

Millennium Challenge Corporation

For Immediate Release
May 20, 2005

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PRESS RELEASE

Millennium Challenge Corporation Board Approves Compact with Honduras

Washington, D.C.— Today, the Millennium Challenge Corporation (MCC) Board of Directors approved a Millennium Challenge Compact with the Government of Honduras. The \$215 million, five-year Compact with Honduras aims to increase the productivity and business skills of farmers and to reduce transportation costs between targeted production centers and national, regional and global markets.

“The Hondurans have put together a practical program that will bring real benefits to some of the poorest people in Honduras,” said MCC CEO Paul Applegarth. **“They are taking charge of their own development with a concrete plan that will increase agricultural productivity and improve transportation links between farms and markets. MCC is proud to be Honduras’ partner in its efforts to reduce rural poverty.”**

U.S. Trade Representative and new MCC Board member Rob Portman said, **“The United States is committed to helping our Central American trade partners like Honduras maximize trade opportunities in the Central America-Dominican Republic Free Trade Agreement. We are combining trade with aid to generate economic growth and reduce poverty. An economically sound and democratically secure Central America is in our country’s national interest.”**

Launched by President Bush, the MCA is a historic approach to development assistance that recognizes sound policies and good governance are critical to poverty reduction and economic growth in developing countries.

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Millennium Challenge Corporation (MCC), a U.S. government corporation designed to work with some of the poorest countries in the world, is based on the principle that aid is most effective when it reinforces sound political, economic, and social policies that promote poverty reduction through economic growth.