

# USDA-MCC Cooperation

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Luke Ney

USDA/Foreign Agricultural Service

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# Millennium Challenge Corporation

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- ❑ Fulfillment of U.S. commitment to “provide greater resources to countries taking greater responsibility for their own development.” (Monterrey Summit, Mexico, 2002)
- ❑ Mandate is to “reduce poverty through economic growth”.
- ❑ Distributes large grants, or Compacts, to developing countries that demonstrate good governance and good economic policies.



# MCC Compacts

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- ❑ Promote transparency and country ownership
- ❑ Able to measure both economic growth and poverty reduction
- ❑ Investments include education, infrastructure, health, and agriculture
- ❑ Agriculture investments tend to focus on increasing exports, improving infrastructure, and strengthening institutions



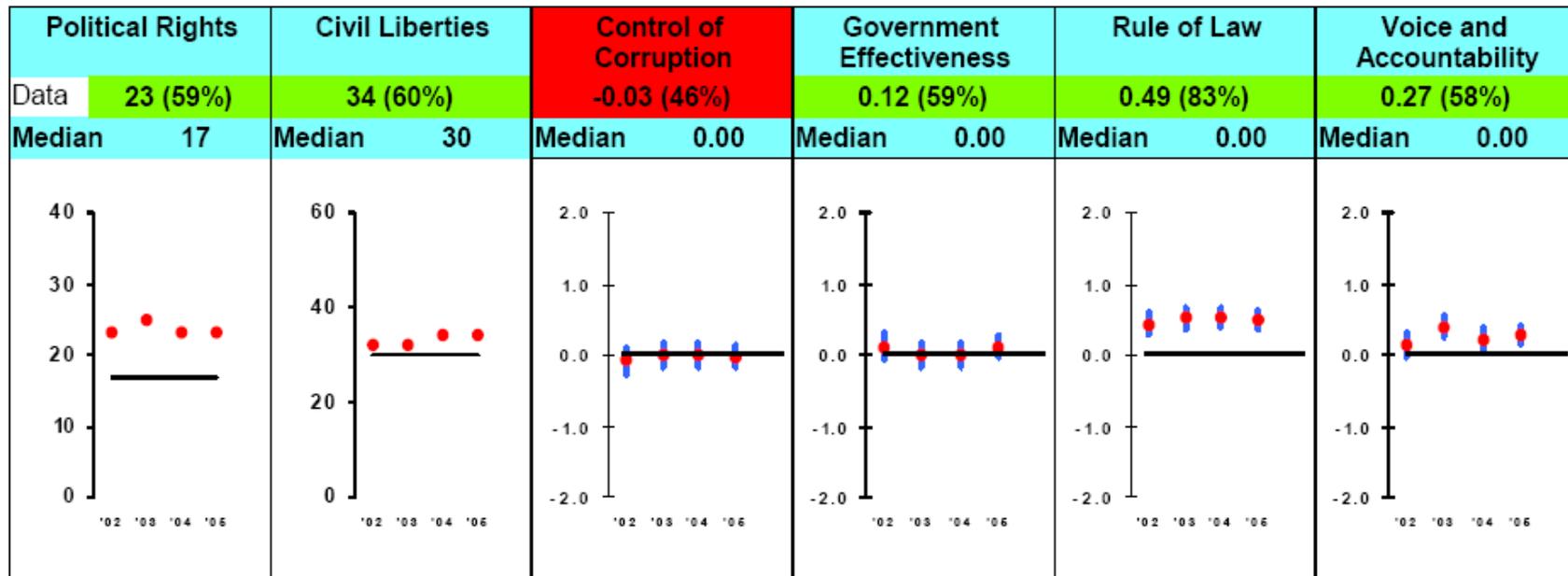
# Compact Eligibility

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- Comparative performance in 5 categories:
  - Ruling Justly, Investing in People, Economic Freedom, Natural Resources Management, and Land Rights and Access
- Top 50 percentile of majority of indicators, including “Control of Corruption”
- Countries just missing one or two indicators qualify for “Threshold Grants”

# Report Card: Malawi

## Ruling Justly



Sources: Freedom House

Freedom House

World Bank Institute

World Bank Institute

World Bank Institute

World Bank Institute

**Malawi Case Study: FY 2007**



# Steps to Compact

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- ❑ Eligibility confirmed by MCC Board
- ❑ Recipient Country establishes Millennium Challenge Account (MCA) Office
- ❑ MCA develops proposal
- ❑ MCC evaluates proposal (due diligence)
- ❑ MCC Board approves Compact proposal
- ❑ Compact signed
- ❑ Implementation of Compact



# Compact & Threshold Countries

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## □ Compact Countries

- Armenia, Benin, Cape Verde, El Salvador, Georgia, Ghana, Honduras, Lesotho, Madagascar, Mali, Mongolia, Morocco, Mozambique, Nicaragua, Vanuatu

## □ Compact Eligible

- Bolivia, Burkina Faso, Jordan, Moldova, Namibia, Senegal, Sri Lanka, Tanzania, Timor-Leste, Ukraine

## □ Threshold Countries & Threshold Eligible

- Albania, Guyana, Indonesia, Kenya, Kyrgyz Republic, Malawi, Niger, Peru, Philippines, Rwanda, Sao Tome and Principe, Uganda, Yemen, Zambia



# USDA Technical Assistance

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- Source of short term consultants for technical expertise:
  - Due diligence
  - Preparation for implementation
  - Monitoring of implementation



# For more information about USDA- MCC cooperation opportunities

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- ❑ Monitor CSREES listserv through your University's International Programs Office
- ❑ Contact Luke Ney, [luke.ney@fas.usda.gov](mailto:luke.ney@fas.usda.gov)
- ❑ Follow events on MCC website: [www.mcc.gov](http://www.mcc.gov)
- ❑ Regularly check the FAS job opportunity website: <http://www.fas.usda.gov/icd/drd/icdjobs.html>