



**MILLENNIUM  
CHALLENGE  
CORPORATION**

REDUCING POVERTY THROUGH GROWTH

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VICE PRESIDENT, CONGRESSIONAL AND PUBLIC AFFAIRS

**CONGRESSIONAL NOTIFICATION TRANSMITTAL SHEET**

We wish to inform you of the signing of a Millennium Challenge Compact with the Government of Mali in accordance with Section 610(b)(1) of the Millennium Challenge Act. In addition to the enclosed Notification, we have included a detailed summary of the Compact along with the text of the Compact signed November 13, 2006.

The attached notification is being sent to Congress on November 17, 2006.

Sincerely,

Frances C. McNaught  
Vice President  
Congressional and Public Affairs

Enclosure:  
As stated



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CONGRESSIONAL NOTIFICATION**

**November 17, 2006**

PROGRAM:	Eligible Countries
APPROPRIATIONS CATEGORY:	FY 2006 Program Funds
OBLIGATION AMOUNT:	\$451,611,164

In accordance with section 610 (b)(1) of the Millennium Challenge Act of 2003 (the “Act,” Pub. L. 108-199, Division D), this is to advise that the Millennium Challenge Corporation (MCC) has entered into a Compact with the Government of the Republic of Mali (“GoM”) pursuant to Section 609 of the Act, through which MCC will grant up to US\$460,811,164 of FY 2006 Millennium Challenge Account (“MCA”) funds. Of this amount, MCC intends to obligate pursuant to the authority of Section 605 of the Act up to US\$451,611,164 at the time the Compact enters into force. The Compact will enter into force pursuant to Section 1.3 of the Compact upon the satisfaction of certain conditions set forth in Section 4.1 of the Compact. These funds will be disbursed in tranches over the course of the Compact’s term upon satisfaction or waiver of relevant conditions precedent.

In order to accelerate implementation of the Compact, MCC has obligated the remaining US\$9,200,000 of the total amount (“**Compact Implementation Funding**”) at the time of signing of the Compact, pursuant to the authority of Section 609(g) of the Act.

The United States, acting through MCC, and the GoM executed the Compact on November 13, 2006.

A detailed summary of the compact follows along with a copy of the text of the Compact.

## **EXECUTIVE SUMMARY OF THE MALI COMPACT**

### **I. Introduction**

The five-year, approximately \$460 million Millennium Challenge Compact aims to support policy reform and the development of key infrastructure for productive sectors, by addressing Mali's constraints to growth and capitalizing on two of the country's major assets, the Bamako-Sénou International Airport (the “*Airport*”), a gateway for regional and international trade and the Niger River Delta for irrigated agriculture. These investments will create a platform for increased production and productivity of agriculture and small- and medium-sized enterprises, as well as expand Mali's access to markets and trade.

The MCC investments will be strengthened by policy reforms and institutional support, such as formal land titles for the rural poor, demand-driven rural advisory services, an improved business environment, and increased access to markets and trade. These institutional and infrastructure investments will impact the poor in Mali, particularly Malian farmers and small- and medium-sized entrepreneurs, not only in project intervention zones but, over time, on a regional and national scale.

## II. Program

The projects under the Compact are as follows:

1. **Airport Improvement Project:** Establish an independent and secure link to the regional and global economy, addressing the specific need of a landlocked developing country.
2. **Industrial Park Project:** Provide properly managed and serviced land for close to 200 businesses and leverage reforms that will decrease the cost of doing business.
3. **Alatona Irrigation Project:** Provide a catalyst for the transformation and commercialization of family farms, supporting Mali's national development strategy objectives to increase the contribution of the rural sector to economic growth and help achieve national food security.

### Airport Improvement Project

The Airport Improvement Project is intended to remove constraints to air traffic growth and increase the Airport's efficiency in both passenger and freight handling through airside and landside infrastructure improvements, as well as the establishment of appropriate institutional mechanisms to ensure effective management, security, operation, and maintenance of the Airport facilities over the long term.

The Airport Improvement Project includes the following activities:

- **Airside Infrastructure:** Improvements will include reinforcement overlay to, and expansion of, the runway, taxiway, and apron areas; replacement of deteriorating navigational equipment; and upgrades of Airport security systems.
- **Landside Infrastructure:** Improvements will be made to the existing passenger terminal and a new passenger terminal will be constructed, as well as support facilities, Airport roads, and parking lots. Certain utilities, including water supply, solid waste disposal facilities, wastewater treatment, and power generation, are also planned to be constructed and designed as joint systems to support both the proposed investments at the Airport and the adjacent Industrial Park.
- **Institutional Strengthening:** Infrastructure improvements will be accompanied by the establishment of appropriate institutional mechanisms to ensure effective management, operation and maintenance of the Airport facilities over the long term. These measures will involve both the management of the Airport, as well as the wider regulatory framework governing the civil aviation sector in Mali.

### Industrial Park Project

The Industrial Park Project, located within the Airport domain, will develop a platform for industrial activity (initially 100 hectares (ha)) to meet the high and growing demand for well managed and serviced industrial land. The 100 ha industrial park (the "**Industrial Park**") is intended to be an anchor for a growing industrial sector in

Mali, thereby alleviating a key constraint to value added production and economic growth. Reliable provision of utility services, including electricity, water, and wastewater, will increase business productivity.

The Industrial Park Project includes the following activities:

- *Primary and Secondary Infrastructure:* The Industrial Park Project will fund primary and secondary infrastructure systems for the 100 ha Industrial Park, designed for potential expansion to a larger 200 ha industrial zone. The primary infrastructure will include major road systems and utilities such as water supply mains and pump stations. Secondary infrastructure will include roads leading into Industrial Park sub-zones as well as lateral water/drainage piping, etc. to service the smaller parcels. The tertiary (on-lot) infrastructure, to be financed and built by the industries locating in the Industrial Park, includes interior roads and parking, water supply taps/connections and fire protection, electrical and telecommunications, and wastewater collection (and possibly pretreatment).
- *Resettlement:* Resettlement activities, which must be consistent with World Bank Operational Policy 4.12 on Involuntary Resettlement, require compensation for loss of livelihoods as a result of both physical and economic displacement. The scope of this displacement is larger than the 200 ha acquisition of land and compensation of users for the Industrial Park. Common infrastructure facilities<sup>1</sup> require acquisition and clearing of land and rights of way outside the Industrial Park, both inside and outside the Airport domain. To compensate peri-urban cultivators who practice rain-fed agriculture in the Airport domain and whose lands are required for the Industrial Park Project and the Airport Improvement Project, the Industrial Park Project will develop serviced garden plots offered on a long-term (e.g., 40-year) lease on land elsewhere in the Airport domain. Acquisition of other land for infrastructure and rights of way located outside the Airport domain will also require compensation, the nature of which will be determined during the development of the RAP, which will cover the resettlement and compensation issues related to both the Industrial Park Project and the Airport Improvement Project.
- *Institutional Strengthening:* Infrastructure improvements will be accompanied by the establishment of appropriate mechanisms that will ensure effective management, operation and maintenance of the facilities over the long term. These mechanisms will involve the management of the Industrial Park itself, as well as administrative and regulatory reforms to alleviate current constraints to business development in Mali. To encourage the development of small- and medium-sized enterprises ("*SMEs*"), the Industrial Park Project will provide business services such as access to financial and market information and export facilitation services. The Industrial Park Project will also focus on how to ensure coordination in operations and maintenance of shared utilities between the Airport and Industrial Park operators.

### Alatona Irrigation Project

The Alatona Irrigation Project is focused on increasing production and productivity, increasing farmer incomes, improving land tenure security, modernizing irrigated production systems and mitigating the uncertainty from subsistence rain-fed agriculture. This project seeks to develop 16,000 ha of newly irrigated lands in the Alatona production zone of the Office du Niger (the "*ON*"), representing an almost 20 percent increase of "drought-proof" cropland. The Alatona Irrigation Project will introduce innovative agricultural, land tenure, and water management practices, as well as policy and organizational reforms aimed at realizing the ON's potential to serve as an engine of rural growth for Mali.

The Alatona Irrigation Project includes the following activities:

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<sup>1</sup> This infrastructure includes wastewater treatment, power generation, water supply, conveyance and storage, and solid and hazardous waste disposal to serve both the Industrial Park and the Airport.

- Niono – Goma Coura Road: This activity will involve upgrading an 81 kilometer north-south road within the national highway network from its current earth/gravel condition to a paved standard. The investment will also include an additional access spur to the Alatona perimeter at the village of Dogofry.
- Irrigation Planning and Infrastructure: This activity will involve main conveyance system expansion, Alatona irrigation system development, and support to the ON agency on water management.
- Land Allocation: The Alatona Irrigation Project will improve rural land tenure security in Mali by allocating newly developed, irrigated land to family farmers, women market gardeners, and farming companies in private ownership. These land recipients will purchase the land by making annual payments over a 15-20 year period. This activity consists of land parcel creation, land rights education, registration system upgrade, land parcel allocation and titling, and management of land revenues.
- Resettlement, Social Infrastructure, and Social Services: This activity will compensate families residing in the perimeter or with rights to land therein, consistent with World Bank Operational Policy 4.12 on Involuntary Resettlement, by offering land in the irrigation perimeter or, if the land option is not chosen, other compensation alternatives. This activity will provide social infrastructure to serve these project affected persons as well as incoming settlers and other migrant families and will also support social services (primarily education and health staff) during the last three years of the Compact.
- Agricultural Services: This activity will support a range of agricultural, institutional and related services to strengthen capacity and improve agricultural practice through applied agricultural research, extension and farmer training, support to farmer organizations, and support to water users associations.
- Financial Services: This activity will encourage agricultural lending by reducing the risks of extending credit in this newly developed zone, improving transparency within the existing financial system, and strengthening the capabilities of local financial institutions through a credit risk sharing program, microfinance credit bureau strengthening, financial institution capacity building, and direct support to farmers.

The table below outlines the estimated MCC contribution to the program by year and category over the term of the Compact.

MULTI-YEAR FINANCIAL PLAN SUMMARY						
Project	Totals Including Contingencies (USD)					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
1. Airport Improvement Project	6,264,292	24,433,578	39,291,383	19,211,924	430,000	89,631,177
2. Industrial Park Project	7,161,000	27,633,932	49,561,416	9,124,171	786,000	94,266,519
3. Alatona Irrigation Project	21,971,279	65,417,249	66,815,632	54,197,204	26,207,104	234,608,468
4. Monitoring and Evaluation	1,500,000	520,000	655,000	705,000	1,525,000	4,905,000
5. Program Management and Oversight	8,200,000	7,300,000	7,400,000	7,200,000	7,300,000	37,400,000
<b>TOTAL ESTIMATED MCC CONTRIBUTION</b>	<b>45,096,571</b>	<b>125,004,759</b>	<b>163,723,051</b>	<b>80,438,299</b>	<b>30,442,104</b>	<b>400,704,784</b>

### III. Impacts

**The Airport Improvement Project** will expand Mali's access to markets and trade through improvements in the transportation infrastructure at the Airport, as well as better management of the national air transport system. Evidence suggests that economic growth and poverty reduction depend on enhanced access to markets and trade. However, Mali's access is severely constrained. Mali is landlocked and heavily dependent on inadequate rail and road networks. Mali depends on freight transport through ports in unstable countries, such as Conakry, Guinea

(Bamako's closest port, which is 1000 km away) and Abidjan, Cote d'Ivoire. In the last few years, the instability in Cote d'Ivoire has dramatically limited Mali's market access. Before the outbreak of the Ivorian crisis, 70 percent of Malian exports were leaving via the port of Abidjan. In 2003, this amount dwindled to less than 18 percent. Mali cannot control overland routes to international and regional markets. Therefore, air traffic has become Mali's lifeline for transportation of both passengers and export products.

Malian exports are predominantly agriculture based and depend on rural small-scale producers, who would benefit from increased exports in high-value products such as mangoes, green beans, and gum arabic. Additionally, international tourists arriving at the Airport spend the majority of their time in rural areas, benefiting businesses in far-away places such as Timbuktu, Mopti, and Djenné. Finally, the improved management of the national airport system will facilitate links to primary destinations through regional air travel.

**The Industrial Park Project** will leverage national reforms in the business sector, reducing the cost and time to register a business, and enhance management and planning of the industrial sector. The existing, heavily congested, poorly managed, and degraded "industrial zone" is inappropriately located, lacks basic utilities and services, and has no room for expansion. The proposed Industrial Park would become the anchor for a growing industrial sector in Mali and alleviate a key constraint to value-added production and economic growth. Businesses in the agro-processing sector, where Mali has a comparative advantage, are likely to install in the Industrial Park. Growth generated by the Industrial Park will generally be poverty reducing due to the link to small-scale agricultural production.

**The Alatona Irrigation Project** focuses on a high-potential geographical zone in one of the poorest areas of central Mali. The Alatona Irrigation Project will develop 16,000 ha of irrigable agricultural land in the Alatona zone of the ON resulting in increased productivity and production, as well as diversification of high-value crops. MCC's investments will include construction of a road, irrigation infrastructure, and social infrastructure, such as schools, clinics, and water and sanitation facilities. This project will provide social services, access to credit, and agricultural extension and will help establish and empower rural producer organizations by giving them access to information and productive assets. The Alatona Irrigation Project will leverage policy reforms expected to have a broad impact on the agricultural landscape throughout Mali.

Together, the three projects will result in increased industrial growth in the urban area, increased agricultural production and productivity in the ON and improved access to national, regional, and international markets.

#### **IV. Program Management**

The accountable entity (the "**MCA-Mali**") will be organized under the laws of Mali as a *service rattaché* attached to the Prime Minister's office. MCA-Mali will have a mixed public-private board of directors responsible for program oversight. The board will consist of eleven voting members and two non-voting members. A management team will have overall management responsibility for the day-to-day implementation of the program. MCA-Mali will remain accountable for the successful execution of the program while working through implementing entities, contractors and consultants, whose interaction will be facilitated by a fiscal agent and a procurement agent. The GoM will also create two advisory councils to represent beneficiaries for each of the project sites – the Airport domain and the Alatona zone. In addition to the fiscal agent and the procurement agent, financial auditors and possibly a data quality agent will provide external controls.

#### **V. Other Highlights**

##### **A. Consultative Process**

The program strongly supports the third pillar of Mali's Poverty Reduction Strategy Paper ("**PRSP**") – development of infrastructure and key support for productive sectors. The participatory process of the PRSP is

characterized as having “breadth” and being “systematic.” The PRSP identifies the following as top constraints to economic growth in its consultative process:

- Climatic risks affecting the rural sector with consequences on the national economy.
- High cost of factors of production.
- Fluctuations in prices of principal import and export products.
- Isolation/landlocked nature of the country.

The Compact was designed to address these constraints. Priorities were defined by the national PRSP structure and refinement occurred in consultation with civil society and the private sector. This consultative process enriched and helped form the GoM proposal and its development. The insistence on rural land ownership and titling derived from dialogue with civil society and private sector actors. The need for inclusion of a strong component of social services for the Alatona zone was also reinforced through the consultative process.

Members of the GoM, private sector, and civil society (Malian and U.S. non-governmental organizations (“NGOs”)) played an active role in developing the Compact proposal. Local NGOs, including village-level women’s associations, were directly involved in the process through numerous on-site workshops and meetings in the ON region. Consultations also took place with private sector and civil society actors around Bamako, as well as communities surrounding the Airport domain, who emphasized the need for improved infrastructure and increased economic activity to reduce poverty. In addition, the consultative process involved participation of the U.S. NGO community, which has a strong presence in Mali, working on health, education, agriculture, governance, and economic development programs throughout the country.

#### B. GoM Commitment and Effectiveness

MCC and GoM have been in discussions over the following policy and institutional reforms that will reinforce the implementation and sustainability of the program. Relevant reforms will serve as conditions precedent in the disbursement agreement. Below is a list of policy and institutional reforms that have been adopted or are pending:

##### ***Airport Improvement Project***

- GoM is in the process of restructuring several aspects of the civil aviation sector to reflect the recommendations of international organizations such as the International Civil Aviation Organization (“ICAO”) and the U.S. Federal Aviation Administration (“FAA”). Among these reforms:
  - GoM recently (December 2005) created an independent and financially autonomous civil aviation agency, the Agence Nationale de l’Aéronautique Civile (ANAC). Implementation of the new agency is considered by GoM to be a high priority and a proposal has been made to include approximately \$5 million in the national budget of Mali over the next three years for this purpose.
  - A new law is expected to be approved before the end of 2006 that will modernize the operations and management of Aéroports du Mali (“AdM”), the operator of the landside facilities. The text of the new law will grant AdM more flexibility, better define its mandate, and lay the groundwork for the eventual possibility of opening its capital to participation by third parties and creation of a *société d’économie mixte*.

##### ***Industrial Park Project***

- Law 05-019 was ratified by Parliament in September 2005 establishing API-Mali, a new investment promotion agency. This agency will encourage and sustain foreign direct and national investment, improve the business climate, and develop and regulate industrial zones and other economic activities. Implementation of this law will determine the agency's exact role vis-à-vis the Industrial Park Project.
- In response to the Doing Business Indicators and the Multilateral Investment Guarantee Agency benchmarking study, GoM has developed a short-term action plan to improve Mali's performance. Recently, the Ministry of Investment Promotion has engaged the International Finance Corporation to develop a legal regulatory framework, in addition to frameworks relating to land allocation and taxation for industrial zone activities in the country.
- Among the various efforts that GoM is undertaking to address weaknesses in the Malian business climate, an important and innovative measure includes the establishment of the Presidential Investors' Council ("*PIC*") in September 2004. The purpose of the PIC is to introduce a global business perspective into policy formulation and implementation. In response to one of its recommendations, GoM is targeting early 2007 to put in place a one-stop shop for business registration housed in the newly established API-Mali.

#### *Alatona Irrigation Project*

- GoM has expressed its high-level commitment to increase land-tenure security, to secure property rights and to increase issuance of land titles in the Alatona zone. This represents a major policy departure for GoM. Although Alatona will not be the first experiment with land titles in the rural area, the Alatona Irrigation Project is on an unprecedented scale.
- GoM reforms have included (a) the restructuring of the National Directorate of Public Works to create the National Directorate of Roads, including the establishment of a unit for emergency road works and (b) the establishment of a Road Authority (as a successor to the old Road Fund) with sole responsibility for managing the financing of road maintenance activities. The initial steps to create a specialized autonomous contracting agency for road maintenance, the AGEROUTE, have also been made. These steps provide assurance to MCC of GoM's commitment to a sustainable road maintenance program.

#### C. Sustainability

The Mali program is embedded in the institutional framework of Mali with the limited creation of parallel structures. It reinforces GoM's approach and commitment to democracy, decentralization, and empowerment of local communities. MCC-supported interventions will complement and reinforce national strategies for poverty reduction and economic growth. The program objectives draw from the following national development strategies: PRSP, National Food Security Strategy, ON Master Plan, and Agriculture Orientation Law.

***Airport Improvement Project.*** Under the present division of jurisdictions, a number of entities have responsibility for the civil aviation sector in Mali in general and the regulation, oversight, management, operation, and development of the Airport in particular. In response to ICAO safety and security audits and FAA assessments, GoM is in the process of restructuring and consolidating this institutional framework. One major result has been the establishment of ANAC in December 2005, which now has financial and administrative independence.

The Airport Improvement Project will reinforce the new civil aviation regulatory and oversight agency (ANAC) by providing technical assistance to establish a new organizational structure, administrative and financial procedures, staffing and training, and provision of equipment and facilities. Additionally, the project will rationalize and reinforce the Airport's management and operations agency (AdM) by providing technical

assistance to establish a model for the management of the Airport and the long-term future status and organizational structure of AdM.

***Industrial Park Project.*** In 1999, GoM passed Decree 99-252 declaring the 7,194 ha of land encompassing the Airport and the proposed Industrial Park as public domain land. Based on this decree, the Ministry of Public Works and Transportation and Ministry of Territorial Administration were named the responsible parties for the management of the Airport domain. Although AdM is viewed as the asset holding agency, GoM intends to enter into a management contract with a private operator for the Industrial Park. Under the World Bank Mali Growth Support Project, API-Mali will serve as the public-sector regulator for the Industrial Park, while day-to-day management will be assigned to a private entity (the “***Operator***”) through an international, competitive procurement process. MCC will support the recruitment and start-up of the Operator, and will finance limited business support services to tenants.

To ensure the creation of new SMEs, the Industrial Park Project will help these SMEs access financial and market information, as well as export facilitation services. In addition, the project will focus on how to ensure coordination in operations and maintenance of shared utilities between the Airport and Industrial Park operators.

***Alatona Irrigation Project.*** The Alatona perimeter is located at the “tail end” of the ON gravity-fed irrigation system. Long term success hinges on effective and efficient management of the entire system. The project addresses this issue by financing additional capacity on the main conveyance structures, as well as supporting the ON to achieve sustainable management of its entire stock of assets. In addition, the Alatona Irrigation Project will address the need to update the existing ON Master Plan, which is based on scenarios and assumptions developed in 2001, and upon which current expansion plans are based. Maintenance of the main system and structures is the financial responsibility of GoM, which delegates this to the ON. Through a two-tiered system of joint ON-farmer committees, the ON also maintains the distributors and secondary canals within the five regional zones, while farmer organizations manage the tertiary canals. The water fees collected would seem adequate to cover the operations and maintenance cost of the major distribution systems within the zones.

The Niono-Goma Coura road is part of GoM’s annual routine maintenance program. Current allocations should ensure routine maintenance on this road. Periodic maintenance funding (about every 10 years) is considered a major challenge, although it is anticipated that EU and World Bank efforts to increase user fees will over time ensure such funding.

The financial services activity will provide microfinance institutions and banks with training in agricultural credit and other aspects of managing the delivery of financial services to the inhabitants of Alatona. The project will create a new legal entity – the Revenue Authority – to collect and manage the revenues generated through land payments. MCC funding will support the costs of structuring this entity and facilitate some initial capacity building. Following this, the Revenue Authority will support itself through the land revenues collected. This structure has the potential to encourage local institutions to organize themselves around project design and implementation, thereby building local capacity for community planning and service delivery and helping to strengthen nascent decentralized government.

Research and extension are considered public goods and are funded by GoM. Over the life of the Compact, demand-driven and fee-based research and extension techniques will be tested. It is expected that the financially self-sufficient Alatona producers’ organization as well as farmers’ groups and village associations will play a key role in demanding and paying for these services.

#### D. Environment and Social Assessment

***Airport Improvement Project.*** A Category A environmental impact assessment (“***EIA***”), following MCC Environmental Guidelines and Malian law, will be required. The recommended wastewater treatment, expanded

water supply and distribution, solid and hazardous waste disposal, power supplies, drainage and other infrastructure are currently conceived and sized to serve both the Airport and the Industrial Park. Therefore, the Airport and the Industrial Park will be treated together for purposes of the EIA and the resettlement action plan ("*RAP*"), because of their common infrastructure, joint road access, shared space within the Airport domain and the cumulative effects of both projects. The joint RAP (covering physical and economic displacement, both temporary and permanent in areas inside and outside the Airport domain) will be prepared based on the World Bank's Operational Policy 4.12 on Involuntary Resettlement. Some of the infrastructure poses implementation risks, because they are municipal facilities not yet funded or built and located outside the Airport domain.

***Industrial Park Project.*** The Industrial Park will be assessed in the joint Airport/Industrial Park EIA. In this context, the RAP will address compensation for those cultivating and using land in the Industrial Park and in other locations, both on and off the Airport domain. The approach and issues discussed above for the Airport Improvement Project with respect to common infrastructure construction impacts, the EIA, and the RAP remain the same.

***Alatona Irrigation Project.*** Irrigation-related activities of the Alatona Irrigation Project, including activities external to the Alatona zone (such as presettlement activities and expansion and enhancement of the overall conveyance capacity of the ON's main canal system) will require a full Category A EIA, under MCC Environmental Guidelines and Malian law. The Niono-Goma Coura road's Category B environmental and social assessment will be prepared in advance of the irrigation EIA to expedite implementation of road improvements. The Environmental Assessment (2003) and updated Environmental Management Plan (2005), which already exist for road rehabilitation of a much longer stretch of the national route, will be supplemented and updated for the 80-kilometer section to be funded under the Compact. Cumulative impacts of the road as well as the irrigation activities will be addressed in the Alatona EIA. Both documents will include HIV/AIDS mitigation plans. Two RAPs consistent with World Bank Operational Policy 4.12 on Involuntary Resettlement will also be needed, one for the road activity and another for the irrigation activities. A prerequisite to preparing the Alatona EIA is preparation of an overall land use and natural resources management plan to address the sustainability of the Alatona large-scale land development and population increase of about 60,000.

#### E. Donor Coordination

All three projects complement and leverage other donors' efforts in Mali. The World Bank is also investing in activities to improve the Airport, Industrial Park, and business climate. Due to the World Bank's funding gap, GoM requested additional funds from the MCC to support the larger and more costly infrastructure improvements. For the Alatona Irrigation Project, the Dutch Development Agency, French Development Agency ("*AFD*"), the World Bank, and the U.S. Agency for International Development ("*USAID*"), in particular, have been working in the ON over the past several decades, resulting in a more efficient, decentralized management structure, while increasing production and productivity of the zone. Relevant donor activities are described in more detail below.

***USAID:*** The Mali program builds on USAID's Accelerated Economic Growth and Trade Development Project (2003-2012), which includes the Program in Development of Agricultural Production, Mali Finance, and Trade Mali.

***World Bank:*** The Mali program complements and reinforces several ongoing or recently launched World Bank programs such as the Mali Growth Support Project, the National Project for Rural Infrastructure, the Agricultural Competitiveness and Diversification Project, and the Rural Community Development Project. The World Bank is also assisting in the funding of a regional program in West and Central Africa aimed at improving civil aviation safety and security as a key element of improving the performance and affordability of air transportation and optimizing its role as an engine of economic and social development.

**Regional Civil Aviation Cooperation:** ANAC has recently received a draft Common Civil Aviation Code and Regulatory Texts from the West African Economic and Monetary Union. These documents were prepared as a model to be used by states belonging to regional groupings, as part of an effort sponsored by ICAO to reduce the financial burden for inspections on the part of countries with small aviation markets, by establishing common civil aviation regulations and the creation of regional entities to assist countries.

**U.S. Department of Transportation (USDOT) Safe Skies for Africa (SSFA):** The SSFA program is intended to promote sustainable improvements in aviation safety and security, air navigation, and to support Africa's integration into the global economy. The SSFA program coordinates activities of other agencies, such as the FAA, the Transportation Security Administration and the National Transportation Safety Board, to improve the capacities of African aviation organizations. MCC has signed a Memorandum of Understanding with USDOT to collaborate on projects such as the present effort in Mali and discussions regarding the coordination of our respective projects have already taken place.

**AFD:** The AFD has supported various initiatives in the ON for many years and is a lead donor in the donors group for the ON. The proposed expansion of the main canal system will complement a planned AFD project to strengthen certain sections of a primary canal.

**Other Donors:** The Mali program complements other donors' programs, such as the Dutch Development Agency's activities in agricultural diversification and marketing, agricultural processing, improved water management, and institutional strengthening in the ON. The Dutch have recently approved financing for a cold-storage facility in Bamako that will be located in the Airport domain. This facility will be used for mangoes and other high value horticulture products, such as green beans.