

PROGRAM IMPLEMENTATION AGREEMENT

BETWEEN

THE UNITED STATES OF AMERICA,

ACTING THROUGH

THE MILLENNIUM CHALLENGE CORPORATION

AND

THE REPUBLIC OF CÔTE D'IVOIRE,

ACTING THROUGH

THE MINISTRY OF ECONOMY AND FINANCES

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PROGRAM IMPLEMENTATION AGREEMENT

PREAMBLE

This PROGRAM IMPLEMENTATION AGREEMENT (this “*Agreement*”) is between the Millennium Challenge Corporation, a United States government corporation (“*MCC*”), and the United States of America, acting through the Republic of Côte d’Ivoire, acting through the Ministry of Economy and Finances (the “*Government*”) (individually, a “*Party*” and collectively, the “*Parties*”).

Recalling that the Millennium Challenge Compact between the United States of America, acting through MCC, and the Government signed on November 7, 2017 (the “*Compact*”), sets forth the general terms on which MCC will provide assistance of up to Five Hundred Twenty-Four Million Seven Hundred Forty Thousand United States Dollars US\$ 524,740,000 to the Government for a program to reduce poverty through economic growth in Côte d’Ivoire;

Recalling that the Government wishes to designate MCA-Côte d’Ivoire to carry out certain rights and obligations of the Government under the Compact and related agreements; and

Recognizing that the Parties wish to specify further the terms for implementing the Compact and the Program;

The Parties hereby agree as follows:

ARTICLE 1.

GENERAL RESPONSIBILITIES OF THE GOVERNMENT

Section 1.1 Definitions.

Capitalized terms used in this Agreement and not defined in this Agreement have the meanings provided in the Compact. All other capitalized terms have the meanings provided in Schedule 1.

Section 1.2 Role of the Government.

(a) Government Responsibilities. The Government agrees to promptly take all necessary or appropriate actions to carry out all of its obligations under the Compact, this Agreement, and any other Supplemental Agreement (including any post-Compact Term activities, audits or other responsibilities), and to delegate its rights and responsibilities to entities, including MCA-Côte d’Ivoire, adequate to enable them (each a “*Permitted Designee*”) to oversee and manage the implementation of the Program on behalf of the Government.

(b) Government Undertakings. The Government hereby affirms as follows:

(i) Power; Authorization. The Government has the power and authority to execute, deliver and perform its obligations under this Agreement and under each other agreement, certificate, or instrument contemplated by this Agreement, the Compact, any other Supplemental Agreement or the Program Guidelines. The signatory to this Agreement is duly empowered to act on behalf of and to bind the Government with respect to the obligations contained herein.

(ii) Binding Obligation. This Agreement is a legally binding obligation of the Government.

(iii) Impoundment; Liens or Encumbrances. The Government agrees to ensure that (A) no Program Assets are subject to any impoundment, rescission, sequestration, liquidation or to any provision of law now or hereafter in effect in Côte d'Ivoire that would have the effect of allowing any such impoundment, rescission or sequestration and (B) no Program Asset is subject to any lien, attachment, enforcement of judgment, pledge, or encumbrance of any kind (each a "**Lien**"), except with MCC's prior written approval. In the event any Lien not so approved is imposed, the Government agrees to promptly seek the release of such Lien and, if such Lien is required by a final and non-appealable court order, will pay any amounts due in order to obtain such release; **provided, however**, that the Government agrees to not use MCC Funding or any Program Assets to satisfy any such obligation.

(iv) Environmental and Social Performance. Unless MCC and the Government agree otherwise in writing, the Government agrees to ensure that all Projects and Activities undertaken, funded or otherwise supported in whole or in part (directly or indirectly) by MCC Funding under the Compact comply with the MCC Environmental Guidelines, including the environmental and social performance standards set forth in the *Performance Standards on Environmental and Social Sustainability of the International Finance Corporation* (as in effect from time to time, the "**IFC Performance Standards**") that have been incorporated by reference into the MCC Environmental Guidelines. The Government also agrees to ensure that the Projects and Activities comply with all national environmental laws and regulations, licenses and permits, except to the extent such compliance would be inconsistent with the Compact. Unless MCC agrees otherwise in writing, the Government agrees to fund all necessary costs of environmental and social mitigation measures (including, without limitation, costs of resettlement) not specifically provided for, or that exceed the MCC Funding specifically allocated for such costs, in the Detailed Financial Plan for any Project or Activity.

(v) Social Inclusion and Gender Integration. Unless MCC and the Government agree otherwise in writing, the Government agrees to ensure that all Projects and Activities undertaken, funded, or otherwise supported in whole or in part (directly or indirectly) by MCC Funding comply with the MCC Gender Policy and the MCC Gender Integration Guidelines.

(vi) Disposal of Program Assets Consisting of Real Property. The Government agrees to ensure that no Program Asset consisting of real property is (A) subject to any lease or sub-lease arrangement, in whole or in part or (B) sold, donated or otherwise disposed of, in whole or in part; except, in each of the foregoing cases, with MCC's prior written approval. In addition, any Program Asset consisting of real property that is retained by MCA-Côte d'Ivoire, subject to the terms of the Program Closure Guidelines, after the expiration or termination of the Compact will be subject to a reversionary interest of MCC for a period of five (5) years commencing on the last day of the closure period; and if at any time during that five-year period, the Government wishes to sell the real property or use it for a purpose that is not related to the Program or does not continue to further the Program objectives, the Government agrees to compensate MCC for its interest in the real property by paying to MCC an amount equal to the fair market value of MCC's reversionary interest in the real property determined at such time.

Section 1.3 Role of MCA-Côte d'Ivoire.

(a) Designation of MCA-Côte d'Ivoire.

(i) Pursuant to Section 3.2(b) of the Compact, the Government has designated Millennium Challenge Account-Côte d'Ivoire, an independent legal entity with legal personality ("*MCA-Côte d'Ivoire*"), as the primary agent of the Government to implement the Program and to exercise and perform the Government's right and responsibility to oversee, manage and implement the Program, including without limitation, managing the implementation of Projects and Activities, allocating resources and managing procurements (the "*Designated Rights and Responsibilities*"). The Government agrees to remain ultimately responsible for the performance of the Government's obligations under or in relation to the Compact and this Agreement.

(ii) The Government agrees to ensure that MCA-Côte d'Ivoire is and remains throughout the Compact Term duly organized, sufficiently staffed and empowered to exercise the Designated Rights and Responsibilities.

(iii) The "Accountable Entity" referenced in the Program Guidelines will be deemed to refer to MCA-Côte d'Ivoire, and all obligations assigned to the "Accountable Entity" in the Program Guidelines will be obligations of MCA-Côte d'Ivoire.

(b) Additional Government Undertakings with Respect to MCA-Côte d'Ivoire. The Government hereby affirms to MCC as follows:

(i) Power and Authorization. MCA-Côte d'Ivoire has the power and authority to (A) bind the Government to the full extent of the Designated Rights and Responsibilities, (B) execute and deliver each agreement, certificate, or instrument contemplated by this Agreement, the Compact, any other Supplemental Agreement or the Program Guidelines, and (C) perform its obligations under this and each such other agreement, certificate, or instrument contemplated by this Agreement, the Compact, any other Supplemental Agreement or the Program Guidelines.

(ii) Government Responsibilities. MCA-Côte d’Ivoire (A) agrees to carry out the Designated Rights and Responsibilities (including all obligations specified as MCA-Côte d’Ivoire obligations in the Compact, the Grant and Implementation Agreement between MCC and the Government signed on June 27, 2016 (the “*CDF Agreement*”), this Agreement or any other Supplemental Agreement) with due care, efficiency and diligence in conformity with sound technical, financial and management practices, and in conformity with the Compact, this Agreement, each other Supplemental Agreement and the Program Guidelines, (B) except as provided in Section 2.10 or with respect to an Implementing Entity, agrees to not assign, delegate or otherwise transfer any of the Designated Rights and Responsibilities without the prior written consent of MCC, and (C) agrees to not undertake any activities, duties or responsibilities other than the Designated Rights and Responsibilities without the prior written consent of MCC.

(iii) Government Representations. MCA-Côte d’Ivoire agrees to confirm each representation that it makes on behalf of the Government in any agreement, certificate or instrument delivered by MCA-Côte d’Ivoire with all necessary Permitted Designees prior to providing such representation to MCC.

(iv) Autonomy. The Government agrees to ensure that (A) no decision of MCA-Côte d’Ivoire is modified, supplemented, unduly influenced or rescinded by any governmental authority, except by a final and non-appealable judicial decision and (B) the authority of MCA-Côte d’Ivoire will not be expanded, restricted or otherwise modified, except in accordance with this Agreement and the Compact.

(v) Governance of MCA-Côte d’Ivoire. MCA-Côte d’Ivoire agrees to adopt internal rules and regulations or bylaws (the “*Bylaws*”), and a human resources manual (“*HR Manual*”), in each case, in form and substance satisfactory to MCC, that will provide the framework for the operations and administration of MCA-Côte d’Ivoire. MCA-Côte d’Ivoire agrees to conduct its operations and management in accordance with the Governing Documents (including the Bylaws) and the Governance Guidelines, and unless otherwise agreed with MCC, agrees to review and update the HR Manual on an annual basis.

(vi) Funded Agreements; General Provisions Annex. MCA-Côte d’Ivoire agrees to provide the Fiscal Agent (and MCC if it so requests) a copy of each agreement that is funded (directly or indirectly) with MCC Funding (each a, “*Funded Agreement*”), regardless of whether MCC has approval rights with respect to such agreement. Unless otherwise instructed by MCC, MCA-Côte d’Ivoire agrees to include in each Funded Agreement (i) a covenant that the counterparty to such agreement (each a, “*Counterparty*”) will comply with (A) the General Provisions Annex and (B) any instruction received by such Counterparty from MCC regarding the performance by such Counterparty of the terms of the General Provisions Annex notwithstanding any other instruction given by MCA-Côte d’Ivoire; and (ii) a right for MCA-Côte d’Ivoire to terminate such Funded Agreement if such Counterparty fails to comply with the General Provisions Annex or any such instruction of MCC.

(vii) Insurance; Performance Guaranties. MCA-Côte d’Ivoire agrees, to MCC’s satisfaction, cause all Program Assets to be insured (including, without limitation, through self-

insurance) and agrees to arrange such other appropriate insurance to cover against risks or liabilities associated with the operations of the Program, including by requiring Providers to obtain adequate insurance and to post adequate performance bonds or other guaranties. With MCC's prior consent, MCC Funding may be used to pay the costs of obtaining such insurance. MCA-Côte d'Ivoire (or, as appropriate and with MCC's prior approval, another entity) agrees to be named as the payee on any such insurance and the beneficiary of any such guaranty or bonds. If not already named as the insured party, MCA-Côte d'Ivoire (and MCC, if it so requests) agrees to be named as additional insureds on any such insurance. The Government agrees to promptly notify MCC of the payment of any proceeds from claims paid under such insurance or guaranty, and agrees to ensure that such proceeds will be used to replace or repair any lost or damaged Program Assets; **provided, however**, that, at MCC's election, such proceeds will be deposited in a Permitted Account as designated by MCA-Côte d'Ivoire or as otherwise directed by MCC.

(viii) MCA-Côte d'Ivoire Indemnity. If MCA-Côte d'Ivoire is held liable under any indemnification or other similar provision of any agreement, then the Government agrees to pay such indemnity in full on behalf of MCA-Côte d'Ivoire and agrees to not use MCC Funding or any Program Assets to satisfy such obligation. In addition, the Government agrees to indemnify and hold harmless each member of MCA-Côte d'Ivoire's Board (including each Observer), each member of any Stakeholder Committee and each of MCA-Côte d'Ivoire's Officers and employees from any claim, loss, action, liability, cost, damage or expenses incurred by such person in the performance of its duties on behalf of MCA-Côte d'Ivoire, **provided, however**, that the Government will have no obligation to indemnify any such person if and to the extent that any such claims, losses, actions, liabilities, costs, damages or expenses are attributable to the fraud, gross negligence or willful misconduct of such person; and **provided, further**, that the Government agrees to not use MCC Funding or any Program Assets to satisfy its obligations under this Section 1.3(b)(viii).

(ix) Employment Requirements and Work Visas. The Government agrees to:

(a) Permit MCA-Côte d'Ivoire to engage staff pursuant to a definite contract for a period not to exceed two (2) years, renewable for subsequent periods, each not to exceed two years unless otherwise agreed in writing between the Parties, during the Compact Term through the Compact close-out period;

(b) Arrange for any foreign personnel (either individual consultants or personnel of firms) providing goods, works or services under the Compact along with their family to be provided promptly with any necessary entry or work visas; and any such visas will be exempt from any fees or costs payable to the Government; and

(c) Provide the foreign personnel (either individual consultants or personnel of firms) providing goods, works or services under the Compact with work permits and such other documents as shall be necessary to enable the foreign personnel to perform services and to remain in Côte d'Ivoire for the duration of the Compact, without the need to exit the country for any period in the interim.

ARTICLE 2.

IMPLEMENTATION FRAMEWORK

Section 2.1 Implementation Plan. The framework for implementation of the Program will be further elaborated in a set of documents, in form and substance approved by MCC, consisting of (i) a Work Plan, (ii) a Detailed Financial Plan, (iii) an Audit Plan and (iv) a Procurement Plan (each, an “**Implementation Plan Document**” and collectively the “**Implementation Plan**”). MCA-Côte d’Ivoire agrees to submit its proposed Implementation Plan for review and approval by MCC before the initial Disbursement of Program Funding and at least on an annual basis thereafter (or in such other interval as may be required by the Program Guidelines). MCC will review the proposed Implementation Plan and as necessary may request MCA-Côte d’Ivoire to submit clarifications or adjustments. MCA-Côte d’Ivoire agrees to submit an updated Implementation Plan or updated Implementation Plan Document during any quarter in which significant changes or modifications are made to a Project or to the Program, or when MCA-Côte d’Ivoire determines that the expected results, targets and milestones for the specified year are not likely to be achieved; **provided, however**, that an updated Detailed Financial Plan will be submitted each quarter. In such instances, MCA-Côte d’Ivoire agrees to submit to MCC for approval a proposed revised Implementation Plan or updated Implementation Plan Document (as applicable) on the same date as the next Periodic Report is due. MCA-Côte d’Ivoire agrees to ensure that the implementation of the Program is conducted in accordance with the Implementation Plan.

(a) Work Plan. MCA-Côte d’Ivoire agrees to develop and implement a work plan, in form and substance satisfactory to MCC, for the overall administration of the Program (the “**Work Plan**”).

(b) Detailed Financial Plan. The Multi-Year Financial Plan Summary for the Program, which is set forth in Annex II to the Compact, shows the estimated annual contribution of MCC Funding to administer, monitor and evaluate the Program and to implement each Project (the “**Multi-Year Financial Plan**”). Except as MCC agrees otherwise in writing, MCA-Côte d’Ivoire agrees to develop and implement for each quarter for the upcoming year and on an annual basis for each year of the remaining years of the Compact, a detailed financial plan in accordance with the Reporting Guidelines, setting forth funding requirements for the Program (including administrative costs) and for each Project, broken down to the sub-activity level (or lower, where appropriate), and projected both on a commitment and cash requirement basis (each a “**Detailed Financial Plan**”).

(c) Audit Plan. MCA-Côte d’Ivoire agrees to develop and implement a plan, in accordance with the Audit Guidelines, for the audit of the expenditures of the entities that are subject to audit pursuant to the Audit Guidelines (the “**Audit Plan**”). The Audit Plan will be in form and substance satisfactory to MCC and will be developed no later than sixty (60) days before the end of the first period to be audited.

(d) Procurement Plan. MCA-Côte d'Ivoire agrees to prepare periodic procurement plans for acquiring the goods, works, and consultant and non-consultant services needed to implement the Compact (each a "***Procurement Plan***"). Each Procurement Plan will be prepared and updated in accordance with the MCC Program Procurement Guidelines. In addition, no later than six months after the Compact enters into force as provided in Article 7 of the Compact, MCA-Côte d'Ivoire agrees to develop and implement a bid challenge system ("***BCS***") that provides suppliers, contractors and consultants that are interested parties the ability to seek review of procurement actions and decisions. The organization, rules and procedures of such BCS will be subject to MCC approval. Upon MCC's approval of the BCS, MCA-Côte d'Ivoire agrees to publish the BCS on the MCA-Côte d'Ivoire website.

Section 2.2 Fiscal Accountability Plan. Except as MCC agrees otherwise in writing, MCA-Côte d'Ivoire agrees to develop and implement a manual (as approved by MCC) setting forth the principles, mechanisms and procedures (the "***Fiscal Accountability Plan***") that MCA-Côte d'Ivoire agrees to use to ensure appropriate fiscal accountability for the use of MCC Funding, including the process to ensure that open, fair, and competitive procedures will be used in a transparent manner in the administration of grants or cooperative agreements and in the procurement of goods, works and services. The Fiscal Accountability Plan will also include, among other things, requirements with respect to (a) budgeting, (b) accounting, (c) cash management, (d) financial transactions (receipts and payments), (e) opening and managing Permitted Accounts, (f) personnel and payroll, (g) travel and vehicle use, (h) asset and inventory control, (i) audits and (j) reporting. The Fiscal Accountability Plan will be revised periodically, subject to review and approval by MCC.

Section 2.3 M&E Plan. Unless MCC agrees otherwise in writing, no later than ninety (90) days after the Compact enters into force as provided in Article 7 of the Compact, MCA-Côte d'Ivoire agrees to develop and implement an M&E Plan that will serve as the primary governing document for monitoring and evaluation activities for the Program over the Compact Term. The M&E Plan will be developed, implemented and updated in accordance with the MCC *Policy for Monitoring and Evaluation of Compacts and Threshold Programs*.

Section 2.4 Environmental and Social Performance Plans. In accordance with Section 1.2(b)(iv), MCA-Côte d’Ivoire agrees to ensure that activities undertaken, funded or otherwise supported in whole or in part (directly or indirectly) by MCC Funding comply with the MCC Environmental Guidelines, including the IFC Performance Standards that are incorporated by reference therein. Specifically, MCA-Côte d’Ivoire agrees to: (i) develop, adopt and implement an Environmental and Social Management System (“*ESMS*”) for all Compact activities; (ii) cooperate with or complete, as the case may be, any necessary studies or plan including but not limited to ongoing environmental and social impact assessments, and if necessary, undertake and complete any additional environmental and social assessments and analyses, such as environmental and social management plans, environmental and social audits, resettlement policy frameworks, and resettlement action plans required under the laws of Côte d’Ivoire, the MCC Environmental Guidelines, this Agreement, the Compact, any other Supplemental Agreement or the Program Guidelines, or as otherwise required by MCC, each in form and substance satisfactory to MCC; (iii) ensure that Project or Activity-specific environmental and social management plans are developed and all relevant measures contained in such plans are integrated into project design, the applicable procurement documents and associated finalized contracts, in each case, in form and substance satisfactory to MCC; and (iv) implement to MCC’s satisfaction appropriate environmental and social mitigation measures identified in such assessments or plans or developed to address environmental and social issues identified during Compact implementation.

Section 2.5 Social Inclusion and Gender Integration. To ensure social inclusion and gender integration across the Projects and Activities, address any issues related to trafficking in persons (“*TIP*”), and ensure compliance with the MCC Gender Policy and the MCC Gender Integration Guidelines, MCA-Côte d’Ivoire agrees to: (i) develop a comprehensive social and gender integration plan (“*Social and Gender Integration Plan*”) that, at a minimum, (i) identifies approaches for regular, meaningful and inclusive consultations with women and other vulnerable and/or underrepresented groups; sets forth strategies for consolidating the findings and recommendations of Project-specific social and gender analyses into final Project designs; and specifies actions to be taken during the Compact Term to meet the social inclusion and gender equality objectives for the Projects; and (ii) ensures, through monitoring and coordination during Compact implementation, that final Activity designs, construction tender documents and implementation plans are consistent with and incorporate the outcomes of the social and gender analyses. MCA-Côte d’Ivoire agrees to, on an annual basis, review and update the Social and Gender Integration Plan as needed to reflect lessons learned and Project-specific analysis.

Section 2.6 MCC Program Procurement Guidelines and MCC Approval of Grants. In accordance with Section 3.6 of the Compact:

(a) MCA-Côte d’Ivoire agrees to comply with the MCC Program Procurement Guidelines in the procurement (including solicitation) of all goods, works and services and the award and administration of contracts in furtherance of the Compact. In addition, the Government agrees to ensure that any bid challenges are conducted in accordance with the MCC Program Procurement Guidelines and the BCS; and

(b) Unless MCC otherwise consents in writing, MCA-Côte d’Ivoire agrees to ensure that grants awarded to any non-Government entity in furtherance of the Program are awarded and administered pursuant to an open, fair and competitive procedure administered in a transparent manner.

Section 2.7 Notice to Providers; Incorporation.

(a) MCA-Côte d’Ivoire agrees to notify all Providers (and all other entities or individuals receiving MCC Funding in connection with the Program) of the requirements of Section 2.7 of the Compact and agrees to include, or ensure the inclusion of, the requirements of Section 2.7 of the Compact in all agreements with a Provider if MCC is not a party to such agreements.

(b) MCA-Côte d’Ivoire agrees to include, or ensure the inclusion of, the requirements of:

(i) Sections 2.1(c) and 2.8(c) of this Agreement and Section 3.7 of the Compact and paragraphs (b)(i) and (ii), (c), and (d) of Section 3.8 of the Compact in all agreements financed with MCC Funding between the Government or any entity of the Government, on the one hand, and a Covered Provider that is not a non-profit organization domiciled in the United States, on the other hand;

(ii) Section 3.7 of the Compact and paragraphs (b)(i) and (ii) and (d) of Section 3.8 of the Compact in all agreements financed with MCC Funding between the Government or any entity of the Government, on the one hand, and a Provider that does not meet the definition of a Covered Provider, on the other hand;

(iii) Section 3.7 of the Compact and paragraphs (b)(i) and (ii), (c), and (d) of Section 3.8 of the Compact in all agreements financed with MCC Funding between the Government or any entity of the Government, on the one hand, and a Covered Provider that is a non-profit organization domiciled in the United States, on the other hand; and

(iv) Section 3.7 of the Compact and paragraphs (b)(iii), (c) and (d) of Section 3.8 of the Compact in all agreements financed with MCC Funding between the Government or any entity of the Government, on the one hand, and a non-U.S. Covered Provider, on the other hand.

Section 2.8 Reports; Notices.

(a) Unless MCC agrees otherwise in writing, MCA-Côte d’Ivoire agrees to periodically provide to MCC, in form and substance satisfactory to MCC, the reports and information required by the Reporting Guidelines (each, a “*Periodic Report*”). MCA-Côte d’Ivoire agrees to provide the Periodic Reports to MCC on the schedule specified in the Reporting Guidelines, and the Periodic Reports will be consistent with the Reporting Guidelines in all respects.

(b) On October 30 of each year of the Compact Term (or within thirty (30) days of any written request by MCC), MCA-Côte d'Ivoire agrees to provide to MCC an annual supplemental report, in form and substance satisfactory to MCC, containing the following information:

(i) the progress made by the Government toward achieving the Compact Goal, Program Objective and Project Objectives;

(ii) additional information on accomplishments not presented in the Periodic Reports;

(iii) developments in Compact implementation related to the consultative process, donor coordination, and lessons learned; and

(iv) any report or document required to be delivered to MCC in connection with the Program under the MCC Environmental Guidelines (including the IFC Performance Standards that are incorporated by reference therein), any Audit Plan, or any Implementation Plan Document.

(c) MCA-Côte d'Ivoire agrees to furnish, or use its best efforts to furnish, to MCC an audit report in a form satisfactory to the Inspector General for each audit required under the Compact, other than audits arranged for by MCC, no later than ninety (90) days after the end of the period under audit, or such other time as may be agreed by MCC from time to time.

(d) If at any time during the Compact Term, the Government materially reallocates or reduces the allocation in its national budget or any other governmental authority of Côte d'Ivoire at a departmental, municipal, regional or other jurisdictional level materially reallocates or reduces the allocation in its budget of the normal and expected resources that the Government or such governmental authority, as applicable would have otherwise received or budgeted, from external or domestic sources, or fails to timely distribute an allocation budgeted for the activities contemplated under the Compact or the Program, the Government, acting through, MCA-Côte d'Ivoire must notify MCC in writing within thirty (30) days of such reallocation, reduction, or failure to distribute, such notification to contain information regarding the amount of the reallocation, reduction, or failure to distribute, the affected activities, and an explanation for the reallocation or reduction.

(e) In addition to the Periodic Reports, MCA-Côte d'Ivoire agrees to provide to MCC within thirty (30) days of a written request by MCC, or as otherwise agreed by MCC and MCA-Côte d'Ivoire in writing, such other reports, documents or information as MCC may request from time to time related to the Program, including any component of the Implementation Plan, the Fiscal Accountability Plan, the Program Guidelines or any Disbursement.

(f) MCA-Côte d'Ivoire agrees to submit the Periodic Reports and any other reports required hereunder electronically if requested by MCC or otherwise required by the Reporting Guidelines.

Section 2.9 Transactions Subject to MCC Approval. Each of the following transactions, activities, agreements, and documents requires MCC's prior written approval:

- (a) Disbursements;
- (b) the Implementation Plan (including each element or component thereof), the Fiscal Accountability Plan and the M&E Plan, and any modification of any of the foregoing;
- (c) agreements between the Government and MCA-Côte d'Ivoire, and agreements in which any of the following are appointed, hired or otherwise engaged (each, a "**Material Agreement**"):
 - (i) Auditor or Reviewer;
 - (ii) Fiscal Agent;
 - (iii) Procurement Agent;
 - (iv) Bank;
 - (v) Implementing Entity;
 - (vi) Outside Project Manager; and
 - (vii) a member of the Board (including any Observer) or any Officer of MCA-Côte d'Ivoire (including agreements regarding compensation for any such person);
- (d) any modification, termination or suspension of a Material Agreement, or any action that would have equivalent effect;
- (e) any agreement or transaction of MCA-Côte d'Ivoire that is not arm's-length;
- (f) any pledge of any MCC Funding or any Program Assets, or any incurrence of material indebtedness, or any guarantee, directly or indirectly of any indebtedness;
- (g) any decree, legislation, regulation, charter, contractual arrangement or other document establishing or governing (other than public laws of general application to all public institutions), or relating to the formation, organization or governance of, MCA-Côte d'Ivoire (including the Bylaws and any staffing plan) (each, a "**Governing Document**");
- (h) any disposition, in whole or in part, liquidation, dissolution, winding up, reorganization or other change of MCA-Côte d'Ivoire;
- (i) any change in character or location of any Permitted Account;

(j) (A) any change of any member of the Board (including any Observer), of the member serving as the chairperson or in the composition or size of the Board, and the filling of any vacant seat of any member of the Board (including any Observer), (B) any change of any Officer of MCA-Côte d'Ivoire or in the composition or size of its management unit, and the filling of any vacant position of any Officer of MCA-Côte d'Ivoire, and (C) any material change in the composition or size of any Stakeholder Committee;

(k) any decision by MCA-Côte d'Ivoire to engage, accept or manage any funds in addition to MCC Funding (including from the Government or any donor agencies or organizations) during the Compact Term, or to engage in any activities or undertake any duties or responsibilities other than the Designated Rights and Responsibilities;

(l) any agreement, transaction, decision or other action or document for which MCC approval is required under any of the Program Guidelines; and

(m) any amendment, supplement, replacement, termination, revocation or other change to any of the foregoing documents or arrangements.

Section 2.10 Role of Certain Entities in Implementation.

(a) Outside Project Manager. MCA-Côte d'Ivoire may engage qualified persons or entities to serve as outside project managers (each, an "***Outside Project Manager***") in the event that it is advisable to do so for the proper and efficient day-to-day management of a Project or Activity; ***provided, however,*** that, if so required by the MCC Program Procurement Guidelines, the appointment or engagement of any Outside Project Manager will be made using a competitive selection process and, if required by the MCC Program Procurement Guidelines, will be subject to approval by the Board and by MCC prior to such appointment or engagement. Upon such approval, MCA-Côte d'Ivoire may delegate, assign, or contract to the Outside Project Managers such duties and responsibilities as it deems appropriate with respect to the management of the Implementing Entities and the implementation of the specific Projects or Activities; and ***provided, further,*** that MCA-Côte d'Ivoire agrees to remain accountable for those duties and responsibilities and all reports delivered by the Outside Project Manager notwithstanding any such delegation, assignment or contract and the Outside Project Manager will be subject to the oversight of the Fiscal Agent and Procurement Agent. The Board may determine that it is advisable to engage one or more Outside Project Managers and instruct MCA-Côte d'Ivoire and, where appropriate, the Procurement Agent to commence and conduct the competitive selection process for such Outside Project Manager.

(b) Fiscal Agent. MCA-Côte d'Ivoire agrees to engage a Fiscal Agent, who will be responsible for, among other things, (i) ensuring and certifying that Disbursements are properly authorized and documented in accordance with established control procedures set forth in the Fiscal Agent Agreement and the Bank Agreement, (ii) instructing the Bank to make Disbursements from a Permitted Account or requesting Disbursement be made directly to a provider as payment for goods, works or services in accordance with the Common Payment System or any alternate payment system approved by MCC, as the case may be, and in each case

following applicable certification by the Fiscal Agent, (iii) providing applicable certifications for Disbursement Requests, (iv) maintaining proper accounting of all MCC Funding financial transactions, and (v) producing reports on Disbursements in accordance with established procedures set forth in the Fiscal Agent Agreement or the Bank Agreement. MCA-Côte d'Ivoire agrees to enter into an agreement with the Fiscal Agent, in form and substance satisfactory to MCC, which sets forth the roles and responsibilities of the Fiscal Agent and other appropriate terms and conditions (the "**Fiscal Agent Agreement**"). Unless MCC agrees otherwise in writing, the Fiscal Agent will be a third party, independent of the Government.

(c) **Auditors and Reviewers.** MCA-Côte d'Ivoire agrees to engage one or more auditors as contemplated in the Audit Guidelines (each, an "**Auditor**"). As requested by MCC in writing from time to time, MCA-Côte d'Ivoire agrees to also engage an independent (i) reviewer to conduct reviews of performance and compliance under the Compact, which reviewer will have the capacity to (1) conduct general reviews of performance or compliance, (2) conduct audits of environmental and social performance, and (3) conduct data quality assessments in accordance with the M&E Plan, as described more fully in Annex III to the Compact, and/or (ii) evaluator to assess performance as required under the M&E Plan (each, a "**Reviewer**"). MCA-Côte d'Ivoire agrees to select the Auditor(s) and/or Reviewer(s) in accordance with the Audit Guidelines and the M&E Plan, as applicable. MCA-Côte d'Ivoire agrees to enter into an agreement with each Auditor or Reviewer, in form and substance acceptable to MCC, that sets forth the roles and responsibilities of the Auditor or Reviewer with respect to the audit, review or evaluation, including access rights, required form and content of the applicable audit, review or evaluation and other appropriate terms and conditions (the "**Auditor / Reviewer Agreement**").

(d) **Procurement Agent.** MCA-Côte d'Ivoire agrees to engage a Procurement Agent to carry out and/or certify specified procurement activities in furtherance of the Compact and this Agreement. MCA-Côte d'Ivoire agrees to enter into an agreement with the Procurement Agent, in form and substance satisfactory to MCC, that sets forth the roles and responsibilities of the Procurement Agent with respect to the conduct, monitoring and review of procurements and other appropriate terms and conditions (the "**Procurement Agent Agreement**"). Unless MCC agrees otherwise in writing, the Procurement Agent will be a third party, independent of the Government.

Section 2.11 Publicity and Transparency.

(a) Subject to Section 2.12, MCA-Côte d'Ivoire agrees to give appropriate publicity to the Compact as a program to which the United States, through MCC, has contributed, including by identifying Program Activity sites, and marking Program Assets, all in accordance with MCC's *Standards for Global Marking*. Upon the termination or expiration of the Compact, the Government, upon MCC's request, agrees to cause the removal of any such references and markings on the MCA-Côte d'Ivoire Website or in any Government or MCA-Côte d'Ivoire publicity materials.

(b) MCA-Côte d'Ivoire agrees to make information concerning implementation of the Compact publicly available, including by posting the following documents in English (unless

MCC agrees otherwise in writing), on the website operated by MCA-Côte d’Ivoire (the “*MCA-Côte d’Ivoire Website*”), all to the extent contemplated by and in accordance with the Governance Guidelines: (i) Compact, (ii) this Agreement, (iii) minutes of the meetings of the Board, and minutes of the meetings of the Stakeholders Committees as they relate to MCA-Côte d’Ivoire; (iv) the M&E Plan, along with periodic reports and final evaluations on Program performance; (v) all environmental and social impact assessments and resettlement action plans for the Projects and supporting documents; (vi) all social and gender assessments and the Social and Gender Integration Plan; (vii) all audit reports by an Auditor and any periodic reports or evaluations by a Reviewer; (viii) all Disbursement Requests; (ix) all reports required to be submitted to MCC under the terms of this Agreement (including the reports required under Section 2.8(a)); (x) all procurement policies and procedures (including standard documents, procurement plans, contracts awarded and the BCS) and any other procurement documents required to be made publicly available under the MCC Program Procurement Guidelines; (xi) a copy of any legislation or other documents related to the formation, organization or governance of MCA-Côte d’Ivoire (except to the extent classified), including the Governing Documents and any amendments thereto; and (xii) such other materials as MCC may request; ***provided, however***, that any press release or announcement regarding MCC or the fact that MCC is funding the Program or any other publicity materials referencing MCC will be subject to MCC’s prior approval and must be consistent with any instructions provided by MCC in relevant Implementation Letters.

(c) Notwithstanding Section 2.11(b), information relating to procurements prior to the award of a contract and confidential information relating to MCA-Côte d’Ivoire’s agreements with employees, contractors and consultants will be excluded from the information and documents made publicly available; ***provided, however***, that MCC and MCA-Côte d’Ivoire agree to mutually determine whether any information to be excluded is confidential.

Section 2.12 Branding and Enforcement.

(a) Subject to Section 5.7(d), MCC hereby grants MCA-Côte d’Ivoire a revocable, royalty-free, fully paid and non-exclusive right and license to use MCC’s logo and the names “Millennium Challenge Corporation,” “Millennium Challenge Account” and “MCC,” in each case, solely in accordance with the *MCC Standards for Global Marking*. Any such use of the logo and names will be solely for the benefit of MCC, and not inure to the benefit of MCA-Côte d’Ivoire. The use of MCC’s logo and names will not create any agency or legal representation, and MCA-Côte d’Ivoire has no authority to bind MCC in any way.

(b) MCA-Côte d’Ivoire agrees to create its own logo, and use such logo as well as the names “Millennium Challenge Account-Côte d’Ivoire” and “MCA-Côte d’Ivoire,” in each case, solely in accordance with the *MCC Standards for Global Marking*. Subject to Section 5.7(d), MCA-Côte d’Ivoire hereby grants MCC an irrevocable, royalty-free, fully paid and non-exclusive right and license to use the names “Millennium Challenge Account -Côte d’Ivoire” and “MCA-Côte d’Ivoire,” and MCA-Côte d’Ivoire’s logo.

(c) MCA-Côte d’Ivoire agrees to take all reasonable steps to ensure that the names “Millennium Challenge Account-Côte d’Ivoire” and “MCA-Côte d’Ivoire,” as well as its own logo, will enjoy maximum protection under the laws now or hereafter in effect in Côte d’Ivoire throughout the term of this Agreement. This includes the registration of the names and the logo as a trademark, if appropriate, the monitoring of unauthorized use by third parties, and, in case of detection of unauthorized use, the enforcement of such rights. MCA-Côte d’Ivoire agrees to inform MCC as soon as practicable if it becomes aware of any infringement, threat of infringement, or any other use by a third party that has not been authorized by MCC of any of (i) the names “Millennium Challenge Account-Côte d’Ivoire,” “MCA-Côte d’Ivoire” and/or MCA-Côte d’Ivoire’s logo; or (ii) the names “Millennium Challenge Corporation,” “MCC” and/or MCC’s logo. MCA-Côte d’Ivoire agrees to provide MCC assistance to enforce MCC’s rights to the names “Millennium Challenge Corporation” and “MCC,” as well as to MCC’s logo.

ARTICLE 3.

DISBURSEMENT OF MCC FUNDING

Section 3.1 Disbursement Process.

(a) Disbursement Requests. MCA-Côte d’Ivoire may request Disbursements to be made under the Compact by submitting a request in accordance with the Reporting Guidelines (each a “*Disbursement Request*”), duly completed, to MCC not later than twenty (20) days (or such other period of time as may be agreed by MCC) prior to the commencement of each Disbursement Period. Requests for Disbursement of Program Funding and Compact Development Funding for any Disbursement Period will be made by separate Disbursement Requests using the applicable form. Unless MCC agrees otherwise in writing, MCA-Côte d’Ivoire may submit only one Disbursement Request for Program Funding, and one Disbursement Request for Compact Development Funding, for each quarter (such quarter, or any other period of time as agreed by MCC, the “*Disbursement Period*”). Each Disbursement Request submitted must be accompanied by the Periodic Reports covering the corresponding Disbursement Period.

(b) Approval of Disbursement Requests; Release of Proceeds.

(i) Upon receipt of a Disbursement Request, MCC agrees to determine the appropriate amount of the Disbursement to be made based on, among other things, (A) the progress achieved under the Implementation Plan, (B) the amount of funds required to complete the activities described in the accompanying Periodic Reports during the corresponding Disbursement Period and (C) the satisfaction, waiver or deferral of applicable conditions to such Disbursement. MCC may, in its sole discretion, disapprove any Disbursement completely or reduce the amount of any Disbursement below that proposed in a Disbursement Request based on its determination of any of the factors set forth in this Section 3.1(b)(i).

(ii) Upon MCC’s approval of a Disbursement Request, the proceeds of the Disbursement may be transferred, at MCC’s sole election, (A) to a Permitted Account, or (B)

directly to a provider as payment for goods, works or services received by MCA-Côte d’Ivoire in accordance with the Common Payment System or any alternate payment system approved by MCC; ***provided however***, that expenditures of such proceeds (including amounts transferred directly to a provider) are authorized by MCA-Côte d’Ivoire, and the related payment complies, as certified by the Fiscal Agent, with the most recently approved Detailed Financial Plan and the standards and procedures set forth in the Fiscal Agent Agreement and the Fiscal Accountability Plan.

(c) Permitted Accounts.

(i) Any MCC Funding to be disbursed to a bank account must be deposited in an account established by MCA-Côte d’Ivoire in the local currency of Côte d’Ivoire (the “***Local Account***”) at a financial institution acceptable to MCC, such Local Account to be interest-bearing to the extent practicable. The Local Account will be a Permitted Account. MCC and MCA-Côte d’Ivoire also may mutually agree in writing to the establishment of additional Permitted Accounts from time to time at financial institutions acceptable to MCC, which additional Permitted Accounts will also be interest bearing to the extent practicable. MCA-Côte d’Ivoire agrees to notify MCC promptly if any account information for a Permitted Account changes during the Compact Term and provide MCC with the updated information.

(ii) Unless otherwise authorized by MCC in writing, no funds will be commingled in a Permitted Account other than MCC Funding and accrued interest and earnings thereon. MCC will have the right, among other things, to view any Permitted Account statements and activity directly on-line, and where such viewing is not feasible, MCA-Côte d’Ivoire agrees to provide copies of such statements to MCC upon its request. Before any MCC Funding is deposited into a Permitted Account, MCA-Côte d’Ivoire agrees to enter into an agreement, in form and substance satisfactory to MCC, with the financial institution approved by MCC to hold such Permitted Account (the “***Bank***”) that sets forth the signatory authority, access rights, anti-money laundering and anti-terrorist financing provisions, and other terms related to such Permitted Account (the “***Bank Agreement***”). The Fiscal Agent, and in certain specified cases in the Bank Agreement, designated representatives of MCC, will be the sole signatories on each Permitted Account.

(iii) MCC Funding held in a Permitted Account will accrue interest or other earnings in accordance with the Bank Agreement. On a quarterly basis and upon the termination or expiration of the Compact or the Bank Agreement, MCA-Côte d’Ivoire agrees to ensure the transfer of all accrued interest to MCC.

(iv) Unless MCC agrees otherwise in writing, if MCC Funding is held in any Permitted Account other than the Local Account, MCA-Côte d’Ivoire agrees to ensure that such MCC Funding will be denominated in the currency of the United States of America prior to its expenditure or transfer to the Local Account. To the extent that any amount of MCC Funding held in U.S. Dollars must be converted into the currency of Côte d’Ivoire for any purpose, MCA-Côte d’Ivoire agrees to ensure that such amount is converted consistent with the requirements of the Bank Agreement or any other applicable Supplemental Agreement.

Section 3.2 Conditions Precedent to Disbursement of Compact Development Funding. Prior to the initial Disbursement of Compact Development Funding or any subsequent Disbursement of Compact Development Funding, the applicable conditions set forth in Annex IV to the Compact must have been met to MCC's satisfaction.

Section 3.3 Conditions Precedent to the Initial Disbursement of Program Funding. Unless waived or deferred by MCC, the conditions of this Section 3.3 and the conditions set forth in Section 3.4 must have been met to MCC's satisfaction prior to the initial Disbursement of Program Funding:

(a) Entry into Force. The Compact has entered into force as provided in Article 7 of the Compact.

(b) Key Staff. Each of the Key Staff has been selected and engaged by MCA-Côte d'Ivoire and approved by MCC.

(c) Fiscal Accountability Plan. MCA-Côte d'Ivoire has developed the Fiscal Accountability Plan (or an interim version), and the plan has been approved by MCC.

(d) M&E Plan. MCA-Côte d'Ivoire has developed the M&E Plan, and the plan has been approved by the Board and MCC.

(e) Implementation Plan. MCA-Côte d'Ivoire has developed a complete Implementation Plan.

(f) Governing Documents. The Government must have adopted any documents necessary to create MCA-Côte d'Ivoire and ensure its valid operation, including, but not limited to, any required laws, decrees or regulations.

(g) HR Manual. MCA-Côte d'Ivoire has developed and adopted the HR Manual, and the manual has been approved by MCC.

Section 3.4 Conditions Precedent to Each Disbursement of Program Funding. Unless waived or deferred by MCC, the following conditions must have been met to MCC's satisfaction prior to each Disbursement of Program Funding (including the initial Disbursement of Program Funding):

(a) Deliveries. MCA-Côte d'Ivoire has delivered to MCC the following documents, reports and information in form and substance satisfactory to MCC:

(i) a completed Disbursement Request, together with the Periodic Reports covering the related Disbursement Period;

(ii) copies of any reports from any technical (including environmental) auditors engaged by MCA-Côte d’Ivoire for any Activity delivered since the previous Disbursement Request;

(iii) a certificate of MCA-Côte d’Ivoire, dated as of the date of such Disbursement Request, substantially in the form provided by MCC (the “*MCA Disbursement Certificate*”);

(iv) a certificate of the Procurement Agent, substantially in the form provided by MCC (the “*Procurement Agent Disbursement Certificate*”); and

(v) a certificate of the Fiscal Agent, substantially in the form provided by MCC (the “*Fiscal Agent Disbursement Certificate*”).

(b) Other Conditions Precedent. MCC has determined in its sole discretion that:

(i) all applicable conditions precedent in Schedule 2 have been duly satisfied, deferred or waived as provided in this Agreement;

(ii) no material default or breach of any covenant, obligation or responsibility by the Government, MCA-Côte d’Ivoire or any Government entity has occurred and is continuing under the Compact, this Agreement or any other Supplemental Agreement;

(iii) the activities to be funded with such Disbursement will not violate any applicable law or regulation;

(iv) the Implementation Plan Documents and Fiscal Accountability Plan are current and updated and are in form and substance satisfactory to MCC, and there has been progress satisfactory to MCC on the components of the Implementation Plan for any relevant Projects or Activities related to such Disbursement;

(v) there has been progress satisfactory to MCC on the M&E Plan and Social and Gender Integration Plan for the Program, relevant Project or Activity and substantial compliance with the requirements of the M&E Plan and Social and Gender Integration Plan (including the targets set forth therein and any applicable reporting requirements set forth therein for the relevant Disbursement Period);

(vi) all Government entities involved in the implementation of the Program, including the Implementing Entities, are coordinating successfully with MCA-Côte d’Ivoire and dedicating the necessary staff and other resources to ensure successful implementation of the Program;

(vii) there has been no material negative finding in any financial audit report delivered in accordance with the Compact and Audit Plan, for the prior two quarters (or such other period as the Audit Plan may require);

(viii) any Taxes paid with MCC Funding through the date ninety (90) days prior to the start of the applicable Disbursement Period have been reimbursed by the Government in full in accordance with Section 2.8(c) of the Compact;

(ix) the Government has satisfied all of its payment obligations, including any insurance, indemnification, tax payments or other obligations, and contributed all resources required from it, under the Compact, this Agreement and any other Supplemental Agreement;

(x) MCC does not have grounds for concluding that any matter certified to it in the related MCA Disbursement Certificate, Procurement Agent Disbursement Certificate or Fiscal Agent Disbursement Certificate is not as certified;

(xi) no act, omission, condition, or event has occurred that would be the basis for MCC to suspend or terminate, in whole or in part, the Compact or MCC Funding in accordance with Section 5.1 of the Compact;

(xii) each of the Officers remains engaged, or if a position is vacant, MCA-Côte d'Ivoire is actively engaged, to MCC's satisfaction, in recruiting a replacement; and

(xiii) MCA-Côte d'Ivoire has complied in all material respects with its obligations set forth in Section 2.1(d) with respect to the establishment of a BCS and its obligations set forth in Section 2.3 with respect to the establishment of an M&E Plan.

Section 3.5 Authorized Expenditures. Except as MCC agrees otherwise in writing, a Disbursement, or financial commitment involving MCC Funding may be made, and a Disbursement Request may be submitted, only if the related expense is provided for in the Detailed Financial Plan and sufficient uncommitted funds exist in the Detailed Financial Plan for the relevant period.

ARTICLE 4.

ENTRY INTO FORCE OF THIS AGREEMENT; CONSEQUENCES OF COMPACT TERMINATION, SUSPENSION AND EXPIRATION

Section 4.1 Entry into Force of this Agreement. This Agreement will enter into force upon the later of (a) the signing of this Agreement by each of the Parties to this Agreement and (b) the date that the Compact enters into force as provided in Article 7 of the Compact; provided, however, that the Parties agree that upon signature of this Agreement, and until this Agreement enters into force, the Parties agree to provisionally apply the terms of this Agreement.

Section 4.2 Consequences of Compact Termination, Suspension or Expiration.

(a) Upon the suspension, in whole or in part, of the Compact or any MCC Funding, all applicable Disbursements will be suspended, and MCC may request the Government to return any MCC Funding (or portion thereof) on deposit in any Permitted Account; ***provided, however,***

MCC Funding may be used, in compliance with the Compact and this Agreement and with written consent of MCC, to pay for (i) reasonable expenditures for goods, works or services that were properly incurred under or in furtherance of the Program before the suspension of the Compact or any MCC Funding; and (ii) reasonable costs incurred in connection with the suspension of the Compact or any MCC Funding.

(b) Upon the termination, in whole or in part, of the Compact or any MCC Funding, all applicable Disbursements will cease; ***provided, however,*** MCC Funding may be used, in compliance with the Compact and this Agreement and with written consent of MCC, to pay for (i) reasonable expenditures for goods, works or services that were properly incurred under or in furtherance of the Program before termination of the Compact or any MCC Funding, and (ii) reasonable expenditures (including administrative expenses) properly incurred in connection with the winding up of the Program (or any part thereof) within 120 days after the termination of the Compact or any MCC Funding.

(c) Upon expiration of the Compact, all Disbursements will cease; ***provided, however,*** MCC Funding may be used, in compliance with the Compact and this Agreement, to pay for (i) reasonable expenditures for goods, works or services that were properly incurred under or in furtherance of the Program before expiration of the Compact, and (ii) reasonable expenditures (including administrative expenses) properly incurred in connection with the winding up of the Program within 120 days after the expiration.

(d) Subject to Sections 4.2(b) and (c), upon the expiration or termination of the Compact or MCC Funding, the Government agrees to return to MCC any amounts of MCC Funding on deposit in any Permitted Account but not expended before the expiration or termination, plus accrued interest thereon within thirty (30) days after the Government receives MCC's request for such return; ***provided, however,*** that if the Compact is terminated in part, only the amount of MCC Funding allocated to the terminated portion will be subject to return.

(e) Upon the full or partial termination of the Compact or any MCC Funding, MCC may, at its expense, direct that title to any Program Assets be transferred to MCC if such Program Assets are in a deliverable state, and the Government agrees to promptly effect such transfer upon such direction; ***provided however,*** that, for any Program Asset not in a deliverable state and any Program Asset partially purchased or funded with MCC Funding, the Government, upon MCC's request, agrees to reimburse MCC in United States Dollars the cash equivalent of the fair market value of such Program Asset or portion thereof, as such is determined by MCC.

(f) Prior to expiration, or upon termination, of the Compact, the Parties agrees to consult in good faith with a view to reaching an agreement in writing on (i) the post-Compact Term treatment of MCA-Côte d'Ivoire, (ii) the process for ensuring the refunds of Disbursements that have not yet been released from a Permitted Account or committed in accordance with Sections 4.2(b) and (c), and (iii) any other matter related to the winding up of the Program and the Compact.

(g) Without limiting the terms of Section 4.2(f), MCC and the Government recognize that the effects of the Compact will be long-ranging and its impact on reducing poverty may not be measurable for several years after the Compact's expiration. Accordingly, MCC and the Government agree to cooperatively monitor the results and evaluate the impacts of the Compact on reducing poverty through economic growth in Côte d'Ivoire after the Compact's termination or expiration. As part of this cooperation, prior to the Compact's termination or expiration, the Parties agree to develop a post-Compact monitoring and evaluation plan that describes the future monitoring and evaluation activities, the individuals and organizations that will undertake these activities, and a budget framework for future monitoring and evaluation, provided, however, that nothing in this Section 4.2(g) will be construed as committing MCC to provide any assistance to the Government after the Compact's expiration. The Government agrees to provide all resources necessary (including both financial and personnel) to fulfill the tasks undertaken by the Government under the post-Compact monitoring and evaluation plan.

ARTICLE 5.

GENERAL PROVISIONS

Section 5.1 Representatives. The provisions of Section 4.2 of the Compact are incorporated herein by reference as if fully set forth herein.

Section 5.2 Communications. The provisions of Section 4.1 of the Compact are incorporated herein by reference as if fully set forth herein. Upon establishment of MCA-Côte d'Ivoire, MCA-Côte d'Ivoire will notify the Parties of its contact details.

Section 5.3 Assignments by the Government. The Government may not assign, delegate or contract its rights or obligations under this Agreement without MCC's prior written consent. The Government agrees, upon request by MCC, to execute an assignment to MCC of any contractual right or cause of action which may accrue to the Government or MCA-Côte d'Ivoire in connection with or arising out of the contractual performance or breach of performance by a party to a contract financed in whole or in part by MCC Funding.

Section 5.4 Amendment; Waivers. The Parties may amend this Agreement only by a written agreement signed by the Principal Representative (or such other government official who holds a position of higher authority, provided prior notice is given) of each Party; ***provided, however,*** that the Parties may agree in a writing, signed by the Principal Representative or any Additional Representative of each Party, to modify any Schedule hereto without amending this Agreement. Any waiver of a right or obligation arising under this Agreement will be effective only if provided in writing.

Section 5.5 Attachments. Each exhibit, schedule and annex attached to this Agreement constitutes an integral part of this Agreement.

Section 5.6 Inconsistencies. In the event of any conflict or inconsistency between this Agreement and the Compact, the terms of the Compact will prevail. In the event of any conflict

or inconsistency between this Agreement and any other Supplemental Agreement or any Implementation Plan Document the terms of this Agreement will prevail.

Section 5.7 Termination of this Agreement.

(a) MCC may terminate this Agreement in whole or in part, without cause by giving the Government thirty (30) days' written notice. This Agreement will terminate simultaneously with the termination of the Compact by the Government in accordance with Section 5.1(a) of the Compact.

(b) MCC may immediately terminate this Agreement, in whole or in part, by written notice to MCA-Côte d'Ivoire and the Government, if MCC determines that any event that would be a basis for termination or suspension of the Compact or MCC Funding under Section 5.1(b) of the Compact has occurred.

(c) Unless terminated earlier in accordance with the terms hereof or the Compact, this Agreement will expire upon the expiration or termination of the Compact; ***provided, however***, that, if MCC determines, consistent with Section 4.2 (b) or (c), that obligations incurred (and previously approved by MCC in a Disbursement Request) prior to the expiration or termination of the Compact remain to be paid, then the provisions of this Agreement will apply until such date as such obligations are satisfied.

(d) No later than 120 days after the expiration or termination of this Agreement, unless MCC agrees otherwise in writing, (i) the licenses granted to MCA-Côte d'Ivoire in Section 2.12(a) will terminate with immediate effect; (ii) the Government agrees to ensure that MCA-Côte d'Ivoire ceases to be named "Millennium Challenge Account-Côte d'Ivoire" and/or "MCA-Côte d'Ivoire," and (iii) the Government agrees to take reasonable steps to ensure that such names and any associated logo, as well as the names "Millennium Challenge Corporation" and "MCC," as well as any logo associated therewith, are no longer used by MCA-Côte d'Ivoire or any other entity for any purpose not authorized by MCC. Furthermore, upon expiration or termination of this Agreement, MCA-Côte d'Ivoire agrees to assign and hereby assigns and transfers to MCC all right, title, and interest to the names "Millennium Challenge Account -Côte d'Ivoire," "MCA-Côte d'Ivoire," "Millennium Challenge Corporation," "MCC," as well as MCA-Côte d'Ivoire's logo and MCC's logo that it might have acquired during the term of this Agreement.

Section 5.8 Survival. Notwithstanding any expiration, suspension or termination of this Agreement, the following provisions of this Agreement will survive: Sections 1.2(b)(iii), 2.10(a), 2.11, 4.2, 5.1, 5.2, 5.3, 5.7(d), 5.8, 5.9 and 5.10.

Section 5.9 Information Provided to MCC. MCC may use or disclose any information in any Disbursement Request, report or document developed or delivered in connection with the Program: (a) to its employees, contractors, agents and representatives, (b) to any United States inspector general or the United States Government Accountability Office or otherwise for the purpose of satisfying MCC's own reporting requirements, (c) to post on the MCC Website for

the purpose of making certain information publicly available and transparent, (d) in connection with publicizing MCC and its programs or (e) in any other manner.

Section 5.10 Governing Law. The Parties acknowledge and agree that this Agreement is an international agreement entered into for the purpose of implementing the Compact and as such will be interpreted in a manner consistent with the Compact and will be governed by the principles of international law.

Section 5.11 Counterparts; Electronic Delivery. Signatures to this Agreement and to any amendment to this Agreement will be original signatures appearing on the same page or in an exchange of letters or diplomatic notes. With respect to all documents arising out of this Agreement and amendments thereto, signatures may be delivered by facsimile or electronic mail and in counterparts and will be binding on the Party delivering such signature to the same extent as an original signature would be.

Signature Page Follows on the Next Page

IN WITNESS WHEREOF, each Party, by its duly authorized representative, has signed this Program Implementation Agreement.

Done at Abidjan, Côte d'Ivoire this 5th day of December 2017, in the English language.

FOR THE UNITED STATES OF AMERICA,
acting through the MILLENNIUM
CHALLENGE CORPORATION

FOR THE REPUBLIC OF CÔTE D'IVOIRE,
acting through the MINISTRY OF ECONOMY
AND FINANCES

/s/

Name: Jeanne M. Hauch
Title: Vice President, General Counsel and
Corporate Secretary

/s/

Name: Adama Koné
Title: Minister of Economy and Finances

**SIGNATURE PAGE TO PROGRAM IMPLEMENTATION AGREEMENT
BETWEEN THE UNITED STATES OF AMERICA
ACTING THROUGH THE MILLENNIUM CHALLENGE CORPORATION
AND THE REPUBLIC OF CÔTE D'IVOIRE
ACTING THROUGH THE MINISTRY OF ECONOMY AND FINANCES**

Schedule 1

DEFINITIONS

***Agreement** has the meaning provided in the preamble to this Agreement.*

***Audit Plan** has the meaning provided in Section 2.1(c).*

***Auditor** has the meaning provided in Section 2.10(c).*

***Auditor / Reviewer Agreement** has the meaning provided in Section 2.10(c).*

***Bank** has the meaning provided in Section 3.1(c)(ii).*

***Bank Agreement** has the meaning provided in Section 3.1(c)(ii).*

***BCS** has the meaning provided in Section 2.1(d).*

***Board** means the board of directors of MCA-Côte d'Ivoire.*

***Bylaws** has the meaning provided in Section 1.3(b)(v).*

***CDF Agreement** has the meaning provided in Section 1.3(b)(ii).*

***CEPICI** has the meaning provided in Schedule 3.*

***CIF** has the meaning provided in Schedule A of Schedule 3.*

***Common Payment System** means the system pursuant to which payments of MCC Funding are made directly to vendors as further described in the Fiscal Accountability Plan.*

***Compact** has the meaning provided in the first recital to this Agreement.*

***Corporate Income Taxes** has the meaning provided in Schedule C of Schedule 3.*

***Counterparty** has the meaning provided in Section 1.3(b)(vi).*

***Designated Rights and Responsibilities** has the meaning provided in Section 1.3(a)(i).*

***Detailed Financial Plan** has the meaning provided in Section 2.1(b).*

***DGD** has the meaning provided in Schedule 3.*

***DGI** has the meaning provided in Schedule 3.*

***Disbursement Period** has the meaning provided in Section 3.1(a).*

Disbursement Request has the meaning provided in Section 3.1(a).

DST has the meaning provided in Schedule 3.

ESMS means environmental and social management system.

Exempt Beneficiary has the meaning provided in Schedule 3.

Exempt Corporate Income has the meaning provided in Schedule C of Schedule 3.

Exempt Employers has the meaning provided in Schedule D of Schedule 3.

Exempt Entity has the meaning provided in Schedule 3.

Exempt Individual has the meaning provided in Schedule 3.

Exempt Personal Income has the meaning provided in Schedule D of Schedule 3.

Fiscal Accountability Plan has the meaning provided in Section 2.2.

Fiscal Agent Agreement has the meaning provided in Section 2.10(b).

Fiscal Agent Disbursement Certificate has the meaning provided in Section 3.4(a)(v).

FOB has the meaning provided in Schedule A of Schedule 3.

Funded Agreement has the meaning provided in Section 1.3(b)(vi).

General Provisions Annex means the annex titled General Provisions posted from time to time on the MCC Website or otherwise made available to the Government.

Governing Document has the meaning provided in Section 2.9(g).

Government has the meaning provided in the preamble to this Agreement.

HR Manual has the meaning provided in Section 1.3(b)(v).

IFC Performance Standards has the meaning provided in Section 1.2(b)(iv).

Implementation Plan has the meaning provided in Section 2.1.

Implementation Plan Document has the meaning provided in Section 2.1.

Key Staff shall mean individuals in the following positions within MCA-Côte d'Ivoire's management unit: (1) Director General; (2) three (3) or more Deputy Director Generals; (3) Project Directors; (4) Administration Director; (5) Gender and Social Inclusion Director; (6) General Counsel; (7) Human Resources Manager; (8) Monitoring and Evaluation and Economics Director; (9) Private Sector Engagement Director; (10) Procurement Director; (11)

Environmental and Social Performance Director, and such other staff as may be agreed with MCC.

***Lien** has the meaning provided in Section 1.2(b)(iii).*

***Local Account** has the meaning provided in Section 3.1(c)(i).*

***Material Agreement** has the meaning provided in Section 2.9(c).*

***MBPE** has the meaning provided in Schedule 3.*

***MCA-Côte d'Ivoire** has the meaning provided in Section 1.3(a)(i).*

***MCA-Côte d'Ivoire Website** has the meaning provided in Section 2.11(b).*

***MCA Disbursement Certificate** has the meaning provided in Section 3.4(a)(iii).*

***MCC** has the meaning provided in the preamble to this Agreement.*

***Multi-Year Financial Plan** has the meaning provided in Section 2.1(b).*

***Observer** has the meaning provided in the Governance Guidelines.*

***Outside Project Manager** has the meaning provided in Section 2.10(a).*

***Party and Parties** have the meaning provided in the preamble to this Agreement.*

***Periodic Report** has the meaning provided in Section 2.8(a).*

***Permitted Designee** has the meaning provided in Section 1.2(a).*

***Personal Income Taxes** has the meaning provided in Schedule D of Schedule 3.*

***Procurement Agent Agreement** has the meaning provided in Section 2.10(d).*

***Procurement Agent Disbursement Certificate** has the meaning provided in Section 3.4(a)(iv).*

***Procurement Plan** has the meaning provided in Section 2.1(d).*

***Reviewer** has the meaning provided in Section 2.10(c).*

***Social and Gender Integration Plan** has the meaning provided in Section 2.5.*

***Stakeholder Committee** means each of the consultative mechanisms described in paragraph C(1)(d) of Part III of Annex I to the Compact, and any successor or other body (approved by MCC) of representatives of the private sector, civil society and local and regional governments that has been formally established in accordance with the Governance Guidelines to provide advice and input to MCA-Côte d'Ivoire regarding the implementation of the Program.*

SYDAM has the meaning provided in Schedule A of Schedule 3.

TIP has the meaning provided in Section 2.5.

Work Plan has the meaning provided in Section 2.1(a).

Schedule 2

CONDITIONS PRECEDENT TO PROGRAM FUNDING

All documentation and evidence submitted in connection with the below-listed conditions precedent must be satisfactory, in form and substance, to MCC.

PART A. Conditions Precedent for All Projects.

(i) Prior to entry into force of the Compact, MCA-Côte d'Ivoire must procure the services of the environmental and social oversight consultant ("*ESOC*") with adequate technical capacity to ensure the implementation of all Compact activities in accordance with MCC's Environmental Guidelines, including the IFC Performance Standards. MCA-Côte d'Ivoire must maintain the ESOC in form and substance satisfactory to MCC through the Compact Term and up to 90 days of the Compact closure period.

(ii) Prior to entry into force of the Compact, MCA-Côte d'Ivoire must have developed and adopted an environmental and social management system ("*ESMS*"), including a stakeholder engagement plan, in accordance with MCC's Environmental Guidelines as evidenced by (a) a resolution of the MCA-Côte d'Ivoire Board of Directors adopting the ESMS; (b) the corresponding staffing plan, training plan and budget for implementing the ESMS; and (c) public disclosure of the ESMS and stakeholder engagement plan on the MCA-Côte d'Ivoire's website. In addition, MCA-Côte d'Ivoire agrees to maintain and implement the ESMS throughout the life of the Compact and through up to 90 days of the closure period including retaining sufficient technical resources and budget to operate the ESMS in form and substance satisfactory to MCC.

(iii) Prior to the second Disbursement of Program Funding, MCA-Côte d'Ivoire must have developed and approved a comprehensive Social and Gender Integration Plan.

(iv) Prior to the Disbursement of Program Funding for payment under a particular works or construction contract for a given Project or Activity, MCA-Côte d'Ivoire must have submitted to MCC evidence that MCA-Côte d'Ivoire or an appropriate Government entity has developed and adopted, or validated, as the case may be, (i) an environmental and social impact assessment ("*ESIA*") with underlying environmental and social management plan ("*ESMP*"), (ii) a resettlement action plan ("*RAP*"), and (iii) a restoration of livelihood plan (as appropriate), acceptable to MCC, with respect to such Project or Activity. Contractor access to the construction site will not be granted until project affected persons have been compensated and relocated (as appropriate), and the site has been secured.

(v) Prior to the Disbursement of Program Funding for payment under a particular works or construction contract for a given Project or Activity, MCA-Côte d'Ivoire agrees to undertake an environmental, social, health and safety audit ("*ESH&S Audit*") of local building practices in order to evaluate deficiencies and to develop training programs and record keeping for health and safety management on these sites. Once the ESH&S Audit is complete,

MCA-Côte d'Ivoire agrees to develop project-specific guidelines, in form and substance satisfactory to MCC, and a comprehensive training program will be implemented for companies that will be bidding on this work.

(vi) Prior to any Disbursement of Program Funding after the commencement of year five (5) of the Compact Term, the Government must have submitted to MCC an initial draft Compact Closure Plan in accordance with the MCC *Program Closure Guidelines*.

PART B. Conditions Precedent for the Skills for Employability and Productivity Project.

(i) Prior to Disbursement for construction of secondary schools under the Equitable Access Sub-Activity in the second tranche in Gbêkê, the Government must have (a) adopted the new Gender Policy under the Gender Policy Sub-Activity, (b) established a Gender Unit with an adopted staffing model, (c) incorporated the Gender Unit into the Ministry of National Education organizational chart, (d) established a budget line item in the Ministry of National Education's budget to support the Gender Unit's activities, and (e) allocated the funding necessary for the operationalization, functioning and sustainability of the Gender Unit for that current fiscal year.

(ii) Prior to the Disbursement of Program Funding for the construction of secondary schools under the Equitable Access Sub-Activity after 18 months after entry into force of the Compact, the Ministry of National Education must have provisionally deployed *inspecteurs* to Gbêkê and San Pedro and provided those *inspecteurs* with adequate operational budgets to conduct supportive supervision of teachers in those regions, which budget should cover vehicle operations and maintenance.

(iii) Prior to the Disbursement of Program Funding for the construction of secondary schools under the Equitable Access Sub-Activity after 18 months after entry into force of the Compact, the Parties agree to perform an interim performance review of progress on school construction during the Compact, consider corrective action, and possible reductions in the number of school sites to be constructed under this sub-activity.

(iv) Prior to Disbursement of Program Funding for the Secondary Education Activity, the Government must have established an inter-ministerial teacher training committee with representatives from Ministry of Higher Education (including ENS), Ministry of National Education, Ministry of Economy and Finances, Ministry of Budget, and Ministry of Public Service, and the committee will have held its first meeting.

(v) Prior to the Disbursement of Program Funding for equipment and materials for the ENS Abidjan campus or its practicum school, the ENS must adopt the new teacher training curriculum under the Teacher Training Sub-Activity.

(vi) Prior to the Disbursement of Program Funding for the Integrated EMIS, an inter-departmental committee will have been established within the Ministry of National Education to coordinate the Management Systems Sub-Activity and facilitate change management during the transition to the Integrated EMIS.

(vii) Prior to the Disbursement of Program Funding for any PDC center, the Government must have adopted the necessary legal framework for all PDCs and for that particular PDC.

PART C. Conditions Precedent for the Abidjan Transport Project.

(i) With respect to FER road maintenance, (i) prior to entry into force of the Compact, the Government must increase the fiscal allocation to FER by 20 per cent over the prior fiscal year's total allocation of funding to FER, and (ii) thereafter during the Compact Term either (y) the Government propose and implement a plan acceptable to MCC for annual increases to the FER fiscal allocation or (z) implement at a minimum annual 10 per cent increases in the allocation to FER.

(ii) Prior to the Disbursement of Program Funding for the Transport Investments, the Government must have developed and adopted a plan acceptable to MCC to

- a. eliminate FER's current debt by the end of the Compact Term; and
- b. define the reasonable prudential ratios FER must maintain in order to incur debt.

(iii) Prior to the Disbursement for construction works under the Road Maintenance Fund Sub-Activity, the private sector or road user participation on the board of directors of FER will have increased to a minimum of 50 per cent.

(iv) Prior to the Disbursement of Program Funding for a particular works or construction contract for the Abidjan Transport Project, MCA-Côte d'Ivoire must develop and implement a site-specific traffic management plan and the provision of other protections during construction in order to establish effective and safe separation between road users and the construction works during all phases of works and construction, and maintain or enhance traffic flows, in form and substance satisfactory to MCC.

(v) Prior to Disbursement of Program Funding for Transport Investments on Boulevard du Port, Boulevard de Vridi, and Boulevard de Petit Bassam, the Government must have made available the necessary land with clean or proper title, in or near the Port, but away from the Transport Infrastructure Activity, where trucks will be required to relocate for short-term Port parking, prior to works in each such zone, as determined necessary by MCC.

Schedule 3

Tax Schedules

The Government agrees to ensure that MCA-Côte d'Ivoire and all Providers, Covered Providers, Implementing Entities, contractors (prime contractors and subcontractors), consultants, and other entities and individuals that receive MCC Funding directly or indirectly in furtherance of the Grant and Implementation Agreement between MCC and the Government signed on June 27, 2016 (the "**CDF Agreement**") or the Compact are exempt from Taxes in accordance with Section 4.2(k) of the CDF Agreement and Section 2.8 of the Compact.

All applications and requests made of Government authorities made in connection with the procedures included in these schedules are free of any fees or charges.

The following schedules identify specific taxes and mechanisms to implement compliance with the tax exemption under the CDF Agreement and the Compact. The Government will provide a copy of the CDF Agreement and the Compact to the Ministry of Budget ("**MBPE**"), *Direction Générale des Douanes* ("**DGD**"), the *Direction Générale des Impôts* ("**DGI**"), and any other Government entity implicated or which may have a role or responsibility to ensure that the Government implements and satisfies the terms of the CDF Agreement and the Compact and the mechanisms to implement the tax exemption as agreed herein, or as otherwise adopted under the Compact.

Beneficiaries of the tax exemption will have to provide the documents listed in the following schedules or those which provide substantially equivalent information but for which terminology may vary. No additional requirements may be demanded without modification of these schedules.

As the direct beneficiary of the tax exemption under the CDF Agreement and the Compact, MCA-Côte d'Ivoire agrees to facilitate and assist all other indirect beneficiaries of the tax exemption, including Providers, Covered Providers, Implementing Entities, contractors (prime contractors and subcontractors), consultants, and other entities and individuals that receive Grant funding or MCC Funding directly or indirectly in furtherance of the CDF Agreement and the Compact (an "**Exempt Entity**" in the case of a legal entity or an "**Exempt Individual**" in the case of a natural person, and in either case an "**Exempt Beneficiary**"), to ensure compliance with the exemption terms herein.

Consistent with Section 4.2(k) of the CDF Agreement and Section 2.8 of the Compact, and notwithstanding the exemption methodologies described in these schedules, if a tax has been paid by an Exempt Beneficiary in connection with the CDF Agreement or the Compact, the Government agrees to refund the amount of tax paid to that entity or individual within sixty days of the receipt of documentation providing evidence of taxes paid. Eligible Exempt Beneficiaries of tax relief should present this documentation to MCA-Côte d'Ivoire to facilitate reimbursement pursuant to the Compact.

To the extent that there are Taxes not addressed in this Schedule 3, whether currently in force or established in the future, that are not being exempted by the Government in accordance with Section 4.2(k) of the CDF Agreement and Section 2.8 of the Compact, the Government hereby agrees to implement appropriate procedures (approved in writing by MCC) to ensure that such additional Taxes are exempted in accordance with Section 4.2(k) of the CDF Agreement and Section 2.8 of the Compact. For the avoidance of doubt, the identification (or lack of identification) of Taxes in this Schedule 3, or the description (or lack of description) of procedures to implement the required exemption from such Taxes, shall in no way limit the scope of the tax exemption required by Section 4.2(k) of the CDF Agreement and Section 2.8 of the Compact.

**Initial Procedures to be Undertaken by
MCA-Côte d'Ivoire to Facilitate the Tax Exemption Process**

1. Issuance of Minister of Budget Decision.

MCA-Côte d'Ivoire will need to take certain preliminary steps to facilitate the tax exemption processes set out in the following schedules. Following the ratification of the Compact, MCA-Côte d'Ivoire will submit a request for a decision of the Minister of Budget exempting MCA-Côte d'Ivoire and any Exempt Beneficiary from the imposition of any indirect Taxes in accordance with Section 4.2(k) of the CDF Agreement and Section 2.8 of the Compact. MCA-Côte d'Ivoire will include in an annex a list of existing Exempt Beneficiaries with this request.

Once the Minister of Budget issues the decision, MCA-Côte d'Ivoire will provide the decision along with a copy of the Compact to DGD and DGI and will periodically provide these administrations with an updated list of Exempt Beneficiaries. The decision will be effective for the duration of the Compact including the 120 day closure period.

For the avoidance of doubt, in the event that an indirect tax is not referenced in the decision or a new tax is established in the future, MCA-Côte d'Ivoire will request a revised decision from the Minister of Budget, which decision will be issued within 72 hours to ensure compliance with Section 4.2(k) of the CDF Agreement and Section 2.8 of the Compact.

2. Issuance of Tax Registration Number.

After MCA-Côte d'Ivoire signs a contract with an Exempt Beneficiary, MCA-Côte d'Ivoire must register the Exempt Beneficiary with the DGI and obtain a tax registration number. MCA-Côte d'Ivoire may register the Exempt Beneficiary using Côte d'Ivoire's Investment Promotion Centre's ("*CEPICI*") one stop shop tax registration procedures.

To obtain the tax registration number, MCA-Côte d'Ivoire must verify the legal identity, and procure specimen signatures for each Exempt Entity and Exempt Individual and a copy of the identification card for the authorized signature of the Exempt Entity or for the Exempt Individual. MCA-Côte d'Ivoire must then provide this information to DGI along with a letter listing the Exempt Beneficiary that is signed by the Director General of MCA-Côte d'Ivoire and bearing MCA-Côte d'Ivoire's stamp and seal. Under CEPICI's fast-track registration procedure, DGI will issue a tax registration number for each Exempt Beneficiary within 48 hours.

3. Initial Procedures for the Importation of Goods.

To facilitate the importation of any goods, MCA-Côte d'Ivoire will fulfill the freight forwarder requirements required under Section C.6. to Annex I of the Compact.

MCA-Côte d'Ivoire will be granted the authority to make use of a fast-track clearance process for goods imported in Côte d'Ivoire, whereby imported goods may clear customs through the submission of a special declaration certificate (*Déclaration Sommaire de Transfert* ("*DST*"). To

obtain the authorization from DGD to make use of this process, MCA-Côte d'Ivoire must send a letter to the *Directeur Général des Douanes* in DGD. The letter must include a copy of the Compact, the Minister of Budget decision, the list of Exempt Beneficiaries, and the tax registration number for each Exempt Beneficiary. Once this letter is received, DGD will grant the requisite authorization, which will be effective for the duration of the Compact including the 120 day compact closure period. MCA-Côte d'Ivoire must periodically send an updated list of Exempt Beneficiaries to the *Directeur Général des Douanes and Secretariat de Sous-Direction des Techniques Douanières*.

SCHEDULE A
IMPORT AND CUSTOMS DUTIES

Legal Basis for the Exemption.

1. CDF Agreement (Section 4.2(k))
2. Compact (Section 2.8)

Beneficiaries of Exemption.

MCA-Côte d'Ivoire, state and local governments, and any Exempt Beneficiary (whether foreign or Ivorian private or public entities or individuals).

Procedures.

In order to secure the exemption on import and customs duties levied on the import of goods into Côte d'Ivoire, the below steps must be followed:

1. MCA-Côte d'Ivoire will implement the initial procedures to facilitate the tax exemption procedures for the issuance of the Minister of Budget decision, issuance of a tax registration number, and the initial procedures for the importation of goods.
2. MCA-Côte d'Ivoire will further implement and update, as necessary, the freight forwarder requirements at Section C.6. to Annex I of the Compact.
3. The MCA-Côte d'Ivoire will provide the Exempt Beneficiary with a form of a certificate of exemption.
4. The Exempt Beneficiary, in turn, must provide MCA-Côte d'Ivoire with: (i) a signed certificate of exemption ensuring that the certificate of exemption includes the name of the Exempt Beneficiary, its logo, the tax registration number, its address, the trade and customs designation of the article for which the exemption is sought, and the Freight on Board ("**FOB**") and Cost Insurance & Freight ("**CIF**") value, if applicable; (ii) a copy of the commercial invoice; (iii) the bill of lading (*Connaissement maritime*), the air waybill (*Lettre de Transport Aérien*), or the consignment note (*Lettre de voiture*), according to the mode of transport; (iv) the contract with MCA-Côte d'Ivoire; and (v) the draft of the detailed declaration prepared by the Exempt Beneficiary's freight forwarder.
5. MCA-Côte d'Ivoire will submit the certificate of exemption with the accompanying documents and a copy of the Compact to the *Secretariat of Sous-Direction des Techniques Douanières* in the DGD.
6. The *Secretariat of Sous-Direction des Techniques Douanières* will issue a unique registration number to the request and then forward the request to DGD's *Cellule Informatique du Sous-Direction des Techniques Douanières*. Within 72 hours, DGD will record all the information contained on the application in tax authority's information management system ("**SYDAM**") and then issue an electronic certificate of exemption.
7. Once the electronic certificate of exemption is issued, the Exempt Beneficiary's freight forwarder will complete and print the DST and then submit it to the *Sous-Direction des Régimes Spéciaux* of the DGD in order for the latter to register the DST in SYDAM.

8. Once the DST has been registered in SYDAM, the freight forwarder may immediately clear the imported goods from customs in the Container Terminal Management Office in the port, in the *Bureau de Douanes Frontieres* at a border post or at the appropriate customs office at the airport.
9. With the issuance of the DST, the Exempt Beneficiary will be exempt from paying any import or custom duties.
10. Following the clearance of the imported goods, the Exempt Beneficiary's freight forwarder has 72 hours to complete the DST process by providing the DGD with the final customs statement which will replace the draft of the detailed declaration transmitted in step 4 above.

SCHEDULE B
VALUE ADDED TAX (“VAT”)

Legal Basis for Exemption or Reimbursement.

1. CDF Agreement (Section 4.2(k))
2. Compact (Section 2.8)

Beneficiaries of Exemption.

MCA-Côte d’Ivoire, state and local governments, and any Exempt Beneficiary (whether foreign or Ivorian private or public entities or individuals).

Procedures.

1. **VAT on Imported Goods:** In order to secure the exemption to VAT levied on the import of goods into Côte d’Ivoire, the below steps must be followed:
 - a. MCA-Côte d’Ivoire will implement the initial procedures to facilitate the tax exemption procedures for the issuance of the Minister of Budget decision, issuance of a tax registration number, and the initial procedures for the importation of goods.
 - b. MCA-Côte d’Ivoire will further implement and update, as necessary, the freight forwarder requirements at Section C.6. to Annex I of the Compact.
 - c. If the Exempt Beneficiary is seeking an exemption from import and customs duties, the Exempt Beneficiary must indicate in the certificate of exemption that a VAT exemption is being requested. The electronic exemption certificate issued for the import and customs duties will include an exemption for VAT and serve as evidence of the VAT exemption.
 - d. If the Exempt Beneficiary is only seeking an exemption from VAT, MCA-Côte d’Ivoire will provide the Exempt Beneficiary with a VAT exemption certificate request form.
 - e. The Exempt Beneficiary must submit to MCA-Côte d’Ivoire a signed VAT exemption certificate request form and an original proforma invoice.
 - f. MCA-Côte d’Ivoire will submit the exemption certificate request form, the original proforma invoice and copies of the Compact and Program Implementation Agreement to DGI.
 - g. Within 72 hours, DGI will issue to MCA-Côte d’Ivoire a VAT exemption certificate and a stamped proforma invoice.
 - h. MCA-CI will transmit the VAT exemption certificate and the proforma invoice to the Exempt Beneficiary.
 - i. The VAT exemption certificate and the proforma invoice will serve as evidence of the VAT exemption.

2. VAT on Services Imported into Côte d'Ivoire: Services sourced from outside of Côte d'Ivoire and imported will be exempt from VAT, and reverse VAT or related withholding will not attach to or be required for any payments made for such services, regardless of whether those payments are made within or outside of Côte d'Ivoire.

3. VAT on Goods, Works and Services purchased in Côte d'Ivoire: In order to secure the exemption on VAT levied on goods, works and services purchased in Côte d'Ivoire, the following steps will be implemented for each Exempt Beneficiary that may purchase or provide goods, works or services under the Compact:
 - a. MCA-Côte d'Ivoire will implement the initial procedures to facilitate the tax exemption procedures for the issuance of the Minister of Budget decision and issuance of a tax registration number.
 - b. MCA-Côte d'Ivoire will provide the Exempt Beneficiary with an exemption certificate request form (*formulaire de demande d'attestation d'exonération*);
 - c. The Exempt Beneficiary, in turn, must provide MCA-Côte d'Ivoire with a completed exemption certificate request and an original proforma invoice. The proforma invoice must include the Exempt Beneficiary's tax registration number for the Exempt Beneficiary.
 - d. MCA-Côte d'Ivoire will submit the exemption certificate request form along with the original proforma invoice and copies of the Compact and Program Implementation Agreement to DGI.
 - e. Within 72 hours, DGI will issue to MCA-Côte d'Ivoire a VAT exemption certificate along with the stamped proforma invoice.
 - f. MCA-Côte d'Ivoire will transmit the VAT exemption certificate and the proforma invoice to each Exempt Beneficiary.
 - g. The VAT exemption certificate and the stamped proforma invoice will serve as evidence of the VAT exemption.

SCHEDULE C
CORPORATE INCOME TAX

Legal Basis for Exemption.

1. CDF Agreement (Section 4.2(k))
2. Compact (Section 2.8)

Beneficiaries of Exemption.

Any foreign Exempt Beneficiary that are not legally incorporated in Côte d’Ivoire will be entitled to an exemption from the Republic of Côte d’Ivoire corporate income tax, and related taxes, on income earned from providing services in furtherance of the CDF Agreement or the Compact; ***provided that***, in determining if an Exempt Beneficiary has been formed under the laws of Côte d’Ivoire for the purposes of this Schedule C, the status of such Exempt Beneficiary shall be based on its status as of the time it is awarded or executes a Compact-related agreement or contract, and such initial determination shall not change regardless of: (i) the type of agreement or contract used to employ or engage such Exempt Beneficiary, (ii) any laws of Côte d’Ivoire that purport to change such status based on period of contract performance or period of time residing and/or working in Côte d’Ivoire and/or (iii) any requirement under the laws of Côte d’Ivoire that a company or other legal person must establish a branch office in Côte d’Ivoire, or otherwise register or organize itself under the laws of Côte d’Ivoire, in order to provide goods, services or works in Côte d’Ivoire.

Procedures.

1. The Exempt Beneficiary will be exempt from any income or other mandatory taxes and charges imposed by Côte d’Ivoire or any subdivision thereof, regarding corporate income (the “***Corporate Income Taxes***”) received in connection with income earned from works and services performed in furtherance of the Compact (the “***Exempt Corporate Income***”).
2. The Exempt Beneficiary will have no obligation to file a corporate income tax return in Côte d’Ivoire in relation to Exempt Corporate Income.
3. The Exempt Beneficiary will have no obligation under Ivorian law in connection with the completion of any mandatory filings, registrations and periodic reporting in relation to the Exempt Corporate Income.

SCHEDULE D
INDIVIDUAL INCOME TAX

Legal Basis for Exemption.

1. CDF Agreement (Section 4.2(k))
2. Compact (Section 2.8)

Beneficiaries of Exemption.

All Exempt Individuals, other than citizens and permanent residents of Côte d’Ivoire. Persons who derive income hereunder who otherwise were not citizens or residents prior to receiving that income will also be deemed Exempt Individuals.

Procedures.

1. The Exempt Individuals will be exempt from any income, social security, medical insurance or other mandatory taxes and charges imposed by Côte d’Ivoire or any subdivision thereof, regarding personal income (the “*Personal Income Taxes*”) received in connection with income earned from works and services performed in furtherance of the Compact (the “*Exempt Personal Income*”).
2. MCA-Côte d’Ivoire, the Implementing Entities, the Fiscal Agent and the Procurement Agent and any other vendor who employs Exempt Individuals (the “*Exempt Employers*”) will not withhold or pay Personal Income Taxes for the Exempt Individuals.
3. The Exempt Individual will have no obligation to file an income tax return in Côte d’Ivoire in relation to Exempt Personal Income.
4. The Exempt Employers will have no obligation under Ivorian law in connection with the completion of any mandatory filings, registrations and periodic reporting in relation to the Exempt Personal Income of the Exempt Individuals.

SCHEDULE E
FRINGE BENEFIT TAX

Legal Basis for Exemption.

1. CDF Agreement (Section 4.2(k))
2. Compact (Section 2.8)

Beneficiaries of Exemption.

All Exempt Individuals, other than citizens and permanent residents of Côte d'Ivoire, working for MCA-Côte d'Ivoire, Implementing Entities, Exempt Entities or Exempt Individuals, including professional services providers contracting as individuals in connection with the Compact.

Procedures.

Neither MCA-Côte d'Ivoire, Implementing Entities, nor any Exempt Beneficiary will be required to pay or report fringe benefits tax for any fringe benefits provided to their employees with respect to employment or services provided in furtherance of the Compact.

SCHEDULE F

TAXATION OF PETROLEUM PRODUCTS

Legal Basis for Exemption or Reimbursement.

1. CDF Agreement (Section 4.2(k))
2. Compact (Section 2.8)

Beneficiaries of Exemption.

MCA-Côte d'Ivoire, state and local governments, and any Exempt Beneficiary (whether foreign or Ivorian private or public entities or individuals).

Procedures.

In order to secure this exemption, which relates to petroleum products such as fuel acquired for MCC-funded projects, MCA-Côte d'Ivoire and each Exempt Beneficiary of the exemption must follow the below steps:

1. MCA-Côte d'Ivoire will implement the initial procedures to facilitate the tax exemption procedures for the issuance of the Minister of Budget decision and issuance of a tax registration number.
2. MCA-Côte d'Ivoire will launch a procurement based on a Request for Information that will result in a shortlist of licensed fuel marketers. The shortlist of fuel marketers will be updated from time to time, as needed.
3. The MCA-Côte d'Ivoire will provide the Exempt Beneficiary with a form of a certificate of exemption.
4. The Exempt Beneficiary must provide MCA-Côte d'Ivoire with a signed certificate of exemption along with a proforma invoice from one of the shortlisted fuel marketers for the amount of fuel needed for one quarter.
5. The Exempt Beneficiary will then provide the proforma invoice to MCA-Côte d'Ivoire. MCA-Côte d'Ivoire will compare the requested fuel quantity to the bill of qualities in the Exempt Beneficiary's contract, and provided the requested fuel quantity is consistent with the Exempt Beneficiary's needs, MCA-Côte d'Ivoire will sign and stamp the proforma invoice.
6. MCA-Côte d'Ivoire will submit the certificate of exemption, the proforma invoice, a copy of the Compact and the contract between MCA-Côte d'Ivoire and the Exempt Beneficiary to the *Secretariat of Sous-Direction des Techniques Douanières* in the DGD.
7. The *Secretariat of Sous-Direction des Techniques Douanières* will issue a unique registration number to the request and then forward the request to DGD's *Cellule Informatique* du *Sous-Direction des Techniques Douanières*. DGD will record all the information contained on the application in the SYDAM and issue an electronic certificate of exemption within 72 hours.

8. Once the electronic certificate of exemption is issued to MCA-Côte d'Ivoire, MCA-Côte d'Ivoire will provide the certificate of exemption to the Exempt Beneficiary along with the proforma invoice.
9. With the certificate of exemption and the proforma invoice, the Exempt Beneficiary will purchase a prepaid fuel card with petroleum taxes exempt from one of the shortlisted licensed fuel marketers.
10. The Exempt Beneficiary must provide a final invoice to MCA-Côte d'Ivoire at the end of the quarter.

The Exempt Beneficiary should first follow the above-described process to obtain the exemption related to petroleum products and work with MCA-Côte d'Ivoire to address any issues. For the avoidance of doubt, however, if any taxes are paid related to such by MCA-Côte d'Ivoire or an Exempt Beneficiary, the Government will reimburse MCA-Côte d'Ivoire or the Exempt Beneficiary within 60 days of the receipt of documentation providing evidence of taxes paid.

SCHEDULE G TELECOMMUNICATIONS TAX

Legal Basis for Exemption.

1. CDF Agreement (Section 4.2(k))
2. Compact (Section 2.8)

Beneficiaries of Exemption and Reimbursement.

MCA-Côte d'Ivoire, Implementing Entities, and any Exempt Beneficiary (whether foreign or Ivorian private or public entities or individuals).

Procedures.

MCA-Côte d'Ivoire and each Exempt Beneficiary will be exempt from the payment of any telecommunications tax. In order for secure this exemption, MCA-Côte d'Ivoire and each Exempt Beneficiary of the exemption must follow the below steps:

1. MCA-Côte d'Ivoire will implement the initial procedures to facilitate the tax exemption procedures for the issuance of the Minister of Budget decision and issuance of a tax registration number.
2. MCA-Côte d'Ivoire will provide the Exempt Beneficiary with a form of telecommunications tax exemption certificate.
3. The Exempt Beneficiary must return to MCA-Côte d'Ivoire the completed form of telecommunications tax exemption certificate and a copy of the proforma invoice from the telecommunication company.
4. MCA-Côte d'Ivoire will submit the form and the proforma invoice to DGI.
5. DGI will provide MCA-Côte d'Ivoire with an approved exemption certificate for each Exempt Beneficiary within 72 hours; and MCA-Côte d'Ivoire, in turn, will provide the approved exemption certificate to the Exempt Beneficiary.
6. The approved telecommunications tax exemption certificate will serve as evidence of the exemption and remain in effect for the duration of the contract between the Exempt Beneficiary and telecommunication company.

SCHEDULE H

TEMPORARY IMPORT OF VEHICLE OR EQUIPMENT

Legal Basis for the Exemption.

1. CDF Agreement (Section 4.2(k))
2. Compact (Section 2.8)

Beneficiaries.

MCA-Côte d'Ivoire, state and local governments, and any Exempt Beneficiary (whether foreign or Ivorian private or public entities or individuals) that are required to import a vehicle or equipment to provide goods, works or services for MCC-funded projects.

Procedures.

MCA-Côte d'Ivoire and each Exempt Beneficiary may import a vehicle or equipment without the imposition of import and customs duties by following the below steps:

1. MCA-Côte d'Ivoire will implement the initial procedures to facilitate the tax exemption procedures for the issuance of the Minister of Budget decision, issuance of a tax registration number, and the initial procedures for the importation of goods.
2. MCA-Côte d'Ivoire will further implement and update, as necessary, the freight forwarder requirements at Section C.6. to Annex I of the Compact.
3. The MCA-Côte d'Ivoire then will provide the Exempt Beneficiary with a form of a certificate of ordinary temporary customs admission.
4. The Exempt Beneficiary must provide MCA-Côte d'Ivoire with: (i) a signed certificate of ordinary temporary customs admission ensuring that the certificate of exemption includes the name of the Exempt Beneficiary, its logo, the tax registration number, its address, the trade and customs designation of the article for which the exemption is sought, and the FOB and CIF value, if applicable; (ii) a copy of the commercial invoice; (iii) the bill of lading (*Connaissement maritime*), the air waybill (*Lettre de Transport Aérien*), or the consignment note (*Lettre de voiture*), according to the mode of transport; and (iii) a copy of the contract with MCA-Côte d'Ivoire.
5. MCA-Côte d'Ivoire will submit the certificate of ordinary temporary customs admission with the accompanying documents to the *Secretariat of Sous-Direction des Techniques Douanières* in DGD.

6. The *Secretariat of Sous-Direction des Techniques Douanières* will integrate the request into SYDAM and then issue a signed and stamped certificate of ordinary temporary customs admission to MCA-Côte d'Ivoire for each Exempt Beneficiary within 72 hours.
7. The Exempt Beneficiary, through their freight forwarder, must submit the signed and stamped certificate of ordinary temporary customs admission to the *Bureau des Régimes Particuliers* (for general goods) or the *Bureau des Douanes du Guichet Unique Automobile* (for the vehicles and heavy plant machinery) in DGI in order to obtain a signed and stamped removal order (*Bon A Enlever*) that will allow the Exempt Beneficiary to pick-up the vehicle or equipment.

SCHEDULE I

COMMUNITY TAXES (*LES PRELEVEMENTS COMMUNAUTAIRES DE L'UEMOA, DE LA CEDEAO ET LES TAXES A L'IMPORTATION DE L'UNION AFRICAINE*)

Legal Basis for the Exemption and Reimbursement.

1. CDF Agreement (Section 4.2(k))
2. Compact (Section 2.8)

Beneficiaries.

MCA-Côte d'Ivoire, state and local governments, and any Exempt Beneficiary (whether foreign or Ivorian private or public entities or individuals).

Procedures.

All MCC Funding is exempt from the community levies imposed by UEMOA, ECOWAS and the African Union. MCA-Côte d'Ivoire and each Exempt Beneficiary will submit a form of a certificate of exemption for the community levies along with the request for exemption from import and custom duties detailed in Schedule A to this Schedule 3. The exemption will be granted as part of the issuance of the electronic certificate of exemption provided by DGD to exempt import and custom duties.

SCHEDULE J

REGISTRATION TAX, REGISTRATION FEES AND STAMP DUTY

Legal Basis for the Exemption and Reimbursement.

1. CDF Agreement (Section 4.2(k))
2. Compact (Section 2.8)

Beneficiaries.

MCA-Côte d'Ivoire, state and local governments, and any Exempt Beneficiary (whether foreign or Ivorian private or public entities or individuals).

Procedures.

1. Each Exempt Beneficiary must submit to MCA-Côte d'Ivoire the original version of any document or contract that must be stamped or registered.
2. MCA Côte d'Ivoire will submit the document or contract along with a copy of the Compact to the *Sous-Direction de l'Enregistrement et du Timbre* of the DGI in the Ministry of Budget, where the documents or contract will be certified and registered without the imposition of a registration tax, registration fee or stamp duty.

SCHEDULE K
PROPERTY TAX

Legal Basis for the Exemption and Reimbursement.

1. CDF Agreement (Section 4.2(k))
2. Compact (Section 2.8)

Beneficiaries.

MCA-Côte d'Ivoire, state and local governments, and any Exempt Beneficiary (whether foreign or Ivorian private or public entities or individuals).

Procedures.

1. MCA-Côte d'Ivoire and each Exempt Beneficiary will be exempt from any property or other mandatory taxes and charges imposed by Côte d'Ivoire or any subdivision thereof, regarding assets or land properties, received, purchased, rented, in connection with works and services performed in furtherance of the Compact.
2. MCA-Côte d'Ivoire and each Exempt Beneficiary will not withhold or pay property taxes for any landlord for the building or part of the building received, purchased, rented using MCC Funding.
3. MCA-Côte d'Ivoire and each Exempt Beneficiary will not be obliged to file a property tax return in Côte d'Ivoire for buildings or part of the buildings received, purchased, rented using MCC Funding.