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PRESS RELEASE

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MCC Eligibility Mission Visits Maseru

The Millennium Challenge Corporation (MCC) is conducting a high-level mission to Maseru from October 21 to 23, led by its Managing Director of Selection, Eligibility, and Policy Performance, Daniel W. Barnes. The MCC mission is meeting with a wide variety of stakeholders including government, civil society, and the business community to gather information in advance of MCC's Board of Directors (Board) meeting in December.

In December 2013, Lesotho was initially selected to develop a second compact, however, the MCC's Board deferred its vote on continued eligibility in 2015 and 2016. Following that two-year hiatus, the Board re-selected Lesotho in 2017 as eligible to develop a second compact. This decision was taken in recognition of concrete steps taken that year that demonstrated a commitment to addressing MCC's concerns about rule of law. At the same time, the Board directed MCC to continue to closely monitor events in Lesotho.

Alongside implementing necessary policy and institutional reforms for the compact itself, MCC's Board of Directors maintains its expectation that Lesotho demonstrate a clear commitment to MCC's eligibility criteria. As MCC's Board has previously communicated to the government and stakeholders, key eligibility criteria include:

- Respect for inclusive political processes,
- Respect for the rule of law,
- Maintenance of investments from the first compact, and
- Implementation without further delay of the national reform process agreed to with the Southern Africa Development Community.

Mr. Barnes said, *"Our mission this week is part of MCC's ongoing effort to determine whether the Government of Lesotho's is demonstrating a commitment to these eligibility criteria, and also to assess progress on the national reforms process. During its December 2019 meeting, MCC's Board will have an opportunity to review the most recent information and analysis of the situation in Lesotho. The Board will then determine whether to reselect Lesotho to continue compact development."*

U.S. Ambassador to Lesotho Rebecca E. Gonzales further stated, *"I am concerned by recent downward trends in governance, and I appreciate our MCC colleagues' timely reminder to the Government and to all stakeholders that immediate concrete action and demonstrable results on these critical issues will strengthen Lesotho's position with regard to reselection for a second MCC Compact."*

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