



Feed the Future Country Fact Sheet

Online Version: <https://www.feedthefuture.gov/article/smart-partnerships-and-country-led-development-how-millennium-challenge-corporation-fights-hunger-and-poverty>

Smart Partnerships and Country-Led Development: How the Millennium Challenge Corporation Fights Hunger and Poverty



MCC

High-value crops like strawberries are helping farmers in Moldova increase their incomes.

Feed the Future focuses efforts in 19 countries, selected not only based on level of need, but also opportunity for partnership and potential for agricultural growth, among other criteria. That approach mirrors the Millennium Challenge Corporation's model of smart, rigorous development driven by countries' own priorities for economic growth and poverty reduction. Read on to learn how this model is contributing to better food security in countries that share the United States' commitment to democracy and mutual prosperity.

On the banks of the Shire River in Malawi, a **towering hydrodam** hums along, supplying clean energy to thousands of rural communities. Just months ago, the dam experienced frequent outages due to aquatic weed infestation and dense sediment in the river, a result of severe upstream erosion. But support from the Millennium Challenge Corporation (MCC) is helping address the immediate causes of the power outages while promoting sustainable management of natural resources to prevent recurring problems. An environmental trust between local watershed communities, utilities and private companies is working to reduce factors like soil erosion and sedimentation that threaten Malawi's power infrastructure as well as agriculture and food security.

The Shire River dam, part of MCC's five-year, \$350.7 million **compact with Malawi**, is just one example of how MCC strengthens agricultural and rural economies in some of the world's poorest countries. In many cases, the agreements MCC signs with host country governments promote reliable access to sufficient, safe and affordable food, contributing to Feed the Future's goals of reducing hunger, poverty and undernutrition. In fact, \$4.5 billion – almost half of MCC's obligated investments – are related to improving food security, much of it going toward infrastructure that improves conditions for agricultural growth and connects small-scale farming communities to markets so they can earn more income.

The MCC development model is unique in that good governance, economic freedom and investing in citizens are all prerequisites for receiving grants that fund country-led solutions to poverty and its related challenges. Like Feed the Future's, MCC's approach is rooted in country ownership, and almost all MCC partner countries have prioritized investments related to food security as part of their compact programs.

Just last year, MCC completed two compacts in **Burkina Faso** and **Namibia** with large food security investments, including

water management, livestock, land tenure, rural finance and rural road components. Two more compacts with [Senegal](#) and [Moldova](#) will end this year, which have already resulted in significant irrigation improvements in Senegal and the completion of a 93 kilometer road in Moldova.

Some MCC food security investments also align with those of other development organizations. In Moldova, for instance, MCC and the U.S. Agency for International Development (USAID) have pooled resources to carry out a coordinated strategy to grow and trade high-value crops among rural farming households, which have struggled during the transition from a centrally-planned to a market economy over the past 20 years. This co-investment aims to revitalize Moldova's agriculture sector, once a pillar of the economy and a major regional supplier of food products. By improving irrigation, unlocking critical new markets and increasing access to technology and financing, MCC and USAID will help farmers grow more high-value crops like tomatoes, table grapes, nuts, fruits and vegetables.

And in El Salvador, where cocoa is a major cash crop well-suited to small-scale farmers, MCC is partnering with USAID, the U.S. Department of Agriculture, and the Howard G. Buffett Foundation to improve cocoa production in coordination with the Salvadoran government. The partnership is stimulating niche markets for "fino de aroma," specialty chocolates based on cocoa plants native to Central America and the Caribbean, and buyers are already starting to take notice as this supply chain re-emerges in El Salvador.

With an emphasis on rigorous assessment tools, MCC also invests in independent impact evaluations that help show whether positive changes – such as increases in farmer income – are caused specifically by U.S. assistance or are the result of external factors like a national policy change or weather conditions. These evaluations help ensure evidence and data guide future programming and answer important questions about what is effective and what can be done better in development, supporting a [Feed the Future Learning Agenda](#) that aims to build the evidence base for what works in food security.

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