

Brazil Offers Zero Interest Loan, But Red Tape Makes It Hard to Get Money.

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Thursday, 12 January 2006

Brazil's Ministry of Cities has US\$ 154 million in this year's budget to offer in the form of a line of housing credit for projects that qualify for the Solidary Credit Program, created to serve segments of the low-income population organized in cooperatives and associations.

The ministry's projects manager, César Ramos, informed that the interest-free loans will mainly be approved for the country's North and Northeast regions, where the housing deficit is greatest.

"Nearly 35% of the country's housing deficit, for example, is concentrated in the Northeast. It is important for resources to be invested in the Northeast in the same proportion," Ramos explains.

He points out that the loans can be used for housing construction, property legalization, or the purchase of construction materials. "The line of credit is intended for individuals who earn up to three minimum wages (US\$ 397)."

The Solidary Credit Program is meant solely for individuals organized in associations, cooperatives, or other non-profit groups, even though the loans are personal

The Ministry of Cites plans to hold various regional training seminars to expedite the formulation of projects. Last year most of the money was not used because people were not able to create the projects they were supposed to.

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