

Brazilian Cities Get Extra Loans from Inter-American Development Bank

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The opening session of the 47th Annual Meeting of the Inter-American Development Bank (IADB), in Belo Horizonte, Minas Gerais, Brazil, on March 29, was marked by good news for Brazilian municipalities.

The Brazilian minister of Planning, Paulo Bernardo, and the president of the IADB, Luiz Alberto Moreno, from Colombia, announced a new credit line, totaling US\$ 450 million, for municipalities to invest in infrastructure projects.

Another good piece of news, according to the minister, is that the loans will be in local currency, that is, the value of the contracts signed by the municipal governments will be in Brazilian reais.

For this to happen, he explained, the studies are already well along, and the innovation reflects the good performance of the Brazilian economy. According to the bank's president, "the Brazilian economy has always represented an example for other Latin American countries."

Minister Bernardes went on to say that the program, known as Pro-Cities, will give mayors another option in terms of financing projects such as ones in the area of basic sanitation. The money for the municipal governments that are selected is expected to become available in six months.

The annual meeting of the IADB will run through April 6 and has drawn around 13 thousand delegates from the 47 countries associated with the institution, which was established 47 years ago to finance development projects in Latin America.

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