

## MILLENNIUM CHALLENGE ACCOUNT-NIGER MCA-NIGER

### MINUTES OF THE SECOND EXTRAORDINARY MEETING OF THE BOARD OF DIRECTORS HELD IN NIAMEY ON JUNE 15<sup>th</sup>, 2018

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The Millennium Challenge Account Niger Board of Directors ("MCA-Niger") held an extraordinary meeting on June 15<sup>th</sup>, 2018, starting at 10:35 am . Venue: Room Margou ; Hotel Gaweye , Niamey , in accordance with:

- (i) MCA-Niger Internal Regulations;
- (ii) Decree No. 2016-706 / PRN, dated December 23<sup>rd</sup>, 2016, on the creation, attributes, composition and functions of the Millennium Challenge Account-Niger ("MCA-Niger");
- (iii) Millennium Challenge Compact by and between the Government of the United States of America, acting through the Millennium Challenge Corporation (hereinafter "MCC") and Niger, acting through its ministries and other government entities, if any (the "Government"), signed on July 29<sup>th</sup>, 2016 (the "Compact"); and
- (iv) The Program Implementation Agreement signed on July 29<sup>th</sup>, 2016 ("Program Implementation Agreement") between the United States of America, acting through MCC and the Government.

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

#### **I. MEMBERS OF THE BOARD OF DIRECTORS:**

**The following persons were present:**

1. Mr. OUHOUMODOU Mahamadou, Minister, Chief of Staff of the President of the Republic, President of the Board, 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 for the Budget, substitute member of the board
4. Ms KANE Aichatou Boulama, Minister of Planning, full member of the board
5. Mr. GARBA Almoustapha, Minister of Environment and Sustainable Development, full member of the board
6. Mr KATAMBE Issoufou, Minister of Hydraulics and Sanitation, full member of the board
7. Ms. ELBACK Zeinabou Tari Bako, Minister of Population, Women's Empowerment and Protection of the Child, full member of the board

18. Ms. YAHAYA Saadatou Mr. Barmou, Deputy Chief of Staff to the Prime Minister of Niger, alternate member of the board

8. Mr BETY Ali, High Commissioner to the 3N Initiative, full member of the board

9. Mr DJADAH Abdoulaye, Private Sector Representative, 1st deputy-President of the Chamber of Commerce, full member of the board

10. Mr. BAGNA Djibo, Representative of the Civil Society, full member of the board

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

12. Mrs. PENN Kristin, Resident Director of the MCC in Niger, full member of the board as non-voting observer

13. Mr M. ANNOU Mamane, Director General of MCA-Niger, Permanent Secretary of the Board of Directors, full member of the Board as observer without voting rights

**Present by teleconference: None**

**Absent: 01** - Mr KADI Abdoulaye, Minister of Equipment, full member of the board

**Others present:**

- Mr. CHANO Moussa Mahamane, MCA-Niger Program Director
- Mr. AGALHEIR Kaocen, Director of Administrative and Financial Affairs of MCA-Niger
- Mrs GOURO Hassana, Legal Specialist of MCA-Niger
- Mr. GOURBOUDOU Hadi A. Nasser, Audit and compliance Manager , MCA-Niger

Mr. MASRO Hans, MCA-Niger Strategic Communications Manager

Mr. SALISSOU A.Kader, Security Advisor of MCA-Niger

- Ms GREENHALGH Emilie, Deputy Resident Director of the MCC in Niger
- Mr. BARNES Dan, MCC Country Eligibility Director, Washington DC
- Mr. AMADOU Moussa, Coordinator of the Support Unit for Monitoring Indicators

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

Person who acts as Secretary of the Session: Mr. ANNOU Mamane, Director General of the MCA: -Niger

## **II. PROCEDURE**

At the opening of the meeting at 10 am and 35 minutes, the President noted that a 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, in accordance with the rules of procedure, Mr. Mamane M. ANNOU, Director General of MCA-Niger, as Secretary of the meeting.

The President then recalled the agenda.

As no member of the Board made any amendments to the agenda, the Board adopted the following agenda:

## **1. Open Session**

### **1.1. Open Session: for approval**

- a) Reading of the Notice of Meeting and adoption of the Agenda
- b) Adoption of the Minutes of the fourth ordinary meeting of the Board of Directors held on April 3<sup>rd</sup> ; 2018
- c) Presentation of Special Resolutions N ° 005, N ° 006, N ° 007 and N ° 008, respectively concerning the change of category of the post of Head of Monitoring and Evaluation newly selected as Director of Monitoring and Evaluation , on Amendment No. 3 to MCA-Niger Procurement Plan No. 3, on the Detailed Financial Plan (PFD) for Disbursement Requests of the Compact Financing in Niger, and on Amendment No. 1 to Contract between MCA-Niger and CROWN AGENTS USA

### **1.2- Open Session: for information**

- d) MCC eligibility indicators
- e) Status of MCA-Niger projects
  - i. APD / APS studies – Konni
  - ii. APS / ESIA studies - Sia-Kouanza
  - iii. Roads: RN35 Study Contract, Sambera Rural Road and RN7
  - iv. PRAPS
    - Vaccinations
    - Livestock infrastructure/markets and milk collection centre
  - v. CRA
    - Grant Program - Grant Facility
    - Integrated Climate Resilient Investment Plan - ICRIPS
  - vi. Reforms
    - Fertilizer sector reform
    - Reform of road maintenance policy: FER

## **2- Executive session**

### **2. 1- Executive Session: for approval**

f) Approval of the Environmental and Social Management System (ESMS) 2. 2- Executive Session: for information

(g) Taxation of the MCA-Niger

h) Status of the CROWN AGENTS USA contract

## **3- Various. DISCUSSIONS AND DECISIONS ON AGENDA ITEMS**

1 - Opening remarks and presentation of the Agenda

### **Summary of the discussions:**

The Chairman of the Board of Directors opened the second extraordinary meeting of the MCA-Niger Board of Directors by specifying the importance of this extraordinary meeting during which the issue of MCC eligibility indicators will be discussed. To this end, he noted the presence of Mr. Daniel BARNES, Director of Country Eligibility at the MCC, who will address the issue during the meeting.

Then, Ms. KRISTIN Penn, MCC Resident Country Director in Niger, said that the day's meeting will be an opportunity to present a progress report on Compact program activities, and to address the issue of eligibility indicators for the MCC.

In this capacity, she introduced Mr. Daniel BARNES, Director of Country Eligibility at the MCC, a specialist in the field and more specifically on democratic rights issues (political rights, civil liberties and freedom of information).

Finally, Mr. Mamane M. ANNOU, Director General of MCA-Niger, indicated that seven (7) items were on the agenda before passing the floor to the Chairman of the Board of Directors for the presentation of these various items

**2 - Approval of the Minutes of the Fourth Regular Meeting of the Board held on April 3<sup>rd</sup> , 2018**

**Summary of the debates :** the Board noted some shortcomings in the minutes of the Board of Directors dated on April 3, 2018 and made the appropriate corrections.

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

**RESOLUTION N°1:** The Board of Directors approves and adopts, unanimously by the

members present, the minutes of the fourth ordinary meeting of the Board of Directors held on April 3<sup>rd</sup>, 2018.

### **3 - Presentation of special resolutions N°005, N°006, N°007 and N°008**

**Summary of the debates :** The Chairman of the Board of Directors presented to the members of the Board of Directors special resolutions N°005, N°006, N°007 and N°008 respectively on the change of category of the position of newly selected Head of Monitoring and Evaluation to the position of Director of Monitoring and Evaluation, on Amendment No. 3 to the MCA-Niger Procurement Plan No. 3, on the Detailed Financial Plan (PFD) for Compact Financing disbursement requests in Niger, and on Amendment No. 1 to the Contract between MCA-Niger and CROWN AGENTS USA.

He specified that special resolutions N°005, N°006, N°007 were approved unanimously by the votes of the members of the Council, and special resolution N°008 by a majority of the votes of the members of the Council.

### **4 - Presentation on the status of MCC Eligibility Indicators**

**Summary of debates :**

Mr. Mamane M. ANNOU, Director General of MCA-Niger, informed Council members that Mr. Moussa AMADOU, Coordinator of the MCA-Niger Support Unit and Mr. Daniel BARNES, Director of Country Eligibility at MCC, will make a preliminary presentation on MCC eligibility indicators.

Mr. AMADOU presented a summary of the report prepared by FREEDOM HOUSE, on the situation of democratic rights indicators (political rights, civil liberties and freedom of information) in 2017 in Niger.

Mr. BARNES then recalled the importance of all eligibility indicators for the MCC, and in particular those of democratic rights. He also recalled that Niger has maintained satisfactory scores (above average) for all indicators since its eligibility for the Compact reached in 2012, before drawing attention to the downward trend in democratic rights indicators as established by the report of the FREEDOM HOUSE organization. In this regard, he invited the Government of Niger to engage in a dialogue with FREEDOM HOUSE on the status of these indicators and measures to reverse the downward trend.

Following these presentations, some members of the Board of Directors asked questions and made comments, in particular regarding FREEDOM HOUSE's rating methods and the content of the report prepared for 2017 in particular. The Chairman of the Board of Directors then indicated that the Government remained ready to engage in dialogue with FREEDOM HOUSE and take any measure likely to improve the situation of MCC eligibility indicators in Niger.

Mr. BARNES replied by indicating that MCC was willing to facilitate relations between the Government of Niger and FREEDOM HOUSE, based in Washington, D. C. , and to receive and analyze any reports and information that the Government would like to share with FREEDOM HOUSE. The Chairman of the Board of Directors concluded by calling on the members of the Government and the MCA-Niger Support Unit responsible for monitoring these indicators to take advantage of the various opportunities for dialogue suggested by Mr.

BARNES.

## **5 - Presentation of the status of MCA-Niger projects**

**Summary of the debates :** Mr. Mamane M. ANNOU, Director General of MCA-Niger introduced Mr. Moussa Mahamane CHANO, Director of Programmes, who presented to the members of the Board of Directors a progress report on the main activities of the Compact programme currently being implemented, in particular:

- Irrigation projects (Konni and Sia-Kouanza)
- Road projects (RN35, rural road of Sambéra and RN7)
- Vaccination projects and infrastructure /market realization of **PRAPS**
  
- The **CRA** Grant Facility and Integrated Climate Resilient Investment Plans ICRIPs)
- Reforms in the fertilizer sector and the Road Maintenance Policy (FR)

At the end of this presentation, some members of the Board of Directors asked some questions and made comments.

The Minister of State, Minister of Agriculture and Livestock, asked for details on the measures that will be taken in the implementation of irrigation projects to address the problem of high evaporation observed, particularly in the Konni area. He also proposed that the Ministry of Agriculture and Livestock make available to the MCA-Niger the standard plans for livestock markets to be built by MCA-Niger.

The General Director provided answers concerning irrigation projects by detailing the technical solutions suggested by the consultant in charge of ODA studies for the Konni area.

The Minister of Planning asked, with regard to the RN35 road, to what extent the Government could assist the MCA-Niger in ensuring that, at the end of the project, this infrastructure would change from a laterite road to an asphalt road. The Director General replied that the RN35 design project had already provided for improvements to this road, including asphaltting.

The High Commissioner for the 3N initiative suggested to the General Director to involve HC3N in the validation of studies prior to the implementation of the various projects related to agriculture and livestock.

The board took note of the reports and information presented on the activities of the Compact and encouraged the General Management of the MCA-Niger for the implementation of this programme

## **6 Approval of the Environmental and Social Management System (ESMS)**

Summary of the debates : Mr. Mamane M. ANNOU, Director General of MCA-Niger presented the Environmental and Social Management System (SGES"); established by the MCA-Niger, recalling the importance given to preserving the environmental and social balance in the implementation of Compact projects. He briefly presented each of the international environmental standards provided for in the ESMS.

Following this presentation, the Minister of Environment and Sustainable Development asked the MCA-Niger to make certain clarifications and amendments relating to the regulatory, institutional and standards framework governing the SGES, as mentioned in the report. These include, in particular :

- Amend the reference to Act No. 98-56 of December 29<sup>th</sup> 1998 on the framework law on environmental management, which has been repealed by a new law;
- Indicate the decrees implementing Act No. 98-07 of April 29<sup>th</sup> 1998 establishing the Hunting and Wildlife Protection Regime, Act No. 2004-040 of June 8<sup>th</sup> 2004 on the Niger forestry regime and Act No. 2004-048 of June 30<sup>th</sup> 2004 on the Livestock Framework Act;
- Amend the reference to the implementing decree No. 96-68/PCSN/MDRH/E of Ordinance No. 96-008 of 21 March 1996 on Plant Protection, which has been amended.

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

### **RESOLUTION N°2 :**

The Board of Directors approves and adopts, unanimously by the members present, the Environmental and Social Management System (ESMS");, subject to the modifications and

clarifications suggested by the Minister of the Environment and Sustainable Development.

## **7 - Presentation on the taxation of the MCA-Niger**

**Summary of the debates :** Mr. Mamane M. ANNOU, Director General of the MCA:-Niger presented the current situation of the difference in tax treatment among the staff assigned to the implementation of the Compact, to the detriment of the Nigerian staff of the MCA-Niger. He recalled that discussions by written notes and hearings had been held on this subject at the Government level since the launch of the Compact, with a view to finding an appropriate solution. The board recommended that the MCA-Niger refer the matter to the Minister of Finance for a solution to this situation, and suggested that employees and managers of the MCA-Niger be granted an exceptional exemption in accordance with the terms of the Compact Agreement.

## **8 - Presentation on the situation of the CROWN AGENTS USA Contract**

**Summary of the discussions:** Mr. Mamane M. ANNOU, Director General of the MCA:-Niger informed the members of the Board that the Contract concluded between the UC-PMC in the name and on behalf of MCA-Niger and CROWN AGENTS USA for the activity of Procurement Agent, whose firm period has been extended by 2 months, expired on July 31<sup>st</sup> 2018. He said that MCA-Niger will enter into negotiations with CARDNO EMERGING MARKETS Ltd to resume this activity. The Board of Directors took note of this information and gave its support to MCA-Niger for the start of negotiations.

## **9 - Miscellaneous**

**Summary of the debates :**

Mr. Mamane M. ANNOU, Director General of MCA-Niger, raised the issue of the recruitment of a Land and Resettlement Manager by MCA-Niger. He indicated that the Land and Resettlement Manager hired at the end of the 1% recruitment process for this function is leaving his position for administrative reasons. He then pointed out that this recruitment process has demonstrated the difficulty of having a candidate with both expertise (Land and Resettlement). For these reasons, he submitted for decision by the Board of Directors, the modification of the organization chart of the MCA-Niger in order to separate the position of Land and Resettlement Manager into two positions: a position of Land Manager and a position of Relocation Manager.

The debates on this item having been covered, the President submitted to the vote the adoption of resolution N°93.

**RESOLUTION N°93:**



The Board of Directors approves and adopts, unanimously by the members present, the modification of the organization chart of the MCA-Niger in order to separate the position of Land and Resettlement Manager into two positions: a Land Manager position and a Resettlement Manager position.

As the agenda of the board was completely covered, the Chairman of the Board of Directors moved to declare closed the meeting at 4. 05 p. m.

**Signed by:**

For the MCA-Niger: Mr. ANNOU Mamane, Director General of the MCA:-Niger

Mr. OUHOUMOU MOUDOU-Mahamadou, Chairman of the Board of Directors