

**Opening Statement of Sean Cairncross  
Chief Executive Officer, Millennium Challenge Corporation  
Senate Foreign Relations Committee  
December 4, 2019**

Thank you, Chairman Risch, Ranking Member Menendez, and members of the Committee. I am delighted to be here today, and I look forward to discussing my first 100-plus days as MCC's Chief Executive Officer with you, as well as my priorities for MCC in the months ahead.

As I've said before, it is a true honor and privilege to lead an agency with such a talented, diverse, and dedicated staff of experts in their fields of practice. I am grateful to President Trump for trusting in me to do so, and sincerely thankful for the support and confidence of this committee, and the United States Senate.

I also want to thank each of your staffs for our important and ongoing conversations. The bipartisan support that MCC enjoys is a testament to this body and to the work and collaboration between MCC and your teams. The value of these relationships—and the key guidance that you each provide to me and the agency—cannot be overstated. Thank you for making yourselves available and for your consistent engagement in MCC's work around the world. I am truly grateful.

Over the course of my first five and a half months at MCC, it has become abundantly clear to me that MCC's strength continues to lie in the core principles the agency was founded on 15 years ago: transparency, data-driven decision making, and certainly—and arguably most importantly—accountability.

I believe that MCC's work to reduce poverty through economic growth and consolidate democratic and free-market reforms in the world's best-governed, poorest countries is crucial to the success of U.S. foreign development. Our partner countries are actively working to fight corruption, and to set their nations and their economies on better and stronger paths toward self-reliance. They are making the hard choices, and America is standing with them.

There is no better way to learn this than to go see it. I promised this committee I would, and I have.

The opportunity to see MCC's work firsthand has been transformational. Each trip I take to the field better equips me to share the agency's work, and to support and guide MCC's mission.

Since being confirmed at the end of June, I have traveled to six MCC partner countries—Malawi, Cote d'Ivoire, El Salvador, Georgia, Niger, and Morocco, have met with eleven Heads of State, have visited nearly 20 project sites, and have spent time with hundreds of beneficiaries, which is unquestionably the best part of each trip.

In Malawi, I met with President Mutharika to push for continued performance on MCC's scorecard and sustainability of their power compact. I also met with Grace Ghambi a fourth-year electrical engineering student at the University of Malawi who is earning her degree through an MCC-sponsored scholarship. While visiting Nkula power plant outside of Blantyre, Grace explained to me that without this MCC investment, her education would not have been possible; and now, after she finishes her schooling, Grace

wants to come back and assist with implementing the MCC compact by working at ESCOM—an electric company in Malawi helping to privatize the energy sector. She has also started a girls’ mentoring group, sharing information and encouraging young women to reach their dreams. Inside of two years, she has reached thousands of young girls in Malawi. If that’s not a good demonstration of America’s power to inspire, I don’t know what is.

Following this visit, I headed to Abidjan, Cote d’Ivoire, where I attended the AGOA forum and joined President Ouattara in marking the entry-into-force of our \$525 million compact supporting investments in the education and transportation sectors. I toured the Port of Abidjan and traveled the primary traffic-congested areas that we are aiming to relieve over the next 5 years—the Government of Cote d’Ivoire is a committed and strong partner. I also joined the signing of a Memorandum of Understanding between MCC, Cote d’Ivoire, and The Bechtel Company to develop a national infrastructure plan—a significant step in directing the sustainability of the Ivorian’s infrastructure investments for many years to come.

In September, I traveled to the Republic of Georgia to support MCC’s \$140 million investment in the Georgian education sector, particularly in the fields of science, technology, engineering, and math. I joined San Diego State University in welcoming their 5<sup>th</sup> cohort of students to the MCC-supported SDSU-Georgia STEM program, and also opened one of the 91 newly MCC-renovated schools.

In El Salvador, I met with newly elected President Bukele and had a good discussion on the importance of the private sector in creating a sustainable economy. We launched the bid for the country’s first large-scale public-private partnership. I also attended the opening of the first of 45 MCC-renovated schools—and like in Georgia, addressed a community of enthusiastic and inspired students, families, and teachers.

And, just last month, I traveled to Niger and Morocco. In Niger, I met with President Issoufou and launched an investment in agricultural irrigation in Konni.

I then traveled to Rabat, Morocco, to join Advisor to the President, Ivanka Trump, where we saw firsthand our joint efforts to increase economic opportunity and prosperity for women through MCC and the Women’s Global Development and Prosperity Initiative, or W-GDP.

I am a firm believer that a country’s economy cannot reach its full potential if half the population is left out. Women must have the freedom to make their own economic decisions. This matters. And, for MCC, this is one of the *best* dollar-for-dollar investments we can make to reduce poverty through economic growth. We remain committed to prioritizing women’s economic empowerment within our programs and upholding the pillars of W-GDP within our country partnerships.

During our time in Morocco, MCC signed an implementation letter with the Government to ensure that regulations for a new law advancing secure land rights for women are adopted by December 31. Advisor Trump and I also met with women in the Gharb region who now have more secure ownership and inheritance rights to the collective lands that they farm.

MCC has been working, since our agency’s founding, to address gender issues and directly invest in women. In fact, last year we significantly expanded our Gender in the Economy indicator to cover 40 issue areas—up from just 10.

W-GDP is enabling the U.S. Government to target investments in women across the developing world in a coordinated and focused way—this is key to eliminating barriers to women’s economic growth across the globe. There is no question that women must be able to fully participate in their economies. We are grateful to Ivanka and the Administration for their continued support of MCC’s work in spearheading efforts to economically empower women around the world.

I also had the opportunity to promote MCC’s work while in New York for the United Nations General Assembly, and I traveled to London to meet with potential private investors and partners, participating in several events that gave me the chance to speak about MCC’s role in U.S. development and blended finance. MCC is a great story for America and our important work abroad, and I intend to tell it to as many audiences as I can.

These missions have been invaluable, and I look forward to continuing to visit the field to experience—and help leverage—MCC’s work on the ground.

Our work reflects a model built on lessons of development experience, and as CEO, I am committed to maintaining the agency’s role as a leader in US foreign assistance. Indeed, for the fourth year in a row, Results for America ranked MCC number one in using evidence, results, and learning to drive positive outcomes—but I will also seek to build on our model to find new, innovative ways to achieve a greater impact across our portfolio.

We will do this by focusing in four key areas:

one, empowering the staff at MCC;

two, establishing a culture of creativity that encourages smart risk;

three, crowding-in and enabling private investment; and

four, holding ourselves and our partners accountable for results.

First, it is a priority for me, as CEO, to connect with, and empower, the incredible people at MCC. I have held multiple all-staff listening sessions, surveys, roundtable discussions, meetings, and daily conversations to ensure I hear directly from staff about what the agency is doing well, and where we can improve. Their input has been invaluable and has helped to shape our strategic vision for the agency moving forward. I continue to learn more about the important work each of our teams are doing every day; communication with staff is a priority and I will keep these channels open. Empowering MCC’s staff for optimal performance is, and will continue to be, a primary focus area for me.

Second, we will work to build upon and further establish a culture of creativity that encourages taking smart, entrepreneurial risk—including operationalizing MCC’s new concurrent compact authority to work on regional integration and trade. We all know that markets do not stop at borders, so neither should MCC’s investments. If we can help connect our partner countries to regional markets, we can create more economic opportunity, and reduce poverty exponentially. Working cross-border is risky—however, the potential payoff is huge, and we will tackle these investments using the same data and analysis that supports our informed decision making across the globe. We must increase our risk appetite by taking

calculated risks if we want greater successes across the board. This is at the root of MCC's design as a creative and unique aid agency.

Third, crowding-in and further enabling private investment across our portfolio, and throughout the lifecycle of our compacts, is vital. We each know that government-to-government development dollars are *not* enough. We need private investment and job creation to develop healthy market economies—this is the primary driver of sustainable growth. Areas of opportunity for MCC include creating enabling environments, assertively employing blended finance tools, and building partnerships. We certainly look forward to working closely with the new DFC in this area as well.

And, finally: accountability. Without it, we cannot do our best work with our partner countries or for the American taxpayer. MCC will not throw good money after bad. Others say this, but MCC has a 15-year track record of following through. We will do what we say we are going to do. Making difficult decisions based on available evidence is what MCC is all about, and our model works because we stick to our principles. This is key to our success as an agency.

Two recent examples emphasize this. MCC's Board of Directors unanimously agreed to terminate a portion of the Ghana Power Compact when a key condition was not met. In Sri Lanka, MCC is continuing to monitor as the new government takes shape. As with all MCC partners, we expect Sri Lanka to remain committed to MCC's eligibility criteria, including respect for the rule of law, political rights, and civil liberties.

By investing in the staff at MCC, continuing to innovate and take smart risks across our portfolio, finding new ways to crowd-in private dollars, and continuously holding ourselves and our partner countries accountable as responsible stewards of American taxpayer dollars, MCC will build upon its remarkable history of bi-partisan support, and be stronger and more resilient as an agency. I am confident that MCC will continue to deliver on our mission of reducing poverty through economic growth and representing American values around the world.

Thank you for your time and I look forward to your questions.