



2023 MILLENNIUM CHALLENGE CORPORATION ANNUAL PARTNERSHIPS REPORT





Photo: Douglas Jnr Pikaacha

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LETTER FROM CEO

My goal for partnerships is two-fold: to enhance the effectiveness, innovation, scale, and sustainability of MCC programs by integrating the expertise and capabilities of other organizations into our work; and to drive more transformative and collective economic development and poverty reduction impact by linking MCC's programs with the activities and investments of others. With this year's MCC Annual Partnerships Report, I invite you to consider how your organization might partner with MCC and our country counterparts to help drive economic growth and poverty reduction around the world.



MCC is leaning forward and being ambitious in pursuit of a better world. The challenges MCC tackles are inherently complex and multifaceted. We seek partners that want to learn with us, share expertise, align efforts, drive innovation, and create more holistic and lasting approaches to reduce poverty, open markets, and transform the lives of people around the world.

This year MCC celebrates its 20th anniversary. I am proud to share we have invested nearly \$17 billion in 47 countries in a way that is expected to impact 380 million people. We've worked in a wide array of sectors including health, transportation, energy, education, water, and climate. MCC and our partner countries are committed to working towards a common goal of change-making. Partnerships are core to how we achieve our mission- by working together to solve problems that no one organization or entity can solve on its own.

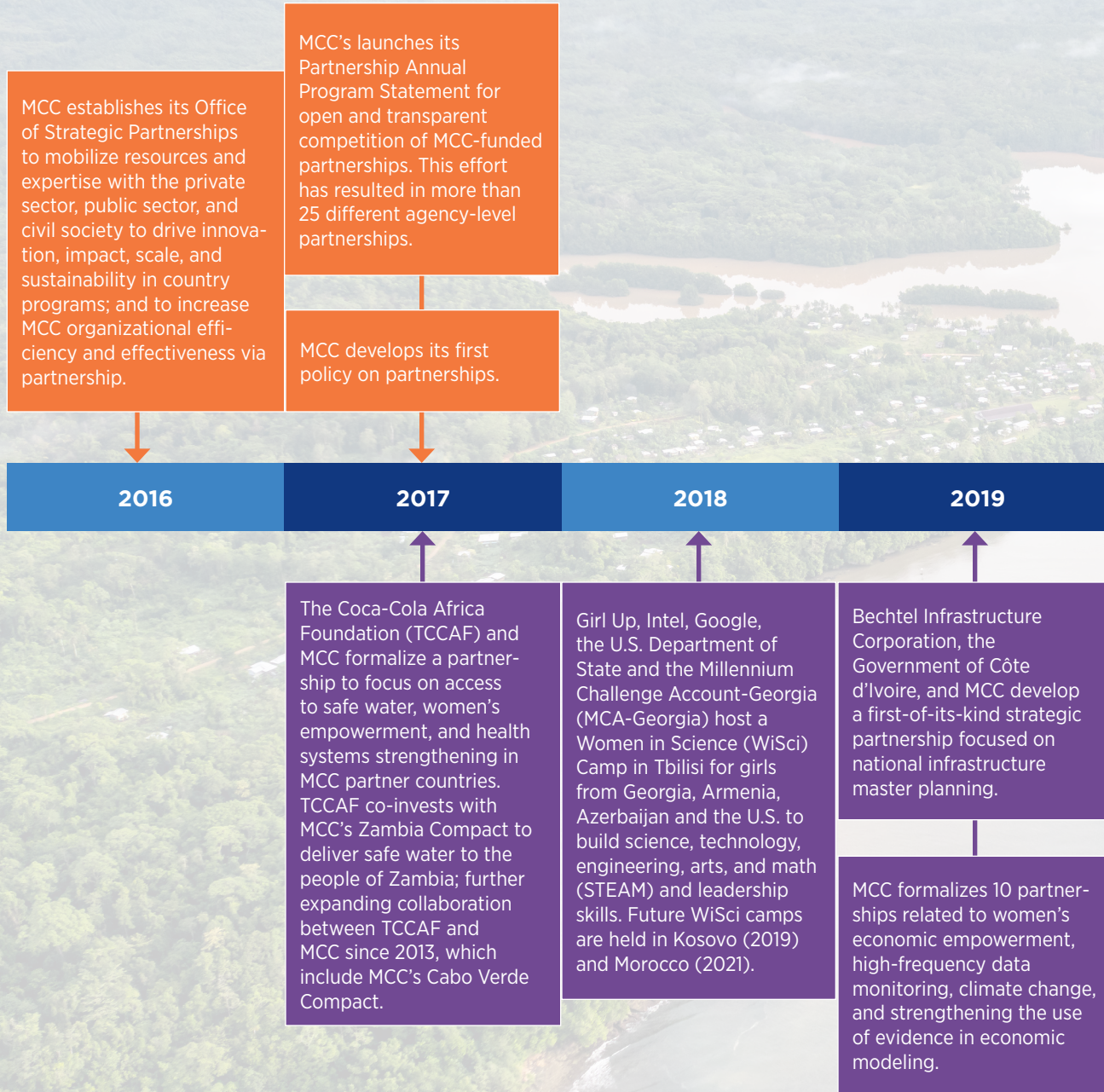
MCC's partnership approach includes co-creation, cost sharing, and shared effort- meaning that from the earliest days of a partnership to the culmination of its work, MCC partnerships are rooted in trust, and mutual accountability. Our use of partnerships enables us to develop leading-edge analytical and diagnostic methods; to develop, implement, and sustain our core country programs; and to link our programs with the activities and investments of partner organizations in ways that enable us to increase our collective impact.

In the pages that follow, we highlight examples of how our partnerships help drive impact across MCC programs. You'll see the ways that partnership creates opportunities for the Solomon Islands to diversify its economy away from unsustainable logging; learn how Morocco is improving employment policy setting via partnerships between government, academia, and other stakeholders; and read about our DigiFemmes program that uses data to teach Ivorian women the 21st century skills they need to build flourishing businesses. These are just a few of many examples demonstrating how partnership has shaped our first 20 years at MCC.

The development challenges of the future are not the same as the challenges of the past 20 years. Partnerships are cost-effective and efficient ways to fill funding and operational gaps, bring new ideas and expertise forward, and sustain our work after the conclusion of our programs. As we look to the future, MCC intends to further strengthen, diversify, and amplify our partnership activities. We will create more pathways to partner effectively, commit to engaging in partnership discussions earlier in program development, and continue to identify opportunities to link MCC's programs with aligned efforts of others.

MCC's history of partnership demonstrates the value of teamwork and coordinated effort. We are eager for organizations to engage with MCC in poverty reduction through economic growth via partnership, and I encourage you to consider opportunities for us to partner. Thank you for sharing MCC's belief that there is nothing we cannot achieve when we work together.

PARTNERSHIPS MILESTONES



INTERNAL MILESTONES

EXTERNAL MILESTONES

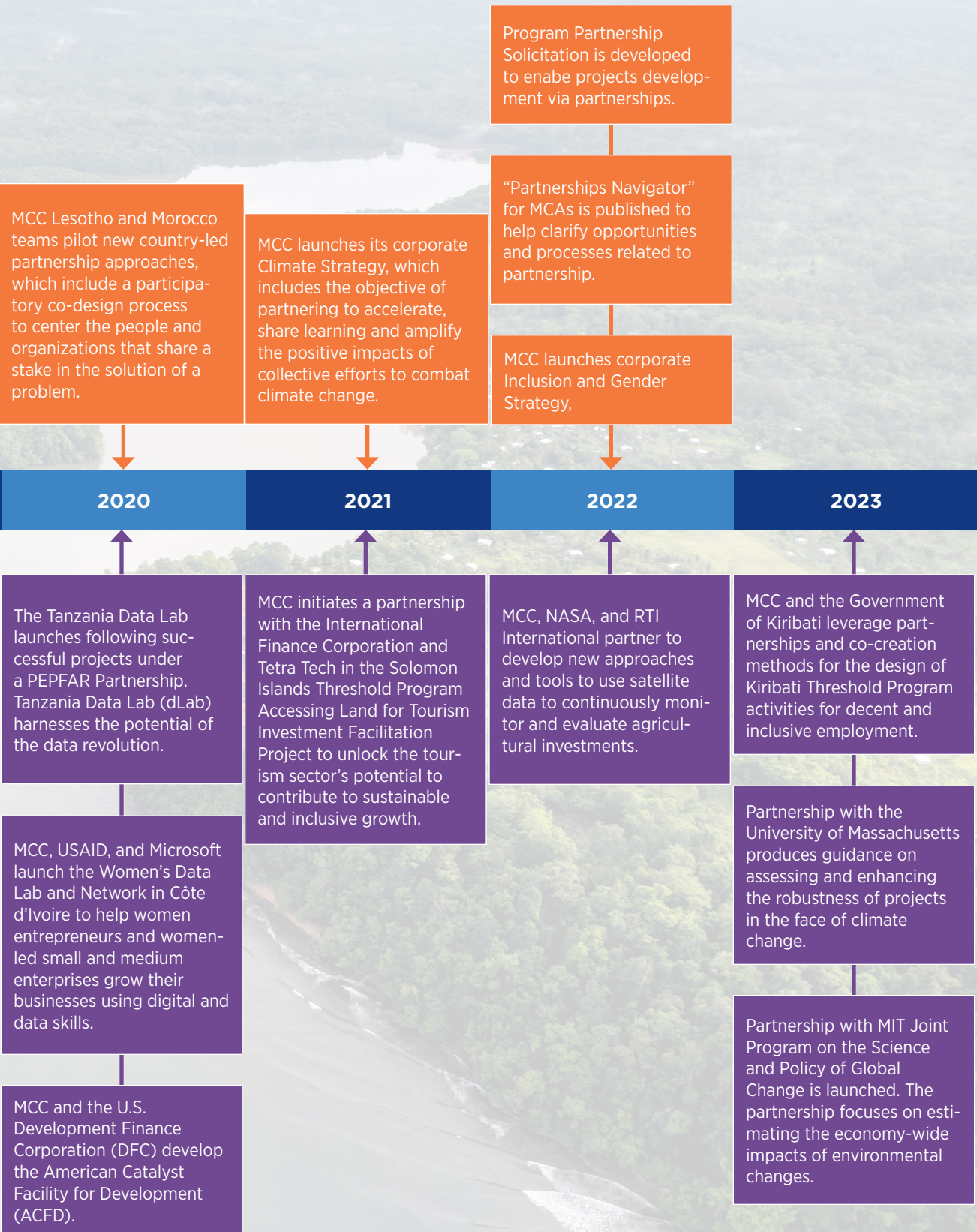


Photo: Douglas Jnr Pkwaacha

CURRENT MCC PARTNERSHIPS

KIRIBATI

KOSOVO

MOROCCO

NIGER

SIERRA LEONE

COTE D'IVOIRE



CÔTE D'IVOIRE

- DigiFemmes with USAID, Microsoft, U.S. African Development Foundation, and local partners
- Closing the “First Mile” Gap In Rural Connectivity Trail Bridge Assessment with Bridges to Prosperity World Bank’s Africa Gender Innovation Lab



INDONESIA

- Shared Learning Agenda and Multi-stakeholder Collaboration with Abdul Latif Jameel Poverty Action Lab
- Financial Inclusion in Indonesia with Innovations for Poverty Action
- Fiscal Incidence and Welfare Distribution of Eliminating Constraints to Growth with Tulane University



KENYA

- Fiscal Incidence and Welfare Distribution of Eliminating Constraints to Growth with Tulane University



KIRIBATI

- Youth Skills Camps and Scholarships with American Councils



KOSOVO

- Strengthening Worker Protections and Family Resilience with the International Labour Organization
- American Catalyst Facility for Development with the U.S. Development Finance Corporation



LESOTHO

- Addressing Climate and Other Deep Uncertainties in Environmental Economic Analysis with University of Massachusetts, University of Cincinnati, and Pegasys
- Gender Equality in the Economic Sectors with World Bank’s Africa Gender Innovation Lab
- American Catalyst Facility for Development with the U.S. Development Finance Corporation



MALAWI

- American Catalyst Facility for Development with the U.S. Development Finance Corporation



MOROCCO

- Gender Equality in the Economic Sectors with World Bank’s Africa Gender Innovation Lab
- Morocco Employment Lab with Abdul Latif Jameel Poverty



LESOTHO

Action Lab at the Massachusetts Institute of Technology and Evidence for Policy Design at Harvard University

- Labor Market Information Platform Based on Big Data and Artificial Intelligence with the Mohammed VI Polytechnic University, Atlas Cloud Services, and OCP Solutions



MOZAMBIQUE

- Coastal Livelihoods and Climate Resilience with Biofund and ProAzul
- Fiscal Incidence and Welfare Distribution of Constraints to Growth with Tulane University



NIGER

- Monitoring the Impact of Agriculture Investments Using Satellite Data with NASA
- Leveraging Drone Imagery for Enhanced Monitoring and Evaluation of Agriculture Sector Development Projects with RTI International (Research Triangle Institute).
- Remote Sensing and Assessment of Groundwater Resources with University of Nevada, Las Vegas, Radar Technologies International, and United States Geological Survey

INDONESIA

SOLOMON ISLANDS



SIERRA LEONE

- Fiscal Incidence and Welfare Distribution of Eliminating Constraints to Growth with Tulane University



SOLOMON ISLANDS

- Solomon Islands Tourism Investment Facilitation with International Finance Corporation
- Forestry Value Enhancement Project with Nakau / Live&Learn
- Community Engagement to Achieve Social License Agreements with Tourism Investors with Tetra Tech



ZAMBIA

- Fiscal Incidence and Welfare Distribution of Eliminating Constraints to Growth with Tulane University



MULTI-COUNTRY

- Estimating the Economy-Wide Impacts of Climate and Environmental-Changes with the Massachusetts Institute of Technology

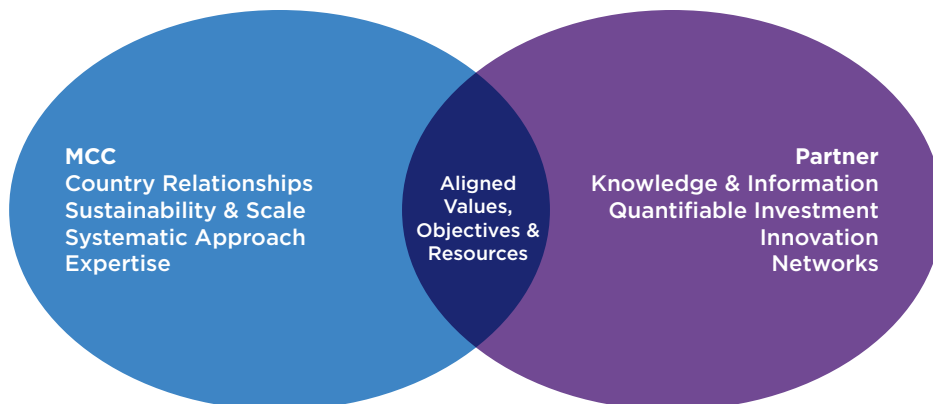
PRESENT: ABOUT US AND HOW MCC PARTNERS



MCC partnerships take many forms and benefit both MCC and our partners by increasing our respective access to cutting-edge research, knowledge, data, funding, networks, and expertise. Partnerships also benefit the public by helping to open new markets, scale programs, and drive innovation.

MCC defines a partnership as a collaborative relationship in which two or more entities work together to:

- Achieve a common purpose or undertake a specific task;
- mutually determine goals, structure, governance, roles, and responsibilities of their collaboration;
- share responsibilities, resources, and competencies; and,
- share benefits and risks.



MCC and our country counterparts collaborate with the public sector, private sector, and civil society organizations to reduce poverty through economic growth at the agency and country levels:

AGENCY-LEVEL PARTNERSHIPS

Agency-level partnerships afford MCC the opportunity to gain access to knowledge, data, resources, expertise, and visibility that is not easily procured via contracts. One way that MCC forms agency-level partnerships is via an Annual Program Statement (APS), which facilitates open, fair, and transparent competition of partnership opportunities. The APS enables MCC and prospective partners to co-create partnerships that make best use of each organization's distinct knowledge, networks, innovations, investments, personnel, and resources.

COUNTRY-LEVEL PARTNERSHIPS

Country-level partnerships support the implementation of MCC's investments in our partner countries. These partnerships are between an MCC partner country and one or more partners to achieve mutual objectives. The Program Partnership Solicitation (PPS) enables competitively selected partners to co-create, co-develop, and jointly implement MCC program activities with country counterparts. Country-level partnerships increase the sustainability of programs by involving external parties and increasing the funding leveraged via partner co-funding.

Teams across MCC and counterparts in partner countries develop partnerships to achieve objectives across a range of programmatic and analytical areas.

PARTNER WITH MCC

Visit Partner With Us (<https://www.mcc.gov/work-with-us/partnerships/>) for more information on MCC's partnership approaches, activities and opportunities.

Learn more about how MCC uses "co-creation" to co-design partnerships with country counterparts and prospective partner organizations. Harnessing the Power of Partnerships: Co-Creation and the Mozambique Compact's Coastal Livelihoods and Climate Resilience Project (<https://www.mcc.gov/blog/entry/blog-091923-mozambique-coastal-livelihoods-and-climate-resilience/>)

Opposite, top: In addition to the opportunities afforded to both MCC and partners, partnerships can directly impact the lives of citizens in countries where we work. Pictured here are products from Gnima, an entrepreneurial business in Côte d'Ivoire



FEATURED PARTNERSHIP
THE SOLOMON ISLANDS THRESHOLD
PROGRAM FORESTRY VALUE ENHANCEMENT PROJECT

Partners: MCC, the Government of Solomon Islands, Live & Learn, Nakau.

Description: Solomon Islands, an archipelago of 997 islands in Oceania, is a small, remote island economy that faces substantial development challenges. Signed in January 2022, the \$20 million MCC threshold program aims to reduce poverty by assisting the government in addressing the country's biggest constraints to economic growth: ineffective management of natural resources in the forestry sector and lack of secure access to land which limits tourism investment.

Logging accounts for more than half of the country's exports and provides more than 20 percent of the government's tax revenue, yet decades of unsustainable logging have left forests over-harvested, resulting in environmental damage that incurs significant costs to the country. The threshold program is comprised of two projects that enable economic diversification away from unsustainable logging and ensure that local communities benefit from forest carbon and ecotourism opportunities by focusing on generating economic benefits of enhanced tourism and addressing impediments to tourism development.

The Forestry Value Enhancement Project component of the threshold program seeks to provide communities with economically viable alternatives to logging by: (1) reducing negative environmental impacts, (2) increasing revenues from forestry production while promoting more equitable revenue disbursement to local communities, and (3) attaining a regulatory and enforcement framework that more evenly balances utilizing forests for both logging and non-logging purposes. The first two goals include the expansion of an economically viable carbon finance Payment for Ecosystem Services (PES) program to generate environmental, economic, and social benefits through carbon finance PES accreditation and eventual carbon credit payments in participating communities.

How It Works: These goals are being achieved through a partnership between MCC, Australian NGO, Live & Learn, social enterprise Nakau, and their local partners Live & Learn Solomon Islands and the Natural Resources Development Foundation. This is the first time MCC has directly partnered with an NGO to achieve programmatic results. MCC selected these NGOs not only for their deep understanding of carbon markets, especially in the region, but because MCC and the Solomon Islands Government also intend for Live & Learn and Nakau to continue their work after the Solomon Islands threshold program concludes.

Impact: To date, the Solomon Islands Threshold Program has worked with two communities that set aside specific areas and derive long-term economic benefits by not harvesting timber resources. The people inhabiting these areas are closely involved in the design of the carbon market projects through collaboration with their community leaders and wider consultations. The carbon income will be distributed following a benefit-sharing plan developed through a community-owned process and aimed at long-term community development. These projects will have the ancillary benefit of not contributing to the degradation of the country’s natural beauty.

Setting up a carbon project in collaboration with the landowners of Yato requires mutual understanding, commitment and trust, and this has been made possible through community consultations.

—Martha Saunana (Project Coordinator from Live & Learn)

In partnership with Live & Learn, Nakau, the Solomon Islands government, and the Solomon Island Threshold program’s other partners, the program has identified three high-level problems in Solomon Islands’ forestry management sector, unsatisfactory: coordination and information sharing; enforcement; and engagement with communities. Further, MCC and the program’s partners decided to focus on specific entry points to address these high-level problems: (1) a Forest Value Enhancement Advocacy Campaign; (2) empowerment of External Enforcement Officers; and (3) establishment of Provincial Working Groups where the threshold program is developing forest carbon payment for ecosystem services sites. Additionally, through the forest governance reform activity, the Solomon Islands government is hoping to build on the learnings from the partnership to build a better enabling, regulatory environment for carbon finance projects.

With Live & Learn and Nakau, MCC and the Solomon Islands are building a future in which Solomon Islanders can derive economic benefits without the negative impacts of logging.

Photo: Douglas Jnr Pikacha



FEATURED PARTNERSHIP MOROCCO EMPLOYMENT LAB

Partners: MCC, the Government of Morocco, the Abdul Latif Jameel Poverty Action Lab (J-PAL) at the Massachusetts Institute of Technology (MIT) and Evidence for Policy Design (EPoD) at the Harvard Kennedy School.

Description: The Morocco Employment Lab was created in 2020 under the \$460.5 million MCC – Morocco Land and Employability Compact, which sought to address challenges in Morocco’s education and employment sectors and in land productivity. The Employment Lab was created using one of MCC’s first Program Partnership Solicitations (PPS), an innovative, country partner-led partnering modality that utilizes co-creation to enable country counterparts and prospective partner organizations to co-design the optimal program approach. The PPS enabled MCA-Morocco to bring the expertise of academia together with the skills and experience of government policymakers to tackle challenging policy priorities.

The partnership included the Government of Morocco and two American academic institutions: MIT’s J-PAL and Harvard University’s EPoD. The Lab was housed at Morocco’s Policy Center for the New South with a budget of \$5.7 million over a three-year period. The Lab brought researchers from academic institutions in Morocco, the United States, and Europe with Moroccan policymakers and other key players in the employment policy space.

How It Works: The Employment Lab was created to help address employability concerns in Morocco by promoting a culture of evidence-based policymaking in Morocco, particularly in youth employment and the labor market. The lab works to equip policymakers and NGOs, universities, and other institutions with the knowledge and skills to gather and understand the evidence needed to make key employment policy decisions to achieve their impact.

Impact: The Lab generated great enthusiasm among training participants and partners, and the Lab's work has continued following the conclusion of the MCC compact. The Employment Lab is now working with the Ministry of Education and new partners to measure the impact of primary school reform, evaluate a secondary school tutoring program; and establish itself as a long-term institution with local academic partners.

The PPS was very innovative, as it allowed for co-creation between the MCC, the MCA, the Moroccan government and the researchers on the direction that the Moroccan Employment Lab should take -- it really ensured that the research and activities under the grant really met the needs and was suited to the context.

—Rema Hanna, Jeffrey Cheah Professor of South-East Asia Studies



FEATURED PARTNERSHIP
DIGIFEMMES: EMPOWERING
IVORIAN WOMEN THROUGH DATA,
DIGITAL SKILLS AND ENTREPRENEURSHIP

Partners: MCC, USAID, Microsoft, Swiss Association for Entrepreneurship in Emerging Markets (SAFEEM), Seedstars Côte d'Ivoire, Empow'Her Côte d'Ivoire, Edu01, Government of Côte d'Ivoire, ENSEA, ESATIC, U.S. African Development Foundation.

Description: DigiFemmes is a trailblazing initiative in Côte d'Ivoire that focuses on equipping women entrepreneurs and women-led small and medium enterprises (W-SMEs) with the digital and data skills, tools, and knowledge necessary to grow their businesses and succeed in the digital economy. The partnership is a testament to the combined efforts of international and local organizations working together to create impactful and sustainable changes in women's economic empowerment.

The objective is to train 600 women entrepreneurs over a span of three years through incubation and digital skills programs. Additionally, 720 other W-SMEs will receive short-term training on digital skills and leadership, and 360 stakeholders in the ecosystem will increase their understanding of using digital technologies to strengthen businesses throughout Cote d'Ivoire. Through its partnership with Microsoft, the program also aims to train over 15,000 other ecosystem actors in the use of digital tools.

How It Works: DigiFemmes leverages the strengths and expertise of its diverse partners to deliver comprehensive training and support to Ivorian women. It includes several tracks: ***DigiFemmes Entrepreneurs, Academy, Start, Ecosystem, and Learn*** - each addressing different aspects of empowerment and skill development. The program uses a multi-faceted approach, combining practical digital skills training with entrepreneurial mentorship and support systems, equipping participants with the tools to thrive in the digital economy.

Impact: To date, the *Entrepreneurs track* has made significant strides in fostering W-SMEs. It has supported 105 W-SMEs, involving 38 mentors in the process. A notable outcome is the 83 percent increase in entrepreneurial confidence among participants. The initiative led to the creation of new jobs and raised \$60,000 in funding. More than 65 percent of the participants experienced at least a 10 percent increase in income following their incubation period. Additionally, the program facilitated the acquisition of 3,424 new customers for these businesses post-incubation, demonstrating the substantial impact and success of the Entrepreneurs track in enhancing the business capabilities and economic prospects of women entrepreneurs.

Thanks to DigiFemmes Academy, I now have knowledge of computer science. New technologies and digital technology are no longer foreign to me. I even write programs in Golang. Who would have thought? I am convinced that all this knowledge will contribute to my success later on. Thank you, DigiFemmes.

—Dagnogo Safiatou

During the program, a beneficiary company Insight Plus launched a new support program for women entrepreneurs on the use and interpretation of data. Insight Plus is now partnering with an Ivorian government agency to manage a support program for 300 to 1,000 informal W-SMEs.

The Academy track has shown remarkable outcomes, benefiting 314 participants through a focus on full-stack development and business initiation. Additionally, four participant groups actively engaged in external hackathons, achieving impressive results. 83 percent of the participants, known as “digicoders,” enhanced their leadership and entrepreneurship skills after one year of training, and 80 percent improved their digital and data skills significantly. This track has clearly demonstrated a substantial impact on the participants’ professional development and practical digital skills.

The Start track trained 226 entrepreneurs across six cities in Côte d’Ivoire. It has achieved impressive success, with a 100 percent improvement in participant understanding of the crucial role of data and digital tools for business growth. This track has contributed to enhancing the digital competencies of entrepreneurs, equipping them with the skills to leverage technology effectively in their business ventures.

The Ecosystem track successfully engaged 109 ecosystem actors across six cities in Côte d’Ivoire. It has been instrumental in strengthening the support network for W-SMEs, fostering a more conducive environment for their growth and development.

The Learn track reached 2,701 learners and awarded 502 certifications. It organized seven expert sessions, contributing to the depth and quality of participant learning. Additionally, it conducted 51 online training sessions, demonstrating the wide reach and accessibility of its educational resources. This track has been vital in providing comprehensive learning opportunities, enhancing the skill set of all participants.

Building on the success of the program, in October 2023, MCC and the U.S. African Development Foundation (USADF) launched a partnership. Through this new USADF-MCC partnership, USADF will provide grants to eligible DigiFemmes graduates, empowering them to grow and scale their businesses. This supports MCC and USADF's inclusion strategies to enhance women entrepreneurs' access to opportunities in the digital economy.

Training is the most powerful weapon for an entrepreneur. During these four days of intense training, DigiFemmes Start allowed me to discover my own weaknesses as an entrepreneur and especially the tools, tips and advice to allow me to effectively evolve my business thanks to the basic notions of digital. Thank you for the opportunity given to women entrepreneurs to be trained to perform. In the new year, I will try to apply what I have learned to professionalize my business.

—Khady Aidra (Haydi Crochet)

LEARN MORE

Hear MCC Director of Gender and Social Inclusion, Krista Rigalo and DigiFemmes Program Director, Nadine Zoro discuss how DigiFemmes empowers women entrepreneurs, such as Linda Dempah, with 21st-century skills to future-proof their careers and help their businesses thrive: Empowering Women in Côte d'Ivoire Through Entrepreneurial Education and Digital Skills (mcc.gov)

Web page : <https://www.digifemmes.com/>

LinkedIn: <https://www.linkedin.com/company/digifemmes/>

Facebook: <https://www.facebook.com/digifemmes1>

Instagram: <https://www.instagram.com/digifemmes/?hl=fr>

FUTURE: LOOKING FORWARD



For 20 years, MCC's programmatic results, evidence and learning all point to a proven record of partnership, accountability, and results. No country has the full funding, resources, and expertise needed to meet all of its development objectives. Partnerships are cost-effective and efficient ways to fill funding and operational gaps, bring new ideas and expertise forward, and sustain important work after the conclusion of MCC programs.

As MCC applies its economic development toolkit in more places, the agency is considering opportunities to adjust its tools and embrace a broader range of interventions. This includes following the data and focusing on new challenges, including addressing issues specific to climate change, urban centers, maximizing regional integration, pursuing reform-oriented threshold programs after compacts, and expanding the digital economy.

Looking to the future, MCC intends to create more pathways to partner effectively, engage in partnership discussions earlier in program development, and identify opportunities to link MCC's programs with aligned efforts of others.

Partnership and leveraging public-private capital is a powerful multiplier of development impact and an effective way to bring the core strengths and capabilities of the public sector, private sector and civil society together to solve future problems that no one entity can solve on its own. Partnerships will continue to be a core way in which MCC drives impact over the next 20 years, by co-creating, co-investing, and collaborating to reduce poverty and promote economic growth.





Reducing Poverty Through Growth



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