



Millennium Challenge Corporation

Reducing Poverty Through Growth

CONGRESSIONAL NOTIFICATION TRANSMITTAL SHEET

We wish to inform of the intent to expand the activities to be funded for the purpose of facilitating the development of a Millennium Challenge Compact with the Republic of Ghana, which were previously notified on May 26, 2005 and July 11, 2006. (Copies of the initial and the amended Congressional Notifications are enclosed.) This will not change the total amount of funding for the activities, notified at \$227,000 and \$3,000,000, respectively.

This amended notification is being sent to the Congress on April 28, 2006.

Sincerely,

Frances C. McNaught
Vice President
Congressional and Public Affairs

Enclosure:
As stated

**MILLENNIUM CHALLENGE CORPORATION
CONGRESSIONAL NOTIFICATION**

April 28, 2006

PROGRAM: FY 2004 Eligible Countries

APPROPRIATIONS CATEGORY: Not Applicable

INTENDED FY 2006 OBLIGATION: Reallocation of \$3,227,000 in FY
2004 program funds previously notified

In accordance with section 515 of the Foreign Operation, Export Financing, and Related Programs Appropriations Act 2004 (Div. D, P.L. 108-199) ("FOAA"), this is to advise that the Millennium Challenge Corporation ("MCC") intends to expand the scope of activities to be funded under \$227,000 previously notified on May 26, 2005 and \$3,000,000 previously notified on July 11, 2005. (See attached Notification.).

As notified to Congress on April 19, 2006, MCC in the near future will be ready to begin negotiations with Ghana on a Compact. As part of MCC's due diligence process, we have identified two activities that will help facilitate the development and implementation of this Compact. MCC has not yet fully obligated the \$227,000 and \$3,000,000 previously notified and MCC would use remaining unobligated balances to fund these two new activities.

The total amount of funds will not increase; the new activities to be included are:

- Fiscal and procurement administration activities
- MCA-Ghana external legal counsel

**MILLENIUM CHALLENGE CORPORATION
CONGRESSIONAL NOTIFICATION**

May 26, 2005

PROGRAM:	FY 2004 and FY 2005 Eligible Countries
APPROPRIATIONS CATEGORY:	FY 2004 Program Funds
INTENDED FY 2005 OBLIGATION:	\$227,000

In accordance with section 515 of the Foreign Operation, Export Financing, and Related Programs Appropriations Act 2004 (Div. D, P.L. 108-199) (“FOAA”), this is to advise that the Millennium Challenge Corporation (“MCC”) intends to obligate up to Two Hundred Twenty Seven Thousand Dollars (\$227,000) in FY 2004 MCC program funds. Pursuant to Section 609(g) of the Millennium Challenge Act of 2003 (the “Act”), MCC plans to fund activities to facilitate the development and, subject to appropriate approvals and notifications, the acceleration of implementation of a Millennium Challenge Compact with the Government of Ghana (GoG). These funds will be used to support technical assistance to refine the proposed large scale irrigation development activities. Specifically, these funds are intended to:

- Develop preliminary designs for water capture and supply from Volta Lake, including pumping stations, power supply, transmission lines and a control station;
- Develop specification of engineering standards for (i) the long transmission lines to target agricultural production and (ii) the distribution system (*e.g.* drip irrigation or other) for each target area; and
- Promote and support certain regulatory compliance activities, such as permitting for water abstraction, intake specifications, and an initial assessment of impact on ecosystems.

MCC and the GoG have worked together to agree on proposed program goals, objectives and key indicators at the Compact goal, Program and Project levels. Among the projects for which funding is being sought under Ghana’s proposed MCA program are large scale irrigation systems that would allow for year round agricultural production in three regions. Unfortunately, the technical expertise required to design and develop large scale irrigation facilities does not exist within the private or public sector in Ghana. The Irrigation Development Authority of Ghana (IDA) is capable of designing irrigation systems; however, their expertise is limited to small scale irrigation systems.

Due to its lack of expertise in large-scale irrigation, the GoG has requested MCC to procure and administer the technical assistance. The assistance is required for a period of 4 months and will include Compact-development and other preparatory activities, including engineering work, to be performed prior to conclusion of a Compact.

The 609(g) funded activities are beneficial to Ghana independent of the ultimate decision to approve a Compact because they will help build sustainable local capacity to design and maintain large-scale irrigation facilities.

**MILLENNIUM CHALLENGE CORPORATION
CONGRESSIONAL NOTIFICATION**

July 11, 2005

PROGRAM:	FY 2004 and FY 2005 Eligible Countries
APPROPRIATIONS CATEGORY:	FY 2004 Program Funds
INTENDED FY 2005 OBLIGATION:	\$3,000,000

In accordance with section 515 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act 2004 (Div. D, P.L. 108-199) (“FOAA”), this is to advise that the Millennium Challenge Corporation (“MCC”) intends to obligate up to Three Million Dollars (\$3,000,000) in FY 2004 MCC program funds. Pursuant to Section 609(g) of the Millennium Challenge Act of 2003 (the “Act”), MCC plans to fund activities to facilitate the development of, and subject to appropriate approvals, notifications and the conclusion of a Millennium Challenge Compact (“Compact”) with the Government of Ghana (“GoG”), the acceleration of Compact implementation. Specifically, these funds will be used for some or all of the following:

- 1) Analyze the proposed value chain; identify necessary business services and their delivery mechanisms; and assess foreign investment demand.
- 2) Survey domestic demand for land in proposed program areas, and develop and implement a method for land acquisition.
- 3) Prepare technical designs of roads and irrigation systems.
- 4) Conduct a preliminary environmental assessment and review Ghanaian environmental assessment guidelines to determine their suitability.
- 5) Assess existing social infrastructure (housing, water, sanitation facilities, schools, medical facilities, etc.) in the project areas and determine its adequacy, given projected migration into these areas.
- 6) Examine the potential for expanding payments systems to include rural banks.
- 7) Initiate a baseline data survey to track changes of household welfare over time.

Regardless of whether a Compact agreement is reached with Ghana, MCC believes that the products of this 609(g) funding will have the potential to benefit the country.