

Editorial Notes**REFERENCES IN TEXT**

This chapter, referred to in subsecs. (a) and (c)(2), (8)(B)(i)(I), was in the original “this title”, meaning title VI of Pub. L. 108–199, div. D, Jan. 23, 2004, 118 Stat. 211, which is classified generally to this chapter. For complete classification of this title to the Code, see Short Title note set out under section 7701 of this title and Tables.

CODIFICATION

Section is comprised of section 604 of div. D of Pub. L. 108–199. Subsec. (b)(4)(B) of section 604 of div. D of Pub. L. 108–199 amended section 5313 of Title 5, Government Organization and Employees.

AMENDMENTS

2018—Subsec. (c)(4)(B). Pub. L. 115–167 amended subpar. (B) generally. Prior to amendment, text read as follows: “Each member of the Board described in paragraph (3)(B) shall be appointed for a term of 3 years and may be reappointed for a term of an additional 2 years.”

§ 7704. Authorization of assistance**(a) Assistance**

Notwithstanding any other provision of law (other than a provision of this chapter), the Board, acting through the Chief Executive Officer, is authorized to provide assistance under this section for each country that enters into a Millennium Challenge Compact with the United States pursuant to section 7708 of this title to support policies and programs that advance the progress of the country in achieving lasting economic growth and poverty reduction and are in furtherance of the purposes of this chapter.

(b) Form of assistance

Assistance under this section may be provided in the form of grants, cooperative agreements, or contracts to or with eligible entities described in subsection (c). Assistance under this section may not be provided in the form of loans.

(c) Eligible entities

An eligible entity referred to in subsection (b) is—

- (1) the national government of the eligible country;
- (2) regional or local governmental units of the country; or
- (3) a nongovernmental organization or a private entity.

(d) Application

The Chief Executive Officer, in consultation with the Board and working with eligible countries selected by the Board for negotiation of Compacts, should develop and recommend procedures for considering solicited and unsolicited proposals in Compacts prior to an approval of the Compacts by the Board.

(e) Limitations**(1) Prohibition on military assistance and training**

Assistance under this section may not include military assistance or military training for a country.

(2) Prohibition on assistance relating to United States job loss or production displacement

Assistance under this section may not be provided for any project that is likely to cause

a substantial loss of United States jobs or a substantial displacement of United States production.

(3) Prohibition on assistance relating to environmental, health, or safety hazards

Assistance under this section may not be provided for any project that is likely to cause a significant environmental, health, or safety hazard.

(4) Prohibition on use of funds for abortions and involuntary sterilizations

The prohibitions on use of funds contained in paragraphs (1) through (3) of section 104(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(f)(1)–(3)) shall apply to funds made available to carry out this section to the same extent and in the same manner as such prohibitions apply to funds made available to carry out part I of such Act [22 U.S.C. 2151 et seq.]. The prohibition on use of funds contained in any provision of law comparable to the eleventh and fourteenth provisos under the heading “Child Survival and Health Programs Fund” of division E of Public Law 108–7 (117 Stat. 162) shall apply to funds made available to carry out this section for fiscal year 2004.

(f) Coordination

The provision of assistance under this section shall be coordinated with other United States foreign assistance programs.

(Pub. L. 108–199, div. D, title VI, §605, Jan. 23, 2004, 118 Stat. 214.)

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This chapter, referred to in subsec. (a), was in the original “this title”, meaning title VI of Pub. L. 108–199, div. D, Jan. 23, 2004, 118 Stat. 211, which is classified generally to this chapter. For complete classification of this title to the Code, see Short Title note set out under section 7701 of this title and Tables.

The Foreign Assistance Act of 1961, referred to in subsec. (e)(4), is Pub. L. 87–195, Sept. 4, 1961, 75 Stat. 424. Part I of the Act is classified generally to subchapter I (§2151 et seq.) of chapter 32 of this title. For provisions deeming references to subchapter I to include parts IV (§2346 et seq.), VI (§2348 et seq.), and VIII (§2349aa et seq.) of subchapter II of chapter 32, see section 202(b) of Pub. L. 92–226, set out as a note under section 2346 of this title, and sections 2348c and 2349aa–5 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

The provisos of Public Law 108–7, referred to in subsec. (e)(4), are contained in Pub. L. 108–7, div. E, title II, Feb. 20, 2003, 117 Stat. 162, and are not classified to the Code.

§ 7705. Candidate countries**(a) In general**

A country shall be a candidate country for purposes of eligibility to receive assistance under section 7704 of this title if—

- (1) the per capita income of the country in a fiscal year is equal to or less than the World Bank threshold for initiating the International Bank for Reconstruction and Development graduation process for the fiscal year; and

(2) subject to subsection (b), the country is not ineligible to receive United States economic assistance under part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) by reason of the application of any provision of the Foreign Assistance Act of 1961 [22 U.S.C. 2151 et seq.] or any other provision of law.

(b) Rule of construction

For the purposes of determining whether a country is eligible, pursuant to subsection (a)(2), to receive assistance under section 7704 of this title, the exercise by the President, the Secretary of State, or any other officer or employee of the United States Government of any waiver or suspension of any provision of law referred to in subsection (a)(2), and notification to the appropriate congressional committees in accordance with such provision of law, shall be construed as satisfying the requirements under subsection (a).

(c) Determination by the Board

The Board shall determine whether a country is a candidate country for purposes of this section.

(Pub. L. 108–199, div. D, title VI, § 606, Jan. 23, 2004, 118 Stat. 215; Pub. L. 115–167, title II, § 201, Apr. 23, 2018, 132 Stat. 1278; Pub. L. 118–159, div. E, title LI, § 5122(b), Dec. 23, 2024, 138 Stat. 2430.)

Editorial Notes

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsec. (a)(2), is Pub. L. 87–195, Sept. 4, 1961, 75 Stat. 424, which is classified principally to chapter 32 (§ 2151 et seq.) of this title. Part I of the Act is classified generally to subchapter I (§ 2151 et seq.) of chapter 32 of this title. For provisions deeming references to subchapter I to include parts IV (§ 2346 et seq.), VI (§ 2348 et seq.), and VIII (§ 2349aa et seq.) of subchapter II of chapter 32, see section 202(b) of Pub. L. 92–226, set out as a note under section 2346 of this title, and sections 2348c and 2349aa–5 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

AMENDMENTS

2024—Pub. L. 118–159 amended section generally. Prior to amendment, section related to candidate countries for purposes of eligibility for assistance.

2018—Subsec. (a)(1)(B). Pub. L. 115–167, § 201(a)(1), substituted “(4)” for “(3)”.

Subsec. (a)(2). Pub. L. 115–167, § 201(a)(2), substituted “Fiscal years 2005 through 2012” for “Fiscal year 2005 and subsequent fiscal years” in heading and “each of fiscal years 2005 through 2012” for “fiscal year 2005 or a subsequent fiscal year” in introductory provisions.

Subsec. (a)(3), (4). Pub. L. 115–167, § 201(a)(3), (4), added par. (3) and redesignated former par. (3) as (4).

Subsec. (b)(1). Pub. L. 115–167, § 201(b)(1), substituted “Fiscal years 2006 through 2012” for “In general” in heading and “fiscal years 2006 through 2012” for “fiscal year 2006 or a subsequent fiscal year” in introductory provisions.

Subsec. (b)(2), (3). Pub. L. 115–167, § 201(b)(2), (3), added par. (2) and redesignated former par. (2) as (3).

Subsecs. (c), (d). Pub. L. 115–167, § 201(c), added subsec. (c) and redesignated former subsec. (c) as (d).

§ 7706. Eligible countries

(a) Determination by the Board

The Board shall determine whether a candidate country is an eligible country for pur-

poses of this section. Such determination shall be based, to the maximum extent possible, upon objective and quantifiable indicators of a country’s demonstrated commitment to the criteria in subsection (b), and shall, where appropriate, take into account and assess the role of women and girls. A determination whether a country is eligible for a subsequent, non-concurrent Millennium Challenge Compact shall also be based, to the extent practicable, on significantly improved performance across the criteria in subsection (b) that, at a minimum, are relevant to the preceding Compact, compared to the country’s performance with respect to such criteria when selected for such preceding Compact.

(b) Criteria

A candidate country should be considered to be an eligible country for purposes of this section if the Board determines that the country has demonstrated a commitment to—

(1) just and democratic governance, including a demonstrated commitment to—

(A) promote political pluralism, equality, and the rule of law;

(B) respect human and civil rights, including the rights of people with disabilities;

(C) protect private property rights;

(D) encourage transparency and accountability of government;

(E) combat corruption; and

(F) the quality of the civil society enabling environment;

(2) economic freedom, including a demonstrated commitment to economic policies that—

(A) encourage citizens and firms to participate in global trade and international capital markets;

(B) promote private sector growth;

(C) strengthen market forces in the economy; and

(D) respect worker rights, including the right to form labor unions; and

(3) investments in the people of such country, particularly women and children, including programs that—

(A) promote broad-based primary education;

(B) strengthen and build capacity to provide quality public health and reduce child mortality; and

(C) promote the protection of biodiversity and the transparent and sustainable management and use of natural resources.

(c) Selection by the Board

(1) In general

At the time the Board determines eligible countries under this section for a fiscal year, the Board shall select those eligible countries with respect to which the United States will initially seek to enter into a Millennium Challenge Compact pursuant to section 7708 of this title.

(2) Factors

In selecting eligible countries under paragraph (1), the Board shall prioritize need and impact by considering the following factors:

(A) The extent to which the country clearly meets or exceeds the eligibility criteria.