Belize Solar PV Project

Request for Expression of Interest

GOVERNMENT OF BELIZE

Background and Context

Belize is a country in Central America, with a population of approximately 430,191 as of 2022. Its economy is highly dependent on tourism, agricultural exports, and energy imports, making it vulnerable to external economic shocks and fluctuations in international commodity prices.

Belize also faces significant exposure to climate change and extreme weather events, despite being a minor contributor to greenhouse gas (GHG) emissions. According to Green Climate Fund (GCF), Belize ranks 8 out of 172 counties for the vulnerability to the impact of Climate Change. Amongst small states, Belize is the third most vulnerable country to natural disasters and the fifth most vulnerable to Climate Change.

Compared to other Central American countries, Belize has a unique energy landscape, having achieved a 58% renewable energy share in its national grid, with hydropower and biomass being the primary contributors. However, with a 40% dependency on energy imports from Mexico, Belize remains exposed to international fuel price fluctuations. Recognizing the strategic need for energy security, the government has launched a series of initiatives and policy including The National Energy Policy Framework 2021-2040. This policy, along with the Country's Nationally Determined Contributions (NDCs), sets ambitious targets including achieving 75% renewable energy generation by 2030 and reducing reliance on imported electricity from Mexico. These initiatives aim to stabilize energy prices, improve grid resilience, and promote sustainable economic growth.

The principal player in Belize's electricity sector is the Belize Electricity Limited, which operates under a license from the Public Utilities Commission. The country's total installed capacity was approximately 132 MW as of 2023. With peak demand reaching 130 MW in 2023, and existing in-country capacity affected by seasonality of biomass and rainfall, there is a need to increase in-country reserve capacity and to do so at a relatively low cost.

To address this, the Government of Belize ("GoB", "the Government") is promoting private sector participation in large-scale renewable energy projects, with a focus on solar PV expansion and battery storage integration. This initiative is aligned with Belize's long-term economic and environmental strategies, ensuring stable energy costs, reduced reliance on fossil fuels, and improved resilience against climate impacts. The country's investment-friendly policies, competitive procurement mechanisms, and strong regulatory framework present a significant opportunity for private sector investors in the renewable energy space.

Project Summary

The Central Executing Unit (CEU), on behalf of the Ministry of Finance (MOF), invites Expressions of Interest ("EOI") from qualified developers for the development, financing, construction, operation, and maintenance of grid-connected solar photovoltaic ("PV") plants, with a total expected installed capacity of up to 80MW (the "Project"). The Project is a key initiative to support the country's renewable energy transition and energy security goals. IFC, a member of the World Bank Group, has been appointed by the GoB as transaction advisor to MOF to attract private sector participation for the development, finance, construction, operation, and maintenance of the Project.

The objective of the Project is to increase renewable energy generation, enhance grid stability, and mobilize private sector investment. A pre-assessment (evaluation of the regulatory, policy framework and electricity demand) has already been completed during which the GoB has identified potential project sites, and further

studies are currently being conducted to assess their suitability. This Project is being structured under a two-phase process. Phase 1 (Due Diligence & Transaction Structuring) is underway and should be finalized by June 2025. Once Phase 1 is finalized, the Project will move into Phase 2 (Contract Drafting & Tender Implementation).

The selected private sector partner(s) will be responsible for the following:

- Obtaining necessary permits and approvals in accordance with Belizean regulations.
- Developing, financing, engineering, procurement, construction, operation, and maintenance of up to 80MW of solar PV plants.
- Grid integration, ensuring compliance with technical, environmental, and regulatory requirements.
- Engagement on gender-related KPIs, which will be discussed with GoB for potential inclusion in the tender process.

Interested parties are hereby invited to submit an EOI package including:

- Company Profile: Description of experience, ownership structure, and key personnel.
- Summary of Past Solar PV or IPP Projects: Details on project capacity, location, role.
- Financial Capability Statement: Evidence of funding capacity.
- Project Approach: High-level plan for the development, financing, and integration of the solar PV plants.

Written EOIs in English should be addressed by email to the Ministry of Economic Development at gabrielle.hulse@med.gov.bz and the Central Execution Unit at Rey.Guerrero@mof.gov.bz **with copy to IFC** by **April 14th, 2025 – 11:59 PM.** Parties that have expressed interest will receive information on how to participate in the next phase of the procurement process.

This effort is supported by funding secured by the Government of Japan and Global Infrastructure Fund.

CONTACTS

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Transaction Advisory led by IFC

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ANNEX

Current Electricity Supply Resources

The capacities available for ensuring a stable and reliable electricity supply are as follows:

- **Hydroelectric capacity** being the Macal River Cascade out West of 7.2, 25.2 and 19.0 MW respectively plus the 3.0 MW on the Rio Grande River in the South. Is contingent on water resources, resulting in seasonal variability, In Belize the first half of the year tends to be dry, while the second half tends to be wet. As a result, the declared capacities during the dry season are materially lower, whereby the facilities are strategically dispatched during peak demand periods (typically afternoons through to the night peak).

- **Sugar Mills** being 12.0 MW in the North and 9.0 MW out West, respectively. Is contingent on sugarcane resources, resulting in material seasonal variability. Typically, are operated during the drier periods (late December through to August), and are shutdown thereafter within the operating year.

- **BEL thermal facilities**: BEL has upgraded its LM2500 to the G4 variant, increasing firm capacity by 28.0 MW as of May 2024. BEL subsequently added a second gas turbine in December 2024, a TM2500, in San Pedro, with its output limited to 21.0 MW. This addition is, according to BEL, is to enhance overall system capacity and resolve limitations posed by the submarine cable between the mainland and Ambergris Caye.

- **IPP Thermal Facilities**: The 22.5 MW Heavy Fuel Oil (HFO)-fired reciprocating internal compression engine (RICE) power plant sited in the South is the thermal facility highest on the merit order, making it a critical component within the capacity portfolio.

- **Comision Federal de Electricidad (CFE):** CFE is the most important supplier of capacity, energy, and ancillary services to the Belize electric system. The reliability of CFE's 55.0 MW supply is crucial for meeting Belize energy requirements and keeping electricity affordable.