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CONGRESSIONAL NOTIFICATION TRANSMITTAL SHEET

On January 31, 2023, the Millennium Challenge Corporation (“MCC”) terminated all remaining assistance under the Millennium Challenge Compact with the Government of Burkina Faso (the “Compact”). MCC is now reprogramming the \$1.3 million in funds to the West African Regional Energy Compact. 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.

The attached notification is being sent to Congress on February 3, 2023

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

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**MILLENNIUM CHALLENGE CORPORATION
CONGRESSIONAL NOTIFICATION**

February 3, 2023

In accordance with section 611(c) of the Millennium Challenge Act of 2003, as amended (the “Act”), this notification is to advise that, on January 31, 2023, the Millennium Challenge Corporation (“MCC”) terminated all remaining assistance provided under section 609(g) 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 is reprogramming the \$1.3 million in funds to the West African Regional Energy Compact.

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

On November 2, 2022, MCC terminated \$444 million of MCC funding provided under the Compact *other than* the portion of Compact Facilitation Funding that had already been obligated. Of the \$444 million, \$100 million has been rescinded per the Consolidated Appropriations Act, 2023, and \$344 million has been reprogrammed towards the Indonesia Compact (\$199 million) and the Mozambique Compact (\$145 million).

As of January 31, 2023, following an orderly closure of the Compact Facilitation Funding, MCC terminated \$1.3 million. The \$1.3 million was recovered from the closure of a cooperative agreement with the West African Power Pool (WAPP) to provide regional feasibility studies aimed at improving regional connectivity in West Africa. MCC is reprogramming these funds to the West African Regional Energy Compact.

A report explaining MCC’s determination under subsection 611(a)(2) regarding the termination of assistance follows. MCC provided a similar report in its notification of November 2022.

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 (the "Act"), 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 Act, 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. On September 30, 2022, a second coup d'état took place in Burkina Faso. It was led by

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Captain Ibrahim Traoré and resulted in the removal of transition president Paul-Henri Sandaogo Damiba over his alleged inability to deal with the country's growing insecurity.

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.