



No. 89

FOR IMMEDIATE RELEASE
FRIDAY, DECEMBER 4, 1964.

SIGNATURE OF AGREEMENT BETWEEN CANADA AND INTER-AMERICAN DEVELOPMENT
BANK

The Canadian Government today entered into an agreement with the Inter-American Development Bank under which Canada would make available up to \$10 million to finance economic, technical and educational assistance projects in Latin America.

The agreement setting out the arrangements under which the Bank will act on behalf of Canada as the administrator of agreed projects was signed in New York today by the Honourable Paul Martin, Secretary of State for External Affairs of Canada and by Mr. Felipe Herrera, President of the Bank.

The Bank will use the funds to make loans for such programs and projects as may be agreed for periods ranging up to 50 years depending upon the type of project under financing. The loans may be free of interest or may be made under such other concessional terms as are agreed to between Canada and the Bank. Repayment would be in Canadian dollars. Loans would bear appropriate service charges.

In the past Canada has cooperated with the Inter-American Bank through parallel financing operations and through the purchase by Canadian banks of participations in Inter-American Bank loans for economic development in Latin America. In addition, Canadian investors have purchased bonds sold by the Bank in the U.S. market.

Under the agreement signed today the Bank will have the primary