

**NOMINATIONS OF THE 113TH
CONGRESS—FIRST SESSION**

HEARINGS

BEFORE THE

**COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE**

ONE HUNDRED THIRTEENTH CONGRESS

FIRST SESSION

—
MAY 7 THROUGH DECEMBER 17, 2013
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Printed for the use of the Committee on Foreign Relations



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**NOMINATIONS DANA J. HYDE AND
MARK E. LOPES**

TUESDAY, NOVEMBER 19, 2013

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

Dana J. Hyde, of Maryland, to be Chief Executive Officer, Millennium Challenge Corporation
Mark E. Lopes, of Arizona, to be United States Executive Director of the Inter-American Development Bank for a Term of Three Years

The committee met, pursuant to notice, at 3:35 p.m. in Room SD-419, Dirksen Senate Office Building, Hon. Edward Markey, chairman of the committee, presiding.

Present: Senators Markey and Barrasso.

**OPENING STATEMENT OF HON. EDWARD J. MARKEY, U.S.
SENATOR FROM MASSACHUSETTS**

Senator MARKEY. Good afternoon and welcome to today's hearing.

We are joined today by two highly qualified individuals who have been nominated by the President for leadership positions in two important organizations promoting international economic development.

The first is Dana Hyde, who has been nominated for the position of Chief Executive Officer of the Millennium Challenge Corporation, the Federal agency created almost 10 years ago to bring innovative approaches to the delivery of U.S. foreign aid. Ms. Hyde brings extensive experience in Government, including at the State Department where she served as senior advisor to the Deputy Secretary for Management and Resources and at the White House where she currently serves as Associate Director of the Office of Management Budget. I believe her background will enable her to bring strong leadership to an organization that has approximately 300 staff and a budget of nearly \$900 million.

We are also joined by Mark Lopes who has been nominated for the position of United States Executive Director to the Inter-American Development Bank. Mr. Lopes has a long and impressive track record of experience working on economic development in Latin America from his service as a Peace Corps Volunteer in Paraguay to his current position as Deputy Assistant Administrator for Latin

America and the Caribbean at the U.S. Agency for International Development. This regional expertise will serve him well if he is confirmed.

Both the Millennium Challenge Corporation and the Inter-American Development Bank are at the cutting edge of our efforts to alleviate poverty and promote sustainable economic growth around the world. The MCC uses a competitive selection process to decide where to devote its resources. To qualify, developing countries interested in receiving MCC assistance must perform well on a broad set of metrics. They need to demonstrate commitments to the rule of law, to investing in the health and well-being of their population, and to fostering entrepreneurship. Since its founding, the agency has entered into 5-year compact agreements with 25 countries, and I understand the MCC's high standards have encouraged some low-performing countries to take steps on their own to improve the quality of their governance in hopes of qualifying for MCC assistance, a very positive and direct result of the agency's policy.

As a multilateral bank, the IDB follows a different model providing loans, guarantees, and technical assistance to governments and companies across Latin America and the Caribbean. The bank plays a major role in the 26 countries that are borrowing members. In Haiti, for example, the IDB has pledged \$2.2 billion in grant assistance by 2020. Active U.S. participation in the bank's operations and decisionmaking is critical to making it function, as we are the largest contributor and voting shareholder among the member countries.

We have two really great nominees here, and I am looking forward to hearing their testimony.

Let me turn and recognize the Senator from Wyoming.

**OPENING STATEMENT OF HON. JOHN BARRASSO,
U.S. SENATOR FROM WYOMING**

Senator BARRASSO. Thank you very much, Mr. Chairman.

The Senate Committee on Foreign Relations is meeting today to consider these two very important nominations, and I want to welcome both of you, congratulate both of you on your nominations and also want to extend a warm welcome to all of your friends and your family who are here. And if you would like, during the introductions you may want to introduce some of these—especially the young guests who are here in the audience.

Mr. Chairman, both the Millennium Challenge Corporation and the Inter-American Development Bank can play an important role in promoting international development. Should both of you serve our Nation in these important positions, I think it is important that each of you provide strong stewardship over American taxpayer dollars, demonstrate professionalism and good judgment, and vigorously work to advance the priorities of the United States. I hope both of you will lay out a vision and the goals that you have for your position and what your plan will be in achieving those goals consistent with your vision.

So I look forward to hearing the testimony, and thank you, Mr. Chairman.

Senator MARKEY. And now, Ms. Hyde, whenever you feel comfortable, please begin.

**STATEMENT OF DANA J. HYDE, OF MARYLAND, TO BE CHIEF
EXECUTIVE OFFICER, MILLENNIUM CHALLENGE CORPORATION**

Ms. HYDE. Thank you. Chairman Markey, Ranking Member Barrasso, members of the Senate Foreign Relations Committee, thank you for the opportunity to address you today. It is an honor to be here as President Obama's nominee to serve as the next Chief Executive Officer of the Millennium Challenge Corporation.

I spent my early childhood in a town of 2,000 people in eastern Oregon, hours away from a city of any size. So I am particularly humbled to sit before you as the President's nominee to lead a groundbreaking agency working to fight global poverty on behalf of the United States. It is a dream come true.

I hope you will not mind if I take a moment to thank my family here today: my husband Jonathan; our two wonderful sons, Judah and Elijah; and our very beloved Esme. I also want to thank my mother Jayne who could not be here today and my grandmother Lucia, who is with us always. While I could never thank them enough, at least today I can enter my gratitude into the record. So thank you, especially to my three guys.

When I was working at the State Department, I saw up close two initiatives started by President Bush and continued and expanded by President Obama: PEPFAR and the Millennium Challenge Corporation. I saw how they transformed not only people's lives but entire communities, even entire countries. PEPFAR, of course, has saved millions of lives and helped build the foundation for entire health systems. And MCC broke new ground in America's fight against global poverty. It was based on a model of development that moved beyond aid to investment, working in true partnership with countries to create sustainable, broad-based economic growth. That model of country-led, results-oriented development has been increasingly adopted across our Government. And that is a great thing for the countries we work with and for the American taxpayers who make our work possible.

I have seen MCC in practice. I have visited MCC teams in Tanzania, working to spur economic activity through better roads and reliable electricity both on the mainland and Zanzibar, and in Mozambique, working to improve water, sanitation, and agricultural productivity. The people running the programs are not Americans. They are Tanzanians. They are Mozambicans. They are deeply invested whether in terms of their own funding or in terms of time and effort. And hard assets like roads, electrical grids, and water pumps are linked to policy and institutional reforms necessary to sustain those investments. It is not hard to see why these programs get results. Country ownership makes a difference. It is amazing to see what challenges these countries are willing to tackle to build and maintain their partnership with MCC.

We always say that our goal in development assistance is to put ourselves out of business, by helping our partners build their capacity so eventually they do not need our help anymore. That is exactly what MCC and its partner countries are doing together.

So as someone who cares deeply about development as a vital tool of American foreign policy, I am grateful for MCC and for the opportunity to be considered to lead this institution. MCC is a crit-

ical partner in our total development efforts, together with the important work of USAID, the Overseas Private Investment Corporation, the U.S. Trade and Development Agency, and the Treasury Department, which directs U.S. contributions to multilateral development banks.

I want to see MCC continue to excel. For almost 10 years, it has been innovative, rigorous, and committed to excellence. I want it to keep setting the bar higher for the next 10 years. It must continue to be an agency that is open to new ideas, that measures its results transparently, and that uses those results, good or bad, to recalibrate its strategies and improve.

As you know, in addition to my very rewarding years at the State Department, I have also served at the Office of Management and Budget where I had the privilege of overseeing the budgets of six Cabinet agencies. I believe in data-driven, cost-effective policies. I want the American people to always get their money's worth for anything their Government does on their behalf. At MCC, that means calculating economic rates of return to determine what projects will deliver the biggest bang for the buck. It means rigorous measurement and analysis to ensure performance and results, and it means making the results publicly available so the American people and Congress can decide if their money was well spent and so others can learn from MCC's experience.

And as someone who served on the staff of the 9/11 Commission, I believe we should be using every tool in our toolbox to keep our Nation safe. Helping economic opportunity appear in places where there is little to be found, helping countries create the conditions for their citizens to start businesses, get new skills, and create jobs is critical to regional and global stability. As the greatest economy in the world and as a Nation that celebrates entrepreneurship and human ingenuity, the United States should continue to be a leader in advancing opportunity and prosperity worldwide.

So thank you again for considering my nomination. If confirmed, I will do my absolute best to serve with honor and integrity in pursuit of our national interests, in keeping with our national values, and on behalf of the American people.

Thank you.

[The prepared statement of Ms. Hyde follows:]

PREPARED STATEMENT OF DANA J. HYDE

Chairman Markey, Ranking Member Barrasso, members of the Senate Foreign Relations Committee—thank you for the opportunity to address you today.

It is an honor to be here as President Obama's nominee to serve as the next Chief Executive Officer of the Millennium Challenge Corporation.

I spent my early childhood in a town of 2,000 people in eastern Oregon—hours away from a city of any size. So I am particularly humbled to sit before you as the President's nominee to lead a groundbreaking agency working to fight global poverty on behalf of the United States. It is a dream come true.

I hope you won't mind if I take a moment to thank my family here today: my husband, Jonathan, our two wonderful sons, Judah and Elijah, and our very beloved Esmeralda. I also want to thank my mother, Jayne, who could not be here today, and my grandmother Lucia, who is with me always. While I could never thank them enough, at least today I can enter my gratitude into the record. So thank you, especially to my three guys.

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So thank you again for considering my nomination. If confirmed, I'll do my absolute best to serve with honor and integrity, in pursuit of our national interests, in keeping with our national values, on behalf of the American people.

Thank you. I'm happy to answer your questions.

Senator MARKEY. Thank you very much.

And now, Mr. Lopes, whenever you are ready, please begin.

STATEMENT OF MARK E. LOPES, OF ARIZONA, TO BE UNITED STATES EXECUTIVE DIRECTOR OF THE INTER-AMERICAN DEVELOPMENT BANK FOR A TERM OF 3 YEARS

Mr. LOPES. Thank you, Chairman Markey, Ranking Member Barrasso, and distinguished members of the committee, for the opportunity to appear before you today. It is an honor to have been nominated by President Obama for the position of United States

Executive Director of the Inter-American Development Bank, and I look forward to answering your questions.

I am particularly honored to be considered for confirmation by this committee. Prior to my current appointment as Deputy Assistant Administrator of the Bureau for Latin America and the Caribbean at the U.S. Agency for International Development, I served as Senator Menendez's staff representative on the Senate Foreign Relations Committee. That experience taught me the critical role of the U.S. Congress in foreign affairs. This committee has a wellspring of talent and expertise that has been an invaluable resource for me over many years, and if confirmed, I intend to continue to seek guidance from you and your staff.

I am joined today by my parents, Pam and Phil Lopes, sitting directly behind me. In fact, it was my mother's birthday yesterday, so I need to recognize her and her unwavering support for me over many years. My brother, Tobin, sister-in-law Brenda; and niece and nephew, Zack and Ezri, unfortunately were not able to be here today, but they are watching through the Internet. I am grateful for their support, encouragement, and sense of humor, all of which were instrumental to my being able to appear before you today.

My parents planted the seed of public service through their work in the Peace Corps. My father was part of the first group of Volunteers to travel to Colombia in 1961, and my mother served shortly thereafter in Brazil. As a family, we lived in Ecuador and Brazil when my parents were on the staff of the Peace Corps. And it was the memories of these childhood years that embedded in me the spirit of international adventure and public service. And after nearly a decade of studying music, I too transitioned to an internationally focused career and served as a Peace Corps Volunteer in rural Paraguay.

Through graduate school and in the decade since, my work has focused on foreign policy and international development primarily, but not limited to, the Western Hemisphere. The work has allowed me to travel both throughout the region and around the world, and from health clinics in rural Paraguay to emergency feeding centers in Darfur, I have seen the good work of the United States firsthand.

If confirmed, I will bring to this position not only a clear-eyed understanding of the challenges of economic growth and development, but also a keen recognition of its value, both for its importance in advancing U.S. interests and for advancing human rights and fundamental freedoms.

The Latin America and Caribbean region has improved significantly since my father landed in Colombia over 50 years ago. In addition to improvements in health and increased access to education, many economies are now global powerhouses.

Today the United States exports over \$500 billion in goods and services annually to the region, which is an amount equivalent to our exports to Europe. As of 2011, U.S. investors put over \$800 billion into the region. And although there has been progress overall, U.S. engagement is still the best way to continue to build market-based economies in the most strategic and responsible way possible and to grow U.S. business opportunities. The bank is increasingly working with the private sector, and if confirmed, I would advocate

for sustaining a proactive approach in this area. In addition, I would use my voice and my vote to help the bank identify where it is uniquely capable and deepen its work in those areas. Lastly, I would encourage the bank to support new and emerging donors in the region.

My grandfather, Ed Lopes, from whom I get my middle name, was the son of Portuguese immigrants in the San Joaquin Valley of California. With a seventh grade education, about 8 acres of land, and only nine fingers, he built a small business there in the 1930s. He was a truck driver and a welder, and he was able to provide for his family and send his kids to school. My father was the first one in his family to go to college.

The opportunities that my grandfather was able to create for his family are the same opportunities the United States is advancing through the work of the Inter-American Development Bank. If confirmed, I will be honored to serve President Obama in this role and help make possible for others what was made possible for me.

Thank you.

[The prepared statement of Mr. Lopes follows:]

PREPARED STATEMENT OF MARK E. LOPES

Thank you, Chairman Markey, Ranking Member Barrasso, and distinguished members of the committee, for the opportunity to appear before you today. It is an honor to have been nominated by President Obama for the position of United States Executive Director of the Inter-American Development Bank, and I look forward to answering your questions.

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I am happy to answer any questions you might have.

Senator MARKEY. So we thank both of you.

Let me recognize myself for a round of questions.

Ms. Hyde, let me ask you this. It is my understanding that the Publish What You Fund Coalition recently rated the Millennium Challenge Corporation the No. 1 agency in the world on aid transparency, ahead of such venerable institutions as the World Bank and the Gates Foundation and UNICEF, which is a very impressive record, given the fact that it was rated No. 9 just 1 year ago. So to what do you attribute that? How do we keep it going, and how do we transfer that transparency to all of these other venerable institutions?

Ms. HYDE. Thank you, Senator. I appreciate the question.

It is a tremendous accomplishment of the agency to have that accolade bestowed upon it, and it is a tremendous challenge for us to keep ourselves there. If confirmed, I am committed to maintaining the first slot.

I will say that U.S. Government agencies overall moved up in their rankings, which is important and good for the U.S. Government and transparency overall.

In attributing the cause, my understanding is that the MCC, which has been such a leader within the U.S. Government and the world in transparency, has broken new ground in terms of the format of the information that is now made available in terms of being machine readable and accessible. And that sort of both technological and formatting change was very compelling to the organization and understandably so.

MCC has also worked closely with the State Department and with other agencies—I know this from my time at the State Department—in creating the Foreign Assistance Dashboard, which is the mechanism by which the U.S. Government development agencies publish their results.

So if confirmed, I look forward to continuing to lead in this area with MCC and to working with other Government agencies.

Senator MARKEY. Great. Yes, I think that is a good standard. We can have the Millennium Transparency Challenge to all the other agencies year after year as you maintain No. 1 in the world in that area. That would be great.

Ms. HYDE. Everyone is making progress I think.

Senator MARKEY. I understand that, but the key for you is to be No. 1 looking over your shoulder in the rear view mirror at No. 2,

3, 4, 5 as they move around. But the higher the standard you set is the better it is for all the rest of them because they are going to respond to the challenge.

And what parts of MCC's approach to economic development in your opinion have been most successful? What would you pinpoint as one or two things that you think stand out that differentiate it?

Ms. HYDE. The data-driven, rigorous, quantitative analysis that underlies selection and compact development, I think, is one of the most compelling features of the MCC. One of the most exciting things we are seeing in the MCC is that it is driving standards and reform and incentives in developing countries across the globe. So you have countries that are changing their laws, reforming their institutions to attain eligibility. That is a reflection of the scorecard and the eligibility criteria. It influences not just those who actually receive the aid but those who are striving to get there. And I think that incentive effect, which is called the "MCC effect" and has recently been documented in a study done by the College of William and Mary, is one of the most exciting attributes of it in terms of results and something that I would want to ensure that we strengthen and continue.

Senator MARKEY. Do you have one or two countries that you can specifically point to that have been put under the umbrella of the MCC effect?

Ms. HYDE. Sure. Two examples come to mind.

Lesotho. They were able to, because of seeking an MCC compact, change their laws with respect to women and married women and whether they could own property, which had not been the case. And married women now can both take out loans and own property in the country.

In Niger, they put aside for a natural land resource a protected area that is about the size of Indiana, seeking to attain eligibility and move the dial on that particular indicator.

I think those are two really concrete and compelling examples of the MCC effect.

Senator MARKEY. And, Mr. Lopes, we have a number of different agencies providing economic assistance down in Latin America. What role can your agency play in ensuring that there is coordination, ensuring the effectiveness of all these agencies is maximized?

Mr. LOPES. Certainly. Thank you, Mr. Chairman.

The issue of coordination and ensuring that we are not duplicating our resources and making sure that respective comparative advantages are being utilized is one of the three areas that I think are critical from day one for me to look at, if confirmed for that position. I think in particular, given the modest amount of resources available for this kind of work, we need to be increasingly and exceptionally vigilant with respect to anything that might be duplicative or not as effective as it could be.

I think one of the challenges is much of this work is doing something good for someone. Yet, I think that is not high enough of a standard. We need to say is it doing as best as we can with the resources that we have, given the capacities of the respective institutions.

So I think there is a logic to the division of labor among the various institutions, but if confirmed, I would certainly look to ensure that that is being carried out in the most effective way possible.

Senator MARKEY. Great. Thank you.

The chair recognizes the Senator from Wyoming.

Senator BARRASSO. Thank you very much, Mr. Chairman.

Ms. Hyde, thanks so much for bringing the family. If you need any help with any of the questions, we will let these guys jump in.

I really appreciated the chairman talking about the No. 1 rating that has been achieved and your comments in your opening vision statement about being data-driven, cost-effective, focusing on performance, end results. As you mentioned in your opening statements, it is so these countries do not need any help anymore after the success.

There has been some discussion about second compacts. And I think there has been a lot more discussion about it than there has actually been multiple compacts to the same location. But it is possible it could become a more common occurrence. So I just wanted to visit with you a little bit about the fundamental concept of the Millennium Challenge Corporation providing targeted time-limited support if they say, "well, we are almost there but we just need to go again." Can you just address that a little bit?

Ms. HYDE. Thank you, Senator. I appreciate the question.

And I am certainly sensitive to the concern that MCC's engagement with countries would be somehow open-ended. I think one of the most compelling features, back to the chairman's question, of the model and the approach is the sense of purposeful limits that are put in place. MCC is narrowly focused, as you know, on achieving economic growth. It is rigorous in its selection criteria, and it has concrete and specific limits on the implementation of compacts. Indeed, I saw that in my travels to Tanzania. In briefings with the country team, it was striking the degree to which they were driving through that 5-year time horizon to meet the project deadlines. So I think they are very important.

At the same time, the core of the mandate is to achieve that economic growth and reduce poverty, and my understanding is that in certain circumstances, the board has decided that the opportunity for impact would best be achieved by a second investment, limited by the same terms that the first was. I would be happy to take a look at this issue—I understand there are differing views of it—if confirmed. But I think the limitations are still important and would be there in the second investment as well.

Senator BARRASSO. And that is the question to maintain this number one rating that has been achieved if there possibly should be tougher standards for countries being considered for that second compact, and that may be one of the things that you would consider taking a look at in terms of if there is a different level of evaluation, a higher standard that they are held to during the application process. And does one have to be completed before actually starting the second or is there an overlap? I just think these are areas for consideration as you go forward.

Ms. HYDE. Thank you. Absolutely. I think it is appropriate that there be certain expectations in a second compact. Indeed, what you mentioned, the performance and the partnership of the country

in the first compact would be at the top of my list. I think it is also appropriate to expect a contribution from the country in the second compact, and I know that there has been at least some of those. So I would be happy to take a look at that and also work with you and your colleagues on it.

Senator BARRASSO. Mr. Lopes, congratulations. I am happy that your parents were able to join you. As an orthopedic surgeon, I love the description of your grandfather. I think you said 8 acres and nine fingers.

And being from Wyoming, I just wanted to talk a little bit about one of the issues, which are energy issues which you will be facing. We understand that natural gas is an abundant and reliable source of energy. It has not been very long ago that the United States was actually expected to be a major liquefied natural gas importer because we did not have enough. Now, as a result of advances in discovering natural gas, it seems that we could potentially be an exporter. I support that. So I think we have this rare opportunity through our own energy resources to simultaneously help develop regional energy security, strengthen our own foreign policy, and create much needed jobs here at home. I know you are aware of that from your time on the Foreign Relations Committee. So I think our energy resources can increase our own economic competitiveness.

To bring this into the Inter-American Development Bank, they are currently examining the economic development role that natural gas exports, including LNG, can serve in the Western Hemisphere. Natural gas exports, as part of the broader energy strategy, can help nations in the Western Hemisphere lower energy cost to consumers and businesses and enhance competitiveness, to promote economic growth in the region while providing much needed jobs here at home.

So can you just maybe discuss the role that you would see as the Executive Director, what role you would be prepared to play in ensuring that this Inter-American Development Bank is engaged in advancing a diversified energy strategy that includes using some of our expanded access to regional and U.S. sources of natural gas, including liquefied natural gas? Because I think it is an important component of this.

Mr. LOPES. Sure. Well, thank you, Senator.

As you may know, the bank is heavily engaged on financing for the energy sector, and the environment and infrastructure sector makes up about 50 percent of the entire bank's lending. As a result of the general capital increase from 2010, that number is about \$11 billion of financing flowing throughout the region on an annual basis. So there are significant resources available, and the infrastructure and environment plays a significant role.

The President's climate action plan seeks to promote energy access, reliability, and clean energy because, as you mentioned, that is a key element of economic development in the region. That economic development allows for additional opportunities for U.S. businesses, U.S. exports. I would include liquefied natural gas in that as one of the alternatives that the United States could look to. So certainly I would be happy to look into that and work with you and your staff moving forward to ensure that the bank is look-

ing at the range of options that is appropriate, given the goals that the bank has as well and the countries themselves, of course.

Senator BARRASSO. Mr. Chairman, I just have one other line of questioning I would like to do, and it is something that you started on because you asked about coordination of activities.

I think at the time Secretary Geithner, Secretary of the Treasury—this is back a couple of years ago. He spoke at the Inter-American Development Bank's annual meeting, board of governors, and he expressed a need for a clear division of labor between the World Bank and then the regional development banks which he said reflects the relative strengths of each institution.

So I just wondered if you could kind of give me your view of that, perhaps what the Inter-American Development Bank's relative strengths are compared to other institutions, and how to better, as the chairman asked, coordinate activities.

Mr. LOPES. Certainly. Well, thank you. I could not agree with you more in terms of the need for that coordination. The World Bank has about half the amount of financing that the IDB has in the region. So it is a significant player, and certainly we need to make sure that that division of labor makes the most sense possible. That would be one of the key things that I would look at from day one, if confirmed. I understand there are some differences with respect to the relationships and the research base between the different institutions. That is something I would see as a priority to dig into on day one exactly sharing Secretary Lew's views, as well as the need to continue to refine not just within the multilateral development banks, but also with other elements of U.S. assistance that is going to the region, of which I am uniquely positioned I think, given my current role, to be able to understand what is currently happening in the U.S. Government.

Senator BARRASSO. Thank you.

Thank you, Mr. Chairman.

Senator MARKEY. So what I would like to do is wrap up by asking each of you to give us your 1-minute big picture summation of what it is you hope to accomplish, what you see your role is and your agency's role for our country and for the world that we live in going forward. And we will begin with you, Ms. Hyde.

Ms. HYDE. Thank you, Mr. Chairman.

So if I could create my own scorecard for myself and for the agency for the next 3 years, it would have three main indicators, at least, at the top.

The first would be to continue to ensure the results and the rigor and the data and the quantitative analysis that have been the hallmark of MCC, and that are likely to bring the economic growth that is at the core of the mission. For me, that would be the first principle of the job both in terms of investment decisions going forward and management.

Second, I think there is an opportunity for MCC to deepen its partnerships, partnerships with other donors, with parts of the government, but especially partnerships with the private sector. I think it is important to maximize and to sustain these investments, particularly in the infrastructure space and the energy sector and the like. And I would be looking for the opportunities to do so.

Third, as the MCC reaches its 10-year mark, I think it is appropriately time to take stock of what has worked, what has not worked, and where the agency should be going in the future. I look forward to leading that conversation, if confirmed. MCC has been a leader in the innovation space of development, and I would like to chart a course as to what that next horizon looks like for MCC.

Senator MARKEY. Great.

Mr. Lopes—Lopes.

Mr. LOPES. Thank you, Mr. Chairman.

Senator MARKEY. You would be a “Lopes” if you were in Fall River or New Bedford.

Mr. LOPES. Absolutely.

Senator MARKEY. Why is it it is “Lopes” in California but “Lopes”——

Mr. LOPES. There is an active debate even within my own family, Mr. Chairman. [Laughter.]

And I cannot comment on what the correct pronunciation of my name is.

Senator MARKEY. But you are the leading edge of what the Lopes part of the family can produce I just want to tell you.

So a 1-minute summation, please.

Mr. LOPES. Thank you.

Well, first, I mentioned the three areas in my opening statement, also working with the private sector, getting to that division of labor issue that I think is critically important, and then third, looking at emerging donors because one of the themes that we have seen in the region over the last 30 years is that there has been a lot of progress and there is a lot of capacity within other governments within the region to offer that capacity to other countries where there is a need. So it is not always necessary for an American official to go down and train on one sector or another. There are other resources within the region. I think we should build on those and look to serve as a broker rather than always carrying that work out ourselves. That helps us with relationships in the region. It also helps to work us out of a job, which is Dana’s and my ultimate goal.

I think also just the sense of value that the investments in the Inter-American Development Bank offer. We basically put in \$100 million a year. Immediately we get a \$200 million grant facility to Haiti over the next 10 years. So from day one, we double our money. In addition to that, we have the ability to leverage the other donors and bring in what amounts to ultimately \$11 billion worth of financing.

So immediately we have got a range of different tools. I would work with my U.S. Government colleagues within the State Department, within the White House, with other agencies like the MCC and OPIC and Ex-Im Bank and USTR to ensure that all of our U.S. Government efforts are coordinated and make the most sense possible.

So thank you for the opportunity to appear before you today.

Senator MARKEY. Thank you. Well, I think both of you are ready on day one at 8 a.m. to take over these agencies. Your backgrounds are impeccable. And these are two cutting-edge international devel-

opment agencies, and they need great leadership. And I think you can provide it.

And I would also say to other members or their staffs that you have until Thursday afternoon to submit questions, and all statements in their entirety will be included in the record as well.

And with that, this hearing is adjourned.

[Whereupon, at 4:10 p.m., the hearing was adjourned.]