

CONGRESSIONAL NOTIFICATION TRANSMITTAL SHEET

The Millennium Challenge Corporation ("MCC") terminated assistance under the Millennium Challenge Compact with the Government of Niger that was signed in December 2022. We are providing you with a report that explains the determination under section 611(c) of the Millennium Challenge Act of 2003, as amended, that was the basis for the termination. Funds subject to termination have been reprogrammed to the Zambia Compact.

The attached notification is being sent to Congress on June 28, 2024.

If you or your staff would like to arrange a meeting to discuss the planned termination of assistance, please contact Brian Forni at ForniBJ@mcc.gov.

Sincerely,

/s/

Alice P. Albright Chief Executive Officer Millennium Challenge Corporation

Enclosure: As stated

MILLENNIUM CHALLENGE CORPORATION CONGRESSIONAL NOTIFICATION

June 28, 2024

In accordance with sections 610(a)(2)(D) and 611(c) of the Millennium Challenge Act of 2003, as amended (the "Act"), this notification is to advise that on June 26, 2024, the Millennium Challenge Corporation ("MCC") terminated assistance provided under section 605 of the Act to the Republic of Niger under the Millennium Challenge Compact between MCC and the Government of Niger signed on December 14, 2022 (the "Compact").

After consulting with the MCC Board of Directors, MCC has determined that the military's actions against the democratically elected government in Niger, which began in July 2023, constitute a pattern of actions inconsistent with the criteria used to determine Niger's eligibility for assistance.

MCC has terminated all MCC funding provided under the Compact and has reprogrammed \$302 million of funds from the Compact to the Zambia compact that is in the final stages of development. MCC delivered notification in accordance with section 610(a)(2)(B)(i) of the Act regarding MCC's intent to negotiate with Zambia on June 27, 2024.

A report explaining MCC's determination under subsection 611(a)(2) regarding the termination of assistance is included herein.

REPORT ON THE DETERMINATION BY THE CHIEF EXECUTIVE OFFICER TO TERMINATE ASSISTANCE TO NIGER

Summary

MCC's Board selected Niger as eligible to develop a concurrent compact for the purpose of regional economic integration in December 2018. MCC's Board of Directors ("Board") approved the compact (the "Niger Regional Transport Compact") on September 27, 2022, and MCC and the Government of Niger signed the compact grant agreement on December 14, 2022. MCC subsequently began the process of preparing for entry into force of the compact.

In July 2023, elements of the military of Niger overthrew the democratically elected government of Niger in a coup d'etat. In response, in August, MCC paused all new activity on the 2016 Compact and all preparatory work on the Niger Regional Transport Compact.

On September 13, 2023, the Board concurred with the recommendation of the MCC Chief Executive Officer ("CEO") to suspend all MCC assistance to Niger based on the finding that the military's actions against the democratically elected government constituted a pattern of actions inconsistent with the criteria used to determine the eligibility of Niger for assistance, under section 611(a)(2) of the Millennium Challenge Act of 2003, as amended, and pursuant to MCC's Policy on Suspension and Termination. In accordance with section 611(c) of the Act, MCC notified Congress of the suspension on September 18, 2023. Following the suspension of assistance to Niger, no work has been done on the Niger Regional Transport Compact since August 2023.

Since last September, there has been limited progress to prepare for new elections and usher in a democratically elected government in Niger. The military leadership has not announced an official timeline to new elections and has indicated that a democratic transition could take up to three years. As a result, on June 3, 2024 the Board concurred with the recommendation of the MCC Chief Executive Officer to terminate remaining assistance to Niger under the Niger Regional Transport Compact, under section 611(a)(2) of the Millennium Challenge Act of 2003, as amended, and pursuant to MCC's Policy on Suspension and Termination, based on the finding that the coup d'état constituted a pattern of actions inconsistent with the criteria used to determine the eligibility of Niger for assistance. MCC informed the Republic of Niger of this decision via a letter sent on June 26, 2024.

MCC's Actions Pursuant to the Act

A critical component of MCC's mission is its strong commitment to democratic governance and the principles that underpin the agency's statutory eligibility criteria. Following the coup d'état, MCC initiated a review and analysis of the situation in Niger and the potential impacts on MCC assistance to the country, considering the various applicable U.S. statutory, regulatory, and policy provisions, as well as the terms of the compacts and related agreements.

MCC determined that the actions taken by the military against the democratically elected government in Niger represent a pattern of actions inconsistent with the criteria used to determine Niger's eligibility for assistance. The actions are contrary to the principles of democratic governance that underpin MCC's eligibility criteria, particularly political rights, civil

liberties, and the rule of law. In accordance with section 611(a)(2) of the Act, and MCC's associated Policy on Suspension and Termination, MCC determined that termination of assistance to Niger was warranted.