

BELIZE:

MILLENNIUM CHALLENGE ACCOUNT-BELIZE AUTHORITY
BILL, 2024

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BELIZE:

BILL

for

AN ACT to establish the Millennium Challenge Account-Belize Authority with the object to implement projects which are aimed at reducing poverty and promoting sustainable economic growth in Belize; and to provide for matters connected therewith or incidental thereto.

(Gazetted, 2024)

BE IT ENACTED, by and with the advice and consent of the House of Representatives and Senate of Belize and by the authority of the same, as follows:

PART I

Preliminary

1. This Act may be cited as the

Short title.

MILLENNIUM CHALLENGE ACCOUNT-BELIZE AUTHORITY ACT, 2024.

2. In this Act–

Interpretation.

“Accountable Entity Procurement Policy & Guidelines” means the program procurement policy and guidelines of the MCC published on the website of the MCC for the procurement of all goods, services, and works under the Program;

“Authority” or “MCA-Belize” means the Millennium Challenge Account-Belize Authority established under section 3;

“Bank Agreement” means an agreement, in form and substance satisfactory to MCC, entered into by the Authority with the financial institution approved by the MCC to hold a permitted account that sets out the signatory authority, access rights, anti-money laundering and anti-terrorist financing provisions, and other terms related to such permitted account;

“Board” means the Board of Directors of the Authority established under section 10;

“CDF Agreement” means the Grant and Implementation Agreement, dated March 1, 2023, entered into by and between Belize and MCC, as amended or otherwise modified;

“Compact” means the Millennium Challenge Compact expected to be entered into by and between the United States of America and Belize;

“Executive Director” means the Executive Director of the Authority;

“financial year” means the twelve month period of time set out in section 43;

“Fiscal Accountability Plan” means a manual developed and implemented by the Authority setting out the principles, mechanisms and procedures that the Authority shall use to ensure appropriate fiscal accountability for the use of MCC Funding and the Country Contribution;

“Fiscal Agent” means the entity engaged pursuant to section 44;

“Fiscal Agent Agreement” means an agreement entered into by the Authority with the Fiscal Agent, in form and substance satisfactory to the MCC, which sets out the roles and responsibilities of the Fiscal Agent and other appropriate terms and conditions;

“Government” means the Government of Belize;

“Government affiliate” means an affiliate, ministry, local government, department, agency, corporation or any other legal entity registered or established by the Government;

“Common Payment System” means the system pursuant to which payments of MCC Funding are made directly to vendors as described in the Fiscal Accountability Plan;

“Country Contribution” means the total contribution, whether in cash or in kind, during the period from the signing of the Compact to the end of the term of the Compact towards meeting the project objectives of the Program as set out in the Compact;

“Inspector General” means the Inspector General of the Millennium Challenge Corporation;

“Key Staff” means the positions in the Operations Unit as set out in the Program Implementation Agreement;

“MCC” means the Millennium Challenge Corporation, a United States Government corporation established under the laws of the United States of America;

“MCC Disbursement Request” means a written disbursement request for MCC Funding submitted by the Authority pursuant to the Compact and the Program Implementation Agreement;

“MCC Funding” means the Program Funding and Compact Facilitation Funding, and includes any refunds or reimbursements of Program Funding, Compact Facilitation Funding paid by the Government in accordance with the Millennium Challenge Compact;

“MCC Observer” means the person designated by the MCC to attend, inter alia, Board meetings on behalf of the MCC;

“Minister” means the Minister responsible for finance;

“M&E Plan” means a plan developed and implemented to serve as the primary governing document for monitoring and evaluating activities for the Program over the compact term and evaluation activities post-compact term;

“Operations Unit” means the employees or consultants of the Authority responsible for the day-to-day activities and assisting the Board with the implementation of the Program;

“permitted account” means any account opened and maintained by the Authority in the local currency of Belize or the United States Dollars at a financial institution approved by the MCC, and includes any account for the deposit of any cash portion of the Country Contribution;

“Procurement Agent” means the entity engaged by the Authority in accordance with section 45;

“Program” means the activities, actions and processes to be undertaken or observed for the Project under the Millennium Challenge Compact and the Program Implementation Agreement;

“Program Assets” means the assets and property purchased or funded, in whole or in part, by the Authority with MCC Funding;

“Program Funding” means the funding, in the amount specified under the Compact, for the use of the Government in implementing the Program;

“Program Guidelines” means such guidelines as are stipulated in the Compact and the Program Implementation Agreement, including the Accountable Entities Guidelines for Contracted Financial Audits, the Environmental Guidelines, the Policy on Accountable Entities and Implementation Structures, the Program Grant Guidelines, the Accountable Entity Procurement Policy & Guidelines, the QDRP Policy, the M&E Policy, the Cost Principles for Government Affiliates Involved in Compact Implementation, the Policy on Program Closure, the Gender Policy, the Operational Requirements and Milestones for Social Inclusion and Gender

Integration, the Guidelines for Economic and Beneficiary Analysis, the Standards for Global Marketing, the Country Contributions Policy, the Counter-Trafficking in Persons Policy, the Policy on Preventing, Detecting and Remediating Fraud and Corruption in MCC Operations, the Policy on Funding, and any other guidelines, policies or guidance papers in respect to the administration of MCC-funded assistance programs as may be posted, from time to time, on the MCC Website;

“Program Implementation Agreement” means the agreement expected to be entered into by and between the United States of America and Belize;

“Stakeholder Committee” means one or more bodies of representatives from the private sector, beneficiaries, civil society, and local and regional governments established by the Authority as part of fulfilling the requirements of any stakeholder engagement plan to provide advice and input to the Authority regarding the implementation of the Program; and

“taxes” means any existing or future taxes, duties, levies, contributions or other similar charges as set out in section 39.

PART II

The Establishment and Powers of the Millennium Challenge Account-Belize Authority

3. There is hereby established a body to be known as the Millennium Challenge Account-Belize.

Establishment of the Authority.

4.—(1) The Authority shall be a body corporate having perpetual succession, subject to section 49, and a common seal and, subject to the provisions of this Act, shall have power to acquire, hold and dispose of movable and immovable property of whatever kind and to enter into contracts and to do all things necessary for, or incidental to, the fulfilment of the goal of the Compact, project objectives and purpose of the Authority.

Authority to be a body corporate.

(2) The Authority shall be capable of performing the obligations of the Government under the CDF Agreement and the Compact including, but not limited to, the obligations of the Government to oversee, manage and implement the Program.

(3) The Authority may sue and be sued in its corporate name and shall for all purposes be described by that name.

5.—(1) The Authority shall have a common seal which shall be kept in the custody of the Chairperson or the Secretary of the Board.

Common seal of the Authority.

(2) The affixing of the seal of the Authority shall be authenticated by the signatures of the Chairperson of the Board and one other member of the Board, who is authorised by the Board to act for that purpose.

(3) An authenticated seal shall be judicially and officially noticed.

(4) All deeds, instruments, contracts, and other documents, other than those required by law to be under seal, made by the Authority may be signified under the hand of the Executive Director.

Objective and purpose of the Authority.

6.—(1) The objective of the Authority is to implement the Compact funded by the MCC, which is aimed at reducing poverty in Belize through sustainable economic growth.

(2) The Authority serves, on behalf of the Government during implementation of the Compact, as the central point of contact for the MCC, other donors, contractors, grantees, consultants, and the general public.

(3) Notwithstanding sub-section (2), the Government, through the Authority, remains responsible for its commitments under the Compact.

(4) The Authority shall, in the implementation of the Compact, discharge all of its rights and responsibilities established pursuant to the Compact.

Powers of the Authority.

7. The Authority shall have all the necessary powers and legal capacity contemplated by the Compact and this Act including, but not limited to, the powers to—

- (a) discharge all rights and responsibilities;
- (b) engage implementing entities, including Government affiliates, and third parties, and may further delegate its powers in accordance with the Compact, the Program Implementation Agreement and this Act with the approval of the MCC;
- (c) purchase or acquire by any other means, sell, exchange, lease, dispose of, turn to account or otherwise deal with its assets whether movable or immovable for such consideration as it thinks fit;
- (d) enter into contracts, including international agreements as may be necessary, with private and public entities, domestic and foreign, including Government affiliates, for the performance of its functions and any contract in respect of land or servitudes shall be subject to the laws of Belize;

- (e) insure against all commercial risks associated with the operations of the Authority;
- (f) open and maintain accounts at a financial institution in its own name to the extent permitted under the Compact;
- (g) engage the Fiscal Agent and the Procurement Agent, and any replacement of these agents, subject to the approval of the MCC;
- (h) from time to time, employ such technical or other advisers as it considers fit to advise it in respect of any matter or issue in connection with the exercise of its functions under the Compact and this Act; and
- (i) generally, perform such duties and exercise such powers of the Authority as contemplated in the Compact, the Program Implementation Agreement and any other related agreement.

8.—(1) There shall be an Executive Director of the Authority who shall be selected through an open and competitive recruitment and selection process and nominated by the Board, with the approval of the MCC.

Executive Director of the Authority.

(2) The Executive Director shall—

- (a) head the Operations Unit and be responsible for the execution of the policies of the Authority and the transaction of its day-to-day business as set out in the Compact, the Program Implementation Agreement and other related agreements under the direction of the Board; and
- (b) report to the Board as required on all aspects of the management and administration of the Authority.

9.—(1) There shall be an Operations Unit of the Authority, which shall be under the direction and oversight of the Board and shall execute the day-to-day activities of the Authority in the implementation of the Program.

Establishment of Operations Unit.

(2) The Operations Unit shall be headed by the Executive Director and shall be comprised of staff as set out in any staffing plan established by the Authority.

(3) The key-staff, other than the Executive Director, shall be selected through an open and competitive recruitment and selection process and hired by the Executive Director with the approval of the MCC.

(4) The Authority shall use only qualified and experienced staff for the performance of its responsibilities under the Compact, Program Implementation Agreement and related agreements.

(5) The Authority shall be responsible for and shall take all necessary action with respect to any misconduct or failure of any staff retained by the Authority.

(6) The staff of the Authority shall not be considered as employees in the public service and as such they are governed by the provisions of the Labour Act and any Regulations made under that Act.

CAP. 297.

PART III

The Establishment and Functions of the Board

Establishment of
the Board of
Directors.

10. There shall be a Board of Directors of the Authority, appointed by the Minister, and the Board of Directors shall be the governing body of the Authority.

Composition of
the Board.

11.—(1) The Board shall be comprised initially of the following—

(a) voting members—

- (i) the Financial Secretary;
- (ii) the Chief Executive Officer of the Ministry responsible for economic development;
- (iii) the Chief Executive Officer of the Ministry responsible for education;
- (iv) the Chief Executive Officer of the Ministry responsible for energy;
- (v) a representative from a civil society;
- (vi) a representative from the private sector; and
- (vii) a representative of the Belize National Teacher's Union; and

(b) non-voting members—

- (i) the Executive Director of the Authority;
- (ii) the Chief Executive Officer of the Ministry responsible for human development; and
- (iii) a representative from academic and educational organisations.

(2) Any change of any member of the Board, including any observer, or in the composition or size of the Board, and the filling of any vacant seat of any member of the Board, including any observer, shall require the prior approval of the MCC.

(3) The Financial Secretary shall be the Chairperson of the Board.

(4) The Chief Executive Officer of the Ministry responsible for economic development shall be the Deputy Chairperson of the Board.

(5) There shall be a Secretary of the Board who shall be the General Counsel of the Authority, unless otherwise determined by the Board.

(6) Each voting member shall designate one alternate with clear decision-making authority who can attend and take actions at any meeting of the Board on behalf of the voting member, and such designation shall be approved by the MCC and set forth in any by-laws made by the Authority.

12. The representative of the MCC shall serve as an observer of the Board.

MCC Observer.

13. The Minister shall publish, by Notice in the *Gazette*, the names of all members of the Board as first constituted and every change in the membership of the Board.

Publication of names of members of the Board.

14. A member of the Board shall, unless the office of that member becomes vacant earlier, serve on the Board until 120 days after the expiration of the Compact.

Tenure of office of members of the Board.

15.—(1) The member of the Board representing the private sector shall be selected by the Belize Chamber of Commerce and Industry through an open and transparent recruitment and selection process as approved by the MCC.

Selection of members of the Board.

(2) The member of the Board representing civil society shall be selected by the organisations named by the Government through an open and transparent recruitment and selection process as approved by the MCC.

(3) The MCC shall approve the final selection of the members of the Board representing the civil society and private sector.

16.—(1) If any member of the Board representing a government ministry resigns or is removed from such government ministry, or a vacancy otherwise occurs with respect to that member, the position of that member on the Board shall, with the approval of the MCC, be taken by another official of equivalent rank within the government ministry designated by that government ministry.

Vacancy of the Board.

(2) Where a vacancy occurs with respect to the members of the Board representing the civil society or private sector, a replacement shall be selected in accordance with section 15.

(3) Any person filling a vacancy shall be subject to the approval of the MCC and shall be appointed for the remainder of the tenure of the member that that person replaced.

Disqualifications
from the Board.
Act No. 11 of
2022.

17. A member shall be disqualified from serving on the Board if that member would be disqualified from being a director of a company under the Belize Companies Act.

Functions of the
Board.

18.-(1) The Board shall be responsible for–

- (a) the oversight, direction, and decisions of the Authority;
- (b) securing the proper and effective utilisation of the MCC Funding;
- (c) ensuring that funds and other resources that are necessary for the implementation obligations and responsibilities of the Government as specified under the Compact and Program Implementation Agreement are budgeted for;
- (d) ensuring that all MCC Funding received or that is projected to be received by the Government, for each financial year, is accounted for in the annual budget of the Government;
- (e) ensuring that the MCC Funding is used in the manner and for the purposes specified under the Compact and Program Implementation Agreement and is not used for any purpose that may contravene the United States law or policy as specified under the Compact and Program Guidelines;
- (f) ensuring that the procurement of goods, works and services for the implementation of the Compact comply with this Act and any relevant Program Guidelines;
- (g) ensuring compliance with the Program Guidelines;
- (h) considering the recommendations and advice of any Stakeholder Committee;
- (i) ensuring that MCA- Belize is and remains duly organised, sufficiently staffed and empowered to exercise the rights, obligations and responsibilities of the Government; and
- (j) do all things that are necessary, incidental, or conducive to the attainment of its functions under this Act.

(2) The Board shall ensure that any assets or services funded, in whole or in part, under the MCC Funding are used solely in furtherance of the purposes specified under the Compact and are procured and maintained in

accordance with the terms and procedures provided under the Compact and the Program Implementation Agreement, including for the following purposes–

- (a) financial management and procurement activities;
- (b) administrative activities and administrative support;
- (c) monitoring and evaluation;
- (d) feasibility, design and other studies; and
- (e) any other activity to facilitate the implementation of the Project.

(3) Except as provided under this Act, the Board shall not assign, delegate or otherwise transfer any of the rights, obligations, responsibilities of the Government as specified under this Act, the Compact or the Program Implementation Agreement without the prior written consent of the MCC and the Government.

(4) The Board shall not undertake any activities, duties or responsibilities other than those stipulated under this Act, the Compact and the Program Implementation Agreement without the prior written consent of the MCC and the Government.

(5) The Chairperson of the Board shall certify that all documents and reports submitted to the MCC by the Board in accordance with the Compact, Program Implementation Agreement, and related agreements, have been approved by the Board, and such submissions are true, accurate and complete.

19.–(1) The Board shall meet at least quarterly at such time and place as may be determined by the Chairperson.

Meetings of the Board.

(2) A special meeting of the Board may be convened by the Chairperson on the request of three or more voting members of the Board.

(3) The quorum of any meeting of the Board shall be four voting members.

(4) The Chairperson shall preside over all meetings of the Board.

(5) If for any reason the Chairperson is unable to preside over any meeting of the Board, the Deputy Chairperson shall preside over the meeting.

(6) A decision of the Board shall be by majority of the voting members present at the meeting.

(7) In the case of equality of votes, the Chairperson of the meeting at which the vote is taken shall have a second or casting vote.

(8) The Board may invite non-members of the Board to attend any specific portion of any meeting of the Board that relates to their expertise or interest, but such person shall not be entitled to be present during Board meeting deliberations or voting sessions.

(9) Any urgent decision may be taken by the Board without a formal meeting if–

(a) a written round robin paper is circulated to all members of the Board; and

(b) at least four voting members of the Board consent, in writing, to the item requested in the resolution set out in the paper.

Notice of meetings of the Board.

20.–(1) A notice for any regular meeting of the Board shall be given, in writing, to every member of the Board by hand or electronic mail at least seven days before the date of the meeting.

(2) A notice for any special meeting of the Board shall be given, in writing, to every member of the Board by hand or electronic mail not less than forty-eight hours before the date and time of the meeting.

(3) All notice of any meeting of the Board shall be in writing and shall specify the date, time, and venue of the meeting with an agenda of the proposed business of the meeting.

Rights of non-voting members and MCC Observer.

21.–(1) The non-voting members of the Board and the MCC Observer to the Board shall not be entitled to vote but shall be entitled to–

(a) attend and participate in all Board meetings; and

(b) receive all Board papers, correspondence and other documentation to which voting members of the Board are entitled.

(2) The MCC Observer may propose topics to be discussed by the Board or present documents to the Board for consideration.

Remuneration of members of the Board.

22.–(1) Any remuneration paid to members of the Board will be set forth in any by-laws of the Authority, subject to approval of the MCC and in accordance with MCC’s Cost Principles for Government Affiliates, and other applicable Program Guidelines.

(2) The Minister and the MCC may agree to remuneration terms for members of the Board other than those who represent a government ministry.

23.—(1) The Board may, in accordance with the terms of the Program Guidelines, form a Board Executive Committee of its members authorised to take certain actions.

Board Executive Committee.

(2) Where an executive committee is formed by the Board under subsection (1), the majority of the executive committee shall be voting members of the Board, with at least one member appointed from the voting members representing a government ministry, and at least one member appointed from the voting members not representing a government ministry.

(3) The Executive Director shall be a member of the executive committee.

24.—(1) The Board may form advisory committees which may make recommendations to the Board as they think fit.

Board Advisory Committee.

(2) An advisory committee shall comprise of voting and non-voting members of the Board and any other Key Staff of the Authority that may have any particular expertise necessary for the advisory committee.

(3) The Board may rely on information, opinions, reports and any other document prepared by an advisory committee, but the members of the Board shall remain responsible for making decisions with respect to matters addressed or raised by the advisory committee or that are otherwise necessary or prudent on behalf of the Authority and for the proper implementation of the Program.

25. The following sections of the Belize Companies Act shall apply to members of the Board and Key Staff of the Authority as if the Board and Key Staff were directors of a company—

Applicability of Belize Companies Act. Act No. 11 of 2022.

- (a) section 100 with respect to the management of directors;
- (b) section 102 with respect to the disqualification of persons for appointment as directors;
- (c) section 116 with respect to the disclosure of interests by directors; and
- (d) section 112 with respect to the duties of directors.

PART IV

Stakeholder Committee

Establishment of Stakeholder Committee.	<p>26. The Board may establish one or more Stakeholder Committees to represent the private sector, beneficiaries, civil society and local and regional government of the projects of the Program and each Stakeholder Committee shall be in a form approved by the MCC.</p>
Composition of the Stakeholder Committee.	<p>27.—(1) The size, composition and manner of selection of members of a Stakeholder Committee shall be agreed between the Government and the MCC, and approved by the Board and shall be dictated by the Projects and scope of the Program.</p> <p>(2) The members of the Stakeholder Committee shall elect the Chairperson and a Secretary of the Stakeholder Committee from among its members.</p>
Tenure of office of members of the Stakeholder Committee.	<p>28.—(1) A member of the Stakeholder Committee shall be appointed for a term of two years, but shall be entitled to re-appointment for a further term unless disqualified from being a member of that Stakeholder Committee.</p> <p>(2) A Chairperson or Secretary of the Stakeholder Committee shall serve a term of two years, and if that Chairperson or Secretary continues to be a member of the Stakeholder Committee, that Chairperson or Secretary may be re-elected for a further term as Chairperson or Secretary after their initial two-year term.</p>
Vacancy of the Stakeholder Committee.	<p>29. Any vacancy which occurs for whatever reason in membership of the Stakeholder Committee shall be filled by a person selected in accordance with the selection procedures adopted by the Board and agreed by the Government and the MCC pursuant to section 27 for the remainder of the term of the member being replaced.</p>
Functions of the Stakeholder Committee.	<p>30. A Stakeholder Committee shall—</p> <ul style="list-style-type: none"> (a) engage the various stakeholders on implementation of the Compact; (b) provide advice, guidance and recommendations to the Authority in respect to the implementation of the Compact; and (c) do all things that are necessary, incidental, or conducive to the attainment of its functions under this Act.
Meetings of the Stakeholder Committee.	<p>31.—(1) The Stakeholder Committee shall hold at least two general meetings per year and any other periodic meeting that may be required to discharge its functions at such time and place as may be determined by the Chairperson of the Stakeholder Committee.</p> <p>(2) The Chairperson of the Stakeholder Committee shall preside over all meetings of the Stakeholder Committee.</p>

32.—(1) A notice for any meeting of the Stakeholder Committee shall be given, in writing, to every member of the Stakeholder Committee by hand or electronic mail at least seven days before the date of the meeting.

Notice of meetings of the Stakeholder Committee.

(2) Every notice of a meeting of the Stakeholder Committee shall specify the date, time, and venue of the meeting with an agenda of the proposed issues to be considered at the meeting.

33. The Stakeholder Committee shall be entitled to receive from the Board any documentation which may reasonably be required for the Stakeholder Committee to discharge its obligations.

Rights of Stakeholder Committee.

34. The members of a Stakeholder Committee shall not be entitled to receive remuneration in connection with the performance of their duties as members of the Stakeholder Committee, but may be entitled to reimbursement paid with MCC Funding for reasonable and incidental expenditures arising from their attendance at meetings of the Stakeholder Committee as budgeted for and approved by the Board with the prior approval of the MCC.

Remuneration of members of Stakeholder Committee.

PART V

Financial Provisions

35. The funds, assets, resources and liabilities of the Authority shall consist of—

Funds, assets, resources and liabilities of the Authority.

- (a) any funds, assets, resources and liabilities arising under any contract entered into by the Belize Compact Development Team prior to the establishment of the Authority that are assumed and accepted by the Authority;
- (b) the Program Assets;
- (c) all monies or property that may be donated, contributed or granted to the Authority from whatever source;
- (d) all property and investments acquired by or invested in the Authority and, subject to section 37, all monies earned or arising from the property and investments; and
- (e) such other monies or property as may, in any manner, become payable to or vest in the Authority in respect of any matter incidental to its purposes and functions.

- Permitted accounts.
- 36.**—(1) The Authority may open and maintain one or more accounts in the local currency of Belize and in the United States Dollars at a financial institution approved by the MCC.
- (2) Every account shall be considered a permitted account and shall be interest-bearing to the extent practicable.
- (3) If necessary, the MCC and the Authority shall mutually agree, in writing, to the establishment of one or more accounts at a financial institution for the deposit of the cash portion of the Country Contribution and that account shall be considered a permitted account.
- (4) Where there are any changes during the compact term of any account information for a permitted account, the Authority shall notify the MCC promptly with the updated information.
- Interest and earnings.
- 37.** The Authority shall pay or transfer to the MCC, in accordance with section 2.5 of the Compact and the Program Implementation Agreement, any interest and other earnings that accrue on the MCC Funding prior to such funding being used for a Program purpose.
- Appropriation of monies and budget.
- 38.**—(1) All income, property and monies of the Authority acquired from whatever source shall be applied exclusively to the fulfilment of the purposes of the Authority in accordance with the Compact, the Program Implementation Agreement and this Act.
- (2) The Government shall appropriate, on an annual basis, the Country Contribution from the annual budget to the Program.
- (3) The Country Contribution and MCC Funding shall be allocated directly to the Authority, except for the in-kind contributions, for the execution of the Program and any other source of financing shall be incorporated into its budget.
- (4) The Country Contribution and MCC Funding shall be used solely for the purposes of the Program.
- (5) The compact budget comprised of the Country Contribution and MCC Funding shall be subject to the provisions set out in the Compact, Program Implementation Agreement and any related agreement.
- Exemption from taxation.
- 39.**—(1) Notwithstanding anything to the contrary contained in any law, the Authority shall not be liable to pay any taxes, duties, levies, contributions or other similar charges imposed by or in Belize, including any such taxes imposed by a national, regional, local or other governmental or taxing authority.

(2) Notwithstanding sub-section (1), the Authority shall be liable to pay fees or charges for services that are generally applicable in Belize, reasonable in amount, and imposed on a non-discriminatory basis.

(3) No tariffs, customs duties, import taxes, export taxes, and other similar charges in respect of MCC Funding shall be assessed or levied on—

- (a) any goods, works or services introduced into Belize in connection with the Program;
- (b) any personal effects, vehicles, equipment, supplies, or other items imported into Belize by any personnel, including employees and contractors of MCC and any providers of goods, works, or services to the Program and their families for their own use, which personnel or providers are present in the country to perform work in connection with the Program and are not citizens or permanent residents of Belize;
- (c) ownership, possession or use of any property in connection with the Program; and
- (d) income, profits, or gross receipts attributable to work performed in connection with the Program.

(4) No sales tax, value added tax, excise tax, property transfer tax, and other similar charges in respect of MCC Funding shall be assessed or levied on any transactions involving goods, works or services in connection with the Program.

(5) No social security taxes and other similar charges in respect of MCC Funding shall be assessed or levied on natural or legal persons performing work in connection with the Program.

(6) Notwithstanding sub-section (3), (4) and (5), the exemption from taxes and other similar charges on income, profits, or gross receipts attributable to work performed in connection with the Program shall not apply to—

- (a) natural persons who are citizens or permanent residents of Belize; or
- (b) legal persons formed under the laws of Belize, except the Authority and any other entity formed for the purpose of implementing the obligations of Belize under the Compact.

(7) The exemption described in this section shall be implemented through the mechanisms set out in the Compact, including Annex VI, or such other procedures as the MCC and the Government may agree.

- Authority to cover outgoings.
- 40.** The Authority shall perform its functions to ensure that its available resources are sufficient to meet the expenditures properly chargeable to the Authority.
- Accounts and audit.
- 41.**—(1) The Authority shall keep proper accounts and other financial records in relation to the operations of the Authority, and such accounts and records shall conform to the MCC policies and internationally accepted standards.
- (2) The accounts of the Authority shall be audited by an independent auditor approved by the MCC and selected and procured in accordance with the Accountable Entities Guidelines for Contracted Financial Audits and the M&E Plan.
- (3) Audits of the Authority shall be performed in accordance with the Compact and the Program Implementation Agreement and shall be subject to quality assurance oversight by the Inspector General.
- (4) The following persons shall not be procured as auditors of the Authority—
- (a) a member of the Board or Key Staff of the Authority or any person related to such by blood, marriage, or domestic partnership;
 - (b) a person who—
 - (i) is a business partner of a member of the Board;
 - (ii) is an employer or employee of a member of the Board or Key Staff of the Authority;
 - (iii) is an officer or employee of a body corporate which is employed by the Authority; or
 - (iv) regularly performs the duties of the Secretary to the Authority and any partner or employee of that person.
- (5) The Authority shall provide access to its accounts, financial records and facilities to the Inspector General, the United States Government Accountability Office, and authorised representatives of the MCC to conduct any audit assessment review, evaluation or inspection of the Authority or the Program as contemplated by the Compact.
- Information to be furnished to the Minister.
- 42.**—(1) The Authority shall, as soon as practicable but not later than six months after the end of the financial year, submit to the Minister any audit conducted pursuant to the requirements of the MCC, including the funds accountability statement.

(2) The Minister shall, not later than three months after the first sitting of the National Assembly after receipt of the audit referred to in sub-section (1), present such audit before the National Assembly.

43. The financial year of the Authority shall—

Financial year.

- (a) commence on the first day of October;
- (b) be for the twelve consecutive months; and
- (c) terminate on the last day of September of the following year.

PART VI

Fiscal and Procurement Agents

44. The Authority shall engage, in form and substance satisfactory to MCC, an individual or firm with expertise in financial management and reporting to serve as a Fiscal Agent to discharge the following duties—

Fiscal Agent.

- (a) to ensure and certify that disbursements of MCC Funding are properly authorised and documented in accordance with control procedures set out in the Fiscal Agent Agreement and Bank Agreement;
- (b) to instruct the Bank to make disbursements from a Permitted Account or requesting disbursement be made directly to a provider as payment for goods, works or services in accordance with the Common Payment System and following applicable certification by the Fiscal Agent;
- (c) to provide applicable certifications for disbursement requests;
- (d) to maintain proper accounting of all MCC Funding and Country Contribution financial transactions;
- (e) to produce reports on disbursements in accordance with established procedures set out in the Fiscal Agent Agreement or the Bank Agreement; and
- (f) to ensure that all program related financial management activities are conducted in strict compliance with the principles, rules, and procedures set out in the Compact and related MCC policies, procedures and guidance.

45. The Authority shall engage, in form and substance satisfactory to the MCC, an individual or firm with expertise in public procurement and contract

Procurement Agent.

management to serve as a Procurement Agent to discharge the following duties—

- (a) to carry out and certify specified procurement activities in furtherance of the Compact and the Program Implementation Agreement; and
- (b) to ensure that all procurements by the Authority are conducted in strict compliance with the principles, rules, and procedures set out in the Compact and related MCC policies, procedures and guidance.

Intellectual
property rights.

46. Where there is any financial gain to the Authority as a result of any intellectual property developed that was funded, in whole or in part, with MCC Funding or the Country Contribution, the Authority shall be liable for compensating the inventor of such intellectual property in respect to copyrights, trade secrets or patents developed during the implementation of the Compact.

PART VII

Miscellaneous

Indemnity of
members of
Board.

47.—(1) A member of the Board shall not be personally liable for any debt or obligation of the Authority.

(2) Subject to sub-section (3), the Authority shall, at the cost and expense of the Government without utilising any MCC Funding or any portion of the Country Contribution or any Program Assets for this purpose, indemnify, defend and hold harmless, every member of the Board, including the MCC Observer, every member of any Stakeholder Committee and every Key Staff and employees of the Authority from and against any claim, loss, action, liability, cost, damage, or expense arising or incurred by the member in connection with or arising as a result of that performance of duties on behalf of the Authority.

(3) The Authority shall not indemnify a member of the Board, including the MCC Observer, a member of any Stakeholder Committee and every Key Staff and employees of the Authority if and to the extent that any claim, loss, action, liability, cost, damage, or expense is attributable to the fraud, gross negligence, unlawful conduct or willful misconduct of that member.

Regulations.

48. The Minister may, on the recommendation of the Board and with the approval of the MCC, make Regulations consistent with the Compact, the Program Implementation Agreement and this Act for the better functioning of the Authority.

49. The Authority shall wind up 120 days after the expiration of the Compact pursuant to the Belize Companies Act, unless continued under section 50, and shall comply with provisions under section 4.2 of the Compact.

Winding up of the Authority. Act No. 11 of 2022.

50.—(1) The Authority may continue to exist and function for such period after 120 days beyond the expiration of the Compact, including any extension or renewal, as the Minister may determine by Order published in the *Gazette*.

Continuation of the Authority.

(2) The Minister shall make such a determination under sub-section (1) no later than 120 days before the expiration of the Compact.

51. Subject to the Belize Constitution, this Act and its provisions, including the provisions of the Compact and those of the Program Implementation Agreement incorporated by this reference, shall prevail over any existing or future law, rule or regulation that is inconsistent with or conflicts with a provision of this Act, including the provisions of the Compact and those of the Program Implementation Agreement.

Act to prevail over other laws. CAP. 4.