

U.S. Position on IFC's Investment in the Global Odebrecht Surety Project

July 7, 2011

The United strongly supports IFC's efforts to provide financing to build and enhance infrastructure throughout the developing world and compliments IFC for developing innovative ways to support the infrastructure sector.

The United States wishes to abstain on this proposed investment for legislatively mandated reasons related to the timeline of disclosure of environmental impact assessments. This is IFC's first attempt at the direct approach of the Surety Finance Program and, if successful, the United States encourages IFC to develop this program in other regions with less developed markets.

The United States notes the significant environmental and social risks associated with this proposed investment but appreciates that, even though Category A projects will be allowed within the partial credit guarantee facility, IFC has worked with the sponsor to exclude High Reputational Risk (HRR) projects.

