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MILLENNIUM CHALLENGE ACCOUNT – NIGER (MCA-NIGER)

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FINAL REPORT

AGREED-UPON PROCEDURES FOR MCA-NIGER'S RESETTLEMENT IMPLEMENTATION

PERIOD: APRIL 01, 2021 TO MARCH 31, 2022

August 17, 2022

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MCA Niger
Agreed-Upon
Procedures
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: Agreed-Upon Procedures for MCA-Niger's Resettlement Implementation for the period from April 01, 2021 to March 31, 2022.

We have performed the procedures enumerated below on MCA-Niger's Resettlement Implementation for the period from April 01, 2021 to March 31, 2022 based on SSAE 19 standards.

Please receive attached the following results of agreed-Upon Procedures for MCA-Niger's Resettlement Implementation.

Yours sincerely,

August 17, 2022

KMC SA

KMC S.A.

Niamey | Niger

1. Glossary of terms

AICPA	American Institute of Certified Public Accountants
DAF	Director of Finance and Administration
FA	Fiscal Agent
IFC	International Finance Corporation
MCA	Millennium Challenge Account
MSA	MALICK SOW & Associé
PAP	Persons Affected by the Project
PAR	Plan d'Action de Réinstallation
RIB	Bank identity statement
RN7	Route National n°7
RRS	Route Rurale de Sambéra
SSAE 19	Statement on Standards for Attestation Engagements

2. Independent Auditor’s Report on Agreed-Upon Procedures for MCA-Niger’s Resettlement Implementation

To

Mr. ABANI Sani Ibrahim

Chairman, MCA-Niger Board of Directors MCA-Niger

Boulevard Mali Béro, Face Lycée Bosso Niamey, Niger

We have performed the procedures enumerated below on MCA-Niger’s Resettlement Implementation for the period from April 01, 2021 to March 31, 2022. MCA Niger is responsible is for conducting the Resettlement Implementation.

MCA Niger has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of Resettlement Implementation for the period from April 01, 2021 to March 31, 2022.

The procedures and the associated findings are presented as follow:

N°	Agreed Procedures	Associated findings
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:	MCA-Niger has established an appropriate classification and archiving procedure to ensure that the processes for compensation to project-affected people (PAPs) or communities (including irrigation and road projects). This procedure is aligned with the IFC Performance Standards.
1.1	The frequency of compensations (monthly, weekly, one time)	The frequency of compensation does not exist in the database; according to the explanation of MCA Niger officials, they are generally punctual for road projects (RN7, RN35 and RRS). With regard to the Konni hydro-agricultural development, the frequency of compensation can be assimilated to the campaigns or seasons: dry season, wet season. During this review, the four (4) amendments of the Konni hydro-agricultural development were taken into account. On the whole, these frequencies depend on the periods of reception of the files and the availability of the PAPs. MCA Niger often manages to register 200 to 300 compensation files per week, which can go up to 800 files per month.

1.2	The average time delay from a compensation agreement to actual payment to the PAP	<p>For the Konni project, the waiting period between compensation agreement and payment varies from 1 to 26 months.</p> <p>For the road projects, the time between the signing of agreements and the actual payment is 1 to 9 months. On average, 10% of the PAPs were paid within one to three months, compared with 29.87% between the 14th and 26th month.</p>
1.3	Spot checks of compensation payments made with relevant documents verification such as; receipts for any compensation payments, bank related compensation activities	For the Konni hydro-agricultural development, the 122 PAPs selected have actually received their payments. For the road projects, the 31 PAPs selected have actually received their payments, 87% of which were in bank and 13% in cash.
1.4	The process by which PAPs are notified when compensation payments are made	After validation of the PAPs' files by the DAF of the MCA, the transfer is made by FA to the PAPs' accounts. The PAPs' bank is then responsible for receiving the compensation for the PAPs and signing a declaration of receipt of compensation or a credit note on the beneficiaries' account attesting to the receipt of funds in their account.
1.5	The process by which compensation documents are archived and retained	MSA transmits the PAP documents to the MCA-Niger, especially to the resettlement department for signature verification. Then the files are transmitted to the DAF for verification of the financial aspects, which in turn sends them back to the FA, which establishes the transfer orders and archives the files at its level.
1.6	Verification of a signed compensation agreement has been provided to the PAP and upload in the resettlement database	Signed agreements were provided to the PAPs and these were uploaded to the database.
1.7	Verification that all PAP who have been compensated have opened a bank account to receive compensation payment	All the PAPs in Konni (122 files selected) are paid at the bank. At the road level, the majority of payments to the PAPs are made in bank, representing 87% of the payments, compared to 13% in cash.
1.8	Verification that all PAPs who have been compensated have received money management training and what the training involved	The information in the database does not indicate the aspects related to the training given to PAPs. However, discussions with MCA resettlement officers revealed that training in money management, including bookkeeping and investments, is provided to all PAPs regardless of the project.
1.9	Verification that the compensation agreement accurately reflects the information provided in the resettlement database	The compliance of the compensation agreement with the database is fair and shows compliance for 98.36% for the Konni Project PAPs against only 1.6% non-compliance. At the level of road PAPs, for all payments, there is compliance between the database and the agreement forms at the level of road projects.
2	Determining if there are financial costs for grievance resolution or litigation; if yes, determining how they were managed.	We reviewed the cost management procedures and did not find any deficiencies.
3	Determining if the MCA has a specific internal and external system to monitor recommendations on the resettlement agreed-upon procedure engagement. 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.	The MCA has an action plan to follow up on the recommendations on the resettlement agreed-upon procedure engagement. This action plan is structured under the following headings: Findings, Actions, Timeframe, Implementation Responsibilities, Recommendations and Observations.

We were engaged by MCA Niger to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA.

We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on MCA-Niger's Resettlement Implementation for the period from April 01, 2021 to March 31, 2022. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. We are required to be independent of MCA Niger and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

August 17, 2022

KMC SA

KMC S.A.

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MCA Niger
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3. APPENDIX:

3.1 Appendix 1: Written Representation Letter



Written Representation Letter

August 17, 2022

KMC SA

Boulevard Mali Béro, Yantala, Street YN n°125, PO Box: 11160, Niamey - Niger

Dear Mr Abdoul Kadri HASSANE KANEYE

We are providing this letter in connection with your agreed-upon procedures engagement of MCA-Niger's Implementation of the Resettlement action plan for the period ended March 31, 2022, based on Statement Standards for Attestation Engagement (SSAE No. 19) and related to the compliance of MCA - Niger with the IFC-Performance Standards and related rules for the period from April 1, 2021 to March 31, 2022 for the purpose of reporting your findings to MCA-Niger regarding agreed-upon procedures engagement and the Entity's compliance.

We confirm, to the best of our knowledge and belief, as of August 17, 2022, the following representations made to you during your engagement:

- We are responsible for the accuracy and completeness of the MCA-Niger's Resettlement Implementation action plan and maintaining effective internal control over compliance;
- We are responsible for the Entity's compliance with the IFC-Performance Standards;
- We have provided you with all relevant information and access, as applicable, as agreed upon in the terms of the engagement;
- All known matters contradicting the MCA-Niger's Resettlement Implementation action plan and any communication affecting the MCA-Niger's Resettlement Implementation action plan have been disclosed to you, including communications received between March 31, 2022 and the date of your report;
- We are not aware of any material misstatements in MCA-Niger's Resettlement Implementation action plan;
- We have disclosed to you all known events subsequent to the period (or point in time) of MCA-Niger's Resettlement Implementation action plan being reported on that would have a material effect on the MCA-Niger's Resettlement Implementation action plan;

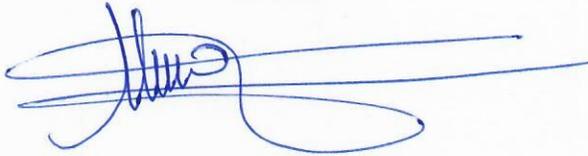
- We have provided to you any additional representations that you determined appropriate;
- We have responded fully to all inquiries made to us by you during the engagement;
- We understand that the purpose of your report is solely to describe the procedures performed on agreed-upon procedures engagement and on compliance with specified requirements and to describe the results of applying those procedures without providing an opinion or conclusion. Accordingly, your report will not be suitable for any other purpose.

Signed by Accountable Entity Head
Mamane M. Annou



The stamp is circular with the text "MILLENNIUM CHALLENGE ACCOUNTING" around the top edge and "GENERAL" in the center. A handwritten signature in blue ink is written over the stamp.

Signed by Chief Financial Officer
Adéola-Hélène F. Osse



A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke.