



Millennium Challenge Corporation

Reducing Poverty Through Growth

November 8, 2005

Ramón Medina Luna
Minister of the Office of the Presidency
Chairman of the MCA-Honduras Board
Casa Presidencial
Tegucigalpa, Honduras

RE: Implementation Letter on Nominations, Appointments, Approvals for MCA-Honduras

Dear Minister Medina Luna,

In keeping with the Millennium Challenge Compact signed on June 13, 2005 between the United States of America, acting through the Millennium Challenge Corporation, and the Government of the Republic Honduras (the "Compact"), we hereby issue this Implementation Letter as guidance for the implementation of the Compact. Capitalized terms in this Implementation Letter shall have the meaning given to such terms in the Compact.

With respect to the rules and procedures governing MCA-Honduras the following guidance shall be in effect immediately:

Any nomination, appointment, approval, no objection or other similar action, or any decision to reject, veto or otherwise object to any such nomination, appointment or approval shall be made in writing by the party authorized to take such action or decision pursuant to the Compact and delivered to the Board of MCA-Honduras. In addition, the Board of MCA-Honduras shall record such action or decision in the appropriate minutes or resolutions of the Board (which minutes or resolutions shall be posted on the MCA-Honduras website) and shall include such written notification in the official records of the Board.

This Implementation Letter is issued pursuant to Section 3.5(a) of the Compact. Nothing in this Implementation Letter shall be deemed to amend or modify any provision of the Compact. The Parties may agree to include the guidance provided by this Implementation Letter in the Governance Regulations of MCA-Honduras.

Sincerely,

John Hewko
Principal Representative
Vice President, Country Programs

cc: Members of the Board of MCA-Honduras
Jon Dyck, Vice President and General Counsel