

MILLENNIUM CHALLENGE ACCOUNT-NIGER MCA-NIGER

MINUTES OF THE THIRD ORDINARY MEETING OF THE BOARD OF DIRECTORS HELD IN NIAMEY ON DECEMBER 1st, 2017

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The Board of Directors of the Millennium Challenge Account Niger ("MCA-Niger") held a regular meeting on December 1st, 2017 starting at 2:55 pm in the 'Room Croix du Sud' of Hotel Gawey, pursuant to (i) decree establishing, attributing, composing, and operating the MCA-Niger dated December 23rd, 2016, and (ii) the Millennium Challenge Compact between the United States of America, acting through the Millennium Challenge Corporation ("MCC") and the Government of Niger (the "Government"), executed on July 29th, 2016 (the "Compact").

The capitalized terms used but not defined in this document must have the meanings given in the articles of association or the accounting policies.

THE MEMBERS OF THE BOARD OF DIRECTORS:

The following people were present:

1. Mr. OUHOUMODOU Mahamadou, Minister, Chief of Staff of the President of the Republic, President of the Council, full member of the board
2. Mr. ALBADE Abouba, Minister of State, Minister of Agriculture and Livestock, full member of the board;
3. Mr. Ahmat JIDOUD, Minister Delegate to the Minister of Finance for the Budget, representing the Minister of Finance, alternate member of the board
4. Ms. KANE Aichatou Boulama, Minister of Planning, full member of the board
5. Mr. Almoustapha GARBA, Minister of Environment and Sustainable Development, full member the board
6. Mr. KATAMBE Issoufou, Minister of Hydraulics and Sanitation, full member of the board
7. Mr. Abdoulaye OUMA AHMET Abdoukarim, Secretary General of the Ministry of Equipment representing the Minister of Equipment, alternate member of the board
8. Mr. HACHIMOU Abdoukarim, Secretary General of the Ministry of Population, Women Empowerment and Child Protection, Representative of the Minister of Population, Women Empowerment and Protection of the Child
9. M. Ali BETY, High Commissioner to the 3N Initiative, full member of the Council;
10. M. Mahamadou GADO, Chief of Staff of the Prime Minister, full member of the board
11. M. DJADAH Abdoulaye, Private Sector Representative, 1st Deputy-President of the Chamber of Commerce, full member of the Board;

12. Ms. FODI Halima, representative of the Women's Organizations of Civil Society, full member of the board

13. Mr BAGNA Djibo, President of the Niger Farmers' Platform, representative of civil society, full member of the board

14. PENN Kristin, Resident Director of MCC in Niger, full member of the Board as non-voting **Observer**.

15. Mr. Mamane M. ANNOU, Director General of MCA-Niger, Permanent Secretary of the Board of Directors, full member of the Board without the right to vote

Present by teleconference: None

Absent: None

Other persons present:

- Ms. Kyeh Kim, Senior Deputy Executive Vice President, Compact Department, Africa, MCC Washington;
- Mr. David Kassebaum, Deputy Attorney General, MCC Washington;
- Mr. Edmund Fudzie, Financial Controller of the MCC Washington;
- Ms GREENHALGH Emilie, Deputy Resident Director of MCC in Niger;
- Barrister N'DA-EZOA Alain, Legal Advisor of MCA-Niger;
- Barrister KADRI Oumarou Sanda Legal Counsel;
- Mr. Moussa CHANO, MCA-Niger Program Director ;
- Mr. Moussa SOW, MCA-Niger Procurement Director
- Charlene Bayemi, MCC Washington Program Officer;
- Mr. Abderahamane Diallo, Administrative Assistant of MCC in Niger;

Person who acts as President of the board: Mr OUHOUMODOU Mahamadou

Person acting as Secretary of the meeting: Mr. Mamane M. ANNOU, Director General of MCA-Niger

II. PROCEDURE

At the opening of the meeting at 2: 55 PM, the President noted that the majority of the voting members of the Council were present and therefore declared that the quorum was established in accordance with MCA-Niger's Rules of Procedure.

The Chairman noted that the notice of the meeting addressed to the members included an agenda. The President appointed Mr. Mamane M. ANNOU, Director General of MCA-Niger

in accordance with the rules of procedure, as the Secretary of the meeting. The President then recalled the agenda.

No member of the Board of Directors has made any amendments to the agenda, the Board has adopted the following agenda:

1. Approval and adoption of the minutes of the Board Meeting of August 23rd, 2017
2. Legal guidance for Board members:
 - Introduction to Conflict of Interest, Privacy Policy and AFC Concepts to Board Members, General Manager and MCA-Niger Legal Advisor;
 - Free clarification questions from board members.
- 3: Reports and Actions:

Executive Session

- a) Report on disbursement requests
- b) Status of the MCA-Niger Staff Recruitment Process ° Presentation for approval of the amended contract with the KPMG Cabinet recruitment firm
- c) Adoption of the resolutions taken by home consultation:
 - First amendment to the MCA-Niger Procurement Plan No2
 - Addition of a Communication Manager position
- d) Approval of the second Amendment MCA-Niger Procurement Plan No 2
- e) Presentation for approval of MCA-Niger Procurement Plan No3

Open Session:

- f) Presentation and approval of the MCA-Niger Logo
- (g) Report on preconditions for entry into force
Legal notice
Information note on the reform of the Fertilizer sector:
- h) Progress Status of implementation of Compact Program activities
- i) Lists of technical contracts signed or in progress
- J) MCA-Niger Building Lease Agreement
- (k) Development work at MCA-Niger headquarters
- l) Compact Program Security Plan
- m) Solemn official launching ceremony of the Compact Program in Niger

4. Miscellaneous

III. DEBATES AND DECISIONS ON THE ITEMS MENTIONED IN THE AGENDA

III.1 - Presentation of Mr. Mamane M. ANNOU, Director General of the MCA: -Niger of the Director by the Chairman of the Board of Directors

(a) **Summary of the debates:** The Chairman of the Board of Directors officially presented to the members of the Board, Mr. Mamane M. ANNOÛU, as Director General of MCA-Niger. He indicated that all the members of the Board of Directors recognize his skills and he will be able to carry out the Compact program in Niger. He also emphasized the skills of all MCA-Niger Board members who will be able to make good decisions and contribute to the success of the Compact program in Niger.

III.2 - Presentation by Ms. Kyeh Kim, Deputy-President Compact Department, Africa MCC Washington

(b) **Summary of the debates :** Ms. Kyeh Kim, Senior Deputy Executive Vice President, Compact Department, Africa, MCC Washington presented to the Board the key points of the Compact Program in Niger, in terms of investment volume (for the management of water, for livestock, for agriculture) and many people affected. She also highlighted the next steps that are critical for the Compact program, including the fulfillment of the Prerequisites that will allow the official entry into force of the Compact program in Niger. She finally indicated that a lot of progress has been made and that the commitment and expertise of all members of the Board of MCA-Niger will certainly allow a good evolution of the Compact program in Niger.

III. 3 - Approval of the Minutes of the Second Regular Meeting of August 23rd , 2017

(c) Summary of the debates: the board noted that the name of a substitute member of the Council (Mr HACHIMOU / SG of the MP / PF / PE) present at the Council of August 23rd 2017 did not appear in the draft minutes of the meeting and brought the appropriate correction forthwith.

The debates on this item having been covered, the Chairman submitted to the vote the adoption of Resolution No. 1.

RESOLUTION N ° 1: The Board adopts unanimously the members present, the minutes of the second ordinary meeting of the Board of Directors held on August 23rd , 2017.

III.4 - Presentation by Mr. David Kassebaum, Deputy Attorney General, MCC Washington, on conflict of interest, confidentiality and fraud and corruption policies

(d) Summary of the debates: Mr. David Kassebaum, Deputy Attorney General, MCC Washington, presented Council members with the conflict of interest, confidentiality and fraud and corruption policies to be implemented by the Board of Directors. Administration and particularly followed by the Director General and the Legal Advisor of MCA-Niger.

Following his presentation, a series of questions and answers were exchanged between the members of the Board of Directors and Mr. David Kassebaum, Deputy Advocate General, MCC Washington on the practical issues and risks related to proven fraud such as leaks of

information during procurement procedures, fraudulent payments or misuse of Compact funds that may result in MCC requests for funds

III 5 - Presentation by Mr. Edmund Fudzie Financial Controller of the MCC Washington on the requests for disbursement of the funds CDF and 609g

(e) Summary of the debates: Mr. Edmund Fudzie, Financial Controller of MCC Washington, presented a report on the requests for disbursement of the CDF and 609g funds. He explained the content of the main budget lines and the process to be implemented for requests for disbursement of funds. The Board of Directors took note of the report presented.

III 6 Progress Report on the MCA-Niger Staff Recruitment Process and Approval of Amendment No. 2 of the KPMG Contract

MR. Mamane M. ANNOU, Director General of MCA-Niger then states that MCA-Niger has signed a contract with Cabinet KPMG Côte d'Ivoire for the recruitment of MCA-Niger staff which was signed on May 8th, 2017. After the appointment of the CEO, it was necessary to make changes to the initial contract, notably by replacing the name of the signatory of MCA-Niger who became the Managing Director. This amendment No. 1 was therefore of no financial consequence.

He then informed the members of the board that an amendment N ° 2 was proposed to the KPMG Ivory Coast Cabinet Contract for a third recruitment phase. This third phase will involve some 30 staff members of MCA-Niger. The amount of this amendment N ° 2 is 197 253 US Dollars

The debates on this item having been covered, the Chairman submitted to the vote the adoption of **Resolution No. 2.**

RESOLUTION N ° 2: The Council adopts, unanimously of the present members, the Amendment

N ° 2 to the Contract of Cabinet KPMG recruitment firm of Ivory Coast.

III 7 - Approval of resolutions taken by home consultation

(g) Summary of the debates: Mr. Mamane M. ANNOU, Director General of MCA-Niger presented to the members of the Board of Directors the resolutions taken by home consultation. He thus indicates as a reminder that the first Procurement Plan (PPM) No. 01 covered the period from May 1st to October 31st, 2017. This plan was revised and reinstated under the title of Procurement Plan No. 02 to cover the entire period from May 1st, 2017 to January 31st, 2018.

Then, he specifies that:

10. The first resolution taken by home consultation was to approve the Amendment No. 01 of the Procurement Plan No. 02 (PPM No. 02) of MCA-Niger. PPMO02 Amended made it possible to take into account certain urgent matters, such as the layout of the new headquarters and to review with the MCC and the Fiscal Agent, among the allocated budgets, the amounts available to register.

11. The second resolution taken by home consultation was to add a second position of Strategic Communications Officer within the staff of MCA-Niger.

The debates on this item having been covered, the Chairman submitted to the vote the adoption of Resolution No.3

RÉSOLUTION N°3 :

The board adopts, unanimously of the members present, the resolutions taken by home consultation on November 22nd , 2017 approving MCA-Niger Amendment No. 01 of Procurement Plan No. 02 and the Addition second position of Strategic Communications Manager in MCA-Niger staff

III 8- Approval of Amendment No. 02 of Procurement Plan N ° 02 of MCA-Niger

(h) Summary of the debates : Mr. Mamane M. ANNOU, Director General of MCA-Niger presented to the members of the Board of Directors the draft Amendment No. 02 of Procurement Plan N ° 02 of MCA-Niger . He indicated that MCA-Niger's Procurement Plan No. 02 has been revised to add the recruitment of two procurement specialists to strengthen MCA-Niger's Procurement Service pending completion of the planned recruitment; in the organization chart of MCA-Niger..

The debates on this item having been covered, the Chairman submitted to the vote the adoption of Resolution No. 4.

RESOLUTION N ° 4: The board approves, unanimously of the members present, the Amendment No. 02 of Procurement Plan N ° 02 of MCA-Niger

III.9 - Approval of the MCA-Niger Procurement Plan N ° 03

(i) Summary of the debates : Mr. Mamane M. ANNOU, Director General of MCA-Niger presented to the members of the Board of Directors the draft Procurement Plan N ° 03 (PPM03) of MCA-Niger which must cover the period from 1st February 2018 to July 31st 2018. He indicates that in the spirit of good planning, a draft Procurement Plan No. 03 (PPMO03) of MCA-Niger has been finalized and submitted to the Non-Objection Notice of MCC. Approval of the MCC was communicated on November 30th , 2017

Mr. Mamane M. ANNOU, Director General of MCA-Niger, specifies the following main elements of MCA-Niger's Procurement Plan N ° 03 (PPMO03), which include:

- Several contracts for the CRA (PASEC) and PRAPS programs

- o Civil Engineering - Small Infrastructure Design
- o Environmental studies
- o Physical and economic resettlement studies
- o Capacity building
- Some contracts for the Irrigation and Roads project
- o The implementation of the resettlement plan in Konni
- o The development of PAR in Sia-Kouanza
- o RAP development for roads
- o Remote sensing and hydrogeological study

Mr. Mamane M. ANNOU, Director General of MCA-Niger finished by indicating that MCA-Niger Procurement Plan No. 03 (PPMO03) will start after approval by the Board of Directors.

The debates on this item having been covered, the Chairman submitted to the vote the adoption of Resolution **No. 5.**

RESOLUTION N ° 5

The board approves, unanimously of the members present, the Procurement Plan N ° 03 of MCA-Niger.

II.10 - Presentation and Approval of the MCA-Niger Logo

Summary of the debates : Mr. Mamane M. ANNOU, Director General of MCA-Niger presented to the members of the Board of Directors the draft MCA-Niger Logo

The board approves, unanimously of the members present, the Procurement Plan N ° 03 of MCA-Niger.

III. 10 Adoption and Approval of the MCA-Niger Logo

(j) Summary of the debates: Mr. Mamane M. ANNOU, Director General of MCA-Niger presented to the members of the Board of Directors the draft MCA-Niger Logo.

Some members of the board wished that adjustments be made to the background colors and the size of the flags of Niger and the United States of America.

The debates on this item having been concluded, the Chairman submitted to the vote the adoption of Resolution No. 6.

The board unanimously adopted the present members and, subject to taking into account the desired modifications, the MCA-Niger Logo.

III. 11 - Report on the Conditions Precedent to the Entry Into Force of the Compact Program Niger

(k) Summary of the debates: Mr. Mamane M. ANNOU, Director General of MCA-Niger presented to the members of the Board of Directors a report on the main conditions precedent to the entry into force of the Compact program in Niger. These Prerequisites relate to the following two points:

12. The legal opinion requested by the MCC on the conformity of the Compact Agreement with Niger's national standards;

13. The Fertilizer Sector Reform Plan in Niger.

On this last point, Mr. Mamane M. ANNOU, Director General of MCA: -Niger in his report, first of all a situation of the fertilizer sector before the reform, then indicates the objectives of the reform of the fertilizer sector and the reform proposal.

It states that the reform proposal takes into account the following elements:

1. The formulation of CAIMA's reorganization / reorientation recommendations to make it more efficient in its operations by promoting the participation of the private sector in the fertilizer supply process.

2. Formulating strategic recommendations to support government policies to address supply chain issues and private sector investment decisions.

3. The development of a dialogue with the institutions (MAGP / EL, the 3N initiative, and CAIMA) and partners (World Bank, KFW, AFD, USAID, the European Union)

4. Establishment of an operational framework for the supply of subsidized fertilizer based on the target beneficiaries, payment of an advance by the farmers and an electronic voucher approach ('e-fertilizer Voucher)

The establishment of a reform monitoring body to act as an interface between the government and all actors involved on all issues related to the implementation of the reform plan by a Cabinet of Experts in the field. The study report to be sent on December 15th, 2017, it is proposed to hold this validation workshop between December 22nd and 23rd, 2017:

15. On the other hand, on the legal form, to prepare by the Ministry of Agriculture, for signature by the President of the Republic, a Proposal for a Presidential Decree for the Adoption of the Fertilizer Sector Reform Plan in Niger .

The Board of Directors took note of the report presented and gave its support to the organization from December 22nd to 23rd 2017 of a validation workshop of the technical study report on the reform of Fertilizers in Niger. Establishment by the Ministry of Agriculture of a Proposal for a Presidential Decree for Adoption of the Fertilizer Sector Reform Plan in Niger

III.12 - Report on the activities of the Compact program

(1) Summary of THE debates : Mr Mamane M. ANNOUÛU, Director General of MCA-Niger

(a) The list of technical contracts signed or in progress:

(b) The lease of the new building (new headquarters) of MCA-Niger;

(c) Development work on the new MCA building: -Niger

(d) The security plan of the Compact Program

(e) The official launching ceremony of the Compact program in Niger.

The Board of Directors took note of the report presented on the activities of the Compact program.

The Chairman of the Board of Directors indicated that the official launching ceremony of the Compact Program could be done during the first quarter of 2018, subject to the schedule of the High Administrative Authorities.

The agenda of the board meeting having been completely covered, the Chairman of the Board of Directors moved to declare closed the meeting at 6:48 pm

SIGNED BY:

For MCA-Niger

Mr OUHOUMODOU MAHAMADOU PRESSIDENT OF THE BOARD OF DIRECTOR

MR Mamane M. ANNOU; PERSON ACTING AS SECRETARY OF THE MEETING OF
THE BOARD OF DIRECTORS