

USAID Grant Agreement No. 624-005-05.01

Millennium Challenge Account Threshold Program

STRATEGIC OBJECTIVE GRANT AGREEMENT

BETWEEN THE

UNITED STATES OF AMERICA

AND

BURKINA FASO

TO

PROMOTE PRIMARY EDUCATION FOR GIRLS

Millennium Challenge Account Threshold Program
Strategic Objective Grant Agreement

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Millennium Challenge Account Threshold Program

STRATEGIC OBJECTIVE GRANT AGREEMENT

Dated: July 22, 2005

Between:

The United States of America, acting through the United States Agency for International Development ("USAID")

and

The Government of Burkina Faso, acting through the Ministry of Finance and Budget (hereinafter referred to as the "Grantee")

Article 1: Purpose; Term

Section 1.1. Purpose. The purpose of this Strategic Objective Grant Agreement ("Agreement") is to set out the understanding of the parties named above (the "Parties") about the Strategic Objective described below.

Section 1.2. Term. This Agreement shall become effective on the date hereof (the "Effective Date"). The term of this Agreement shall commence on the Effective Date and shall continue up to the date that is nine (9) months after the Completion Date, unless otherwise earlier terminated in accordance with Section 8.1.

Article 2: Strategic Objective and Results

Section 2.1. Strategic Objective. The strategic objective ("Strategic Objective" or "Objective") is to promote girls' primary education in the following 10 provinces of Burkina Faso: Banwa, Gnagna, Komandjari, Namentenga, Oudalan, Sanmentenga, Seno, Soum, Tapoa, and Yagha (collectively, the "Target Areas").

This Section 2.1 may not be changed except by formal written amendment to this Agreement by the Authorized Representatives.

Section 2.2. Results. In order to achieve the Objective, the Parties agree to work together to achieve the following results (each a "Result" and collectively, the "Results"): (1) Increased girls' enrollment rates in primary schools in the Target Areas and (2) Increased girls' attendance rates in the primary schools in the Target Areas. This Section may not be changed except by formal written amendment to this Agreement by the Authorized Representatives.

Section 2.3. Annex 1, Amplified Description. Annex 1, attached, hereto, forms part of this Agreement and amplifies the above Objective and Results. Within the limits of the above definitions of the Objective in Section 2.1 and the Results in Section 2.2, Annex 1 may be changed only by written agreement of the Authorized Representatives, without formal amendment of this Agreement.

Article 3: Contributions of the Parties

Section 3.1. USAID Contribution. *The Grant*. To help achieve the Objective set forth in this Agreement, USAID, hereby grants, subject to the terms and conditions set forth herein, and pursuant to the Foreign Assistance Act of 1961, as amended, and Section 616 of the Millennium Challenge Act of 2003 (codified at 22 U.S.C. §7701, 7715), to the Grantee an amount not to exceed Twelve Million Nine Hundred Thousand United States ("U.S.") Dollars (\$12,900,000) (the "Grant").

Section 3.2. Grantee Contribution. The Grantee shall provide or cause to be provided all funds, in addition to those provided by USAID and any other donor identified in Annex 1, and all other resources required to complete, on or before the Completion Date, all activities necessary to achieve the Results. Grantee support shall include, but shall not be limited to, all teacher salaries and organizational costs associated with achieving the Results, as well as school kits and health and nutrition supplements. A complete description of the Grantee's contribution is set forth in Section V.A of Annex 1.

Article 4: Completion Date

(a) The Completion Date, July 22, 2007, or such other date as the Parties and MCC may agree to in writing, is the date by which the Parties estimate that all the activities necessary to achieve the Objective and Results will be completed.

(b) Except as USAID may otherwise agree to in writing, USAID will not issue or approve documentation which would authorize disbursement of the Grant for services performed or goods furnished after the Completion Date.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Implementation Letters, are to be received by USAID no later than nine (9) months following the Completion Date, or such other period as USAID agrees to in writing. After such period, USAID, at any time or times, may give notice in writing to the Grantee and reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Implementation Letters, were not received before the expiration of such period.

Article 5: Conditions Precedent to Disbursement

Section 5.1. First Disbursement. Prior to the first disbursement of the Grant, or prior to the issuance by USAID of documentation pursuant to which such disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to USAID in form and substance satisfactory to USAID:

(a) The Primary Implementation Letter referred to in Section III of Annex 1 shall have been duly executed and delivered by the Authorized Representatives, and shall be in full force and effect;

(b) A legal opinion of counsel to the Ministry of Foreign Affairs of Burkina Faso, or other legal counsel acceptable to USAID, that this Agreement has been duly authorized or ratified by, and executed on behalf of the Grantee, and that it constitutes a valid and legally binding obligation of the Grantee, in accordance with all of its terms; and

(c) A statement in the name of the person holding or acting in the office of the Grantee specified in Section 7.2, and of any Additional Representatives of the Parties, together with a specimen signature of each person specified in such statement.

Section 5.2. Notification. USAID will promptly notify the Grantee when USAID has determined that a condition precedent has been met.

Section 5.3. Terminal Dates for Conditions Precedent. The terminal date for meeting the conditions specified in Section 5.1 is sixty (60) days from the date of this Agreement or such later date as USAID may agree to in writing. If the conditions precedent in Section 5.1 have not been met by the above terminal date, USAID may terminate this Agreement by written notice to the Grantee.

Article 6: Covenants

Each Party shall comply with all of its covenants and obligations set forth in this Agreement, including Annex 1 and Annex 2, any Implementation Letters and any supplemental agreements executed between the Parties or between a Party and a third party relating to, in connection with, or in furtherance of, this Agreement or the achievement of the Results and the Objective.

Article 7: Miscellaneous

Section 7.1. Financial Disbursement. The Parties agree that the activities contemplated under this Agreement will be undertaken in conformity with United States Government, including USAID and MCC, policies and procedures, and that USAID shall disburse all funds under this agreement to Implementing Partners (as defined in Annex 1) consistent with these policies and procedures.

Section 7.2. Communications. Any notice, request, document, or other communication submitted by either Party to the other under this Agreement shall be (a) in writing or by telegram, telefax or cable, and (b) deemed duly given or sent when delivered to such Party at the following address:

To USAID:

Mail Address:
Mission Director
United States Agency for International Development
West Africa Regional Program
E45/3 Independence Avenue
PO Box 1630 Accra, Ghana

Alternate address for cables:
Telefax: 233-21-770-101/231-940

To the Grantee:

Mail Address:
Minister
Ministry of Finance and Budget
04BP 423
Ouagadougou 04, Burkina Faso

Alternate address for cables:
Telefax: 226-50-31-27-15

All such communications shall be in English unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of prior notice to the other Party.

Section 7.3. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the Office of Minister of Finance and Budget, and USAID will be represented by the individual holding or acting in the Office of Mission Director, USAID/WARP (the "Authorized Representatives"). Each of the Authorized Representatives, by written notice, may designate additional representatives ("Additional Representatives") for all purposes except signing this Agreement, signing formal amendments to the Agreement or exercising the power under Section 2.3 to change Annex 1. The names of the Authorized Representatives and the Additional Representatives of the Grantee, with specimen signatures, will be provided to USAID, and USAID may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

Section 7.4. Standard Provisions Annex. A "Standard Provisions Annex" (Annex 2) is attached to and forms part of this Agreement.

Section 7.5. Language of Agreement. This Agreement is prepared in both English and French. In the event of ambiguity or conflict between the two versions, the English language version shall control.

Section 7.6. Amendments. Unless otherwise specified herein, the Parties may amend this Agreement only by a formal written amendment signed by the Authorized Representatives.



Article 8: Suspension and Termination

Section 8.1. Either Party may terminate this Agreement in its entirety by giving the other Party 30 days' written notice. USAID also may terminate this Agreement in part by giving the Grantee 30 days' written notice, and suspend this Agreement in whole or in part upon giving the Grantee written notice. In addition, USAID may terminate this Agreement in whole or in part, upon giving the Grantee written notice, if (i) the Grantee fails to comply with any provision of this Agreement, (ii) an event occurs that USAID determines makes it improbable that the Objective or Results of the Agreement or the assistance program will be attained or that the Grantee will be able to perform its obligations under this Agreement, or (iii) any disbursement or use of funds in the manner herein contemplated would be in violation of the legislation governing USAID whether now or hereafter in effect.


Section 8.2. Except for payment which the Parties are committed to make pursuant to non-cancelable commitments entered into with third parties prior to such suspension or termination, suspension or termination of this entire Agreement or part thereof will suspend (for the period of the suspension) or terminate, as applicable, any obligation of the Parties to provide financial or other resources to the Agreement, or to the suspended or terminated portion of the Agreement, as applicable. Any portion of this Agreement which is not suspended or terminated shall remain in full force and effect.

Section 8.3 In addition, upon such full or partial suspension or termination, USAID may, at USAID's expense, direct that title to goods financed under the Agreement, or under the applicable portion of the Agreement, be transferred to USAID if the goods are in a deliverable state.

IN WITNESS WHEREOF, the United States of America and the Grantee, each acting through its duly Authorized Representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

UNITED STATES OF AMERICA	BURKINA FASO
By: 	By: 
Name: Dr. Cheema Jatinder	Name: Hon. Jean-Baptiste M.P. Compaoré
Title: Mission Director	Title: Minister of Finance and Budget
Agency: USAID/WARP	

ACKNOWLEDGED AND APPROVED BY:

By: 
Name: Paul V. Applegarth
Title: Chief Executive Officer
Agency: Millennium Challenge Corporation

**ANNEX 1
AMPLIFIED DESCRIPTION**

I. INTRODUCTION

This Annex 1 describes the activities to be undertaken and the results to be achieved with the funds obligated under this Agreement. Nothing in this Annex 1 shall be construed as amending any of the definitions or terms of the Agreement.

II. BACKGROUND

On November 8, 2004, MCC selected Burkina Faso as eligible to receive Threshold Country Program assistance for the purpose of assisting Burkina Faso in its efforts to become eligible for Millennium Challenge Account ("MCA") assistance.

In a letter of intent dated March 7, 2005 (the "Letter of Intent"), the Government of Burkina Faso (the "Government") expressed its desire to qualify for MCA assistance. The Letter of Intent set out the Government's strategies for promoting girls' education in Burkina Faso. These strategies are within the context of its poverty reduction efforts and within the framework of a comprehensive program of primary school education aimed at improving the performance of Burkina Faso's education sector.

Subsequently, MCC invited Burkina Faso to submit a Threshold Country Plan ("TCP"). The Government submitted its TCP on June 21, 2005. On July 6, 2005, the Board of Directors of MCC approved the Government's TCP.

The TCP is a pilot program that demonstrates the Government's commitment to improve girls' primary education completion rates in Burkina Faso. As further described in the TCP, the Government has already put in place laws, reforms and other measures aimed at improving and promoting girls' primary education in Burkina Faso. The Government's stated national goal is to achieve a 65% gross enrollment rate for girls in primary schools and a 60% girls' primary school completion rate by 2010. The Government believes that the implementation of the TCP pursuant to and in accordance with this Agreement will accelerate the achievement of this goal by targeting provinces that have historically achieved the lowest girls' primary school completion rates. This program will enable the Government to measure the impact of various types of interventions on girls' primary school enrollment and attendance rates and, if effectively implemented and evaluated, these interventions will form the basis for practical solutions that will be utilized by the Government in its broader, country-wide effort to improve girls' primary school completion rates.

III. STRATEGIC OBJECTIVE; RESULTS TO BE ACHIEVED; ACTIVITIES

The Strategic Objective of this Agreement is to promote girls' primary school education within the Target Areas. The Target Areas currently have the lowest girls' primary school completion rates in Burkina Faso.

In order to achieve the Objective, the following Results must be achieved: (1) increased girls' enrollment rates in primary schools in the Target Areas and (2) increased girls' attendance rates in primary schools in the Target Areas.

Specific and further details on targets, indicators and outputs for each activity shall be set forth in an initial Implementation Letter defined as the "Primary Implementation Letter" signed

by both Parties. No funds shall be disbursed until this Primary Implementation Letter has been executed and delivered in accordance with Section 5.1(a) of the Agreement.

The program to be funded under this Agreement will include the following activities:

- A) Construction of 'girl-friendly' educational complexes in the Target Areas, each of which shall include school lunchrooms, separate boys' and girls' latrines, a tube well, housing for teachers and playgrounds and sporting equipment.
- B) Community-managed child care centers (known as *bisongos*) will be built in a to be determined number of school facilities based on an initial evaluation of their impact. The purpose of these centers is to relieve school-age girls of the burden of caring for very young children, as this is one of their most time-consuming chores. Each bisongo shall be provided with a storehouse, food supply, a female monitor/instructor and a playground.
- C) A societal awareness and outreach campaign in the Target Areas addressing the benefits of girls' schooling. To remove socio-cultural constraints, a campaign of social mobilization shall be carried out, through the Integrated Communication Plan and other door-to-door outreach efforts. The Integrated Communication Plan is a new outreach approach developed by the Ministry of Basic Education and Literacy that relies essentially upon direct communication with local populations. It includes, among other things, the lobbying of influential people and opinion leaders, informative skits, video projections, games, radio discussions and broadcasts, a door-to-door campaign, and relay nodes.

The purpose of this activity is to: (a) reduce opposition to girls' enrollment rooted in erroneous and/or out-dated notions of women's roles and (b) ultimately increase girls' enrollment and retention in school. This campaign shall also be aimed at improving the level of information available to the general population (and parents) about the benefits associated with schooling in general, and especially with the schooling of girls. Outreach campaigns shall also deal with laws prohibiting sexual harassment of students and teachers. This social mobilization campaign shall be carried out by the Government (at the central, decentralized, and regional levels), non-governmental organizations and civil society (e.g., parents' and mothers' associations (*Associations des Mères Educatrices* (AME) / *Associations des Parents d'Elèves* (APE), opinion leaders, and religious leaders).

The social mobilization campaign shall initially cover thirty-three (33) communities in the Target Areas, for the first year of the program. The Government shall carefully monitor this component to assess whether there is a direct correlation between the communities receiving the social mobilization campaign and their enrollment rates for girls as compared to communities in the Target Areas that have not received the social mobilization campaign. If a positive correlation is found, this component may be expanded to the remaining ninety-nine (99) communities within the Target Areas.

- D) Literacy/training of Women in the Community (*mères éducatrices*).

Literacy courses and training in micro-project management in the areas surrounding the new school facilities shall be conducted in collaboration with other donor organizations and mother/parent organizations and shall integrate modules on gender issues, children's and women's rights, the care of HIV/AIDS-infected and -affected children, and teacher training for HIV/AIDS issues. Although literacy curricula have already been developed by the Ministry of

Literacy and Non-Formal Education, the Grant may be used to provide technical assistance for curriculum revision and pedagogy.

E) Mentoring for Girls.

Mothers and parents associations shall receive support for the mentoring of girls who are having difficulties that could affect their academic performance. This mentoring is designed to be a form of attendance monitoring for girls, with the goal of reducing their drop-out rate.

F) Merit Awards for the Most Deserving Teachers.

An annual excellence award shall be established to reward the best female teachers each year. These teachers shall be selected from the newly constructed schools. The competition will be announced at the beginning of the academic year, and the criteria shall be based upon a number of pre-determined factors agreed to by all parties. These awards are intended to motivate teachers and improve their performance.

G) Teacher Training.

Teachers shall receive training in the pedagogy of gender. This training shall address such topics as violence and sexual harassment of girls and female teachers. This training shall be conducted by retired primary education inspectors who are familiar with the curriculum. The Grant may also be used to provide technical assistance for curriculum revision and pedagogy.

H) Text Books and Supplies in the New Schools.

The Grant shall be used to provide additional textbooks so that the ratio of textbooks to girls in the new schools shall be 1:1.

I) Take Home Rations.

An incentive program, in the form of take-home dry rations, is planned to ensure steady school attendance by girls. In practice, this will mean a monthly allocation of 8 kilograms of corn flour (or other grains, depending on the dietary habits of the area) for each girl, in each school, provided that she maintains a 90% attendance rate.

J) School Canteens.

Each new school is to be provided with an on-site canteen that will serve lunch to pupils. The idea of providing canteens is based on a number of studies that demonstrate that school meals are an effective way of ensuring attendance and improving academic performance.

K) Capacity-Building of Monitoring.

The Grant shall be used to provide training in evaluation skills for the staff of the Directorate for the Promotion of Girls' Education. This support would supplement the current limited efforts already being made in this area.

IV. COMMUNITY SELECTION

Communities shall be selected by a committee of members chosen by the Ministry of Basic Education and Literacy in coordination with USAID and the Implementing Partners (as defined below). Communities chosen shall be those that have the greatest potential to increase province enrollment and attendance results. Factors to be considered include the following: (i) population of school-age girls; (ii) rate of enrollment of girls; (iii) distance from the nearest school; (iv) levels of student enrollment that meet or exceed classroom capacity of the nearest school; (v) access to a secondary school; (vi) community need as determined by the Ministry for Basic Education and Literacy; and (vii) literacy rate for women.

For reasons of transparency and equity, the intervention sites will be selected at random from among the eligible communities.

V. ROLES AND RESPONSIBILITIES

A. GOVERNMENT

In connection with the implementation of the activities under this Agreement, the Government shall use its very best efforts to ensure that the Results and the Objective are achieved, as contemplated in this Agreement.

In furtherance of, but without limiting the foregoing, the Government shall: (a) pay for the annual salaries and organizational costs of the teachers assigned to these new schools; (b) expand the ongoing income-generating activities of the parent and mother organizations through community-based sub-projects to the new schools; (c) extend the Government's comprehensive Nutrition, Health, and HIV/AIDS program to the target schools in the Target Areas; (d) provide office space for staff of selected Implementing Partners (as defined below); (e) provide program monitoring; and (f) ensure budget support and replication of lessons learned to sustain program activities after the Completion Date and expand to other areas.

B. USAID

USAID shall work very closely with the Government, and specifically the Ministry of Basic Education and Literacy, to assist the Government in the successful implementation of the activities and its achievement of the Results and the Objective contemplated by this Agreement.

USAID shall enter into one or more agreements with one or more third party implementing partners (each, an "Implementing Partner") to implement the activities contemplated under this Agreement. Such agreement(s) may include grants, cooperative agreements, or contracts. The Implementing Partners may be local, United States, international or multi-national, governmental or non-governmental, organizations or persons. USAID shall select the Implementing Partners in a manner consistent with USAID regulations, policies and procedures and in consultation with representatives of the Government and MCC.

USAID/West Africa Regional Program ("WARP") shall monitor performance under such agreements and shall be charged with overseeing the performance of the Implementing Partners and progress toward achievement of results. See Section VII.

C. IMPLEMENTING PARTNERS

The Implementing Partners will be selected by USAID, consistent with USAID regulations, policies and procedures, after a review by a committee which may be comprised of one or more representatives from each of the following: United States Embassy in Burkina Faso; Ministry of Basic Education and Literacy; Millennium Challenge Corporation (“MCC”); USAID/WARP; other members of the donor education community; and a member of Burkinabe civil society, as agreed upon by both Parties. USAID shall ensure that the Implementing Partners carry out the implementation of this program in conformance with this Agreement and report directly to USAID/WARP. Each agreement between USAID and an Implementing Partner (organization) will be consistent with the Primary Implementation Letter referred to in Section III of Annex 1 and will include: a monitoring and evaluation plan, including indicators, targets and outputs; an implementation timetable (work plan); a financial plan; a budget; and a management plan.

D. MCC

USAID and the Government acknowledge and understand that MCC has charged USAID with responsibility for administering and overseeing the implementation of this Agreement under MCC principles of country ownership, accountability and emphasis on results. It is further understood that the respective roles and responsibilities of USAID and MCC as between each other in connection with the implementation and furtherance of this Agreement will be set forth in a separate memorandum of agreement to be executed by both USAID and MCC. USAID, MCC and the Government acknowledge and agree that while MCC has acknowledged and approved this Agreement, MCC shall have no rights or obligations hereunder.

VI. BUDGET PLAN

The Illustrative Budget plan (the “Illustrative Budget”) for the program is set forth below. This Illustrative Budget will be expanded upon in the Primary Implementation Letter to include both United States Government and Government of Burkina Faso contributions. Changes may be made to the Illustrative Budget in writing by Authorized Representatives without formal amendment to the Agreement, if such changes do not cause USAID's contribution to exceed the amount specified in Section 3.1 of the Agreement.

VII. MONITORING AND EVALUATION

Program monitoring and evaluation will be based on quantitative as well as qualitative evaluations, and shall be carried out by the Ministry of Basic Education and Literacy with technical assistance provided under this Agreement by a USAID technical team.

Achievement of the Results and the Strategic Objective shall be measured based upon the following performance indicators:

- Enrollment Rate Result:
 - i) For each new school, an expected enrollment of 25 girls per year in the primary school who otherwise would not have been enrolled in school; and
 - ii) In each of the 10 provinces, a 3 % increase in the enrollment rate for girls in primary schools as of the Completion Date.
- Attendance Rate Result:

- (i) In the new schools, a minimum attendance rate of 86% among female students each year.

Enrollment shall be monitored on an annual basis and attendance shall be monitored on a monthly basis. USAID will retain a project management specialist to be based in the United States Embassy in Ouagadougou to oversee the daily implementation of the program. In addition, a cognizant technical officer (CTO) from USAID/WARP will be assigned to provide oversight of the program. The CTO will make site visits to Burkina Faso each quarter, and as otherwise required, to ensure proper oversight and smooth implementation of the program. Other members of the WARP staff may provide additional technical assistance as needed.

Additionally, the Government shall monitor all outputs (including, but not limited to, school construction schedule, bisongo/child-care center construction schedule, literacy training, etc.) to ensure that performance is consistent with this Agreement, the budget and the financial plan.

MCC may at its own expense, perform, or may hire an outside expert to perform, independent evaluations of the outputs, Results, and Objective from time to time.

ILLUSTRATIVE BUDGET

The budget is estimated at US \$12,900,000, of which US \$1,815,000 is for management expenses. Construction costs account for US \$8,848,000, and policy-related activities account for US \$1,689,000. The cost of internal evaluation and monthly monitoring and evaluation is estimated at US \$548,000. This is an illustrative budget, as the details regarding management cost will be available only at the time when the Implementing Partner(s) is selected. Details on budget line items will be further developed at the time of awarding the agreement to the Implementing Partners; *provided* that, these items, when taken together, shall in no event exceed the aggregate amount of the Grant.

Description	Amount
Total program cost:	\$12,900,000
1. Management	\$1,815,000
2. Construction	\$8,848,000
3. Policies	\$1,689,000
4. Internal Evaluation/Monitoring/Audit	\$548,000