

BACKGROUND

White House Fact Sheet – 11/05/05

<http://www.whitehouse.gov/news/releases/2005/11/20051105-3.html>

Inter-American Development Bank (IDB) Reform: The President called for the shareholders of the IDB to implement measures that will better employ the bank's assets, encourage accountability and performance, and address the debt sustainability of the poorest countries in the region, including through grants and debt relief.

President Bush Discusses Democracy in the Western Hemisphere – 11/06/05

<http://www.whitehouse.gov/news/releases/2005/11/20051106-3.html>

“...The beginning of President Moreno's tenure gives us a great opportunity to modernize the bank by taking better advantage of global capital markets -- and by tailoring the bank's programs to the real needs of the growing economies on this continent. The private sector is the engine of growth and job creation in this region. The bank must greatly strengthen its role in private sector investment -- especially in small businesses, which are the backbone of a healthy and growing economy. I have asked the United States Treasury Secretary John Snow to work with his counterparts in the hemisphere and at the bank to implement reforms that will ensure that the bank better addresses the needs for economic growth and job creation. They will also discuss a range of options, including giving grants and debt relief for the poorest of nations.

Increasing aid and relieving debt are important parts of our efforts to lift the burden of poverty from places of suffering -- yet they are not enough. Our goal is to promote opportunity for people throughout the Americas, whether you live in Minnesota or Brazil. And the best way to do this is by expanding free and fair trade...”

Statement of U.S. Treasury Assistant Secretary Lowery on IDB Debt Relief – 4/2/06

<http://www.treas.gov/press/releases/js4151.htm>

BELO HORIZONTE, BRAZIL--U.S. Treasury Assistant Secretary Clay Lowery, who is leading the U.S. delegation at the Inter-Development Bank Annual Meetings, issued the following statement:

"Despite good economic progress in the region, some of the poorest countries continue to be plagued with unsustainable debt burdens that divert their scarce public resources to paying off old loans rather than toward investments in new schools, hospitals, and roads that are so greatly in need.

"The U.S. has led efforts to bring debt relief to the poorest countries around the world through a series of initiatives in recent years. We think the same opportunity should be extended to Latin America's and the Caribbean's poorest countries and have put forward ideas to do so. We think this can be done in a way that is a win-win situation for the IDB, all its member countries, and the entire region.

"I am very encouraged by today's decision by IDB's Board of Governors to establish a special committee, chaired by Brazil, to move this idea forward."

President Bush Discusses Western Hemisphere Policy – 3/5/07

<http://www.whitehouse.gov/news/releases/2007/03/20070305-6.html>

“...One of the most important ways is by helping to relieve the burden of debt. In the past, many nations in this region piled up debt that they simply cannot repay. Every year their governments have to spend huge amounts of money just to make interest payments on the debt. So under my administration, we worked with the Group of 8 industrialized nations to reduce the debt of Latin America and Caribbean nations by \$4.8 billion. Members of the Inter-American Development Bank are close to an agreement on another debt relief initiative, and we look forward to helping them complete it. This agreement will cancel \$3.4 billion owed by some of the poorest countries in our hemisphere -- Bolivia and Guyana and Haiti and Honduras and Nicaragua. That works out to about \$110 for every man, woman and child in these countries, monies that their government should use to invest in the education and health of their citizens...”