

MCC Board of Directors Selects Mozambique for New Compact, Kenya for New Threshold Program

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WASHINGTON, D.C., December 9, 2019 – At its quarterly meeting on December 9, the Millennium Challenge Corporation (MCC) Board of Directors selected Mozambique for a new compact—MCC's five-year grant program—to reduce poverty through targeted investments that increase economic growth. The Board also selected Kenya for an MCC threshold program—the agency's smaller grant program focused on policy and institutional reform.

MCC provides time-limited grants to developing countries that meet rigorous standards for good governance, from fighting corruption to respecting democratic rights, as evaluated by MCC's scorecard. MCC takes a business-like approach, with bedrock commitments to data, accountability, and evidence-based decision making.

"I am pleased to announce MCC's new compact partnership with Mozambique and new threshold partnership with Kenya," MCC Chief Executive Officer Sean Cairncross said. "MCC works around the world to reduce poverty through economic growth—consolidating democratic and free—market reforms, and enabling public and private sector collaboration to create jobs, sustainable growth, and better economic opportunities within our partner countries."

Mozambique successfully completed its first MCC compact in September 2013 and has recently demonstrated encouraging policy improvement on the scorecard. A new compact would build on the country's continued commitment to sector reform and MCC's strong relationship with the country.

The selection of Kenya for a threshold program will give MCC the opportunity to engage with the country on its path toward policy and institutional reform. Kenya is an important partner to the United States in East Africa, where MCC's presence is growing.

As part of their annual selection process, MCC's Board of Directors reselected Burkina Faso, Indonesia, Lesotho, Malawi, Timor-Leste, and Tunisia to continue developing bilateral compacts. The Board also reselected Benin, Burkina Faso, Côte d'Ivoire, and Niger as eligible for concurrent compact programs for regional integration. This allows MCC to continue working with these countries to determine if there are potential regional programs that meet MCC's strict investment criteria that could be supported through concurrent compacts. The Board also reselected Ethiopia and Solomon Islands to continue developing threshold programs. The Board also reaffirmed its commitment to developing a compact with Kosovo.