

Inter-American Development Bank – Sustainable and Inclusive Urban Development Program – (US\$10 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 “Sustainable and Inclusive Urban Development Program” that will contribute to the sustainable urban development of municipalities in northern Belize, including Corozal, Orange Walk and San Pedro, Ambergris Caye (hereinafter called “the Program”);

AND WHEREAS, the Program will consist of two components whose activities will (i) improve access to selected urban services; (ii) support local economic growth; and (iii) facilitate the social and economic integration of vulnerable populations, such as migrant population and women;

AND WHEREAS, the proposed program will be financed through an IDB direct investment loan in the sum of US\$10,000,000, and a non-reimbursable investment financing of US\$2.5 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 Finance, Economic Development & Investment, acting as Executing Agency;

AND WHEREAS, the Bank has offered financing of up to US\$10,000,000.00 from its Ordinary Capital Resources for the said purpose under the following terms and conditions:

Lender:	The Inter-American Development Bank;
Loan Principal Amount:	US\$10,000,000.00;
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:	To be repaid in 39 approximately equal, semi-annual, and consecutive installments of about US\$256,410.25;

Purpose: To execute a Program that through sustainable infrastructure interventions will improve access to urban services, such as public spaces, drainage, water supply and pavement, for the citizens of Northern Belize;

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 loans;

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;

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 livelihood of the citizens in the targeted communities including the social and economic integration of migrants, as well as uplift the tourism potential in the communities, 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 authorizes the Minister of Finance to execute and deliver the said Loan Contract and all other documents associated therewith.