

Millennium Compacts for Regional Economic Integration Act (H.R. 2571)

Section-by-Section Summary

Bill Overview. The Millennium Compacts for Regional Economic Integration Act (M-CORE Act) (HR. 2571) will allow the Millennium Challenge Corporation (MCC) to enter into a second concurrent assistance agreement (compact) with a country if: (a) one or both of the compacts are or will be created for the purposes of regional economic integration, increased regional trade, or cross-border collaborations; and (b) the country is making demonstrable progress implementing the first compact. The bill also establishes new assistance criteria for a low-income or lower-middle income country to enter into a MCC compact.

Sec. 1: Short Title. The Act may be cited as the “Millennium Compacts for Regional Economic Integration Act” or the “M-CORE Act.”

Sec. 2: Purpose. The purpose of this Act is to expand MCC’s ability to develop compacts with countries, particularly in Africa, that promote regional economic integration and cross-border collaborations.

Sec. 3: Candidate Countries. This section amends the Millennium Challenge Act of 2003 to establish new assistance criteria for a low-income or lower-middle income candidate country eligible to enter into a MCC compact. Such a country must: have a per capita income equal to or less than the lower middle income country threshold established by the International Bank for Reconstruction and Development (IBRD) for the fiscal year; be among the 75 countries identified by the Bank as having the lowest per capita income; and not be ineligible to receive U.S. economic assistance under part I of the Foreign Assistance Act of 1961. Reclassification limits are set forth as follows: if the per capita income of a low-income candidate country changes during the fiscal year so that it would be reclassified as a lower middle income country, it shall be deemed to continue to meet the per capita income requirements for that fiscal year and the two subsequent fiscal years; and if the per capita income of a lower middle income candidate country changes during the fiscal year so that it would be reclassified as a low-income country, it shall be deemed to continue to meet the per capita income requirements for that fiscal year and the two subsequent fiscal years.

Sec. 4: Millennium Challenge Compact. This section states that an eligible country and the United States may enter into a second concurrent compact if: (1) one or both of the compacts are or will be for purposes of regional economic integration, increased regional trade, or cross-border collaborations; and (2) the MCC Board determines that the recipient country is making considerable and demonstrable progress in implementing the first compact.

Sec. 5: Congressional and Public Notifications. This section amends MCC’s congressional notification requirements to require 15 day notification before signing a compact. It also requires MCC to provide detailed information on economic rates of return.

Sec. 6: Disclosure. This section clarifies the reporting timeline for MCC’s quarterly reports and how they will be shared with the public.