

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Announces Awards for Exceptional International Development Projects

7/23/2014

Projects Deliver Clear Results in Combating Food Insecurity, Creating Jobs, Expanding the Use of Clean Energy, Promoting Infrastructure Development, and Increasing Access to Education and Health Care

WASHINGTON – The U.S. Department of the Treasury today announced awards at the third annual Development Impact Honors for exceptional development projects undertaken by the multilateral development banks (MDBs). The ceremony gathered Members of Congress, senior leaders of the MDBs and the development community, and senior administration officials to recognize and promote excellence in development. The projects honored at the ceremony today reflect the critical work of the MDBs, which strengthens communities around the world, including in fragile states, while also advancing U.S. economic and security interests.

"When you consider recent global events, it is clear that we must continue to support international financial institutions like those that we are honoring today," said Treasury Secretary Jacob J. Lew. "The United States has demonstrated steadfast support for the multilateral development banks, which leverage each dollar of U.S. investment many times over. Yet our support goes beyond funding. We have marshalled our best experts and best thinking to make measurable progress on reducing poverty, promoting broadly-shared economic growth, and expanding our trade partners."

Among other significant impacts, as a result of these projects, food security has improved and poverty has been reduced for an estimated 241,000 agricultural households across West Africa; a sustainable model of microfinance support has been created for over 208,000 small farmer households in Bangladesh; and primary health services have been extended to over 537,000 people and approximately 256,000 new students have been able to enroll in school in Yemen.

Projects were evaluated in a number of key areas including their effects on beneficiary communities' livelihoods, adherence to the highest environmental and social standards, learning from past projects' experience, and innovation in addressing development challenges. Many of these projects specifically focus on addressing the needs of the world's most vulnerable groups by providing economic and educational opportunities, improving infrastructure, and offering health support.

As the agency responsible for leading U.S. participation in the MDBs, the Treasury Department convened a senior inter-agency group of representatives from the Treasury, Department of State, U.S. Agency for International Development, Millennium Challenge Corporation, and Overseas Private Investment Corporation to evaluate almost 30 development projects nominated for this award.

About the Honorees

New Rice for Africa (NERICA) Project – Benin, Gambia, Ghana, Guinea, Nigeria, Mali, and Sierra Leone

African Development Bank (AfDB)

Awarded to AfDB Vice President Charles Boamah

In 2005, seven West African countries requested help in promoting food security by developing better rice varieties and introducing new technology. With a \$34 million grant from the AfDB, farmers gained the skills, inputs, and technology that enabled them to sustainably increase the protein content of rice varieties, as well as increase yields 25 percent higher than the world market average. As these new rice varieties grow more rapidly, they help farmers better cope with droughts and compete with weeds, both significant constraints to farming productivity in Africa. The project has improved food security and reduced poverty for an estimated 241,000 agricultural households, of which 80 percent are women and the underprivileged. By the end of the project, more than 35,000 people living in participating rice-farming households had been lifted above the extreme poverty line of \$1.25 per day.

Hairatan to Mazar-e-Sharif Railway Project – Afghanistan

Asian Development Bank (ADB)

Awarded to ADB Managing Director General Juan Miranda

Created to improve the transportation infrastructure needed for Afghanistan's international trade, this railway line launched service in 2011. The flow of resources in and out of Afghanistan is vital for the reconstruction and economic development of a post-war and landlocked country. Yet when the project was designed, Afghanistan's limited cross-border road links were highly congested, delaying the flow of critical reconstruction goods and humanitarian aid from the north. With assistance of \$165 million from the ADB, Afghanistan built and managed the operation of its first railway line in near record time. The short railway line runs from the border town of Hairatan to Mazar-i-Sharif, the major commercial center in northern Afghanistan. It provides connection to an international airport and the country's main road network, allowing for more effective and reliable transportation of humanitarian aid and freight. The innovative project management and use of a performance-based operating and maintenance contract with an Uzbekistan railway operator have ensured reliable service and reduced transport costs.

Salkhit Wind Farm Project – Mongolia

European Bank for Reconstruction and Development (EBRD)

Awarded to EBRD Managing Director Riccardo Puliti

Due to Mongolia's heavy reliance on coal-fired power plants, its capital city, Ulaanbaatar, is one of the most polluted cities on earth. Launched with the help of the EBRD, the Salkhit Wind Farm Project introduced wind-generated renewable energy into Mongolia for the first time. The project now supplies nearly five percent of Mongolia's electricity needs, and by 2020, the Mongolian government aims to generate 25 percent of the country's electricity from renewable energy sources. To make this project possible, the EBRD worked closely with a large array of public and private sector partners, including the Millennium Challenge Corporation, General Electric, bilateral development agencies in Japan and the Netherlands, and the Mongolian government.

Galpão Aplauso: Sociocultural and Productive Integration of At-Risk Youth in Rio de Janeiro Project – Brazil

Inter-American Development Bank (IDB)

Awarded to IDB Executive Vice President Julie Katzman

Working with a well-regarded local non-governmental organization and other partners, the Multilateral Investment Fund of the IDB provided financing for training in basic and soft skills, vocational training, and job placement services for at-risk youth in Brazil. In Brazil, low income youth face discouraging economic prospects and job market outcomes. The project was

unique in its incorporation of arts and theater as instructional tools, and its emphasis on the development of socio-emotional "soft" skills – such as ethics, civic responsibility, confidence, and self-esteem – in addition to vocational and academic training. Early results of this project show that it has increased the employment prospects of its beneficiaries by 19 percent, and has led to an average increase in monthly earnings of \$70 per month.

Microfinance for Marginal and Small Farmers Project – Bangladesh

International Fund for Agricultural Development (IFAD)

Awarded to IFAD Country Program Director Nigel Brett

When this project was initiated, the IFAD recognized that small farmers in Bangladesh – who cultivated around 37 percent of Bangladesh's agricultural land – earned too much to qualify for existing microfinance initiatives, but were too poor to access other financial services necessary for investing in and growing their businesses. IFAD set out to fill this gap for small farmers, creating a viable and sustainable model of microfinance support for over 208,000 small farmer households. The investments from this new source of financing have led to higher crop yields, a 52 percent increase in sales (25 percent higher than a comparison group), a 63 percent increase in incomes, and a reduction in child malnutrition of more than 10 percent.

Third Public Works Project – Yemen

World Bank

Awarded to World Bank Managing Director Sri Mulyani Indrawati

This project provides basic infrastructure and temporary employment in one of the least developed countries in the world and the poorest country in the Middle East/ North Africa region. Through the project, the International Development Association, the part of the World Bank that focuses on the poorest countries, provides funding and technical assistance to deliver labor-intensive, small-scale, demand-driven basic infrastructure projects in seven critical sectors: education (renovating and building classrooms, plus school furniture), health (rehabilitating and building facilities), water supply and sanitation schemes, water harvesting schemes (for irrigation), local streets and roads (through stone paving), and vocational training. The over 2.1 million beneficiaries are poor Yemenis living in dispersed and sparsely populated rural settlements, as well as poor communities in urban areas. Sub-projects are executed by small local contractors, employing labor from within the beneficiary communities. This locally-owned and community-driven project has produced strong results: primary health services have been extended to over 537,000 people; approximately 256,000 new students have been able to enroll in school; approximately 209,000 people have improved access to water; about 503,000 people have access to an all season road; and around 5,400 individuals, the majority of whom are women, have graduated from 10 newly built vocational training centers. Building this critical infrastructure also provides much-needed employment opportunities, creating 118,000 person months of employment for skilled and unskilled Yemenis.

###