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MILLENNIUM CHALLENGE ACCOUNT – NIGER (MCA-NIGER)

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FINANCIAL AUDIT OF MCC AND GOVERNMENT OF NIGER RESOURCES MANAGED BY MCA-NIGER

FINAL AUDIT REPORT

AUGUST 17, 2022

Accountable Entity Audited:	Millennium Challenge Account – Niger (MCA-Niger)
Country:	Niger
Audit Contract References:	ADM/41/F.252/21, Amendment N°1, Amendment N°2
Previous Audit Period:	October 01, 2020 to March 31, 2021
Independent Public Accountant:	KMC SA
Audit Period:	April 01, 2021 to March 31, 2022
Audit Performing Period:	May 16, 2022 to June 17, 2022

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MCA Niger
Audit Report
Period from
04.01.2021
to 03.31.2022

To

Mr. ABANI Sani Ibrahim

Chairman, MCA-Niger Board of Directors MCA-Niger

Boulevard Mali Béro, Face Lycée Bosso Niamey, Niger

Subject: Financial Audit of MCC and Government of Niger Resources Managed by MCA-Niger for the period from April 01, 2021 to March 31, 2022.

Please receive attached the following results of our audit of the Financial Audit of MCC and Government of Niger Resources Managed by MCA-Niger with incurred costs of \$90,171,423.09 for the current period:

- Independent Auditor's Report on the consolidated Fund Accountability Statement related to 609 (g) Grant agreement funding and the Compact.
- Independent Auditor's Report on Internal Control and Compliance.

Yours sincerely,

August 17, 2022

KMC SA

KMC S.A.

Niamey | Niger

Glossary and terms

AICPA	American Institute of Certified Public Accountants
CA	Board of Directors
CDF	Compact Development Fund
CRA	Climate-Resilient Agriculture
DAF	Financial and Administrative Director
DAJ	Legal Affairs Director
ERP	Enterprise Resource Planning software
FA	Fiscal Agent
FAP	Fiscal Accountability Plan
FAS	Fund Accountability Statement
GAAP	Generally accepted accounting principles
GAO	Government Accountability Office
ICOFR	Internal Control Over Financial Reporting
IE	Implementing Entity
IEA	Implementing Entity Agreement
LPIU	Program Implementation Unit within the Ministry of Agriculture and Livestock
M&E	Monitoring and Evaluation
MCA	Millennium Challenge Account
MCC	Millennium Challenge Corporation
NC	National Council
PA	Procurement Agents
PAM	Procurement Agent Manager
PAP	Persons Affected by the Project
PIU	Project implementation units
PMO	Project Management Office
POM	Procurement Operations Manual
PRAPS	Projet Régional d'Appui au Pastoralisme au Sahel/Niger
QCR	Quality control review
SAS	Statements on Auditing Standards
SAP	Systems, Applications & Products in data processing
SSAE 19	Statement on Standards for Attestation Engagements
UC	Coordination Unit
U.S.	United States
USD	United States Dollars
VAT	Value-added taxes
XOF	Francophone West African Currency

1. Background

The U.S. Government's Millennium Challenge Corporation (MCC) signed a five-year, \$437 million Compact with the Government of Niger and the same entered into force on January 26th, 2018, to reduce poverty through economic growth.

The overall budget includes an amount of \$16,800,000 which is directly managed by MCC, on February 24, 2022 MCA Niger obtained a no objection notice for a one-year extension on the implementation period with an additional budget of \$5,600,000.

The Compact activities will be administered by MCA-Niger, an agency of the Government of Niger, with oversight by the MCC.

2. Program description

MCC's \$442.6 million Niger Sustainable Water and Agriculture Compact will support improvements to three major constraints to economic growth and investment in Niger: lack of reliable access to water for agricultural use and livestock; lack of access to markets; and a fragmented and inefficient business regulatory system. In partnership with the Government of Niger, the MCC compact will strengthen Niger's agricultural sector by improving water availability, infrastructure, and market access, and has the potential to benefit more than 3.9 million people.

Climate Resilient Communities Project

The Climate-Resilient Communities Project aims to increase incomes for small-scale agriculture- dependent and livestock-dependent families in eligible municipalities in rural Niger by improving crop and livestock productivity, sustaining natural resources critical to long-term productivity, and increasing market sales of targeted commodities. The project will be implemented in partnership with the World Bank through existing project implementation units ("PIUs") located in the Ministry of Agriculture and Livestock.

Regions of intervention for this project are Tillaberi, Dosso, Tahoua and Maradi.

Irrigation and Market Access

Through the compact's Irrigation and Market Access Project, MCC will partner with the Government of Niger to improve irrigation, including the rehabilitation and development of three large-scale irrigation systems, in order to increase crop yields, sustainable fishing

and livestock productivity. The project will upgrade road networks to significantly improve access to markets and services, provide technical support for farmers, with a focus on women and youth, to improve performance of their businesses and establish market platforms to competitively position farmer groups in the marketplace.

In addition, the project will reform policies and institutions, including the establishment of a national water resource management plan and natural resource and land use management plans, and create local capacities to increase understanding of best practices to sustainably use and maintain irrigation, road and market infrastructure.

The project will focus its interventions in the Dosso and Tahoua regions.

Monitoring and Evaluation

The Monitoring and Evaluation (M&E) Project is comprised of two components: The Monitoring Component and the Evaluation Component.

The Monitoring Component identifies the indicators, the sources and methods for data collection, the frequency for data collection, the timeline, the format for reporting on each indicator and the method by which the reported data will be validated in order to assess the Project.

The Evaluation Component consists of three evaluations---impact, project performance, and special studies.

Program Administration Project

The Compact is implemented by the Millennium Challenge Account–Niger (the “MCA Niger”) which has overall management responsibility for the implementation. MCA Niger reports to a Board of Directors.

MCA-Niger is supported by a Fiscal Agent, a Project Management Office (PMO) and a Procurement Agent. The Fiscal Agent is responsible for financial management and reporting functions of MCA-Niger, and the Procurement Agent is responsible for the administration management and execution of MCA-Niger procurement activities. The PMO defines and maintains standards for project management within MCA-Niger.

3. Authorized parties

3.1. MCA Niger

MCA-Niger was established by a Council of Ministers Decree dated December 23rd, 2016, under reference 2016-706/ PRN. Its constituent bodies responsible for its Administration and Management are the Board of Directors (CA), the National Council (NC), and the Coordination Unit (UC) also known as the Millennium Challenge Account Niger (MCA-Niger). The MCA-Niger organization is based on an organizational chart. In case of development or changes (to be submitted, as appropriate to prior approval by MCC), the Fiscal Agent (FA) and the Procurement Agents (PA), contractors for financial and procurement management respectively should be informed by MCA-Niger accordingly.

The key persons authorized to act on behalf of MCA-Niger in terms of procurement and financial management are:

- The Procurement Director: s/he is the first MCA-Niger official responsible for procurement activities and their compliance with MCC relevant guidelines, the “MCC Program Procurement Guidelines”.
- The Financial and Administrative Director (DAF): s/he is the first MCA Niger official responsible for financial management activities and their compliance with the “Fiscal Accountability Plan” and the above-mentioned Agreements.

If the MCA-Niger Director General is absent or unavailable, s/he is equally replaced by the DAF, or any other authorized representative designated in writing (DAF cannot act as an interim for DG or any other directors or managers), for the signature of any correspondence, contract, invoice, and any other document whatsoever, required for MCA-Niger day-to-day management. An official email or memo signed from the DG will designate his delegate with the dates of the acting period.

3.2. The “Procurement Agent”: Cardno emerging markets USA, ltd

The Procurement Agent is responsible for ensuring that procurement functions are performed in accordance with the agreements and procedures set out in the PPG, Procurement Agent Agreement, Procurement Operations Manual (POM) and the FAP. The main persons authorized to act on behalf of the Procurement Agent in any matters relating

to the Agent’s function as set forth in the "Procurement Agent Agreement" and in accordance with the above-mentioned Agreements, are currently:

- Procurement Agent Manager (PAM)
- Project Director
- Project Manager

3.3. The “Fiscal agent”: GFA & CPK consortium

The Fiscal Agent is responsible for ensuring that financial management functions are executed in accordance with the MCC Guidelines, the Fiscal Agent Agreement and the FAP. The persons authorized to act on behalf of the Fiscal Agent in any matters relating to the Agent’s functions set forth in the “Fiscal Agent Agreement”, and in accordance with the above-mentioned Agreements, are currently:

- Fiscal Agent Manager (FAM)
- Project Director
- Project Coordinator
- Senior Payment Specialist
- Senior Accountant Specialist

3.4. Implementing entities

Under the agreements with MCC, MCA-Niger may enter into agreements with one or more Government affiliates to implement activities or a component thereof as an Implementing Entity (IE).

The form of each Implementing Entity Agreement (IEA) must be agreed upon with MCC by means of a “no-objection” and approved by the Board, each IEA:

For the PRAPS Activity and the CRA Activity, MCA-Niger will enter into the PRAPS Transfer Agreement and the CRA Transfer Agreement, respectively, which will outline the duties of the LPIU and the AgPIU with respect to implementation of such Activities, including, but not limited to, the role of embedded MCA-Niger staff in the LPIU and AgPIU, as well as the role of embedded Fiscal Agent and Procurement Agent.

4. Audit objectives and scope

4.1. Audit objectives

The objective of this engagement is to conduct financial audits of the MCC resources Compact Funding, managed by MCA-Niger under the Compact agreement between the MCC and the Government of Niger. The audits are conducted in accordance with the Government Auditing Standards issued by the Comptroller General of the United States and the Guidelines for Financial Audits Contracted by the Millennium Challenge Corporation's Accountable Entities issued by MCC or any subsequent guidance issued by MCC. Detailed audit procedures are not required for funding managed by MCC, which will be audited by MCC's independent auditors.

We performed the financial audit of the funds provided by MCC in accordance with U.S. Government Auditing Standards and accordingly includes such tests of the accounting records as deemed necessary under the circumstances.

The specific objectives of the audit of the MCC- provided funds are to:

- Express an opinion on whether the FAS for the MCC funded program(s) presents fairly, in all material respects, program revenues, costs incurred and reimbursed, and assets and technical assistance directly procured by MCA-Niger for the period ended in accordance with the terms of the Compact and supplemental agreements and in conformity with the basis of accounting described in the notes to the financial statements.
- Evaluate and obtain a sufficient understanding of MCA-Niger's internal controls related to the MCC funds, assess control risk, and identify reportable conditions, including material internal control weaknesses. [This evaluation must include the internal controls related to required cost-sharing contributions, if applicable for this compact.]
- Perform tests to determine whether MCA-Niger complied, in all material respects, with the Compact, supplemental agreements, and applicable laws and regulations related to MCC-funded programs. All material instances of noncompliance and all illegal acts that have occurred or are likely to have occurred must be identified. Such tests must include the compliance requirements related to required cost-sharing contributions, if applicable. Specifically, the auditor shall perform tests to determine

whether MCA- Niger complied, in all material respects, with the MCC Program Procurement Guidelines and the MCA-Niger Fiscal Accountability Plan in effect during the audit period.

→ Determine whether MCA-Niger has taken adequate corrective action on the prior audit report recommendations, if applicable.

We designed audit steps and procedures in accordance with U.S. Government Auditing Standards, to provide reasonable assurance of detecting situations or transactions in which fraud or illegal acts have occurred or are likely to have occurred. If such evidence exists, the Auditor must immediately contact the MCC Inspector General and must exercise professional judgment in pursuing indications of possible fraud and illegal acts so as not to interfere with potential future investigations or legal proceedings.

4.2. Audit period

Audits of MCC resources managed by MCA-Niger will be bi-annual with audit periods ending March 31 or September 30. First Audit of Contract Base period covered six (06) months from October 01, 2020 to March 31, 2021. However, and with the addendum n°2 the audits of MCC resources managed by MCA-Niger (**Option Period # 1** and **Option Period # 2**) will be annual with audit period ended March 31. The **Option Period # 3** will cover fourteen (14) months audit with audit period ended May 26, 2024.

4.3. Audit scope

We used the following steps as the basis for our audit programs and our review. These steps are not all-inclusive or intended to be restrictive in nature and do not constitute relief from exercising professional judgment and due professional care.

4.3.1 Pre-Audit Steps

We reviewed the applicable documents considered necessary to perform the audit:

1. The Compact and/or any pre-Compact agreements between MCC and the Government of Niger; and any supplemental agreements by and between MCC, the Government, MCA- Niger, its Covered Providers, and other recipient organizations under MCC-funded grants, contracts, and implementing agreements for development and implementation of the Compact.

2. Other documents including but not limited to, the: Program Implementation Agreement, Bank Agreement, Procurement Agent Agreement, Fiscal Agent Agreement, Fiscal Accountability Plan, Procurement Operations Manual, Procurement Plan, Program Procurement Guidelines, Implementing Entity Agreement(s), M&E Plan, Implementation Plan(s), and Work Plans for the relevant Project or Project Activity.
3. The agreements between MCA-Niger and contractors and grantees, and any other entities implementing Compact funded activities on MCA-Niger's behalf.
4. Implementation letters, and written procedures approved by MCC and/or MCA-Niger.
5. The sub agreements between MCA-Niger or its implementing entities and their sub-implementing entities, if applicable.
6. All program financial and progress reports; charts of accounts; organizational charts; accounting systems descriptions; procurement policies and procedures; and receipt, warehousing and distribution procedures for materials, as necessary, to successfully complete the required work.
7. MCC's Cost Principles for Accountable Entity Operations.
8. Any previous audits, financial reviews, etc., that directly relate to the objectives of the audit.

4.3.2 Fund Accountability Statement

We performed examination of the FAS for MCC funded programs including the budgeted amounts by Project and Activity major items; the revenues received from MCC or the Government of Niger for the period covered by the audit; the costs reported by MCA-Niger as incurred during that period.

Detailed performed procedures are as follow:

1. Review costs billed to and reimbursed by MCC and costs incurred but pending reimbursement, identifying and quantifying any questioned costs. All costs that are not supported with adequate documentation or are not in accordance with the terms of the Compact and related/supplemental agreements must be reported as questioned costs. Questioned costs that are pending reimbursement must be identified in the notes to the Fund Accountability Statement as not yet reimbursed.

2. Review general and program ledgers to determine whether costs incurred were properly recorded. Reconcile direct costs billed to and reimbursed by MCC to the Program and general ledgers.
3. Review the procedures used to control the funds, including transfers to contracted financial institutions or other implementing entities. Review the bank accounts and the controls on those bank accounts. Perform positive confirmation of balances, as necessary.
4. Determine whether disbursement requests made to MCC and any MCA-Niger advances of funds to implementing entities were supported with adequate documentation, including reconciliations of funds advanced, disbursed, and available. We have ensured that all funding received by MCA-Niger from MCC was appropriately recorded in MCA-Niger accounting records and that those records were periodically reconciled with information provided by MCC (only for MCC funds).
5. Determine whether program income was added to the funds used to further eligible program objectives, to finance the non-MCC share of the Program, or deducted from program costs, in accordance with the terms of the Compact and related agreements.
6. Review procurements to determine whether sound commercial practices including competition were used, reasonable prices were obtained, and adequate controls were in place over the qualities and quantities received. Assess whether the procurements were in accordance with MCC's Program Procurement Guidelines, the approved Procurement Plan, and the Fiscal Accountability Plan.
7. Review direct salary payments to determine whether salary rates are reasonable for that position, in accordance with those approved by MCC, when such approval is required, and supported by appropriate payroll records including MCA-Niger staff employment agreements. Determine whether any overtime was charged to the Program and whether overtime payments are allowable under the terms of the Compact and related agreements. Determine whether allowances and fringe benefits received by employees were in accordance with the employment agreements and applicable laws and regulations. Determine whether salary

increases or changes in benefits received were consistent with the policies and procedures of MCA-Niger were appropriately reviewed, approved and documented.

8. Review travel and transportation charges to determine whether they are adequately supported and approved.
9. Review assets (e.g., supplies, materials, vehicles, equipment, food products, tools, etc.) procured by MCA-Niger. We determined if assets exist or were used for their intended purposes in accordance with the terms of the Compact and related agreements, and whether adequate control procedures are in place and are to safeguard the assets.
10. Review technical assistance and services. The Auditor must determine whether technical assistance and services were used for their intended purposes in accordance with the terms of the Compact or any pre-Compact and/or related agreements. The cost of technical assistance and services not properly used in accordance with the agreements must be included as questioned costs in the Fund Accountability Statement.
11. Perform additional audit steps detailed in the approved Audit Planning Document deliverable and as requested by MCA-Niger or MCC.
12. Review if MCA-Niger charges indirect costs to MCC using provisional rates, the allocation method to determine that the indirect cost pool and distribution base include only allowable items in accordance with the compact and related agreement terms.

4.3.3 Internal controls

We have reviewed and evaluated MCA-Niger's internal controls related to MCC funded programs to obtain a sufficient understanding of the design of relevant control policies and procedures and whether those policies and procedures have been placed in operation. We used the U.S. Government Accountability Office's Standards for Internal Controls in the Federal Government (GAO-14-704G; 2014) in assessing recipient internal controls. We have documented our understanding of the internal controls in the audit documentation file.

The major internal control components to be studied and evaluated include, but are not limited to, the controls related to each revenue and expense account on the Fund Accountability Statement. As part of our approach, we have:

1. Obtained a sufficient understanding of the internal controls to plan the audit and to determine the nature, timing and extent of tests to be performed.
2. Assessed inherent risk and control risk and determine the combined risk.
3. Summarized the risk assessments for each assertion in the audit documentation.
4. Evaluated the control environment, the adequacy of the accounting systems, and control procedures. Emphasis has been placed on the policies and procedures that pertain to MCA- Niger's ability to record, process, summarize, and report financial data consistent with the assertions embodied in each account of the Fund Accountability Statement. This evaluation has included, but not limited to, the control systems for:
 - a. Ensuring that charges to the program are proper and supported;
 - b. Managing cash on hand and in bank accounts;
 - c. Procuring goods and services;
 - d. Managing inventory and receiving functions;
 - e. Managing personnel functions such as timekeeping, salaries, and benefits;
 - f. Managing and disposing of assets (such as vehicles, equipment, and tools, as well as other assets) purchased either by the program or directly by the MCC; and
 - g. Ensuring compliance with Compact, related agreement terms, applicable laws, and regulations that collectively have a material impact on the Fund Accountability Statement. The results of this evaluation must be contained in the audit documentation section described in Section V.D of this Terms of Reference dealing with the review of compliance with Compact and related agreement terms and applicable laws and regulations and presented in the compliance report.

5. Evaluated internal controls established to ensure compliance with cost-sharing requirements, if applicable, including both provision and management of the contributions.
6. Included in the study and evaluation other policies and procedures that may be relevant if they pertain to data the auditor uses in applying auditing procedures. This may include, for example, policies and procedures that pertain to non-financial data that the auditor uses in analytical procedures.

In fulfilling the audit requirement relating to an understanding of internal control and assessing the level of control risk, we have followed, at a minimum, the guidance contained in AICPA AU-C sec.315, entitled Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement and AICPA AU-C sec.265 entitled Communicating Internal Control Related Matters Identified in an Audit, as well as AICPA AU-C sec. 240 entitled Consideration of Fraud in a Financial Statement Audit.

4.3.4 Compliance with Agreement Terms and Applicable Laws and Regulations

In fulfilling the audit requirement to determine compliance with agreement terms and applicable laws and regulations related to MCC programs, the auditors must, at a minimum, follow guidance contained in AICPA AU-C sec.935 entitled Compliance Audits and AICPA AU-C sec.250 entitled Consideration of Laws and Regulations in an Audit of Financial Statements. The compliance review must also determine on audits of awards that present cost-sharing budgets on an annual basis and on close-out audits of awards that present cost-sharing budgets on a life-of-project basis if cost-sharing contributions were provided and accounted for in accordance with the terms of the agreements. The auditor's report on compliance must set forth as findings all material instances of noncompliance, defined as instances that could have a direct and material effect on the Fund Accountability Statement. Nonmaterial instances of noncompliance should be included in a separate management letter to the recipient and referred to in the report on compliance. The management letter should be provided to MCA-Niger along with the audit report.

The auditor's report must include all conclusions that a fraud or illegal act either has occurred or is likely to have occurred. In reporting material fraud, illegal acts, abuse, or other noncompliance the Auditors must place their findings in proper perspective. To give the reader a basis for judging the prevalence and consequences of these conditions, the

instances identified should be related to the universe or the number of cases examined and be quantified in terms of U.S. Dollar value, if appropriate. In presenting material irregularities, illegal acts, or other noncompliance, Auditors must follow the reporting standards contained in Chapter 5 of U.S. Government Auditing Standards. Auditors may provide less extensive disclosure of irregularities and illegal acts that are not material in either a quantitative or a qualitative sense. Chapter 4 of U.S. Government Auditing Standards provides guidance on factors that may influence Auditors' materiality judgments. If the auditor concludes that sufficient evidence of irregularities or illegal acts exists, they must immediately contact the MCC Inspector General, and must exercise due professional care in pursuing indications of possible irregularities and illegal acts so as not to interfere with potential future investigations and/or legal proceedings.

In our planning and conducting the tests of compliance, we have:

1. Identified the requirements of the Compact and related Compact documents and pertinent laws and regulations and determine which of those, if not observed, could have a direct and material effect on the Fund Accountability Statement. The Auditors must:
 - a. List all standard and program-specific provisions contained in the Compact and related agreements that cumulatively, if not observed, could have a direct and material effect on the Fund Accountability Statement;
 - b. Assess the inherent and control risk that material noncompliance could occur for each of the compliance requirements listed in 1.a. above;
 - c. Determine the nature, timing and extent of audit steps and procedures to test for errors, fraud, and illegal acts that provide reasonable assurance of detecting both intentional and unintentional instances of noncompliance with the Compact and related agreement terms and applicable laws and regulations that could have a material effect on the Fund Accountability Statement. This must be based on the risk assessment in 1.b. above; and
 - d. Prepare a summary audit documentation file that adequately identifies each of the specific compliance requirements included in the review, the results of the inherent, control, and combined (detection) risk assessments for each compliance requirement, the audit steps used to test for compliance with each of

the requirements based on the risk assessment, and the results of the compliance testing for each requirement. The summary audit documentation file must be cross-indexed to detailed audit documentation files that adequately support the facts and conclusions contained in the summary audit documentation file.

2. Determine if payments have been made in accordance with the Compact, pre-Compact and/or related agreement terms, as well as contractual agreement terms, the Cost Principles, and applicable laws and regulations.
 - a. Determine whether the MCA- Niger is accurately tracking advance payments made to contractors and the liquidation of those advance payments consistent with the terms and conditions of contract agreements. Identify any material instances of non-compliance with agreement terms and/or instances in which the recipient's records do not support a complete and accurate status of advance payments owed by contractors.
 - b. Determine whether MCA- Niger is accurately tracking amounts retained from their contractors as a percentage of amounts invoiced, consistent with the terms and conditions of contract agreements. Identify any material instances of non-compliance with agreement terms and/or instances in which the recipient's records do not support a complete and accurate status of amounts withheld from contractors.
 - c. Determine whether MCA- Niger has an adequate system for ensuring that MCC funding is free of value-added taxes (VAT), and other such taxes, tariffs, duties and levies per the Compact agreement. The system should identify VAT paid, claims for reimbursement, status of refunds, and outstanding balance. A note and/ or schedule describing the recipient's taxation control system and status of claims should be included in the Audit Report (see Chapter 5.1.b.3 Audit Reports of the Audit Guidelines).
3. Determine whether funds have been expended for authorized purposes in accordance with applicable agreement terms. If not, the auditor must identify these costs as questioned in the Fund Accountability Statement.
4. Identify any costs not considered appropriate, classifying and explaining why these costs are questioned.

5. Determine whether assets, whether directly procured by MCA-Niger or directly procured by MCC for MCA- Niger's use, exist or were used for their intended purposes in accordance with the Compact, pre-Compact, and/or related agreements. Ensure that assets are marked in accordance with agreement requirements. If not, the cost of such assets must be questioned.
6. Determine whether any technical assistance and services, whether procured by MCA- Niger or directly procured by MCC for MCA- Niger's use, were used for their intended purposes in accordance with the Compact, pre-Compact, and/or related agreements. If not, the cost of such technical assistance and services must be questioned.
7. Determine if the amounts of cost-sharing funds were calculated and accounted for as required by the Compact, pre-compact, and/or related agreements or applicable cost principles if applicable.
8. Determine if the cost-sharing funds were provided according to the terms of the Compact, pre-Compact, and/or related agreements and quantify any shortfalls if applicable.
9. Determine whether those who received services and benefits were eligible to receive them.
10. Determine whether MCA- Niger's financial reports (including those on the status of cost- sharing contributions) and claims for advances and reimbursement contain information that is supported by the books and records.
11. Determine whether the recipient complied with MCC's Common Payment System Policy and Procedures. This should include a determination as to whether the recipient had adequate systems in place to monitor the amount of periodic spending authority authorized by MCC, if applicable.

4.3.5 Follow-Up on Prior Audit Recommendations

We have reviewed the status of actions taken on findings and recommendations reported in any pre-award review and prior audits of MCC funded programs in Niger. Chapter 4 of the U.S. Government Auditing Standards under the section entitled Considering the Results of Previous Audits and Attestation Engagements, states: "Auditors should consider the results of previous audits and attestation engagements and follow up on known

significant findings and recommendations that directly relate to the objectives of the audit being undertaken.” As well, the Chapter states, “Auditors should use professional judgment in determining (1) prior periods to be considered, (2) the level of work necessary to follow up on significant findings and recommendations that affect the audit, and (3) the effect on the risk assessment and audit procedures in planning the current audit.” We have done this to determine whether the MCA-Niger has taken timely and appropriate corrective actions. We have reported in a separate management letter, the status of uncorrected material findings and recommendations from any pre-award survey and prior audits that affect the financial statement audit.

4.3.6 Other Audit Responsibilities

We have performed the following steps:

1. Hold entrance and exit conferences with MCA-Niger. The MCC country representative and the MCC Office of Inspector General must be notified of these conferences in order that their representatives and any other MCC representatives that have an interest may attend.
2. During the planning stages of an audit, communicate information to the MCA-Niger regarding the nature and extent of planned testing and reporting on compliance with laws and regulations and internal control over financial reporting. Such communication must state that the Auditors do not plan to provide opinions on compliance with laws and regulations and internal control over financial reporting. Written communication is preferred. Auditors must document the communication in the audit documentation files.
3. Institute quality control procedures to ensure that sufficient competent evidence is obtained through inspection, observation, inquiries, and confirmations to afford a reasonable basis for an opinion regarding the financial statements under audit.
 - Audit reports and supporting audit documentation files are reviewed by an auditor, preferably at the partner level, who was not involved in the audit. This review must be documented in the audit documentation files;
 - All quantities and monetary amounts involving calculations are footed and cross- footed; and
 - All factual statements, numbers, conclusions and monetary amounts are cross-indexed to supporting audit documentation files.

4. Ascertain whether MCA-Niger ensured that audits of its Covered Providers were performed to ensure accountability for MCC funds passed through to the Covered Providers (see paragraph 1.6 of the Audit Guidelines). If audit requirements for Covered Providers were not met, the Auditors must disclose this in the auditor's report on the Fund Accountability Statement and consider qualifying their opinion.
5. Obtain a management representation letter in accordance with AICPA AU-C sec. 580 signed by MCA- Niger's management.
6. Evaluate the supplemental information prepared and provided to recognize accrual activity such as expenses incurred, but not yet paid, for and portion of the outstanding advances that are actually assets at the end of the period.

4.3.7 Additional Services – Agreed-Upon Procedures for MCA-Niger's Resettlement Implementation

As requested, we have performed an agreed upon procedures engagement of MCA-Niger's implementation of the Resettlement action plan. The actual steps performed is detailed in a related agreement, including (but not limited) to:

1. Determining if the MCA-Niger has established an appropriate classification and archiving procedure to ensure that all monies disbursed or compensated to the Project Affected People (PAPs) or the communities (including the irrigation and roads projects) are aligned with the IFC-Performance Standards. This should include:
 - The frequency of compensations (monthly, weekly, one time),
 - The average time delay from a compensation agreement to actual payment to the PAP,
 - Spot checks of compensation payments made with relevant documents verification such as; receipts for any compensation payments, bank related compensation activities,
 - The process by which PAPs are notified when compensation payments are made,
 - The process by which compensation documents are archived and retained,
 - Verification of a signed compensation agreement has been provided to the PAP and upload in the resettlement database,

- Verification that all PAP who have been compensated have opened a bank account to receive compensation payment,
 - Verification that all PAPs who have been compensated have received money management training and what the training involved,
 - Verification that the compensation agreement accurately reflects the information provided in the resettlement database,
2. Determining if there are financial costs for grievance resolution or litigation; if yes, determining how they were managed,
 3. Determining if the MCA has a specific internal and external system to monitor recommendations on the agreed-upon procedures for resettlement. If yes, the agreed upon procedures report should present a summary of the system in place, the related procedures and how it is be implemented.

We have drafted a specific report on the agreed procedures based on SSAE 19.

5. Summary of the audit results

5.1. Fund Accountability Statement

In accordance with our audit engagement's terms of references we have carried out the audit of the Fund Accountability Statement based on the U.S. Government Accepted Auditing Standards.

We did not identify any questioned cost.

5.2. Indirect cost

There was no indirect cost for the period under review.

5.3. Scope limitations

We have not faced any scope limitations.

5.4. Cost-sharing/government contributions

There are no cost sharing contributions for the period under review.

5.5. Internal controls

We noted non major deficiencies in MCA Niger's internal control system, detailed situation is presented in the Management Letter.

5.6. Compliance with the Compact and related agreement terms and applicable laws and regulations

We have conducted a compliance audit with compact and related agreement terms and applicable laws and regulations.

We have not identified any proven cases of non-compliance regarding to compact and related agreement terms and applicable laws and regulations.

5.7. Prior audit recommendations status

We have verified the status of implementation of pervious audit recommendations, the percentage of implementation is 86%.

The detailed situation is presented in the Management Letter.

We have verified the status of previous audit finding of \$70,131 reported in the prior audit report related to the period ended September 30, 2020, the MCA-Niger comments on these findings are presented in the table below:

Budge Line	Item	Questioned Costs (USD)	Comments from MCA Niger Management
Program Management and Administration: Program Administration	Item 1 ADM/41/G.0124/20 relating to the supply and installation of network equipment and cabling for the four (4) regional offices of MCA-Niger. <ul style="list-style-type: none"> ▪ Supplier: SANCFIS Niger Company ▪ Contract amount: XOF 27,590,880 ▪ Contract amount in USD: 45,567 	12,563: costs that are not supported with adequate documentation or did not have required prior approvals or authorizations.	MCC has written to the Government of Niger for reimbursement of the total sum of \$ 129,630.37 for ineligible expenses. However, the Government backed down by requesting a meeting between the procurement teams. For Niger, this error of assessment would be the responsibility of the Procurement Agent. This letter of 26 April 2022 has not yet received a response from MCC.
	Item 2 Contract and number: title ADM/41/NCS.0119/20 on Maintenance and Cleaning of the MCA-NIGER Office Building. <ul style="list-style-type: none"> ▪ Supplier: SONIKA CLEANING ▪ Contract amount: XOF 34,629,200 ▪ Amount in USD: 57,568 	57,568: costs that are not supported with adequate documentation or did not have required prior approvals or authorizations.	

5.8. Summary of MCA - Niger’s management comments on the audit results and findings

We did not identify any audit findings.



6. Independent Auditor's Report on the consolidated Fund Accountability Statement

To

Mr. ABANI Sani Ibrahim

Chairman, MCA-Niger Board of Directors MCA-Niger

Boulevard Mali Béro, Face Lycée Bosso Niamey, Niger

Report on the Financial Statements

We have audited the accompanying Fund Accountability Statement of MCA Niger and related notes to the Fund Accountability Statement for the audit period from April 01, 2021 to March 31, 2022 and have issued our report on it dated August 17, 2022.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the Fund Accountability Statement in accordance with United States generally accepted accounting principles (GAAP) or other comprehensive basis of accounting; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of Fund Accountability Statement that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Fund Accountability Statement based on our audit. Except as discussed in the following paragraphs, we conducted our audit in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Fund Accountability Statement is free of material misstatement.

We do not have a continuing education program that fully satisfies the requirement set forth in Chapter 4, paragraph 4.16 of Government Auditing Standards. However, our current program provides for at least 40 hours of continuing education and



training every year. We are taking appropriate steps to implement a continuing education program that fully satisfies the requirement.

We did not have an external quality control review (QCR) by an unaffiliated audit organization, as required in Chapter 5, paragraph 5.60 of Government Auditing Standards, since no such program is offered by professional organizations in Niger. We believe that the effect of this departure from Government Auditing Standards is not material because we belong to the HLB International Network since June, 2013 and we undergo every three years, a quality review by the headquarters of the network based in London. We also developed a review guide entitled "KMC_Engagement monitoring" which allows the Partner in charge of the quality control review to have a uniform review guide. For the Financial Audit of MCC Resources managed by MCA Niger, we also lease on our fellow member of HLB International: Diaz Murillo Dalupan and Company – HLB Philippines on Quality Review of the Audit Reports. HLB Philippines conducted the audits of the Fund Accountability Statements of MCA-Philippines (2013 to 2016, including closeout) and MCA – Indonesia (2015-2018, including closeout audit).

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Fund Accountability Statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Fund Accountability Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Fund Accountability Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Fund Accountability Statement.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Fund Accountability Statement referred to above presents fairly, in all material respects, program revenues, costs incurred and reimbursed, and assets and technical assistance directly procured by Millennium Challenge Corporation (MCC) for the year then ended in accordance with the terms of the agreements and in conformity with the basis of accounting described in Note 6.2.1.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our reports dated August 17, 2022, on our consideration of MCA Niger's Internal Control Over Financial Reporting (ICOFR) and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of ICOFR and compliance and the results of that testing, not to provide an opinion on the effectiveness of the MCA Niger's ICOFR or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this Independent Auditor's Report in considering the results of our audit.

This report is intended for the information of MCA Niger and MCC. However, upon release by MCC, this report is a matter of public record and its distribution is not limited.

August 17, 2022

KMC SA

KMC S.A.

Niamey | Niger

6.1. Consolidated Fund Accountability Statement for the period From April 01, 2021 to March 31, 2022

MCA - Niger

Consolidated Fund Accountability Statement – Compact and 609(g)

April 1, 2021 to March 31, 2022

Amounts in USD

	Budget	Prior Period as of March 31, 2021	Current Period as of March 31, 2022	Cumulative as of March 31, 2022	Questioned Costs		NOTES
					Ineligible	Unsupported	
REVENUE & COSTS							
REVENUE							
Funds From MCC		\$98,821,123.11	\$90,057,330.53	\$188,878,453.64			
COSTS							
Irrigation and Mrkt Access Project	\$259,850,126.73	\$53,246,380.94	\$65,507,584.61	\$118,753,965.55			
1.1 Irrigation Perimeter Development	\$90,507,931.09	\$20,861,748.57	\$18,790,340.56	\$39,652,089.13			1.1
1.2. Mgmt Servcs and Market Facilitation	\$15,039,275.00	\$5,485,136.12	\$3,458,925.32	\$8,944,061.44			1.2
1.3 Roads for Market Access	\$133,813,527.00	\$18,819,056.96	\$40,989,801.09	\$59,808,858.05			1.3
1.4 Policy Reform	\$17,184,393.63	\$6,209,892.39	\$1,495,538.79	\$7,705,431.18			1.4
1.5 Water Management Activity (609g)	\$3,305,000.01	\$1,870,546.90	\$772,978.85	\$2,643,525.75			1.5
Climate-Resilient Communities Project	\$95,020,613.00	\$15,281,707.30	\$14,207,886.94	\$29,489,594.24			
2.1 Reg Sahel Pastoralism Support (PRAPS)	\$52,155,586.50	\$12,693,741.87	\$7,086,074.94	\$19,779,816.81			2.1
2.2 Climate-Resilient Agriculture(CRA)	\$42,865,026.50	\$2,587,965.43	\$7,121,812.00	\$9,709,777.43			2.2
Monitoring & Evaluation	\$4,200,000.00	\$61,343.19	\$407,884.38	\$469,227.57			
3.1 Monitoring & Evaluation	\$4,200,000.00	\$61,343.19	\$407,884.38	\$469,227.57			3.1
Program Management and Administration	\$64,757,955.11	\$29,894,065.16	\$10,048,067.16	\$39,942,132.32			
4.1 Program Administration	\$40,348,901.74	\$16,287,480.38	\$6,194,525.97	\$22,482,006.35			4.1
4.2 Program Management & Support	\$9,702,378.00	\$5,814,898.37	\$1,801,551.97	\$7,616,450.34			4.2
4.3 Fiscal Management	\$5,824,867.50	\$3,081,250.00	\$775,000.00	\$3,856,250.00			4.3
4.4 Procurement Management	\$7,579,101.50	\$4,443,546.41	\$1,152,826.43	\$5,596,372.84			4.4
4.5 Audit	\$1,302,706.37	\$266,890.00	\$124,162.79	\$391,052.79			4.5
Total Costs Incurred	\$423,828,694.84	\$98,483,496.59	\$90,171,423.09	\$188,654,919.68			5.1
Excess of revenue over costs incurred/(Deficit)		\$337,626.52	(\$114,092.56)	\$223,533.96			5.2
Interest transferred to treasury		\$1,989.76	\$110.71	\$2,100.47			5.3
Interest received from Bank		\$42,912.90	\$20,264.48	\$63,177.38			
Interest transferred to treasury		(\$40,923.14)	(\$20,153.77)	(\$61,076.91)			
Fund Balance		\$330,694.73	(\$116,132.79)	\$214,561.94			5.4
Permitted and Special Accounts		\$332,684.49	(\$116,022.08)	\$216,662.41			5.4.1
Interest Accounts		(\$1,989.76)	(\$110.71)	(\$2,100.47)			
Net Tax Recoverable		\$4,942.03	\$1,929.52	\$6,871.55			5.5
Tax Paid		\$35,806.86	\$28,264.28	\$64,071.14			
Tax Refund		(\$30,864.83)	(\$26,334.76)	(\$57,199.59)			

6.2. Notes to the Fund Accountability Statement (Consolidated) Prepared by MCA-Niger

Disbursement process

a) Disbursement requests

MCA-Niger requests that disbursements be made under the Compact by submitting a request in accordance with the Reporting Guides, (each "disbursement request", duly completed), to MCC at least twenty (20) days before the start of each disbursement period. Disbursement requests, program funding and compact development for any disbursement period will be made through separate disbursement requests, using specific forms. MCA-Niger may, unless MCC decides otherwise in writing, submit only one disbursement request for program funding and one disbursement request for Compact development funding, per quarter (this quarter or any other period agreed by the MCC, the "Disbursement Period"). Each disbursement request submitted must be accompanied by periodic reports covering the corresponding disbursement period.

b) Approval of disbursement requests; Disbursement authorization.

- i. Upon receipt of a disbursement request, the MCC determines the appropriate disbursement amount to be made (if any) based, among other things:
 1. the progress made under the implementation plan,
 2. the amount of funds required to carry out the activities described in the periodic reports during the corresponding disbursement period, and,
 3. compliance, waiver or postponement of the previous conditions applicable to this disbursement. MCC may, in its sole discretion, completely disapprove a disbursement or reduce the amount of any disbursement below that proposed in a disbursement request.
- ii. Upon approval of a disbursement request by MCC, funds may be transferred, at the sole discretion of MCC:
 1. on an authorized bank account (Permitted Account), or
 2. directly to a supplier, as payment for goods, works or services received by MCA-Niger in accordance with the Common Payment System or any other payment system approved by the MCC; in condition however that

the expenses of this product (including the amounts transferred directly to a supplier) are authorized by MCA-Niger and that the corresponding payment complies, as certified by Fiscal Agent, with the last detailed approved financial plan, as well as the standards and procedures set out in the Fiscal Agent agreement and in the Fiscal Accountability Plan (FAP).

Project 1 : IRRIGATION & Market Access

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31st 2022	MYFP (USD)	%	Comment
1.1	Irrigation Perimeter Development	\$18,790,340.56	\$39,652,089.13	\$90,507,931.09	44%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 44% compared to the multiannual budget.
1.2	Management Service & Market	\$3,458,925.32	\$8,944,061.44	\$15,039,275.00	59%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 59% compared to the multiannual budget.
1.3	Roads for Market Access	\$40,989,801.09	\$59,808,858.05	\$133,813,527.00	45%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 45% compared to the multiannual budget.
1.4	Policy Reform	\$1,495,538.79	\$7,705,431.18	\$17,184,393.63	45%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 45% compared to the multiannual budget.
1.5	<i>Water Management Activity (609g)</i>	\$772,978.85	\$2,643,525.75	\$3,305,000.01	80%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 80% compared to the multiannual budget.
	Total	\$65,507,584.61	\$118,753,965.55	\$259,850,126.73	46%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 45% compared to the multiannual budget.

Project 2: Climate-Resilient Communities (CRC)

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31st 2022	MYFP (USD)	%	Comment
2.1	Regional Sahel Pastoralism	\$7,086,074.94	\$19,779,816.81	\$52,155,586.50	38%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 38% compared to the multiannual budget.
2.2	Climate-Resilient Agriculture	\$7,121,812.00	\$9,709,777.43	\$42,865,026.50	23%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 23% compared to the multiannual budget.
	Total	\$14,207,886.94	\$29,489,594.24	\$95,020,613.00	31%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 31% compared to the multiannual budget.

Project 3: Monitoring and Evaluation (M&E)

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31st 2022	MYFP (USD)	%	Comment
3.1	MCA Process Evaluation	\$407,884.38	\$469,227.57	\$4,200,000.00	11%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 11% compared to the multiannual budget.
	Total	\$407,884.38	\$469,227.57	\$4,200,000.00	11%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 11% compared to the multiannual budget.

Project 4: Program Administration

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31st 2022	MYFP (USD)	%	Comment
4.1	Program Administration	\$6,194,525.97	\$22,482,006.35	\$40,348,901.74	56%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 56% compared to the multiannual budget.
4.2	Program Management Support	\$1,801,551.97	\$7,616,450.34	\$9,702,378.00	79%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 79% compared to the multiannual budget.
4.3	Fiscal Agent	\$775,000.00	\$3,856,250.00	\$5,824,867.50	66%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 66% compared to the multiannual budget.
4.4	Procurement Agent	\$1,152,826.43	\$5,596,372.84	\$7,579,101.50	74%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 74% compared to the multiannual budget.
4.5	Financial Audits	\$124,162.79	\$391,052.79	\$1,302,706.37	30%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 30% compared to the multiannual budget.
	Total	\$10,048,067.16	\$39,942,132.32	\$64,757,955.11	62%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 62% compared to the multiannual budget.

Total Costs incurred for Compact & 609g Funds Combined

Note n°	Amount for the period (USD)	Cumulative amount (USD) as of March 31st, 2021	MYFP (USD)	%	Comment
5.1	\$90,171,423.09	\$188,654,919.68	\$423,828,694.84	45%	The projects recorded cumulative payments at 03/31/2022 representing an execution rate of around 45% compared to the multiannual budget.

Excess of revenue over costs incurred/(Deficit):

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.2	\$337,626.52	(\$114,092.56)	\$223,533.96	This item represents the sum of the items " Interest to Transfer to the Treasury ", " Fund Balance " and " Net Tax Recoverable " detailed below. Note: For the current period under audit, (April 1, 2021 – March 31, 2022), the total revenue to be considered is funds received from MCC during the period plus the "Excess of revenue over costs incurred/(Deficit)" for the previous period ended of March 31, 2021.

Interest to Transfer to the Treasury:

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.3	\$1,989.76	\$110.71	\$2,100.47	This item represents the balance between the total interest received on the permitted bank accounts of Compact Funds at 03/31/2022 (\$63,177.38) and the total interest transferred to MCC at 03/31/2022 (\$61,076.91)

Fund Balance:

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.4	\$330,694.73	-\$116,132.79	\$214,561.94	This item represents the balance between the total of the sums available on the authorized bank accounts (excluding interest bank accounts) and the cash at 03/31/2022 (\$214,561.94)

Net Tax Recoverable:

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.5	\$4,942.03	\$1,929.52	\$6,871.55	This item represents the balance between the total amount of taxes paid at 03/31/2022 (\$64,071.14) and the total amount of taxes refunded to MCA-Niger at 03/31/2022 (\$57,199.59).

6.2.1 Basis of Accounting

All financial management operations, including budgeting, accounting, or reporting, is conducted in accordance with internationally accepted rules and generally accepted accounting principles in the form of modified cash-based accounting and the cost principles as documented in the Cost Principles for Government Affiliates Involved in MCC Compact Implementation.

The Fiscal Agent is responsible for preparing the Fund Accountability Statement (“FAS”) on a Cash Basis (recording income when received and expenses when paid) in US Dollars Currency.

The authorized exchange rates used from April 01, 2021 to March 31, 2022 are presented in the table below:

Period	Exchange	Rate
April 25, 2021	XOF to USD	540.36400
May 5, 2021	XOF to USD	539.18251
June 7, 2021	XOF to USD	532.73318
June 29, 2021	XOF to USD	539.16917
August 27, 2021	XOF to USD	552.51194
September 22, 2021	XOF to USD	553.20638
November 8, 2021	XOF to USD	560.27359
December 18, 2021	XOF to USD	570.42038
January 21, 2022	XOF to USD	571.42508
February 22, 2022	XOF to USD	569.98681
March 21, 2022	XOF to USD	584.43597

The Fiscal Agent abandoned accounting for Compact & CDF sources of funds in SunSystems ERP software at the beginning of September 2019 and has been using SAP ERP software since then.

609g source of fund accounting is still maintained in the SunSystems ERP software by the Fiscal Agent.

Accrued Interest Calculation

Calculation

Accrued interest is calculated using the following formula

$$= 3.5\% \times \text{Cumulative Account balance} \times \text{Number of days held}/365$$

Accrued interest is calculated monthly and held in the Compact Permitted Account (XOF).

At end of each quarter, the accumulated interest is transferred to U.S. Treasury

RECONCILIATION OF CASH AND BANK BALANCES			
	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	
Fund Balance	-\$116,132.79	\$214,561.94	5.4
Permitted and Special Accounts	-\$116,022.08	\$216,662.41	5.4.1
Interest Accounts	-\$110.71	-\$2,100.47	
Note 5.4.1	Permitted and Special Accounts	\$216,662.41	
	Bank Account Balances	\$155,874.95	
	Petty Cash Account Balances	\$60,787.46	

6.2.2 Questioned Costs

We have conducted our audit based on a selection of at least 70% of the expenses by budget headings.

We did not find any questioned cost related to reported expenses for the period.

6.3. Fund Accountability Statement – 609(g) for the period from April 01, 2021 to March 31,

2022

MCA - Niger
Fund Accountability Statement – 609(g)
April 1, 2021 to March 31, 2022
Amounts in USD

	Budget	Prior Period as of March 31, 2021	Current Period as of March 31, 2022	Cumulative as of March 31, 2022	Questioned Costs		NOTES
					Ineligible	Unsupported	
REVENUE & COSTS							
REVENUE							
Funds From MCC		\$4,502,589.39	\$772,978.85	\$5,275,568.24			6.4.2
COSTS							
Irrigation and Mrkt Access Project	\$3,305,000.01	\$1,870,546.90	\$772,978.85	\$2,643,525.75			
1.1 Irrigation Perimeter Development	\$0.00	\$0.00	\$0.00	\$0.00			
1.2. Mgmtn Servcs and Market Facilitation	\$0.00	\$0.00	\$0.00	\$0.00			
1.3 Roads for Market Access	\$0.00	\$0.00	\$0.00	\$0.00			
1.4 Policy Reform	\$0.00	\$0.00	\$0.00	\$0.00			
1.5 Water Management Activity (609g)	\$3,305,000.01	\$1,870,546.90	\$772,978.85	\$2,643,525.75			
Climate-Resilient Communities Project	\$0.00	\$0.00	\$0.00	\$0.00			
2.1 Reg Sahel Pastoralism Support (PRAPS)	\$0.00	\$0.00	\$0.00	\$0.00			
2.2 Climate-Resilient Agriculture(CRA)	\$0.00	\$0.00	\$0.00	\$0.00			
Monitoring & Evaluation	\$0.00	\$0.00	\$0.00	\$0.00			
3.1 Monitoring & Evaluation	\$0.00	\$0.00	\$0.00	\$0.00			
Program Management and Administration	\$2,671,000.00	\$2,632,042.49	\$0.00	\$2,632,042.49			
4.1 Program Administration	\$846,752.00	\$807,794.89	\$0.00	\$807,794.89			
4.2 Program Management & Support	\$0.00	\$0.00	\$0.00	\$0.00			
4.3 Fiscal Management	\$950,000.00	\$950,000.00	\$0.00	\$950,000.00			
4.4 Procurement Management	\$874,248.00	\$874,247.60	\$0.00	\$874,247.60			
4.5 Audit	\$0.00	\$0.00	\$0.00	\$0.00			
Total Costs Incurred	\$5,976,000.01	\$4,502,589.39	\$772,978.85	\$5,275,568.24			6.4.3
Excess of revenue over costs incurred/(Deficit)		\$0.00	\$0.00	\$0.00			
Interest transferred to treasury		\$0.00	\$0.00	\$0.00			
Interest received from Bank		\$0.00	\$0.00	\$0.00			
Interest transferred to treasury		\$0.00	\$0.00	\$0.00			
Fund Balance		\$0.00	\$0.00	\$0.00			
Permitted and Special Accounts		\$0.00	\$0.00	\$0.00			
Interest Accounts		\$0.00	\$0.00	\$0.00			
Net Tax Recoverable		\$0.00	\$0.00	\$0.00			
Tax Paid		\$0.00	\$0.00	\$0.00			
Tax Refund		\$0.00	\$0.00	\$0.00			

6.4. Notes to the Fund Accountability Statement – 609(g)

6.4.1 Basis of Accounting

All financial management operations, including budgeting, accounting, or reporting, is conducted in accordance with internationally accepted rules and generally accepted accounting principles in the form of modified cash-based accounting and the cost principles as documented in the Cost Principles for Government Affiliates Involved in MCC Compact Implementation.

The Fiscal Agent is responsible for preparing the Fund Accountability Statement (“FAS”) on a Cash Basis (recording income when received and expenses when paid) in US Dollars Currency.

The authorized exchange rates used from April 01, 2021 to March 31, 2022 are presented in the table below:

Period	Exchange	Rate
April 25, 2021	XOF to USD	540.36400
May 5, 2021	XOF to USD	539.18251
June 7, 2021	XOF to USD	532.73318
June 29, 2021	XOF to USD	539.16917
August 27, 2021	XOF to USD	552.51194
September 22, 2021	XOF to USD	553.20638
November 8, 2021	XOF to USD	560.27359
December 18, 2021	XOF to USD	570.42038
January 21, 2022	XOF to USD	571.42508
February 22, 2022	XOF to USD	569.98681
March 21, 2022	XOF to USD	584.43597

The Fiscal Agent abandoned accounting for Compact & CDF sources of funds in SunSystems ERP software at the beginning of September 2019 and has been using SAP ERP software since then.

609g source of fund accounting is still maintained in the SunSystems ERP software by the Fiscal Agent.

Disbursement process

a) Disbursement requests

MCA-Niger requests that disbursements be made under the Compact by submitting a request in accordance with the Reporting Guides, (each "disbursement request", duly

completed), to MCC at least twenty (20) days before the start of each disbursement period. Disbursement requests, program funding and compact development for any disbursement period will be made through separate disbursement requests, using specific forms. MCA-Niger may, unless MCC decides otherwise in writing, submit only one disbursement request for program funding and one disbursement request for Compact development funding, per quarter (this quarter or any other period agreed by the MCC, the "Disbursement Period"). Each disbursement request submitted must be accompanied by periodic reports covering the corresponding disbursement period.

b) Approval of disbursement requests; Disbursement authorization.

- I. Upon receipt of a disbursement request, the MCC determines the appropriate disbursement amount to be made (if any) based, among other things:
 1. the progress made under the implementation plan,
 2. the amount of funds required to carry out the activities described in the periodic reports during the corresponding disbursement period, and,
 3. compliance, waiver or postponement of the previous conditions applicable to this disbursement. MCC may, in its sole discretion, completely disapprove a disbursement or reduce the amount of any disbursement below that proposed in a disbursement request.
- II. Upon approval of a disbursement request by MCC, funds may be transferred, at the sole discretion of MCC:
 1. on an authorized bank account (Permitted Account), or
 2. directly to a supplier, as payment for goods, works or services received by MCA-Niger in accordance with the Common Payment System or any other payment system approved by the MCC; in condition however that the expenses of this product (including the amounts transferred directly to a supplier) are authorized by MCA-Niger and that the corresponding payment complies, as certified by Fiscal Agent, with the last detailed approved financial plan, as well as the standards and procedures set out in the Fiscal Agent agreement and in the Fiscal Accountability Plan (FAP).

6.4.2 Revenue

The funds recorded during the period under review come from the MCC and amounted to \$772,978.85 and \$5,275,568.24 for the cumulative period ended 31 March 2022.

6.4.3 Costs incurred

Project 1 : IRRIGATION & Market Access

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31 st 2022	MYFP (USD)	%	Comment
1.1	Irrigation Perimeter Development	\$0.00	\$0.00	\$0.00	0%	N/A (Compact Funding)
1.2	Management Service & Market	\$0.00	\$0.00	\$0.00	0%	N/A (Compact Funding)
1.3	Roads for Market Access	\$0.00	\$0.00	\$0.00	0%	N/A (Compact Funding)
1.4	Policy Reform	\$0.00	\$0.00	\$0.00	0%	N/A (Compact Funding)
1.5	<i>Water Management Activity (609g)</i>	\$772,978.85	\$2,643,525.75	\$3,305,000.01	88%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 88% compared to the multiannual budget.
	Total	\$772,978.85	\$2,643,525.75	\$3,305,000.01	88%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 88% compared to the multiannual budget.

Project 2 : Climate-Resilient Communities (CRC)

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31st 2022	MYFP (USD)	%	Comment
2.1	Regional Sahel Pastoralism	\$0.00	\$0.00	\$0.00	0%	N/A (Compact Funding)
2.2	Climate-Resilient Agriculture	\$0.00	\$0.00	\$0.00	0%	N/A (Compact Funding)
	Total	\$0.00	\$0.00	\$0.00	0%	N/A (Compact Funding)

Project 3: Monitoring and Evaluation (M&E)

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31st 2022	MYFP (USD)	%	Comment
3.1	MCA Process Evaluation	\$0.00	\$0.00	\$0.00	0%	N/A (Compact Funding)
	Total	\$0.00	\$0.00	\$0.00	0%	N/A (Compact Funding)

Project 4: Program Administration

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31st 2022	MYFP (USD)	%	Comment
4.1	Program Administration	\$0.00	\$807,794.89	\$846,752.00	95%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 95% compared to the multiannual budget.
4.2	Program Management Support	\$0.00	\$0.00	\$0.00	0%	N/A (Compact Funding)
4.3	Fiscal Agent	\$0.00	\$950,000.00	\$950,000.00	100%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 100% compared to the multiannual budget.
4.4	Procurement Agent	\$0.00	\$874,247.60	\$874,248.00	100%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 100% compared to the multiannual budget.
4.5	Financial Audits	\$0.00	\$0.00	\$0.00	0%	N/A (Compact Funding)

	Total	\$0.00	\$2,632,042.49	\$2,671,000.00	99%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 99% compared to the multiannual budget.
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Total Costs incurred for 609g Fund

Note n°	Amount for the period (USD)	Cumulative amount (USD) as of March 31st, 2022	MYFP (USD)	%	Comment
5.1	\$772,978.85	\$5,275,568.24	\$5,976,000.01	88%	The projects recorded cumulative payments at 03/31/2022 representing an execution rate of around 88% compared to the multiannual budget.

Excess of revenue over costs incurred:

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2020 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.2	\$0.00	\$0.00	\$0.00	N/A – All 609g funds are paid via CPS

Interest to Transfer to the Treasury:

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2020 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.3	\$0.00	\$0.00	\$0.00	N/A – All 609g funds are paid via CPS

Fund Balance:

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.4	\$0.00	\$0.00	\$0.00	N/A – All 609g funds are paid via CPS

Net Tax Recoverable:

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.5	\$0.00	\$0.00	\$0.00	N/A

Accrued Interest Calculation

Calculation

Accrued interest is calculated using the following formula

$$= 3.5\% \times \text{Cumulative Account balance} \times \text{Number of days held} / 365$$

Accrued interest is calculated monthly and held in the Compact Permitted Account (XOF).

At end of each quarter, the accumulated interest is transferred to U.S. Treasury.

RECONCILIATION OF CASH AND BANK BALANCES

	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022
Fund Balance	\$0.00	\$0.00
Permitted and Special		
Accounts	\$0.00	\$0.00
Interest Accounts	\$0.00	\$0.00

6.4.4 Questioned Costs

We did not find any questioned cost related to reported expenses for the period.

6.5. Fund Accountability Statement-Compact Fund Niger for the period from April 01, 2021 to March 31, 2022

MCA - Niger							
Fund Accountability Statement – Compact							
April 1, 2021 to March 31, 2022							
Amounts in USD							
	Budget	Prior Period as of March 31, 2021	Current Period as of March 31, 2022	Cumulative as of March 31, 2022	Questioned Costs		NOTES
					Ineligible	Unsupported	
<u>REVENUE & COSTS</u>							
REVENUE							
Funds From MCC		\$94,318,533.72	\$89,284,351.68	\$183,602,885.40			6.6.2
COSTS							
Irrigation and Mrkt Access Project	\$256,545,126.72	\$51,375,834.04	\$64,734,605.76	\$116,110,439.80			
1.1 Irrigation Perimeter Development	\$90,507,931.09	\$20,861,748.57	\$18,790,340.56	\$39,652,089.13			
1.2. Mgmnt Servcs and Market Facilitation	\$15,039,275.00	\$5,485,136.12	\$3,458,925.32	\$8,944,061.44			
1.3 Roads for Market Access	\$133,813,527.00	\$18,819,056.96	\$40,989,801.09	\$59,808,858.05			
1.4 Policy Reform	\$17,184,393.63	\$6,209,892.39	\$1,495,538.79	\$7,705,431.18			
1.5 Water Management Activity (609g)	\$0.00	\$0.00	\$0.00	\$0.00			
Climate-Resilient Communities Project	\$95,020,613.00	\$15,281,707.30	\$14,207,886.94	\$29,489,594.24			
2.1 Reg Sahel Pastoralism Support (PRAPS)	\$52,155,586.50	\$12,693,741.87	\$7,086,074.94	\$19,779,816.81			
2.2 Climate-Resilient Agriculture(CRA)	\$42,865,026.50	\$2,587,965.43	\$7,121,812.00	\$9,709,777.43			
Monitoring & Evaluation	\$4,200,000.00	\$61,343.19	\$407,884.38	\$469,227.57			
3.1 Monitoring & Evaluation	\$4,200,000.00	\$61,343.19	\$407,884.38	\$469,227.57			
Program Management and Administration	\$62,086,955.11	\$27,262,022.67	\$10,048,067.16	\$37,310,089.83			
4.1 Program Administration	\$39,502,149.74	\$15,479,685.49	\$6,194,525.97	\$21,674,211.46			
4.2 Program Management & Support	\$9,702,378.00	\$5,814,898.37	\$1,801,551.97	\$7,616,450.34			
4.3 Fiscal Management	\$4,874,867.50	\$2,131,250.00	\$775,000.00	\$2,906,250.00			
4.4 Procurement Management	\$6,704,853.50	\$3,569,298.81	\$1,152,826.43	\$4,722,125.24			
4.5 Audit	\$1,302,706.37	\$266,890.00	\$124,162.79	\$391,052.79			
Total Costs Incurred	\$417,852,694.83	\$93,980,907.20	\$89,398,444.24	\$183,379,351.44			6.6.3
Excess of revenue over costs incurred/(Deficit)	\$0.00	\$337,626.52	(\$114,092.56)	\$223,533.96			
Interest transferred to treasury	\$0.00	\$1,989.76	\$110.71	\$2,100.47			
Interest received from Bank	\$0.00	\$42,912.90	\$20,264.48	\$63,177.38			
Interest transferred to treasury	\$0.00	(\$40,923.14)	(\$20,153.77)	(\$61,076.91)			
Fund Balance	\$0.00	\$330,694.73	(\$116,132.79)	\$214,561.94			6.6.4
Permitted and Special Accounts	\$0.00	\$332,684.49	(\$116,022.08)	\$216,662.41			6.6.4.1
Interest Accounts	\$0.00	(\$1,989.76)	(\$110.71)	(\$2,100.47)			
Net Tax Recoverable	\$0.00	\$4,942.03	\$1,929.52	\$6,871.55			
Tax Paid	\$0.00	\$35,806.86	\$28,264.28	\$64,071.14			
Tax Refund	\$0.00	(\$30,864.83)	(\$26,334.76)	(\$57,199.59)			

6.6. Notes to the Fund Accountability Statement – Compact

6.6.1 Accounting system

All financial management operations, including budgeting, accounting, or reporting, is conducted in accordance with internationally accepted rules and generally accepted accounting principles in the form of modified cash-based accounting and the cost principles as documented in the Cost Principles for Government Affiliates Involved in MCC Compact Implementation.

The Fiscal Agent is responsible for preparing the Fund Accountability Statement (“FAS”) on a Cash Basis (recording income when received and expenses when paid) in US Dollars Currency.

The authorized exchange rates used from April 01, 2021 to March 31, 2022 are presented in the table below:

Period	Exchange	Rate
April 25, 2021	XOF to USD	540.36400
May 5, 2021	XOF to USD	539.18251
June 7, 2021	XOF to USD	532.73318
June 29, 2021	XOF to USD	539.16917
August 27, 2021	XOF to USD	552.51194
September 22, 2021	XOF to USD	553.20638
November 8, 2021	XOF to USD	560.27359
December 18, 2021	XOF to USD	570.42038
January 21, 2022	XOF to USD	571.42508
February 22, 2022	XOF to USD	569.98681
March 21, 2022	XOF to USD	584.43597

The Fiscal Agent abandoned accounting for Compact & CDF sources of funds in SunSystems ERP software at the beginning of September 2019 and has been using SAP ERP software since then.

609g source of fund accounting is still maintained in the SunSystems ERP software by the Fiscal Agent.

Disbursement process

a) Disbursement requests

MCA-Niger requests that disbursements be made under the Compact by submitting a request in accordance with the Reporting Guides, (each "disbursement request", duly completed), to MCC at least twenty (20) days before the start of each disbursement period. Disbursement requests, program funding and compact development for any disbursement period will be made through separate disbursement requests, using specific forms. MCA-Niger may, unless MCC decides otherwise in writing, submit only one disbursement request for program funding and one disbursement request for Compact development funding, per quarter (this quarter or any other period agreed by the MCC, the "Disbursement Period"). Each disbursement request submitted must be accompanied by periodic reports covering the corresponding disbursement period.

b) Approval of disbursement requests; Disbursement authorization.

- i. Upon receipt of a disbursement request, the MCC determines the appropriate disbursement amount to be made (if any) based, among other things:
 1. the progress made under the implementation plan,
 2. the amount of funds required to carry out the activities described in the periodic reports during the corresponding disbursement period, and
 3. compliance, waiver or postponement of the previous conditions applicable to this disbursement. MCC may, in its sole discretion, completely disapprove a disbursement or reduce the amount of any disbursement below that proposed in a disbursement request.
- ii. Upon approval of a disbursement request by MCC, funds may be transferred, at the sole discretion of MCC:
 1. on an authorized bank account (Permitted Account), or
 2. directly to a supplier, as payment for goods, works or services received by MCA-Niger in accordance with the Common Payment System or any other payment system approved by the MCC; in condition however that the expenses of this product (including the amounts transferred directly to a supplier) are authorized by MCA-Niger and that the corresponding payment complies, as certified by Fiscal Agent, with the last detailed

approved financial plan, as well as the standards and procedures set out in the Fiscal Agent agreement and in the Fiscal Accountability Plan (FAP).

6.6.2 Revenue

The revenue recorded during the period under review come from the MCC and amounted to \$89,284,351.68 and \$183,602,885.40 for the cumulative period ended 31 March 2022.

6.6.3 Costs Incurred

Project 1 : IRRIGATION & Market Access

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31 st 2022	MYFP (USD)	%	Comment
1.1	Irrigation Perimeter Development	\$18,790,340.56	\$39,652,089.13	\$90,507,931.09	44%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 44% compared to the multiannual budget.
1.2	Management Service & Market	\$3,458,925.32	\$8,944,061.44	\$15,039,275.00	59%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 59% compared to the multiannual budget.
1.3	Roads for Market Access	\$40,989,801.09	\$59,808,858.05	\$133,813,527.00	45%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 45% compared to the multiannual budget.
1.4	Policy Reform	\$1,495,538.79	\$7,705,431.18	\$17,184,393.63	45%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 45% compared to the multiannual budget.
1.5	<i>Water Management Activity (609g)</i>	\$0.00	\$0.00	\$0.00	8%	N/A (609g Funding)
	Total	\$64,734,605.76	\$116,110,439.80	\$256,545,126.72	45%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 45% compared to the multiannual budget.

Project 2 : Climate-Resilient Communities (CRC)

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31st 2022	MYFP (USD)	%	Comment
2.1	Regional Sahel Pastoralism	\$7,086,074.94	\$19,779,816.81	\$52,155,586.50	38%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 38% compared to the multiannual budget.
2.2	Climate-Resilient Agriculture	\$7,121,812.00	\$9,709,777.43	\$42,865,026.50	23%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 23% compared to the multiannual budget.
	Total	\$14,207,886.94	\$29,489,594.24	\$95,020,613.00	31%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 31% compared to the multiannual budget.

Project 3: Monitoring and Evaluation (M&E)

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31st 2022	MYFP (USD)	%	Comment
3.1	MCA Process Evaluation	\$407,884.38	\$469,227.57	\$4,200,000.00	11%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 11% compared to the multiannual budget.
	Total	\$407,884.38	\$469,227.57	\$4,200,000.00	11%	The Project recorded cumulative payments at 03/31/2022 representing an execution rate of around 11% compared to the multiannual budget.

Project 4: Program Administration

Note n°	Activity	Amount for the period (USD)	Cumulative amount (USD) as of March 31st 2022	MYFP (USD)	%	Comment
4.1	Program Administration	\$6,194,525.97	\$21,674,211.46	\$39,502,149.74	55%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 55% compared to the multiannual budget.
4.2	Program Management Support	\$1,801,551.97	\$7,616,450.34	\$9,702,378.00	79%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 79% compared to the multiannual budget.
4.3	Fiscal Agent	\$775,000.00	\$2,906,250.00	\$4,874,867.50	60%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around

						60% compared to the multiannual budget.
4.4	Procurement Agent	\$1,152,826.43	\$4,722,125.24	\$6,704,853.50	70%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 70% compared to the multiannual budget.
4.5	Financial Audits	\$124,162.79	\$391,052.79	\$1,302,706.37	30%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 30% compared to the multiannual budget.
	Total	\$10,048,067.16	\$37,310,089.83	\$62,086,955.11	60%	The activity recorded cumulative payments at 03/31/2022 representing an execution rate of around 60% compared to the multiannual budget.

Total Costs incurred for Compact Fund

Note n°	Amount for the period (USD)	Cumulative amount (USD) as of March 31st, 2022	MYFP (USD)	%	Comment
5.1	\$89,398,444.24	\$183,379,351.44	\$417,852,694.83	44%	The projects recorded cumulative payments at 03/31/2022 representing an execution rate of around 44% compared to the multiannual budget.

Excess of revenue over costs incurred/(Deficit):

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.2	\$337,626.52	(\$114,092.56)	\$223,533.96	This item represents the sum of the items " <i>Interest to Transfer to the Treasury</i> ", " <i>Fund Balance</i> " and " <i>Net Tax Recoverable</i> " detailed below. Note: For the current period under audit, (April 1, 2021 – March 31, 2022), the total revenue to be considered is funds received from MCC during the period plus the "Excess of revenue over costs incurred/(Deficit)" for the previous period ended of March 31, 2021.

Interest to Transfer to the Treasury:

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.3	\$1,989.76	\$110.71	\$2,100.47	This item represents the balance between the total interest received on the permitted bank accounts of Compact Funds at 03/31/2022 (\$63,177.38) and the total interest transferred to MCC at 03/31/2022 (\$61,076.91)

Fund balance

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.4	\$330,694.73	-\$116,132.79	\$214,561.94	This item represents the balance between the total of the sums available on the authorized bank accounts (excluding interest bank accounts) and the cash at 03/31/2022 (\$214,561.94)

Net Tax Recoverable:

Note n°	Cumulative amount as of 31 March 2021 (USD)	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	Comment
5.5	\$4,942.03	\$1,929.52	\$6,871.55	This item represents the balance between the total amount of taxes paid at 03/31/2022 (\$64,071.14) and the total amount of taxes refunded to MCA-Niger at 03/31/2022 (\$57,199.59).

Accrued Interest Calculation

Calculation

Accrued interest is calculated using the following formula

$$= 3.5\% \times \text{Cumulative Account balance} \times \text{Number of days held}/365$$

Accrued interest is calculated monthly and held in the Compact Permitted Account (XOF).

At end of each quarter, the accumulated interest is transferred to U.S. Treasury.

RECONCILIATION OF CASH AND BANK BALANCES

	Amount for the period April 2021 - March 2022 (USD)	Cumulative amount (USD) as of March 31st, 2022	
Fund Balance	-\$116,132.79	\$214,561.94	6.6.4
Permitted and Special Accounts	-\$116,022.08	\$216,662.41	6.6.4.1
Interest Accounts	-\$110.71	-\$2,100.47	
Note 6.6.4.1 Permitted and Special Accounts		\$216,662.41	
Bank Account Balances		\$155,874.95	
Petty Cash Account Balances		\$60,787.46	

6.6.4 Questioned costs

We did not find any questioned cost related to reported expenses for the period.



7. Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters

To

Mr. ABANI Sani Ibrahim

Chairman, MCA-Niger Board of Directors MCA-Niger

Boulevard Mali Béro, Face Lycée Bosso Niamey, Niger

Except as discussed in the following paragraphs, we have audited in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the Fund Accountability Statement of MCA Niger as of and for the audit period from April 01, 2021 to March 31, 2022, and have issued our report on it dated August 17, 2022.

We do not have a continuing education program that fully satisfies the requirement set forth in Chapter 4, paragraph 4.16 of Government Auditing Standards. However, our current program provides for at least 40 hours of continuing education and training every year. We are taking appropriate steps to implement a continuing education program that fully satisfies the requirement.

We did not have an external quality control review (QCR) by an unaffiliated audit organization, as required in Chapter 5, paragraph 5.60 of Government Auditing Standards, since no such program is offered by professional organizations in Niger. We believe that the effect of this departure from Government Auditing Standards is not material because we belong to the HLB International Network since June, 2013 and we undergo every three years, a quality review by the headquarters of the network based in London. We also developed a review guide entitled "KMC_Engagement monitoring" which allows the Partner in charge of the quality control review to have a uniform review guide. For the Financial Audit of MCC Resources managed by MCA Niger, we also lease on our fellow member of HLB International: Diaz Murillo Dalupan and Company – HLB Philippines on Quality Review of the Audit Reports. HLB Philippines conducted the audits of the Fund



Accountability Statements of MCA-Philippines (2013 to 2016, including closeout) and MCA – Indonesia (2015-2018, including closeout audit).

Internal Control over Financial Reporting (ICOFR)

In planning and performing our audit of the financial statements, we considered MCA Niger’s ICOFR (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of MCA Niger’s internal control. Accordingly, we do not express an opinion on the effectiveness of MCA Niger’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

However, material weaknesses may exist that have not been identified. We noted certain matters involving internal control and its operation that we have reported to the management of MCA-Niger in a separate letter dated August 17, 2022.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether MCA Niger's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. We noted certain immaterial instances of noncompliance that we have reported to the management of MCA-Niger in a separate letter dated August 17, 2022.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

August 17, 2022

KMC SA

KMC S.A.

Niamey | Niger

7.1. Schedule of audit findings and questioned costs

MCA Niger Schedule of audit findings and questioned costs for the Period from April 01, 2021 to March 31, 2022

Section I – Summary of Auditor’s Results

Fund Accountability Statement		
Type of report the auditor issued on whether the Fund Accountability Statement was prepared in accordance with GAAP: unmodified		
Internal control over financial reporting:		
• Material weakness(es) identified		NO
• Significant deficiency(ies) identified		NO
Noncompliance material to financial statements noted?		NO

Section II – Schedule of Audit Findings

We did not identify any audit findings.

Section III – Questioned Cost

We did not identify any questioned cost.

8. APPENDIX:

**8.1. APPENDIX 1: CONSOLIDATED FUND ACCOUNTABILITY
STATEMENTS FOR THE PERIOD FROM APRIL 01, 2021 to MARCH
31, 2022**

MCA - Niger
Fund Accountability Statement – Compact
April 1, 2021 to March 31, 2022
Amounts in USD

WBS Element	Budget	Prior Period as of March 31, 2021	Current Period as of March 31, 2022	Cumulative as of March 31, 2022	Questioned Costs		NOTES
					Ineligible	Unsupported	
REVENUE & COSTS							
REVENUE							
Funds From MCC		\$94,318,533.72	\$89,284,351.68	\$183,602,885.40			6.6.2
COSTS							
5100000 Irrigation and Mrkt Access Project	\$256,545,126.72	\$51,375,834.04	\$64,734,605.76	\$116,110,439.80			
5110000 1.1 Irrigation Perimeter Development	\$90,507,931.09	\$20,861,748.57	\$18,790,340.56	\$39,652,089.13			
5120000 1.2. Mgmnt Servcs and Market Facilitation	\$15,039,275.00	\$5,485,136.12	\$3,458,925.32	\$8,944,061.44			
5130000 1.3 Roads for Market Access	\$133,813,527.00	\$18,819,056.96	\$40,989,801.09	\$59,808,858.05			
5140000 1.4 Policy Reform	\$17,184,393.63	\$6,209,892.39	\$1,495,538.79	\$7,705,431.18			
5140000 1.5 Water Management Activity (609g)	\$0.00	\$0.00	\$0.00	\$0.00			
5200000 Climate-Resilient Communities Project	\$95,020,613.00	\$15,281,707.30	\$14,207,886.94	\$29,489,594.24			
5210000 2.1 Reg Sahel Pastoralism Support (PRAPS)	\$52,155,586.50	\$12,693,741.87	\$7,086,074.94	\$19,779,816.81			
5220000 2.2 Climate-Resilient Agriculture(CRA)	\$42,865,026.50	\$2,587,965.43	\$7,121,812.00	\$9,709,777.43			
5300000 Monitoring & Evaluation	\$4,200,000.00	\$61,343.19	\$407,884.38	\$469,227.57			
5310000 3.1 Monitoring & Evaluation	\$4,200,000.00	\$61,343.19	\$407,884.38	\$469,227.57			
5400000 Program Management and Administration	\$62,086,955.11	\$27,262,022.67	\$10,048,067.16	\$37,310,089.83			
5410000 4.1 Program Administration	\$39,502,149.74	\$15,479,685.49	\$6,194,525.97	\$21,674,211.46			
5420000 4.2 Program Management & Support	\$9,702,378.00	\$5,814,898.37	\$1,801,551.97	\$7,616,450.34			
5430000 4.3 Fiscal Management	\$4,874,867.50	\$2,131,250.00	\$775,000.00	\$2,906,250.00			
5440000 4.4 Procurement Management	\$6,704,853.50	\$3,569,298.81	\$1,152,826.43	\$4,722,125.24			
5450000 4.5 Audit	\$1,302,706.37	\$266,890.00	\$124,162.79	\$391,052.79			
Total Costs Incurred	\$417,852,694.83	\$93,980,907.20	\$89,398,444.24	\$183,379,351.44			6.6.3
Excess of revenue over costs incurred/(Deficit)	\$0.00	\$337,626.52	(\$114,092.56)	\$223,533.96			
Interest transferred to treasury	\$0.00	\$1,989.76	\$110.71	\$2,100.47			
Interest received from Bank	\$0.00	\$42,912.90	\$20,264.48	\$63,177.38			
Interest transferred to treasury	\$0.00	(\$40,923.14)	(\$20,153.77)	(\$61,076.91)			
Fund Balance	\$0.00	\$330,694.73	(\$116,132.79)	\$214,561.94			6.6.4
Permitted and Special Accounts	\$0.00	\$332,684.49	(\$116,022.08)	\$216,662.41			6.6.4.1
Interest Accounts	\$0.00	(\$1,989.76)	(\$110.71)	(\$2,100.47)			
Net Tax Recoverable	\$0.00	\$4,942.03	\$1,929.52	\$6,871.55			
Tax Paid	\$0.00	\$35,806.86	\$28,264.28	\$64,071.14			
Tax Refund	\$0.00	(\$30,864.83)	(\$26,334.76)	(\$57,199.59)			

Name:

Prepared By:
M. Kennedy Soita
SAS

Approved By:
M. Fabrice Ngarambe
FAM

Submitted To:
Mme Adéola-Hélène F. Ossé
MCA DAF

Date: 17/08/2022

MCA - Niger
 Consolidated Fund Accountability Statement – Compact and 609(g)
 April 1, 2021 to March 31, 2022
 Amounts in USD

WBS
 Element

Budget Prior Period as of
 March 31, 2021 Current Period as of
 March 31, 2022 Cumulative as of
 March 31, 2022

Questioned Costs NOTES
 Ineligible Unsupported

REVENUE & COSTS

WBS Element	Budget	Prior Period as of March 31, 2021	Current Period as of March 31, 2022	Cumulative as of March 31, 2022	Questioned Costs Ineligible Unsupported	NOTES
REVENUE						
Funds From MCC		\$98,821,123.11	\$90,057,330.53	\$188,878,453.64		
COSTS						
5100000 Irrigation and Mrkt Access Project	\$259,850,126.73	\$53,246,380.94	\$65,507,584.61	\$118,753,965.55		
5110000 1.1 Irrigation Perimeter Development	\$90,507,931.09	\$20,861,748.57	\$18,790,340.56	\$39,652,089.13		1.1
5120000 1.2. Mgmnt Servs and Market Facilitation	\$15,039,275.00	\$5,485,136.12	\$3,458,925.32	\$8,944,061.44		1.2
5130000 1.3 Roads for Market Access	\$133,813,527.00	\$18,819,056.96	\$40,989,801.09	\$59,808,858.05		1.3
5140000 1.4 Policy Reform	\$17,184,393.63	\$6,209,892.39	\$1,495,538.79	\$7,705,431.18		1.4
1.5 Water Management Activity (609g)	\$3,305,000.01	\$1,870,546.90	\$772,978.85	\$2,643,525.75		1.5
5200000 Climate-Resilient Communities Project	\$95,020,613.00	\$15,281,707.30	\$14,207,886.94	\$29,489,594.24		
5210000 2.1 Reg Sahel Pastoralism Support (PRAPS)	\$52,155,586.50	\$12,693,741.87	\$7,086,074.94	\$19,779,816.81		2.1
5220000 2.2 Climate-Resilient Agriculture(CRA)	\$42,865,026.50	\$2,587,965.43	\$7,121,812.00	\$9,709,777.43		2.2
5300000 Monitoring & Evaluation	\$4,200,000.00	\$61,343.19	\$407,884.38	\$469,227.57		
5310000 3.1 Monitoring & Evaluation	\$4,200,000.00	\$61,343.19	\$407,884.38	\$469,227.57		3.1
5400000 Program Management and Administration	\$64,757,955.11	\$29,894,065.16	\$10,048,067.16	\$39,942,132.32		
5410000 4.1 Program Administration	\$40,348,901.74	\$16,287,480.38	\$6,194,525.97	\$22,482,006.35		4.1
5420000 4.2 Program Management & Support	\$9,702,378.00	\$5,814,898.37	\$1,801,551.97	\$7,616,450.34		4.2
5430000 4.3 Fiscal Management	\$5,824,867.50	\$3,081,250.00	\$775,000.00	\$3,856,250.00		4.3
5440000 4.4 Procurement Management	\$7,579,101.50	\$4,443,546.41	\$1,152,826.43	\$5,596,372.84		4.4
5450000 4.5 Audit	\$1,302,706.37	\$266,890.00	\$124,162.79	\$391,052.79		4.5
Total Costs Incurred	\$423,828,694.84	\$98,483,496.59	\$90,171,423.09	\$188,654,919.68		
Excess of revenue over costs incurred/(Deficit)		\$337,626.52	(\$114,092.56)	\$223,533.96		5.2
Interest transferred to treasury		\$1,989.76	\$110.71	\$2,100.47		5.3
Interest received from Bank		\$42,912.90	\$20,264.48	\$63,177.38		
Interest transferred to treasury		(\$40,923.14)	(\$20,153.77)	(\$61,076.91)		
Fund Balance		\$330,694.73	(\$116,132.79)	\$214,561.94		5.4
Permitted and Special Accounts		\$332,684.49	(\$116,022.08)	\$216,662.41		5.4.1
Interest Accounts		(\$1,989.76)	(\$110.71)	(\$2,100.47)		
Net Tax Recoverable		\$4,942.03	\$1,929.52	\$6,871.55		5.5
Tax Paid		\$35,806.86	\$28,264.28	\$64,071.14		
Tax Refund		(\$30,864.83)	(\$26,334.76)	(\$57,199.59)		

Name:

Prepared By: M. Kennedy Soita SAS
 Approved By: M. Fabrice Ngarambe FAM
 Submitted To: Mme Adéola-Hélène F. Ossé MCA DAF

Date: 17/08/2022

MCA - Niger
Fund Accountability Statement – 609(g)
April 1, 2021 to March 31, 2022
Amounts in USD

WBS
Element

Budget Prior Period as of
March 31, 2021 Current Period as of
March 31, 2022 Cumulative as of
March 31, 2022

Questioned Costs NOTES
Ineligible Unsupported

REVENUE & COSTS

WBS Element	Budget	Prior Period as of March 31, 2021	Current Period as of March 31, 2022	Cumulative as of March 31, 2022	Questioned Costs Ineligible Unsupported	NOTES
REVENUE						
Funds From MCC		\$4,502,589.39	\$772,978.85	\$5,275,568.24		6.4.2
COSTS						
5100000 Irrigation and Mrkt Access Project	\$3,305,000.01	\$1,870,546.90	\$772,978.85	\$2,643,525.75		
5110000 1.1 Irrigation Perimeter Development	\$0.00	\$0.00	\$0.00	\$0.00		
5120000 1.2. Mgmt Servcs and Market Facilitation	\$0.00	\$0.00	\$0.00	\$0.00		
5130000 1.3 Roads for Market Access	\$0.00	\$0.00	\$0.00	\$0.00		
5140000 1.4 Policy Reform	\$0.00	\$0.00	\$0.00	\$0.00		
5140000 1.5 Water Management Activity (609g)	\$3,305,000.01	\$1,870,546.90	\$772,978.85	\$2,643,525.75		
5200000 Climate-Resilient Communities Project	\$0.00	\$0.00	\$0.00	\$0.00		
5210000 2.1 Reg Sahel Pastoralism Support (PRAPS)	\$0.00	\$0.00	\$0.00	\$0.00		
5220000 2.2 Climate-Resilient Agriculture(CRA)	\$0.00	\$0.00	\$0.00	\$0.00		
5300000 Monitoring & Evaluation	\$0.00	\$0.00	\$0.00	\$0.00		
5310000 3.1 Monitoring & Evaluation	\$0.00	\$0.00	\$0.00	\$0.00		
5400000 Program Management and Administration	\$2,671,000.00	\$2,632,042.49	\$0.00	\$2,632,042.49		
5410000 4.1 Program Administration	\$846,752.00	\$807,794.89	\$0.00	\$807,794.89		
5420000 4.2 Program Management & Support	\$0.00	\$0.00	\$0.00	\$0.00		
5430000 4.3 Fiscal Management	\$950,000.00	\$950,000.00	\$0.00	\$950,000.00		
5440000 4.4 Procurement Management	\$874,248.00	\$874,247.60	\$0.00	\$874,247.60		
5450000 4.5 Audit	\$0.00	\$0.00	\$0.00	\$0.00		
Total Costs Incurred	\$5,976,000.01	\$4,502,589.39	\$772,978.85	\$5,275,568.24		6.4.3
Excess of revenue over costs incurred/(Deficit)		\$0.00	\$0.00	\$0.00		
Interest transferred to treasury		\$0.00	\$0.00	\$0.00		
Interest received from Bank		\$0.00	\$0.00	\$0.00		
Interest transferred to treasury		\$0.00	\$0.00	\$0.00		
Fund Balance		\$0.00	\$0.00	\$0.00		
Permitted and Special Accounts		\$0.00	\$0.00	\$0.00		
Interest Accounts		\$0.00	\$0.00	\$0.00		
Net Tax Recoverable		\$0.00	\$0.00	\$0.00		
Tax Paid		\$0.00	\$0.00	\$0.00		
Tax Refund		\$0.00	\$0.00	\$0.00		

Name:

Prepared By:
M. Kennedy Soita
SAS

Approved By:
M. Fabrice Ngarambe
EAM

Submitted To:
Mme Adéola-Hélène F. Ossé
MCA DAF

Date: 17/08/2022

8.2. APPENDIX 2: MANAGEMENT REPRESENTATION LETTER



MCA-Niger Management Representation Letter as of March 31, 2022

August 17, 2022

KMC SA
Boulevard Mali Béro, Po Bo: 11 160 Niamey, Niger

Dear Mr Abdoul Kadri HASSANE KANEYE

We are providing this letter in connection with your audit of the Fund Accountability Statement(s) of **MCA-Niger** as of **August 17, 2022**, and the related notes to the Fund Accountability Statement(s) (hereinafter referred to as the “financial statements”).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, as of **August 17, 2022**, the following representations made to you during your audit(s):

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, dated May 16, 2022, for the preparation and fair presentation of the financial statements in accordance with Generally Accepted Accounting Principles (GAAP) or other comprehensive basis of accounting (including the cash receipts and disbursements basis and modifications of the cash basis). The financial statements are fairly presented in accordance with GAAP or other comprehensive basis of accounting (including the cash receipts and disbursements basis and modifications of the cash basis);
2. Significant assumptions that we used in making accounting estimates, including those measured at fair value, are reasonable;
3. We have provided you with all relevant information and access, as agreed upon in the terms of the audit engagement letter, including the following:
 - a) Access to all information that is relevant to the preparation and fair presentation of the financial statements (e.g., records, documentation, other matters);

- b) Additional information that you have requested from us for the purpose of the audit, including, but not limited to: Minutes of meetings or summaries of actions of recent meetings for which minutes have not been prepared of the **[Board of Directors, Stockholders, directors, or other similar bodies of those charged with governance]**;
 - c) Unrestricted access to and full cooperation of personnel within the entity from whom you determined it necessary to obtain audit evidence.
4. Except as disclosed to you in writing, there have been none of the following:
- a) Circumstances that have resulted in communications from **MCA-Niger's** legal counsel reporting evidence of a material violation of law or breach of fiduciary duty or similar violations by **MCA-Niger** of any agent thereof;
 - b) Communications from MCC, USAID OIG, governmental representatives, employees, or others concerning investigations or allegations of noncompliance with laws or regulations; deficiencies in financial reporting practices; or other matters that could have a material adverse effect on the financial statements.
5. All transactions have been recorded in the accounting records and are reflected in the financial Statements;
6. There are no uncorrected misstatements in the financial statements, as we have corrected the financial statements for any misstatements that you have identified during the audit and communicated to us;
7. We have no plans or intentions that may materially affect the recognition, measurement, presentation, disclosure, or classification of assets and liabilities;
8. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements;
9. All events or transactions subsequent to **March 31, 2022** and for which GAAP or other comprehensive basis of accounting (including the cash receipts and disbursements basis and modifications of the cash basis) requires adjustment or disclosure have been adjusted or disclosed in the financial statements;
10. We have properly recorded or disclosed in the financial statements changes in the accounting principle that affect the consistency of the financial statements between the periods presented **OR [There are no changes in accounting principle that affect the consistency of the financial statements between the periods presented]**.

Internal Control

11. We acknowledge and fulfilled our responsibility for maintaining effective internal control over the programs, including the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
12. We acknowledge and fulfilled our responsibility for the design, implementation, and maintenance of effective internal control to prevent and detect fraud within the programs;
13. We have **no knowledge of any** fraud or suspected fraud affecting the entity involving 1) management or employees who have significant roles in Internal Control Over Financial Reporting (ICOFR) or 2) others when the fraud could have a material effect on the financial statements;
14. We have **no knowledge of any** allegations of fraud or suspected fraud affecting the financial statements communicated by employees, former employees, or others;
15. We have no knowledge of any officer of **MCA-Niger** or any other person acting under the direction thereof, having taken any action to fraudulently influence, coerce, manipulate, or mislead you during your audit;
16. We are responsible for complying with laws, regulations, contracts, and grant agreements applicable to **MCA-Niger**;
17. There are no instances of noncompliance or suspected noncompliance with laws, regulations, con- tracts, and grant agreements applicable to **MCA-Niger** whose effects should be considered when preparing the financial statements.

Signed by Accountable Entity Head

Mamane. M Annou



Signed by Chief Financial Officer

Adéola-Hélène F. Ossé

