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Transcript  
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# Millennium Challenge Corporation Hosts a Public Outreach Meeting on the New Compact with Senegal

## Speakers

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Millennium Challenge Corporation

The Honorable Donald Payne  
U.S. House of Representatives

The Honorable Sheila Jackson Lee  
U.S. House of Representatives

Darius Mans,  
Acting Chief Executive Officer,  
Millennium Challenge Corporation

His Excellency Abdoulaye Wade,  
President,  
The Republic of Senegal

His Excellency Amadou Lamine Ba  
Ambassador to the United States  
The Republic of Senegal

Darius Teter  
Acting Vice President, Compact Development  
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Watch a video of this Public Outreach Meeting at:

<http://www.mcc.gov/mcc/press/av/video-091609-senegaloutreach.shtml>

# Transcript

MAZZARELLA: Ladies and gentleman, if you could please be seated. Congressman and honored guests, a warm welcome to all of you coming for our presentation on Millennium Challenge Corporation's Compact with Senegal signed an hour ago at the State Department.

I am James Mazzarella, head of Congressional Affairs at MCC. And it's my pleasure to start off today by thanking you for your ongoing support for poverty reduction through economic growth alongside those countries dedicated to creating (inaudible).

We're here, of course, to (inaudible).

(inaudible).

I think everybody here knows (inaudible). Thank you very much (inaudible).

Before I (inaudible) remarks, let me quickly outline today's program. We're honored to have (inaudible) here (inaudible) \$540 million (inaudible).

Right after these remarks, we'll have a panel discussion. We have to end right at 2:45 pm because the room is needed by the Committee.

So with that overview, I'd like to introduce the Chairman of House Foreign Affairs Subcommittee on African and Global Health, Representative Donald Payne.

(APPLAUSE)

PAYNE: Thank you very much for that kind introduction and let me welcome President Wade and your foreign minister and other distinguished delegates from Senegal (inaudible) and, of course, various commands, our acting director of the MCC, other guests, officials and Congresswoman Jackson-Lee and others.

It's certainly a pleasure to be here this afternoon to welcome you here as we have a short program dealing with building long-term growth in Africa (inaudible) MCC, Senegal's Compact and you'll have the privilege of hearing (inaudible) President of Senegal, President Wade, give us the thrift (ph).

As we all know, Senegal is a significant global treasure, the home of Goree Island and Saint-Louis south (ph). As we all know, billions of African people travel to — through the Middle Passage so Goree Island has a special place in the heart of most people of African decent particularly in the western hemisphere (inaudible).

(inaudible) place is overturned. So we're very pleased that Senegal is going to participate in the MCC and to continue the progress that it has made. It involves also its greatest fame its Universite Cheikh Anta Diop, formal

(ph) University of Dakar (ph), named after the Senegal lead historian and anthropologist with the largest and most prestigious university in West Africa.

It is a country known for its stable government and healthy party system, its vibrant culture, cuisine, music, moderate Muslim majority and observes (inaudible). Senegal holds a special place in the world and we're once again pleased that we're able to assist it in its progress.

President Wade (inaudible) has done much for the continent and plans to do even more for the Green Revolution in Africa starting in Senegal. He is a real visionary. He is one of the architects of NEPAD, New Partnership for Africa's Development.

(inaudible) NEPAD is a organization that critiques its neighbors and talk about how governance is going, what increases in programs are recommended and have a critical analysis of the neighboring countries and it's what President Wade along with other leaders have felt that this was very important as Africa moves along with its development of true democracy (inaudible) as you know, goes beyond just elections. It has to be true participation of the people and the fact that people are the ones that should benefit from democracy.

President Wade has had a strong impact on changing of the OAU, the African Union, and it's become much more efficient.

I've had a great deal of respect for President Wade having known him for many years and going back when he was in the opposition and while he was in prison. Mr. President, we're certainly honored to have you here with us.

As you know, this morning, Secretary Clinton presided over the signing of the MCC Compact where a five-year, \$540 million grant to the Republic of Senegal was signed to reduce poverty through economic growth. As we know, a strong economy certainly tends to drive small ships or small (ph) people out of poverty.

So we will focus on the growth, rehabilitation and food security initiatives in some of the poorest regions of Senegal so as we forward in the new agricultural programs, we need to have transportation routes in order for them to get products to the market and so forth.

And so this is very important.

The Compact is right in line with the Obama administration's commitment to poverty reduction and food security. In fact, Secretary Clinton will be unveiling the administration's Global Food Security Strategy at the opening of the General Assembly at the United Nations later this month.

The Senegal Compact marks the 12th in Africa and the 19th Compact to be signed overall since the inception of the MCC and we're very pleased that the concentration has been in Africa. I must admit that I had initial con-

cerns about the Millennium Challenge Corporation when we debated it before the then International Relations Committee.

I was concerned that the MCC would draw funds traditionally directed towards core development carried out by USAID leaving Africa with the short end of the stick.

I also raised concerns about USAID not having a seat on the board; thought it made no sense for a development agency not to have a member of the USAID sitting there. Both of these issues were addressed and I agree with my colleagues that the MCC should have gone forward and it did. And we are pleased with the result.

Since then, the MCC starting with Cape Verde in Madagascar, the initial Compact with mostly African countries ranging from \$110 million to \$698 million many of which have focused on infrastructure and agriculture to areas that we have moved away from in the past. So there certainly is a real important place for MCC and it's critical to the long-term, sustainable development in Africa.

So I look forward to learning more about how these Compacts are going to be implemented. I also would like to work with the MCC and other stakeholders to allow for a regional Compact which I believe is very important. Right now they're focused primarily on nation by nation. But I think that we need to look at more regional MCC

Compacts and that's what we hope will happen in the near future.

So once again, it's certainly a pleasure to be here.

(APPLAUSE)

MAZZARELLA: Congresswoman Jackson-Lee — Sheila Jackson-Lee from Texas (inaudible).

JACKSON-LEE: (inaudible) President, certainly a privilege and an honor to have you present here today. To our distinguished chairman, Chairman Payne and to the Acting Director Mr. Mans of MCC, we thank him for his leadership. Ambassador and to those of you who are gathered, this is a privilege to have an opportunity to hand out good news.

And we celebrate the \$540 million MCC Compact for we see in it a fruition or a result of the intent of the MCC, the challenge, the ability to assess the credibility of a nation. So let us not take it lightly as getting \$540 million. Let us view it as an affirmation of President Wade's commitment — President Wade's commitment to democracy, to tolerance and to the future of his young people.

And that's what I see this as, providing an investment that give the youth of Senegal an opportunity for growth, for jobs, for education and for moving this country in the 21st century.

So let me simply thank you for coming and hearing more of this Compact. I'd like to thank my chairman as I sit on the subcommittee of Africa with Chairman Payne, for reminding us every day of the bounty of riches that we find on the continent. Then, in particular, President Wade, to be able to say thank you to you for joining us in a friendship and a Compact that will show an investment that will last years into this century and I believe to the next.

I look forward to having the opportunity of encouraging American businesses to invest and to partnership with this MCC Compact. Thank you very much.

(APPLAUSE)

MAZZARELLA: Let me quickly introduce Darius Mans. Darius is the Acting CEO of MCC right now. Prior to becoming MCC's Acting CEO, he was in charge of all Compacts (inaudible).

MANS: Thank you very much. Good afternoon everybody. President Wade, it's a privilege to see you again and to join you here on the Hill for this forum. Congressman Payne, I would like to reiterate our thanks to you for your leadership on issues pertaining to U.S.-Africa relations, for your support of the Millennium Challenge Corporation and for making this event here possible together with the Congressional Black Caucus.

I'd also like to thank Congresswoman Jackson-Lee for her very inspiring words. Friends of Senegal, I am happy to see such a tremendous turnout today.

Earlier today, I had the pleasure of participating in the ceremony at the State Department marking the signing of the \$540 million Compact for Senegal and the Millennium Challenge Corporation, the first to be signed during President Obama's administration.

This is a milestone for the people of Senegal as they invest in rehabilitating two major highways and a significant irrigation initiative to expand farmland. What we celebrate with this Compact is more than just asphalt and water. It is a means to increase productivity, to higher income and a better quality of life for the poor Senegal in the northern Senegal River valley and the southern Casamance region.

And this is precisely why MCC exists; to partner with countries committed to reducing poverty through economic growth. MCC is very proud to partner with Senegal toward this goal and we are doing so through a Compact that incorporates some of the most essential ingredients to effective development of systems.

It makes sense to partner with countries willing to take on necessary political, economic and social policy reform to create a framework for lasting growth including initiatives to fight corruption.

It makes sense to work with countries willing to build their capacity to be the leaders of their own development. It makes sense to work with countries that view development assistance not as a handout but rather as a hand-up to help them deliver tangible, meaningful results that matter to the poor.

Senegal's MCC Compact captures these principles and is significant for three key reasons. First, it is a Compact that reflects Senegal's own development priorities. MCC is investing in the sectors identified by the people of Senegal themselves not ones that we selected.

By listening to the country determined development priorities born from extensive consultations with government agencies, donors, NGOs, civil society, women's group and private sector associations, this Compact is by and for the people of Senegal. The country has already spent \$20 million of its own resources to prepare its MCC Compact including conducting detailed feasibility and design studies for the roads that are to be rehabilitated.

This demonstrates just how committed Senegal is to its own development by doing its part and to being held accountable to its citizens. Such homegrown involvement right from the start is the path to sustainable results long after the end of MCC's Compact.

Second, it is a Compact that invests in long-term growth. Senegal is committed to economic liberalization. It wants to grow its economy. It wants to increase the country's food security. These goals require investment in infrastructure and agricultural productivity.

So irrigating land for farmers to farm and building roads for farmers to get their goods to market quickly and smoothly as this Compact will do are tangible, meaningful ways to promote long-term economic growth.

The economic rates of return we calculate to make sure our projects deliver measurable results, confirm this. By increasing the incomes of the poor in this way, they in turn can afford food, health care, school fees for their children and other necessities for better quality of life for themselves and for their families.

This is a promise of long-term growth for the Senegalese people and we will deliver on this through the MCC Compact.

And third it is a Compact that says Senegal is open for business. The private sector's input helped create Senegal's Compact and the private sector's involvement now in implementing it will open up new opportunities for jobs, for growth, for investment and for trade.

Just the way farmers need roads to get their crops to market and whole communities need them to reach schools and health clinics, reliable infrastructure is vital for business development. Two major roads to be rehabilitated through Senegal's MCC Compact will not only spur national commerce but also link to Senegal's neighbors creating regional trade corridors.

Investments in the agricultural sector will generate more possibilities for small and large agri-businesses. In addition to procurement to implement the Compact project, I invite, to reiterate what the congresswoman said, large and small-scale private sector entrepreneurs to look closely at collaborative and parallel investments that they can make to build upon these investments. Private enterprise, after all, is the engine for sustainable economic growth.

In conclusion, let me again welcome the signing of the Senegal MCC Compact. But our sights now must be set on the next step. We look to the ongoing vigilance and feedback of the Senegalese and all friends of Senegal to make sure that the Compact delivers on what it promises.

We look forward to the full and timely implementation of Compact projects with the highest standards of transparency, fiduciary management, accountability and tangible actions to combat corruption. We look to the ongoing role of civil society in this investment program as participants, as beneficiaries and as monitors.

And we look to the significant role the private sector can and must play in this process. This is how the potential of this Compact will be realized.

On President Obama's first trip to Sub-Saharan Africa you recall he said, "The true sign of success is not whether we are a source of perpetual aid that helps people scrape by. It's whether we are partners in building capacity for transformational change."

MCC's innovative approach already redefines assistance with this goal in mind. And with partners like Senegal committed to poverty reduction and economic growth, we can usher in a new area — era of transformational change for the benefit of those seeking a better life.

Let us now work together for such a success. Thank you very much.

(APPLAUSE)

MANS: And it's now my great pleasure to introduce to you all, the president of Senegal.

(APPLAUSE)

WADE: Thank you all very much. I — I will try to speak in English but maybe sometime (inaudible) to help if need. Mr. Payne (inaudible), Madam Congresswoman, ladies and gentlemen, as I said, this is very good for Senegal.

The signing of MCC Compact for our (inaudible), is very important evidence for Senegalese people (inaudible).

I'm sure that the — the other of the (inaudible), some of them are wondering why Senegal and why not some other country. What is important (inaudible) is that the American dollar, the American people, the American Congress have considered that Senegal deserves the support of (inaudible).

I cannot say that Senegal will be very perfect because we're not. Doesn't exist in this — this world, perfect. What is important for me is that if the program the country is going to come up from (inaudible), the (inaudible) believes that (inaudible). Before I became president, I was in (inaudible), he said that President Wade (inaudible).

WADE (THROUGH TRANSLATOR): President Wade would like just to move from an unright situation to a state of right rule situation.

WADE: That means it's a very long time to bring Senegal democrat, to bring that democrat in Senegal so that our countries come together as one of the best democrat (inaudible).

Suddenly (ph) I would like to grow your attention on our support for infrastructure of (inaudible). Senegal is one country, the only country in the world that extends 40 percent of (inaudible). (inaudible) very sensitive to problem (inaudible). Also because my country senses that (inaudible)...

WADE (THROUGH TRANSLATOR): It is now.

WADE: (inaudible) and this needs education from (inaudible) and this extends that to all of Senegal's children in Senegal or in the world (inaudible).

There are (inaudible) political change there yet.

WADE (THROUGH TRANSLATOR): It's a very single policy; very particular policy.

WADE: So then it took for me long time and a force to fight to convince our partners that in (inaudible). When I become president in 2000, since 2000 (inaudible). It was very difficult to convince (inaudible) our partners on the importance (inaudible).

So that when we are the representatives of Africa, a chance to meet our partners (inaudible). Because for some of them (inaudible) for against poverty, (inaudible), transparency (inaudible).

There are many important (inaudible).

WADE (THROUGH TRANSLATOR): There are a lot of things that are important. But there are priorities over priorities.

WADE: (inaudible) wise president of the (inaudible) Commission to openly say that we have the (inaudible) to convince the international committee that (inaudible).

And as (inaudible), they nominate me — appoint me as the (inaudible).

Also, at the meeting of the (inaudible) in Portugal, I chair a (inaudible). This is why I'm very proud and I'm very proud to (inaudible) and their families and to represent Africa on the importance (inaudible).

(APPLAUSE)



WADE: Because, as I said, infrastructure will help producers to bring (inaudible) to market (inaudible). And (inaudible).

WADE (THROUGH TRANSLATOR): It is the partitioning of the clusters of the rural world, getting them out — out of the gridlock.

WADE: Three years ago I ran the program (inaudible) for food and (inaudible). It was (inaudible). African countries are very far from (inaudible).

WADE (THROUGH TRANSLATOR): So I really think of the change.

WADE: (inaudible). Until I became president, I (inaudible) because with (inaudible). And this program was a very successful program and I was (inaudible). (inaudible) because we produce more than 350,000 tons of rice. The help (inaudible) the country see they're important before in one year. And this year we have good rain and so that we will have better goods.

So I would like also to thank the MCC because — and include you (inaudible) to change the program. And let me just for that, Senegal is (inaudible). I was told by Americans, yes...

(APPLAUSE)

WADE: ... that Senegal is the (inaudible) friend of the United States and (inaudible) country. And I'm very proud for that.

(APPLAUSE)

WADE: Because (inaudible).

WADE (THROUGH TRANSLATOR): I've always pleaded for Africa to take the United States as an example for economic and (inaudible) reasons. Today, we're going toward the United States of Africa upon the American model. It's a very hard struggle, very difficult but we have succeeded in convincing the executives — African executives.

WADE: That are with me fighting to set the United States of Africa. And (inaudible) Senegal, proposes and (inaudible) because we are aware of the importance of our collaborating the African (inaudible). And next year, Senegal will (inaudible).

And there'll be an African Union and it will be a very big event (inaudible). (inaudible) that will come to Senegal (inaudible) to take you to (inaudible) difficult (inaudible) not American and Brazil. (inaudible). So we want this (inaudible) Senegal will be the (inaudible).

WADE (THROUGH TRANSLATOR): It'd be the reaffirmation of the (inaudible) of the black people and we are going to show that the black people has always brought something to civilization, contrary to all the negation that (inaudible) denied that the black people had (inaudible). The black people that go to work for its dignity in Africa and beyond.

But we have seen only negative aspect that was shown. But today we would like to show the commitment of the African people in the (inaudible) science and technology. So I must thank...

(APPLAUSE)

WADE (THROUGH TRANSLATOR): ... the American governments, thank the MCC, thank the Congressman Donald Payne who has always been a friend of Senegal and in Africa.

We know very well that having contributed to the acceptance of a Compact...

WADE: (inaudible) but maybe the most difficulty is the...

WADE (THROUGH TRANSLATOR): Is to convince congressman.

(APPLAUSE)

WADE (THROUGH TRANSLATOR): I thank Congressman Donald Payne and all our friends in Congress that are here. They spend all their time explaining to those who do not understand what is truly Senegal.

WADE: (inaudible) I am very proud to be (inaudible).

(APPLAUSE)

WADE: And I'm aware that there are no (inaudible). (inaudible) to improve our governance, to improve those in the country, this is why I want to tell you, you are our friends. If ever you have some remarks, do not hesitate to tell me.

(APPLAUSE)

WADE (THROUGH TRANSLATOR): Because this is a sign of friendship. We're not perfect but we want to be allies of the American people because you're responsible for the MCA American government, that's a very distinct department. This comes from the funds of the State Department from American government into Senegal. We must prove that we deserve it and we will prove it.

(APPLAUSE)

WADE (THROUGH TRANSLATOR): Through the good management of these funds and also through the results we looked at. And also for the progress we will achieve in the future.

WADE: (inaudible).

WADE (THROUGH TRANSLATOR): That's coming from the inner earth of the — (inaudible) from the center of the earth.

WADE: (inaudible) I'm looking to voice things that African now present.

WADE (THROUGH TRANSLATOR): He says that Africa now is tending and its children will want to feel (ph) Africa include international corporation. This is 50 meters high on top of a hill that's 100 meter a.m.s.l. above marine sea level. So, therefore, all combined is 150 meters. It is higher — sorry, but it is higher than the Statue of Liberty in New York.

But this is — this is just venture (inaudible) of math, you know. And just adding 100 plus 50 so (inaudible). So we're inviting all our friends, African, Americans here, everywhere, to come to the inauguration of the drilling (ph) which will take place in December and we will be honored to have Congressman Donald Payne — for him to be the guest of honor there.

WADE: We hope that you're up to...

(APPLAUSE)

WADE: ... (inaudible) and to make (inaudible) to Africa and to the (inaudible).

(APPLAUSE)

WADE: I will say that, unfortunately, I have to leave but my people will stay here. (inaudible). Thank you.

(APPLAUSE)

MAZZARELLA: Thank you very much, Mr. President. As the president and members of Congress leave, I'd like to invite the panelists to come up.

You could very quickly introduce yourself. We have about 10 minutes for the panel so if I could get everybody to quickly introduce themselves, not necessarily make any remarks and we'll just start taking questions from the audience.

BA: Before we do that, I — I prepared this long paper. I know that I'm not going to talk about it. But I have to press at least one thing — one or two things about our Compact that I thought very important to talk about.

Again it has to do (inaudible) with a unique feature of — of our Compact which has not been done by any other (inaudible) country. That is, the work — the wonderful work that our team has done with the entities to actually prepare for the implementation of the program. That has not been done if I am not mistaken.

And that's the only thing I have seen not been said in what has been done with the two teams is to produce a chronogram (ph) of the implementation — how it gets done. They also produced a procurement plan that already steps done.

They also produced a displacements plan — already discussed. I think these are many features that I haven't seen any country do before and I think what that does is that ensures at this point of (inaudible), that we will be able to reach our objective that we have steps in this program.

That's what I wanted to really say. Another thing I want to do for reminder of all the people about the governance issue regarding MCC, remind them of the outsourcing of the fiscal agent who's going to handle this money; outsourcing of the procurement agent that will handle the money and then the banking system.

I think all of these things ensure and the fact that all the project has been agreed upon on what you're going to do with the project, agreed on that (inaudible). I'm sorry to take some time but I thought it was pretty important what I wanted to stress. Thank you.

MAZZARELLA: Let me just say that (inaudible) Ambassador Ba (inaudible).

BA: (inaudible). I didn't. Yes. (inaudible).

TETER: Thank you very much, Ambassador Ba. I won't make any statements since we have so little time. My name is Darius Teter. I'm acting vice president for Compact Development and I would like to introduce on my right, Madolyn Phillips who has led our team I think quite heroically and with enormous dedication and perseverance for the past four-plus years.

So, Madolyn Phillips on the MCC side deserves all the credit. And sitting directly across from me is Mr. Ibrahima Dia who has led the Senegal MCA team and also has been just a fantastic partner and friend.

(APPLAUSE)

TETER: So with that, I think together with Ambassador Ba and with Madolyn, we're open to any questions you have. Thank you.

QUESTION: Of this Compact, we have some issues with the changing of the staff a lot. Do you take any measures for the next five years to make sure that the staff you're working with will be stable enough to go through the process?

PHILLIPS: Mr. Babu (ph) — on both sides, OK. Yes, we have a lot of continuity on the MCC team that will be implementing the Compact which mean the team that develops the Compact as well. And then on the side of the MCA and Senegal, we're just beginning the process of hiring, staffing the permanent MCA entity which we call an accountable entity.

This is being done through an open and transparent hiring process that is being managed by a certainly independent third-party recruiting firm in Senegal. And it's our great wish that so many of the excellent members of — of the team that develops the Compact — it's our great wish that, if possible, they can stay with the project but this is a process that has to be conducted in a way that's completely open and fair for all applicants and that process is beginning now.

MAZZARELLA: Because the committee was (inaudible) out of the room at the time we have to be out at 2:45, we have time for only one question and a very quick answer.

QUESTION: I'll address the mademoiselle (inaudible). (inaudible).

MAZZARELLA: You're looking at me but I don't speak French. If somebody wants to...

QUESTION: (inaudible).

PHILLIPS: The question — there was a question and a statement and the question was is the Compact going to include any measures to support customary land rights and land (inaudible) rights in any of the project areas. And the answer is yes, very much so.

Principally, in the Senegal — in the area where the project in the north of the country in Senegal River valley and the delta region is going to be located and this is something that we feel is very important and so it's very much a part of our effort.

MAZZARELLA: I encourage everybody to go to the Web site, [mcc.gov](http://mcc.gov), where we have documents and the actual Compact. I believe it's posted now. If not, it should be very quickly. Lots of information there.

Also, contact any of us. We'll be here for a few more minutes out in the hallway and happy to answer any more questions. Before we go, Darius Teter would like to say one more thing.

TETER: Sorry, Jim, I know you're trying to kick us out but within the next month, you will see on our Web site the economic rate of return analysis for every project, they're monitoring and evaluation plan for every project, our plans for post-impact evaluation for every project and the beneficiary analysis for every project. That will all be publicly available and we will always be available to talk to anyone about those things. Thank you very much.

MAZZARELLA: Again, thank you very much for your support of MCC and your interest in what we do because we reduce poverty. Thank you.

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