



# Millennium Challenge Corporation

Reducing Poverty Through Growth

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## CONGRESSIONAL NOTIFICATION TRANSMITTAL SHEET

We wish to inform of the intent to provide additional funding of up to \$70,000, for the purpose of expanding baseline surveys in the Republic of Cape Verde that were previously notified on June 28, 2005. (Copies of the initial and the amended Congressional Notifications are enclosed.)

This amended notification is being sent to the Congress on November 9, 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**

November 9, 2005

PROGRAM:	FY 2004 Eligible Country
APPROPRIATIONS CATEGORY:	FY 2004 Program Funds
INTENDED FY 2006 OBLIGATION:	\$70,000

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 an additional seventy thousand U.S. Dollars (\$70,000) in FY 2004 MCC program funds for the purpose of expanding baseline surveys in the Republic of Cape Verde that were previously notified on June 28, 2005 (a copy of the initial Congressional Notification is enclosed).

Pursuant to Section 609(g) of the Millennium Challenge Act of 2003 (the “Act”), MCC plans to fund the United States Geological Survey (USGS) to finalize the establishment of a baseline inventory of water resources, install equipment for continuous monitoring and train Cape Verdeans in the use and maintenance of the equipment. These activities will facilitate the implementation of the Millennium Challenge Compact (“Compact”) with the Government of Cape Verde (“GoCV”).

In June 2005, the MCC approved spending up to \$220,000 in 609(g) funding in order for the Department of the Interior’s USGS to establish a baseline inventory of water resources in the three project watersheds in Cape Verde. The USGS team was unable to complete its scope of work because the geological and hydrological conditions on each of the island are much more complicated than had been anticipated.

The 609 (g) funds will support a follow-up mission with two hydrologists to visit each of the three project watersheds. On two islands, they will use pressure transducers on the existing wells as well as environmental tracers to supplement the data. Environmental tracers provide data on a number of factors including age of the water and source of recharge in each basin. On the third island, Santo Antão, they plan to install equipment to monitor spring discharge as well as to collect data on environmental tracers. Given that the existing technical data on the watersheds is outdated and incomplete, additional data collection and equipment installation is required to establish adequate baseline inventory and to develop appropriate mechanism for monitoring.

Approximately \$70,000 of additional funding will cover the expenses of the environmental tracers (which require significant lab analysis); collection of required GIS data here in the United States (as it is not available in Cape Verde); and related additional salary and transportation expenses of USGS. As baseline data on the water resources in each of the watersheds is required in order to monitor and evaluate the impact of the project’s infrastructures and activities, the baseline work must be completed within a reasonable time. Given the difficult and challenging environment in Cape Verde and the necessary modification to data collection approaches, the additional costs are reasonable.