



GOVERNMENT OF BELIZE
Ministry of Finance
Belmopan, Belize

Press Release

For Immediate Release

May 19, 2021

Belize Announces Commencement of Consent Solicitation

Belmopan, May 19, 2021: The Government of Belize announced today that it is seeking the consent (the “**Consent Solicitation**”) of eligible beneficial owners (the “**Holders**”) of Belize’s U.S. Dollar Bonds due 2034 (the “**Bonds**”) to extend the grace period applicable to the May 20, 2021 coupon to September 19, 2021 (the “**Proposed Amendment**”), with the effect that the amended grace period will expire on the same date as the grace period applicable to the next scheduled coupon, payable on August 20, 2021. The terms and conditions of the Consent Solicitation are detailed in a consent solicitation statement dated May 19, 2021 (the “**Consent Solicitation Statement**”).

Belize’s economy and financial condition have been acutely affected by the consequences of the COVID-19 pandemic. The primary deficit increased to 8.3% of GDP in fiscal year 2020/2021 from 1.4% of GDP in fiscal year 2019/2020. In addition, the Government’s current projections indicate that the primary balance could fall to a deficit of 2.8% for fiscal year 2021/2022. According to the Staff Concluding Statement of the 2020 Article IV Mission, real GDP in Belize is not expected to return to its 2019 level until 2025. Following extensive stakeholder consultations, Belize is implementing a “Five-Year Homegrown Recovery Plan,” starting with the 2021/22 national budget, already approved by the Parliament of Belize.

As a result, the Government has implemented aggressive fiscal adjustments measures and commenced consultations and discussions with advisors, bondholders and other parties regarding possible alternative terms for meeting its contractual obligations under the Bonds. The Government is seeking consent from Eligible Holders (as defined in the Consent Solicitation Statement) to the Proposed Amendment in order to give the Government the necessary time to discuss these alternatives with representatives of the Holders and execute an appropriate transaction.

Belize will pay to each Eligible Holder that delivers a consent in accordance with the procedures described in the Consent Solicitation Statement a consent fee in an amount equal to U.S.\$0.50 for each U.S.\$1,000 principal amount of Securities held by such Eligible Holder; provided that Belize receives the Requisite Consents and the Proposed Amendment becomes effective. Holders of Bonds for which no consent is delivered will not receive such consent fee.

The Consent Solicitation will expire at 5:00 p.m., New York City time, on June 1, 2021, unless extended or earlier terminated by Belize.

Identifiers for the Bonds consist of CUSIP Nos. 07782GAG8 and P16394AG6 and ISIN Nos. US0778GAG82 and USP16394AG62.

Global Bondholder Services Corporation is serving as Information and Tabulation Agent. Eligible Holders may obtain copies of the Consent Solicitation Statement from Global Bondholder Services Corporation by telephone at +1 (866) 470-3700 (Toll-Free) or +1 (212) 430-3774 (Collect), email address: info@gbsc-usa.com. or by download, following registration, via: <https://gbsc-usa.com/eligibility/belize>.

Important Notice

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