

## Summary of MCC Threshold Programs

The Millennium Challenge Corporation (MCC) Threshold Program is designed to assist countries that have demonstrated significant commitment to improving their performance on MCC selection criteria for MCC Compact funding, but do not yet pass all three selection categories. The Threshold Program helps those countries improve a low score on at least one of MCC's policy indicators. To date, MCC has signed Threshold Program agreements with twenty countries totaling over \$485 million. Below are the summaries of MCC's Threshold Programs:



### Albania

Reducing corruption is the primary focus of the approximately \$13.8 million Albania Threshold Program. Albania is receiving assistance from MCC to fund three programs aimed at reforming tax administration, public procurement and business administration. The program anticipates reducing the bribes and bureaucracy needed to start a business while increasing the national tax base. In October 2008, MCC signed a second, or Stage II, Threshold Program worth over \$15.7 million which will build upon the successes of MCC's first program with Albania.



### Burkina Faso

Burkina Faso's approximately \$12.9 million Threshold Program was a pilot program seeking to improve performance on girls' primary education completion rates. Specific interventions included the construction of "girl-friendly" schools, teacher training, provision of take-home dry rations to girls who maintain a 90 percent school attendance rate, and provision of literacy training for mothers. Burkina Faso completed its Threshold Program and signed an MCC Compact in 2008.



### Guyana

The approximately \$6.7 million Threshold Program with Guyana will improve its fiscal policies and create a more business-friendly environment. The grant will help the Government of Guyana implement its new value-added tax system and develop ways to assist and educate taxpayers, while at the same time helping the government better plan and control spending. The grant will also help reduce the number of days and costs to start a business by modernizing and streamlining the process to register businesses.



## Indonesia

The approximately \$55 million Threshold Program with Indonesia seeks to immunize at least 80 percent of children under the age of one for diphtheria, tetanus, and pertussis and 90 percent of all children for measles. The Threshold Program also has a component aimed at curbing public corruption by reforming the judiciary.



## Jordan

The approximately \$25 million Jordanian Threshold Program strengthened democratic institutions by supporting Jordan's efforts to broaden public participation in the political and electoral process, increasing government transparency and accountability, and enhancing the efficiency and effectiveness of customs administration. Jordan completed its Threshold Program and signed an MCC Compact in 2010.



## Kyrgyz Republic

The approximately \$16 million program seeks to increase the independence and effectiveness of the judicial system, develop a more functional and trusted police force, improve the government's capacity to investigate and prosecute corruption cases, educate the public and media on the dangers of corruption and strengthen the financial disclosure system.



## Kenya

Kenya's approximately \$12.7 million Threshold Program will reduce opportunities for corruption in public governance. Specifically, the Threshold Program will target corruption in public procurement, the delivery of health care, and the monitoring and evaluation of reforms.



## Liberia

Liberia's three-year, \$15 million MCC Threshold Program is promoting equal access to land and increased land security and improving girls' primary education enrollment and retention. Projects include a scholarship program for girls, grants to communities to improve school environments, and grants supporting mentoring programs and awareness campaigns. The program is also supporting efforts to improve Liberia's trade policy and practices.



## Malawi

Malawi is implementing fifteen specific interventions over the two-year period of its approximately \$20.9 million Threshold Program. Programs will work toward preventing corruption, enhancing oversight functions, and building enforcement and deterrence capacity. The interventions intend to create more effective legislative and judicial branches of government, provide support for lead anti-corruption agencies, strengthen independent media coverage, and expand and intensify the work of civil society organizations.



## Moldova

The approximately \$24.7 million Moldova Threshold Program seeks to reduce corruption in the public sector through reforms to the judicial, health, tax, and customs systems. The reforms will complement Moldova's national strategy aimed at reducing corruption. Moldova completed its Threshold Program in 2009 and signed an MCC Compact in 2010.



## Niger

The three-year, approximately \$23 million Niger Threshold Program focused on reducing public corruption within the health and education sectors; streamlining the process of starting a business by establishing the administrative, legal and regulatory structures required to implement business facilitation reforms; reducing the time and costs associated with land ownership; and bolstering girls' education. In December 2009, The MCC Board of Directors voted to suspend the Niger Threshold Program due to Government of Niger actions inconsistent with MCC's good governance principles.



## Paraguay

The principal objective of the approximately \$37 million Paraguay Threshold Program is to reduce corruption. MCC funds will be used to strengthen the rule of law by increasing penalties for corruption and build a transparent business environment by confronting informal business transactions. Additionally, the Threshold Program includes a business development component aimed at reducing the number of days necessary to start a business.



## Peru

The approximately \$35.6 million Peru Threshold Program seeks to increase immunization rates of rural children against diseases such as measles, diphtheria, pertussis and tetanus in eight targeted regions, and assist Peru's Ministry of Health in strengthening information and vaccination management systems. The program will also help Peru combat corruption by working with the government and civil society organizations to improve internal controls, as well as analyze and simplify administrative processes to reduce opportunities for corruption.



## Philippines

The approximately \$22.1 million Philippines Threshold Program sought to improve revenue administration and anti-corruption efforts in the Philippines. Specifically, the program sought to reduce corruption by strengthening the Office of the Ombudsman and strengthen enforcement within three departments in the Department of Finance. The Philippines completed its Threshold Program and signed an MCC Compact in 2010.



## Rwanda

The two-year, approximately \$24.7 million program with Rwanda will strengthen civic participation and promote civil liberties and rights by providing training, technical support and grants to local and national civil society organizations. The program will also reinforce Rwanda's efforts to support judicial capacity building, legislative reforms and improve overall public administration. Finally, the program will provide training and technical assistance to journalists as well as the Rwandan National Police in an effort to increase transparency.



## São Tomé and Príncipe

The approximately \$8.66 million São Tomé and Príncipe Threshold Program seeks to increase revenue as a result of improved tax and administration and enforcement. The program will also modernize São Tomé and Príncipe's Customs Service to increase efficiency and reduce the time and cost of starting a business.



## Tanzania

The approximately \$11.1 million Tanzania Threshold Program focused on four specific anti-corruption initiatives, including building monitoring capacity in nongovernmental sectors, strengthening the rule of law for good governance, establishing a Financial Intelligence Unit, and curbing corruption in public procurement. Tanzania completed its Threshold Program and signed an MCC Compact in 2008.



## Uganda

In Uganda, the approximately \$10.4 million Threshold Program will reduce corruption by improving public procurement and financial management practices, strengthening the role of civil society, and building capacity to facilitate more effective follow-up of reported malpractices.



## Ukraine

The approximately \$48.1 million Ukraine Threshold Program focuses on reducing corruption by strengthening their civil society's ability to monitor and expose corruption. The program will also enable the Ukrainian government to increase the monitoring and enforcement of ethical and administrative standards.



## Zambia

The approximately \$24.3 million Zambia Threshold Program focuses on reducing corruption and improving government effectiveness. The Program is funding three components aimed at increasing control of corruption within the public sector, improving public service delivery to the private sector and strengthening border management of trade.