

International Bank for Reconstruction and Development through the International Development Association (IDA) – Belize Blue Cities and Beyond Project – (US\$23.5 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 Belize and the Bank from time to time;

AND WHEREAS, the Government of Belize has approached the Bank for financial assistance to execute a “Blue Cities and Beyond” Project that will improve Belize’s management capacity for sustainable coastal and blue economy development, increase safe water supply and reduce land-based pollution discharges at targeted urban areas, and in case of an eligible crisis or emergency, to respond promptly and effectively to it, (hereinafter called “the Project”);

AND WHEREAS, this Project will consist of three main components whose activities will address policy development and capacity building, carbon market readiness, blue economy investment programs, an upgrade to the Belize City Wastewater Treatment Plant, an expansion of water supply in South San Pedro, a Waste Management pilot in San Pedro Town, and assistance to the Belize Water Services (BWS) to renovate the only wastewater treatment plant in Belize city;

AND WHEREAS, the Bank has approved to finance the proposed Project through a concessional financing agreement in the amount of US\$23.5 million, from the International Development Association (IDA), to be facilitated in two (2) credit types, as well as through several grant funding sources;

The total loan and grant funding allocated for the Project through the IBRD will be as follows:

1. US\$23.5 million loan funds - financed from resources of IDA (which is a development finance institution of the WB group);
2. US\$3.7 million grant funds - financed from the Global Environmental Fund;
3. US\$4 million grant funds - financed from the Global Program for the Blue Economy Multi-Donor Trust Fund (PROBLUE);
4. €920,000 euros grant fund - financed from the resources of the Global Facility for Disaster Reduction and Recovery (GFDRR) Fund;

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 Finance, acting as the Implementing Agency;

AND WHEREAS, the Bank has offered total loan financing of up to **US\$23,500,000** for the said purpose under the following terms and conditions:

Lender:	The International Development Association (IDA) of the IBRD;
Loan Principal Amount:	US\$23,500,000.00 divided into two portions: 1. Credit A = US\$18,700,000; 2. Credit B = US\$4,800,000;
Disbursement Schedule:	Over a period of five years, from the date of signature of the Loan Contract, up to 30 th April 2030 (four (4) months after the closing date of 31 st December 2029);
Loan Term:	Credit A - Forty (40) years, inclusive of a ten (10) year grace period on principal repayments; Credit B – Twelve (12) years, inclusive of a six (6) year grace period on principal repayments;
Repayment Period:	Credit A - To be repaid in approximately 60 semi-annual, and consecutive installments payable on 15 th April and 15 th October of each year; The First 20 installments being about US\$187,000.00 for the period 1 st April 2035 to 15 th October 2044, and, thereafter, the final 40 installments being about US\$374,000.00 for the period 1 st April 2045 to 15 th October 2064; Credit B - To be repaid in approximately 12 equal, semi-annual, and consecutive installments of about US\$400,000.32, on 15 th April and 15 th October of each year, for the period 1 st April 2031 to 15 th October 2036;
Purpose:	To improve Belize's management capacity for sustainable coastal and blue economy development, increase safe water supply and reduce land-based pollution discharges at targeted urban areas, and to respond effectively to an eligible crisis or emergency event;

Repayment Percentage:	<p>Credit A - payment percentage will be at 1% value of the financing commitment for the first 10 years, and thereafter at 2% value of the financing commitment for the final 20 years;</p> <p>Credit B - repayment percentage will be at 8.333% value of the financing commitment for 6 years;</p>
Commitment Charge:	One half of one percent (1/2 of 1%) per annum on the unwithdrawn loan balance;
Service Charge:	A Service Charge is applicable only to Credit A and is the greater of (i) the sum of three-fourths of one percent per annum plus the Basis Adjustment to the Service Charge; and (ii) three-fourths of one percent per annum on the withdrawn credit balance;

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 proceeds would significantly assist the Government of Belize in its efforts to develop the blue economy sector in Belize and ensure the conservation and sustainable use of its blue assets, 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 Loan Contract and all other documents associated therewith.