PROJECT ABSTRACT
CONSTRUTORA NORBERTO ODEBRECHT S.A.
STRUCTURED CORPORATE BOND
APPROVED BY THE BOARD OF EXECUTIVE DIRECTORS ON MARCH 23, 2005

The Project consists of the provision by the Bank of credit support via a Partial Credit Guarantee ("PCG") for the issuance of a 5-year structured corporate bond of up to R$300 million, to be placed in the domestic capital market, by a 100 % subsidiary of Construtora Norberto Odebrecht S.A. ("CNO"), a leading Brazilian engineering and construction company. The Bank would provide a PCG for up to 25% of the bond issue, subject to a cap of US$28 million.

Payments due under the bond will also be credit enhanced by the flow of future payments from a pool of existing and future construction contracts in Brazil. The Bank's PCG would enable the Company to secure local currency funding at longer tenors than it could obtain to date in the market (2 years). The PCG is structured as a liquidity support mechanism, such that in the event of debt service shortfalls, and after the structure's other credit enhancement has been exhausted, the PCG will cover payments to bondholders.

The Bank's guarantee is intended to raise the rating of the bond from CNO's current rating of brA- by Standard & Poor's ("S&P") to a target level attractive to Brazilian institutional investors for a 5-year local currency issue.

Bank participation in the Project will contribute to the provision of an innovative structured medium-term fixed income security for local investors who have limited access to such securities. This bond will also be the first structured receivables transaction with a PCG from an international AAA-rated multilateral institution that will be issued in the Brazilian capital markets.

The Project will set a precedent for future structured transactions in the local and regional capital markets by: (i) providing a benchmark for local investors; (ii) increasing local investors' understanding of these types of structured transactions; (iii) allowing rating agencies to apply newly developed criteria for PCGs, which is distinct from the 100% wrap commonly provided by monoline insurers, (iv) increasing the average tenor of local currency bonds; (v) attracting institutional investors not previously disposed to invest in private securities and that would otherwise invest in government bonds; (vi) increasing the volume of private sector bonds by enabling new private issuers to access the market; and (vii) creating an additional financial instrument for portfolio risk diversification.

Proceeds of the bond issue will be used to support CNO's investment program related to its eligible contracts during the term of the bond issue. Eligible contracts will be in the Bank's Borrowing Member Countries and will comply with the IDB's environmental and social requirements.