

Inter-American Development Bank – Improving Efficiency, Quality, and Access in Belize’s Health System – (US\$14 Million) Loan Motion, 2024.

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 Program whose objective will be to “Improving Efficiency, Quality, and Access in Belize’s Health System” (hereinafter called “the Program”);

AND WHEREAS, the Program will consist of two components whose activities will (i) improve the efficiency and quality of healthcare delivery and (ii) improve access to key healthcare services throughout the country by enhancing access to outpatient, inpatient and long-term care;

AND WHEREAS, the proposed program will be financed through an IDB direct investment loan in the sum of US\$7,000,000 from the Bank’s ordinary capital resources, a direct investment loan in the sum of US\$7,000,000 from resources of the Korea Infrastructure Development Co-Financing Facility for Latin American and the Caribbean (KIF), and a non-reimbursable investment financing of US\$3,360,000 million, financed through IDB’s Grant Facility;

AND WHEREAS, it is intended that the execution of the Program shall be carried out, on behalf of the Government, by the Ministry of Health and Wellness, acting as Executing Agency;

AND WHEREAS, the Bank has offered a total financing of up to US\$14 million (US\$7,000,000.00 from its Ordinary Capital Resources and US\$7,000,000 from the Korea Infrastructure Development Co-Financing Facility for Latin American and the Caribbean), to execute a Program that will improve the efficiency, quality and access of healthcare services across the country, under the following terms and conditions:

A – Funds from the OCR of the Inter-American Development Bank:

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| Loan Principal Amount: | US\$7,000,000.00; |
| Disbursement Schedule: | Over a period of five (5) 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: 39 approximately equal, semi-annual, and consecutive installments of about US\$179,487.18;

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 loan;

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;

B – Funds from Korea Infrastructure Development Co-Financing Facility for Latin American and the Caribbean, through the IDB:

Loan Principal Amount: US\$7,000,000.00;

Disbursement Schedule: Over a period of five (5) years from the date of signature of the Loan Contract;

Loan Term: Twenty-five (25) Years inclusive of eighty-four (84) months grace period on principal repayments;

Repayment Period 36 approximately equal, semi-annual, and consecutive installments of about US\$194,444.44;

Rate of Interest: Interest will be charged at a rate of 1.3%;

Other Charges: A Facility Loan Charge will be charged at zero point one per cent (0.1%) of the loan amount;

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 improve the health of the population in Belize, 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 authorize the Minister of Finance to execute and deliver the said Loan Contract and all other documents associated therewith.