



Department of Social Development and World Peace

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February 3, 2006

Ambassador John J. Danilovich
Chief Executive Officer
Millennium Challenge Corporation
875 Fifteenth Street N.W.
Washington, DC 20005

Dear Ambassador Danilovich:

On behalf of the United States Conference of Catholic Bishops (USCCB), I wish to congratulate you on your recent appointment as Chief Executive Officer of the Millennium Challenge Corporation (MCC). The USCCB strongly supports the MCC's efforts to improve the lives and dignity of the poor and vulnerable in developing countries and continues to urge the Congress to provide substantial funding for its activities.

The MCC has the potential to make a major contribution towards achieving the Millennium Development Goal of halving extreme poverty and hunger in some of the poorest countries in Africa, Latin America and Asia. President Bush deserves a great deal of credit for establishing the Millennium Challenge Account (MCA), and we recall that when he announced this new initiative, he described it as both important to our own security and a moral necessity.

We are particularly pleased by your recent statement that you welcome projects that help remove impediments to growth and poverty reduction, such as education and health care. Progress in these sectors is essential if the MCC is to fulfill the mandate of its founding legislation "to promote economic growth and the elimination of extreme poverty."

We have noted a common trend in the compacts that the MCC has approved so far: improving agricultural productivity, and infrastructure linking producers to markets. We believe that these are very important investments, particularly when they reach the poor directly. Nevertheless, while MCC's selection process ensures that only countries that dedicate national resources to primary education and health services are eligible for the MCA, we remain deeply concerned about the overall dearth of compact funds for health and education.

In the case of education, the lack of achievement of even a basic literacy is a common problem in developing countries and is particularly pronounced for girls and in rural areas. This unfortunate situation needs to be addressed to break the cycle of poverty that has ensnared these children and their families, often for many generations. The World Bank estimates that the amount of overseas development assistance available for basic education falls far short of the need. We urge the MCC and its partner countries to take a closer look at the impact of weak health and education systems when conducting poverty analyses and designing compact programs. Clearly a good quality primary education and decent health care are fundamental to the ability of the poor to take advantage of the kind of investments the MCC is financing.

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We are heartened by your reassurance that the MCC welcomes proposals for a broad range of poverty-reducing activities, and we urge the MCC to be receptive to including basic education and health care in compacts when these recipient nation's citizenry has determined, through a strong consultative process, that the weakness of the capacities of these sectors are indeed fundamental obstacles to poverty reduction. For us, development is about creating opportunities for all people, particularly the disadvantaged, to achieve their full human potential.

Once again, we offer you our congratulations and our sincere best wishes. We are confident that that MCC will be at the forefront of our country's efforts to provide hope and opportunity, particularly to the poor and vulnerable.

Sincerely yours in Christ,

A handwritten signature in black ink that reads "Thomas Wenski". The signature is written in a cursive style with a large, sweeping initial "T" and "W".

Bishop Thomas G. Wenski
Bishop of Orlando
Chairman, Committee on International
Policy