

**BELIZE**

**No. HR39/1/13**

**HOUSE OF REPRESENTATIVES**

Friday, 18<sup>th</sup> October 2024

10:00 AM

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**S U P P L E M E N T A R Y ( 2 )**

**ORDERS OF THE DAY**

**7. Presentation of Report from Select Committees.**

No. HR276/1/13 - Report from the Finance and Economic Development Committee on the Caribbean Development Bank - Ninth Consolidated Line of Credit for the Development Finance Corporation - Loan and Guarantee Motion, 2024.

*(The Honourable Chairperson of the Finance and Economic Development Committee)*

No. HR277/1/13 - Report from the Constitution and Foreign Affairs Committee on the Resolution Recommending the Appointment of a Person to Act as Auditor-General Motion, 2024.

*(The Honourable Chairperson of the Constitution and Foreign Affairs Committee)*

**14. Public Business.**

**A. Government Business**

**I MOTIONS *(For Text of Motions see Notice Papers attached)***

1. Caribbean Development Bank – Ninth Consolidated Line of Credit for the Development Finance Corporation – Loan and Guarantee Motion, 2024.

*(referred on 18<sup>th</sup> October 2024)*

2. Resolution Recommending the Appointment of a Person to Act as Auditor General Motion, 2024.

*(referred on 18<sup>th</sup> October 2024)*

*(The Honourable Prime Minister and Minister of Finance, Economic Development, Investment, Civil Aviation, and Immigration)*

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**S U P P L E M E N T A R Y ( 2 )**

**NOTICE OF QUESTIONS AND MOTIONS**

**M O T I O N S**

1. **Caribbean Development Bank – Ninth Consolidated Line of Credit for the Development Finance Corporation – Loan and Guarantee Motion, 2024.**

*(referred on 18<sup>th</sup> October 2024)*

**WHEREAS**, section 15(1) of the Development Finance Corporation Act, Chapter 279, Revised Edition 2020; provides that the Development Finance Corporation (the “DFC”) may, with the approval of the Minister of Finance, and subject to the principles of sound fiscal management, borrow sums domestically or internationally, for meeting any of its obligations or discharging any of its functions;

**AND WHEREAS**, section 15(4) of the Development Finance Corporation Act, as amended by the Development Finance Corporation (Amendment) Act, 2022 (Act No. 6 of 2022), further provides that the Aggregate Domestic Debt of or above Five Million Belize Dollars (BZ\$5,000,000) shall only be validly entered into pursuant to a Resolution of the National Assembly authorising the DFC to raise the loan or to borrow the money;

**AND WHEREAS**, the Caribbean Development Bank (the “Bank”) has offered a Line of Credit totaling Twenty Million United States Dollars (US\$20,000,000) to the DFC to assist in providing finance for priority sectors, such as MSME credit, student loans, low-income housing and energy efficiency and renewable energy;

**AND WHEREAS**, one of the conditions is that the Loan shall be guaranteed by the Government of Belize as per section 12(1) of the Loans (Caribbean Development Bank) Act, Chapter 74 of the Substantive Laws of Belize, Revised Edition 2020, which provides, *inter alia*, that the Government may, in such manner and on such terms and subject to such conditions as may be agreed by it and the Bank, guarantee the discharge by a company of the company’s obligations under any agreement for borrowing from the Bank;

**AND WHEREAS**, section 7(6) of the Finance and Audit (Reform) Act, Chapter 15 of the Substantive Laws of Belize, Revised Edition, 2020, provides that before the Government offers any guarantee or some other form of security in support of any loan made directly to a private sector entity or statutory body by any public or private bank, financial institution or capital market in or outside Belize, the Government shall seek the approval of the National Assembly;

**AND WHEREAS**, the main terms and conditions of the Line of Credit are as follows—

Loan Amount:	US\$20,000,000 allocated as follows—  US\$18,000,000 from the Bank's Ordinary Capital Resources (OCR);  US\$2,000,000 from the Bank's Special Fund Resources (SFR);
Rate of Interest:	Interest shall be paid quarterly at the rate of 0.75% per annum on the amount of the SFR portion withdrawn and outstanding from time to time and at the rate of 5.60% per annum on the amount of the OCR portion withdrawn and outstanding from time to time;
Repayment Terms:	Sixty-eight (68) equal, or approximately equal, and consecutive quarterly installments on each due date, commencing on the first due date after the expiry of five (5) years after the agreement date;
Commitment Fee:	0.25% payable annually by the DFC on any undrawn amount of the OCR portion only. There will be no commitment fee for the SFR portion;

**NOW, THEREFORE, BE IT RESOLVED** that this Honourable House, being satisfied that this Loan to the DFC would contribute to the social and productive sectors of Belize and impact poverty reduction by providing greater access to funding for key targeted sectors of the economy, (i) approves that the DFC may borrow the said sum of Twenty Million United States Dollars (US\$20,000,000) from the Caribbean Development Bank on the terms and conditions set out above, and further authorises the Board of Directors of the DFC to execute and deliver the Loan Agreement and other associated documents; (ii) approves that all principal, interest, fees, premiums and other charges under the loan shall be tax, fee, duty or charge exempt as provided for in the loan and guarantee agreements; and (iii) further approves and confirms that the Government may enter into a Guarantee Agreement with the Caribbean Development Bank on terms and conditions set out above, and further authorises the Minister of Finance to execute and deliver the said Guarantee Agreement and

all documents associated therewith.

**Cabinet’s recommendation to be signified.**

**2. Resolution Recommending the Appointment of a Person to Act as Auditor General Motion, 2024.**

*(referred on 18<sup>th</sup> October 2024)*

**WHEREAS**, section 109(2) of the Belize Constitution provides that, if after the 15<sup>th</sup> day of January, 2002, the office of the Auditor-General is vacant or if the holder of that office is for any reason unable to exercise the functions of his office, the Governor-General, acting on the recommendations of both Houses of the National Assembly contained in resolutions passed in that behalf, may appoint a person to act as Auditor-General;

**AND WHEREAS**, the office of the Auditor-General has been vacant since 1<sup>st</sup> September 2024.

**NOW, THEREFORE, BE IT RESOLVED** that this Honourable House recommends that **MS. MARIA RODRIGUEZ** be appointed to act as Auditor-General for a period of **four (4) months** with effect from the 1<sup>st</sup> day of September 2024.

**Cabinet’s recommendation to be signified.**

*(The Honourable Prime Minister and Minister of Finance, Economic Development, Investment, Civil Aviation, and Immigration)*

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