



MILLENNIUM
CHALLENGE CORPORATION
UNITED STATES OF AMERICA

Fact Sheet

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MCC: A Gateway To Opportunity

The Millennium Challenge Corporation (MCC) practices a unique approach to development assistance—one that partners with countries committed to good governance, economic freedom and investing in their citizens. This helps countries lift themselves out of poverty while creating opportunities for American companies looking to expand into next-generation emerging markets.

MCC strives to unlock new opportunities for growth that enhance U.S. competitiveness and create jobs here at home. Private sector firms are benefitting from policy reforms and MCC-funded projects that open commercial, trade and investment opportunities in MCC partner countries. Firms also benefit from MCC procurement opportunities. MCC serves as a **Gateway to Opportunity** for American businesses by helping countries worldwide become stronger trading and business partners.

The MCC Seal of Approval Means Partner Countries Are “Open for Business”

MCC creates enabling environments for trade and investment activity that make it easier for companies to expand into developing markets through pro-growth policy reforms and upgraded infrastructure. MCC links the awarding of development grants to policy performance, creating a strong incentive for reform. During selection for assistance programs, MCC considers a wide range of indicators—including inflation, fiscal policy, and ease of starting a business, regulatory quality, and land rights. A country’s ability to meet MCC’s eligibility standards is widely regarded as a seal of approval, signaling to the private sector the country is well-governed and open for business.

During the development of a compact, or grant agreement, MCC and partner countries look closely at the policy and institutional environment to assess areas that might limit investments’ impact and sustainability and work with partner countries to plan appropriate policy and institutional reforms. These can be changes to national policies, laws, regulations, or ways of doing business, and often focus on building capacity within existing national institutions. MCC holds private sector investment forums for companies interested in doing business in partner countries to discover their constraints to investment—and the most effective way of eliminating those constraints.

MCC Helps Build Strong Trading and Investment Partners

MCC’s goal is not only to help poor countries rise out of poverty, but to create stable trading and investment partners for the United States. MCC’s approach aligns with Secretary of State (and Chair of the MCC Board of Directors) Hillary Rodham Clinton’s vision of economic statecraft—using diplomacy and development to create American jobs and boost the American economy. MCC’s work to help increase American exports supports President Obama’s National Export Initiative. Studies suggest that for every 10 percent increase in exports, U.S. jobs grow by 7 percent. U.S. exports to the developing world are growing

three times faster than exports to other economies. That is why MCC's assistance helps to build the next generation of markets who will want to buy products and services "Made in America."

One example of how MCC is benefitting an American company is Combustion Associates, Inc., a California-based manufacturing company that builds and installs power systems worldwide. Combustion Associates won a contract to install a power plant for the Government of Benin. The company's owner said moving cargo through the Port of Cotonou—which MCC improved as part of its five-year, \$307 million compact—became easier during and after MCC's investments. Encouraged by success in the region, the company is expanding its footprint in West Africa and has added American jobs. "We see a ramp-up in business and jobs added because of MCC's work (in Benin)," owner Kusum Kavia said.

"The growth of the developing world presents a major economic opportunity for American business today and a thousand opportunities tomorrow."

*—Secretary of State
Hillary Rodham Clinton*

MCC Procurements Lead to Access to New Markets

MCC compact investments target constraints to growth in order for the private sector to invest and flourish. MCC consults with the private sector throughout the life of its investments, from analyzing constraints to private-sector investment and compact design through implementation and closeout.

MCC reaches out to American businesses to inform them of MCC-funded procurements, which are transparent and competitively bid. As a result, American companies are the top recipients of MCC-funded contracts. Another \$1 billion in procurement opportunities are expected over the next 18 months.

MCC awarded, through competitive bidding processes, more than \$100 million in contracts to Symbion Power of Washington, D.C. and Pike Electric of Mount Airy, North Carolina to build more than 20 power sub-stations and install about 1,000 miles of power lines in Tanzania. Symbion Power used its MCC contract to gain a foothold in East Africa; the company expanded its business in Tanzania with the purchase of a 120-megawatt power plant, which will bring additional power to Tanzania and support jobs in the United States.

MCC Investments Promote Economic Growth and Advance Our National Security Interests

Poverty, disease, hunger, and climate change can destabilize societies and sow the seeds for conflict. MCC's investments help strengthen societies in its partner countries by improving livelihoods and bolstering institutions—steps that help meet the needs of today while ensuring that foreign policy goals of tomorrow are realized.

MCC's ultimate goal is to empower people to create and seize their own opportunities—effects that ultimately allow societies to thrive. When emerging economies prosper, they also become more stable, peaceful and secure, which explains why development, alongside diplomacy and defense, is key to America's national security interests.

To Learn More

For more information on doing business with MCC and its partner countries, contact Lorelle Curry at 202-521-3910 or currylb@mcc.gov.