

MILLENNIUM CHALLENGE ACCOUNT-NIGER MCA-NIGER



MINUTES OF THE SEVENTH ORDINARY MEETING OF THE BOARD OF DIRECTORS HELD IN NIAMEY ON FEBRUARY 12th, 2019

The Board of Directors of the Millennium Challenge Account Niger ("MCA-Niger") held an ordinary meeting on February 12th, 2019 from 2:05 p.m. at the headquarters of MCA-Niger, in accordance with the :

(i) MCA-Niger's Rules of Procedure; (ii) Decree No. 2016-7061 NRP, dated 23 December 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 governmental entities, as applicable (the "Government"), signed on July 29, 2016 (the "Compact"); and (iv) The Programme Implementation Agreement signed on 29 July 2016 ("Programme Implementation Agreement"), between the United States of America, acting through MCC, and the Government.

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

I

I MEMBERS OF THE BOARD OF DIRECTORS:

The following people were present:

1. Mr ALBADE Abouba, Minister of State, Minister for Agriculture and Livestocks, Acting Chairman of the Board of Directors, full member;
2. Mrs OUSSEINI Hadizatou Yacouba, Deputy Director of Cabinet of the President of the Republic, representing the Minister Director of Cabinet of the President of the Republic;
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3. Mr KATAMBE Issoufou, Minister of Hydraulics and Sanitation, full member
4. Mr Al-IMAT Jidoud, Minister Delegate for the Budget, alternate member of the Board;
5. Mrs ELBACK ADAM Zeinabou Tani Bako, Minister for the Advancement of Women and the Protection of the Child, full member;
6. Mrs YAHAYA Saadatou M. Barmou, Deputy Assistant to the Chief of Staff to the Prime Minister, substitute member;
7. Mr DJARIRI Mahaman Salissou, chief of staff of the Minister of the Environment, Urban Health and Sustainable Development, alternate member;

8. Mr MOUNKAILA Ousseini, 2nd Vice-President of the Niger Chamber of Commerce, Industry and Handicrafts, Representative of the Private Sector, alternate member;
9. Mr BAGNA Djibo, President of the Peasant Platform, Representative of Civil Society, full member; ;
10. Mrs. FODI Halima, Secretary of the Coordination of Non-Governmental Organizations and Niger Women's Associations (CONGAFEN), full member ;
11. Mrs. PENN Kristin, Resident Director of the MCC in Niger, full member as non-voting observer ;
12. Mr. ANNOU Mamane, Director General of MCA-Niger, Secretary of the Board of Directors, full member as non-voting observer; 13.

Present by teleconference: None

Other persons Absent:

- Mrs. KANE Aichatou Boulama, Minister of Planning, full member;
- Mr KADI Abdoulaye KADI, Minister of Equipment, full member;
- Mr BETY Ali, High Commissioner for the 3N Initiative, full member.

Other persons present :

- Mr. Moussa Mahamane CHANO, Programme Director, MCA-Niger;
- Mr. Abdoul Nasser 14ADI GOURGOUDOU, Manager Internal Audit and Compliance, MCA-Niger;
- Mrs. Hassana GOURO, Legal Specialist, MCA-Niger;
- Mr. Moussa AMADOU, Coordinator of the Support Unit in charge of Monitoring Eligibility

Person acting as Chairman of the meeting: Mr Albadé ABOUBA ,Acting Chairman of the Board of Directors

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

II. PROCEDURE

At the opening of the meeting at 2: 50 pm, Mr. Albade ABOUBA informed the members of the absence of the Chairman of the Board, Mr. Mahamadou OUHOUMODOU, and indicated that he was acting as interim Chairman of the Board according to the mandate read out by the Director General of MCA-Niger.

The Acting Chairman of the Board then noted, in compliance with Article 3.12 (b) of the MCA-Niger's Rules of Procedure, that a quorum was reached through the presence of a majority of the voting members of the Board, including at least one member who was not a representative of the Government. He therefore declared the meeting open.

The acting chairman then appointed Mr. Mamane M. ANNOU, General Director of MCA-Niger, as the Secretary of the meeting.

Finally, the Acting Chairman of the Board recalled the agenda indicated in the notice of meeting addressed to members. No member before bringing any amendment to this agenda, the Council adopted it on the following items:

1- Open Session

1.1- Open session: for approval

- a) Reading of the Meeting Notification and adoption of the Agenda
- b) Adoption of the Minutes of the Sixth Ordinary Meeting of the Board of Directors held on December 20th, 2018

1.2- Open Session: for information

- (c) Presentation of the 2018 assessment of MCA-Niger and the perspectives for 2019
- d) Presentation of Special Resolution n0001/01-2019 approving the Procurement Plan No. 4 of MCA-Niger approved at home
- (e) Government approval of road maintenance reform
- (j) The alignment of donor programmes with fertilizer sector reform

2- Miscellaneous

III. DEBATES AND DECISIONS ON THE ITEMS OF THE AGENDA

1- OPEN SESSION

1.1. OPEN SESSION: For approval

A - Opening remarks and presentation of the Agenda

Summary of the debates: The Chairman of the Board opened the sixth ordinary meeting of the Board of Directors of MCA-Niger by specifying that it will be the occasion to present a balance sheet of the activities of MCA-Niger in the context of Farm& 2018. The Director General of MCA-Niger, secretary of the meeting, after welcoming the participants, explained the items on the agenda before handing over to the Chairman of the Board for the continuation of the work.

B - Approval of the minutes of the sixth ordinary meeting of the Board of Directors held on 20 December 2018

Summary of the debates :

The board made some minor corrections to the minutes at this meeting. Some members also provided additional information on some of the recommendations made by the Board during the Sixth Regular Meeting.

Thus, the Deputy Assistant of the chief of staff to the Prime Minister asked whether the problem of the silting up of the Mozague Dam had been raised at the level of the Niger-Nigerian Joint Commission for Cooperation. The Director General replied that the matter was to be discussed at the next meeting of the Commission, which has not yet been scheduled.

The Minister of Water and Sanitation asked whether the French translations of the documents presented in English at the sixth ordinary meeting had been made. These documents include the Procurement Operations Manual (POM), the Bid Challenge System (BCS), the updated MCA-Niger Audit Plan and the Memorandum of Understanding between MCA-Niger and USADF. The General Management replied that the translations were in progress.

The Deputy chief of staff of the President of the Republic finally suggested that, for each of the forthcoming board meetings; there should have an item on the agenda about the status of implementation of the recommendations made by the Board at previous meeting .

The debates on this item having been covered, the President submitted to the vote the adoption of Resolution No. 01.

RESOLUTION N°01 The Board of Directors approves and adopts, by unanimous vote of the members present , the following resolution, the minutes of its sixth ordinary meeting held on December 20th, 2018

1-2. OPEN SESSION: For information

C - Presentation of the 2018 Balance of MCA-Niger and the 2019 perspectives

Summary of the debates : For this presentation, the floor was given to the Director General who first thanked the members of the Board for their presence and welcomed them to the headquarters of MCA-Niger. He then recalled the objectives pursued and achieved by MCA-Niger in 2018, in particular:

- To collect the necessary resources to start its activities. Indeed, 90% of the staff is recruited, about sixty in Niamey, and about thirty in the regions of intervention of the Compact, covering several areas of expertise. Similarly, the infrastructure and equipment essential to the accomplishment of the Program's activities have been acquired.
- To develop a work plan, planning the activities of the various projects, starting the studies prior to work on all the infrastructure projects (irrigation and roads). This is particularly the case of the Konni project. For this project, the tender dossier for the works at Konni will be launched in February 2019 and MCA-Niger plans to release the first package of the site and hand it over to the successful bidder in September 2019. MCA-Niger has already selected a Consultant who will assist in the release and handover of this site through elaboration and the implementation of a Resettlement Action Plan (RAP KONNI). It should be noted that the project to rehabilitate the irrigated perimeter of Konni has the characteristic of being an agricultural development project in an urban area with a high density of activity and population. In this connection, the Director General has received the support of the members of the Board and of the Konni territorial administration in view of the social, political and economic issues involved in the resettlement.

In addition, he outlined the objectives for 2019 for each project and activity, which for the most part consist of the start-up phase of the work.

At the end of this presentation, the President of the Board stressed that the Konni RAP is a major challenge of the Compact. The problem of illegal occupation of the area is compounded by the conflict between rural/agricultural development and urban expansion. He added that the challenge of resettlement was to find an approach which would reconcile the objectives of the Compact with the needs of the people of Konni, stressing the need for state intervention in this respect. Finally, he suggested that the issue of the Konni RAP be further discussed at an extraordinary meeting of the Council to be convened as soon as possible, after a prior visit to the area by the members of the Board

The Deputy Chief of Staff of the President of the Republic noted the summary nature of the document presented as a balance sheet, and a detailed and comprehensive report both technically and financially. Regarding the outlook for 2019, she recalled the importance of monitoring MCC eligibility indicators (Scorecard >>) and suggested that a briefing on this topic be presented to the Board at the next meeting. Management replied that a comprehensive review was being prepared and would be sent to the Board and to MCA-Niger stakeholders.

The Deputy Chief of Staff of the Prime Minister asked whether the Konni and Sia Kouanza-Tondika irrigation projects were behind schedule and, likewise, the means envisaged to make up for the delay. The General Director replied that despite the one (1) month delay in the validation of the Environmental and Social Impact Assessment (ESIA) of the Konni project, new planning will make it possible to respect the initial schedule of works, provided that the RAP is properly implemented. As for the Sia Kouanza-Tondika project, it is a complex file because the Consultant selected for the Preliminary Project Summary (PPS) and Environmental and Social Impact Assessment (ESIA) studies has provided only 40% of the deliverables in 10 months. A new Consultant has been selected for the continuation of these studies which are scheduled for delivery in July 2019.

The Minister of Water and Sanitation has requested information on the issue of the non-objection of Nigeria to the Konni project as a precondition for the disbursement of the Compact funds for this work. In response, the General Management stated that despite the Memorandum of Understanding signed between the two countries in February 2018, MCC has requested Nigeria's formal non-objection to the project. Thus, it will be requested from Nigeria to record, in the minutes of the meeting of the Joint Niger-Nigeria Cooperation Commission, its non-objection formula, as indicated in the Legal Notice N°006/2017/DGARC/DG Pi issued by the Ministry of Foreign Affairs dated from April 5th, 2017. In this regard, MCA-Niger requested the Minister of Foreign Affairs, by a letter dated of August 18th, 2018, to include this issue on the agenda of the next meeting of the said Commission. However, Nigeria's electoral calendar is delaying the holding of such a meeting.

The President of the Peasant Platform suggested the contribution of civil society to sensitize the population on the issue of resettlement, prior to any action by MCA-Niger or the State.

The Chief of Staff of the Minister of the Environment, Urban Health and Sustainable Development stated that the Environmental and Social Impact Assessment (ESIA) of the Konni project should contribute to the preparation and implementation of the RAP.

To conclude, the Acting Chairman of the Board appreciated the positive outcomes of 2018 and encouraged MCA-Niger in the pursuit of its objectives for 2019. He also reiterated the Government's preparedness for supporting MCA-Niger in this regard.

The discussions on this information item having covered, the President moved on to the next item on the agenda

D . Presentation of the Special Resolution n°001/01-2019 approving the Procurement Plan n°4 of the MCA-Niger approved at home

Summary of the debates : The Acting Chairman of the Council recalled the purpose of the Special Resolution n°001/01-2019 approving the Procurement Plan n°4 of MCA-Niger for the period from 1 January to 31 December 2019 and confirmed its adoption by home consultation of board members.

The debates on this information item having been covered, the President moved on to the next item on the agenda

E - Government approval of road maintenance reform

Summary of the debates : The Director General of MCA-Niger introduced this information point by recalling the importance of the road maintenance reform in the Compact, the road project (RN7, RN35 and Sambera rural road) constituting the second major component of the Programme. He also recalled that this reform implies, in addition to the creation of the FER2G whose statutes were adopted on July 6, 2018, the creation of the Road Maintenance Contracting Agency (AMODER) and the Road Maintenance Current Audit Unit (CACER). He indicated that the draft ordinance relating to the creation of the AMODER and the CACER had been submitted to the Government for adoption on 1 February 2019.

The Deputy chief of staff of the Prime Minister stated that the texts had been transmitted to the Constitutional Court for an opinion. The President of the board concluded that the process was following its course.

The debates on this item having been concluded, the President moved on to the next item.

F Alignment of donor programmes on the reform of the fertilizer sector

Summary of the debates : The adoption of the Fertilizer Sector Reform Plan by Decree No. 2018-046 PRN/MAG/EL of 12 January 2018 was a prerequisite for the entry into force of the Compact, as the Director General recalled. This reform aims at improving the availability of quality fertilizers and their accessibility to producers through the promotion of an operational and efficient private sector in the import and distribution of fertilizers. The achievement of these objectives is therefore based on coordination of the actors involved in the sector, including in particular the various technical and financial partners. However, it has emerged that some of these partners' interventions are not compatible with the strategies adopted for the proper implementation of the Reform Plan. This is the case of the measures supported by the EU and KfW under the performance contract for the Central Agricultural Input and Material Supply Plant (CAIMA) and its restructuring project. It is therefore imperative to align, coordinate and consolidate the approaches of all sectorial interventions with the Reform Plan.

Besides, the failure to set up a budget to finance the renewed fertilizer subsidy programme, a pillar of the reform, risks hampering the implementation of the reform, the pilot phase of which runs from October 2018 to March 2020. The State and/or MCA-Niger as well as the technical and financial partners involved in the sector must set up such a budget.

The President of the Board replied that talks were being held with all technical and financial partners intervening in the fertilizer sector in order to harmonize the different interventions.

The debates on this information item having been covered, the Chairman moved on to the next item.

III-MISCELLANEOUS

The Representative of Women's Civil Society Organizations called on the Board to consider the role of civil society in the activities of the MCA-Niger. She noted that civil society was never invited to meetings and events of MCA-Niger. The Interim Chairman of the Board replied that civil society is not marginalized as long as it is involved in decision-making on the Compact, through the Board of Directors, and is provided with all relevant documents and information on the activities of the Programme.

The President of the Board ., then, informs and recommends the participation of MCA-Niger in some events planned in Niamey concerning the agricultural field, namely:

- The National Symposium of Niger's Women Scientists and Technologies (RFSTIN) on the theme of food security and renewable energies, on 13 and 14 February 2019
- The National Day of Agronomic Research, February 18, 2019;
- The Fair of Agriculture, Hydraulics, Environment and Livestock (SAHEL), from February 19th to 24th 2019;
- The Millet Festival (FESTIMIL), from Feb.21st and 22nd 2019.
- The first Summit of Heads of State of the Climate Commission of the Sahel Region.

Finally, the President of the board declare closed the seventh ordinary meeting by thanking the members for their availability, for the relevance of their interventions, and recalled the holding of an extraordinary meeting in the near future, particularly on the issue of the Action Plan and the Resettlement of Konni project site (RAP of KONNI).

SIGNED BY :

MAMANE ANNOU, SECRETARY OF THE MEETING

ALBADE ABOUBA; ACTING CHAIRMAN OF THE BOARD

