



## PHOTO & CAPTION

### Loan Brings City Bigger and Better Road



Photo: Sandra Goshgarian

***Pedestrians and drivers in the northwestern Bulgarian city of Montana now enjoy an improved road connecting the city to the main highway.***

Montana is the largest city in Bulgaria's sparsely populated northwestern corner. An ancient Roman settlement named from the Latin word for mountain, it was a strategically important town under Bulgaria's Turkish occupation, and the remains of Turkish baths are among its historic sites.

Today a city of 50,000, Montana has a strong local economy and an active municipal government. Montana's local authorities have taken important steps to improve municipal infrastructure as a long-term investment in the city's future.

In 2006, USAID guaranteed a five-year, 2 million leva (approximately \$1.5 million) loan to the municipality of Montana to upgrade the main road connecting the highway to the city center. The upgrade included not only widening and repaving the road, but also installing critical street lighting, constructing walkways, sidewalks, and an overpass, and laying underground pipes and cables for water and telephone lines.

Now the road is safer for both drivers and pedestrians. The entrance to the city is more attractive, traffic congestion has decreased, and residents enjoy easier access to the city center and the region's largest hospital.

USAID's credit guarantee program in Bulgaria operates through five banks and one microfinance institution. The guarantee program targets municipal infrastructure and energy efficiency projects, as well as small and medium enterprise (SME) lending in competitive sectors.