

**Remarks by Ambassador Rob Portman
United States Trade Representative
Signing of MCC Compact with Benin
Benjamin Franklin Room
U.S. Department of State
February 22, 2006**

As Delivered

Ambassador Portman: I thank you very much. I want to thank Ambassador Danilovich for his remarkable leadership at the Millennium Challenge Corporation. We have seen in his short tenure some great progress, including the signing of this compact today. And Mr. President, it's quite an honor that Ambassador Danilovich chose to go to Benin as his first stop of every country in the world that you would be involved in many.

I would like to welcome President Kerekou here. Over the last several months, as he knows, I've had the privilege of working with some of the top elected officials, including Trade Minister Lauriano and Agriculture Minister Akplogan, in the context of the World Trade Organization and the Doha Development Agenda.

And let me assure you, Mr. President, that your ministers are tough negotiators. They've done a very good job of representing the interests of your country. And one night they kept me and my colleagues up all night negotiating on the sensitive trade issue of cotton. And we were able to find a common ground, I am pleased to say.

I am pleased to report the United States has, in fact, already acted on our first commitment that we made on cotton in Hong Kong. Earlier this month, only a few weeks ago, President Bush signed into law legislation eliminating the Step-2 cotton subsidy program.

As important as that action was, I think it's just part of what needs to be sure that the challenges facing the West African cotton sector are addressed.

The compact we are signing today is part of addressing those problems and can be a very important tool in Benin's effort to bolster its agricultural production and its trade. Ambassador Danilovich has talked about some of these very specific issues, but let me just address, if I could, some that I think affect trade in a very direct way.

First, by promoting faster and easier resolution of land disputes on a consistent basis, over 115,000 households will gain access to land titles.

Second, the compact today will spur \$60 million in more micro-lending to small and mid-sized businesses, giving aspiring entrepreneurs a chance in regard to Benin's ability to be active partners of the United States and others in trade.

Third, it will improve the judicial system not just with new courthouses but also with new training of court personnel, giving two million people access to a reliable judiciary system who do not have that access today.

Fourth, it will help the Port of Cotonou function better and increase the volume of merchandise traffic by 50 percent with infrastructure improvements that will reduce delays and cut the administrative burdens. This is extremely important in the cotton sector of course and trade in general.

This compact complements the U.S. pledge we have made to expand trade capacity building aid globally over the next five years by \$2.7 billion. This was announced during the Hong Kong Ministerial of the WTO and will help a number of developing countries, including West African cotton producing countries.

It is my pleasure to introduce President Mathieu Kerekou today. He has led his country for over 30 years as Benin has adopted economic reforms and made the transition to democracy. I'm told that another fair and free election will be held in Benin only in the next couple of weeks.

Our two countries share a belief in the power of trade to raise living standards and create opportunity. But trade can grow in countries where people are able to participate in the economy and where the infrastructure and legal systems function properly.

We have become partners in the WTO Doha Development Round. Today we become Millennium Challenge compact partners, encouraging democracy, reform. I am confident our partnership will bear fruit. Mr. President.

Please welcome President Kerekou.