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REMARKS

Secretary of State Condoleezza Rice Signing Ceremony for Millennium Challenge Corporation's Compact with the Republic of Mali

> November 13, 2006 Benjamin Franklin Room Washington, D.C.

(9:00 a.m. EST)

AMBASSADOR DANILOVICH: Ambassador McCulley, USAID Deputy Administrator James Kunder, Director Ken Hackett from the board of the Millennium Challenge Corporation, ladies and gentleman, it is my great pleasure to welcome you here today to witness the signing of the compact between the Republic of Mali and the Millennium Challenge Corporation. We are especially delighted to welcome the delegation from Mali.

To those who worked so diligently to bring this compact to fruition, Moussa Ouattara from MCC Mali and Kyeh Kim from MCC together with your teams, we thank you, and the people of Mali will certainly thank you.

The mission of the Millennium Challenge Corporation is to reduce poverty to economic growth. We work with countries committed to and accountable for their own political, economic and social development. To help them address their specific barriers to poverty reduction and economic growth, we sign compacts with eligible partner countries for sizeable grants aimed at making a transformative and sustainable difference. We believe the MCC Mali compact, our tenth to date, will do just that.

The results we envisage through the \$461 million compact between Mali and the MCC will improve the standards of living of Malians by providing increased access to national, regional and international markets and trade as well as expanding and diversifying agricultural production and the industrial productivity of small and medium-sized enterprises. This will be accomplished through three distinct compact components.

The first project amounts to \$90 million and involves air site and land site infrastructure improvements at the Bamako Airport. It provides ways to strengthen the effective management, operations and maintenance of the airport's facilities over the long term. As a landlocked country, the Bamako Airport is Mali's gateway to regional and international trade. Improving it significantly contributes to Mali's economic growth by reducing the time and costs of

transporting passengers and exporting products stimulating new tourism and creating jobs and businesses to service increased cargo and passenger traffic.

The second component of the compact is a \$94 million investment in an industrial park near the airport. This park will help meet the demand for industrial land by Mali's growing industrial sector, particularly businesses engaged in agro-processing. To stimulate rural growth in Mali, the third and largest component is the \$235 million Alatona irrigation project. The Alatona zone is one of the poorest in central Mali. By developing 16,000 acres of irrigable agricultural land, the project will lead to increased agricultural innovation and productivity, improve land tenure security, serve as a catalyst for the transformational and commercialization of Mali's family farms and help achieve national food security.

Through this compact, 40,000 Malian farmers and laborers, as well as 100,000 school age children and their family members will have greater access to education, health services and markets. Over 50,000 workers will have formal employment because of improved opportunities in manufacturing and trade.

We congratulate you, President Toure, your team and all Malians for making the bold steps to create this action plan for Mali's development. Achieving it will transform your country and create unprecedented opportunities for reducing poverty and sustaining economic growth.

Mali represents the hopes and aspirations of millions of the African continent and around the world who yearn for freedom and prosperity. Mali is a model of how our country can maximize its assets and provide opportunities for its people.

Your country's current chairmanship of the Community of Democracies, a coalition of over 120 nations that seek to strengthen democracy across the globe, is a testament to your commitment to advancing the mutual goals of democracy and economic development.

Mali's focus and chosen them for the 2007 Community of Democracies' ministerial in Bamako is democracy and development. And we acknowledge the work of Under Secretary of State and Global Affairs Paula Dobriansky, who is with us today, is doing in this area. Democracy and development are inseparably linked. Democracy can yield a range of tangible benefits to the people of Africa by encouraging stability and good governance, which are essential for economic prosperity. Your compact with the MCC will achieve these goals. It is your vision, your perseverance and your diligence that will turn the promise of poverty reduction to economic growth into reality. We applaud your tremendous efforts to reach this day and wish you and your people, Mr. President, continued success in moving forward.

Thank you very much. (Applause.) It is now my great pleasure to invite the Chairman of MCC's board, Secretary Rice, to come to the podium. Secretary Rice.

SECRETARY RICE: Thank you. Good morning. I am honored to welcome our distinguished guests from Mali, including Your Excellency President Toure, Foreign Minister Ouane, Ambassador Diop and other distinguished members of the Malian delegation. I would like to

welcome all of you to the State Department, and thank you for joining us on this really important day of celebration.

It is also a pleasure to welcome here today members of the MCCC board, CEO Ambassador Danilovich and Ken Hackett, who is the President of Catholic Relief Services and a real stalwart for us on the MC board. Thank you for being here. Our Ambassador to the Republic of Mali is here, Terence McCulley, and of course James Kunder, who is the USAID Acting Deputy Administrator. There are other distinguished guests here, too numerous to mention, but thank you for joining us in this day.

Mali and the United States share a strong and enduring friendship, and with the signing today of a \$461 Millennium Challenge compact we are strengthening our ties considerably. This compact is one of the largest of the ten agreements that the MCCC has concluded and it marks a great achievement both for the United States but most importantly for the government and people of Mali.

The compact that we sign today with Mali embodies our concept of transformational diplomacy and our commitment to democracy and development. Rather than doing for others, we are helping others to do for themselves. Rather than paternalism, we are building a partnership, a partnership to reduce poverty and to achieve sustainable economic growth.

Through this compact, the Millennium Challenge Corporation is again demonstrating President Bush's bold vision for a new transformative approach to U.S. foreign assistance, one that empowers countries to take an active role in their own development.

President Bush created the Millennium Challenge Account initiative to help developing nations access and benefit from the opportunities of the global marketplace. Through this initiative, the Millennium Challenge Corporation rewards those countries that are demonstrating their commitment to ruling justly, to advancing economic freedom and to investing in their people.

And if I may just say a word here about you, President Toure. You are known as someone who is fundamentally committed to good governance and fundamentally committed to democracy. Thank you for that commitment. It is a wonderful example for the entire continent and for the world. (Applause.)

At the center of the new compact with Mali is a program to fight poverty and create jobs that has been completely envisioned, designed and developed by Malians and for Malians. Specifically, this program will help the men and women to improve of Mali, to improve the productivity of their family farms and to generate opportunities for economic growth by expanding the Bamako International Airport and creating a nearby industrial park. We applaud the Government of Mali for its leadership, its resolve and its commitment to creating what I hope will be a brighter future for its citizens.

I also want to congratulate the MCC and its professional staff, led by Ambassador Danilovich. It takes a huge amount of work to prepare these compacts because they are just that -- firm agreements between people and countries to accomplish specific measurable goals within a

certain length of time. In this case, over the next five years. So I thank you and the MCC staff, Ambassador Danilovich, for your work.

The tremendous results expected from our compact with Mali will serve as the ultimate measure of our success. By taking responsibility for their country's development, Malians are building a long lasting capacity to spur their country's growth, to create economic opportunities and to build a future of hope for their children. We look forward to continuing our strong partnership with Mali as we implement this compact. Thank you very much, President Toure. (Applause.)

AMBASSADOR DANILOVICH: The Secretary of State must leave the occasion. And I'd like to introduce President Toure, please.

PRESIDENT TOURE: (*Via interpreter*) Excellencies, Madame Secretary of State, Ministers, ladies and gentlemen, members of the Board of Directors of the Millennium Challenge Corporation, Mr. -- the CEO of the MCC, Honorable Representative of North Dakota, Your Excellency Under Secretary of State for Democracy and Global Affairs, Excellencies, Dean of the Diplomatic Corps, Your Excellency Mr. -- the Ambassador of the United States in Mali, Your Excellency Ambassador of Mali to the United States, Your Excellencies, ladies and gentlemen, ambassadors, dear countrymen and friends of Mali, honorable guests, ladies and gentlemen.

I would like first of all, express on behalf of the people and the Government of the Republic of Mali, my deepest gratitude to President Bush and to the American Congress and to all U.S. officials for the signing ceremony of the compact that will give my country access to the resources of the Millennium Challenge Account. I am also happy to be able to renew my congratulations to Madame Secretary Rice and to say how proud we Africans are to see her lead the diplomacy of a great country with such competence and skill, the diplomacy of her country. Madame Secretary, I wish you great success as you move forward in the difficult challenges you face around the world. So you should understand how deep is my joy and my pride to be before you on this podium today to celebrate this important event that will forever mark the cooperation between the United States and Mali.

Indeed through this ceremony we are actually commemorating 46 years of friendship and a fruitful partnership between our two countries. I recall that the United States was the second country to recognize the young Republic of Mali the day after its independence on September 22, 1960 and to continually support Mali through all these years in many ways, in all areas of public life, economic, socially, culturally, bilaterally as well as multilaterally.

Some of the most remote areas of Mali have benefited from USAID projects or from support from the Peace Corps made up of young American volunteers who profoundly impressed our people through their generousness and when they came back to the United States they brought back a little bit of Mali with them. I would like to express here and now all the appreciation of the people of Mali for all these expressions of consideration and friendship from the United States. (Applause.)

Ladies and gentlemen, today we are also celebrating through this ceremony a new vision of development assistance, a vision to which we completely subscribe. As you all know, developing countries have suffered from the burden of foreign debt for a very long time. And sometimes debt resources were borrowed to finance projects chosen by the donors and whose impact on the economic development of the beneficiary countries was oftentimes disastrous. This is why I believe that the Millennium Challenge Account is a good example of innovative financing. It creates competition amongst countries following specific performance criteria with broadly accepted indicators. Indeed through massive investments in key economic sectors with clear benefits, identified by the recipient themselves, MCA can truly and substantially promote growth and reduce poverty.

The MCA is also and above all the acknowledgement of our own efforts. In a nutshell, it is the reward for good governance as Secretary Rice said quite well. The people of Mali deserve credit having made enormous sacrifices for advancing democracy in a very difficult environment and oftentimes very demanding. But we do share the values of democracy promoted by the United States and the democracies of world and we are members of the Community of Democracies which encompasses over one hundred countries in the world, which is why as our position of Chairman of the Community of Democracies we placed our tenure under the banner of Democracy and Development because we think that the two ideas are closely linked.

Ladies and gentlemen, today we celebrate finally the compact itself. Since its projects were chosen and developed by Malians themselves, endorsed through a long process of consultation by all socioeconomic and professional groups. So these projects are today an enormous source of hope for our country. Infrastructure projects from the Niger River Authority, such as the Alatona irrigation project, or the renovation of an industrial park near the airport -- all these components will clearly transform Mali's economy. These projects will lead to improvements in the lives of hundreds of thousands of Malians through the -- and it'll first of all create massive jobs, especially for young people. It will increase agricultural production to ensure food security and it will open the country to word markets. It will strengthen our industrial base and it will add value to our natural resources.

Ladies and gentlemen, this is the moment for me to thank the Congress and the Administration, civil society and all of those who believed in the right choices and helped us throughout this process. I would like to congratulate also MCA Mali, their colleagues of the MCC, the U.S. Embassy in Mali and the Ambassador himself, the Embassy and the Ambassador of Mali to Washington, as well as the whole team that worked on this issue, first and foremost the Prime Minister in partnership with the entire cabinet, the civil society and private sector.

I would be remiss if I failed to express my appreciation of the people of Mali to President George Bush, to Madame Secretary Rice and to the entire U.S. Administration for this support of historical proportions. During the next phase, which is soon to begin, the Millennium Challenge Corporation will find in the Government of Mali all the necessary availability, the diligence and full transparency in the implementation of the projects chosen for this compact, and this in full transparency. I will be personally watching over that.

Thank you very much for your very kind attention. (Applause.)

(The compact was signed.)

(Applause.)

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