Belize Solar PV Project

Project Teaser

January 2026

Important Notice

This marketing document (hereinafter referred to as the "Document") is issued on behalf of the Government of Belize ("GoB") solely to present the proposed Public-Private Partnership ("PPP") for the Belize Solar PV Project (the "Project") as a business opportunity and to obtain preliminary assessments, feedback, and initial expressions of interest from potential participants.

The responses received will help the GoB structure the potential transaction by considering the requirements and expectations of prospective investors. This Document is not intended to provide all the information that an investor might need or desire and is made available solely to assist interested parties in conducting their own evaluation. Recipients are strongly encouraged to undertake independent investigation and analysis of the information provided herein.

The Document has been prepared by the International Finance Corporation ("IFC") utilizing information supplied by the GoB, including input from the Ministry of Finance, the Ministry of Economic Development, the Ministry of Public Utilities, Energy and Logistics, Belize Electricity Limited, the Public Utilities Commission, and other relevant government entities. Neither the GoB, IFC, nor any of their agents, representatives, advisors, or consultants make any representations or warranties, express or implied, regarding the information contained herein, and accept no liability for any errors, omissions, or losses arising from its use.

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Background

Government of Belize (GoB) through the Ministry of Finance, Economic Development, and Investment mandated IFC as lead transaction advisor to identify, through a competitive tender process in accordance with applicable law, an independent power producer that will be responsible for the design, build, finance, operation, and maintenance of up to 80 MW utility scale solar PV plant that will also be added to the national electricity grid (the Project).

Project Objectives

The objectives of the GoB in implementing this project are to:

i. allow the GoB to meet its Nationally Determined Contributions goals which include plans to scale up its renewable energy capacity to 75% by 2030 and the installation of up to 100MW of utility-scale solar by 2035;
ii. reduce the outflow of foreign exchange to Mexico for energy import payments; and
iii. increase Belize's energy security and reliability.

Transaction Overview

The Project is expected to be 80 MW grid-connected utility-scale solar PV across up to four sites. The selected private investor (the Seller) will sign two main agreements for the solar project; a Power Purchase Agreement (PPA) with the national utility, Belize Electricity Limited (BEL or the Purchaser), and a Government Support Agreement (GSA) detailing the responsibilities, rights, and risk allocations between the Seller, Purchaser, and the GoB over a 25-year term starting from the Scheduled Commercial Operations Date (COD).

The GoB may decide to select one or more winning bidders to implement the Project across multiple sites of 20MW each. In such a case, separate project agreements (PPA and GSA) will be signed for each site with each selected bidder.

Belize: Country Profile

Country Overview

Belize is an upper-middle-income country in Central America with a population of approximately 417,000 as of 2023. It holds the unique position of being the only English-speaking nation in the region, fostering close socio-political and economic ties with both Central America and the Caribbean.

The country's economy is primarily driven by tourism, agriculture, and energy imports, rendering it vulnerable to global commodity price fluctuations. Tourism stands as the most significant source of foreign exchange, followed by agricultural exports. Remittance inflows also play a crucial role in supporting household consumption.

Despite these economic activities, over a third of the population lived in multidimensional poverty as of 2021, with more than half unable to afford adequate nutrition and basic non-food items in 2018. Low levels of female labor force participation further hamper poverty reduction efforts.

Strategic Location & Renewable Energy Potential

Situated at the crossroads of Central America and the Caribbean, Belize's strategic geographic position offers both logistical advantages and access to diverse trade markets. The country benefits from abundant solar resources, with consistently high solar irradiance levels year-round, making solar energy a highly viable renewable energy option to meet its growing electricity demand sustainably.

Leveraging this potential through projects like this one not only supports economic diversification and energy security but also contributes to the broader goal of sustainable development that balances environmental preservation and social progress.

Furthermore, Belize is advancing major initiatives such as the deployment of 40 MW of battery energy storage systems, supported by the World Bank, to improve grid reliability and manage renewable integration. These efforts support the country's ambitious targets under the NEP and NDC 3.0, positioning Belize as a promising and increasingly competitive destination for sustainable energy investments.

Economic Performance & Outlook

Steady growth momentum: Economic activity expanded in early 2025, with real GDP rising an estimated 2.0% in Q1. Growth was led by tourism and related services, underscoring the country's competitive advantage in a high-value sector.

Inflation easing: Price pressures continued to moderate, with inflation at 2.2% year-on-year in January 2025, supportive of consumer purchasing power and predictable operating costs.

Tight labor market: Unemployment was at 2.1% in April 2025, highlighting robust labor demand and a dynamic services economy.

Strengthening external buffers: Gross official international reserves increased to the equivalent of 4.3 months (about 18.6 weeks) of merchandise import cover by end-March 2025, bolstering external resilience and confidence.

Solid fiscal discipline: Fiscal accounts were near balance in early 2025, with a small primary surplus recorded in Q1. While FY2024/25 saw a modest overall deficit, debt remained in the low-to-mid-60% of GDP range, with a balanced mix of domestic (≈22%) and external (≈42%) debt.

Banking system liquidity: Strong tourism inflows supported foreign asset accumulation and system liquidity, providing a healthy backdrop for credit intermediation and investment.

Sectoral outlook: While agriculture, particularly sugar, experienced weather-related mill disruptions and reduced deliveries during Dec–Mar of the 2024/25 crop year, the broader economy remained resilient, with services offsetting temporary headwinds.

Belize enters 2026 with stable growth, moderating inflation, strong reserves, and disciplined fiscal management. These fundamentals, alongside a thriving tourism sector and ample banking system liquidity, create a supportive environment for investment and sustainable, medium-term expansion.

Business Environment & Investment Incentives

Belize offers a compelling environment for doing business, characterized by a stable political system, a strategic geographic location bridging Central America and the Caribbean, and a predominantly English-speaking population. The government has actively pursued reforms to simplify business registration and tax frameworks, fostering a pro-business culture that supports entrepreneurship and foreign investment.

Belize's diversified private sector, which accounts for nearly 90% of GDP and employs most of the workforce, benefits from targeted incentives such as tax exemptions under the Fiscal Incentive program. Moreover, Belize's membership in CARICOM enables access to regional markets with free trade agreements and streamlined goods and services movement. Recent efforts to enhance infrastructure, improve public sector transparency, and develop skilled labor align with the country's ambition for sustainable economic growth, making Belize a promising destination for investment in sectors like renewable energy, tourism, agriculture, and logistics.

The government actively promotes renewable energy investments through the Fiscal Incentives Act, Act No. 4 of 2023, which provides targeted tax and import duty exemptions and corporate tax holidays for approved renewable energy projects. While Belize currently does not provide feed-in tariffs or net metering tax credits, the 2025/26 national budget allocates over $300 million in capital investment toward clean energy infrastructure, reflecting strong public support beyond direct tax benefits.

Climate Vulnerability & Environmental Considerations

Belize is recognized for its rich biodiversity, encompassing terrestrial, freshwater, and marine ecosystems. In 2020, Belize possessed approximately 1.4 million hectares of natural forest, accounting for 63% of its land area, but 30,000 hectares were lost in 2024, releasing an estimated 12 Mt CO_2. From 2001 to 2023, Belize lost around 3,020 km^2 of forest (~17% decline), driven by agriculture expansion (livestock, palm oil), fires, hurricanes, and illegal clearing; deforestation rates have slowed yet remain high (~80 km^2/year). As of 2024, 26.8% of Belize's territory (marine and terrestrial combined) is under protection, a 27% increase over the 21.1% in 2023. Specifically, terrestrial protected areas cover 37.3% of the land, according to World Bank statistics. Belize's geographical diversity includes:

1. Tropical rainforests, especially in the Maya Mountains and Mountain Pine Ridge, harboring species like jaguars, pumas, howler monkeys, keel-billed toucans, and scarlet macaws.
2. Pine savannahs, both inland (higher altitude) and coastal, supporting species such as armadillos and gray foxes.
3. Wetlands and mangroves, vital fish nurseries and coastal protectors, including the Crooked Tree Wildlife Sanctuary.
4. The Mesoamerican Barrier Reef System, the largest contiguous coral reef in the Western Hemisphere, is recognized as a UNESCO World Heritage Site.

Belize's vast natural capital is increasingly threatened by overfishing, habitat loss, and climate change. These ecosystems generate over USD 1 billion annually through tourism, fisheries, and coastal protection.

Belize is among the most climate-vulnerable countries worldwide, ranking third in disaster vulnerability among small island developing states. The Project aligns with national efforts to build climate resilience by promoting clean energy and reducing greenhouse gas emissions. It supports Belize's commitment to achieving 75% renewable energy in the electricity generation mix by 2030 and 80% by 2035, as outlined in the National Energy Policy (NEP) 2023–2040 and the Third Nationally Determined Contribution (NDC 3.0).

Energy Sector - Overview

Belize's energy sector is undergoing important transformation aimed at improving reliability, reducing costs, and advancing renewable integration. Historically reliant on imported electricity—approximately 50% is imported from Mexico—Belize faces challenges including high electricity costs, an aging infrastructure vulnerable to extreme weather, and increasing demand. The government is working towards modernizing the energy system to address these issues and promote sustainability.

Sector Structure & Governance

The energy sector is overseen by the Ministry of Public Utilities, Energy and Logistics (MPUEL). Critical decisions are guided by entities such as:

Special Electricity Committee (SEC): Established in 2025 to develop a National Electrical Energy Mix Master Plan aimed at securing reliable, affordable, and sustainable power. The SEC leads strategic planning, stakeholder engagement, and policy development.

Belize Electricity Limited (BEL): The primary utility company serving over 100,000 consumers, managing generation, transmission, and distribution.

The Public Utilities Commission (PUC): The regulatory body responsible for licensing, tariff approvals, and monitoring sector performance.

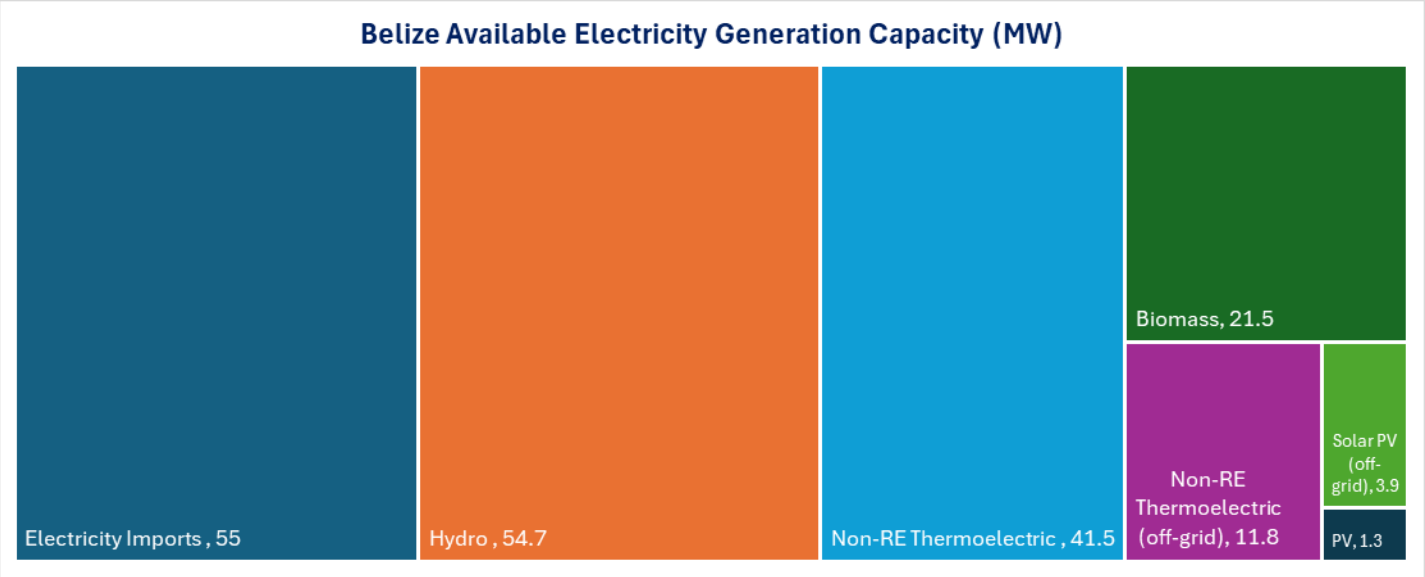
Transmission and distribution is managed by BEL, the vertically integrated national utility and off-taker, BEL is the sole distributor of electricity in the country and manages the national grid, which connects all major municipalities except for Caye Caulker, which is served by an off-grid power station. The national grid comprises approximately 2,000 miles of transmission and primary distribution lines.

BEL's ownership structure includes the Government of Belize (65.88%), the Social Security Board (31.27%), and over 1,500 small shareholders (2.85%).

Energy Mix & Generation Capacity

As of 2024, Belize's total installed electricity generation capacity was approximately 135 MW, with peak demand reaching 129.2 MW, leaving minimal reserve margins. The country's energy mix includes:

- Hydropower: Macal River (7.2 MW, 25.2 MW, and 19 MW) and Rio Grande (3 MW) – highly seasonal
- Biomass: Sugar mills – 12 MW (North) and 9 MW (West), seasonal
- Thermal: BEL-owned gas turbines totaling 49 MW
- IPP Thermal: 22.5 MW heavy fuel oil plant
- Imports from Mexico (CFE): 55 MW, the single largest source



Renewable Energy Initiatives

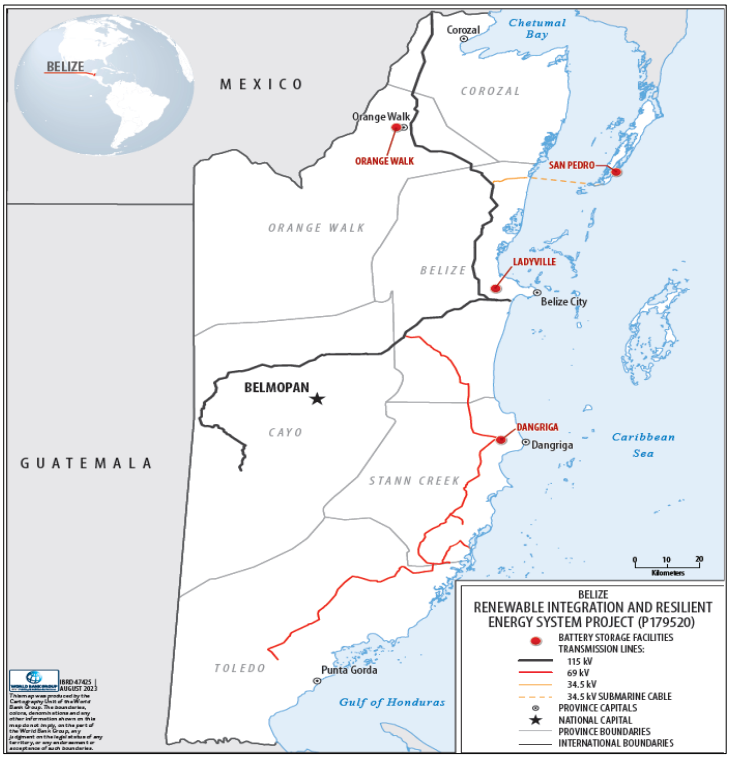
Belize has made significant strides in renewable energy, with 52.9% of its electricity production coming from renewable sources as of 2023, making it the leading renewable energy producer by percentage in the Caribbean.

To support the NEP and NDC 3.0 commitment of 75% renewable energy in the generation mix by 2030, BEL has proposed a $500 million investment plan for 2024–2028, aiming to integrate 140 MW of utility-scale solar photovoltaic (PV) generation and at least 40 MW of battery energy storage systems. This initiative seeks to stabilize electricity rates and reduce reliance on imported electricity from Mexico.

Infrastructure Upgrades & Resilience

To bolster grid reliability, BEL has undertaken several infrastructure upgrades:

Belize Transmission Lines



Source: World Bank Renewable Integration & Resilient Energy System Project

- West Lake Gas Turbine Upgrade: In 2024, BEL completed an upgrade of the West Lake Gas Turbine, increasing its capacity from 19 MW to 30 MW.
- Ambergris Caye Gas Turbine Installation: A new gas turbine was installed on Ambergris Caye, adding 20 MW of generation capacity to the national grid.

The World Bank is supporting these efforts through the Belize Reliant and Resilient Energy Systems (BRRES) Project, which should include the deployment of four 10 MW battery storage systems in selected districts. This project aims to enhance power reliability, reduce outages, and optimize electricity costs for consumers.

Challenges & Opportunities

Despite progress, Belize faces several challenges in its energy sector:

- High Dependence on Imports: Approximately 50% of Belize's electricity is imported from Mexico, exposing the country to external supply risks and price volatility.

- Climate Vulnerability: Belize is highly susceptible to climate-related events, such as hurricanes and tropical storms, which can disrupt power supply and damage infrastructure.
- Fluctuating electricity rates: mean electricity rate fluctuates between BZ$ 0.364 ~ 0.448 which is affected by drought conditions, fluctuating oil prices and hourly spot price of Mexico imports.
- Infrastructure Limitations: Aging infrastructure and limited reserve margins pose challenges to meet growing energy demands and integrating renewable energy sources.

However, these challenges also present opportunities for investment in renewable energy projects, grid modernization, and energy storage solutions, aligning with Belize's commitment to a sustainable and resilient energy future.

Regulatory Framework

Key legislative and policy documents shaping the sector include:

National Energy Policy 2023–2040: Sets renewable energy targets and promotes clean energy development to reduce fossil fuel dependence.

Fiscal Incentives Act, Act No. 4 of 2023: Offers tax and duty exemptions and corporate tax holidays to approved renewable energy projects to reduce upfront costs.

Licensing regulations: Govern permits for generation, transmission, and distribution activities, ensuring compliance with environmental and technical standards.

Electricity sector participants require licenses issued by the Public Utilities Commission for activities including:

- Electricity generation (including renewable and conventional sources)
- Transmission and distribution network operations
- Retail supply and trading activities

Licenses are granted based on compliance with technical, safety, environmental, and financial criteria. The licensing framework supports market stability and encourages investment while protecting consumer interests.

Electricity Tariffs

Electricity tariffs in Belize are among the highest in Central America; this is largely due to import dependency, infrastructure limitations, and supply-demand challenges. Low-income households may spend up to 30% of their pre-tax income on electricity.

Tariff structures are regulated by the Public Utilities Commission (PUC), designed to balance cost recovery, affordability, and incentives for energy efficiency and renewable adoption.

Ongoing projects seek to stabilize and reduce tariffs by expanding domestic renewable capacity and improving grid efficiency. One such project is the Saudi Fund for Development (SFD) 40MW Solar PV Project with 20MW Battery Energy Storage System (BESS).

Project Location & Environmental Factors

Location & Technical Screening

ILF has been mandated as technical consultant, to advise the Government and the IFC in connection with the Project. IFC and ILF have conducted technical screening of potential project sites and will conduct final technical studies, (including grid study, topographical and geotechnical studies etc.) on the selected sites.

The GoB is in the final stages of selection of project sites and associated substations. Six shortlisted sites, all located in northern Belize, are under final review. Up to four of these sites will be selected to host the 80MW Project. The project's grid connection strategy involves linking the sites to either existing substations or transmission lines.

Environmental Considerations

RINA has been mandated as E&S consultant to advise the Government and the IFC in connection with the Project.

A preliminary screening process led by IFC and RINA, reviewed 26 potential sites for utility-scale solar PV development in Belize. Using environmental, social, cultural heritage and biodiversity criteria—including GIS analysis, field visits, and stakeholder input—six sites were shortlisted for their technical and relative E&S suitability.

While the shortlisted sites generally avoid protected areas, critical biodiversity features, and densely populated settlements, each location presents localized E&S risks that must be carefully managed. Potential site risks include exposure to flooding and wildfire hazards, land-use conflicts linked to agricultural and informal land uses, complex land tenure and ownership arrangements, potential economic displacement, sensitive habitats, and community health and safety risks associated with waste management, traffic, and access roads.

Climate-related risks require consideration, particularly flooding, wildfire, and extreme weather events across several sites are expected to intensify under future climate change scenarios.

Cross-cutting issues include the proximity of some sites to archaeological features. While no known archaeological sites are located within the proposed site boundaries, the likelihood of chance finds remains high in certain districts, requiring coordination with the

Institute of Archaeology. The Project area of influence also includes possible interactions with Indigenous Groups and local communities. While no findings currently trigger Free, Prior, and Informed Consent (FPIC), culturally appropriate engagement and consultation aligned with IFC Performance Standard 7 will be essential.

This initial assessment provides a foundation for strategic site selection and highlights the key environmental and social considerations to be addressed to ensure project success. In the next stage, RINA, will develop a detailed Environmental and Social Scoping Study and define the Terms of Reference (ToR) for the Environmental and Social Impact Assessment (ESIA), along with other required studies and management plans.

The selected developer will be responsible for carrying out the ESIA in accordance with these ToR, and in full compliance with IFC Performance Standards and applicable Belizean legislation.

Legal Overview

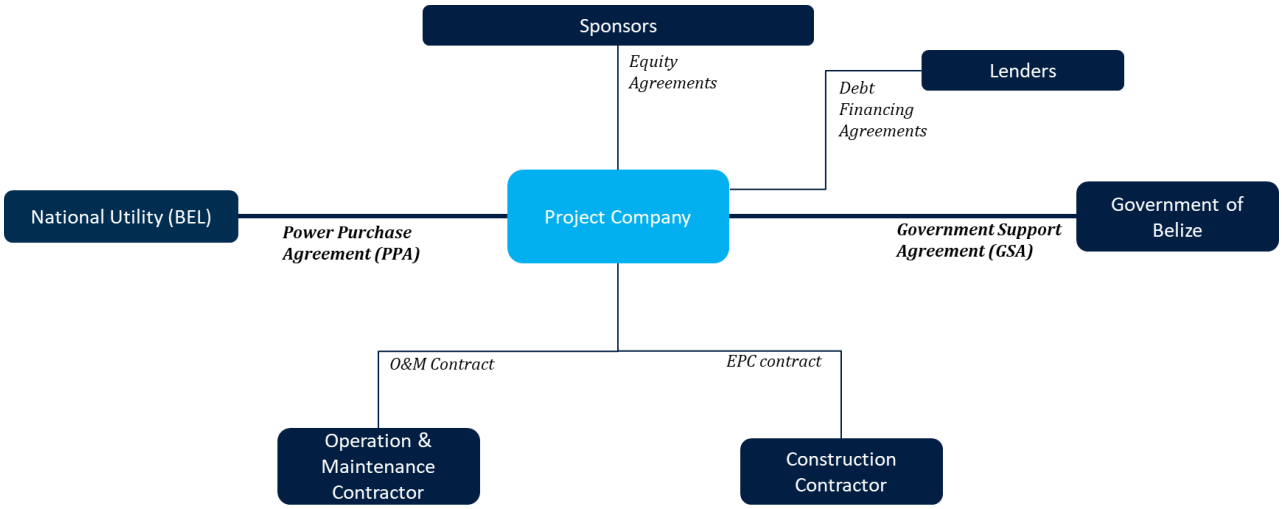
Legal Due Diligence

Gide A.A.R.P.I ("Gide") has been mandated as international legal counsel in collaboration with local law firm Barrow & Williams LLP (together with Gide the "Legal Consultant"), to advise the Government and the IFC in connection with the Project.

A full legal due diligence has been conducted and overall, Belize does not have extensive regulatory and legal constraints which will hinder the execution of the Project.

Expected Project Structure

The winning bidder(s) is expected to implement the project under a project finance structure, with the set-up of a project company (Special Purpose Vehicle or “Project Company”). This newly formed entity will enter into contractual agreements with BEL and GoB for the implementation of the Project. Expected contractual arrangements are shown in the diagram below.



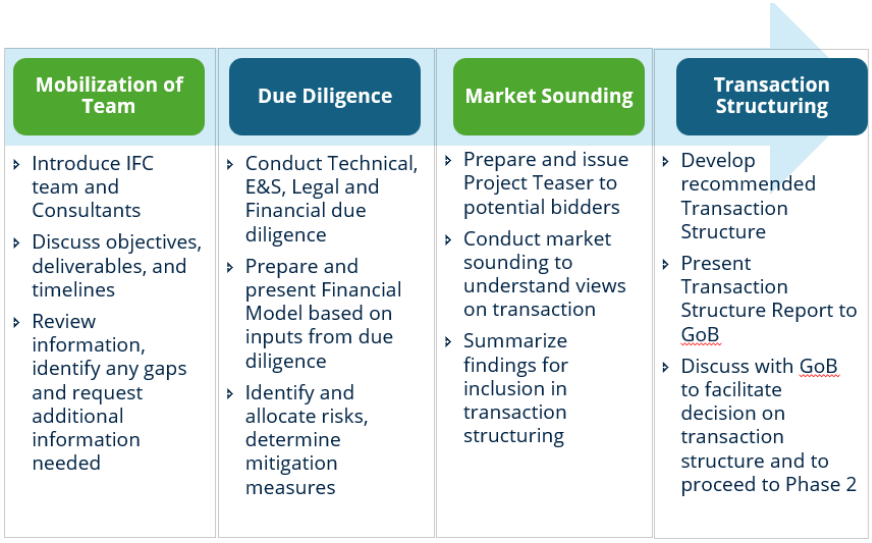
Transaction Process & Timeline

The Belize Solar Project is being structured through a two-phase process, with IFC as transaction advisor to the Government of Belize.

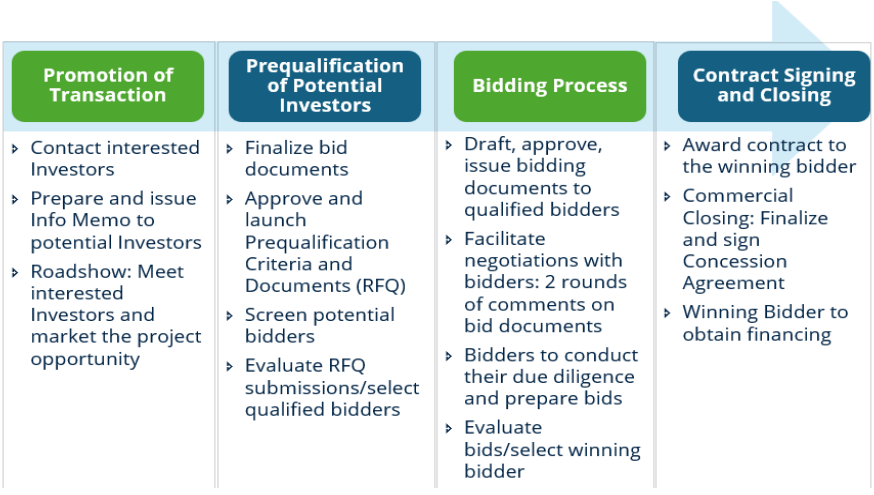
Transaction Process

The project is being implemented in two phases:

Phase 1: Due diligence is currently on-going and will conclude once the Government approves the Transaction Structure Report.



Phase 2: Project promotion and implementation of the bidding process.



Estimated Timetable

Activity	**Date**
RFQ Issued	January 19th, 2026
Clarification Request Deadline	March 13, 2026
Prequalification Application Submission Deadline	March 27, 2026
Announcement of Prequalified Bidders	April 30, 2026
Draf RFP Issued / Data Room Launched	May, 2026
Bidders' due diligence (conference, Q&A, contracts negotiations)	From May to June 2026
Final RFP issued	End of June 2026
Commercial Closing	September 2026

Key Contacts

For further information or to discuss the potential opportunity in more detail please contact. **IFC should be copied on all communications** with GoB or BEL:

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