of the Government of Belize;

AND WHEREAS, the Bank has offered the Government of Belize a total loan financing of **US\$20 million** under the following terms and conditions:

Lender:	The International Development Association (IDA) of the IBRD;
Purpose:	To address the immediate country liquidity needs in the aftermath of natural disasters and health-related emergencies caused by a biological event, and enhance Belize's crisis preparedness and prevention;
Disbursement Schedule:	Immediately following a natural disaster or health emergency occurring within a period of three (3) years;
Loan Term:	Forty (40) years, inclusive of a ten (10) year grace period on principal repayments;
Repayment Period:	Upon disbursement, principal amount to be repaid in approximately sixty (60) semi-annual, and consecutive installments payable on 15 th April and 15 th October of each year, commencing 10 years after the date of the Financing Agreement, as follows: <ul style="list-style-type: none"> • 20 installments of US\$200,000 commencing 15th October 2035, to 15th April 2045; • 40 installments of US\$400,000 commencing 15th October 2045, to 15th April 2065;
Service Charge:	A Service Charge of 1.48% is applicable upon sums disbursed;

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 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 financing would significantly assist the Government of Belize to be able to quickly access funding to respond immediately to severe or catastrophic natural disasters or public health event emergencies and contribute to alleviating the impact of these events on the country's public finances, approves and confirms that the Government may enter into a Financing Agreement with the International Development Association of the International Bank for Reconstruction and Development on the terms and conditions set out above, and further authorizes the Minister of Finance to execute and deliver the said Financing Agreement and all other documents associated therewith.