



MILLENNIUM
CHALLENGE CORPORATION
UNITED STATES OF AMERICA

QUARTERLY STATUS REPORT



Senegal Compact

AS OF MARCH 2015

COMPACT GOAL

Senegal's \$540 million MCC Compact aims to reduce poverty and provide for economic growth by unlocking the country's agricultural productivity and expanding access to markets and services. Strategic investments for rehabilitation on the road network and a large-scale irrigation scheme are geographically focused in the rice production heartland in the north and the fertile Casamance in the south and are consistent with the Government of Senegal's national economic growth, poverty reduction, food security and road sector master plans.



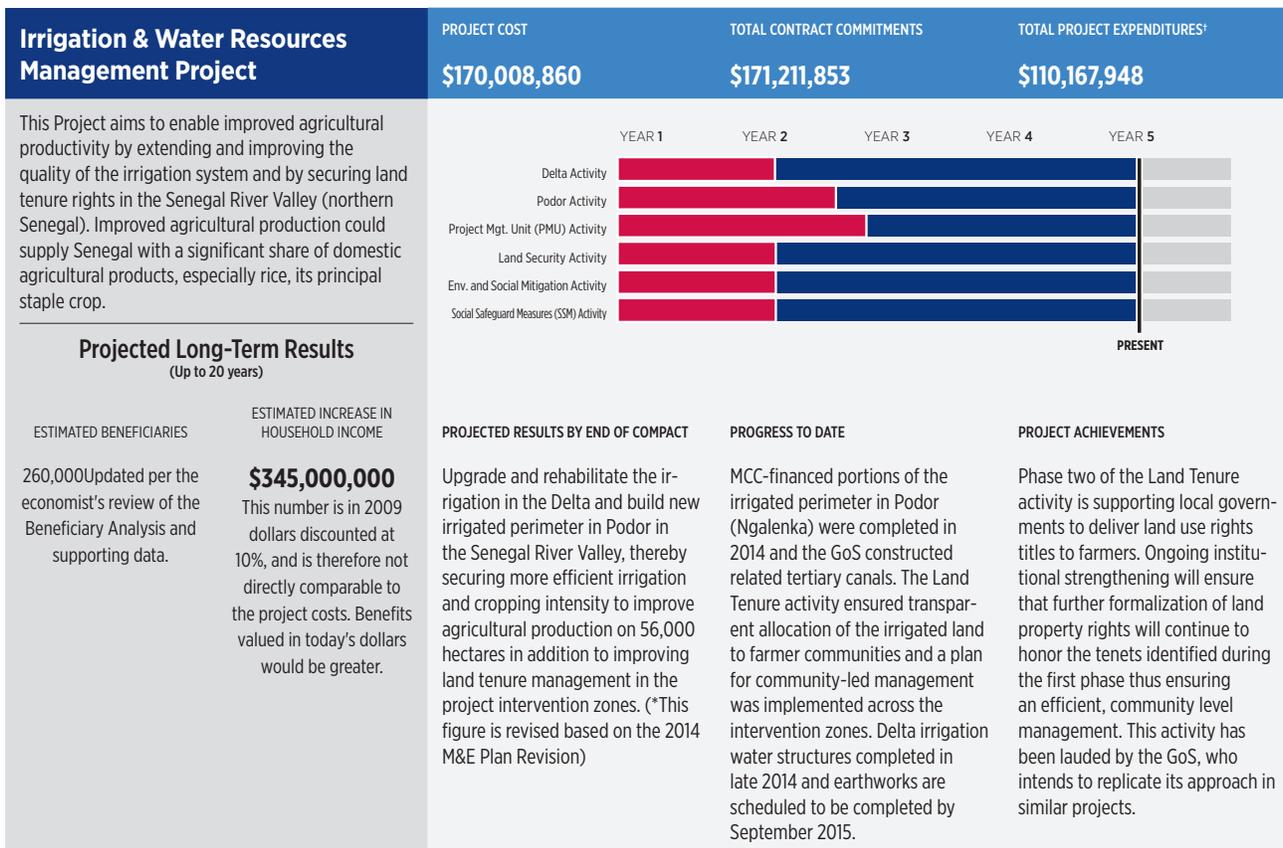
COMPACT AT A GLANCE

Compact Signed	09-16-2009
Entry Into Force	09-23-2010
Compact End Date	09-23-2015
Compact Total	\$540,000,000
Amount Committed	\$494,841,177
Amount Expended	\$293,851,201
Estimated Program Beneficiaries	1,550,000
Estimated Increase in Household Income	\$625,000,000

% OF TOTAL COMPACT		BUDGET (USD MILLIONS)
60%	Roads Rehabilitation Project	\$324.7
31%	Irrigation & Water Resources Management Project	\$170.0
1%	Monitoring and Evaluation	\$3.7
8%	Program Administration and Audit	\$41.5

■ Project Preparation ■ Project Implementation

Roads Rehabilitation Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES ¹							
	\$324,712,499	\$298,153,137	\$160,078,024							
<p>The Project will connect major population centers and agricultural production areas through rehabilitation of 372 kilometers on two of Senegal's critical transport corridors. These road network enhancements seek to provide year-round, reliable, cost-effective, and time-saving means of transporting locally-produced agricultural products to domestic and international markets.</p> <p>Projected Long-Term Results (Up to 20 years)</p> <table border="0"> <tr> <td style="text-align: right;">ESTIMATED BENEFICIARIES</td> <td style="text-align: right;">ESTIMATED INCREASE IN HOUSEHOLD INCOME</td> </tr> <tr> <td style="text-align: right;">1,350,000</td> <td style="text-align: right;">\$375,000,000</td> </tr> <tr> <td></td> <td style="font-size: small;">This benefit amount sums benefits that have been calculated in 2009 and 2012 dollars, and so is difficult to directly compare to the project cost. Updating all analysis to current dollars would lead to a higher benefit to cost ratio.</td> </tr> </table>	ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	1,350,000	\$375,000,000		This benefit amount sums benefits that have been calculated in 2009 and 2012 dollars, and so is difficult to directly compare to the project cost. Updating all analysis to current dollars would lead to a higher benefit to cost ratio.	<p style="text-align: center;">PRESENT</p>	<p>PROJECTED RESULTS BY END OF COMPACT</p> <p>Rehabilitate approximately 120 kilometers of the National Road 2 (RN2), from Richard Toll to Ndoum in northern Senegal, adjacent to the Irrigation and Water Resources Management Project intervention zone. Rehabilitate 252 kilometers of the National Road 6 (RN6) from Ziguinchor to Koukane in the Casamance region in southern Senegal.</p>	<p>PROGRESS TO DATE</p> <p>Works on the northern road (RN2) are mostly complete and expected to finish in April. The Ndoum Bridge (North) is complete in addition to the Kolda Bridge (South) that was inaugurated in February by President Sall and MCC's Deputy CEO. The remaining sections will complete by August 2015 with the exception of one section of the southern road (RN6), which is behind schedule and will continue to advance until Compact end.</p>	<p>PROJECT ACHIEVEMENTS</p> <p>MCC and MCA-Senegal have worked with contractors on the road works to complete optimizations that will realize approximately \$20 million in cost savings. Roughness measures of the completed road sections are 25% better than compact targets, and are expected to result in vehicle operating cost savings. The Roads Project has also integrated road recycling into the design to optimize material usage, and lower financial and environmental costs.</p>
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At the end of 2014, the Ngalenka Irrigation project and the Ndioum bridge (along the RN2) have both been completed and inaugurated in the company of the President of the Republic of Senegal. The Kolda Bridge (along the RN6) is scheduled for completion and inauguration in February 2015. The RN2 will be completed at about the same time, and will be inaugurated around April 2015. The RN6 and the Delta irrigation project will continue to advance until the end of the Compact.

The second phase of the Land Tenure Security Activity, having provided land title to farmers in Ngalenka, will continue the process through 2014-2015 in the Delta, and on the institutional strengthening that ensures further land title management will honor the tenets identified during Phase I, and be professionally managed at the community level. This project has been lauded by the GoS, who intends to replicate its methodology and findings in other, similar projects.

[†]Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.