

CONGRESSIONAL NOTIFICATION TRANSMITTAL SHEET

The Millennium Challenge Corporation ("MCC") terminated assistance in part under the Millennium Challenge Compact with the Government of Burkina Faso (the "Compact"). MCC has also terminated Burkina Faso's eligibility for a potential concurrent "regional compact" for Western African energy integration. We are providing you with a report that explains the determination under section 611(a) of the Millennium Challenge Act of 2003, as amended, that was the basis for the termination. Funds subject to termination will be reprogrammed to other current MCC programs in development.

The attached notification is being sent to Congress on November 8, 2022.

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

Sincerely,

/s/
Alice P. Albright
Chief Executive Officer
Millennium Challenge Corporation

Enclosure: As stated

MILLENNIUM CHALLENGE CORPORATION CONGRESSIONAL NOTIFICATION

November 8, 2022

In accordance with sections 610(a)(2)(D) and 611(c) of the Millennium Challenge Act of 2003, as amended (the "Act"), this notification is to advise that on November 8, 2022, the Millennium Challenge Corporation ("MCC") terminated, in part, assistance provided under section 605 of the Act to the Government of Burkina Faso under the Millennium Challenge Compact between MCC and the Government of Burkina Faso signed on August 13, 2020 (the "Compact").

MCC has determined that the coup d'état on January 23 and 24, 2022, in Burkina Faso constitutes a pattern of actions inconsistent with the criteria used to determine Burkina Faso's eligibility for assistance.

MCC terminated all MCC funding provided under the Compact other than the portion of Compact Facilitation Funding that had already been obligated. The obligated portion will terminate following an orderly closure, at which time MCC will deliver the requisite termination notification.

A report explaining MCC's determination under subsection 611(a)(2) regarding the termination of assistance follows.

REPORT ON THE DETERMINATION BY THE CHIEF EXECUTIVE OFFICER TO TERMINATE ASSISTANCE TO BURKINA FASO

Summary

MCC's Board of Directors ("Board") selected Burkina Faso as eligible to develop a subsequent compact on December 13, 2016. The Board approved Burkina Faso's \$450 million energy-focused compact in June 2020, and MCC and the Government of Burkina Faso signed the compact grant agreement on August 13, 2020. Implementation of the compact was expected to enter into force in September 2022.

MCC's Board selected Burkina Faso as eligible to develop a concurrent compact for regional integration on December 11, 2018, and MCC had been in the process of developing a potential concurrent compact when, on January 23 and 24, 2022, elements of Burkina Faso's military overthrew the democratically elected government of Burkina Faso in a coup d'état. In response, on January 31, MCC paused activity related to Burkina Faso's \$450 million compact and halted engagement with Burkina Faso on the development of a potential concurrent compact for regional integration.

On March 31, 2022, MCC's Board of Directors concurred with the recommendation of the MCC Chief Executive Officer (CEO) to suspend assistance to Burkina Faso, and to suspend Burkina Faso's eligibility for a concurrent regional compact, based on the finding that the military forces' overthrow of the democratically elected government constituted a pattern of actions inconsistent with the criteria used to determine the eligibility of Burkina Faso for assistance, under Section 611(a)(2) of the Millennium Challenge Act of 2003, as amended, and pursuant to MCC's Policy on Suspension and Termination.

Since that time, the transition government of Burkina Faso announced its intention to pursue a two-year timeline to holding elections and restoring a democratically-elected government. As a result, on September 27, 2022, MCC's Board of Directors concurred with the recommendation of the MCC CEO to terminate assistance to Burkina Faso, and to terminate Burkina Faso's eligibility for a concurrent regional compact, based on the finding that the military forces' overthrow of the democratically elected government constituted a pattern of actions inconsistent with the criteria used to determine the eligibility of Burkina Faso for assistance, under Section 611(a)(2) of the Millennium Challenge Act of 2003, as amended, and pursuant to MCC's Policy on Suspension and Termination. On September 30, 2022, other elements of Burkina Faso's military overthrew the first transition government, installing new military leadership.

Pattern of Actions

The military forces that overthrew the democratically-elected government of Burkina Faso in the January 2022 coup d'état detained President Roch Marc Christian Kaboré, assumed executive power, dismissed the national assembly, suspended the constitution, closed borders, and instituted a national curfew, among other actions. These forces then installed the leader of the coup, Lieutenant Colonel Paul-Henri Sandaogo Damiba, as the transition president. In July 2022, the transition government of Burkina Faso announced a two-year period until elections will be held.

MCC's Actions Pursuant to the Act

Central to MCC's mission is its strong commitment to democratic governance, which is rooted in its statutory eligibility criteria. Immediately following the coup d'état, MCC initiated a review and analysis of the situation in Burkina Faso and the future of MCC assistance to the country in light of various applicable U.S. statutory, regulatory, and policy provisions, as well as the term of the Compact and related agreements.

MCC determined that the nature of the actions taken represented a pattern of actions inconsistent with the criteria used to determine Burkina Faso's eligibility for assistance. A coup d'état is contrary to the principles of democratic governance that underpin MCC's eligibility criteria, particularly political rights, civil liberties, and the rule of law.

In accordance with Section 611(a)(2) of the Act, and MCC's associated Policy on Suspension and Termination, MCC determined that termination of assistance to Burkina Faso and of Burkina Faso's eligibility for assistance was warranted.