



Millennium Challenge Corporation

Reducing Poverty Through Growth

CONGRESSIONAL NOTIFICATION TRANSMITTAL SHEET

We wish to inform of the intent to provide funding of up to \$6,500,000 for the purpose of facilitating the development of a Millennium Challenge Compact with the Republic of Senegal and, if a Compact is concluded, the implementation of such Compact.

The attached notification is being sent to the Congress on June 30, 2005. Allocation and obligation of funds may be incurred on or after fifteen days from the date of this notification. The obligation of funds will be made at the time the applicable agreement is effective.

Sincerely,

Frances C. McNaught
Vice President
Domestic Relations

Enclosure:
As stated

**MILLENNIUM CHALLENGE CORPORATION
CONGRESSIONAL NOTIFICATION**

June 30, 2005

PROGRAM:	FY 2004 and FY 2005 Eligible Countries
APPROPRIATIONS CATEGORY:	FY 2004 Program Funds
INTENDED FY 2005 OBLIGATION:	\$6,500,000

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 Six Million Five Hundred Thousand Dollars (\$6,500,000) 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 Senegal (“GoS”). These funds will be used to support baseline, feasibility and technical design studies, and other assessments related to a proposed planned industrial and residential community outside of the capital city of Dakar. Specifically, these funds will go to:

- 1) A demand survey to test assumptions about the nature and scope of private-sector demand for pre-developed commercial and industrial space outside of the Dakar Peninsula;
- 2) A survey of land tenure and social issues to help formulate policies related to the land rights of current occupants in the Platform and surrounding areas and to future land management approaches; and
- 3) Pre-feasibility and feasibility studies of the Platform’s environmental and social impacts, institutional arrangements, and development of a preliminary design and construction model for the Platform’s infrastructure backbone.

The Senegal Compact proposal represents potentially a very attractive opportunity for poverty reduction and economic growth. The studies comprising this request for Section 609(g) funding are prerequisites to the signing and successful implementation of a compact.

It is expected that these studies will be implemented through existing USAID IQC contract mechanisms and in no event through direct contracting by Senegal. Disbursements with respect to the 609(g) funds will be conditioned based on satisfaction of certain conditions.

These studies will permit MCC to complete the due diligence required to arrive at a recommendation regarding a Compact with Senegal. In the event that a Compact is not achieved, the information acquired from the studies will have stand-alone value for the Government of Senegal. We propose to complete the studies within eight to ten months from the time a contract is awarded to undertake the studies; the contracting period before studies begin is expected to be three to four months.