Testimony of Daniel W. Yohannes Chief Executive Officer, Millennium Challenge Corporation to the House Foreign Affairs Committee

The Agency for International Development
and the Millennium Challenge Corporation:
Fiscal Year 2012 Budget Requests and
Future Directions in Foreign Assistance

March 16, 2011

MILLENNIUM
CHALLENGE CORPORATION
UNITED STATES OF AMERICA

Madam Chairman, congratulations on taking the gavel of the House Foreign Affairs Committee. We look forward to working with you and Congressman Berman, and every member of the Committee to advance American interests and values and reduce poverty in developing countries around the world.

I am especially pleased to be appearing here today alongside my good friend, USAID Administrator Shah. We speak on a regular basis about how our agencies can collaborate, avoid duplication, and leverage our comparative advantages.

Asking the Tough Questions in a Budget-Constrained Environment

The Millennium Challenge Corporation (MCC), like other U.S. government agencies, is operating in a constrained budget environment. MCC holds itself accountable to the American people to ensure every taxpayer dollar generates the best possible return on investment. As good stewards of American taxpayer dollars, every day we ask ourselves the tough, fundamental questions about the effectiveness and efficiency of our approach to development and our operations.

Before discussing President Obama's Fiscal Year 2012 budget request for MCC, and highlighting issues of strategic importance to the agency in the coming months, I would like to address three fundamental questions about MCC. First, what makes us distinctive? Second, are we delivering results? And third, how are the American people benefitting from MCC's investments?

MCC's Selective, Targeted Approach to Development Assistance

What makes MCC distinctive? One of the most distinctive features of MCC is our broad-based, bipartisan support. The MCC approach to development—with our focus on economic growth, sustainability, country ownership, transparency and accountability—has been embraced by Democrats and Republicans in Congress; Presidents Obama and Bush; Secretaries Clinton, Rice, and Powell; and leading voices from the right and the left, from the Heritage Foundation and the American Enterprise Institute to the Brookings Institution and the Center for American Progress.

Why has MCC won the support of policymakers and analysts across the political spectrum? Because of our innovative, reform-minded mission and business model. MCC's mission is to reduce poverty through economic growth in a select number of well-governed countries. MCC selects country partners carefully to ensure the highest returns on our investments and creates strong incentives to advance democratic, market-based principles—not just in MCC countries but in emerging markets across the developing world.

Part of MCC's accountability model is the ability and willingness to say "no"—no to countries that do not meet MCC's high standards for eligibility, and no to proposed investments that do not have promising returns for economic growth and poverty reduction.

In determining eligibility for funding, MCC evaluates whether a country has created a policy environment for sustained economic growth through 17 independent, transparent policy indicators that measure a country's commitment to ruling justly, economic freedom, and investing in its own people. We believe that engaging with developing countries in a selective, targeted way is not only fiscally responsible in the short-term, but also is critical to poor countries attracting private investment and ending their reliance on aid.

Good governance is critical for economic growth. We look for opportunities for reform in areas that will ensure the sustainability of our investments. These reforms have included changes to national policies, laws, regulations, or even the traditional ways of doing business by government institutions. For example, before investing in Lesotho, we worked with the government to change a law that treated adult women as minors so that they could be full participants in the economy. In most cases, these reforms, and the domestic capacity that MCC's country-led programs build, not only help unlock the full potential of U.S. taxpayer dollars, but also help improve the broader conditions for continued growth and investment in our partner countries.

Signing up to work with the MCC means a country is committing itself to tackle the tough policy reforms necessary to create an environment in which the private sector can thrive, citizens can hold their governments accountable, and U.S. taxpayers can see they are getting a good return investment. Our goal is not only to help poor countries rise out of poverty and achieve self-sufficiency, but to create stable trading and investment partners for the United States, which will strengthen the American economy and make our nation more secure.

MCC is Delivering Results

Are we delivering results? MCC's focus on economic growth, sustainability, country ownership, transparency, and accountability is working. All development partners, both donors and host countries, are interested in achieving results. What distinguishes MCC is our commitment to technically rigorous, systematic, and transparent methods of projecting, tracking, and evaluating the impact of our programs. MCC's results exist along a continuum—from policy changes countries make to become compact eligible ("the MCC Effect"), to interim outputs and outcomes as compacts mature, to our ultimate goal: income increases over the long term.

We expect MCC's current investments to benefit more than 170 million people in the poorest countries around the world—and we expect incomes to rise by over $12 billion over the life of those investments.

Even before these income gains are achieved, MCC and our country partners have tangible results to show. To date, MCC investments in new or improved irrigation and technical assistance have facilitated the adoption of new agricultural practices on 82,510 hectares of land. Our programs have trained over 150,000 farmers in techniques that help them produce higher-quality, higher-value crops. We have provided $66 million in agricultural loans, and have assisted over 3,800 private enterprises involved in agriculture related business. We have supported construction of more than 890 kilometers of roads that link markets and encourage trade, and have another 2,400 kilometers under construction. These interventions aim to increase incomes though market-driven agriculture. MCC tracks these results closely because they are the drivers of the income gains we and our partners aim to achieve.

While these results are important indicators of success, they do not tell the whole story. We are pleased that our program outputs are on track, but we hold ourselves to a higher standard: are MCC investments increasing incomes? That is why we are so excited about preliminary, very promising data that is coming from our first completed program in Honduras.

In Honduras, we have preliminary data from our agriculture program implementer showing that farmers who received assistance from MCC saw their annual net income rise 88 percent, from 1,880 dollars per hectare of land cultivated using new practices to 3,550 dollars per hectare.

I want to stress that this is preliminary data, and we will know much more when the work of our independent evaluators is completed. But it is consistent with the output- and policy-based results we have seen and the personal stories I have heard directly from farmers and entrepreneurs with whom I have visited in those countries.

MCC's Investments Are Helping to Build the Next Generation of Emerging Markets and Make Americans More Secure

How are the American people benefitting from MCC's investments? President Obama's new development policy is building on the best ideas of the Bush Administration and calling on U.S. development agencies to help build the next generation of emerging economies. By doing so, we are investing in a better future that offers opportunities not only to poor people in MCC partner countries but to American businesses and our own citizens.

In a speech last month, Bill Gates noted that fully half of current U.S. exports—more than half a trillion dollars—go to developing markets. Looking forward, leading economists expect the developing world to become the growth engine of the global economy.

MCC investments look to remove constraints to growth so that the private sector will invest and flourish. These investments are helping to build a foundation for U.S. exports and increased business activity, which will mean increased growth and job opportunities here at home.

MCC is funding more public-private approaches that can leverage our effort and bring in the private sector from the beginning. We are focusing on policy reforms, such as an initiative in Jordan that has attracted $90 million in private investment in the water sector.

Our approach creates strong incentives for policies that are business friendly. In Cape Verde, for example, the time to register a business dropped from 54 days to one hour. Those are the kinds of changes that convert foreign assistance from a well-intentioned contribution into a productive investment.

MCC is also helping to make Americans safer and more secure by promoting stability and developing strong partners in key regions around the world. Defense Secretary Robert Gates has been one of the most persuasive advocates for financing development work. In recent remarks, Secretary Gates stated:

"…[I]n military planning, what we call phase zero is, how do you prevent conflict? How do you create conditions so we don't have to send soldiers? And the way you do that is through development. Development contributes to stability. It contributes to better governance. And if you are able to do those things and you're able to do them in a focused and sustainable way, then it may be unnecessary for you to send soldiers…Development is a lot cheaper than sending soldiers."

That is one reason why President Obama, like President Bush, has made development—together with defense and diplomacy—a critical pillar of our national security.

The President's Fiscal Year 2012 Budget Request for MCC

President Obama's budget request for MCC for Fiscal Year 2012 is $1.125 billion. This amount would enable us to sign compacts with Georgia and Ghana, as well as fully fund a compact with Indonesia.

MCC's estimated budget requirements for these compacts are based on several factors, including policy performance on MCC's indicators, total population, population living below national poverty lines, absorptive capacity, and, in the case of Ghana and Georgia, performance in previous compact implementation. Final compact amounts will be based on funding availability and on the scope of agreed upon projects.

MCC requests $912 million of the total Fiscal Year 2012 request for compact programs, divided between a second tranche of funding for Indonesia and subsequent compacts for Georgia (est. $100-150 million) and Ghana (est. $350-400 million). Because of its proposed size, the Indonesian compact would be funded over Fiscal Years 2011 and 2012 for a total compact range of $700-770 million.

Indonesia is the fourth most populous country and the largest Muslim-majority country in the world, with more than 100 million of its 250 million people living on less than $2 per day. Given Indonesia's strategic importance to the United States, its economic potential, and the high number of people living in poverty, an MCC compact would be a smart investment for the American people.

Both Ghana and Georgia were selected by the MCC Board of Directors as eligible to develop subsequent compacts. These countries were selected because of their continued strong policy performance, their status as important emerging markets, their strategic importance both globally and regionally, and their successful implementation of their first compact.

The Republic of Ghana consistently performs well on MCC's indicator criteria and is generally viewed as one of Africa's most stable policy performers. Since 2004, Ghana has scored among the top Lower Income Countries on the Control of Corruption indicator. In a region where constitutional transfers of power are often disputed, Ghana has a record of peaceful democratic elections and the transfer of power to opposition parties. In 2009, Ghana ranked better than almost two-thirds of all countries on Transparency International's Corruption Perceptions Index, and is preparing for transparent management of potential oil revenues.

Georgia is recognized globally as one of the best investment climate reformers, even though 30 percent of its population still lives on less than $2 a day. Over the last five years, its scores on the World Bank's Doing Business assessment have improved more than any other country in the index. The country has also made significant strides to privatize state-owned industries and improve its Transparency International rank on the corruption perception index. This good economic policy performance is reflected by the fact that Georgia has seen a 55 percent increase in new businesses registered.

MCC's Subsequent Compacts Will Focus on Constraints to Investments

Entering our seventh year, MCC is beginning a new phase of innovation and partnership. As first compacts strengthen the foundation for economic growth, subsequent compacts—new MCC investments with countries that have successfully concluded their first compacts—are expected to target constraints to private investment. MCC aims to help countries, like newly-selected Georgia and Ghana, solidify an economic growth path that attracts private investment, reducing the need for aid.

MCC's engagement with partner countries is not open-ended. MCC carefully considers the appropriate nature and duration of each country partnership based on the country's policy and implementation performance, as well as the opportunities for impact on growth and poverty reduction. A defining characteristic of MCC's model of aid effectiveness is selectivity, both in the countries we work with and the investments we make. MCC's evolving business model emphasizes selectivity and our mandate to partner with countries where investments will have the greatest potential returns in terms of poverty reduction and economic growth, and where U.S. taxpayer resources can be used most efficiently and effectively.

While a single compact alone cannot address all binding constraints to a country's growth, or transform an entire economy, a subsequent compact in a country that continues to perform well has the potential to help countries change their growth path away from aid dependence and toward greater reliance on private sector investment and internally-generated revenue. For the poorest countries, even the ones with the right policies in place, it may take decades of sustained growth to lift citizens out of poverty. For low-income countries like Tanzania or Ghana that have annual per capita incomes of $500 and $700 respectively, economists estimate that it could take over 20 years to double per capita income even if they sustain annual per capita growth of four percent (a historically high rate).

This does not mean, however, that MCC engagement should last anywhere near that long. On the contrary, MCC's role is targeted and selective, and only the best performers will be eligible for continued, limited engagement. MCC's Board is particularly discerning when determining eligibility for follow-on partnerships. In addition to good policy performance, countries must show meaningful progress toward achieving first compact results before being considered for a subsequent compact. Of the seven countries that will conclude first compacts by the end of 2011 (Armenia, Benin, Cape Verde, Honduras, Georgia, Nicaragua, and Vanuatu), MCC's Board has only selected three as eligible for a subsequent compact. Cape Verde was selected in Fiscal Year 2010 and Georgia and Ghana in Fiscal Year 2011.

In our approach to subsequent compact design, MCC focuses increasingly on specific constraints to investment and private sector engagement, with an emphasis on creating opportunities for expanded U.S. participation in emerging markets and opportunities to benefit from trade. This is in line with the

President's Global Development Policy directive to foster the next generation of emerging markets by encouraging broad-based economic growth and democratic governance.

MCC supports this effort by reaching out to the private sector, by grounding our investment choices in a constraints analysis which identifies specific obstacles to private sector-led growth, by introducing financial instruments designed to enhance access to capital, and by promoting innovative project content in areas of potential growth such as alternative energy, applied technology, and financial inclusiveness.

Potential to leverage MCC funding with a direct impact on investment growth serves as one of the screens for evaluation of second compact programming, in addition to MCC's mandate to promote poverty reduction through economic growth. By helping these countries solidify the progress they have made and become better integrated in the global market system, the United States is opening new investment opportunities for American firms as well.

MCC Believes Corruption Erodes Private Sector Growth

I would like to discuss another critical topic, which is how MCC deals with corruption in potential or current partner countries. Because corruption has the power to completely undermine private sector growth, and any investment MCC or other donors make in developing countries, we take this issue extremely seriously.

MCC's approach to fighting corruption begins before we even choose a country for eligibility. MCC's corruption indicator is a key part of country eligibility decisions.

Earlier in my testimony, I spoke of the strong results we are seeing from our partnership with Honduras. Honduras, however, did not pass MCC's control of corruption indicator at the time of country selection for Fiscal Year 2012. Not selecting Honduras for a second compact was a difficult decision for MCC's Board, given Honduras's strong performance in implementing its first compact, but the decision was a principled one based on the importance we place on anti-corruption efforts.

I know Honduras is of particular interest to the Chairman and many other members of the Committee. While the State Department remains the lead on working with the Government to address human rights and political issues, MCC has been engaged in very constructive conversations with the Government of Honduras to improve performance on accountable governance, enhanced management of public resources, and fiscal transparency. The Honduran government has initiated a set of reforms to improve budget management and transparency, increase civic participation in budget preparation and reporting, upgrade legislative oversight, and strengthen internal and external audit functions.

Our scrutiny does not stop after selection. Corruption is closely monitored as a country begins to develop a compact and proceeds into compact implementation. MCC has a publicly available anti-fraud and corruption policy that outlines precautions that MCC takes and describes ways of responding to any instances of corruption in a compact. We are currently training our local MCA accountable entities on how to apply this policy and develop risk assessments for their own work.

In addition to protecting against corruption in our compacts and assessing individual cases of corruption, MCC assesses broader patterns of government actions that undermine institutions of accountability: courts, anti-corruption commissions, auditors, and the media. Governmental actions that undermine these institutions of accountability make individual instances of corruption more likely, enable corruption to flourish, and cultivate a culture of impunity. By placing an emphasis on the institutional response, MCC incentivizes governments to take greater responsibility for rooting out corruption.

For example, we and several other donors made clear to the Government of Senegal that recent changes to their procurement code and implementing agency, in part due to legitimate national security concerns, were an accountability concern to us. In response, the Government has been in discussion with donors, including MCC specifically, to address our concerns as they further revise the procurement code. Consequently, they have taken steps, which we are currently studying, to amend the changes that would have weakened procurement procedures.

Working with some of the poorest countries in the world means working with countries that struggle with policy performance including corruption. MCC's challenge is to find the right way to pursue poverty reduction while staying true to our model of selectivity and accountability, and this is particularly true in the case of corruption.

MCC's Proposed Legislative Changes Would Strengthen an Already Strong Model

We hope to work with you again this year, Madam Chairman and the other members of the Committee, on passage of a package of legislative changes to MCC's current authorities, including allowing for concurrent compact authority and longer compacts in certain circumstances.

The proposed changes are based on lessons learned since MCC's creation in 2004 and will provide the flexibility needed to maximize the impact of MCC programs through more innovative approaches to development assistance.

Concurrent compact authority would allow MCC to sign separate compacts with a country based on the specific timing requirements of individual projects rather than as part of a package driven on a single timeline. Concurrent compacts would improve MCC's ability to manage our compact pipeline with greater predictability and serve as an added incentive for policy reforms in partner countries.

With concurrent compacts, the agency could move forward with projects that are investment-ready, instead of putting several projects at various stages of readiness into a single compact or delaying compact signing for a promising but less-developed project. As part of a larger, cohesive framework, concurrent compacts will allow for smaller, staggered agreements; speed implementation; improve project management by allowing countries to focus on managing fewer projects at a time; build management capacity with early projects; ease the current burden of managing large, complex compact programs; and foster innovation by allowing MCC to pursue new approaches and partnerships that could otherwise slow down the compact development process.

Additionally, while having definite time frames for MCC compacts is an important best practice for effective foreign assistance, in some cases projects face implementation challenges that mean they cannot be completed within the mandated five-year period, particularly given MCC's emphasis on country-led implementation and MCC's high accountability standards. In these cases, MCC's options for responding to implementation challenges are limited by the five year time frame. Allowing MCC, in exceptional circumstances, to extend the duration of our five-year compact period for up to two additional years would allow MCC and our partner countries to pursue a fuller set of options for managing challenges and achieving compact objectives.

MCC also has sought legislative changes aimed at ensuring that changes in countries' income categories do not prevent the agency from working with the best policy performing countries that also have populations living in extreme poverty. Each year, countries abruptly graduate from one income category to another with no transition period. Sudden shifts in income category, due in part to changes in exchange rates, pose serious issues for MCC. This impacts whether they can be candidates for MCC assistance at all, and changes both the policy performance standards against which they are measured and the levels of funding they can receive.

Conclusion

With that, Madam Chairman, I would like to state my appreciation for your support of MCC as well as this Committee's bipartisan history of support for effective, results-oriented foreign aid.

Honduras MCC and MCA-Honduras identified low agricultural productivity and high transportation costs as key barriers to economic growth and poverty reduction. The program, therefore, sought to improve small farmer productivity and investment in transportation. The $205 million compact was signed in September 29, 2005 and finished in September 29, 2010.	
Policy Reforms	• **Increasing access to credit through a moveable property registry:** Through the newly-enacted Secured Transaction Law and establishment of a movable property registry system enabling credit seekers to use an entirely new category of moveable, non-real estate property—such as shop inventory, future crops, tractors, supply contracts, and sewing machines—as collateral. • **Enabling responsible resettlement:** The Honduran government passed a special decree fully authorizing MCA-Honduras to carry out a comprehensive resettlement program that provided affected parties with timely and fair market-value compensation beyond current legislative allowances, managed resettlement activities effectively, cleared the right of way, and started and completed road construction more quickly than other projects investing in the same highway and facing similar resettlement needs. • **Ensuring road sustainability:** Both a weight control system and a road maintenance fund are necessary for sustainability. Although MCC terminated assistance for the weight control system, the Honduran government and other donors are stepping in to construct and operate the system designed by MCC. Also, at MCC's request, Honduras progressively increased its road maintenance budget from less than $40 million in 2005 to $64 million in 2010.
Outputs	• More than **7,000 farmers** received technical training in better crop management, irrigation techniques, business skills, marketing, and post-harvest handling. • More than **10,000 loans** have been extended to **5,800** farmers, agribusinesses and other producers, giving them the means to buy equipment, seeds and tools to help them expand their production and increase their profits. • A total of **611 kilometers of roads** have been rehabilitated, including sections of the **CA-5 Highway** as well as rural and secondary roads, reducing transportation costs and time to national, regional and global markets.
Preliminary Outcomes	• Of the farmers trained, **6,029** increased their production of high-value horticultural crops to earn **$2,000** or more per hectare, demonstrating their effective adoption of the new techniques. • Farmers have reported that with more income, they are improving their farms and homes, purchasing vehicles to transport their produce to market and investing in the education of their children.
Preliminary Income Gains	• An analysis by MCC using preliminary data from the implementer of the agriculture training program in Honduras shows that farmers assisted by the compact have seen their annual net income per hectare rise from approximately **$1,880** at the baseline to **$3,550** on average after 2 years of assistance, a gain of 88 percent, which is much faster than the approximately **7 to 11 percent growth** that would have been expected in the absence of the program. This initial estimate will be refined as MCC completes the rigorous third-party evaluation of the program that is currently underway.
Impact Evaluation	• Though MCC can point to real change in Honduras now, MCC's stringent standards for measuring and reporting results require independent evaluations to verify the immediate and long-term impact of our partnership. These evaluations, which are expected by September 2011, will measure the gains in income attributable to MCC investments. • Over the next 20 years, MCC's investment in Honduras is expected to benefit more than **1.7 million** Hondurans and increase incomes by about **$240 million**.

Cape Verde	
Low-income households engaged in subsistence farming have limited opportunities to adopt new practices to raise incomes, MCC and MCA-Cape Verde sought to increase agricultural productivity, build vital infrastructure and develop a robust private sector to transform agriculture into a productive, competitive business sector. The $110.1 million compact entered into force on October 17, 2005 and finished in October 17, 2010.	
Policy Reforms	• **Decree Lifting Embargo:** Cape Verde issued a national decree lifting 20-year embargo on agricultural exports from the island of Santo Antão put in place because of a millipede infestation, contingent upon the construction/operation of the MCC-funded post-harvest inspection center. This now gives Santo Antão farmers an outlet for income-generating trade. • **Road Maintenance Fund:** In response to the compact, the government established a Road Maintenance Fund that is financed by a levy on road users for maximum sustainability of the road improvements. • **Citizens' House (*Casa do Cidadão*):** The Citizens' House electronic system improves access to government services and the MCC Compact contributed to this e-government service through a Cape Verdean agency by investing in equipment, software and technical assistance valued at more than $3 million. In 2007, it took 52 days to start a business in Cape Verde. By 2010, Cape Verde had reduced both the cost and time to start a business to an hour; • **Microfinance Legislation:** As a condition precedent to providing technical assistance to micro-finance institutions, Cape Verde enacted a micro-finance law that, among other improvements, authorized MFI collection of savings.
Outputs	• To increase agricultural productivity in targeted rural watershed areas, **28 reservoirs** (100 percent of the target) have been completed, **549 farmers** have been trained in new technologies and four participating microfinance institutions have issued **$617,000 in rural agricultural loans** to **209 farmers or agribusinesses**. • Three rural roads, totaling **40.6 kilometers**, have been upgraded from cobblestone to asphalt pavement connecting coastal and inland villages with larger population centers and markets. In addition, all **four bridges** have been completed, reducing the average annual number of days riverbeds were impassable from eight to zero during the heavy rainy seasons and contributing to the overall improvement of Cape Verde's rural transport network. • The **Port of Praia's efficiency increased** with the completion of the first phase of work, including the construction of a cargo village and access road and the rehabilitation of quay 2. • To increase financial intermediation and competition in the government securities market and develop the private sector, MCA-Cape Verde provided **eight microfinance institutions with technical assistance**, building capacity through training on best practices in accounting, credit appraisal, delivery, collection, human resources management, and marketing. Cape Verde also is launching the first **private credit bureau.**
Preliminary Outcomes	• Reduced road roughness because of rehabilitated roads is expected to result in shorter travel time, increased mobility, reduced operating costs and improved access to employment opportunities, markets, educational and health care facilities, and other social services. The improved benefits stream will be measured as part of an initial ex-post *Economic Rate of Return Analysis* on road investments as well as an impact evaluation. • As farmers increase their agricultural productivity, they will also increase their household income from farm profits and wages. A rigorous post-compact impact evaluation will confirm the impact on household income.

Cape Verde Low-income households engaged in subsistence farming have limited opportunities to adopt new practices to raise incomes, MCC and MCA-Cape Verde sought to increase agricultural productivity, build vital infrastructure and develop a robust private sector to transform agriculture into a productive, competitive business sector. The $110.1 million compact entered into force on October 17, 2005 and finished in October 17, 2010.	
Preliminary Income Gains	• In Cape Verde, preliminary findings of the Agricultural Support Project show significant results for farmers who received MCC assistance. After a year of very bad rains, farmers not receiving MCC assistance experienced a decrease in income of 88 percent, while incomes declined by only 18 percent for those farmers receiving MCC assistance. This improvement was seen in less than one harvest period. MCC's combination of agricultural credit and training in soil and water management techniques are associated with a significant difference in the income of Cape Verdean farmers. These results, which are from an income survey of the first warm season agricultural cycle, will be refined as MCC completes the rigorous third-party evaluation of the program that is currently underway.
Impact Evaluation	• Project evaluations are expected beginning in November 2011 through June 2014 and will measure the gains in income attributable to MCC investments. • MCC's investment in Cape Verde is expected to benefit nearly 385,000 Cape Verdeans and increase incomes by over $149 million over the next 20 years.

Long-Term Program Impacts

At present, MCC funds are projected to benefit 171,729,564 people and lead to approximately $12.3 billion in increased income. For most projects, MCC expects estimated income gains will be realized within a 20 year horizon after the compact enters into force. The table below shows the number of expected beneficiaries by country.

Compact	Estimated Number of Beneficiaries	Estimated Long-Term Income Gain Over the Life of the Project (NPV of Benefits)
Armenia	427,623	$424,862,716
Benin	13,421,086	$409,568,812
Burkina Faso	384,765	$149,471,371
Cape Verde	794,811	$366,707,505
El Salvador	344,244	$301,305,834
Georgia	1,217,133	$683,253,724
Honduras	1,704,553	$237,274,575
Jordan	TBD	$800,300,000
Lesotho	1,041,422	$376,048,666
Madagascar	480,347	$123,202,505
Malawi	5,900,000	$2,300,000,000
Mali	2,836,578	$457,098,832
Moldova	414,000	$259,940,491
Mongolia	2,897,985	$306,921,751
Morocco	845, 415	$860,408,732
Mozambique	4,565,136	$632,655,761
Namibia	1,063,413	$240,500,000
Nicaragua	107,832	$113,395,397
Senegal	1,662,129	$862,900,000
Philippines	125,000,000	$666,226,989
Tanzania	5,425,013	$1,474,290,895
Vanuatu	14,783	$54,000,000
Total for All Compacts[1]	171,729, 564	$12,287,206,834

(Footnotes)

1 These estimates do not include beneficiaries of projects or activities terminated, suspended or on hold in Madagascar, Honduras, Nicaragua, and Armenia. Madagascar's estimates account for that compact's early termination. Net present value (NPV) of benefits is the present value of the benefit stream calculated as the sum of all projected benefits accruing within the first 20 years of the project lifespan, evaluated at a 10% discount rate. NPV of all benefits is reported in millions of US$ in the year that the ERR was completed. "TBD" beneficiary estimates for the Jordan compact will be finalized when the compact enters into force.