



CONGRESSIONAL NOTIFICATION TRANSMITTAL SHEET

This Congressional Notification outlines the Millennium Challenge Corporation's intent to increase and extend assistance under the Millennium Challenge Compact with the Government of Côte d'Ivoire. The increase and extension are needed to account for delays related to COVID-19.

We have also attached a report and justification that contains a detailed summary of the proposed increase in assistance under the Compact and a copy of the full text of the amendment to the Compact. Additionally, we will publish a detailed summary, full text, and justification of the proposed increase in assistance under the Compact in the Federal Register and on MCC's website.

If you or your staff have questions or would like to arrange a meeting to discuss the increase in assistance, please contact Brian Forni at (202) 521-2631 or ForniBJ@mcc.gov.

The attached notification is being sent to the Congress on February 9, 2022; with the intent to increase assistance on or after 15 days from the date of this notification.

Sincerely,

/s/

Aysha House
Vice President
Congressional and Public Affairs

Enclosure: As stated

**MILLENNIUM CHALLENGE CORPORATION
CONGRESSIONAL NOTIFICATION**

February 9, 2022

PROGRAM: Eligible Countries
APPROPRIATIONS CATEGORY: Fiscal Year 2012 Program Funds
OBLIGATION AMOUNT: \$12,000,000

Pursuant to Division K, Title IX, Section 9003 of the Consolidated Appropriations Act, 2021 (P.L.116-260), Division I, Title VII, Section 7015(c) of the Consolidated Appropriations Act, 2012 (P.L. 112-74), and section 609(i) of the Millennium Challenge Act of 2003, as amended (the “Act”), this is to advise that the Millennium Challenge Corporation (“MCC”) intends to extend for a period of one year the Millennium Challenge Compact with the Government of Côte d’Ivoire that was in effect as of January 29, 2020 (the “Compact”) and to amend the Compact to obligate an additional amount not to exceed \$12,000,000 under section 605 of the Act. The planned extension and increase are for the purpose of accounting for Compact delays related to COVID-19. The Compact would otherwise terminate in accordance with its original terms on August 5, 2024 but will be extended to August 5, 2025.

REPORT AND JUSTIFICATION OF THE PROPOSED INCREASE IN ASSISTANCE OF THE CÔTE D'IVOIRE COMPACT DUE TO COVID-19

Background

The Millennium Challenge Corporation's (MCC) \$524.7 million compact (Compact) with the Government of Côte d'Ivoire (GoCI) is supporting the country's drive to diversify its economy through investments in education and transportation.

The Compact is completing two projects:

- The **Abidjan Transport Project** intends to reduce transport costs and travel times for households and businesses by rehabilitating roads in the central corridor of Abidjan, while improving vehicle and pedestrian mobility and safety on the targeted road segments through two activities.
- The **Skills for Employability and Productivity (Skills) Project** aims to increase the number of years of education received and improve the acquisition of quality, in-demand basic skills, including reading, math, and soft skills, for lower secondary students. In parallel, through a new public-private partnership model for technical vocational education and training (TVET), the Skills Project intends to improve the acquisition of quality, in-demand technical skills and increase job placement rates among graduates of Compact-supported TVET centers.

Justification for the Proposed Increase of Assistance

By February 2020, the Millennium Challenge Account – Côte d'Ivoire (MCA-CI) completed recruitment of all key personnel and hosted its first implementation workshop with MCC staff. The goal of this implementation workshop was to familiarize the new MCA-CI personnel with MCC requirements and the Compact. Shortly thereafter, the first case of COVID-19 in Côte d'Ivoire was confirmed on March 11, 2020. The Government declared a state of emergency on March 23, 2020, imposing curfews and major restrictions on the movement of people. The timing of the pandemic delayed the effective operational start-up of MCA-CI by several months. The new team of recently hired key staff was forced to telework for over three months (March – June 2020). Installation of the servers for the MCA-CI's financial platform, SAP, which was originally planned for April 2020, was delayed until July 2020, with the system finally going live in January-March 2021, a cumulative delay of eight months. MCA-CI was able to achieve the conditions for access to program funds in May 2020. The MCA-CI and MCC teams were able to adapt and deploy telework functionality in March and April 2020. However, the outfitting and completion of the MCA-CI offices were delayed due to procurement and supply chain challenges, which led to an inability to purchase equipment needed to reconfigure offices to account for necessary pandemic risk mitigation.

COVID-19 has delayed trainings and made it impossible to have in-person exchanges with other MCAs. Since no major contracts were in place when the pandemic started, there were no contractual options to accelerate activities. Procurements had to be delayed as companies and bidders temporarily closed and were subject to quarantines and work disruptions.

All four activities included in the Compact have been directly impacted by the COVID-19 pandemic and face a high completion risk that leads to results risks. As such, these activities will greatly benefit from additional time and funding for oversight, as detailed below:

- *Transport Infrastructure Activity* – Detailed design studies needed to prepare bidding packages for road construction works have been delayed by 15 months due to a variety of COVID-19 related factors and are scheduled to be completed by Spring 2022. These delays have significantly impacted the work plan timelines for rehabilitation of up to 32 kilometers of critical roadway and adjoining infrastructure in the central corridor of Abidjan. Once under contract, infrastructure works will require an estimated 24 months for completion, with 12-15 months for resettlement implementation. MCA-CI estimates completion of works by January 2025, which does not account for the defects and notification period.
- *Transport Management and Planning Activity* – Several key procurements, such as laboratory equipment for road maintenance (georadar and deflectometer), were extended to accommodate border re-openings so that non-resident companies could participate in the procurements. Trainings on use of the laboratory equipment were delayed by 10 months and 12 months, respectively. These delays are critical as both pieces of equipment are needed to perform pavement surveys- as part of the urban infrastructure management technical assistance contract.
- *Secondary Education Activity* – Community mobilization activities for secondary school construction, which are required prior to construction, came to a halt for nearly four months due to travel restrictions that prevented project staff from conducting site visits. The GoCI not only restricted the size of groups that could gather in country to 50 persons or fewer, but also isolated Abidjan from the rest of the country for nearly four months (March – June 2020) to prevent the spread of COVID-19 outside Abidjan. This forced MCA-CI and MCC to redesign community mobilization activities essential to the selection of villages and land sites for new schools. MCA-CI estimates it will complete construction of the final tranche of new schools by May 2025. To reduce results risks and improve sustainability, technical assistance components of the Activity should be implemented after construction of the newly constructed secondary schools. The current estimated completion date for components such as gender priority action plans, adoption of new teacher training curricula and the educational management information system is June 2025.
- *Technical and Vocational Education and Training (TVET) Activity* – The TVET “Call for Partners” deadline was extended by two months to allow sufficient time for the activity to re-examine and consult with private sector partners on their expected contributions. Other key procurements for multi-year consulting services for the TVET accreditation system were also delayed. TVET center construction is currently expected to be completed by February 2025.

At the time of approval of this Compact, it was recognized that complex construction projects of this nature would be challenging in a post-conflict and limited-capacity country, but achievable in the absence of unknown risks emerging. COVID-19 impacts have upset that calculus. Extending the Compact term will better position MCC and MCA-CI to complete and hand over all ongoing projects to the beneficiary institutions without compromising health, safety, or environmental standards, and will reduce sustainability risks by allowing for necessary attention to post-construction activities, including testing and commissioning of infrastructure, and training and capacity building of implementing entities. As COVID-19 has disrupted program activities and timelines, an extended Compact term will improve the potential to obtain the intended long-term benefits for the citizens of Côte d’Ivoire and return on MCC’s investment.

Achievements to Date

Transport Infrastructure Activity: The Abidjan Transport Project design consultant made progress with the finalization of conceptual designs and delivery of the preliminary designs for the four road segments during fiscal year 2021, including traffic surveys, traffic simulations, preliminary designs and geotechnical tests.

Transport Management and Planning Activity: The first cohort of the Infrastructure Graduate Education sub-activity with Polytechnique de Montreal and Michigan State University began in March 2021, and a second cohort is currently being recruited. The first tranche of key laboratory equipment such as drones, pavement testing equipment and ground penetrating radar has been procured and delivered. The government also achieved their road maintenance funding target of approximately \$320 million for calendar year 2021, which is a key condition precedent in the program.

Secondary Education Activity, New Secondary Schools for Equitable Access Sub-Activity: MCA-CI procured site adaptation design and construction supervision services for the first 20 schools. MCA-CI conducted over 1,000 community mobilization sessions with stakeholder groups that include potential beneficiaries of the first 20 new secondary schools, of which eight schools are planned for the San Pedro region and 12 are planned for the Gbêkê region. MCA-CI is close to finalizing site selection for all 18 sites and launched the invitation for bids for the first four school sites in the fall of 2021

TVET Activity: After the initial “call for partners” in February 2021, MCA-CI has pre-selected eight public-private sector consortia, representing various economic sectors, to participate in a grant award selection process to establish TVET centers. The Council of Minister approved a new draft law in December 2021 that will allow private sector-led management of public-private technical and vocational education and training centers.