

FOREIGN ASSISTANCE

Millennium Challenge

**Agreement Between the
UNITED STATES OF AMERICA
and MOROCCO**

**Amending the Agreement of
November 30, 2015**

Effectuated by exchange of notes at
Rabat January 7 and 17, 2022

Entered into force January 20, 2022



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.”



TRANSLATION

Kingdom of Morocco
Ministry of Foreign Affairs, African Cooperation and Moroccan Expatriates
Office of Legal Affairs and Treaties

[illegible]—0083

January 17, 2022

The Ministry of Foreign Affairs, African Cooperation and Moroccan Expatriates presents its compliments to the Embassy of the United States of America and has the honor to acknowledge receipt of Embassy note No. 8 of January 7, 2022, which reads as follows:

Quote:

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs, African Cooperation and Moroccan Expatriates, and has the honor to refer to the successful results of recently concluded negotiations between representatives of the two governments concerning a first amendment to the Millennium Challenge Compact between the United States of America, acting through the Millennium Challenge Corporation, and the Kingdom of Morocco, signed on November 30, 2015.

The proposed amendment is enclosed. If the proposed amendment is acceptable to

Embassy of the United States of America,
Rabat.

the Ministry, the Embassy respectfully proposes further that the Ministry convey the approval of the Government of the Kingdom of Morocco by diplomatic note to the Embassy and that the Embassy's note, with its enclosure, and the Ministry's affirmative note in reply constitute an agreement between the two governments that would enter into force on the date of the written notification from the Embassy informing the Ministry that the Government of the United States of America has completed its necessary internal procedures for entry into force of the agreement.

Unquote.

The Ministry of Foreign Affairs, African Cooperation and Moroccan Expatriates has the honor to confirm that the Government of the Kingdom of Morocco accepts the proposed amendment included with the Embassy Note.

Accordingly, the U.S. Embassy note and this note in reply shall constitute an agreement between the Government of Morocco and the Government of the United States of America which shall enter into force on the date of receipt of the U.S. note stating that it has completed its necessary internal procedures for this purpose.

[Complimentary close.]

[Seal of the Kingdom of Morocco,
Ministry of Foreign Affairs, African
Cooperation and Moroccan
Expatriates]

Royaume du Maroc
Ministère des Affaires Étrangères
de la Coopération Africaine
et des Marocains Résident à l'Étranger



المملكة المغربية
وزارة الشؤون الخارجية
والتعاون الإفريقي
والمغاربة المقيمين بالخارج

Direction des Affaires Juridiques
et des Traités

مديرية الشؤون القانونية
والمعاهدات

FE - 0083

17 JAN 2022

Le Ministère des Affaires Étrangères, de la Coopération Africaine et des Marocains Résident à l'Étranger présente ses compliments à l'Ambassade des Etats-Unis d'Amérique à Rabat, et a l'honneur d'accuser réception de la Note de l'Ambassade n° 8, en date du 07 janvier 2022, libellée comme suit :

« L'Ambassade des Etats-Unis d'Amérique présente ses compliments au Ministère des Affaires Étrangères, de la Coopération Africaine et des Marocains Résident à l'Étranger et a l'honneur de se référer aux résultats positifs des négociations récemment conclues entre les représentants des deux Gouvernements concernant un premier amendement au Millennium Challenge Compact entre les Etats-Unis d'Amérique, agissant à travers la Millennium Challenge Corporation, et le Royaume du Maroc, signé le 30 novembre 2015.

L'amendement proposé est joint à la présente. Si l'amendement proposé est acceptable pour le Ministère, l'Ambassade propose respectueusement également au Ministère de transmettre l'approbation du Gouvernement du Royaume du Maroc par note diplomatique envoyée à l'Ambassade, et que la note de l'Ambassade, avec sa pièce jointe, et la note de réponse affirmative du Ministère constituent un Accord entre les deux Gouvernements qui entrerait en vigueur à la date de la notification écrite émise par l'Ambassade informant le Ministère que le Gouvernement des Etats-Unis d'Amérique a achevé ses procédures internes nécessaires à l'entrée en vigueur de l'Accord. ».

Le Ministère des Affaires Étrangères, de la Coopération Africaine et des Marocains Résident à l'Étranger a l'honneur de confirmer que le Gouvernement du Royaume du Maroc accepte la proposition contenue dans la Note de l'Ambassade.

De ce fait, la Note de l'Ambassade des Etats-Unis d'Amérique ainsi que cette Note de réponse constituent un Accord entre le Gouvernement du Maroc et le Gouvernement des Etats-Unis d'Amérique, lequel entrera en vigueur à la date de la réception de la notification de la Partie américaine informant de l'accomplissement de ses procédures internes requises à cet effet. ».

Le Ministère des Affaires Étrangères, de la Coopération Africaine et des Marocains Résident à l'Étranger saisit cette occasion pour renouveler à l'Ambassade des Etats-Unis d'Amérique à Rabat l'assurance de sa haute considération.

Ambassade des Etats-Unis d'Amérique
-Rabat-



No 8

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs, African Cooperation and Moroccan Expatriates, and has the honor to refer to the successful results of recently concluded negotiations between representatives of the two governments concerning a first amendment to the Millennium Challenge Compact between the United States of America, acting through the Millennium Challenge Corporation, and the Kingdom of Morocco, signed on November 30, 2015.

The proposed amendment is enclosed. If the proposed amendment is acceptable to the Ministry, the Embassy respectfully proposes further that the Ministry convey the approval of the Government of the Kingdom of Morocco by diplomatic note to the Embassy and that the Embassy's note, with its enclosure, and the Ministry's affirmative note in reply constitute an agreement between the two governments that would enter into force on the date of the written notification from the Embassy informing the Ministry that the Government of the United States of America has completed its necessary internal procedures for entry into force of the agreement.

The Embassy point of contact for this matter is _____, MCC Resident Deputy Director, who can be reached by phone at _____, or by e-mail at [*]

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Foreign Affairs, African Cooperation and Moroccan Expatriates the assurances of its highest consideration.

[* Embassy contact information redacted]

DIPLOMATIC NOTE

Enclosure:

Proposed First Amendment to Millennium Challenge Compact Between the United States of America Acting through the Millennium Challenge Corporation and the Kingdom of Morocco.

Embassy of the United States of America,

Rabat, January 07, 2022



FIRST AMENDMENT

TO

MILLENNIUM CHALLENGE COMPACT

BETWEEN

**THE UNITED STATES OF AMERICA
ACTING THROUGH
THE MILLENNIUM CHALLENGE CORPORATION**

AND

THE KINGDOM OF MOROCCO

FIRST AMENDMENT TO MILLENNIUM CHALLENGE COMPACT

This FIRST AMENDMENT TO MILLENNIUM CHALLENGE COMPACT (this "*Amendment*"), is made by and between the United States of America, acting through the Millennium Challenge Corporation, a United States government corporation ("*MCC*"), and the Kingdom of Morocco ("*Morocco*"), acting through its government (the "*Government*") (each referred to herein individually as a "*Party*" and collectively as the "*Parties*"). All capitalized terms used in this Amendment that are not otherwise defined herein have the meanings given to such terms in the Compact (as defined below).

RECITALS

WHEREAS, the Parties signed that certain Millennium Challenge Compact by and between the United States of America, acting through MCC, and the Kingdom of Morocco, acting through its government, on November 30, 2015 (the "*Compact*");

WHEREAS, Section 7.4 of the Compact provides for a Compact Term of five (5) years from its entry into force on June 30, 2017;

WHEREAS, implementation of the Compact Program has been adversely affected and delayed by the coronavirus pandemic;

WHEREAS, the Parties now desire to extend the Compact Term by an additional nine (9) months until March 31, 2023 (the "*Extension*"), and to increase MCC's assistance under the Compact for related administrative and oversight costs, to allow the Government more time to implement and complete the Projects in order to fully achieve the Compact Goal and the Project Objectives; and

WHEREAS, pursuant to Section 6.2(a) of the Compact, the Parties desire to amend the Compact as more fully described herein to memorialize the Extension.

NOW, THEREFORE, the Parties hereby agree as follows:

AMENDMENTS

1. Amendment to Section 2.1.

Section 2.1 (*Program Funding*) of the Compact is amended and restated to read as follows:

"Section 2.1 Program Funding. Upon entry into force of this Compact in accordance with Section 7.3, MCC will grant to the Government, under the terms of this Compact, an amount not to exceed Four Hundred Forty-Eight Million Four Hundred Sixty-Two Thousand One Hundred Fifty-Two United States Dollars and Eight Cents (US\$448,462,152.08) ("*Program Funding*") for use by the

Government to implement the Program. The allocation of Program Funding is generally described in Annex II.”

2. Amendment to Section 7.4.

Section 7.4 (*Compact Term*) of the Compact is amended and restated to read as follows:

“Section 7.4 Compact Term. This Compact will remain in force for five (5) years and nine (9) months after its entry into force, until March 31, 2023, unless terminated earlier under Section 5.1 (the “*Compact Term*”).”

3. Amendments to Annex II (Multi-Year Financial Plan Summary).

(a) Paragraph B of Annex II (Multi-Year Financial Plan Summary) to the Compact is amended and restated to read as follows:

“B. Government LMIC Contribution. During the Compact Term, the Government will make contributions, relative to its national budget and taking into account prevailing economic conditions, as are necessary to carry out the Government’s responsibilities under Section 2.6(a) of this Compact. These contributions may include in-kind and financial contributions (including obligations of Morocco on any debt incurred toward meeting these contribution obligations). In connection with this obligation, the Government will develop a contribution plan set forth in the Program Implementation Agreement to complement MCC Funding through allocations including but not limited to: 1. a progressive increase in its funding for the Private Sector-Driven TVET grant facility such that the Government will fund a minority portion of the Private Sector-Driven TVET grant facility; 2. demonstration projects for the Industrial Land Activity; and 3. support for operations and maintenance and discretionary funding for the Secondary Education Activity. The Government commits to a minimum contribution of \$69,075,000 over the Compact Term. Such contribution will be in addition to the Government’s spending allocated toward such Project Objectives in its budget for the year immediately preceding the establishment of this Compact. The Government’s contribution will be subject to any legal requirements in Morocco for the budgeting and appropriation of such contribution, including approval of the Government’s annual budget by its legislature. The Parties may set forth in the Program Implementation Agreement or other appropriate Supplemental Agreements certain requirements regarding this Government contribution, which requirements may be conditions precedent to the Disbursement of MCC Funding. During implementation of the Program, the Government’s contributions may be modified or new contributions added with MCC approval, provided that the modified or new contributions continue to advance the Project Objectives.

(b) Exhibit A to Annex II (Multi-Year Financial Plan Summary) to the Compact is deleted in its entirety and replaced by revised Exhibit A set forth in Annex I to this

Amendment, which revised Exhibit A includes the Compact Implementation Funding amount granted by implementation of Section 2.2(d) of the Compact.

GENERAL PROVISIONS

1. Further Assurances.

Each Party hereby covenants and agrees, without necessity of any further consideration, to execute and deliver any and all such further documents and take any and all such other action as may be reasonably necessary or appropriate to carry out the intent and purpose of this Amendment.

2. Effect of this Amendment.

From and after the date this Amendment enters into force, the Compact and this Amendment will be read together and construed as one document, and each reference in the Compact to the "Compact," "hereunder," "hereof" or words of like import referring to the Compact, and each reference to the "Compact," "thereunder," "thereof" or words of like import in any Supplemental Agreement or in any other document or instrument delivered pursuant to the Compact or any Supplemental Agreement, will mean and be construed as a reference to the Compact, as amended by this Amendment.

3. Limitations.

Except as expressly amended by this Amendment, all of the provisions of the Compact remain unchanged and in full force and effect.

4. Governing Law.

The Parties acknowledge and agree that this Amendment is an international agreement entered into for the purpose of amending the Compact and as such will be interpreted in a manner consistent with the Compact and is governed by international law.

ANNEX I

REVISED EXHIBIT A TO ANNEX II TO THE COMPACT MULTI-YEAR FINANCIAL PLAN SUMMARY

Component	Current Approved MYFP	Proposed Additional MCC Grant Funds	Revised MYFP
1. Education and Training for Employability Project			
1.1 Secondary Education Activity	109,910,388.53	805,000.00	110,715,388.53
1.2 Workforce Development Activity	110,301,489.76	595,000.00	110,896,489.76
Subtotal	220,211,878.29	1,400,000.00	221,611,878.29
2. Land Productivity Project			
2.1 Governance Activity	10,386,614.70	0.00	10,386,614.70
2.2 Rural Land Activity	32,666,977.50	50,000.00	32,716,977.50
2.3 Industrial Land Activity	122,499,213.09	2,850,000.00	125,349,213.09
Subtotal	165,552,805.29	2,900,000.00	168,452,805.29
3. Monitoring & Evaluation			
3.1 Monitoring & Evaluation	7,675,895.63	0.00	7,675,895.63
Subtotal	7,675,895.63	0.00	7,675,895.63
4. Program Administration and Oversight			
4.1 MCA-Morocco II Program Administration	32,446,241.03	4,660,000.00	37,106,241.03
4.2 Fiscal and Procurement Agents	11,400,331.84	1,470,000.00	12,870,331.84
4.3 Audits and Compliance	675,000.00	70,000.00	745,000.00
Subtotal	44,521,572.87	6,200,000.00	50,721,572.87
TOTAL Program Funding	437,962,152.08	10,500,000.00	448,462,152.08
TOTAL Compact Implementation Funding	12,037,847.92	0.00	12,037,847.92
TOTAL MCC FUNDING	450,000,000.00	10,500,000.00	460,500,000.00
Minimum Government Contribution	67,500,000.00		69,075,000.00