

Chapter 10:

Overview of Proposal Development Phase



REDUCING POVERTY THROUGH GROWTH

Overview Phase I: Proposal Development and Program Design

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The process of developing a proposal for MCA funding is intensive and rigorous, and is likely to take months of cooperative, hard work. The documents that follow this overview provide guidance on what is expected as an eligible country develops a Compact program proposal and requests MCA funding. The first steps that a country will need to undertake are:

1. Identify a full-time point of contact (POC) to lead the country's program development process and to manage its day-to-day relationship with MCC.
2. Conduct an analysis of needed financial and administrative resources to build a full-time core team, carry out necessary research, contract outside assistance, and develop the proposal.
3. Identify a core team (led by the POC) that is empowered to run the MCA process, enjoys a high level of political commitment, and has access to senior officials so that it can quickly make decisions and stay actively engaged. Countries that have assigned personnel full-time to the MCA process and have dedicated financial and administrative resources have developed their proposals and moved to Compact faster. See "Characteristics of a Core Team" for details.
4. Conduct a constraints analysis to identify the conditions that impede growth and sustain poverty. This analysis is not meant to define responses that would then be funded by MCC, but rather to develop a framework that will focus domestic discussions on what programs would best ease constraints to growth and poverty reduction. "Guidelines for Conducting Constraints Analysis" provides details on this step of the process.
5. Carry out a timely, participatory and meaningful consultative process with the country's civil society, non-governmental organizations and private sector in order to identify key constraints to economic growth and poverty reduction, and priority activities to help address such constraints. Such consultation should be ongoing as the country's Compact proposal is developed and continue throughout the implementation phase. This step is described in "Guidelines for Conducting a Consultative Process."

Based on the results of the consultative process, the country will put together a proposal for submission to MCC. The proposal should ensure that gender considerations are integrated into the design of the program (see “MCC Gender Policy”). The country should also coordinate with other donors during the proposal development stage in order to avoid duplication and promote complementary efforts where appropriate (see “Donor Coordination Guidelines”).

MCC and its partner countries have learned many lessons about designing an effective Compact. These have been compiled in the guidance document entitled “Best Practices in Compact Development.” The key elements of a Compact proposal are summarized in a separate document (“Elements of a Compact Proposal”). MCC recognizes that there may be a need for funding for Compact development and implementation activities, and can offer limited financial assistance, when justified, to facilitate such activities. Details on how and when this assistance can be provided are contained in “Assistance for 609(g) Compact Development Funding.”