

FOREIGN ASSISTANCE

Millennium Challenge

**Agreement Between the
UNITED STATES OF AMERICA
and CÔTE D'IVOIRE**

With Annexes

Signed at Washington November 7, 2017

Entered into force August 5, 2019



NOTE BY THE DEPARTMENT OF STATE

Pursuant to Public Law 89—497, approved July 8, 1966
(80 Stat. 271; 1 U.S.C. 113)—

“...the Treaties and Other International Acts Series issued under the authority of the Secretary of State shall be competent evidence . . . of the treaties, international agreements other than treaties, and proclamations by the President of such treaties and international agreements other than treaties, as the case may be, therein contained, in all the courts of law and equity and of maritime jurisdiction, and in all the tribunals and public offices of the United States, and of the several States, without any further proof or authentication thereof.”

MILLENNIUM CHALLENGE COMPACT

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**

MILLENNIUM CHALLENGE COMPACT

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1. GOAL AND OBJECTIVES	1
Section 1.1 Compact Goal	1
Section 1.2 Program Objective	1
Section 1.3 Project Objectives	1
ARTICLE 2. FUNDING AND RESOURCES.....	1
Section 2.1 Program Funding	1
Section 2.2 Compact Development Funding	2
Section 2.3 MCC Funding	3
Section 2.4 Disbursement	3
Section 2.5 Interest.....	3
Section 2.6 Government Resources; Budget	3
Section 2.7 Limitations on the Use of MCC Funding	3
Section 2.8 Taxes	4
ARTICLE 3. IMPLEMENTATION.....	5
Section 3.1 Program Implementation Agreement.....	5
Section 3.2 Government Responsibilities	5
Section 3.3 Policy Performance.....	6
Section 3.4 Accuracy of Information.....	6
Section 3.5 Implementation Letters	6
Section 3.6 Procurement and Grants.....	6
Section 3.7 Records; Accounting; Covered Providers; Access	7
Section 3.8 Audits; Reviews.	7
ARTICLE 4. COMMUNICATIONS	8
Section 4.1 Communications	8
Section 4.2 Representatives	9
Section 4.3 Signatures.....	9
ARTICLE 5. TERMINATION; SUSPENSION; EXPIRATION	9
Section 5.1 Termination; Suspension	9
Section 5.2 Consequences of Termination, Suspension or Expiration	10
Section 5.3 Refunds; Violation.....	10
Section 5.4 Late Payment Interest	11
Section 5.5 Survival	11

ARTICLE 6. COMPACT ANNEXES; AMENDMENTS; GOVERNING LAW 11

Section 6.1	Annexes.....	11
Section 6.2	Amendments and Modifications	11
Section 6.3	Inconsistencies	11
Section 6.4	Governing Law	12
Section 6.5	Additional Instruments.....	12
Section 6.6	References to MCC Website.....	12
Section 6.7	References to Laws, Regulations, Policies and Guidelines; References to Compact Expiration and Termination.....	12
Section 6.8	MCC Status.....	12

ARTICLE 7. ENTRY INTO FORCE..... 13

Section 7.1	Domestic Procedures	13
Section 7.2	Conditions Precedent to Entry into Force	13
Section 7.3	Date of Entry into Force	13
Section 7.4	Compact Term	13
Section 7.5	Provisional Application	13

Annex I: Program Description

Annex II: Multi-Year Financial Plan Summary

Annex III: Compact Monitoring & Evaluation Summary

Annex IV: Conditions Precedent to Disbursement of Compact CDF

Annex V: Definitions

MILLENNIUM CHALLENGE COMPACT

PREAMBLE

This MILLENNIUM CHALLENGE COMPACT (this "**Compact**") is between the United States of America, acting through the Millennium Challenge Corporation, a United States government corporation ("**MCC**"), and the Republic of Côte d'Ivoire ("**Côte d'Ivoire**"), acting through its Ministry of Economy and Finances (the "**Government**") (individually, a "**Party**" and collectively, the "**Parties**"). Capitalized terms used in this Compact will have the meanings provided in Annex V.

Recognizing that the Parties are committed to the shared goals of promoting economic growth and the elimination of extreme poverty in Côte d'Ivoire and that MCC assistance under this Compact supports Côte d'Ivoire's demonstrated commitment to strengthening good governance, economic freedom and investments in people;

Recalling that the Government consulted with the private sector and civil society of Côte d'Ivoire to determine the priorities for the use of MCC assistance and developed and submitted to MCC a proposal for such assistance to achieve lasting economic growth and poverty reduction; and

Recognizing that MCC wishes to help Côte d'Ivoire implement the program described herein to achieve the goal and objectives described herein (as such program description and objectives may be amended from time to time in accordance with the terms hereof, the "**Program**");

The Parties hereby agree as follows:

ARTICLE 1.

GOAL AND OBJECTIVES

Section 1.1 Compact Goal. The goal of this Compact is to reduce poverty through economic growth in Côte d'Ivoire (the "**Compact Goal**"). MCC's assistance will be provided in a manner that strengthens good governance, economic freedom, and investments in the people of Côte d'Ivoire.

Section 1.2 Program Objective. The objectives of the Program (each a "**Program Objective**") are each an independent Project Objective. The Program consists of the projects described in Annex I (each a "**Project**" and collectively, the "**Projects**").

Section 1.3 Project Objectives. The objective of each of the Projects (each a "**Project Objective**" and collectively, the "**Project Objectives**") is described in Annex I.

ARTICLE 2.

FUNDING AND RESOURCES

Section 2.1 Program Funding. Upon entry into force of this Compact in accordance with Section 7.3, MCC agrees to grant to the Government, under the terms of this Compact, an

amount not to exceed Four Hundred and Eighty Million Four Hundred and Fifty Thousand United States Dollars (US\$480,450,000) ("**Program Funding**") for use by the Government to implement the Program. The allocation of Program Funding is generally described in Annex II.

Section 2.2 Compact Development Funding.

(a) Upon the signing of this Compact, MCC agrees to grant to the Government, under the terms of this Compact and in addition to the Program Funding described in Section 2.1, an amount not to exceed Forty-Four Million Two Hundred and Ninety Thousand United States Dollars (US\$44,290,000) ("**Compact CDF**") under Section 609(g) of the Millennium Challenge Act of 2003, as amended (the "**MCA Act**"), for use by the Government to facilitate implementation of this Compact, including for the following purposes:

- (i) financial management and procurement activities;
- (ii) administrative activities (including start-up costs such as staff salaries) and administrative support expenses such as rent, computers and other information technology or capital equipment;
- (iii) monitoring and evaluation activities;
- (iv) feasibility, design and other project preparatory studies; and
- (v) other activities to facilitate Compact implementation as approved by MCC.

The allocation of Compact CDF is generally described in Annex II.

(b) In accordance with Section 7.5, this Section 2.2 and other provisions of this Compact applicable to Compact CDF will be effective, for purposes of Compact CDF only, as of the date this Compact is signed by MCC and the Government.

(c) Each Disbursement of Compact CDF is subject to satisfaction of the conditions precedent to such disbursement as set forth in Annex IV.

(d) If MCC determines that the full amount of Compact CDF available under Section 2.2(a) exceeds the amount that reasonably can be utilized for the purposes set forth in Section 2.2(a), MCC, by written notice to the Government, may withdraw the excess amount, thereby reducing the amount of the Compact CDF available under Section 2.2(a) (such excess, the "**Excess Compact CDF Amount**"). In such event, the amount of Compact CDF granted to the Government under Section 2.2(a) will be reduced by the Excess Compact CDF Amount, and MCC will have no further obligations with respect to such Excess Compact CDF Amount.

(e) MCC, at its option by written notice to the Government, may elect to grant to the Government an amount equal to all or a portion of such Excess Compact CDF Amount as an increase in the Program Funding, and such additional Program Funding will be subject to the terms and conditions of this Compact applicable to Program Funding.

Section 2.3 MCC Funding. Program Funding and Compact CDF are collectively referred to in this Compact as "**MCC Funding**," and includes any refunds or reimbursements of Program Funding or Compact CDF paid by the Government in accordance with this Compact.

Section 2.4 Disbursement. In accordance with this Compact and the Program Implementation Agreement, MCC agrees to disburse MCC Funding for expenditures incurred in furtherance of the Program (each instance, a "**Disbursement**"). Subject to the satisfaction of all applicable conditions precedent, the proceeds of Disbursements will be made available to the Government, at MCC's sole election, by (a) deposit to one or more bank accounts established by the Government and acceptable to MCC (each, a "**Permitted Account**") or (b) direct payment to the relevant provider of goods, works or services for the implementation of the Program. MCC Funding may be expended only for Program expenditures.

Section 2.5 Interest. The Government agrees to pay or transfer to MCC, in accordance with the Program Implementation Agreement, any interest or other earnings that accrue on MCC Funding prior to such funding being used for a Program purpose.

Section 2.6 Government Resources; Budget.

(a) The Government agrees to provide all funds and other resources, and agrees to take all actions, that are necessary to carry out the Government's responsibilities under this Compact.

(b) The Government agrees to use its best efforts to ensure that all MCC Funding it receives or is projected to receive in each of its fiscal years is fully accounted for in its annual budget for the duration of the Program.

(c) The Government agrees to not reduce the normal and expected resources that it would otherwise receive or budget from sources other than MCC for the activities contemplated under this Compact and the Program.

(d) Unless the Government discloses otherwise to MCC in writing, MCC Funding will be in addition to the resources that the Government would otherwise receive or budget for the activities contemplated under this Compact and the Program.

Section 2.7 Limitations on the Use of MCC Funding. The Government agrees to ensure that MCC Funding is not used for any purpose that would violate United States law or policy, as specified in this Compact or as further notified to the Government in writing, including but not limited to the following purposes:

(a) for assistance to, or training of, the military, police, militia, national guard or other quasi-military organization or unit;

(b) for any activity that is likely to cause a substantial loss of United States jobs or a substantial displacement of United States production;

(c) to undertake, fund or otherwise support any activity that is likely to cause a significant environmental, health, or safety hazard, as further described in MCC's Environmental

Guidelines and any guidance documents issued in connection with such guidelines (collectively, the "*MCC Environmental Guidelines*"); or

(d) to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions, to pay for the performance of involuntary sterilizations as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations or to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning.

Section 2.8 Taxes.

(a) Unless the Parties specifically agree otherwise in writing, the Government agrees to ensure that all MCC Funding is free from the payment or imposition of any existing or future taxes, duties, levies, contributions or other similar charges (but not fees or charges for services that are generally applicable in Côte d'Ivoire, reasonable in amount and imposed on a non-discriminatory basis) ("*Taxes*") of or in Côte d'Ivoire (including any such Taxes imposed by a national, regional, local or other governmental or taxing authority of or in Côte d'Ivoire). Specifically, and without limiting the generality of the foregoing, MCC Funding will be free from the payment of (i) any tariffs, customs duties, import taxes, export taxes, and other similar charges on any goods, works or services introduced into Côte d'Ivoire in connection with the Program; (ii) sales tax, value added tax, excise tax, property transfer tax, and other similar charges on any transactions involving goods, works or services in connection with the Program; (iii) taxes and other similar charges on ownership, possession or use of any property in connection with the Program; and (iv) taxes and other similar charges on income, profits or gross receipts attributable to work performed in connection with the Program and related social security taxes and other similar charges on all natural or legal persons performing work in connection with the Program except (1) natural persons who are citizens or permanent residents of Côte d'Ivoire and (2) legal persons formed under the laws of Côte d'Ivoire (but excluding MCA-Côte d'Ivoire and any other entity formed for the purpose of implementing the Government's obligations hereunder).

(b) The mechanisms that the Government agrees to use to implement the tax exemption required by Section 2.8(a) are set forth in the Program Implementation Agreement. Such mechanisms may include exemptions from the payment of Taxes that have been granted in accordance with applicable law, refund or reimbursement of Taxes by the Government to MCC, MCA-Côte d'Ivoire or to the taxpayer, or payment by the Government to MCA-Côte d'Ivoire or MCC, for the benefit of the Program, of an agreed amount representing any collectible Taxes on the items described in Section 2.8(a).

(c) If a Tax has been paid contrary to the requirements of Section 2.8(a) or the Program Implementation Agreement, the Government agrees to refund promptly to MCC (or to another party as designated by MCC) the amount of such Tax in United States dollars or the currency of Côte d'Ivoire within sixty (60) days (or such other period as may be agreed in writing by the Parties) after the Government is notified in writing (whether by MCC or MCA-Côte d'Ivoire) that such Tax has been paid. Failure to refund such amount within the specified time will result in interest accruing on the unpaid amount in accordance with Section 5.4.

(d) No MCC Funding, proceeds thereof or Program Assets may be applied by the Government in satisfaction of its obligations under Section 2.8(c).

ARTICLE 3.

IMPLEMENTATION

Section 3.1 Program Implementation Agreement. The Parties agree to enter into an agreement providing further detail on the implementation arrangements, fiscal accountability and disbursement and use of MCC Funding, among other matters (the “*Program Implementation Agreement*” or “*PIA*”); and the Government agrees to implement the Program in accordance with this Compact, the PIA, any other Supplemental Agreement and any Implementation Letter.

Section 3.2 Government Responsibilities.

(a) The Government has principal responsibility for overseeing and managing the implementation of the Program.

(b) With the prior written consent of MCC, the Government agrees to designate an entity to be established through a designation by the President of Côte d’Ivoire of a special independent entity under Côte d’Ivoire’s Finance Act of 2017 as the accountable entity to implement the Program and to exercise and perform the Government’s right and obligation to oversee, manage and implement the Program, including without limitation, managing the implementation of Projects and their Activities, allocating resources and managing procurements. Such entity will be referred to herein as “*MCA-Côte d’Ivoire*,” and will have the authority to bind the Government with regard to all Program activities. The designation contemplated by this Section 3.2(b) will not relieve the Government of any obligations or responsibilities hereunder or under any related agreement, for which the Government remains fully responsible. MCC hereby acknowledges and consents to the designation in this Section 3.2(b).

(c) The Government agrees to ensure that any Program Assets or services funded in whole or in part (directly or indirectly) by MCC Funding are used solely in furtherance of this Compact and the Program unless MCC agrees otherwise in writing.

(d) The Government agrees to take all necessary or appropriate steps to achieve the Program Objective and the Project Objectives during the Compact Term (including, without limiting Section 2.6(a), funding all costs that exceed MCC Funding and are required to carry out the terms hereof and achieve such objectives, unless MCC agrees otherwise in writing).

(e) The Government agrees to ensure that the Program is implemented and that the Government carries out its obligations hereunder with due care, efficiency and diligence in conformity with sound technical, financial, and management practices, and in conformity with this Compact, the Program Implementation Agreement, each other Supplemental Agreement and the Program Guidelines.

(f) The Government grants to MCC a perpetual, irrevocable, royalty-free, worldwide, fully paid, assignable right and license to practice or have practiced on its behalf (including the right to produce, reproduce, publish, repurpose, use, store, modify, or make available) any

portion or portions of Intellectual Property as MCC sees fit in any medium, now known or hereafter developed, for any purpose whatsoever.

Section 3.3 Policy Performance. In addition to undertaking the specific policy, legal and regulatory reform commitments identified in Annex I (if any), the Government agrees to seek to maintain and to improve its level of performance under the policy criteria identified in Section 607 of the MCA Act, and the selection criteria and methodology used by MCC.

Section 3.4 Accuracy of Information. The Government assures MCC that, as of the date this Compact is signed by the Government, the information provided to MCC by or on behalf of the Government in the course of reaching agreement with MCC on this Compact is true, correct and complete in all material respects.

Section 3.5 Implementation Letters. From time to time, MCC may provide guidance to the Government in writing on any matters relating to this Compact, MCC Funding or implementation of the Program. The Government agrees to use such guidance in implementing the Program. The Parties may also issue jointly agreed upon writings to confirm and record their mutual understanding on aspects related to the implementation of this Compact, the PIA or other related agreements. Such writings are referred to herein as "**Implementation Letters**."

Section 3.6 Procurement and Grants.

(a) The Government agrees to ensure that the procurement of all goods, works and services by the Government or any Provider to implement the Program will be in accordance with MCC's Program Procurement Guidelines (the "**MCC Program Procurement Guidelines**"). The MCC Program Procurement Guidelines include the following requirements, among others:

- (i) open, fair, and competitive procedures must be used in a transparent manner to solicit, award and administer contracts and to procure goods, works and services;
- (ii) solicitations for goods, works, and services must be based upon a clear and accurate description of the goods, works and services to be acquired;
- (iii) contracts must be awarded only to qualified contractors that have the capability and willingness to perform the contracts in accordance with their terms on a cost effective and timely basis; and
- (iv) no more than a commercially reasonable price, as determined, for example, by a comparison of price quotations and market prices, will be paid to procure goods, works and services.

(b) Unless MCC otherwise consents in writing, the Government agrees to ensure that any grant issued in furtherance of the Program (each, a "**Grant**") is awarded, implemented and managed pursuant to open, fair and competitive procedures administered in a transparent manner acceptable to MCC. In furtherance of this requirement, and prior to the issuance of any Grant, the Government and MCC agree to agree upon written procedures to govern the identification of potential Grant recipients, including, without limitation, appropriate eligibility and selection criteria and award procedures. Such agreed procedures will be posted on the MCA-Côte d'Ivoire website.

Section 3.7 Records; Accounting; Covered Providers; Access.

(a) Government Books and Records. The Government agrees to maintain, and agrees to use its best efforts to ensure that all Covered Providers maintain, accounting books, records, documents and other evidence relating to the Program adequate to show, to MCC's satisfaction, the use of all MCC Funding and the implementation and results of the Program ("**Compact Records**"). In addition, the Government agrees to furnish or cause to be furnished to MCC, upon its request, originals or copies of such Compact Records.

(b) Accounting. The Government agrees to maintain and agrees to use its best efforts to ensure that all Covered Providers maintain Compact Records in accordance with generally accepted accounting principles prevailing in the United States, or at the Government's option and with MCC's prior written approval, other accounting principles, such as those (i) prescribed by the International Accounting Standards Board, or (ii) then prevailing in Côte d'Ivoire. Compact Records must be maintained for at least five (5) years after the end of the Compact Term or for such longer period, if any, required to resolve any litigation, claims or audit findings or any applicable legal requirements.

(c) Access. Upon MCC's request, the Government, at all reasonable times, agrees to permit, or cause to be permitted, authorized representatives of MCC, the Inspector General of MCC ("**Inspector General**"), the United States Government Accountability Office, any auditor responsible for an audit contemplated herein or otherwise conducted in furtherance of this Compact, and any agents or representatives engaged by MCC or the Government to conduct any assessment, review or evaluation of the Program, the opportunity to audit, review, evaluate or inspect facilities, assets and activities funded in whole or in part by MCC Funding.

Section 3.8 Audits; Reviews.

(a) Government Audits. Except as the Parties may agree otherwise in writing, the Government agrees to, on an annual basis (or on a more frequent basis if requested by MCC in writing), conduct, or cause to be conducted, financial audits of all Disbursements of MCC Funding covering the period from signing of this Compact until the following March 31 and covering each six-month period thereafter ending March 31, through the end of the Compact Term. In addition, upon MCC's request, the Government agrees to ensure that such audits are conducted by an independent auditor approved by MCC and named on the list of local auditors approved by the Inspector General or a United States-based certified public accounting firm selected in accordance with MCC's *Guidelines for Financial Audits Contracted by the Millennium Challenge Corporation's Accountable-Entities* issued and revised from time to time by the Inspector General (the "**Audit Guidelines**"). Audits will be performed in accordance with the Audit Guidelines and be subject to quality assurance oversight by the Inspector General. Each audit must be completed and the audit report delivered to MCC no later than 90 days after the applicable audit period, or such other period as the Parties may otherwise agree in writing.

(b) Audits of Other Entities. The Government agrees to ensure that MCC financed agreements between the Government or any Provider, on the one hand, and (i) a United States nonprofit organization, on the other hand, state that the United States nonprofit organization is subject to the applicable audit requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, issued by the

United States Office of Management and Budget; (ii) a United States for-profit Covered Provider, on the other hand, state that the United States for-profit organization is subject to audit by the applicable United States Government agency, unless the Government and MCC agree otherwise in writing; and (iii) a non-US Covered Provider (whether a for-profit or nonprofit organization), on the other hand, state that the non-US Covered Provider is subject to audit in accordance with the Audit Guidelines.

(c) Corrective Actions. The Government agrees to use its best efforts to ensure that each Covered Provider (i) takes, where necessary, appropriate and timely corrective actions in response to audits, (ii) considers whether the results of the Covered Provider's audit necessitates adjustment of the Government's records, and (iii) permits independent auditors to have access to its records and financial statements as necessary.

(d) Audit by MCC. MCC will have the right to arrange for audits of the Government's use of MCC Funding.

(e) Cost of Audits, Reviews or Evaluations. MCC Funding may be used to fund the costs of any audits, reviews or evaluations required under this Compact.

ARTICLE 4.

COMMUNICATIONS

Section 4.1 Communications. Any document or communication required or submitted by either Party to the other under this Compact must be in writing and, except as otherwise agreed with MCC, in English. All such documents or communication must be submitted to the address of each Party set forth below or to such other address as may be designated by any Party in a written notice to the other Party.

To MCC:

Millennium Challenge Corporation

Attention: Vice President, Compact Operations
(with a copy to the Vice President and General Counsel)
1099 14th Street, N.W.
Washington, DC 20005
United States of America

Facsimile: (202) 521-3700

Telephone: (202) 521-3600

Email: VPOperations@mcc.gov (Vice President, Compact Operations)
VPGeneralCounsel@mcc.gov (Vice President and General Counsel)

To the Government:

Présidence de la République – Secrétariat Général

Attention : Secrétaire Général
01 BP 1354
ABIDJAN 01

Côte d'Ivoire
Tel: +225 20314427
Fax: +225 20314156

To MCA-Côte d'Ivoire:

Upon establishment of MCA-Côte d'Ivoire, MCA-Côte d'Ivoire will notify the Parties of its contact details.

Section 4.2 Representatives. For all purposes of this Compact, the Government will be represented by the individual holding the position of, or acting as, the Secretary General of the Presidency of the Republic of Côte d'Ivoire, and MCC will be represented by the individual holding the position of, or acting as, Vice President, Compact Operations (each of the foregoing, a "***Principal Representative***"). Each Party, by written notice to the other Party, may designate one or more additional representatives (each, an "***Additional Representative***") for all purposes of this Compact except Section 6.2(a). The Government hereby designates the Director General of MCA-Côte d'Ivoire as an Additional Representative. MCC hereby designates the Deputy Vice President, Department of Compact Operations, Africa as an Additional Representative. A Party may change its Principal Representative to a new representative that holds a position of equal or higher authority upon written notice to the other Party.

Section 4.3 Signatures. Signatures to this Compact and to any amendment to this Compact will be original signatures appearing on the same page or in an exchange of letters or diplomatic notes.

ARTICLE 5.

TERMINATION; SUSPENSION; EXPIRATION

Section 5.1 Termination; Suspension.

(a) Either Party may terminate this Compact without cause in its entirety by giving the other Party thirty (30) days' prior written notice. MCC may also terminate this Compact or MCC Funding without cause in part by giving the Government thirty (30) days' prior written notice.

(b) MCC may, immediately, upon written notice to the Government, suspend or terminate this Compact or MCC Funding, in whole or in part, and any obligation related thereto, if MCC determines that any circumstance identified by MCC, as a basis for suspension or termination (as notified to the Government in writing) has occurred, which circumstances include but are not limited to the following:

(i) the Government fails to comply with its obligations under this Compact or any other agreement or arrangement entered into by the Government in connection with this Compact or the Program;

(ii) an event or series of events has occurred that makes it probable that the Program Objective or any of the Project Objectives will not be achieved during the Compact Term or that the Government will not be able to perform its obligations under this Compact;

(iii) a use of MCC Funding or continued implementation of this Compact or the Program violates applicable law or United States Government policy, whether now or hereafter in effect;

(iv) the Government or any other person or entity receiving MCC Funding or using Program Assets is engaged in activities that are contrary to the national security interests of the United States;

(v) an act has been committed or an omission or an event has occurred that would render Côte d'Ivoire ineligible to receive United States economic assistance under Part I of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2151 et seq.), by reason of the application of any provision of such act or any other provision of law;

(vi) the Government has engaged in a pattern of actions inconsistent with the criteria used to determine the eligibility of Côte d'Ivoire for assistance under the MCA Act;

(vii) Côte d'Ivoire is classified as a Tier 3 country in the United States Department of State's annual Trafficking in Persons Report; and

(viii) the Government or another person or entity receiving MCC Funding or using Program Assets is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking.

Section 5.2 Consequences of Termination, Suspension or Expiration.

(a) Upon the suspension or termination, in whole or in part, of this Compact or any MCC Funding, or upon the expiration of this Compact, the provisions of Section 4.2 of the Program Implementation Agreement will govern the post-suspension, post-termination or post-expiration treatment of MCC Funding, any related Disbursements and Program Assets. Any portion of this Compact, MCC Funding, the Program Implementation Agreement or any other Supplemental Agreement that is not suspended or terminated will remain in full force and effect.

(b) MCC may reinstate any suspended or terminated MCC Funding under this Compact if MCC determines that the Government or other relevant person or entity has committed to correct each condition for which MCC Funding was suspended or terminated.

Section 5.3 Refunds; Violation.

(a) If any MCC Funding, any interest or earnings thereon, or any Program Asset is used for any purpose in violation of the terms of this Compact, then MCC may require the Government to repay to MCC in United States Dollars the value of the misused MCC Funding, interest, earnings, or asset, plus interest within thirty (30) days after the Government's receipt of MCC's request for repayment. The Government agrees to not use MCC Funding, proceeds thereof or Program Assets to make such payment.

(b) Notwithstanding any other provision in this Compact or any other agreement to the contrary, MCC's right under Section 5.3(a) to obtain a refund will continue during the Compact Term and for a period of (i) five (5) years thereafter or (ii) one (1) year after MCC receives actual knowledge of such violation, whichever is later.

Section 5.4 Late Payment Interest. If the Government fails to pay any amount under this Compact or the Program Implementation Agreement when due (including amounts under Section 2.8(c) and 5.3(a)), interest will be paid on such unpaid amount. Interest will accrue on such unpaid amount at a rate equal to the then current US Treasury Current Value of Funds Rate, calculated on a daily basis and a 360-day year from the due date of such payment until such amount is paid in full. Any such payment will first be credited against interest due, and once the interest due amount is extinguished, then payments will be credited against outstanding principal.

Section 5.5 Survival. The Government's responsibilities under this Section and Sections 2.7, 2.8, 3.2(f), 3.7, 3.8, 5.2, 5.3, 5.4 and 6.4 will survive the expiration, suspension or termination of this Compact, provided that the terms of Section 2.8 shall survive for only 120 days following this Compact's expiration.

ARTICLE 6.

COMPACT ANNEXES; AMENDMENTS; GOVERNING LAW

Section 6.1 Annexes. Each annex to this Compact constitutes an integral part hereof, and references to "*Annex*" mean an annex to this Compact unless otherwise expressly stated.

Section 6.2 Amendments and Modifications.

(a) The Parties may amend this Compact only by a written agreement. Such agreement will specify how it enters into force.

(b) Notwithstanding subsection (a), the Parties agree that the Government and MCC may by written agreement, which will enter into force upon signature, modify any Annex to (i) suspend, terminate or modify any Project or Activity, (ii) change the allocations of funds as set forth in Annex II as of the date hereof, (iii) modify the implementation framework described in Annex I, (iv) add, change or delete any indicator, baseline or target or other information set forth in Annex III as of the date hereof in accordance with the MCC M&E Policy, or (v) add, modify or delete any condition precedent described in Annex IV; *provided that*, in each case, any such modification (1) is consistent in all material respects with the Program Objective and Project Objectives, (2) does not cause the amount of Program Funding to exceed the aggregate amount specified in Section 2.1 (as may be modified by operation of Section 2.2(e)), (3) does not cause the amount of Compact CDF to exceed the aggregate amount specified in Section 2.2(a), and (4) does not extend the Compact Term.

(c) The Parties understand that any amendment of this Compact or any modification of any Annex pursuant to this Section 6.2 may be entered into by the Government without the need for further action by the Government (including any parliamentary action), or satisfaction of any additional domestic requirements of Côte d'Ivoire.

Section 6.3 Inconsistencies. In the event of any conflict or inconsistency between:

(a) any Annex and any of Articles 1 through 7, such Articles 1 through 7, as applicable, will prevail; or

(b) this Compact and any other agreement between the Parties regarding the Program, this Compact will prevail.

Section 6.4 Governing Law. This Compact is an international agreement and as such will be governed by the principles of international law.

Section 6.5 Additional Instruments. Any reference to activities, obligations or rights undertaken or existing under or in furtherance of this Compact or similar language will include activities, obligations and rights undertaken by, or existing under or in furtherance of any agreement, document or instrument related to this Compact and the Program.

Section 6.6 References to MCC Website. Any reference in this Compact, the PIA or any other agreement entered into in connection with this Compact, to a document or information available on, or notified by posting on the MCC Website will be deemed a reference to such document or information as updated or substituted on the MCC Website from time to time.

Section 6.7 References to Laws, Regulations, Policies and Guidelines; References to Compact Expiration and Termination.

(a) Each reference in this Compact, the PIA or any other agreement entered into in connection with this Compact, to a law, regulation, policy, guideline or similar document will be construed as a reference to such law, regulation, policy, guideline or similar document as it may, from time to time, be amended, revised, replaced, or extended and will include any law, regulation, policy, guideline or similar document issued under or otherwise applicable or related to such law, regulation, policy, guideline or similar document.

(b) Each reference in this Compact, the PIA or any other agreement entered into in connection with this Compact, to the Compact's "**expiration**" refers to the date on which the Compact Term ends if the Compact is not terminated earlier, which in accordance with Section 7.4 is five (5) years after its entry into force. Each reference in any of the aforementioned documents to the Compact's "**termination**" refers to the Compact ceasing to be in force prior to its expiration in accordance with Section 5.1.

Section 6.8 MCC Status. MCC is a United States government corporation acting on behalf of the United States Government in the implementation of this Compact. MCC and the United States Government assume no liability for any claims or loss arising out of activities or omissions under this Compact. The Government waives any and all claims against MCC or the United States Government or any current or former officer or employee of MCC or the United States Government for all loss, damage, injury, or death arising out of activities or omissions under this Compact, and agrees that it will not bring any claim or legal proceeding of any kind against any of the above entities or persons for any such loss, damage, injury, or death. The Government agrees that MCC and the United States Government or any current or former officer or employee of MCC or the United States Government will be immune from the jurisdiction of all courts and tribunals of Côte d'Ivoire for any claim or loss arising out of activities or omissions under this Compact.

ARTICLE 7.

ENTRY INTO FORCE

Section 7.1 Domestic Procedures. The Government agrees to proceed in a timely manner to complete all of its domestic requirements for this Compact to enter into force. The Parties understand that this Compact, upon entry into force, will prevail over the domestic laws of Côte d'Ivoire. The Parties further understand that, consistent with Côte d'Ivoire law, prior to the Government sending the letter described in Section 7.3, this Compact is to be submitted to and approved by the National Assembly of Côte d'Ivoire.

Section 7.2 Conditions Precedent to Entry into Force. Before this Compact enters into force:

- (a) the Program Implementation Agreement must have been signed by the parties thereto;
- (b) The Government must have delivered to MCC:
 - (i) a letter signed and dated by the Principal Representative of the Government, or such other duly authorized representative of the Government acceptable to MCC, confirming that the Government has completed its domestic requirements necessary for this Compact to enter into force and that the other conditions precedent to entry into force in this Section 7.2 have been met;
 - (ii) a signed legal opinion from the President of the Supreme Court of Côte d'Ivoire (or such other legal representative of the Government acceptable to MCC), in form and substance satisfactory to MCC;
 - (iii) complete, certified copies of all decrees, legislation, regulations or other governmental documents relating to the Government's domestic requirements necessary for this Compact to enter into force, which MCC may post on its website or otherwise make publicly available; and
- (c) MCC shall not have determined, at the time of this Compact's entry into force, that the Government has engaged in a pattern of actions inconsistent with the eligibility criteria for MCC Funding.

Section 7.3 Date of Entry into Force. This Compact will enter into force on the date of the letter from MCC to the Government in an exchange of letters confirming that MCC and the Government have completed their domestic requirements for entry into force of this Compact and that the conditions precedent to entry into force in Section 7.2 have been met to MCC's satisfaction.

Section 7.4 Compact Term. This Compact will remain in force for five (5) years after its entry into force, unless terminated earlier under Section 5.1 (the "**Compact Term**").

Section 7.5 Provisional Application. Upon signature of this Compact, and until this Compact has entered into force in accordance with Section 7.3, the Parties agree to provisionally apply the

terms of this Compact; provided that, no MCC Funding other than Compact CDF, will be made available or disbursed before this Compact enters into force.

SIGNATURE PAGE FOLLOWS ON THE NEXT PAGE

IN WITNESS WHEREOF, each Party, by its duly authorized representative, has signed this Compact.

Done at Washington, DC, this 7th day of November 2017, in the English language.

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



Name: Jonathan G. Nash
Title: Chief Executive Officer (Acting)

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



Name: Adama Koné
Title: Minister of Economy and Finances

ANNEX I

PROGRAM DESCRIPTION

This Annex I describes the Program that MCC Funding will support in Côte d'Ivoire during the Compact Term.

Any reference to a Government ministry in this Annex I will be deemed a reference to any successor Government ministry with the sector authority relevant to the Compact.

A. PROGRAM OVERVIEW

1. Background and Consultative Process.

(a) Background.

Côte d'Ivoire emerged in 2012 as a strong potential partner for MCC as the country emerged from a decade of political turmoil and began a systematic effort to improve its performance on MCC's eligibility indicators. MCC's Board of Directors recognized Côte d'Ivoire for its continued policy improvement and selected the country for a Threshold program in 2014. Starting in early 2015, MCC and the Government conducted a constraints analysis ("CA") for the potential Threshold program and identified the following as binding constraints to growth in Côte d'Ivoire: (i) low levels of basic and technical and vocational skills; (ii) barriers to moving goods and people, especially in Abidjan; (iii) the lack of access to industrial land; and (iv) the administrative burden and unpredictability of paying taxes. Later in 2015, Côte d'Ivoire recorded a significant improvement in its indicator performance, passing 13 of MCC's 20 eligibility indicators, and as a result, MCC's Board of Directors selected Côte d'Ivoire as eligible to develop a Compact. Côte d'Ivoire continued its steady improvement on the eligibility indicator performance, having passed 14 of the 20 indicators in 2016.

Côte d'Ivoire continued with the CA conducted for the Threshold program to accelerate development of a Program. The findings of the CA are aligned with the Government's 2016-2020 National Development Strategy and other major diagnostics of the economy. The Program is based on the premise that economic diversification is a critical priority for Côte d'Ivoire in order to achieve sustainable and inclusive growth. Without diversification, Côte d'Ivoire remains vulnerable to negative shocks to prices for its main exports and to the increases in unemployment and poverty that have historically followed such economic shocks. Through a consultative process, further described below, MCC and the Government refined the scope of the Compact investment to focus on two sectors especially critical to economic diversification: (i) human capital development through investments in secondary education and technical and vocational training and (ii) urban transport improvement in Abidjan, Côte d'Ivoire's growth engine, through investments in road infrastructure, policy reform, and technical assistance.

(b) Consultative Process.

Throughout the Compact development process, the Government engaged in collaborative and inclusive consultations with a broad range of stakeholders in Côte d'Ivoire to inform the Program's focus and design. During the CA phase, government ministries, local and community officials, civil society, the private sector, and other donors and partners, including the U.S.

Embassy and U.S. Agency for International Development (“*USAID*”), contributed to the identification of binding constraints and an understanding of how these constraints to economic growth impact different populations and sectors in Côte d’Ivoire.

These consultations continued throughout the development of the Compact as the Government worked in partnership with stakeholders to ensure that Compact investments were appropriately designed for results and impact. The private sector directed the development of the Compact’s investments in technical and vocational education and training through a call-for-ideas that solicited input from private sector firms, industry associations, government ministries, and non-governmental organizations, helped shape the parameters of this investment, and validated demand for the private-sector driven approach.

Comprehensive consultations were held with donor partners to develop the transportation infrastructure investments and to begin to coordinate the implementation planning for both the construction and reforms under the Abidjan Transport Project with the donors investing in Abidjan, including the World Bank, African Development Bank (“*AfDB*”), West African Development Bank, the European Union (“*EU*”), *Agence Française de Développement* (“*AFD*”), and the Japan International Cooperation Agency. This coordination should benefit implementation and reduce or mitigate implementation risks. Active consultations will continue throughout the Compact to ensure effective execution of the Program.

2. Description of Program and Beneficiaries.

(a) Program Description.

The Compact Program consists of two projects designed to support the diversification of the Ivorian economy – the Skills for Employability and Productivity Project and the Abidjan Transport Project. The Projects respond to constraints to economic growth in Côte d’Ivoire, and the Government’s national priorities by seeking to address education and the competitiveness of Abidjan as the country’s economic growth hub by improving the mobility of goods and people.

(b) Beneficiaries.

Over a twenty year period, the Compact is expected to benefit at least 11,300,000 people. This beneficiary count includes adjustments to avoid double counting of persons who may benefit from more than one Activity or Project. The Skills for Employability and Productivity Project is expected to benefit up to 2,800,000 individuals over 20 years through expanded access to secondary education and improved education quality through teacher training, new school construction and technical, vocational and educational training. The Abidjan Transport Project is expected to benefit nearly 8,800,000 people, accounting for Abidjan’s population growth, over twenty years through improvements to central arterial roads.

B. DESCRIPTION OF PROJECTS

Set forth below is a description of each of the Projects that the Government agrees to implement, or cause to be implemented, using MCC Funding to advance the applicable Project Objective. In addition, specific activities that will be undertaken within each Project (each, an “*Activity*”), including sub-activities, are also described.

1. Skills for Employability and Productivity Project.

(a) Summary of Project and Activities.

The Project Objectives of the Skills for Employability and Productivity Project ("***Skills Project***") are (i) to increase the number of years of education received and improve the acquisition of quality, in-demand basic skills, including reading, math, and soft skills, for lower secondary students; and (ii) to improve the acquisition of quality, in-demand technical skills and increase job placement rates among graduates of Compact-supported technical and vocational education and training ("***TVET***") centers.

The Skills Project is comprised of two Activities: (i) the Secondary Education Activity ("***Secondary Education Activity***") and (ii) the Technical and Vocational Education and Training Activity ("***TVET Activity***").

(i) Secondary Education Activity.

The Secondary Education Activity aims to increase access to lower secondary education in two regions of Côte d'Ivoire and improve the access to, and quality of, secondary education and the governance of the sector. The Activity will be pursued through four sub-activities that will invest in new education infrastructure, expand and improve teacher training, reduce gender disparities in educational outcomes, and enhance the Government's information management system and use of such system for decision-making in the national education sector.

New Secondary Schools for Equitable Access Sub-Activity. The New Secondary Schools for Equitable Access Sub-Activity ("***Equitable Access Sub-Activity***") will construct, equip, and provide support for 74-84 new lower secondary schools, or *collèges de proximité*, in the rural and peri-urban areas of the Gbêkê and San Pedro regions. The schools will be constructed based on agreed standard designs and are envisioned to be of two sizes, either: (i) a smaller school model to accommodate up to 320 students in four grade levels with two classrooms per grade, or (ii) a larger school modeled to accommodate the same number of grade levels, and up to twice the number of students and classrooms as the smaller model. MCA-Côte d'Ivoire agrees to conduct a demographic assessment of the two regions and develop a master plan for school construction in the regions. The selection of each school site and size will be based on a plan, the availability of land, and community engagement.

Specifically, MCC Funding will support:

- design and construction supervision services
- construction of school buildings
- provision of mechanical equipment, including water and electrical systems, as determined necessary and appropriate between the Parties
- purchase of classroom and office furniture, pedagogical materials, and other equipment necessary for the proper functioning of the school
- technical assistance to advise on the administration and operations of each school

MCC Funding will also support community mobilization and participation to achieve the effective design, construction and sustainability of each school. MCA-Côte d'Ivoire, in collaboration with the Ministry of National Education, Technical Training and Professional Formation ("**Ministry of National Education**"), agrees to work with communities to stimulate household demand for education, inform the construction of the *collèges de proximité*, foster community participation in the school site selection, and facilitate communication between the community and the contractors. After school construction is complete, MCC Funding will also support the establishment and capacity building of school management committees, parent-teacher associations, and other school support groups.

To support the effective implementation of this sub-activity, the Government's Ministry of National Education agrees to provide office space, satisfactory to MCC, for MCA-Côte d'Ivoire satellite offices in Gbêkê and San Pedro. The Government agrees to support the acquisition of necessary land, teachers and administrators, and on-going operational expenses for MCC-funded *collèges de proximité*.

Improving and Expanding Teacher Training Sub-Activity. The Improving and Expanding Teacher Training Sub-Activity ("**Teacher Training Sub-Activity**") seeks to expand the capacity of the education sector to provide pre-service secondary-school teacher training, improve the quality of pre-service training for secondary school teachers in Côte d'Ivoire, and improve the Ministry of National Education's ability to provide supervision for secondary school teachers. MCC Funding will support the following interventions:

- *Expand the Capacity To Provide Pre-Service Training.* Currently, pre-service training for secondary school teachers is provided only at Abidjan's *Ecole Normale Supérieure* ("**ENS**"). To expand the potential for training of secondary school teachers so that the education sector may better meet nationwide demand, MCC Funding will support the construction and equipping of two *ENS* satellite campuses – one each in Gbêkê and San Pedro. Each satellite campus will be designed to accommodate up to two cohorts of 200 students each and will include classrooms and other spaces and facilities to support an appropriate teaching and learning environment.
- *Improve the Quality of Pre-Service Training.* MCC Funding will support the review and redesign of the pre-service teacher training curriculum currently used in Côte d'Ivoire by the Ministry of Higher Education and Scientific Research ("**Ministry of Higher Education**") at each *ENS* campus. The redesigned curriculum will be implemented in Abidjan and at the two new satellite campuses in Gbêkê and San Pedro. MCC Funding will support the necessary reforms to implement the new curriculum, as well as training of the staff or professors to deliver the new curriculum. MCC Funding will also support institutional strengthening and improvements to the administration and management of *ENS* and the new satellite campuses, with specific attention to integrating the Gender Policy (defined in the next sub-activity) and the recruitment of women teachers, as well as math and science teachers. MCC Funding will provide new equipment and training materials to the *ENS* and its practicum school in Abidjan.
- *Improved Supervision of and Support for Teachers.* MCC Funding will support technical assistance to design and field-test a new Ministry of Higher Education teacher-supervision program, including training and support for the "*inspecteurs*" that supervise

student-teachers during their practicum and once they have entered service. This new supervision program will be closely coordinated with the ENS. MCC Funding will also provide equipment and vehicles to the Ministry of National Education to facilitate the supervision of the new program.

Gender in Education Policy and Institutional Strengthening Sub-Activity. The Gender in Education Policy and Institutional Strengthening Sub-Activity ("**Gender Policy Sub-Activity**") seeks to reduce or mitigate gender disparities in the Ivorian education system as a means to address the associated implications of such on the economic opportunities for women in Côte d'Ivoire. MCC Funding will be used to develop, institutionalize, and operationalize a national gender policy for Côte d'Ivoire's national educational system. MCC Funding will support:

- development of the national gender policy ("**Gender Policy**") for the education sector to be adopted by the Ministry of National Education, with an accompanying five-year implementation plan, satisfactory to MCC
- development, creation, and operationalization of a new gender action unit ("**Gender Unit**") within the Ministry of National Education to implement the Gender Policy
- training and mentoring to build the knowledge and ability of the Gender Unit and key stakeholders to realize the goals and objectives of the Gender Policy
- assistance for the administration and budgeting for the Gender Unit
- priority actions identified in the Gender Policy including the accompanying five-year implementation plan, particularly those that reduce impediments that constrain access by girls to education.

Once the Gender Unit is created, the Government agrees to fund on an annual basis the operationalization, functioning and sustainability of the Gender Unit. By the beginning of the second year of the Compact, the Government agrees to have, satisfactory to MCC, (i) created and staffed the Gender Unit and formalized the Gender Unit in the Ministry of National Education's organigram; and (ii) included a budget line item in the Ministry of National Education's budget to support such a unit.

Management Systems for Decision-Making Sub-Activity. The Management Systems for Decision-Making Sub-Activity ("**Management Systems Sub-Activity**") aims to improve the collection, management, analysis and use of information relevant to the education sector in Côte d'Ivoire. The purpose of this investment is to promote and implement decision-making based on relevant information in the education sector. This sub-activity has three components:

- *Integrated EMIS.* MCC Funding will support investments in hardware, software and technical assistance at the Ministry of National Education to develop and implement an integrated education management information system ("**Integrated EMIS**"). The Integrated EMIS will enable the Ministry of National Education to manage and analyze data related to, among other things, human resource management, school-level budget and asset management, and school exams. The Integrated EMIS will permit the analysis and reporting on education data by decision-makers within the Ministry of National

Education and the assessment of gender, regional, and other disparities while also having the capability of generating disaggregated data. MCC Funding will further support the deployment of the Integrated EMIS in Gbêkê and San Pedro, and in new schools constructed under the Skills Project. To ensure the effective implementation of this component, the Ministry of National Education agrees to establish an inter-departmental committee to manage the introduction of the Integrated EMIS.

- *National and International Student Assessments*. MCC Funding will be used to (i) provide technical assistance to develop a multi-year plan for the implementation of all international and national assessments, (ii) develop a new national student assessment program at the secondary education level, (iii) provide needed equipment and software to facilitate the development and implementation of national assessments, and (iv) participate in international testing programs, that could include the Programme for International Student Assessment or *PISA*. MCC Funding will further support training for the Ministry of National Education to improve the development and implementation of national and international assessments in Côte d'Ivoire. The training may include (x) the study and use of psychometrics, or psychological-based testing that incorporate gender- and culturally-sensitive assessments, (y) statistical software, and (z) assessment implementation. During the Compact Term, the Government agrees to provide funding to implement field-operations for one or more national assessments at the secondary education level.
- *Institutional Strengthening for Decision-Making*. MCC Funding will provide technical assistance to the Ministry of National Education to improve institutional capacity and processes to use information generated from the Integrated EMIS and student assessments to make data-driven decisions to improve student performance.

(ii) Technical and Vocational Education and Training Activity.

The TVET Activity complements the Secondary Education Activity through a new TVET model that provides training to students in the skills and knowledge in-demand by the private sector. This new TVET model will be implemented through new and sustainable training centers developed and managed through a public-private partnership with industries in Côte d'Ivoire. This new model will be implemented with a goal of catalyzing a shift within the training system towards better identifying and meeting the training needs of the private sector. The TVET Activity is made up of two sub-activities designed to implement and support this new TVET model.

A New Model for Private Sector-Led TVET Sub-Activity. The New Model for Private Sector-Led TVET Sub-Activity will introduce and test a new model of “*Partnerships for Skills Development*” (“*Partenariat pour le Développement des Compétences*” or “*PDC*”) to provide training through direct partnerships with the private sector. MCA-Côte d'Ivoire agrees to develop and implement a program whereby MCA-Côte d'Ivoire and the Ministry of National Education will partner with private sector associations, federations, and organizations that represent an economic sector or value chain (each private sector participant or consortium a “*Partner*”) that are selected as demonstrating the capability to provide relevant, quality TVET training in Côte d'Ivoire. A target number of three to four PDC centers will be established under the Compact, with the final number to be informed by demonstrated demand for PDC centers by

the private sector. To become eligible for MCC Funding, each proposed grant for a PDC will undergo a cost-benefit analysis, and must meet MCC's investment criteria. One PDC center for the construction and public works (*batiment et travaux publiques* or "**BTP**") sector has been pre-qualified, but will not benefit from MCC Funding until the BTP PDC center has undergone a cost-benefit analysis and has been determined to meet MCC's investment criteria. Through this sub-activity, MCC Funding will support the construction and equipment of the PDC centers as well as technical assistance for startup and initial operations. The PDCs are hoped to serve as a demonstration effect to guide the Government's current efforts to render TVET in a more efficient and effective manner.

The selection and award of MCC Funding for each PDC under the Compact (aside from BTP, which has been prequalified) will occur through a competitive grant facility ("**PDC Grant Facility**"). This process will promote competition among potential Partners to identify TVET training centers in Gbêkê, San Pedro, or Abidjan that will have the greatest impact on providing in-demand skills. A minimum cost-share investment contribution will be required of a Partner for each proposed PDC center, which must be agreed to between the Parties. Such contributions may be provided in cash or in-kind. Preference will be given in the awarding of the grants for sectors that are likely to provide economic opportunities for women or socially vulnerable populations.

To be eligible under the PDC Grant Facility, each proposed PDC center should demonstrate the following characteristics:

- **Public Ownership.** – The infrastructure and physical assets of each PDC center must be owned by the Government. Operations and maintenance will be delegated or transferred to the Partner under a long-term concession or similar arrangement ("**PDC Agreement**"). Under the PDC Agreement, a Partner must agree to independently manage and operate a PDC center on a not-for-profit, performance basis. The Partner is expected to enter into the PDC Agreement with the Ministry of National Education, contemporaneous with the grant agreement under the PDC Grant Facility with MCA-Côte d'Ivoire, to demonstrate the Government's commitment to the PDC partnership.
- **Autonomous Governance and Management.** – Each PDC should possess an autonomous governance and management model. This model includes each PDC center possessing (i) an independent board of directors, with a majority of representatives from the private sector, (ii) appropriate legal status to ensure its autonomous oversight and management (e.g., as a non-governmental organization, foundation, or corporation), and (iii) a private sector staffing model, including that staff are not civil servants.
- **Financing.** – There must be a sustainable budget for the PDC center. The Government agrees to provide the primary source of funding for each PDC center, with an increasing amount of financing being taken over by a PDC center. The Government funding for each PDC center may be up to \$1 million per year, and will be determined based on the specific funding needs of each PDC center and as recorded in the PDC Agreement. It is expected that each PDC center will become more self-sufficient, and will generate increased revenue to cover its expenses, which a PDC center may derive from: (i) limited student fees, (ii) sale of services to firms (i.e. in-service training or consulting services), (iii) a dedicated portion of Côte d'Ivoire's training levy (the payroll tax which funds

training programs), or (iv) donations. Each PDC proposal under the PDC Grants Facility will detail a plan to generate operational surpluses in order to save for future capital expenditures, including the cost of adapting training programs to evolving private-sector needs. MCC Funding will support technical assistance to PDC centers to assist in the identification and development of separate and diverse revenue sources to ensure operational sustainability.

- *Practical and Private-Sector Driven Content.* – There must be a plan for private-sector led development and implementation of the training content for each PDC center. MCC Funding will provide technical assistance to develop or support committee working groups tied to each PDC economic sector, which assistance may include defining job and competency profiles. It is envisioned that (i) the PDC training will be delivered by industry practitioners, (ii) at least fifty per cent of the training will be conducted in a work place or similar environment in order to transfer real-world, practical knowledge and skills to trainees, and (iii) the private sector representatives from relevant economic sectors will share the responsibility of testing and certifying graduates.

MCC Funding will support the necessary revisions to legislation and regulations to accommodate the PDC TVET model. All new PDC centers will be required to develop a gender and social inclusion policy and action plan that describes key social and gender considerations, strategic approaches, and expected outcomes.

TVET Quality Management and Accountability Sub-Activity. This sub-activity will create primary tools for quality management and accountability to create the enabling environment for a long-term reorientation of the TVET system towards results-based management. MCC Funding will support:

- *Tracer System.* MCC Funding will support technical assistance and necessary equipment to develop and institutionalize a permanent tracer study system – a specialized method to survey and monitor training graduates – designed to track and provide information as to job placement rates of TVET graduates across Côte d'Ivoire. This assistance will be provided both to the Ministry of National Education, and to either the Government's National Institute of Statistics or the National School of Statistics. Technical assistance will also be provided to support the Government to better integrate social and gender analysis in tracer studies in order to understand and strategically address gender-based or other relevant social differences in student completion and employment rates. MCC Funding will support initial tracer studies, with the Government taking an increasing role in funding those studies during the Compact, so that by the end of the Compact the Government has fully assumed the financing of the tracer study system.
- *Quality Management through Accreditation.* MCC Funding will also support the development of a national accreditation system for TVET centers ("*TVET Accreditation System*"). The TVET Accreditation System will integrate the then current international ISO 9001 standards for quality management as part of the accreditation requirements for the highest-level of certification. MCC Funding will develop intermediate levels of certification for TVET center accreditation. MCC Funding will further support MCC-supported TVET centers to seek the highest-level certification by the end of the Compact. MCC Funding will support technical assistance for the training supervisory unit of the

Government entity responsible for TVET within the country to develop the TVET Accreditation System and complementary training and coaching to that Government entity to facilitate management of the system. Actual accreditation will be conducted by independent, competitively procured contractors, on a fee-for-service basis, as determined by the final design of the TVET Accreditation System. MCC Funding will also support technical assistance to develop a plan to certify existing public and private centers under the TVET Accreditation System. The Government agrees to support, adopt and use the TVET accreditation system to begin accrediting existing public TVET centers during the Compact Term.

MCC Funding may also be used for separate quality management and accountability assistance in addition to the tracer system and the development and implementation of the TVET Accreditation System, if funding is available under the Project, subject to MCC's investment criteria.

(b) Beneficiaries.

The Skills Project, after adjusting for any potential double counting, is expected to benefit up to 2,800,000 individuals over 20 years. The beneficiaries differ across the three main interventions. The Teacher Training Sub-Activity will produce lower secondary teachers that serve in schools nationwide, providing benefits to their students and the students' households throughout Côte d'Ivoire. Beneficiaries of school construction under the Equitable Access Sub-Activity will be focused in only two regions (Gbêkê and San Pedro). There is likely to be a small overlap between beneficiaries for these two sub-activities, but that overlap is accounted for in the final beneficiary estimates. The TVET Activity is expected to benefit primarily those in Abidjan with up to a quarter of graduates in San Pedro or Gbêkê.

(c) Environmental and Social Mitigation Measures.

Prior to entry into force of the Compact, MCA-Côte d'Ivoire agrees to have developed and adopted a Compact-wide environmental and social management system ("*ESMS*"), including a stakeholder engagement plan ("*SEP*") , in accordance with the MCC 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 on MCA-Côte d'Ivoire's website. MCA-Côte d'Ivoire shall maintain and implement the ESMS through the Compact Term and closure period, including retaining sufficient technical resources and dedicating budget to operate the ESMS in form and substance satisfactory to MCC. The disclosure of relevant environmental information and social risks, impacts and opportunities and stakeholder engagement will continue during the development and implementation of the Skills Project.

There are three construction works components of the Skills Project that are expected to have environmental and social effects. The three works components are the building of the 74-84 *collège de proximité* under the Equitable Access Sub-Activity, construction of the *ENS* satellite campuses under the Teacher Training Sub-Activity, and the construction of PDC centers under the New Model for Private Sector-Led TVET Sub-Activity. All are classified as Category B in which environmental and social impacts are site-specific, few if any are irreversible and

mitigation measures are readily available. Each works component will be subjected to an impact notification process under regulations of Côte d'Ivoire.

Each works constructions component of the Skills Project must have (i) an environmental and social impact assessment ("*ESIA*") with an underlying environmental and social management plan ("*ESMP*"), (ii) a resettlement action plan ("*RAP*"), and (iii) a restoration of livelihood plan, as appropriate, prepared and implemented in form and substance satisfactory to MCC. MCC Funding will be used to undertake an environmental and 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, MCC Funding will be used to develop project-specific guidelines and training will be made available on those guidelines for entities that bid on this work. Further, the Government agrees to provide appropriate and necessary right or title to the work sites prior to construction mobilization.

As to resettlement risks, the selection and design of *collèges de proximité*, PDC centers and the ENS satellite campuses will aim to minimize the number of project affected people (each a "*PAP*" and together "*PAPs*") and the construction area. Moreover, site selection will take into consideration land already designated as public use reserves. MCA-Côte d'Ivoire agrees to compensate all PAPs that are displaced and disadvantaged in the community led land acquisition process pursuant to a RAP.

The PDC Grant Facility will be required to have an ESMS, and MCA-Côte d'Ivoire must provide sufficient support to implement the ESMS and conduct PDC center site assessments.

MCA-Côte d'Ivoire agrees to develop and sustain, in form and substance satisfactory to MCC, an appropriate level of community mobilization and stakeholder engagement for all activities in the Skills Project, pursuant to the SEP. This engagement and mobilization will begin early during Activity development, design, and site selection, and will be maintained throughout the construction phase extending through Activity completion and Compact closure. However, community engagement through local representatives could overshadow displaced individuals' concerns and needs for assistance and, therefore, will not be relied upon as the sole form of stakeholder engagement. MCA-Côte d'Ivoire or its consultants agree to engage with households (including all household adults with legal, customary and beneficial rights) that may be affected by land expropriation during the process of site selection to assess impacts.

The construction of the *collèges de proximité* must include appropriate sanitary facilities and safe drinking water. Existing trees from construction sites will be preserved as much as possible and additional plantation may be required to replace vegetation lost due to construction. Additionally, construction is known to require significant amounts of water that may impact community supplies and usage especially during the dry season. Each ESMP must identify an appropriate water management strategy.

(d) Social Inclusion and Gender Integration.

The Government commits to using social and gender analysis to inform the design, development, implementation, monitoring, and evaluation of all interventions and investments under the Skills Project. For the Program, MCA-Côte d'Ivoire agrees to develop and approve a comprehensive

Social and Gender Integration Plan. MCC Funding will support the development and implementation of the Gender Policy and the initial development, creation and operationalization of the Gender Unit under the Gender Policy Sub-Activity to strengthen on-going efforts by the Government to improve educational attainment for both boys and girls.

The construction of *collèges de proximité* under the Equitable Access Sub-Activity will include efforts to promote inclusive community mobilization approaches that will take into account gender and social considerations, during school construction to help improve access, attendance, and attainment of quality of education for both girls and boys. Community mobilization efforts may include adult literacy programs for parents, community education classes to support out of school youth, community sensitization around girls' education, and supporting community-based solutions to student and faculty housing. The community mobilization efforts will also encourage the employment of local men and women around the design and construction of the *collèges de proximité*, if possible.

Efforts will be made under the Teacher Training Sub-Activity to (i) incorporate gender-responsive pedagogy into pre-service teacher training, (ii) support increasing the enrollment and completion rates of female students at each *ENS* campus, (iii) support the government to identify and address constraints to women's participation in the secondary education teaching profession, and (iv) address gender-based violence or other constraints to girls' education. As a part of the Integrated EMIS component of the Management Systems Sub-Activity, MCC Funding will support technical assistance for the collection, analysis, and strategic use of data disaggregated by gender, age, geographic location and other key socioeconomic and demographic variables in order to improve education quality and reduce gender-based and other disparities in education outcomes. As part of the national and international assessments component of the Management Systems Sub-Activity, social and gender analysis will be conducted to inform development of a multi-year calendar for national and international assessments, and provide technical assistance on gender- and culturally-sensitive psychometrics.

Under the TVET Activity, MCC Funding will support efforts to integrate gender and social components into the PDC Grant Facility evaluation and selection criteria. All new PDC centers will be required to have a gender and social inclusion policy and action plan. MCC Funding will provide technical assistance for the development and implementation of each such policy and plan for each PDC center. Furthermore, opportunities will be explored on using performance-based incentives to PDC centers that exceed expected social and gender outcomes. MCC Funding will support improved integration of social and gender analysis in tracer studies in order to understand and address gender-based or other relevant social differences in student completion and employment rates. The Government and MCA-Côte d'Ivoire agree to also explore public outreach and communication strategies for girls in secondary education or the BTP PDC center to promote girls' interest and participation in engineering fields.

In accordance with MCC's *Counter Trafficking in Persons Policy*, the Activities under the Skills Project will be assessed by MCC, with support from the MCA-Côte d'Ivoire, for trafficking-in-persons ("*TIP*") risks. Activities will be classified as low-risk or high-risk by MCC. For low-risk activities, counter-TIP minimum compliance requirements will be included in all procurements and grants. For activities classified as high-risk, in addition to minimum compliance requirements, MCA-Côte d'Ivoire staff or a consultant agree to develop a specific

TIP risk management plan, subject to MCC approval, prior to the release of any related procurement or grant documentation.

(e) Donor Coordination.

There is a history of strong donor coordination in Côte d'Ivoire's education sector. This led to a recent full sector assessment, which has provided much of the data and analysis that is the foundation for the Skills Project. International donors have worked closely to support the Government to develop its recently approved ten-year 2016-2025 education sector plan ("***Education Sector Plan***"). All active donors, including MCC, have endorsed the Government's Education Sector Plan and the Skills Project aligns closely with and will support the implementation of that plan. MCC agrees to coordinate closely with the education sector donor group during Compact implementation.

Specifically, the Skills Project builds on a strong foundation of recent investment by the World Bank and the AFD. In the secondary education sector, both the World Bank and AFD have supported important policy reforms including a teacher training reform program that makes lower secondary school teachers responsible for teaching two subjects. This increased internal efficiency was an important precondition to an affordable expansion of access to education. The World Bank and AFD have also worked closely with the Government to create new school infrastructure designs that minimize construction costs and on-going community mobilization.

In the TVET sector, AFD has supported the creation of thirteen sector committees for key economic sectors. As described above, these committees will be the foundation for partnering under the TVET Activity with the private sector. AFD is also constructing a number of TVET centers, which have informed the development of the Compact.

(f) USAID.

USAID funded two new *collèges de proximité* – including one outside of Bouaké – using the Ministry of National Education's model. MCC studied the experience of USAID's school building and lessons were added to the broader learning based on its experience.

(g) Sustainability.

The Skills Project is designed for long-term sustainability. The sustainability of the education programs rely on the Government continuing to provide after the Compact the financial support for administrative and operational expenses for those programs it will support during the Compact. Both the construction and major reforms under the Skills Project are planned to be completed in years three to four of the Compact, that will allow for up to one to two years of technical and operational assistance to Compact supported institutions. This technical and operational assistance will benefit the post-Compact sustainability of the Project.

The policy and institutional reform components under the Secondary Education Activity build on existing structures and strong political will, and will be integrated over the course of the Compact into day-to-day operations of the Ministry of National Education. The Management Systems Sub-Activity will be coordinated with the MCC-PEPFAR Data Collaboratives for Local Impact ("***DCLF***") program to build the capacity of the Ministry of National Education and civil society in education data analysis. As the Management Systems Sub-Activity improves the

collection and dissemination of education data, the DCLI will be able to undertake additional data analysis and consider policy recommendations including materials that could be relevant to the adoption of the Gender Policy. Based on the experience from the Compact, the Ministry of National Education agrees to seek to expand the Integrated EMIS system to all schools in Côte d'Ivoire. For the Gender Policy Sub-Activity, work to operationalize the Gender Policy will be completed by the Gender Unit's staff and budget.

In the Teacher Training Sub-Activity, completion of the curriculum reform is expected early in the Compact to allow time and resources during the Compact to facilitate change management with both the relevant administrators and trainers. In addition, by opening the satellite *ENS* campuses early in the Compact, the Compact will be able to support the start-up of operations to maximize effectiveness and institutional independence of the satellite campuses by the end of the Compact.

MCC-supported schools built under the Equitable Access Sub-Activity will be staffed and receive budgets from the Government during the Compact. In addition, through community mobilization the sub-activity will foster community ownership of the schools, ensuring adequate demand for and ownership of preventative maintenance and upkeep. The Ministry of National Education agrees to participate in the oversight of community mobilization under the Equitable Access Sub-Activity through the Ministry of National Education's *Direction de le Comité de Gestion des Etablissements Scolaires* or **COGES**, thus building COGES' capacity to replicate community mobilization in other schools.

Under the TVET Activity's Quality and Accountability Sub-Activity, MCA-Côte d'Ivoire agrees to provide both technical support and new tools and systems to existing directorates in the Ministry of National Education, with training on the effective use of these tools. The PDC model under the TVET Sub-Activity will require on-going support and subsidies from the Government pursuant to the Compact in order to develop the sustainability during the Compact and encourage long-term support after the Compact. In order to maximize the capacity building and institutionalization of the new PDC centers, the sub-activity's implementation plan aims to have PDC centers opening their doors for trainees in years two to three of the Compact. This will allow for on-going technical assistance to support operations of these centers over two to three academic years. By the end of this time, the PDC centers will have trained a full complement of trainees, should generate some revenue from services to firms, and have achieved ISO-9001 accreditation – thus being ready to function without Compact support.

(h) Policy, Legal and Regulatory Reforms.

The Skills Project proposes substantial policy and institutional reforms both to facilitate the Project's objectives and to leverage MCC's investment to improve the enabling environment. The Government agrees to allocate increasing annual expenditures for lower secondary education and TVET, as per the projections made in the medium term expenditure framework that is linked to the Government's Education Sector Plan. This policy reform will ensure not only that adequate funding is available to support and maintain MCC's investments (e.g., teachers and budgets for schools and operational subsidies for the PDC centers) but also that the Government is investing in the same priority areas.

In support of the Compact investments, the Government commits to the following reforms:

- To increase funding for both secondary education and TVET during the Compact Term, in line with the macro-financial framework of the Government's Education Sector Plan;
- To develop and adopt by the end of the Compact Term, a plan to maintain the post-compact sustainability of the Integrated EMIS, including technical maintenance, staffing, updates, data collection, and data-driven decision-making;
- To releasing education data for public use and analysis, in a machine readable and open format with an open license, consistent with its open government partnership in coordination with the DCLI program;
- To provide land, human resources, and on-going operational expenses for MCC-funded investments, including secondary schools, *ENS* satellite campuses, and PDC centers; land will be provided in a manner consistent with MCC's Environmental Guidelines;
- To establish 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; this teacher training committee will have the responsibility to coordinate on content, hiring, and general planning related to teacher recruitment and deployment, satisfactory to MCC;
- The *ENS* will adopt the new teacher training curriculum before receiving new equipment and materials for the Abidjan campus; and
- 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 under the Equitable Access Sub-Activity, as further provided in the Program Implementation Agreement.

2. Abidjan Transport Project.

(a) Summary of Project and Activities.

The objective of the Abidjan Transport Project is to reduce vehicle operating costs and travel times along targeted road segments, while improving overall pedestrian and vehicle mobility and safety. The Abidjan Transport Project comprises two Activities, designed to improve efficiency in the transport of people and goods, increase the integration between transport systems, and improve road safety and pavement surface conditions in Abidjan along the major transport arteries. A fundamental component of this Project is that by Compact-end, the Government's transport-related agencies will have been trained in and provided the knowledge and experience to maintain, rehabilitate, and improve Côte d'Ivoire's existing road network utilizing skills and training enabled under the Compact coupled with improved road management and safety databases and planning tools.

(i) Transport Infrastructure Activity.

This Activity will focus on the rehabilitation of up to 32 kilometers of critical roadway and adjoining infrastructure in the central corridor of Abidjan to improve overall travel times,

improve traffic movement through improved geometric alignment and signalization, improve road safety, and integrate multi-modal planning (coordination with alternative, corresponding or nearby transport systems), to reduce household transport costs and increase revenue for businesses.

MCC Funding will support the following roadway-rehabilitation investments (each a “*Transport Investment*” and together the “*Transport Investments*”):

- *Boulevard Valéry Giscard d’Estaing (“Boulevard VGE”)*. – MCC Funding will be used to rehabilitate an approximate 9 km, six-lane section (three (3) lanes in each direction, plus two two-lane service-lanes) from Félix Houphouët-Boigny Bridge to Akwaba Intersection, with the following improvements:
 - geometric reconfiguration to improve traffic fluidity of the roadway
 - improve up to 11 of 14 intersections of the section of the Boulevard VGE, including significant improvements to the Koumassi intersection either in the form of an elevated intersection or flyover with attendant structural modifications
- *Boulevard du Port/Boulevard de Vridi/Boulevard de Petit Bassam*. – MCC Funding will be used to rehabilitate an approximate combined 8 km, four-lane section (two lanes in each direction) that consist of (i) from the Félix Houphouët-Boigny Bridge to the Tri Postal Intersection and the Vridi Industrial Zone, (ii) from the Tri Postal Intersection to Bus N° 19 Terminal of the Boulevard to Vridi, (iii) the adjoining Boulevard de Petit Bassam roundabout, and (iv) the existing 100 meter bridge along the Vridi Canal, with the following corresponding improvements:
 - reconfiguration of the Seamans Club and Tri Postal Intersections
 - assistance to resolve the congestion from truck parking along the Boulevard du Port/Boulevard de Vridi/Boulevard de Petit Bassam
- *Boulevard de la Paix*. – MCC Funding will be used to rehabilitate an approximate 7 km section of the six-lane Boulevard de la Paix (with two lanes in each direction and two additional lanes reserved for limited traffic).
- *Yopougon Expressway*. – MCC Funding will be used to rehabilitate an approximate 8 km section of the six-lane Yopougon Expressway from Adjame Bridge/“Pont Ferrailles” and ending at the Gesco intersection.

In addition to the above specific improvements for each Transport Investment, MCC Funding will support the following for all of the Transport Investments:

- road surfacing using high-performance asphalt mix or concrete slab, based on life-cycle cost
- repair and rehabilitation of rainwater drainage networks

- construction of new sidewalks, curbs, islets, medians and other structures, with consideration for the impact on the local social infrastructure to better integrate the community into the design and community access
- road safety design improvements
- improve signage, traffic lights, and vertical and horizontal signalization measures
- improved coordination and connections with multi-modal transport networks

MCC Funding will also support the development of a temporary parking area ("**Truck Parking Area**") for truck parking in the Port of Abidjan ("**Port**") area to remove the barrier of truck parking to the construction and works under the Transport Infrastructure Activity. To facilitate such, the Government agrees to make available the necessary land with clean or proper title, in or near the Port, but away from the Transport Infrastructure Activity for each Transport Investment work zone, where trucks will be required to relocate for Port parking, prior to works in each such zone, as determined necessary by MCC.

The Transport Investments will be implemented according to agreed-upon design criteria and implementation requirements and parameters, including the following:

- Each Transport Investment will be built using an International Roads Assessment Program ("**IRAP**") safety assessment;
- The Government agrees to provide the "as-builts" or drawings for the location of all utilities and infrastructure on a timely basis;
- MCC Funding will support all reasonable costs associated with the movement of existing utilities, primarily at the Koumassi intersection;
- The utilities relocation work for the Transport Investments will be competitively procured under the Compact, according to a review process acceptable to MCC, including that MCA-Côte d'Ivoire agrees to hire independent experts to review each utility-service relocation proposal before contracting;
- The Government agrees to arrange and pay for, on a timely basis, any coordination work by a Côte d'Ivoire utility necessary to the utility-relocation work completed by an MCA-Côte d'Ivoire contractor, and in cases that relocation is not possible, the Government agrees to arrange for the payment of any cost of any additional or replaced equipment to the network of any such utility; and
- The Government agrees to provide on a no-cost basis sufficient land as approved by MCC near each Transport Investment site for use by the MCA-Côte d'Ivoire contractors, engineers, and otherwise, during construction, prior to the contracting for construction for each Transport Investment.

(ii) Transport Management and Planning Activity.

The Transport Management and Planning Activity will focus on building the technical and managerial capacity of the Government's road-transport related agencies through improved educational know-how and infrastructure asset-management techniques, which integrate the engineering, economics, environmental, and social elements and activities related to road design, preservation and maintenance. MCC Funding will support three inter-related sub-activities that (i) invest in educational and training resources for road asset management, (ii) develop road asset and safety resources and management tools, and (iii) improve the use of road maintenance funds. A fourth sub-activity will focus on helping the Government resolve the persistent problem of heavy-truck parking near and around the Port of Abidjan. The Compact will provide this support to and through Côte d'Ivoire's road-transport agencies ("**Roads Agencies**"), including the following agencies:

- roads agency (*Agence de Gestion des Routes* or "**AGERROUTE**"),
- roads maintenance fund (*Fond d'Entretien Routier* or "**FER**"),
- roads safety agency (*Office de Sécurité Routière* or "**OSER**"),
- national testing laboratory (*Laboratoire du Batiment et des Travaux Publics* or "**LBTP**"), and
- other transport related agencies.

Infrastructure Graduate Education Sub-Activity. MCC Funding will support the creation, development and institutionalization of a graduate education program in infrastructure asset management ("**Infrastructure Graduate Program**") and the implementation of an externally facilitated performance improvement assessment and solution design process for the transport agencies. The Infrastructure Graduate Program will have three primary goals for its graduates and the Government: (i) develop the necessary knowledge and experience in the lifecycle of road-infrastructure asset management in Côte d'Ivoire, (ii) improve performance of the transport related agencies in the preservation of road-infrastructure assets at the lowest life cycle cost with a focus on road maintenance, and (iii) provide a longer term, sustainable solution to the continued creation and updating of those skills. In developing this program, consideration will be given for structuring the training under the Infrastructure Graduate Program to permit expansion of such to private sector participants.

In coordination with the Government, MCC Funding will support the creation, development and institutionalization of the Infrastructure Graduate Program, including the administrative and institutional formation and training for such, development of the curriculum and training materials, purchase of information technology equipment, development and administration of technology based courses, and initial program costs. The Infrastructure Graduate Program will be jointly administered by the *National Polytechnic Institute-Houphouët-Boigny* ("**INP-HB**") and *Ecole Nationale Supérieure des Statistiques et Economie Appliquée* ("**ENSEA**"). Both institutions will provide all necessary classroom and administrative space in Abidjan for the program, unless otherwise agreed by MCC. MCC Funding will support the following milestones in implementing the Infrastructure Graduate Program:

- Competitively select a partner university, institute or program with the experience and skills to support the establishment of the Infrastructure Graduate Program (the “*Partner Institute*”);
- Purchase relevant laboratory testing equipment, software (and licenses) and hardware, and reference materials (*i.e.* on-line journal subscriptions for research);
- *INP-HB* and *ENSEA* will develop, with support from the Partner Institute, a business and operational plan to institutionalize the program (*i.e.* student recruitment, student management, reporting structure, performance management);
- The Partner Institute will develop in partnership with *INP-HB* and *ENSEA* a curriculum that combines the engineering, economic, environmental and social elements of infrastructure management;
- The Partner Institute will develop and prepare relevant course materials, including some technology-based courseware to be used in the program, in partnership with *INP-HB* and *ENSEA*; and
- The Partner Institute will provide training and capacity building for *INP-HB* and *ENSEA* program staff and faculty to deliver all aspects of the program including training on (i) the use of course and related training materials, (ii) laboratory testing, and (iii) information technology equipment and software.

In coordination with the development and implementation of the Infrastructure Graduate Program, MCC Funding will support the engagement of performance improvement specialists to work with a subset of the key public agencies in the public infrastructure sector to undertake an externally facilitated performance improvement process involving (i) the development of a performance gap analysis for each agency (with possible system level performance gap analysis), (ii) development of solution designs to close the performance gap, and (iii) the implementation and evaluation of the solutions.

The Government agrees to provide all the needed classroom facilities, audio/visual equipment, training faculty and administrative staff, laboratory and equipment space, and space for information technology for the Infrastructure Graduate Program. The Government agrees to also provide the funding for all Government employees, including from the Roads Agencies, that attend the Infrastructure Graduate Program (estimated at approximately 20-30 students per year) during the Compact Term.

Abidjan Road and Safety Prioritization Sub-Activity. The Abidjan Road and Safety Prioritization Sub-Activity is composed of three separate but complementary programs designed to develop and strengthen the institutional knowledge, know-how and management of Abidjan’s transport infrastructure. This sub-activity builds on the Infrastructure Graduate Program by providing opportunities to apply in a practical setting skills and knowledge gained from the education program. The Abidjan Road and Safety Prioritization Sub-Activity targets three discrete and important areas of infrastructure asset management: (i) asset database, (ii) road safety, and (3) maintenance.

- Road Asset Inventory, Database and Prioritization. – Current and accurate information of the condition of a road and bridge network is essential to its management, preservation and expansion. MCC Funding will support the development of a road infrastructure asset management database to provide the Roads Agencies with pavement condition data to determine present and future planning and maintenance needs for the roads and bridges inventory of Abidjan. Combined with the training provided in infrastructure asset management under the Infrastructure Graduate Program, the Roads Agencies will possess the ability and tools to maintain, monitor, and use a road asset database to better prioritize the roads and bridges maintenance and rehabilitation needs for Abidjan.

The Government agrees to provide access to the existing (i) database, (ii) software and hardware and (iii) equipment, and the ability to use the database. The Government agrees to provide sufficient personnel to be trained, collect, operate and implement the Abidjan Road and Safety Prioritization Sub-Activity. MCC Funding will provide for the data collection in Abidjan and the primary road network (up to 15,500 kilometers) in Côte d'Ivoire, the needed additional software, hardware and equipment to monitor and use the database and analysis and any needed technical support for entering data into the database at *AGEROUTE*.

- Road Safety Database, Outreach and Prioritization. – The development of a road accident database with a complementary statistical analysis system will help *OSER* identify, log and analyze accidents and determine efficient mitigants and solutions to improve road safety ("*Road Safety System*"). To achieve this end, MCC and the Government agree to both contribute to the development and implementation of the Road Safety System to increase road safety.

MCC Funding will support the following interventions:

- create a geographic information system ("*GIS*") database within *OSER* to track and monitor road accidents in Abidjan
- provide support for road safety training, auditing, and an safety-enforcement management program at *OSER*
- support the coordination by *OSER* to develop and implement community awareness campaigns and outreach events that take into account social, cultural, and gender considerations in Abidjan
- provide the software and hardware and related information technology and other equipment to store the road accident and safety information
- provide for the data collection and analysis and any needed technical support for entering data into the database at *OSER*
- provide support for the integration of road safety data from the *OSER* database to the *AGEROUTE* database

The Government agrees to support and fund the following initiatives:

- identify and implement measures to ensure its police, gendarmerie or other relevant sources of road accident and safety information share that information on a timely basis with *OSER* for the Road Safety System
- provide funding for any related training, enforcement and equipment for its police, gendarmerie or related road safety institutions or supporting agencies that MCC may not fund under Section 2.7 of the Compact
- provide sufficient personnel to be trained, collect, operate and implement the sub-activity
- provide appropriate administrative support to ensure proper coordination of road safety data between *OSER* and *AGEROUTE*
- *Routine Maintenance Management*. – Through the Government's *Travaux de Haut Intensité de Main d'Oeuvre* or *THIMO* work program, MCC Funding will support the development and expansion of a program that provides routine cleaning, upkeep and maintenance of the road and bridge network in Abidjan. Through this works program, less technically skilled labor is trained and utilized to provide routine, daily cleaning and upkeep in a cost-effective manner as a long-term sustainable approach to maintaining the road and drainage network in Abidjan.

Road Maintenance Fund Sub-Activity. The Road Maintenance Fund Sub-Activity creates an environment to implement the training under the Infrastructure Graduate Program and skills and tools developed under the Abidjan Road and Safety Prioritization Sub-Activity. Under this sub-activity, the Parties agree to coordinate during Compact implementation the planning for and reallocation for roads maintenance of MCC Funding reserved as contingency funding under the Abidjan Transport Project. This reallocation of MCC Funding will be disbursed on a 1:1 basis for each additional dollar of Government funding contributed for roads maintenance, which Government funding must be in excess of funding already made available to *FER*. The reallocation of contingency funds for the Roads Maintenance Sub-Activity will be subject to MCC's investment criteria. The Government agrees to coordinate with MCA-Côte d'Ivoire to plan for committing its own funds under this sub-activity by 30 months after entry into force of the Compact. The reallocation of MCC Funding for this sub-activity will be committed based on the economic prioritization of road maintenance and safety interventions that would directly come from the updated road asset and road safety inventories performed under the Abidjan Transport Project and for roads identified under the Compact to offer greater social benefits (e.g., roads in lower income neighborhoods or roads that lead to critical social and economic infrastructure such as schools, health clinics, or markets).

Truck Parking and Logistics Center Sub-Activity. The Truck Parking and Logistics Center ("*TPLC*") Sub-Activity aims to provide a long-term solution to the truck parking problem in and around the area of the Port. The combination of high traffic volume and insufficient truck-parking options at the Port has created an untenable situation that must be addressed as a priority to decongest the Port area and improve traffic fluidity in Abidjan.

MCC Funding will support transaction advisory services for the development of a TPLC as a public-private partnership ("*PPP*"). The TPLC would be located outside of Abidjan to

decongest the Port area from truck traffic and provide a long-term solution to the current parking and logistics constraints thereby helping maximize the benefits of MCC's roads investments in the Port area. The TPLC would be designed to also increase efficiencies of logistics operations through the Port.

The transaction advisory services to pursue the TPLC PPP will be carried out in two phases, with the first phase providing the basis for proceeding to the second phase:

- Under Phase 1, MCC Funding will provide for the detailed study of demand for truck parking, siting, technical and administrative feasibility, commercial viability, and PPP options.
- Under Phase 2, provided a feasible option under Phase 1 is identified, the MCC supported transaction advisor will assist the Government to procure, negotiate, and close a PPP, and MCC Funding will further support follow-on technical assistance and support during Compact implementation. The Government agrees to provide the required land, with clean title, for the TPLC PPP site.

(b) Beneficiaries.

The beneficiaries of the Abidjan Transport Project are broad-based. Benefits of the Project are spread over the entire population of Abidjan, instead of targeting specific groups of beneficiaries. Due to the geographic centrality and high traffic volumes of the proposed road segments (27,000 to 85,000 vehicles per day), the entire population of Abidjan is considered beneficiaries. Given such and Abidjan's population growth, the Abidjan Transport Project is expected to benefit nearly 8,800,000 people over 20 years. In consideration of such, close to 300,000 Abidjan-based beneficiaries under the Skills Project are deducted from the total number of Compact beneficiaries to avoid double counting.

(c) Environmental and Social Mitigation Measures.

Prior to entry into force of the Compact, MCA-Côte d'Ivoire agrees to have developed and adopted a Compact-wide ESMS, including a SEP in accordance with the MCC 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 on MCA-Côte d'Ivoire's website. MCA-Côte d'Ivoire shall maintain and implement the ESMS through the Compact Term and closure period, including retaining sufficient technical resources and dedicating budget to operate the ESMS in form and substance satisfactory to MCC.

The road repair and rehabilitation activities of the Abidjan Transport Project within the original rights-of-way are classified as Category B under MCC's Environmental Guidelines and should be subjected to an impact notification under regulations of Côte d'Ivoire. Congruent with the Category B designation, adverse social and environmental impacts are anticipated to be limited and may be addressed through mitigation measures and stakeholders' engagement and consultation. In case works extend beyond the existing rights-of-way, such as the extension of

drainage infrastructure or the creation of new drainage outlets, a thorough alternatives analysis under the ESIA for all construction shall be conducted.

Each works constructions component of the Abidjan Transport Project must have (i) an ESIA and underlying ESMP, (ii) a RAP, and (iii) a restoration of livelihood plan, prepared and implemented in form and substance satisfactory to MCC.

MCA-Côte d'Ivoire agrees to evaluate and address the concerns of the local population along the corridors of the Transport Investments to minimize or remove potential delays to Compact implementation. MCA-Côte d'Ivoire agrees to also develop a traffic management plan and the provision of other protections during construction of the Transport Investments in order to establish effective and safe separation between road users and the construction works, and maintain or enhance traffic flows, and agrees to coordinate that planning with the Government and other donor investments in the transport sector in Abidjan. Operational safety must be addressed as part of road design and changing user behaviors must be the focus of an outreach program targeted to reduce pedestrian-vehicle conflicts.

(d) Social Inclusion and Gender Integration.

The Government commits to using social and gender analysis to inform the design, development, implementation, monitoring, and evaluation of the Abidjan Transport Project. For the Program, MCA-Côte d'Ivoire agrees to develop and approve a comprehensive Social and Gender Integration Plan. MCA-Côte d'Ivoire agrees to explore opportunities to promote local employment and the hiring of women in and around construction sites. In particular, MCA-Côte d'Ivoire agrees to seek, as appropriate, opportunities to utilize Côte d'Ivoire's *Chantier Ecole* training approach to the Abidjan Transport Project. MCC Funding will support site specific assessments prior to entry into force of the Compact, as determined necessary by MCC, to determine the social risks, and corresponding mitigation strategies, for each Transport Investment. MCA-Côte d'Ivoire agrees to endeavor to incorporate relevant socially inclusive and gender-responsive pedagogy and content into the Infrastructure Graduate Program, as appropriate. The Government commits to promote the participation of women in the Infrastructure Graduate Program, by developing strategies with participating public agencies to ensure access of female employees to this professional development opportunity.

MCC agrees to assess each Project Activity pursuant to MCC's *Counter Trafficking in Persons Policy*, with support from MCA-Côte d'Ivoire, for TIP risks. Abidjan Transport Project Activities will be classified as low-risk or high-risk by MCC. For each construction site or contract classified as a low-risk activity, counter-TIP minimum compliance requirements will be included in the procurement documents for that site. For construction sites or contracts classified as high-risk, in addition to minimum compliance requirements, MCA-Côte d'Ivoire staff or a consultant will develop a specific TIP risk management plan subject to MCC approval prior to the release of procurement documents for such sites.

(e) Donor Coordination.

The Parties have coordinated the development of the Compact with the international donor community and agree to continue to work with that portion of the community active in the road and transport sectors in Côte d'Ivoire. MCA-Côte d'Ivoire agrees to monitor and engage with

the Government and any other donors that consider or engage in transport related projects in Abidjan. This will include the EU and AFD on road maintenance related issues. Support will be provided for the completion of the Abidjan component of the national road asset database that is being developed by the EU. Both the EU and AFD support the policy reform objectives to increase road maintenance funding and the reduction of the road fund debt.

MCA-Côte d'Ivoire agrees to work closely with the AFD on the MCC funded investments on the *Boulevard VGE*, *Boulevard du Port* and *Boulevard de la Paix* to connect with AFD's investment on the connecting Félix Houphouët-Boigny Bridge. This will include working with the World Bank on its investments in complementary transport construction in Abidjan, including the World Bank's reorganization of the Akwaba intersection on the *Boulevard VGE*, and investments in Port access roads and a logistics platform, to help reduce the truck parking problem, in and around the Port area. There will be coordination with the AfDB and its investments in road and bridge work that will connect with MCC's *Boulevard de la Paix* investment, and that will also help reduce congestion on the Yopougon Expressway investment. The coordination with AfDB will include the MCC funded traffic signalization work with AfDB's broader, Abidjan-wide traffic signalization investments. MCA-Côte d'Ivoire agrees to incorporate into its work on the *Boulevard VGE* the Japan International Cooperation Agency's improvements to the Solibra intersection and also the complementary secondary road improvements on the *Boulevard du Marseille* by the West African Development Bank.

(f) USAID.

MCC coordinated with USAID through the development of the Abidjan Transport Project. USAID does not have any transport investments in Abidjan. USAID is supporting a regional trade facilitation project, valued at \$1.5 million. Under this project, USAID is funding a study of the current situation of transit from Côte d'Ivoire to Burkina Faso and Ghana. All data collected under this project will be provided to the Government and other stakeholders.

(g) Sustainability.

The Abidjan Transport Project is focused on improving (i) road maintenance and rehabilitation techniques and practices, (ii) overall road maintenance planning, prioritization, funding and oversight, and (iii) knowledge transfer through the Infrastructure Graduate Program. Each of these elements contributes to a higher probability of post-Compact sustainability of the MCC funded transport infrastructure investments, and potentially other donor agency and Government transport investments, as well.

The Infrastructure Graduate Education Sub-Activity is the primary sustainability mechanism of the Abidjan Transport Project as it attempts to develop, institutionalize and fill the identified missing graduate educational gap providing the technical know-how and research ability necessary to support an improved road asset management approach.

Environmental sustainability is a critical output and input in road asset management. The better designed and maintained a road asset, the lower the impact on future environmental resources. To support such, performance based incentives will be included into the roads contracts to lower the international roughness index as much as possible in order to reduce vehicular emissions. All of these environmental aspects, plus the road and user costs savings, will be considered in the

final selection of the road design using a lifecycle cost analysis approach. Additional emissions, vehicular and pedestrian safety measures will be integrated into each road segment, with an emphasis on increasing fluidity of traffic and safe movement of pedestrians.

(h) Policy, Legal and Regulatory Reforms.

The Parties have identified the following policy, legal and regulatory reforms and actions that the Government agrees to pursue, in some cases with MCC support, to reach the full benefits of the Abidjan Transport Project. Critical policy reforms focus on improvement of road maintenance oversight and finance, and addressing truck congestion in and around the Port.

The sustainability and the potential of the Abidjan Transport Project investments and interventions under this Compact rely on the Government's ability and dedication to provide appropriate funding and oversight for road maintenance. The lack of sufficient maintenance funding increases road agency and road user costs. To facilitate closing the funding gap in Côte d'Ivoire for road maintenance and reduce future road costs, the Government commits to adopt certain road maintenance reforms ("**Road Maintenance Covenants**"), as acceptable to MCC and that will be further defined in the Program Implementation Agreement:

Road Maintenance Covenants:

- The Government agrees that the funding allocated to *FER* is used for road maintenance in accordance with the Government's annual road maintenance prioritization and approved by the board of directors of *FER*; if the Government revises *FER*'s mandate, it agrees not to decrease *FER*'s road maintenance funding.
- The Government agrees to increase the funding allocated to *FER* and use it for maintenance, as provided under the PIA.
- The Government agrees to develop and adopt a plan to eliminate *FER*'s current debt (in bank and contractor loans) by the end of the Compact (without using additional *FER* revenue to repay that debt).
- *FER* may incur debt according to reasonable prudential ratios, as provided under the PIA.
- The Government agrees to increase the private sector and road user participation on the board of directors of *FER* to a minimum of 40 per cent prior to entry into force of the Compact and to a minimum of 50 per cent by the end of the Compact Term or as otherwise provided in the PIA, the selection of which will be completed in an open and transparent manner, with appropriate competence and expertise.
- The Government agrees to incorporate principles and skills from the Abidjan Road and Safety Prioritization Sub-Activity to national road maintenance planning and programming, as appropriate. This road maintenance planning will be prepared based on the ongoing condition evaluation and needs assessment on the national primary road network. To this end, the Government agrees to provide and update completed condition assessments of the primary road network on an annual basis.

- The Government agrees to provide professionally certified organizational, financial and technical annual audits to MCC within six months of the end of each Government's fiscal year during the Compact Term to permit verification of the status, and compliance, with the Road Maintenance Covenants memorialized herein.
- Within three months of Compact signature, the Government agrees to establish a traffic management working committee for Abidjan composed of relevant stakeholders to develop, manage, maintain and update a traffic management plan and agrees to enforce that traffic management plan with other donors and other Government agencies during the Compact Term.

The issue of unauthorized truck parking in the Port area is a risk to the investments and sustainability of the Abidjan Transport Project. To address both the short and long-term challenges of truck parking in the Port area, the Government commits to the following:

- *Short-Term Truck Parking.* The Government agrees to identify, dedicate, and develop the Truck Parking Area, adequate to relocate all trucks parked on the Boulevard du Port, Boulevard de Vridi, and Boulevard de Petit Bassam ("***Port Roads***") to permit the enforcement of the restriction of that truck parking. In order to ensure the viability of the Truck Parking Area as a short-term solution, the Government agrees to adopt restrictions and procedures and enforcement mechanisms to restrict the truck parking on the Port Roads during construction and defects liability periods under the Transport Infrastructure Activity. The Government agrees to provide the necessary personnel and budget for this truck parking enforcement, and assume the costs, including costs under the Compact, of non-enforcement.
- *Long-Term Truck Parking.* In case the TPLC Sub-Activity moves to Phase 2 to develop a parking and logistics facility, the Government commits to provide the required land with clean title for the TPLC PPP and that the PPP will meet environmental and social requirements acceptable to MCC, that may not include application of MCC's Environmental Guidelines.

For both Activities under this Project, MCA-Côte d'Ivoire agrees to develop, maintain and update as needed, to MCC's satisfaction, a quality assurance manual that is in conformance with ISO 9001 standards or equivalent ("***Quality Assurance Manual***") that will cover all aspects of design and construction quality assurance and control, including all policies and procedures such as, but not limited to, change management (changes in scope, variation orders, claims and amendments), contingency management, work planning, cost control management, document management and storage, quality management, environmental and social management, documentation requirements, and project activity technical audit schedules. The Quality Assurance Manual shall incorporate and adhere to the Program Guidelines and all other MCC oversight and reporting requirements and procedures (including fiscal, procurement, environmental, and legal), and will be developed with MCC Funding. The Government agrees to be responsible for costs that arise under the Compact from non-compliance with the Quality Assurance Manual.

C. IMPLEMENTATION FRAMEWORK

1. MCA-Côte d'Ivoire.

(a) Structure and Establishment.

The Government agrees to establish an accountable entity, MCA-Côte d'Ivoire, as a special independent entity. MCA-Côte d'Ivoire agrees to be the Government's primary agent responsible for exercising the Government's right and obligations to oversee, manage, and implement the Program and Projects. MCA-Côte d'Ivoire will not be under the control of any state controlling body and it will have operational and legal independence, including, *inter alia*, the ability to (i) enter into contracts in its own name; (ii) sue and be sued; (iii) establish a bank account in its own name; (iv) expend MCC Funding and any contributions from the Government; and (v) engage contractors, consultants and/or grantees, including, without limitation, procurement and fiscal agents. The Government agrees to include MCA-Côte d'Ivoire with respect to the Government's coordination of bilateral or multilateral development assistance projects related to the Program.

MCA-Côte d'Ivoire's internal operations will be governed by a formation decree ("**Ordinance**") issued by the President of Côte d'Ivoire, which will then be adopted by Côte d'Ivoire's National Assembly or such similar process. After its formation, MCA-Côte d'Ivoire agrees to adopt its bylaws. Both the Ordinance and bylaws will each be in form and substance satisfactory to MCC.

MCA-Côte d'Ivoire agrees to be administered, managed, and supported by the following bodies: (x) a board of directors (the "**Board of Directors**"); (y) a management unit; and (z) one or more Stakeholders' Committees (as defined below).

(b) Board of Directors.

The Board of Directors will have ultimate responsibility for the oversight, direction, and decisions of MCA-Côte d'Ivoire, as well as the overall implementation of the Compact. The Board of Directors will be comprised of eleven voting members, plus two or more non-voting members. Each member of the Board may be represented by an alternate ("**Alternate**"). Each Government Alternate will hold the position of *directeur du cabinet* or equivalent within their respective ministry. Each non-Government Alternate will hold a position as agreed between the Government and MCC. The voting members of the Board of Directors will include the following representatives:

- (i) Secretary General of the Presidency;
- (ii) Minister of National Education, Technical Training and Professional Formation;
- (iii) Minister of Transport;
- (iv) Minister of Economy and Finances;
- (v) Minister of Economic Infrastructure;
- (vi) Minister of Higher Education and Scientific Research;
- (vii) Minister of Environment;
- (viii) Representative of the Prime Minister, Minister of Budget and State Holdings; and
- (ix) Three (3) Representatives from the private sector and civil society.

In addition, MCA-Côte d'Ivoire's Director General and MCC's Resident Country Director in Côte d'Ivoire will serve as non-voting members of the Board.

The process of selecting the Board members will be agreed in writing by the Parties and will be consistent with the Governance Guidelines. The three representatives of the Board of Directors from the private sector and civil society will be selected according to terms and conditions identified in the Ordinance and bylaws. The Government acknowledges and agrees that both: (A) continuity of Board membership; and (B) authority of Board members to represent their respective ministry or organization, are each critical to fulfilling their duties and implementing the Program.

(c) Management Unit.

The management unit ("**Management Unit**") will report to the Board of Directors and be responsible for the administration and day-to-day management of MCA-Côte d'Ivoire, including contracting, program management, financial management, reporting, and monitoring and evaluation. The Management Unit will be led by a competitively recruited Director General ("**DG**") and include the following competitively recruited positions: (i) three (3) or more Deputy Executive Directors; (ii) Project Directors; (iii) Administration Director; (iv) Gender and Social Inclusion Director; (v) General Counsel; (vi) Environmental and Social Performance Director; (vii) Human Resources Manager; (viii) Monitoring and Evaluation and Economics Director; (ix) Private Sector Engagement Director; and (x) Procurement Director, and such other directors, officers and employees as necessary to enable the Management Unit to execute its role and responsibilities. The Management Unit will be selected after an open and competitive recruitment, without application of any national preference, and in accordance with the Governance Guidelines and the Program Implementation Agreement. The Management Unit may engage its personnel under a *contract à durée déterminée* that is renewable without limit that extends the length of the Compact Term and through the closure of the Compact.

(d) Stakeholders' Committee(s).

The Parties recognize the importance of establishing one or more stakeholders' committees, (each, a "**Stakeholders' Committee**"), both to promote transparency and ongoing consultation among Compact stakeholders, as well as to further the overall goals and objectives of the Compact. The Stakeholders' Committee will be identified and operated in accordance with procedures described in MCC's Governance Guidelines and the SEP. The Parties agree that: (a) MCA-Côte d'Ivoire agrees to regularly update the SEP; (b) MCA-Côte d'Ivoire agrees to ensure that each Stakeholders' Committee identified in the SEP will meet or engage in coordinated collaboration with MCA-Côte d'Ivoire on at least a semi-annual basis; (c) the SEP will provide MCA-Côte d'Ivoire's oversight and procedures for receiving, sharing and responding to feedback from and in collaboration with each Stakeholders' Committee identified in the SEP; and (d) MCA-Côte d'Ivoire agrees to provide regular updates regarding the SEP to its Board of Directors.

2. Implementing Entities.

Subject to the terms and conditions of this Compact, the Program Implementation Agreement and any other related agreement entered into in connection with this Compact, the Government

may engage one or more entities of the Government to implement and carry out any Project or Activity (or a component thereof) under this Compact (each, an ***“Implementing Entity”***). The appointment of any Implementing Entity will be subject to review and approval by MCC. The Government agrees to ensure that the roles and responsibilities of each Implementing Entity and other appropriate terms are set forth in an agreement, in form and substance satisfactory to MCC (each an ***“Implementing Entity Agreement”***).

It is envisioned that MCA-Côte d’Ivoire will provide additional management and coordination support to the Implementing Entities in their execution of, and coordination of the needs for, the Abidjan Transport Project. The additional support will include project related administration expenses and the procurement of technical services and engineering support and engagement of technical staff within the Implementing Entity.

3. Fiscal Agent.

Unless MCC agrees otherwise in writing, the Government agrees to engage a fiscal agent (a ***“Fiscal Agent”***), which will be responsible for assisting the Government with its fiscal management and assuring appropriate fiscal accountability of MCC Funding, and whose duties will include those set forth in the Program Implementation Agreement and such agreement as the Government enters into with the Fiscal Agent, which agreement will be in form and substance satisfactory to MCC.

4. Procurement Agent.

Unless MCC agrees otherwise in writing, the Government agrees to engage one or more procurement agents (collectively, the ***“Procurement Agent”***) to carry out and certify specified procurement activities in furtherance of this Compact. The roles and responsibilities of the Procurement Agent will be set forth in the Program Implementation Agreement or such agreement as the Government enters into with the Procurement Agent, which agreement will be in form and substance satisfactory to MCC. The Procurement Agent will adhere to the procurement standards set forth in the MCC Program Procurement Guidelines and ensure procurements are consistent with the procurement plan adopted by the Government pursuant to the Program Implementation Agreement, unless MCC agrees otherwise in writing.

5. Environmental and Social Oversight Consultant.

Unless MCC agrees otherwise in writing, the Government agrees to engage an environmental and social performance oversight consultancy firm (***“ESOC”***) to assist MCA-Côte d’Ivoire with the management of environmental and social performance related matters and capacity building during Compact implementation, which will be maintained through closure of the Compact, unless otherwise agreed in writing between the Parties. More specifically, the ESOC, among other responsibilities, will provide technical support to MCA-Côte d’Ivoire regarding environmental and social performance monitoring and mitigation, assist with the planning and implementation of any stakeholder engagement and public consultation, and provide training to MCA-Côte d’Ivoire staff, government officials and contractors on gender issues, health and safety, and environmental management.

6. Use of Freight Forwarders.

MCA-Côte d'Ivoire agrees to institute procedures to facilitate and assist any Provider or other person or entity that imports a good in furtherance of an agreement under the Compact (each an "**Importer**"). MCA-Côte d'Ivoire agrees to coordinate with the Government and freight forwarders or related agents in Côte d'Ivoire to ensure that contractors and consultants under the Compact may secure the importation of goods, quickly and for a fair, transparent and competitive fee. In furtherance of such, MCA-Côte d'Ivoire agrees to accomplish the following: (i) MCA-Côte d'Ivoire agrees to, either through an expression of interest or comparable competitive and transparent method, secure sample rates and fees from freight forwarders for a range of import services that will arise under the Compact, which rates and fees will be made available to Importers and will be updated on an annual basis; (ii) MCA-Côte d'Ivoire agrees to coordinate with the Government through its Ministry of Budget to communicate with Customs Service and the freight forwarders to ensure that the importation of goods under the Compact occurs in an efficient, fair, competitive and transparent manner; and (iii) MCA-Côte d'Ivoire agrees to institute a review process under which Importers and freight forwarders may raise or address in a timely manner any concerns or disputes related to the importation of goods under the Compact.

ANNEX II

MULTI-YEAR FINANCIAL PLAN SUMMARY

This Annex II summarizes the Multi-Year Financial Plan for the Program.

1. General.

A multi-year financial plan summary ("*Multi-Year Financial Plan Summary*") is attached hereto as Exhibit A to this Annex II. By such time as specified in the Program Implementation Agreement, the Government agrees to adopt, subject to MCC approval, a multi-year financial plan that includes, in addition to the multi-year summary of estimated MCC Funding and the Government's contribution of funds and resources, the annual and quarterly funding requirements for the Program (including administrative costs) and for each Project, projected both on a commitment and cash requirement basis.

2. Government Investment Commitments.

The Project descriptions under Annex I envision certain Government investments to ensure the feasibility and sustainability of the Compact. During the Compact Term, it is expected that the Government agrees to provide in-kind and financial contributions (including obligations of Côte d'Ivoire on any debt incurred toward meeting these contribution obligations). In connection with this obligation the Government agrees to develop a budget over the Compact Term to supplement MCC Funding through direct financial contributions toward expenditures of MCA-Côte d'Ivoire or as otherwise agreed between the Parties in writing.

The Government investment is anticipated to support the following:

(a) Skills for Employability and Productivity Project.

The acquisition of necessary land, teachers and administrators, on-going operational expenses for MCC-funded *collèges de proximité*, office space for MCA-Côte d'Ivoire's satellite offices in Gbêkê and San Pedro, all operational expenses related to the supportive supervisor activities, the inter-ministerial teacher training committee, the Gender Unit's operational expenses, field-operations of one or more national assessments, TVET accreditation for existing public and private TVET centers, operational subsidies for each PDC center, and TVET tracer studies; and

(b) Abidjan Transport Project.

Relocation of trucks along the Project sites and development of the short-term and long-term truck parking facilities, truck parking enforcement, tuition for participants of the Infrastructure Graduate Program, land for use by contractors for Compact-related activities during Compact implementation, and audits for *FER*.

To this end, the Government anticipates making complementary investments of up to at least US\$22,413,793 over the Compact Term.

EXHIBIT A TO ANNEX II
MULTI-YEAR FINANCIAL PLAN SUMMARY

(US\$)							
Component	CDF	Year 1	Year 2	Year 3	Year 4	Year 5	Total
1. Skills for Employability & Productivity Project							
1.1 Secondary Education	11,130,000	11,130,000	22,260,000	33,390,000	22,260,000	11,130,000	111,300,000
1.2 Technical and Vocational Education and Training	1,750,000	3,500,000	7,000,000	10,500,000	8,750,000	3,500,000	35,000,000
1.3 Project Management	3,500,000	1,020,000	980,000	980,000	980,000	1,190,000	8,650,000
Subtotal	16,380,000	15,650,000	30,240,000	44,870,000	31,990,000	15,820,000	154,950,000
2. Abidjan Transport Project							
2.1 Transportation Infrastructure	9,880,000	19,640,000	54,770,000	53,320,000	53,320,000	47,790,000	238,720,000
2.2 Transportation Management and Planning	5,200,000	10,310,000	13,830,000	10,310,000	7,770,000	6,200,000	53,620,000
Subtotal	15,080,000	29,950,000	68,600,000	63,630,000	61,090,000	53,990,000	292,340,000
3. Monitoring and Evaluation							
Subtotal	600,000	2,050,000	2,350,000	2,600,000	2,450,000	2,650,000	12,700,000
4. Program Management and Administration*							
Subtotal	12,230,000	9,390,000	9,500,000	9,770,000	10,080,000	13,780,000	64,750,000
GRAND TOTAL	44,290,000	57,040,000	110,690,000	120,870,000	105,610,000	86,240,000	524,740,000

* Program Management and Administration includes costs for MCA-Côte d'Ivoire administration, audit, the fiscal agent, and the procurement agent.

ANNEX III

COMPACT MONITORING & EVALUATION SUMMARY

This Annex III summarizes the monitoring and evaluation plan for this Compact ("**M&E Plan**"). The actual structure and content of the M&E Plan, which may differ from those specified in this Annex III, will be agreed to by MCC and the Government in accordance with MCC's *Policy for Monitoring and Evaluation of Compacts and Threshold Programs* (the "**MCC M&E Policy**"). In addition, the M&E Plan may be modified from time to time as described in the MCC M&E Policy without requiring an amendment to this Annex III. The M&E Plan will be posted publicly on the MCC Website and updated as necessary.

1. Objective

MCC and the Government agree to formulate an M&E Plan that the Government agrees to implement or cause to be implemented that explains in detail how and what MCC and MCA-Côte d'Ivoire will (a) monitor to determine whether the Projects are on track to achieve their intended results ("**Monitoring Component**"), and (b) evaluate to assess implementation strategies, provide lessons learned, determine cost effectiveness and estimate the impact of Compact interventions ("**Evaluation Component**"). The M&E Plan will summarize all indicators that must be reported to MCC on a regular basis, as well as a description of any complementary data to be collected for evaluation of the Program. The M&E Plan will also include any monitoring and evaluation ("**M&E**") requirements that MCA-Côte d'Ivoire must meet in order to receive Disbursements, and will serve as a communication tool so that MCA-Côte d'Ivoire staff and other stakeholders clearly understand the objectives and targets the MCA-Côte d'Ivoire is responsible for achieving. The results of M&E activities, measured by monitoring data and evaluations, will be made publicly available on the website of MCA-Côte d'Ivoire and on the MCC Website.

2. Program Logic

The M&E Plan will summarize the clearly defined Project-level logic models, which, for each Project, illustrate how the Activities and sub-activities (as necessary) contribute to the Project Objectives and Compact Goal. All logic models will clearly summarize the outputs, outcomes, and goals expected to result from the Program. A description of the logic underlying each Project is included below:

(a) Skills for Employability and Productivity Project.

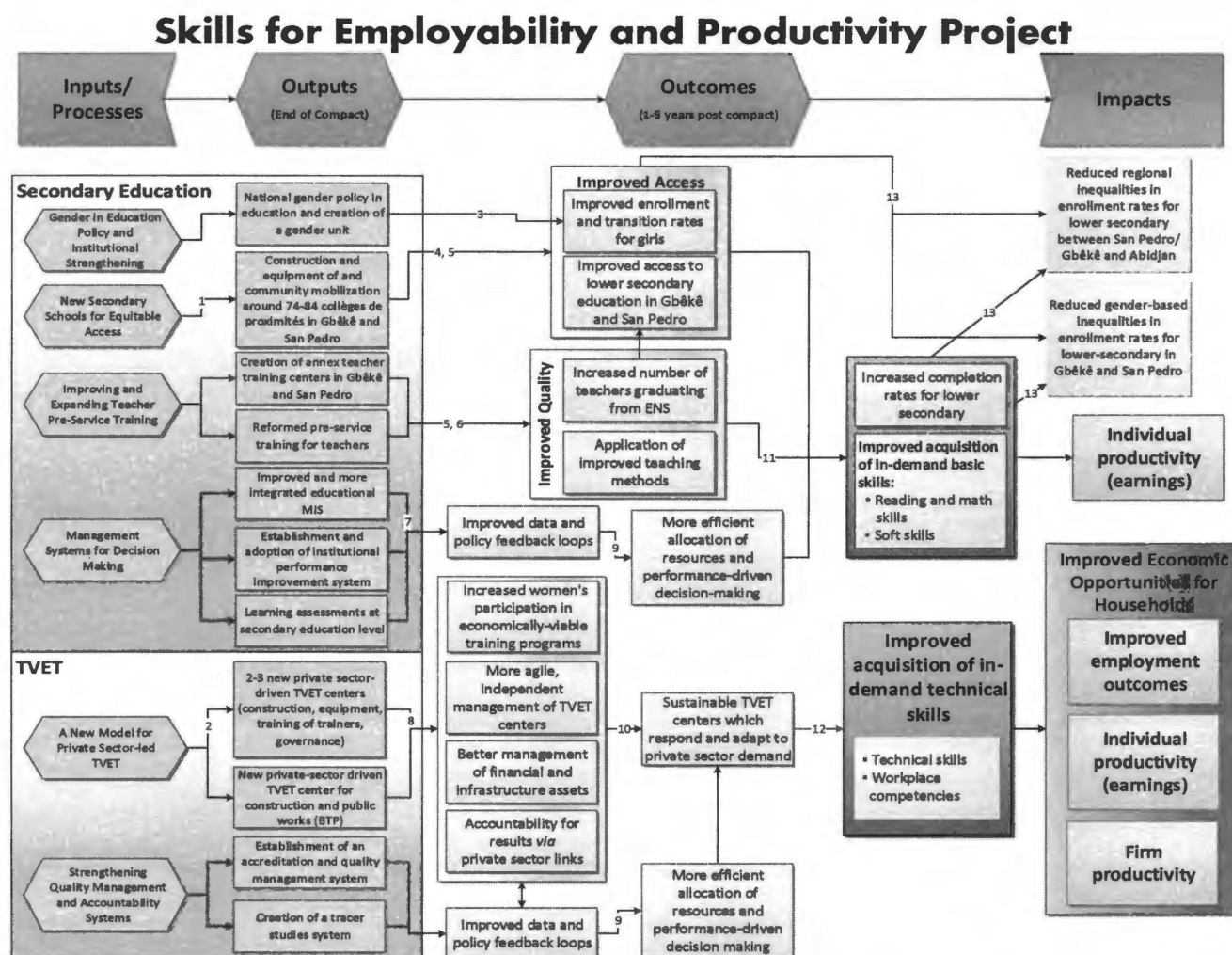
The objective of the Secondary Education Activity is to increase the number of years of schooling and improve the acquisition of in-demand basic skills, including reading, math, and soft skills. The Activity seeks to increase access to, and the quality of, lower secondary education, particularly in the target regions, by creating new lower secondary schools, improving training for teachers, and increasing the number of teachers. The Activity will particularly target the educational outcomes of girls by supporting the development and operationalization of the Gender Policy for education and building the capacity of a Gender Unit within the Ministry of National Education. In addition, improved management and data systems will support more

performance-driven decision-making and a more efficient allocation of resources. These combined investments are designed to result in improved acquisition of in-demand basic skills, increased completion rates for lower secondary students, and ultimately increased lifetime earnings for beneficiaries. The Activity will focus in the regions of Gbêkê and San Pedro and incorporates gender-related policy and institutional support in an effort to reduce regional and gender-based inequalities in enrollment rates for lower secondary education in these regions. The achievement of the outcomes cited above depend on a number of critical assumptions, as detailed in the table below.

The objective of the TVET Activity is to improve the acquisition of in-demand technical skills and increase job placement rates among graduates from the PDC centers. The TVET Activity will support the creation and operationalization of new private sector-driven PDC centers, which will contribute to more agile, independent management of those TVET centers, better management of financial and infrastructure assets, with an aim to increase women's participation in economically-viable training programs. In parallel, the Activity will seek to improve data and policy feedback loops, which will support more performance-driven decision-making and a more efficient allocation of resources. These combined investments are designed to improve acquisition of in-demand vocational/technical skills and improve employment outcomes for graduates of PDC centers, as a result of more sustainable TVET centers that better respond and adapt to private sector demand. These outcomes would, in turn, ultimately lead to increased lifetime earnings for beneficiaries and would potentially increase firm productivity. The achievement of the outcomes cited above depend on a number of critical assumptions, as detailed below following the program logic diagram.

A detailed Project logic diagram for the Skills Project, including key risks and assumptions (as numbered in the graphic and thereafter), is included below.

GRAPHIC 1 Risks and Assumptions for Skills Project



The M&E Plan will also outline key assumptions and risks that underlie the accomplishment of the theory of change summarized in the Program logic. However, such assumptions and risks will not excuse any Party's performance unless otherwise expressly agreed to in writing by the other Party. The known assumptions and risks for the Skills Project are set out in the list below. The numbers provided in the list correspond to the numbers in Graphic 1.

Corresponding Number

Risk/Assumption

1

Building as many schools as projected in the span of five years may severely challenge the capacity of construction firms in Côte d'Ivoire, potentially resulting in delays in the construction timeline, completion risks, or the construction of unsafe or incomplete structures.

- 2 Legal, budgetary, and/or regulatory changes may be required prior to the creation, and for the implementation of the proposed private-sector managed PDC centers.
- 3 The achievement of this outcome relies on the assumption that the Gender Unit will be appropriately staffed and funded post-Compact and the policies and practices in the national gender strategy for education will translate into material changes in the school environment for girls and the perceptions and realities associated with girls' education at the lower-secondary level, resulting in increased enrollment, attendance, and graduation rates for girls.
- 4 The achievement of this outcome relies on the assumption that the reasons for low enrollment are primarily supply driven (i.e. insufficient quantity of schools), that there will be sufficient demand by surrounding populations for lower secondary schools constructed under the Secondary Education Activity, and that the community mobilization investments will be sufficient to address demand-side factors that may influence families' decisions as to whether or not to send their children to school. In addition, the quantity and content of community mobilization efforts in the targeted communities will need to be appropriately scoped and designed so as to support the acceptance, use, and maintenance of the new lower secondary schools, as well as the key outcomes of the Activity.
- 5 The Secondary Education Activity proposes several covenants and conditions precedent related to post-Compact funding for the lower secondary schools and *ENS* satellite campuses created by the Activity. However, the Government's broader plan to construct a significant number of additional secondary schools will require commensurate increases in spending on operations and maintenance ("*O&M*") and teacher salaries, among other operational expenses. This raises the risk that the Government, faced with significant increases in education expenditures, will not have sufficient resources to meet its post-Compact obligations for the Activity.
- 6 The achievement of these outcomes relies on the assumption that the *ENS* will develop an O&M plan and allocate sufficient budget for O&M and other operational expenditures for the two satellite campuses created by the Activity.
- 7 The achievement of this outcome relies on the assumption that the Integrated EMIS system will be maintained and regularly updated post-Compact.
- 8 The ability and capacity of the private sector to manage the PDC centers, to provide complimentary financing, and to appropriately anticipate and adapt to the changing skills needs of the Ivorian labor market remain key risks.
- 9 The achievement of this outcome relies on the assumption that better quality and more reliable data – combined with institutional support – will be used to

inform decision-making in a material way and lead to changes in how funding is allocated.

- 10 The achievement of this outcome relies on the assumption that the Government agrees to continue to provide appropriate subsidies to the PDC centers post-Compact and that the private sector operators will have sufficient revenue sources for operating the centers, and will make needed investments in O&M, other operational expenditures, and periodic updating of equipment.
- 11 The current pipeline of secondary school teachers is insufficient to meet actual and future projected needs, especially in light of the Government's plans to expand secondary schooling. While the Teacher Training Sub-Activity aims to increase the supply of qualified teachers, there is a risk that the stock of teachers may still be too low to meet demand in the targeted regions.
- 12 The current pipeline of qualified students into the PDC centers is a key risk, given the low secondary school completion rates in Côte d'Ivoire.
- 13 The achievement of these outcome relies on the assumption that the Activity will achieve a sufficient level of saturation in the targeted regions to impact enrollment rates for each of the regions.

(b) Abidjan Transport Project.

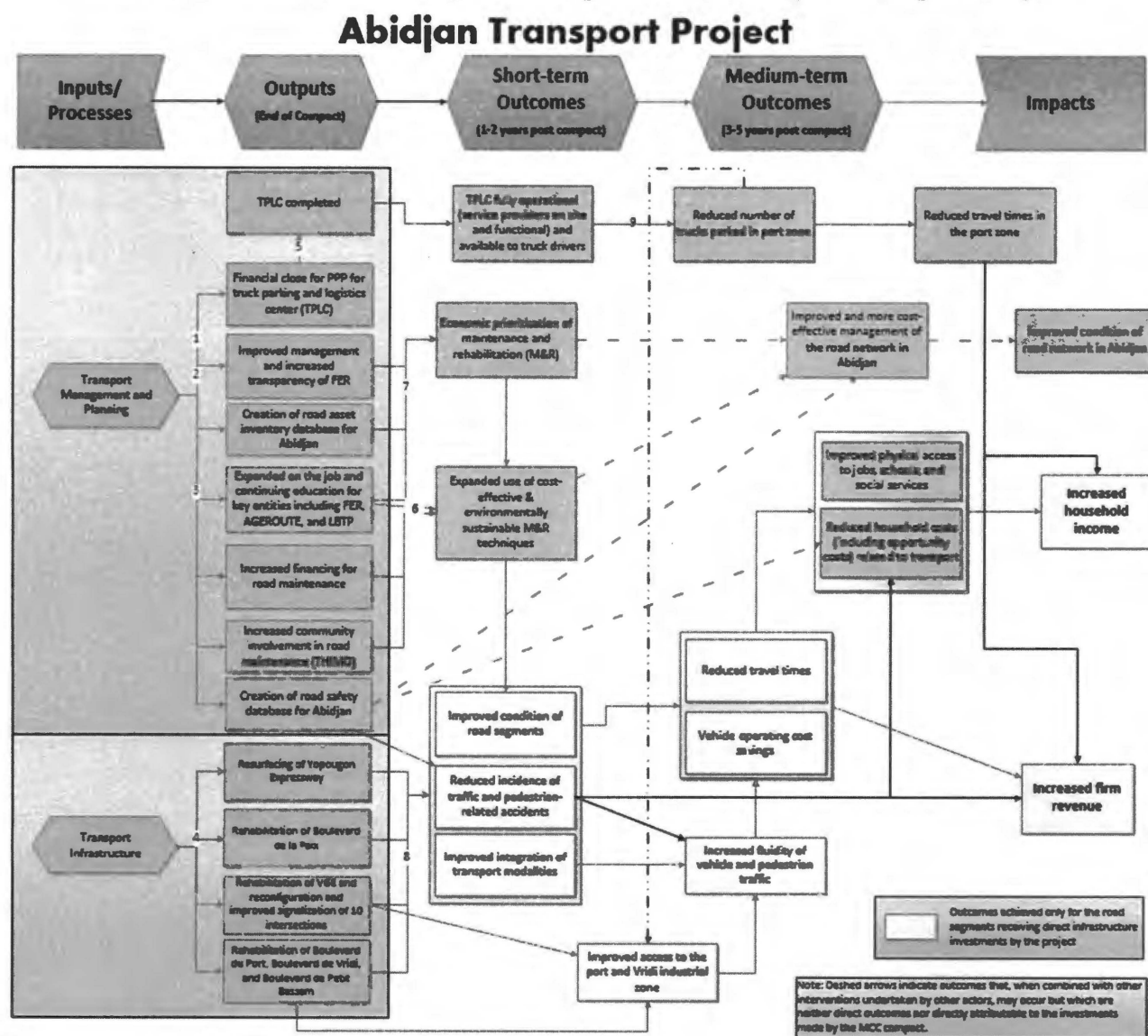
The objective of the Abidjan Transport Project is to reduce vehicle operating costs and travel times along the targeted road segments, while improving overall pedestrian and vehicle mobility and safety. The Transport Management and Planning Activity will undertake a number of investments designed to increase funding for, and improve the management and planning of, road investments and maintenance, resulting in the expanded use of cost-effective and environmentally sustainable maintenance and rehabilitation techniques ("*M&R*"), and the economic prioritization of M&R to maximize benefits and minimize life cycle costs. These outcomes will contribute to the long-term sustainability of the planned infrastructure investments under the Project and, in conjunction with future investments by the Government and other donors, may contribute to improving the condition and traffic flow of the road network in Abidjan; however, these broader Abidjan-wide outcomes are neither direct outcomes of nor directly attributable to the Compact investment.

Separately, the Transport Management and Planning Activity aims to bring to financial close a PPP agreement for a truck parking and logistics center to be constructed on the outskirts of Abidjan, which could contribute to reducing the number of trucks parked in the Port zone and travel times in and around the Port. The decision to proceed with the procurement and financial close of a PPP will be contingent on additional studies that will assess, among other issues, actual and projected demand, feasibility, commercial viability, similar investments planned by other donors and/or the Government, and PPP options. The achievement of the outcomes cited above depend on a number of critical assumptions, as detailed following the Project logic diagram.

In parallel, the Transport Infrastructure Activity will undertake road infrastructure investments designed to improve the condition of the targeted road segments, reduce the incidence of traffic and pedestrian-related accidents, and improve the integration of transport modalities. These investments will, in turn, increase the fluidity of vehicle and pedestrian traffic, reduce vehicle operating costs and travel times along the targeted road segments, and increase firm revenue. The reduction in vehicle operating costs and travel times combined with the reduced incidence of traffic and pedestrian-related accidents will also reduce household costs related to transport and improve physical access to jobs, schools, and social services, resulting in increases in household income. The achievement of the outcomes cited above depend on a number of critical assumptions, as detailed following the program logic diagram.

A detailed Project logic diagram for the Abidjan Transport Project, including key risks and assumptions (as numbered in the graphic and thereafter), is included below.

GRAPHIC 2 Risks and Assumptions Graphic for the Abidjan Transport Project



The known assumptions and risks for the Abidjan Transport Project are set out in the list below. The numbers provided in the list correspond to the numbers in Graphic 2.

Corresponding Number	Risk/Assumption
1	The decision to proceed with the procurement and financial close of a PPP will be contingent on additional studies that will assess, among other, actual and projected demand, feasibility, scope, commercial viability, similar investments planned by other donors and/or the Government, and PPP options.
2	The achievement of this output relies on the assumption that road user participation in the board of directors for <i>FER</i> is increased and that this change will be sufficient to improve the management and transparency of <i>FER</i> .
3	<p>The ability of the Activity to increase funding for road maintenance relies largely on the successful enforcement of the covenants and conditions precedent related to the allocation of additional funding to <i>FER</i> and that <i>FER</i> eliminates its debt.</p> <p>There has been significant investment in large infrastructure works in Abidjan in recent years. Some anecdotal evidence indicates that communities are increasingly hostile to large infrastructure works, which could result in protests and/or disruption of works. As part of Compact CDF, for each of the proposed infrastructure components, the Transport Management and Planning Activity will identify, assess, and quantify the potential risks to the Activity and develop, as necessary, commensurate risk mitigation strategies, which may include social infrastructure for surrounding communities.</p>
4	The achievement of these outputs (i.e. rehabilitation of Boulevard du Port, Boulevard de Vridi, and Boulevard de Petit Bassam) requires, at a minimum, 1. the temporary removal of trucks currently parked on and alongside these roads and 2. the development of a traffic management system during construction, as several international donors will be engaged in road construction simultaneously. To directly address Risk 1, MCC and the Government agree to jointly identify a location in or near the Port zone to which these trucks may be temporarily relocated. Risk 2 will be addressed with the development of a traffic management system for affected roads (i.e. rehabilitation of Boulevard du Port, Boulevard de Vridi, and Boulevard de Petit Bassam, Boulevard VGE, Boulevard de la Paix, Yopougon Expressway).
5	The completion of the TPLC will be contingent on the identification of an appropriate private sector partner who is willing and able to make the necessary investments in accordance with the conditions established by the Project.
6	The achievement of this outcome relies on the assumption that improved training and expertise at the Roads Agencies and increased road user representation on the <i>FER</i> board of directors will be sufficient to result in improved economic prioritization of maintenance and rehabilitation, irrespective of other factors that

influence budgeting and decision-making for road investments (e.g., political imperatives, incentives of various actors, challenges of changing policies, practices, and behaviors at an agency and institutional level, etc.)

7 In addition to infrastructure improvements designed to improve safety (e.g., pedestrian walkways, crosswalks, etc.), the Transport Management and Planning Activity will include a road safety and community engagement component designed to improve public awareness of and compliance with traffic laws. The assumption is made that these investments will result in behavior change among drivers and pedestrians.

8, 9 The achievement of these outcomes relies on the assumption that trucker drivers will be properly incentivized to use the TPLC and that the TPLC will capture a significant number of the truck drivers who currently park in and around the Port.

3. Projected Economic Benefits and Beneficiaries

3.1 Economic Benefits

Cost-benefit analysis (“CBA”) is completed to calculate an economic rate of return (“ERR”) and determine the cost effectiveness of MCC investments. A threshold of 10% is typically used to inform investment decisions. The table below provides a summary of the estimated ERRs across the two Projects. The text following the table describes the general methodology and logic of the CBA model, key benefit streams, costs, assumptions, etc., for each of the calculated ERRs.

TABLE 1 Summary of the Estimated ERRs

Project/Activity	Estimated Economic Rates of Return
Skills for Employability and Productivity Project	10.6%
Secondary Education Activity	11.5%
New Secondary Schools for Equitable Access Sub-Activity	11.6%
Improving and Expanding Teacher Training Sub-Activity	21.6%
Gender in Education Policy and Institutional Strengthening Sub-Activity	No ERR Calculated*
Management Systems for Decision-Making Sub-Activity	No ERR Calculated*
The Technical and Vocational Education and Training Activity	6.8%** Preliminary ERR
Abidjan Transport Project	22.6%
Transport Infrastructure Activity	22.6%
Transport Management and Planning Activity	No ERR calculated*

* No ERR was calculated for these sub-activities either due to limited data available, the early stage of Project design, or the intervention does not lend itself to this type of analysis.

** This ERR is based on preliminary analysis using limited available data; all PDC centers should have an ERR at or above 10% before MCC will approve an investment.

(a) Skills for Employability and Productivity Project.

The Skills Project consists of two Activities, with a total of four sub-activities for the Secondary Education Activity and two sub-activities for the TVET Activity. Based primarily on the Project's logic and the intended beneficiaries, three CBA models were developed – for the Equitable Access Sub-Activity, the Teacher Training Sub-Activity, and the TVET Activity. There are five ERRs presented here, including two additional aggregate-level ERRs for the Secondary Education Activity and the overall Skills Project. There were no ERRs calculated for two sub-activities (Gender Policy Sub-Activity and Management Systems Sub-Activity) that proved difficult to model given their scope and the data available, but their costs are included in the overall Skills Project ERR. Using the best available data at this time, the expected ERR for the entire Skills Project is 10.6%.

The text that follows outlines the economic analysis for each of the three main ERRs calculated.

(i) New Secondary Schools for Equitable Access Sub-Activity.

The CBA model for the Equitable Access Sub-Activity is based on the Project logic that constructing new lower secondary schools will increase access to education in two regions of the country, Gbêkê and San Pedro, leading to improved transition rates from primary to secondary school, and ultimately more years of schooling, which will result in higher lifetime incomes for the students of these schools. The community mobilization component would incorporate community participation through each step of the process with the aim of designing and implementing an intervention that meets their needs and promotes greater sustainability of the investment. As this latter component has not yet been designed, it has not been included in the benefits of this sub-activity and only the associated costs. The CBA model for this sub-activity aims to include all anticipated costs, whether incurred with funding provided by MCC, other donors or the Government.

The potential beneficiaries of this sub-activity are those students who attend and graduate from new *collèges de proximité* in the regions of Gbêkê and San Pedro. The main benefit stream is the increase in (incremental) lifetime earnings for those students who obtain additional years of schooling. Therefore, key drivers for the ERR estimate are the average annual earnings of graduates of the *collèges de proximité*, in particular, and this estimate relative to the annual earnings of primary school graduates. The most likely counterfactuals (“without” Project scenario) are that without a lower secondary school in close proximity the students would have either finished their schooling with the completion of primary school, which is particularly true for females, or would have transitioned to lower secondary school but incurred additional costs (time, fees, transport costs, unable to support family business, etc.) to attend school.

The most likely ERR for the Equitable Access Sub-Activity is 11.6%. There is some level of uncertainty in the estimates of the model's key parameters due to limitations of the available data. Uncertainty is assessed through completing sensitivity analysis based on a modeling technique known as Monte Carlo simulations. The results indicate that the 80% confidence interval for the ERR is from 9% to 14%, and there is an 82% probability that the ERR is above 10%, the typical threshold applied by MCC.

With respect to uncertainty, there is a risk that the demand for education and the schools may be lower than expected in the target areas. Additional demographic and school-related (enrollment rates, dropout rates, etc.) data is forthcoming from several upcoming data collection efforts, but detailed data was not available for this initial economic analysis. In the absence of this data the CBA model assumes that schools will quickly reach their capacity of 40 students per classroom. This appears to be a reasonable assumption based on the experience of other donors and the commitment of MCC and the Government to complete due diligence in order to strategically place schools within these regions and to work with communities to understand and address their limitations to continuing with school.

Additionally, the model relies on the assumptions that each *collège de proximité* constructed under this sub-activity will receive the necessary O&M required to maintain the life of this infrastructure investment. Although this has not been fully built into Project design, the expected costs to maintain the schools constructed during the Compact have been incorporated into the model and it is necessary to reach the full potential of benefits. Lastly, recruiting and retaining teachers for all necessary subjects for new schools within these two regions is required to meet the full potential of benefits captured by the ERR estimate. There is some indication that it could be difficult to recruit individuals to teach in more remote locations or remain in those locations, and there is already a shortage of teachers in certain subjects. This is being considered, but will need to be further incorporated into the detailed Project design.

(ii) Improving and Expanding the Teacher Training Sub-Activity.

The CBA model for the Teacher Training Sub-Activity is based on the Project's logic of producing higher quality teachers at the lower secondary level by improving pre-service teacher training, such that it is more closely aligned with the school curriculum and focuses more on key pedagogical and practical training to prepare teachers for the job. Additionally, the creation of two satellite campuses in Gbêkê and San Pedro will increase the flow of higher quality teachers into the education system. The counterfactual (without Project scenario) adopted is that the schools would continue to have teachers with the current (lower) skillset.

It is important to note that in this sub-activity the teachers are participants in an MCC-funded intervention, but their eventual students are the potential beneficiaries. Therefore, teachers are seen as similar to an improved input to the education system that will produce a greater quality of education for their students.

The CBA model aims to include all anticipated costs, whether incurred with funding from MCC, other donors or the Government. The economic analysis includes two main benefit streams:

- Improved student learning outcomes as a result of increased teacher knowledge of curriculum material and methods for teaching that material.
- Increased future earnings resulting from improved student learning outcomes.

The most likely ERR for the Teacher Training Sub-Activity is 21.6%. However, the available literature and data limits our certainty in quantifying and monetizing the above mentioned benefit streams. The most influential parameter on the variance of the ERR calculation is the average increase in future incomes, followed by the average effect size on student learning

outcomes. Although there is a demonstrated linkage between teacher training and improvement in student learning outcomes, the literature on evaluations of pre-service teacher training programs is virtually non-existent, and the exact relationship between improvements in student learning and higher wages is unclear. Uncertainty is assessed through completing sensitivity analysis based on a modeling technique known as Monte Carlo simulations. The results indicate that the 80% confidence interval for the ERR is from 16% to 26%, and there is a 99% probability that the ERR is above 10%, the typical threshold applied by MCC.

Additionally, a key driver of the CBA model is the flow of student teachers through the *ENS* training centers. Unlike one-time, in-service teacher training projects, this investment has the potential to produce hundreds of student teachers each year, graduating and joining the workforce. The model tracks 20 cohorts of these trained teachers and 20 cohorts of their eventual students. Therefore, the benefit streams are reliant on a commitment of the Government to recruit, retain, and fund training center personnel, including training of the trainers, and fund necessary O&M for the facility to run effectively for 20 years. These costs have been included in the model.

There is a clear connection between this and the Equitable Access Sub-Activity CBA model, given the reported shortage of lower secondary school teachers in math and science and the expected increase in the demand for teachers with the expansion of schools at this level. While these two sub-activities will work closely together to ensure teachers are in MCC-funded schools when they open, not all teachers in these schools will be new *ENS* graduates. Additionally, the Teacher Training Sub-Activity is at a national level and will train far more teachers than the MCC-funded schools need, supporting the inflow of teachers throughout the country. Therefore, there will be an overlap in potential beneficiaries that attend an MCC-constructed school and have a newly trained teacher, but the majority of potential beneficiaries will receive one or the other. The Teacher Training Sub-Activity provides benefits focused on gains in education quality, while the newly constructed schools produce benefits focused on additional years of schooling, as described below. Therefore, separate models and separate ERR calculations are required.

(iii) Technical and Vocational Education and Training Activity.

The CBA model for the TVET Activity is based on the Project's logic that the new TVET PDC model would be more responsive to private sector needs by providing skills that are in demand, leading to increased job placement rates and lifetime earnings for the graduates of MCC-supported TVET centers. The TVET Activity is examined in three parts: (a) the costs of the TVET Quality Management and Accountability Sub-Activity are included in the model but does not generate separate benefits, (b) the proposed BTP PDC center investment, and (c) the remaining PDC center investments made through the grant facility, with both (b) and (c) under the New Model for Private Sector-Led TVET Sub-Activity. The analysis for (b) and (c) are completed separately and then ultimately combined to produce an Activity-level ERR.

The CBA model for this Activity aims to include all anticipated costs, whether incurred by MCC, other donors, the private sector or the Government. The *main benefits streams* are that graduates of the MCC-supported PDC centers would obtain higher future earnings and a higher

probability of employment due to improvements in the quality and relevance of the new training centers.

As seen in the table above, the ERR for this Activity is below 10%, MCC's typical threshold. Unlike the other two models presented above, this is still considered a preliminary ERR. At the time of this initial economic analysis it has been difficult to calculate an ERR that reflects the potential returns on this investment with a reasonable degree of certainty. This is due to high levels of uncertainty resulting from the intervention's scope and stage in design, and the reliability of the data used to estimate key parameters. Additional ERRs will be calculated for each PDC center, including the BTP center, before each MCC PDC-investment is made. This will help to ensure that MCC is investing in a cost-effective project.

Two of the key drivers of the model are focused around the counterfactual: What the student would have done in the absence of Compact-funded TVET centers and the estimates of potential wages "with" and "without" the Project. The counterfactuals adopted for this analysis fall into two categories: (1) current TVET centers do not provide this training (either in the field, career, course or level) and (2) current TVET centers provide this training but it is of a lower quality, which results in lower rates of employment, particularly in their field of study, and lower wages in comparison to Compact-funded TVET centers. This dichotomy is then tied to whether students would have stopped their schooling at the lower level of education/training or whether they would have continued their schooling but in another field of study. There is extremely limited evidence and data available to inform the split between these two counterfactuals, particularly for those centers to be funded through the grant facility, but also for the pre-identified BTP center. For the BTP center, additional design work is required to determine the specific programs and degrees that will be offered.

Wage and employment data on those that are currently graduating from a TVET or related center or working in the BTP sector with a similar job title are limited and contradictory. Of the multiple sources of data available the range of possible wage estimates remains large, and there is no clear overlap to draw on in order to develop a reliable estimate for the "with" or "without" Project scenario.

The size of the graduating cohort is a key parameter that significantly influences the ERR estimate. It is difficult to develop appropriate estimates for this parameter without definition of the economic sectors of the planned PDC centers or the specific programs and levels of degrees to be offered. Additionally, in Côte d'Ivoire, only 12% of the population obtains a high school diploma and 33% completes lower secondary. This limits the potential supply of students into the proposed PDC centers. The cohort numbers need to be informed both by the potential demand of the private sector and the feasibility of finding a sufficient number of students that meet the necessary minimum requirements for a given degree and are interested in the field of study offered by the PDC center. This information has not been obtained yet.

Lastly, within the context of the key drivers mentioned above, it will be critical to minimize the costs of each center. While the cost of a center will depend on the specific economic sector and equipment required to provide the relevant training, the number of students per cohort and the income differential between the "with" and "without" project will need to justify those costs.

The results of this preliminary analysis on the proposed PDC centers highlight a significant risk that the final detailed design of the Activity may not meet MCC's investment criteria. As such, MCC agrees to work closely with Côte d'Ivoire to obtain additional data before entry into force of the Compact. Additionally, there is agreement to adjust investments within this Activity with the aim of designing a cost-effective Activity that obtains an ERR at or above 10%.

Outlined below are additional considerations and potential risks beyond those captured in the model, as well as proposed mitigation strategies:

- PDC Grant Facility.

- Risk: Based on the information available, it is not entirely clear if the private sector has the demand and commitment required to play a key role in the new TVET centers. Through the call for ideas and outreach to the private sector, there appears to be interest in investing in training centers under this new model. Nevertheless, one cannot know for sure until the call for proposals is launched and the panel has reviewed the proposals. If there is insufficient interest from the private sector or few high-quality proposals that meet MCC's investment criteria then this would provide learning on the strength/dynamism of the private sector and the country's readiness for this type of approach.
- Mitigation: The PDC Grant Facility is required to apply MCC's investment criteria when selecting grantees. This will be outlined in detail in the grants manual for the PDC Grant Facility. Additionally, before the final selection of grantees the sectors of investment will be reviewed to ensure that they do not infringe on MCC's *Policy on Loss of Jobs or Production*.

- BTP PDC Center.

- Risk: An initial proposal for a PDC center in the BTP sector does not meet MCC's investment criteria. However, the Project design is still in an early stage.
- Mitigation: Additional economic analysis is required before a final design of this center is approved. This will include, but is not limited to, detailed cost estimates associated with the center, identification of specific programs and degrees that are demanded by the private sector, projected supply of incoming students and a plan for recruiting. An ERR will be recalculated to inform the design of this center and ensure that it meets MCC's investment criteria.

- (b) Abidjan Transport Project.

Six CBA models were produced for the Transport Investments under the Transport Infrastructure Activity. The ERR exceeded 20% for each investment, producing an estimated present value of benefits of nearly \$562 million and an estimated net present value of \$361 million USD in 2019.

- (i) Transport Infrastructure Activity.

The benefits of the Transport Investments were modeled using the Highway Development and Management 4 (HDM-4) software. HDM-4 estimates economic benefits by calculating the consumer surplus accruing to road users as a result of vehicle operating cost savings and time savings due to road improvements.

Vehicle operating cost savings were the primary benefit stream for each road segment. As roads deteriorate, they impose increasing wear and tear on vehicles, increasing their maintenance costs. By switching to high performance asphalt or concrete roads, the road surface deteriorates much more slowly, reducing vehicle maintenance costs over the counterfactual scenario.

The time savings modeled through HDM-4 are also related to pavement deterioration. As road conditions grow worse in the counterfactual, road speeds continually decrease, adding travel time to each trip. Each Transport Investment improves and should extend the longevity of the road, reducing time losses.

For the *Boulevard VGE*, an additional benefit of time savings was modeled outside of HDM-4 to capture the reduced congestion from improved intersections and signalization. Traffic was simulated at each intersection using Synchro, a traffic analysis, optimization, and simulation software, which results in estimates of with- and without-Project wait times at each intersection. This was converted to a benefit stream by multiplying the time saved by road users' economic value of time.

The *Boulevard VGE* intersections also contributed road safety benefits for drivers, passengers and pedestrians. By redesigning the intersections, limiting turns in certain spots and adding crosswalk islands, the activity will reduce road users' exposure to danger. This is expected to lead to a reduction in the frequency of fatal accidents, accidents causing injury and accidents that cause property damage only.

The CBA models include all investment costs, along with any costs associated with additional maintenance of the roads. The Transport Activity costs were based on the costs estimated in the multiyear financial plan. In addition, a cost-weighted share of Compact administration costs and M&E costs were added to each CBA model. Additional maintenance costs were estimated based on routine maintenance costs compared against maintenance costs incurred under the counterfactual scenario.

While vehicle operating costs and time savings are the immediate microeconomic benefits of the Project, the Project will also contribute to the economy of Côte d'Ivoire by improving access to jobs, goods and social services. These second-order effects are part of the larger narrative of relieving the binding constraint of the movement of goods and people, although these effects are not typically captured in a CBA.

(ii) Transport Management and Planning Activity.

ERRs were not estimated for the Transport Management and Planning Activity. The Abidjan Road and Safety Prioritization Sub-Activity proved to be difficult to model due to limited data. The Infrastructure Graduate Education Sub-Activity has some objectives that could be monetized, but they would be difficult to attribute solely to MCC through the Project logic. At

this time, insufficient details are available to estimate an ERR for the Truck Parking and Logistics Center Sub-Activity, although one will be calculated prior to finalization of any PPP.

3.2 Beneficiaries

The M&E Plan will define in detail the persons or entities expected to benefit from the Program. Beneficiary analysis is an extension of the CBA completed to estimate the ERR and seeks to disaggregate the total increase in income to determine specifically which segments of society will benefit from the Compact Projects and Activities. MCC considers beneficiaries¹ of Projects and Activities to be those people who experience better standards of living as a result of the Project or Activity (as the case may be) through higher real incomes. The expected beneficiaries of this Compact are shown in the following table:

TABLE 2 Expected Beneficiaries of Compact

Project/Activity	Estimated Beneficiaries
Skills Project	2.8 million
Abidjan Transport Project	8.8 million
Total	11.3 million*

*There is some anticipated overlap in beneficiaries across the two projects so the beneficiaries cannot simply be added together to estimate total compact beneficiaries.

The Compact is expected to benefit at least 11,300,000 people over 20 years, broken out across the Projects as outlined below. For definition purposes it is important to note that not all MCC Project participants will necessarily become beneficiaries. Beneficiaries realize improved standards of living as a result of Compact investments, which is measured by increases in household incomes. While MCC often focuses on an individual participant, beneficiaries include all members of any household where at least one individual has an increase in income and then adjusts for any potential double counting. The beneficiaries for the Projects were calculated as follow:

The Skills Project, after adjusting for any potential double counting, is expected to benefit up to 2,800,000 individuals over 20 years. The beneficiaries differ across the CBA models for the Equitable Access Sub-Activity, Teacher Training Sub-Activity, and TVET Activity, as explained in sub-sections 3.1(a)(i)-(iii) above.

- The Teacher Training Sub-Activity will produce lower secondary teachers that serve in schools nationwide, providing potential benefits to their students and the students' households throughout the country. Therefore, the teachers are participants in an MCC-funded Project and the students and the members of their household are the potential beneficiaries.
- Beneficiaries of school construction under the Equitable Access Sub-Activity will be focused in only two regions (Gbéké and San Pedro). There is likely to be small overlap

¹ As used in this Compact, the term "beneficiary" has the meaning described in MCC's *Guidelines for Economic and Beneficiary Analysis*.

between beneficiaries for this and the Teacher Training Sub-Activity, but it is accounted for in the final beneficiary estimates above. Given that schools will be located in rural and peri-urban areas the beneficiaries are thought to be students from non-urban environments and likely to be from lower income households. There is also an expectation that girls will benefit more than boys from this sub-activity, but given beneficiaries are measured at the household level this is likely to even out overall.

- The TVET Activity is expected to benefit primarily those in Abidjan with up to a quarter of graduates in San Pedro. Given the level of education that will be required to enter many of the programs offered by the TVET centers, there is a high likelihood that beneficiaries will not fall into the lowest income categories and that women will not be well-represented. The intervention seeks to incorporate incentives, policies, etc. into the more detailed Project design to explicitly target women and individuals from vulnerable and/or lower income communities.

The Abidjan Transport Project investments, for the purposes of beneficiary analysis, are broad-based, which spread benefits over a large population instead of targeting specific groups of beneficiaries. Due to the geographic centrality and high traffic volumes of the proposed road segments (27,000 to 85,000 vehicles per day), the entire population of Abidjan is considered beneficiaries. Given such and Abidjan's population growth, the Abidjan Transport Project is expected to benefit nearly 8,800,000 people over 20 years. Because approximately 300,000 Skills Project beneficiaries are expected to be Abidjan residents, they have been deducted from the total number of Compact beneficiaries to avoid double counting.

The M&E Plan will clearly outline key assumptions and risks that underlie the accomplishment of the theory of change summarized in the Program logic. However, such assumptions and risks will not excuse any Party's performance or obligations otherwise provided in the Compact.

The known risks and assumptions for the Projects have been listed above, directly below their respective Project logics. Additionally, several other risks and assumptions related to the theory of change and the economic analysis have been listed above within the descriptions of the CBA models. Outside of the specific risks and assumptions associated with a Project, Activity or sub-activity there are also overarching systemic risks. There is a significant level of Government commitment, in terms of the dedication of financial, political and human resources, that will be required to complete the components of each Project, Activity and sub-activity outlined in the Compact. There is also a set timeframe within which to complete all of this work. Therefore, there is an inherent completion risk that would impact the Program's ability to reach the overall goal and objectives of the Compact. MCC and the Government agree to work together to mitigate these risks and address them in a timely manner so as to reduce their likelihood of occurring and their ultimate impact.

4. Monitoring Component

As defined in the MCC M&E Policy, monitoring is the continuous, systematic collection of data on specified indicators to provide indications of progress toward objectives and the achievement of intermediate results along the way. To monitor progress toward the achievement of results of this Compact, the Monitoring Component of the M&E Plan will identify (i) the Indicators (as

defined below), (ii) the definitions of the Indicators, (iii) the sources and methods for data collection, (iv) the frequency for data collection, (v) the party or parties responsible for collecting and analyzing relevant data, and (vi) the timeline for reporting on each Indicator to MCC. It should be noted that some indicators will continue to be tracked after the Compact Term, as necessary.

4.1 Goal, Outcome, Output, and Process Indicators

The M&E Plan will measure the results of the Program using quantitative, objective, and reliable data ("**Indicators**").

- (a) The M&E Plan will establish baselines for every Indicator (each a "**Baseline**"). An Indicator's Baseline should be established prior to the start of the corresponding Project, Activity and/or sub-activity. Baselines demonstrate that the problem can be specified in measurable terms, and are thus a pre-requisite for adequate intervention design. The Government will collect Baselines on the selected Indicators or verify already collected Baselines where applicable.
- (b) The M&E Plan will establish a benchmark for each Indicator that specifies the expected value and the expected time by which the result will be achieved ("**Target**").
- (c) The M&E Plan will indicate which Indicators will be disaggregated by gender, income level, age, beneficiary types, and other relevant characteristics to the extent practical and applicable.
- (d) MCC's Common Indicators (as described in the MCC M&E Policy and related MCC Guidance on Common Indicators) will also be included as relevant.
- (e) Subject to prior written approval from MCC and in accordance with the MCC M&E Policy, the Government may add Indicators or refine the definitions and Targets of existing Indicators.
- (f) MCA-Côte d'Ivoire must report to MCC on monitoring Indicators in the M&E Plan on a quarterly basis using an Indicator Tracking Table ("**ITT**") in the form provided by MCC. No changes to Indicators, Baselines or Targets may be made in the ITT until the changes have been approved in the M&E Plan. Additional guidance on Indicator reporting is contained in MCC's *Guidance on Quarterly MCA Disbursement Request and Reporting Package*.

Key Indicators that can be reported on at least an annual basis will be included in quarterly monitoring indicator reports, while Indicators that require survey data or a longer time period to track will be tracked for evaluation purposes. The M&E Plan will contain the monitoring Indicators listed in the following tables:

TABLE 3 Skills for Employability and Productivity Project Monitoring Indicators

Result	Indicator	Definition	Unit	Baseline	Compact Target
Outcome Indicators					
Increased completion rates for lower secondary school	Completion rates for students in MCC-supported lower secondary schools	The completion rate, calculated as the number of students who complete the highest grade (year) as compared to those who initially enroll, for students in MCC-supported lower secondary schools.	Percentage	TBD	TBD
Gap in access to lower secondary schools in Gbêkê and San Pedro	TBD	TBD	TBD	TBD	TBD
Reduced regional inequalities in enrollment rates for lower secondary schools between San Pedro/Gbêkê and Abidjan	Difference between enrollment rates at lower secondary schools in the Gbêkê and San Pedro regions vs. lower secondary school enrollment rates in Abidjan	The percentage point difference between the enrollment rate for lower secondary schools in the Gbêkê and San Pedro regions and the corresponding rate for Abidjan.	Percentage points	TBD	TBD
Reduced gender-based inequalities in enrollment rates for lower secondary school in Gbêkê and San Pedro	Difference in lower secondary school enrollment rates for boys and girls in the Gbêkê and San Pedro regions	The percentage point difference between the lower secondary school enrollment rate for boys and girls in the Gbêkê and San Pedro regions.	Percentage points	TBD	TBD
Improved Access: 1. Improved enrollment and transition rates 2. Improved access to lower secondary education in Gbêkê and San Pedro	Students participating in MCC-supported education activities	The number of students enrolled or participating in MCC-supported lower secondary schooling programs.	Number	0	TBD
	Progression rates for students in MCC-supported lower secondary schools	Progression rates from 6ième grade to 5ième, 5ième to 4ième, 4ième to 3ième grade for students in MCC-supported lower secondary schools.	Percentage	TBD	TBD

Result	Indicator	Definition	Unit	Baseline	Compact Target
	Distance to a lower secondary school for students in MCC-supported secondary schools	TBD	Kilometers	TBD	TBD
Improved Quality: 1. Increased number of teachers graduating from ENS 2. Application of improved teaching methods	Instructors trained	The number of classroom instructors who complete MCC-supported training focused on instructional quality as defined by the compact training activity.	Number	San Pedro: 0 Gbêkê (Bouake): 0 Abidjan: 400	San Pedro: 100 Bouake: 100 Abidjan: 400 (2024)
	Number of students benefitting from improved teacher training (annual)	The number of lower secondary students per year receiving classroom instruction from teachers who obtained improved teacher training as a result of the MCC investment.	Number	0	4,000 (2025)
More efficient allocation of resources and performance-driven decision making (lower secondary)	TBD	TBD	TBD	TBD	TBD
Improved data and policy feedback loops (lower secondary)	TBD	TBD	TBD	TBD	TBD
Improved Economic Opportunities for Households 1. Improved employment outcomes	Employment rate of graduates of MCC-supported TVET centers in their field of study	Average employment rate of graduates of MCC-supported TVET centers (6 months and one year after graduation).	Percentage	TBD	TBD
	Average wage of graduates of MCC-supported TVET centers	Average wage of graduates of MCC-supported TVET centers	Number	TBD	TBD

Result	Indicator	Definition	Unit	Baseline	Compact Target
2. Individual productivity (earnings)		(one year after graduation).			
3. Firm productivity					
Improved Acquisition of In-Demand Technical Skills	Graduates from MCC-supported TVET centers	Number of students graduating from MCC-supported TVET centers. A certification from private industry will be incorporated as a condition for graduating.	Number	0	TBD
1. Technical skills					
2. Workplace competencies	Students participating in MCC-supported education activities	The number of students enrolled or participating in MCC-supported TVET programs.	Number	0	TBD
Sustainable TVET centers which respond and adapt to private sector demand	Curricula and training programs adapted and revised based on private sector feedback	TBD	TBD	TBD	TBD
Increased women's participation in economically-viable training programs	Percentage of women enrolled in MCC-supported TVET centers	The number of women enrolled in MCC-supported TVET centers, as a percentage of total enrollment.	Percentage	TBD	TBD
1. More agile, independent management of TVET centers					
2. Better management of financial and infrastructure assets	Budget autonomy	The percentage of total annual expenses that MCC-supported TVET centers are able to cover independently without donor or government support.	Percentage	TBD	10 (2024)
Better management of financial and infrastructure assets	Percentage of average annual operating expenses satisfied	The average annual operating expenses (personnel, O&M, replacement of equipment, etc.) paid by MCC-supported TVET centers, as compared with the levels established in the	Percentage	TBD	TBD

Result	Indicator	Definition	Unit	Baseline	Compact Target
		relevant financial and business plans for the centers.			
Accountability for results via private sector links	Number of sector committees established	The number of sector committees established in MCC-supported TVET centers.	Number	0	TBD
More agile, independent management of TVET centers	ISO accreditation (quality management) for each MCC-supported TVET center	The number of MCC-supported TVET centers that obtain ISO accreditation.	Number	0	TBD
More efficient allocation of resources and performance-driven decision making (TVET)	TBD	TBD	TBD	TBD	TBD
Improved data and policy feedback loops (TVET)	TBD	TBD	TBD	TBD	TBD
Output Indicators					
National gender policy for education adopted and Gender Action Unit created	Legal, financial, and policy reforms adopted	The number of reforms adopted by the public sector attributable to compact support that increase the education sector's capacity to improve access, quality, and /or relevance of education at any level, from primary to post-secondary.	Number	0	3 (2024)
	National gender policy in education adopted	The date on which the national gender policy in education is adopted.	Date	N/A	Q4 of Y1
	Gender Unit operationalized	The date on which the Gender Unit is operationalized as defined by the compact sub-activity.	Date	N/A	Q4 of Y1

Result	Indicator	Definition	Unit	Baseline	Compact Target
	Budget line item established for the Gender Unit's activities	The date on which the budget line item is established and funded for the Gender Unit's activities.	Date	N/A	TBD
Improved and more integrated educational MIS	Educational Management Information System (EMIS) improvements	The date on which improvements to the EMIS system are completed as described in the corresponding implementing entity agreement.	Date	N/A	TBD
Establishment and adoption of institutional performance improvement system	TBD	TBD	TBD	TBD	TBD
Learning assessments at lower secondary education level	National assessments	The number of national assessments/testing frameworks developed and implemented with MCC funding.	Number	0	2 (2024)
	International assessments	The number of international assessments/testing frameworks developed and implemented with MCC funding.	Number	0	1 (2024)
Creation of annex teacher training centers in Gbêkê (Bouake) and San Pedro	Educational facilities constructed or rehabilitated	The number of annex teacher training centers constructed according to standard stipulated in MCA contracts signed with implementers.	Number	0	2 teacher training annexes (Q2 of Y3)
Reformed pre-service training for teachers	Date on which reformed curriculum is adopted	The date on which reformed curriculum is adopted.	Date	N/A	TBD

Result	Indicator	Definition	Unit	Baseline	Compact Target
Construction and equipment of and community mobilization around 74-84 <i>collèges de proximités</i> in Gbêkê and San Pedro	Educational facilities constructed or rehabilitated	The number of MCC-supported lower-secondary schools constructed according to standard stipulated in MCA contracts signed with implementers.	Number	0	74-84 (2024)
	Number of classrooms constructed	The number of classrooms constructed at MCC-supported lower-secondary schools according to standard stipulated in MCA contracts signed with implementers.	Number	0	752 (2024)
Establishment of an accreditation and quality management system	The establishment of accreditation system	The date on which the accreditation system is established.	Date	N/A	TBD
Creation of a tracer studies system	Tracer studies system established	The date on which the tracer studies system is established.	Date	N/A	TBD
	Tracer studies conducted in TVET centers	The number of tracer studies conducted in accordance with the system established with compact support.	Number	0	TBD
New private-sector driven TVET centers (construction, equipment, training of trainers, governance)	Educational facilities constructed or rehabilitated	The number of TVET centers constructed according to standard stipulated in MCA contracts signed with implementers.	Number	0	3-4 (2024)

TABLE 4 Abidjan Transport Project Monitoring Indicators

Result	Indicator	Définition	Unit	Baseline	Compact Target
Outcome Indicators					
Improved physical access to jobs, schools, and social services	TBD	TBD	TBD	TBD	TBD
Reduced household costs related to transport	TBD	TBD	TBD	TBD	TBD
Reduced travel times	Change in duration of travel time	Change in the duration of travel time. Travel time will be estimated in terms of number of minutes of reduction or increase of the travel duration.	Minutes	TBD	TBD
Vehicle operating cost savings	Change in vehicle operating costs	Change in vehicle operating costs per kilometer (modeled by HDM4).	US Dollars	TBD	TBD
Increased fluidity of vehicle and pedestrian traffic	Average Annual Daily Traffic (AADT)	The average number and type of vehicles per day, averaged over different times (day and night) and over different seasons to arrive at an annualized daily average.	Number	Blvd VGE: 85,362 Blvd du Port/Vridi: 28,896 Blvd du Petit Bassam: 43,300 Blvd de la Paix: 50,000 Yopougon Expressway: 70,000	Blvd VGE: 106,302 Blvd du Port/Vridi: 36,092 Blvd du Petit Bassam: 54,081 Blvd de la Paix: 62,154 Yopougon Expressway: 87,016

Result	Indicator	Definition	Unit	Baseline	Compact Target
				(2016)	(2024)
	Capacity flow ratios	Fluidity is measured as the number of vehicles/lane/hour over the total design capacity of vehicles/lane/hour.	Ratio	Blvd VGE: 1.0 Blvd du Port/Vridi: 1.0 Blvd du Petit Bassam: 0.55 Blvd de la Paix: 0.61 Yopougon Expressway: 0.48	Blvd VGE: 0.72 Blvd du Port/Vridi: 0.44 Blvd du Petit Bassam: 0.66 Blvd de la Paix: 0.77 Yopougon Expressway: 0.60
				(2016)	(2024)
Reduced incidence of traffic and pedestrian-related accidents	Road traffic fatalities	The number of road traffic fatalities per year on roads constructed, rehabilitated or improved with MCC funding.	Number	TBD	TBD
	Pedestrian fatalities	The number of pedestrian fatalities per year on roads constructed, rehabilitated or improved with MCC funding.	Number	TBD	TBD
	iRAP road safety rating	Percentage of kilometers of roads constructed, rehabilitated or improved with MCC	Percentage	Blvd VGE: Vehicle occupants: 61	Blvd VGE: Vehicle occupants: 81

Result	Indicator	Definition	Unit	Baseline	Compact Target
		funding with at least 3-star rating for vehicle occupants, motorcyclists, pedestrians and bicyclists.		Motorcyclists: 0 Pedestrians: 0 Bicyclists: 0 Blvd du Port/Vridi: Vehicle occupants: 61 Motorcyclists: 38 Pedestrians: 2 Bicyclists: 20 Blvd de Petit Bassam: Vehicle occupants: 0 Motorcyclists: 0 Pedestrians: 0 Bicyclists: 0 Blvd de la Paix: Vehicle occupants: 96 Motorcyclists: 85 Pedestrians: 8 Bicyclists: 1 Yopougon Expressway:	Motorcyclists: 76 Pedestrians: 91 Bicyclists: 0 Blvd du Port/Vridi: Vehicle occupants: 93 Motorcyclists: 87 Pedestrians: 41 Bicyclists: 39 Blvd de Petit Bassam: Vehicle occupants: 79 Motorcyclists: 53 Pedestrians: 0 Bicyclists: 0 Blvd de la Paix: Vehicle occupants: 98 Motorcyclists: 97 Pedestrians: 20 Bicyclists: 28

Result	Indicator	Definition	Unit	Baseline	Compact Target
				Vehicle occupants: 78 Motorcyclists: 38 Pedestrians: 0 Bicyclists: 0 (2016)	Yopougon Expressway: Vehicle occupants: 100 Motorcyclists: 87 Pedestrians: 100 Bicyclists: 0 (2024)
	Enhanced traffic safety	Number of road accidents on roads constructed, rehabilitated or improved with MCC funding.	Number	TBD	TBD
Improved condition of road segments	Roughness	The measure of roughness of the road surface, in meters of height per kilometer of distance traveled.	Meters per kilometer	Blvd VGE: 3.7 Blvd du Port/Vridi: 4.0 Blvd du Petit Bassam: 4.4 Blvd de la Paix: 4.0 Yopougon Expressway: 3.3 (2016)	Blvd VGE: 2.5 Blvd du Port/Vridi: 2.5 Blvd du Petit Bassam: 2.5 Blvd de la Paix: 2.5 Yopougon Expressway: 1.8 (2024)

Result	Indicator	Definition	Unit	Baseline	Compact Target
Improved integration of transport modalities	TBD	TBD	TBD	TBD	TBD
Improved condition of road network in Abidjan	Abidjan network conditions assessment	The average roughness across the Abidjan road network, with roughness of the road surface measured in meters of height per kilometer of distance traveled.	Meters per kilometer	TBD	TBD
Improved and more cost-effective management of the road network in Abidjan	TBD	TBD	TBD	TBD	TBD
1. Economic prioritization of maintenance and rehabilitation (M&R) 2. Expanded use of cost-effective & environmentally sustainable M&R techniques	Kilometers of road in Abidjan receiving routine and periodic maintenance in accordance with road asset inventory database	Number of kilometers of roads receiving routine and periodic maintenance in Abidjan in accordance with the practices and standards established in the road asset inventory database.	Number	TBD	TBD
	Kilometers of road in Abidjan that need routine and periodic maintenance in accordance with road asset inventory database	Number of kilometers that need routine and periodic maintenance in Abidjan in accordance with the practices and standards established in the road asset inventory database.	Number	TBD	TBD
	Expenditures on road maintenance in Abidjan	Actual expenditures on road maintenance in Abidjan by the Government of Côte d'Ivoire.	US Dollars	TBD	TBD

Result	Indicator	Definition	Unit	Baseline	Compact Target
Reduced travel times in the port zone	Change in duration of travel time	TBD	TBD	TBD	TBD
	Trucks parked in the TPLC facility	The number of trucks parked in the TPLC facility.	Number	0	TBD
	Trucks parked on or alongside roads in the port zone	The number of trucks parked on or alongside roads in the port zone.	Number	TBD	TBD
Truck parking and logistics center (TPLC) fully operational (service providers on site and functional) and available to truck drivers	TPLC operationalized	The date on which the TPLC is operational and able to provide parking and other services, as established in the PPP agreement, to truck drivers.	Date	N/A	N/A
Output Indicators					
1.1 Boulevard VGE	Kilometers of roads under design	The length of roads in kilometers under design contracts. This includes designs for building new roads and reconstructing, rehabilitating, resurfacing or upgrading existing roads.	Kilometers	0	Blvd VGE: 8.7 km
1.2 Boulevard du Port/Vridi/Petit Bassam					Blvd de Port/Vridi: 5.6 km
1.3 Boulevard de la Paix					Blvd du Petit Bassam: 1.9 km
1.4 Yopougon Expressway					Blvd de la Paix: 6.1 km
					Yopougon Expressway: 7.6 km
					(2024)

Result	Indicator	Definition	Unit	Baseline	Compact Target
1.1 Boulevard VGE	(R-8) Kilometers of roads completed	The length of roads in kilometers on which construction of new roads or reconstruction, rehabilitation, resurfacing or upgrading of existing roads is completed (certificates handed over and approved).	Kilometers	0	Blvd VGE: 8.7 km
1.2 Boulevard du Port/Vridi/Petit Bassam					Blvd de Port/Vridi: 5.6 km
1.3 Boulevard de la Paix					Blvd du Petit Bassam: 1.9 km
1.4 Yopougon Expressway					Blvd de la Paix: 6.1 km
					Yopougon Expressway: 7.6 km
					(2024)
1.1 Boulevard VGE	Value of signed road construction contracts	The value of all signed construction contracts for new roads or reconstruction, rehabilitation, resurfacing or upgrading of existing roads using compact funds.	US Dollars	0	\$171,885,038
1.2 Boulevard du Port/Vridi/Petit Bassam					
1.3 Boulevard de la Paix					
1.4 Yopougon Expressway					
1.1 Boulevard VGE	Percent disbursed of road	The total amount of all signed construction contracts for new roads or	Percentage	0	100

Result	Indicator	Definition	Unit	Baseline	Compact Target
1.2 Boulevard du Port/Vridi/Petit Bassam	construction contracts	reconstruction, rehabilitation, resurfacing or upgrading of existing roads disbursed divided by the total value of all signed contracts.			
1.3 Boulevard de la Paix					
1.4 Yopougon Expressway					
1.1 Boulevard VGE	Value disbursed of signed road construction contracts	The value disbursed of all signed construction contracts for new roads or reconstruction, rehabilitation, resurfacing or upgrading of existing roads using compact funds.	US Dollars	0	\$171,885,038
1.2 Boulevard du Port/Vridi/Petit Bassam					
1.3 Boulevard de la Paix					
1.4 Yopougon Expressway					
Financial close for PPP for TPLC	Financial close for PPP for TPLC	The date of financial close for the PPP for TPLC facility.	Date	N/A	Y3 (2022)
TPLC completed	TPLC completed	The date on which construction of the TPLC facility is completed according to the standards established in the PPP agreement.	Date	N/A	Y5 (2024)
Improved management and increased	Percentage of the FER board composed of road users	Percentage of the FER board composed of road users.	Percentage	25	50

Result	Indicator	Definition	Unit	Baseline	Compact Target
transparency of FER					
Expanded on the job and continuing education for FER, AGEROUTE, LBTP, etc.	MCC-supported graduate level program operational	The date on which the MCC-supported graduate level program is operational and begins training students (i.e. first full day courses are offered).	Date	N/A	Y3 (2022)
	Partnership agreement completed for MCC-supported graduate level program	The date on which a partnership agreement is signed with the international partner university for the creation of the MCC-supported graduate level program.	Date	N/A	Y2 (2021)
	Individuals enrolled in MCC-supported graduate level program	The number of individuals enrolled in MCC-supported graduate level program (on an annual basis).	Number	0	20-30 people per year (2024)
Creation of road asset inventory database for Abidjan	Road Asset Inventory created	The date on which the road asset inventory database is completed and available for use.	Date	N/A	Y3 (2022)
Increased financing for road maintenance	Amount of revenue received by <i>FER</i>	The amount of revenue received by <i>FER</i>	CFA Francs	TBD	TBD
	Completion of the covenant reallocation additional revenues to <i>FER</i>	The date at which the covenant is completed to MCC's satisfaction as stipulated in relevant compact documents.	Date	N/A	TBD
	Total <i>FER</i> debt level	The amount of debt <i>FER</i> owes.	CFA Francs	TBD	0
	Amount of funding for road maintenance	The amount of funding invested by the Government in routine and periodic	US Dollars	TBD	TBD

Result	Indicator	Definition	Unit	Baseline	Compact Target
	leveraged through the incentive matching fund	maintenance as a result of the road maintenance incentive matching fund.			
Creation of road safety database for Abidjan	Road Safety Database for Abidjan created	The date on which the road safety database is completed and available for use.	Date	N/A	Y3 (2022)
Increased community involvement in road maintenance (THIMO)	Number of kilometers under THIMO in Abidjan	The number of kilometers of road receiving routine maintenance through the THIMO Sub-Activity in Abidjan.	Number	0	TBD

5. Evaluation Component.

While good program monitoring is necessary for program management, it is not sufficient for assessing ultimate results. MCC therefore requires the use of different types of evaluations as complementary tools to better understand the effectiveness of its programs. As defined in the MCC M&E Policy, evaluation is the objective, systematic assessment of a program's design, implementation and results. MCC is committed to making its evaluations as rigorous as warranted in order to understand the causal impacts of its programs on the expected outcomes and to assess cost effectiveness. The Evaluation Component of the M&E Plan may contain three types of evaluation activities as necessary: (i) independent evaluations (impact and/or performance evaluations); (ii) self-evaluation, and (iii) special studies, each of which is further described in the MCC M&E Policy.

(a) Independent Evaluations.

Every Project must undergo a comprehensive, independent evaluation (impact and/or performance) in accordance with the MCC M&E Policy. The Evaluation Component of the M&E Plan will describe the purpose of the evaluation, methodology, timeline, required MCC approvals, and the process for collection and analysis of data for each evaluation. All independent evaluations must be designed and implemented by independent, third-party evaluators. If the Government wishes to engage an evaluator, the engagement will be subject to the prior written approval of MCC. Contract terms must be acceptable to MCC and ensure non-biased results and the publication of results.

For each independent evaluation, MCA-Côte d'Ivoire is expected to review and provide feedback to independent evaluators on the evaluability assessment, evaluation design reports, evaluation materials (including questionnaires), baseline report (if applicable), and any

interim/final reports in order to ensure proposed evaluation activities are feasible, and final evaluation products are technically and factually accurate.

(i) Skills for Employability and Productivity Project.

An initial review of the proposed investments suggests that there may be opportunities to evaluate components of the Project through a rigorous impact evaluation using either experimental or quasi-experimental methods. A decision as to the appropriate evaluation approach will be made based on numerous factors, including technical feasibility, cost compared with likely learning, ability to isolate interventions of interest so as to accurately estimate their discrete impacts, and potential for the evaluation to fill gaps in the existing literature and evidence. Regardless of whether a rigorous impact evaluation is used, the evaluation will include a process evaluation to assess the fidelity of implementation to the original design and to understand how, if at all, the allocation of resources and decision-making have changed within the Ministry of National Education as a result of the investments. The evaluation will also carefully assess the long-term sustainability of Project investments, notably the lower secondary schools, teacher training annexes, and TVET centers, and of the impacts on key educational and learning outcomes.

- Potential evaluation questions include:
- What are the impacts of the Project on the students' educational outcomes? What are the impacts of the Project on learning core competencies, such as literacy and numeracy? On crosscutting competencies or 'soft skills'?
- What is the effect of the Project on student enrollment, attendance, promotion, transition, dropout and graduation rates?
- Is the Gender Unit maintained and properly staffed post-Compact? Have the policies and practices established in the national strategy translated into material changes in the school environment for girls and the perceptions and realities associated with girls' education at the lower-secondary level? If so, what are the impacts, if any, on enrollment, attendance, and graduation rates for girls?
- What are the impacts of the Project on teaching in the participating schools? Are improved teaching methods and practices widely adopted? Are the teacher training annex centers appropriately funded and maintained post-Compact?
- What are the impacts of the Project on the quality and relevance of technical skills of graduates of MCC-supported PDC centers? On the employment rates and wages of graduates of MCC-supported PDC centers? How long after the training do graduates obtain employment and is it within the relevant field of study and in line with the diploma they received?
- Is there a quality differential between publicly-managed TVET institutions and those in which the private-sector is substantially engaged, as per the PDC model?

- What are the impacts on the quality of training in the participating TVET centers supported by the Compact? What are the impacts of the Project on the learning environment in TVET centers? What are the impacts of technological or equipment improvements?
- Are the private-sector managed PDC centers sustained post-Compact? How have these centers adapted to shifts in the economy and/or the demands of the private sector?
- Are the impacts of the Project different for girls/women than for boys/men? Different for the three regions where the project is investing? If so, which component or components of the investment are the key drivers of the differential impacts?

The M&E Plan will contain the evaluation Indicators listed in the following tables:

TABLE 5 Skills for Employability and Productivity Project Evaluation Indicators

Result	Indicator	Definition	Unit	Baseline	Target	Target Date
Outcome Indicators						
Improved acquisition of in-demand basic skills	Learning outcomes of students in MCC-supported schools	Specific evaluation strategies will be employed to track improvements in student learning outcomes in MCC-supported schools on national assessments at the lower-secondary level or other relevant learning assessments.	Number	0	0.2 SD	2029
Application of improved teaching methods	Teacher improvement of content knowledge over baseline score	Specific evaluation strategies will be employed to assess trained teachers' knowledge in training-relevant content areas.	TBD	TBD	TBD	TBD
	Application of improved teaching methods in classroom by teachers as defined by the compact training activity	Specific evaluation strategies will be employed to assess trained teachers' application of improved teaching methods.	TBD	TBD	TBD	TBD

Result	Indicator	Definition	Unit	Baseline	Target	Target Date
Improved economic opportunities for households: Improved employment outcomes	Employment rate of graduates of MCC-supported TVET centers in their field of study	Average employment rate of graduates of MCC-supported TVET centers.	Percentage	TBD	TBD	TBD
Improved economic opportunities for households: Individual productivity (earnings)	Average wage of graduates of MCC-supported TVET centers	Average wage of graduates of MCC-supported TVET centers.	Number	TBD	TBD	TBD
Improved Acquisition of In-Demand Technical Skills	Quality and relevance of technical skills of graduates of MCC-supported TVET centers	Specific evaluation strategies will be employed to assess the quality and relevance of the technical skills of graduates of MCC-supported TVET centers.	TBD	TBD	TBD	TBD

(ii) Abidjan Transport Project.

Given the nature of the investments, it is likely that a performance evaluation would be most appropriate. The evaluation of the Project will be conducted in accordance with MCC's best practices for roads evaluations. It will require independent estimates of road quality data both before and after the MCC investments and will employ the HDM-4 model to assess the economic impacts of road quality improvements. The final independent assessment and HDM-4 model should occur several years after completion of the Project works, with the exact timing to be decided jointly by MCC, the Government, and the independent evaluator. The independent evaluator will assess the HDM-4 calculations that went into the investment decision and determine whether baseline data collection is required to update the model. The evaluation will also include a qualitative component, which will attempt to capture how road maintenance practices and management of the road network in Abidjan have changed, if at all, due to the technical assistance and institutional support provided by the Project.

To this extent, the Government agrees to ensure that the relevant pre-Project and post-Project HDM-4 variables (international roughness index or IRI, deflection, geometry, annual average daily traffic or AADT, and materials used and thickness) with source final documentation collected, maintained and displayed in itinerary diagram format (variables on y axis with road chainage on x axis) for each road segment. Any revised HDM-4 assumptions and workspaces will be maintained by MCA-Côte d'Ivoire during the Compact period.

Potential evaluation questions include:

- What is the economic return – calculated in terms of vehicle operating cost savings and travel time cost savings – of the road investments at the time of completion and post Compact? How are traffic volumes directly or indirectly affected at the time of completion of the road investments and post-Compact?
- What is the effect of the Project on road safety, for both vehicles and pedestrians, along the targeted road segments?
- What is the effect of the Project on road maintenance practices in Côte d'Ivoire? Are the maintenance and rehabilitation techniques used by the Project being employed more broadly? What is the effect of the Project on Government funding for road maintenance and how/when/where maintenance is delivered?
- Have road usage patterns changed along targeted road segments, in terms of who is traveling on the road, why, what they are transporting, what they are paying for transport, and how long it takes to move along key routes? Do the impacts of the Project on travel times and costs differ by vehicle type (e.g., private vehicles, taxis, trucks, buses, informal transportation vehicles)?
- How have the road investments impacted populations – either negatively, positively, or not at all – living in communities located along the targeted road segments?

TABLE 6 Abidjan Transport Project Evaluation Indicators

Result	Indicator	Definition	Unit	Baseline	Target	Target Date
Outcome Indicators						
Reduced travel times	Change in duration of travel time	Change in the duration of travel time. Travel time will be estimated in terms of number of minutes of reduction or increase of the travel duration.	Minutes	TBD	TBD	TBD
Vehicle operating cost savings	Change in vehicle operating costs	Change in vehicle operating costs per kilometer (modeled by HDM4).	US Dollars	TBD	TBD	TBD
Improved condition of road segments	Roughness	The measure of roughness of the road surface, in meters of height per kilometer of	Meters per kilometer	Blvd VGE: 3.7 Blvd du Port/Vridi: 4.0	Blvd VGE: 2.5 Blvd du Port/Vridi: 2.5	2024

Result	Indicator	Definition	Unit	Baseline	Target	Target Date
		distance traveled.		Blvd du Petit Bassam: 4.4 Blvd de la Paix: 4.0 Yopougon Expressway: 3.3 (2016)	Blvd du Petit Bassam: 2.5 Blvd de la Paix: 2.5 Yopougon Expressway: 1.8 (2024)	
Improved condition of road network in Abidjan	Abidjan network conditions assessment	The average roughness across the Abidjan road network, with roughness of the road surface measured in meters of height per kilometer of distance traveled.	Meters per kilometer	TBD	TBD	TBD

(b) Self-Evaluations.

Upon completion of the Compact Term, both MCC and MCA-Côte d'Ivoire agree to assess three fundamental questions: (i) Did the Program meet the Project Objectives; (ii) Why did the Program meet or not meet the Project Objectives; and (iii) What lessons can be learned from the implementation experience (both procedural and substantive). The MCA-Côte d'Ivoire staff will draft the Compact Completion Report ("**CCR**") in the last year of the Compact Term to evaluate these fundamental questions and other aspects of Program performance. Each MCA-Côte d'Ivoire sector or department will be responsible for drafting its own section to the CCR for its own activities, subject to cross-departmental review. After MCA-Côte d'Ivoire staff drafts the CCR, relevant MCC staff will draft the performance Compact review. Similar to the CCR, each MCC division will be responsible for drafting its own section of the document, subject to cross-department review.

(c) Special Studies.

Plans for conducting special studies will be determined jointly between the Government and MCC before the approval of the M&E Plan. The M&E Plan will identify and make provision for any special studies, ad hoc evaluations, and research that may be needed as part of the monitoring and evaluation of this Compact. Either MCC or the Government may request special studies or ad hoc evaluations of Projects, Activities, or the Program as a whole, prior to the expiration of the Compact Term.

The results of all evaluations will be made publicly available in accordance with the MCC M&E Policy.

6. Data Quality Reviews.

Data Quality Reviews (“**DQR**”) are a mechanism to review and analyze the utility, objectivity, and integrity of performance information. DQRs are to cover: (a) quality of data, (b) data collection instruments, (c) survey sampling methodology, (d) data collection procedures, (e) data entry, storage and retrieval processes, (f) data manipulation and analyses, and (g) data dissemination. MCC requires that an independent entity conduct the DQR, such as a local or international specialized firm or research organization, or an individual consultant, depending on the size of the Program or Project in review. The frequency and timing of data quality reviews must be set forth in the M&E Plan; however MCC may request a DQR at any time. DQRs should be timed to occur before or early enough in the Compact Term so that meaningful remedial measures (if any) may be taken, depending on the results of the review. The methodology for the review should include a mix of document and record reviews, site visits, key informant interviews, and focus groups.

7. Other Components of the M&E Plan.

In addition to the monitoring and evaluation components, the M&E Plan will include the following components:

(a) Management Information System.

The M&E Plan will describe the information system that will be used to collect data, store, process and deliver information to relevant stakeholders in such a way that the Program information collected and verified pursuant to the M&E Plan is at all times accessible and useful to those who wish to use it. The system development will take into consideration the requirement and data needs of the components of the Program, and will be aligned with existing MCC systems, other service providers, and ministries.

(b) Budget.

A detailed cost estimate for all components of the M&E Plan.

8. Responsibility for Developing the M&E Plan.

MCC desires to “[refrain] from requesting the introduction of performance indicators that are not consistent with countries’ national development strategies.”² For this reason, primary responsibility for developing the M&E Plan lies with the M&E directorate of MCA-Côte d’Ivoire with support and input from MCC’s M&E and economist staff. The M&E Plan must be developed in conjunction with key stakeholders, including MCA-Côte d’Ivoire leadership and sector leads, the MCC Resident Country Mission, and other MCC staff (such as Environmental and Social Performance and Gender and Social Inclusion), as well as external stakeholders, as

² Busan Partnership for Effective Development Cooperation, Busan Outcome Document, 1 December 2011, p. 5

applicable. While the entire M&E Plan must be developed collaboratively, MCC and MCA-Côte d'Ivoire Project/Activity leads are expected to guide the selection of Indicators at the process and output levels that are particularly useful for management and oversight of Projects and Activities.

9. Approval and Implementation of the M&E Plan.

The approval and implementation of the M&E Plan, as amended from time to time, will be in accordance with the Program Implementation Agreement, any other relevant Supplemental Agreement and the MCC M&E Policy. All M&E Plan modifications proposed by MCA-Côte d'Ivoire must be submitted to MCC for prior written approval. The M&E Plan may undergo peer review within MCC before the beginning of the formal approval process.

10. Post-Compact M&E Plan.

As part of the planning process for winding down the Program at the end of the Compact Term, MCC and MCA-Côte d'Ivoire agree to develop a post-Compact M&E Plan designed to observe the persistence of benefits created under this Compact. This plan should describe future monitoring and evaluation activities, identify the individuals and organizations that will undertake these activities, and provide a budget framework for future monitoring and evaluation. The post-Compact M&E Plan should build directly off the Compact M&E Plan.

ANNEX IV
CONDITIONS PRECEDENT

TO DISBURSEMENT OF COMPACT CDF

This Annex IV sets forth the conditions precedent applicable to Disbursements of Compact CDF (each a "***Compact CDF Disbursement***"). Capitalized terms used in this Annex IV and not defined in this Compact will have the respective meanings assigned thereto in the Program Implementation Agreement. Upon execution of the Program Implementation Agreement, each Compact CDF Disbursement will be subject to all of the terms of the Program Implementation Agreement, except that the conditions to each Compact CDF Disbursement will continue to be those set forth in this Annex IV.

1. Conditions Precedent to Initial Compact CDF Disbursement.

Each of the following must have occurred or been satisfied prior to the initial Compact CDF Disbursement:

- (a) The Government (or MCA-Côte d'Ivoire) has delivered to MCC:
 - (i) an interim fiscal accountability plan acceptable to MCC; and
 - (ii) a Compact CDF procurement plan acceptable to MCC.

2. Conditions Precedent to all Compact CDF Disbursements (Including Initial Compact CDF Disbursement).

Each of the following must have occurred or been satisfied prior to each Compact CDF Disbursement:

- (a) The Government (or MCA-Côte d'Ivoire) has delivered to MCC the following documents, in form and substance satisfactory to MCC:
 - (i) a completed Disbursement Request, together with the applicable Periodic Reports, for the applicable Disbursement Period, all in accordance with the Reporting Guidelines;
 - (ii) a certificate of the Government (or MCA-Côte d'Ivoire), dated as of the date of the Compact CDF Disbursement Request, in such form as provided by MCC;
 - (iii) if a Fiscal Agent has been engaged, a Fiscal Agent Disbursement Certificate; and
 - (iv) if a Procurement Agent has been engaged, a Procurement Agent Disbursement Certificate.
- (b) If any proceeds of the Compact CDF Disbursement are to be deposited in a bank account, MCC has received satisfactory evidence that (i) the Bank Agreement has been executed and (ii) the Permitted Accounts have been established.

(c) Appointment of an entity or individual to provide fiscal agent services, as approved by MCC, until such time as the Government provides to MCC a true and complete copy of a Fiscal Agent Agreement, duly executed and in full force and effect, and the fiscal agent engaged thereby is mobilized.

(d) Appointment of an entity or individual to provide procurement agent services, as approved by MCC, until such time as the Government provides to MCC a true and complete copy of the Procurement Agent Agreement, duly executed and in full force and effect, and the procurement agent engaged thereby is mobilized.

(e) MCC is satisfied, in its sole discretion, that (i) the activities being funded with such Compact CDF Disbursement are necessary, advisable or otherwise consistent with the goal of facilitating the implementation of this Compact and will not violate any applicable law or regulation; (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 this Compact or any Supplemental Agreement; (iii) there has been no violation of, and the use of requested funds for the purposes requested will not violate, the limitations on use or treatment of MCC Funding set forth in Section 2.7 of this Compact or in any applicable law or regulation; (iv) any Taxes paid with MCC Funding through the date 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 this Compact; and (v) 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 this Compact and any Supplemental Agreement.

(f) For any Compact CDF Disbursement occurring after this Compact has entered into force in accordance with Article 7: MCC is satisfied, in its sole discretion, that (1) MCC has received copies of any reports due from any technical consultants (including environmental auditors engaged by MCA-Côte d'Ivoire) for any Activity since the previous Disbursement Request, and all such reports are in form and substance satisfactory to MCC; (2) 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 Compact CDF Disbursement; (3) there has been progress satisfactory to MCC on the M&E Plan and Social and Gender Integration Plan for the Program or 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); (4) there has been no material negative finding in any financial audit report delivered in accordance with this Compact and the Audit Plan, for the prior two quarters (or such other period as the Audit Plan may require); (5) MCC does not have grounds for concluding that any matter certified to it in the related MCA Disbursement Certificate, the Fiscal Agent Disbursement Certificate or the Procurement Agent Disbursement Certificate is not as certified; and (vi) if any of the officers or key staff of MCA-Côte d'Ivoire have been removed or resigned and the position remains vacant, MCA-Côte d'Ivoire is actively engaged in recruiting a replacement.

(g) MCC has not determined, in its sole discretion, that an act, omission, condition, or event has occurred that would be the basis for MCC to suspend or terminate, in whole or in part, this Compact or MCC Funding in accordance with Section 5.1 of this Compact.

ANNEX V

DEFINITIONS

Abidjan Transport Project has the meaning provided in Part A.2 of Annex I.

Activity has the meaning provided in Part B of Annex I.

Additional Representative has the meaning provided in Section 4.2.

AFD has the meaning provided in Part A.1.(b) of Annex I.

AfDB has the meaning provided in Part A.1.(b) of Annex I.

AGEROUTE has the meaning provided in Part B.2.(a).(ii) of Annex I.

Alternate has the meaning provided in Part C.1.(b) of Annex I.

Audit Guidelines has the meaning provided in Section 3.8(a).

Baseline has the meaning provided in Part 4.1 of Annex III.

Board of Directors has the meaning provided in Part C.1.(a) of Annex I.

Boulevard VGE has the meaning provided in Part B.2.(a).(i) of Annex I.

BTP has the meaning provided in Part B.1.(a).(ii) of Annex I.

CA has the meaning provided in Part A.1.(a) of Annex I.

CBA has the meaning provided in Part 3.1 of Annex III.

CCR has the meaning provided in Part 5.(b) of Annex III.

Compact has the meaning provided in the Preamble.

Compact CDF has the meaning provided in Section 2.2(a).

Compact CDF Disbursement has the meaning provided in the preamble to Annex IV.

Compact Goal has the meaning provided in Section 1.1.

Compact Records has the meaning provided in Section 3.7(a).

Compact Term has the meaning provided in Section 7.4.

Côte d'Ivoire has the meaning provided in the Preamble.

***Covered Provider** has the meaning provided in the Audit Guidelines.*

***DCLI** has the meaning provided in Part B.1.(g) of Annex I.*

***DG** has the meaning provided in Part C.1.(c) of Annex I.*

***Disbursement** has the meaning provided in Section 2.4.*

***DQR** has the meaning provided in Part 6 of Annex III.*

***Education Sector Plan** has the meaning provided in Part B.1.(e) of Annex I.*

***ENS** has the meaning provided in Part B.1.(a).(i) of Annex I.*

***ENSEA** has the meaning provided in Part B.2.(a).(ii) of Annex I.*

***Equitable Access Sub-Activity** has the meaning provided in Part B.1.(a).(i) of Annex I.*

***ERR** has the meaning provided in Part 3.1 of Annex III.*

***ESH&S Audit** has the meaning provided in Part B.1.(c) of Annex I.*

***ESIA** has the meaning provided in Part B.1.(c) of Annex I.*

***ESMP** has the meaning provided in Part B.1.(c) of Annex I.*

***ESMS** has the meaning provided in Part B.1.(c) of Annex I.*

***ESOC** has the meaning provided in Part C.5 of Annex I.*

***EU** has the meaning provided in Part A.1.(b) of Annex I.*

***Evaluation Component** has the meaning provided in Part 1 of Annex III.*

***Excess Compact CDF Amount** has the meaning provided in Section 2.2(d).*

***FER** has the meaning provided in Part B.2.(a).(ii) of Annex I.*

***Fiscal Agent** has the meaning provided in Part C.3 of Annex I.*

***Gender Policy** has the meaning provided in Part B.1.(a).(i) of Annex I.*

***Gender Policy Sub-Activity** has the meaning provided in Part B.1.(a).(i) of Annex I.*

***Gender Unit** has the meaning provided in Part B.1.(a).(i) of Annex I.*

***GIS** has the meaning provided in Part B.2.(a).(ii) of Annex I.*

***Governance Guidelines** means MCC's Guidelines for Accountable Entities and Implementation Structures.*

***Government** has the meaning provided in the Preamble.*

***Grant** has the meaning provided in Section 3.6(b).*

***Implementation Letters** has the meaning provided in Section 3.5.*

***Implementing Entity** has the meaning provided in Part C.2 of Annex I.*

***Implementing Entity Agreement** has the meaning provided in Part C.2 of Annex I.*

***Importer** has the meaning provided in Part C.6 of Annex I.*

***Indicators** has the meaning provided in Part 4.1 of Annex III.*

***Infrastructure Graduate Program** has the meaning provided in Part B.2.(a).(ii) of Annex I.*

***INP-HB** has the meaning provided in Part B.2.(a).(ii) of Annex I.*

***Inspector General** has the meaning provided in Section 3.7(c).*

***Integrated EMIS** has the meaning provided in Part B.1.(a).(i) of Annex I.*

***Intellectual Property** means all registered and unregistered trademarks, service marks, logos, names, trade names and all other trademark rights; all registered and unregistered copyrights; all patents, inventions, shop rights, know how, trade secrets, designs, drawings, art work, plans, prints, manuals, computer files, computer software, hard copy files, catalogues, specifications, and other proprietary technology and similar information; and all registrations for, and applications for registration of, any of the foregoing, that are financed, in whole or in part, using MCC Funding.*

***iRAP** has the meaning provided in Part B.2.(a).(i) of Annex I.*

***ITT** has the meaning provided in Part 4.1 of Annex III.*

***LBTP** has the meaning provided in Part B.2.(a).(ii) of Annex I.*

***M&E** has the meaning provided in Part 1 of Annex III.*

***M&E Plan** has the meaning provided in the first paragraph of Annex III.*

***M&R** has the meaning provided in Part 2.(b) of Annex III.*

***Management Unit** has the meaning provided in Part C.1.(c) of Annex I.*

***Management Systems Sub-Activity** has the meaning provided in Part B.1.(a).(i) of Annex I.*

***MCA Act** has the meaning provided in Section 2.2(a).*

***MCA-Côte d'Ivoire** has the meaning provided in Section 3.2(b).*

MCC has the meaning provided in the Preamble.

MCC Environmental Guidelines has the meaning provided in Section 2.7(c).

MCC Funding has the meaning provided in Section 2.3.

MCC Gender Policy means the MCC Gender Policy (including any guidance documents issued in connection with such policy).

MCC M&E Policy has the meaning provided in the first paragraph of Annex III.

MCC Program Closure Guidelines means the MCC Program Closure Guidelines (including any guidance documents issued in connection with such guidelines).

MCC Program Procurement Guidelines has the meaning provided in Section 3.6(a).

MCC Website means the MCC website at www.mcc.gov.

Ministry of Higher Education has the meaning provided in Part B.1.(a).(i) of Annex I.

Ministry of National Education has the meaning provided in Part B.1.(a).(i) of Annex I.

Monitoring Component has the meaning provided in Part I of Annex III.

Multi-Year Financial Plan Summary has the meaning provided in Part I of Annex II.

O&M has the meaning provided in Part 2.(a) of Annex III.

Ordinance has the meaning provided in Part C.1.(a) of Annex I.

OSER has the meaning provided in Part B.2.(a).(ii) of Annex I.

PAP(s) has the meaning provided in Part B.1.(c) of Annex I.

Partner has the meaning provided in Part B.1.(a).(ii) of Annex I.

Partner Institute has the meaning provided in Part B.2.(a).(ii) of Annex I.

Partnerships for Skills and PDC has the meaning provided in Part B.1.(a).(ii) of Annex I.

Party and Parties have the meaning provided in the Preamble.

PDC Agreement has the meaning provided in Part B.1.(a).(ii) of Annex I.

PDC Grant Facility has the meaning provided in Part B.1.(a).(ii) of Annex I.

Permitted Account has the meaning provided in Section 2.4.

Port has the meaning provided in Part B.2.(a).(i) of Annex I.

Port Roads has the meaning provided in Part B.2.(h) of Annex I.

PPP has the meaning provided in Part B.2.(a).(ii) of Annex I.

Principal Representative has the meaning provided in Section 4.2.

Procurement Agent has the meaning provided in Part C.4 of Annex I.

Program has the meaning provided in the recitals to this Compact.

Program Assets means any assets, goods or property (real, tangible or intangible) purchased or financed in whole or in part (directly or indirectly) by MCC Funding.

Program Funding has the meaning provided in Section 2.1.

Program Guidelines means collectively the Audit Guidelines, the MCC Environmental Guidelines, the Governance Guidelines, the MCC Program Procurement Guidelines, the Reporting Guidelines, the MCC M&E Policy, the MCC Cost Principles for Government Affiliates Involved in Compact Implementation, the MCC Program Closure Guidelines, the MCC Gender Policy, the MCC Gender Integration Guidelines, the MCC Guidelines for Economic and Beneficiary Analysis, the MCC Standards for Global Marking, and any other guidelines, policies or guidance papers relating to the administration of MCC-funded compact programs, in each case, as such may be posted from time to time on the MCC Website.

Program Implementation Agreement and PLA have the meaning provided in Section 3.1.

Program Objective has the meaning provided in Section 1.2.

Project(s) has the meaning provided in Section 1.2.

Project Objective(s) has the meaning provided in Section 1.3.

Provider means (i) any entity of the Government that receives or uses MCC Funding or any other Program Asset in carrying out activities in furtherance of this Compact or (ii) any third party that receives at least US\$50,000 in the aggregate of MCC Funding (other than as salary or compensation as an employee of an entity of the Government) during the Compact Term.

Quality Assurance Manual has the meaning provided in Part B.2.(h) of Annex I.

RAP has the meaning provided in Part B.1.(c) of Annex I.

Reporting Guidelines means the MCC Guidance on Quarterly MCA Disbursement Request and Reporting Package.

Road Maintenance Covenants has the meaning provided in Part B.2.(h) of Annex I.

Roads Agencies has the meaning provided in Part B.2.(a).(ii) of Annex I.

Road Safety System has the meaning provided in Part B.2.(a).(ii) of Annex I.

Secondary Education Activity has the meaning provided in Part B.1.(a) of Annex I.

SEP has the meaning provided in Part B.1.(c) of Annex I.

Skills for Employability and Productivity Project and Skills Project has the meaning provided in Part B.1.(a) of Annex I.

Social and Gender Integration Plan has the meaning provided in Part B.1.(d) of Annex I.

Stakeholders' Committee has the meaning provided in Part C.1.(d) of Annex I.

Supplemental Agreement means any agreement between (A) the Government (or any Government affiliate, including MCA-Côte d'Ivoire) and MCC (including, but not limited to, the PLA), or (B) MCC and/or the Government (or any Government affiliate, including MCA-Côte d'Ivoire), on the one hand, and any third party, on the other hand, including any of the Providers, in each case, setting forth the details of any funding, implementing or other arrangements in furtherance of, and in compliance with, this Compact.

Target has the meaning provided in Part 4.1 of Annex III.

Taxes has the meaning provided in Section 2.8(a).

Teacher Training Sub-Activity has the meaning provided in Part B.1.(a).(i) of Annex I.

TIP has the meaning provided in Part B.1.(d) of Annex I.

TPLC has the meaning provided in Part B.2.(a).(ii) of Annex I.

Transport Investment(s) has the meaning provided in Part B.2.(a).(i) of Annex I.

Truck Parking Area has the meaning provided in Part B.2.(a).(i) of Annex I.

TVET has the meaning provided in Part B.1.(a) of Annex I.

TVET Accreditation System has the meaning provided in Part B.1.(a).(ii) of Annex I.

TVET Activity has the meaning provided in Part B.1.(a) of Annex I.

United States Dollars or USD or US\$ means the lawful currency of the United States of America.

USAID has the meaning provided in Part A.1.(b) of Annex I.