



CONGRESSIONAL NOTIFICATION TRANSMITTAL SHEET

The Millennium Challenge Corporation intends to provide assistance to the Government of Belize to facilitate the development and implementation of a Millennium Challenge Compact.

If you or your staff would like to arrange a meeting to discuss this assistance, please contact Brian Forni at (202) 521-2631 or ForniBJ@mcc.gov.

The attached notification is being transmitted to the Congress on February 3, 2022 with the intent to obligate the funds on or after 15 days from the date of this notification.

In addition to the enclosed notification, we have attached supplemental information regarding the planned assistance.

Sincerely,

/s/

Aysha House
Vice President
Congressional and Public Affairs

Enclosure: As stated

**MILLENNIUM CHALLENGE CORPORATION
CONGRESSIONAL NOTIFICATION**

February 3, 2022

PROGRAM:	Eligible Countries
APPROPRIATIONS CATEGORY:	Fiscal 2022 Program Funds
OBLIGATION AMOUNT:	\$750,000

Pursuant to Division K, Title III under the heading “Millennium Challenge Corporation” of the Consolidated Appropriations Act, 2021 (P.L. 116-260), as carried forward by the Continuing Appropriations Act, 2022 (P.L. 117-43), as amended by the Further Extending Government Funding Act (P.L. 117-70); this is to advise that the Millennium Challenge Corporation (“MCC”) intends to obligate up to \$750,000 under section 609(g) of the Millennium Challenge Act of 2003, as amended, for the purpose of facilitating the development and implementation of a Millennium Challenge Compact (“Compact”) with Belize.

The funds are expected to finance initial expenses required to ensure prompt recruitment of compact development counterparts and to undertake preliminary analysis activities, including the completion of an analysis of constraints to economic growth, public consultations, and detailed assessments of the core problems and underlying root causes of the identified binding constraints.

SUPPLEMENTAL INFORMATION—MCC 609(g) Funding for Belize

Background

Tourism and agriculture are Belize's two most important industries with sugar and molasses, bananas, and citrus dominating its exports. The United States continues to be Belize's top trading partner and its second largest export destination behind the United Kingdom.

In December 2021, MCC's Board of Directors selected Belize as eligible to develop a compact. Belize meets the scorecard criteria, passing 13 of 20 indicators, the Control of Corruption "hard hurdle," and exhibits particularly strong performance on the Democratic Rights "hard hurdle." Belize's selection provides an opportunity for MCC to partner with a strong Western Hemisphere democracy that faces rising poverty rates, significant challenges to economic growth that have been exacerbated by the pandemic, and vulnerability to external shocks that include the effects of rising migration.

Planned 609(g) Expenses

MCC's compact development process begins with a diagnostic analysis intended to identify a country's binding constraints to economic growth (the "Constraints Analysis"). Timely completion of the Constraints Analysis and agreement on binding constraints, as well as completion of related public consultations and initial sector assessments, represent a critical, initial milestone in MCC's compact development process.

MCC intends to use funding under section 609(g) of the Millennium Challenge Act of 2003, as amended, to finance the Government's initial administrative expenses necessary to ensure timely completion of a comprehensive Constraints Analysis and related analyses. Such expenses may include, but are not limited to, initial salaries for critical technical experts (such as an economist, private sector development specialist, social inclusion and gender integration specialist, public outreach and stakeholder engagement specialist, monitoring and evaluation specialist, environment and social performance specialist, sectoral specialists, and a designated national coordinator); support for public consultations; and related administrative expenses. The planned funding will ensure that the Government and MCC have early access to the technical expertise needed to conduct a rigorous Constraints Analysis, as well as related analyses, thereby setting the stage for robust project proposals and facilitating the development of an MCC compact.