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EXECUTION VERSION

MILLENNIUM CHALLENGE CORPORATION THRESHOLD PROGRAM

GRANT AGREEMENT

BETWEEN

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

AND

**THE REPUBLIC OF THE GAMBIA,
ACTING THROUGH THE MINISTRY OF FINANCE AND ECONOMIC AFFAIRS**

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THRESHOLD PROGRAM GRANT AGREEMENT

This THRESHOLD PROGRAM GRANT AGREEMENT (this “*Agreement*”) is made between the United States of America, acting through the Millennium Challenge Corporation (“*MCC*”), and the Republic of The Gambia, acting through the Ministry of Finance and Economic Affairs (the “*Government*”).

RECITALS

WHEREAS MCC is authorized to provide assistance under Section 616 of the Millennium Challenge Act of 2003, as amended (the “*MCA Act*”), to selected candidate countries that have demonstrated a commitment to strengthening good governance, economic freedom, and investments in people in order to assist such countries to become eligible for a Millennium Challenge Compact (the “*Threshold Program*”);

WHEREAS MCC has selected The Gambia as eligible for the Threshold Program;

WHEREAS the parties named above (collectively the “*Parties*,” and each individually, a “*Party*”) wish to implement the program described herein to achieve the goals 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*”); and

WHEREAS MCC and the Government serve as implementing agencies for the United States of America (the “*United States*”) and The Republic of the Gambia (“*The Gambia*”), respectively.

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1.

GOAL AND OBJECTIVES

Section 1.1 Program Goal. The overall goal of this Agreement is to assist The Gambia to become eligible for a Millennium Challenge Compact by supporting the implementation of critical institutional and policy reforms that address binding constraints to economic growth in The Gambia (the “*Program Goal*”). MCC’s assistance provided under this Agreement seeks to strengthen good governance, economic freedom, and investments in the people of The Gambia.

Section 1.2 Project Objectives. The Program consists of the projects described in Annex I (each, a “*Project*” and collectively, the “*Projects*”). The objective of each of the Projects (each, a “*Project Objective*” and collectively, the “*Project Objectives*”) is as follows:

(a) The objective of the Governance Project is to develop more effective, accountable, and transparent power sector governance in The Gambia.


(b) The objective of the Operations Project is to improve the National Water and Electricity Company’s (“*NAWEC*”) capability to operate the Gambian power system in a manner that reduces the frequency and duration of outages and is consistent with The Gambia’s

universal access and conditional emissions goals as put forward in its nationally determined contributions (“*NDCs*”).

ARTICLE 2.

GRANT FUNDING

Section 2.1 Grant Funding.

 (a) MCC hereby grants to the Government, subject to the terms of this Agreement, an amount not to exceed twenty-five million United States Dollars (US\$25,000,000) (the “*Grant*”) to support implementation of the Program, as such Program is described in greater detail in Annex I.

(b) The Grant shall be disbursed from time to time (each, a “*Disbursement*”) in accordance with the terms of this Agreement, including any conditions to disbursement contained in this Agreement.

(c) Annex II sets forth the allocation of Grant funding for the Program.

Section 2.2 Interest. To the extent that any interest or other earnings accrue on the Grant before such funding is used for a Program purpose, the Government shall pay or transfer such amounts to MCC, in accordance with this Agreement.

Section 2.3 Government Resources; Budget.

(a) The Government shall provide all funds and other resources, and take all other actions, that are necessary to carry out the Government’s responsibilities and obligations under this Agreement.

(b) The Government shall ensure that the amount of the Grant that it receives or is projected to receive in each of its fiscal years is fully accounted for and identified in its annual, public budget presentation.

(c) Unless the Government discloses otherwise to MCC in writing, the Grant shall be in addition to, and shall not replace, the resources that the Government would otherwise receive or budget for the activities implemented under the Program.

Section 2.4 Use of the Grant.

(a) The Government shall ensure that the Grant and any Program Assets or services funded by the Grant, in whole or in part, are used solely in furtherance of this Agreement and the Program.

(b) The Government also shall ensure that no Grant funding is used for any purpose that would violate United States law or policy, as specified in this Agreement or as further notified to the Government in writing by MCC, including but not limited to the following purposes:

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

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

(iii) 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* provided by MCC or posted at www.mcc.gov (the "**MCC Website**") and any guidance documents issued by MCC in connection with such guidelines (collectively, "**MCC Environmental Guidelines**"); or

(iv) 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 2.5 Taxes.

(a) Unless the Parties agree otherwise, the Government shall ensure that the Grant is free from any and all existing or future taxes, duties, levies, contributions, or other similar charges (but not fees or charges for services that are generally applicable in The Gambia, reasonable in amount and imposed on a non-discriminatory basis) ("**Taxes**") of or in The Gambia (including any such Taxes imposed by a national, regional, local or other governmental or taxing authority of or in The Gambia). Specifically, and without limiting the generality of the foregoing, the Government agrees that the general exemption of the previous sentence applies to (i) any tariffs, customs duties, import taxes, export taxes, and other similar charges on any goods, works or services introduced into The Gambia in connection with the Program; (ii) sales tax, goods and services 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, in the case of this clause (iv), (A) natural persons who are citizens or permanent residents of The Gambia; and (B) legal persons formed under the laws of The Gambia (but excluding the Accountable Entity and any other entity formed for the purpose of implementing the Government's obligations hereunder).

(b) The Parties may enter into one or more additional agreements to further define and detail the mechanisms to implement and ensure the benefits of the exemption from Taxes contemplated by Section 2.5(a). Such mechanisms may include exemptions that have been granted in accordance with applicable law, refund or reimbursement of Taxes by the Government to MCC, the Accountable Entity, or to the taxpayer, or payment by the Government to the

Accountable Entity or MCC, for the benefit of the Program, of an agreed amount representing any collectible Taxes on the items described in this Section 2.5.

(c) If a Tax has been paid contrary to the requirements of this Section 2.5, the Government shall refund promptly to MCC (or to another party as designated by MCC) the amount of such Tax in the currency of The Gambia or, United States dollars 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 the Accountable Entity) that such Tax has been paid. The Parties acknowledge that Gambian law requires that refunds to parties other than MCC for value added tax paid must be made in the currency of The Gambia. Failure to refund any such amount within the specified time shall result in interest accruing on the unpaid amount in accordance with Section 6.3.

(d) The Government may not apply any portion of the Grant, including any proceeds thereof, or Program Assets, to satisfy its obligations under this Section 2.5.


ARTICLE 3.

ASSURANCES AND RESPONSIBILITIES

Section 3.1 Assurances. The Government hereby assures MCC that the information provided to MCC by or on behalf of the Government in the course of reaching this Agreement is true, correct, and complete in all material respects.

Section 3.2 Responsibilities.

(a) Principal Responsibility. The Government is responsible for overseeing and supervising the implementation of the Program.

 (b) Accountable Entity. The Government hereby establishes Millennium Challenge Account-Gambia ("**MCA-Gambia**") in the Ministry of Petroleum and Energy ("**MOPE**") as an independent entity with a board of directors and other characteristics and features as discussed in Part B of Annex I, and hereby designates MCA-Gambia 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 the Projects, allocating resources, and managing procurements. Such entity shall: (i) be referred to herein as the "**Accountable Entity**"; (ii) have the authority to bind the Government with regard to the Program (including, without limitation, the legal authority to execute contracts, grants, cooperative agreements, or other, similar arrangements); and (iii) act in accordance with MCC's *Guidelines for Accountable Entities and Implementation Structures* provided by MCC or posted on the MCC Website (the "**MCC Governance Guidelines**") (to the extent applicable to the Threshold Program and as may be further instructed by MCC from time to time). The designation of the Accountable Entity contemplated by this Section 3.2(b) does 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). With the prior written consent of MCC, the Government shall designate certain qualified Government employees to serve as interim staff of MCA-Gambia's Management Unit, via secondment or similar staffing action, until such time as MCA-

Gambia engages employees in accordance with Section B.2 of Annex I to this Agreement (the “*Interim MCA Team*”). The Government shall pay all costs related to the Interim MCA Team and to performing the necessary duties of the Accountable Entity until such time as the Accountable Entity engages employees. The Government and MCC hereby acknowledge and agree that, upon MCC’s consent to the Government’s designation of an individual as a member of the Interim MCA Team, such individual shall be considered for the purpose of this Agreement to be authorized to take actions as if such individual were a permanent member of the Management Unit for so long as that individual is a member of the Interim MCA Team.

(c) Policy Performance. In addition to undertaking the specific policy, legal, and regulatory reform commitments identified in this Agreement (if any), the Government shall 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.

(d) Achievement of Project Objectives. The Government shall take all necessary or appropriate steps to achieve each of the Project Objectives prior to the Completion Date (including, without limitation, funding all costs that exceed the Grant and are required to carry out the terms hereof and achieve such objectives, unless MCC agrees otherwise).

(e) Intellectual Property. The Government hereby 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.

(f) Impoundment; Liens or Encumbrances. The Government shall ensure that neither the Grant nor any asset acquired with Grant funding is at any time subject to any impoundment, rescission, sequestration, liquidation, lien, attachment, enforcement of judgment, pledge, or encumbrance of any kind (each, a “*Lien*”), except with MCC’s prior written approval. In the event any Lien is nonetheless imposed, the Government shall promptly seek the release of such Lien and, if such Lien is imposed by a final non-appealable court order, shall pay any amounts due in order to obtain such release; *provided, however*, that the Government may not apply any portion of the Grant, including any proceeds thereof or Program Assets, to satisfy any of its obligations under this Section 3.2(f); and *provided, further*, that nothing in this Section 3.2(f) shall be deemed to waive any immunities enjoyed by the Government under international law.

(g) Insurance; Performance Guaranties. The Government shall ensure to MCC’s satisfaction that all Program Assets are insured and arrange such other appropriate insurance to cover against risks or liabilities associated with the Program and the transactions contemplated thereby, including by requiring Providers or Covered Providers to obtain adequate insurance and to post adequate performance bonds or other guaranties. The Government or the Accountable Entity shall be named as the payee (or an additional insured, as the case may be) on any such insurance and the beneficiary of any such guaranty or bonds. The Government shall promptly notify MCC of the payment of any proceeds from claims paid under such insurance or guaranty, and ensure that any such proceeds are used to replace or repair any lost, stolen, or damaged Program Assets; *provided, however*, that, at MCC’s election, such proceeds shall be deposited in an account as designated by or as otherwise directed by MCC.

(h) Autonomy. The Government shall ensure that (i) no decision of the Accountable Entity is modified, supplemented, unduly influenced, or rescinded by any governmental authority, except by a non-appealable judicial decision or as otherwise approved by MCC, and (ii) the authority of the Accountable Entity is not expanded, restricted, or otherwise modified, except in accordance with this Agreement or as otherwise approved by MCC in writing.

(i) Performance Liabilities. No Grant funding or any Program Assets may be used to pay any damages, including any indemnification-related payments, incurred or owed by the Government or the Accountable Entity under any agreement between the Government or the Accountable Entity, on the one hand, and any third party on the other hand.

(j) Publicity. The Government shall give appropriate publicity to this Agreement as a program to which the United States of America, through MCC, has contributed, including by posting this Agreement, as MCC may request, on an agreed website, identifying the Grant activity sites and marking assets acquired with the Grant, all in accordance with MCC's *Standards for Global Marking* provided by MCC or posted on the MCC Website (the "**MCC Marking Standards**"); *provided, however*, that any press release or announcement regarding MCC or the fact that MCC is making the Grant or any other publicity materials referencing MCC shall be subject to MCC's prior written approval. MCC may post this Agreement on the MCC Website. MCC may also freely use any information it receives in any report or document provided to it with respect to the Program, the Grant, or this Agreement.

(k) Due Care. The Government shall carry out its obligations hereunder with and shall ensure that the Program is implemented with due care, efficiency, and diligence in conformity with sound technical, financial, procurement, and management practices, and in conformity with this Agreement, each Implementation Letter, the Program Guidelines, and any supplemental agreement to this Agreement.

(l) Further Assurances. The Government shall promptly do and perform such other and further acts, and take all necessary and appropriate actions, including using its best efforts to obtain all necessary approvals and consents to otherwise effectively carry out the obligations of the Government set forth in this Agreement.

(m) Cooperation with MCC Service Providers. The Government shall cooperate with MCC and the MCC Service Providers in facilitating the implementation of all MCC Service Provider Contracts in accordance with this Agreement.

ARTICLE 4.

IMPLEMENTATION FRAMEWORK

Section 4.1 Program Implementation Plan. The Parties agree that the framework for the Program's implementation shall be further elaborated in a set of documents, in form and substance approved by MCC, consisting of: (i) the Detailed Financial Plan; (ii) one or more Procurement Plans; (iii) a Work Plan; and (iv) an Audit Plan (each, an "**Implementation Plan Document**" and, collectively, the "**Implementation Plan**"). The Government shall submit its proposed Implementation Plan for review and approval by MCC by the timeframes set forth in this Agreement and at least on an annual basis thereafter (or in such other interval as may be

required by the Program Guidelines). MCC shall review the proposed Implementation Plan and as necessary may request the Government to submit clarifications or adjustments. The Government shall submit an updated Implementation Plan or updated Implementation Plan Document during any quarter in which significant changes or modifications are made to a Project or to the Program, or when the Government determines that the expected results, targets, and milestones for the specified year are not likely to be achieved; *provided, however*, that an updated Detailed Financial Plan shall be submitted each quarter and an updated Procurement Plan shall be submitted at least every six months. In such instances, the Government shall submit to MCC for approval a proposed revised Implementation Plan or updated Implementation Plan Document (as applicable) on the same date as the next Disbursement Request is due. The Government shall ensure that the implementation of the Program is conducted in accordance with the Implementation Plan.

(a) Detailed Financial Plan. Unless MCC agrees otherwise, the Government shall develop, adopt, and implement a detailed financial plan (as approved by MCC) in accordance with the MCC Reporting Guidelines for all activities other than the MCC Contracted Activities (as supplemented or otherwise modified from time to time, the “**Detailed Financial Plan**”). The Detailed Financial Plan shall set forth the funding requirements (including administrative costs) for each activity of the Program except for MCC Contracted Activities and for each Project, broken down to the sub-activity level (or lower, where appropriate), and projected both on a commitment and cash requirement basis.

(b) Procurement Plan. The Government shall develop, adopt, and implement a procurement plan covering each procurement relating to the Program except for MCC Contracted Activities, (each, a “**Procurement Plan**”), and submit such Procurement Plan to MCC for approval before commencing the relevant procurement. Each Procurement Plan shall identify, among other things, the method of procurement for the goods, works, or services to be procured. The Government shall ensure that all goods, works or services are procured using the procurement method as approved in each Procurement Plan, and comply with the method of procurement outlined in such Procurement Plan. In addition, the Government shall develop and implement a bid challenge system (“**BCS**”) for Government Contracted Activities that provides suppliers, contractors, and consultants that are interested parties the ability to seek review of procurement actions and decisions. The organization, rules, and procedures of such BCS shall be subject to MCC approval. Upon MCC’s approval of the BCS, the Government shall publish the BCS on an agreed website.

(c) Work Plan. The Government shall develop, adopt, and implement a work plan, in form and substance satisfactory to MCC, for the overall administration of the Program other than the MCC Contracted Activities (the “**Work Plan**”). In addition, the Government shall develop, adopt, and implement such other work plans relating to the Projects and/or Activities as MCC may request from time to time.

(d) Audit Plan. The Government shall develop, adopt, and implement a plan, in accordance with MCC’s *The Accountable Entity Guidelines for Contracted Financial Audits* provided by MCC or posted on the MCC Website (the “**AE Audit Guidelines**”), for the audit of the expenditures under this Agreement consistent with the AE Audit Guidelines (the “**Audit Plan**”). The Audit Plan shall be in form and substance satisfactory to MCC and shall be

developed no later than sixty days before the end of the first period to be audited. Unless MCC agrees otherwise, the Government shall engage one or more auditors as contemplated in the AE Audit Guidelines (each, an “**Auditor**”) to undertake the audits contemplated by the Audit Plan.

Section 4.2 Monitoring and Evaluation. The Government shall develop, adopt, and implement a monitoring and evaluation plan (the “**M&E Plan**”) in accordance with MCC’s *Policy for Monitoring and Evaluation of Compacts and Threshold Programs* provided by MCC or posted on the MCC Website (the “**M&E Policy**”). The M&E Plan shall serve as the primary governing document for monitoring and evaluation activities for the Program.

Section 4.3 Procurement and Grants.

(a) The Government shall ensure that all procurements for goods, works, and services required to implement the Program, other than procurements related to the MCC Contracted Activities, are undertaken solely in accordance with the *MCC Program Procurement Guidelines* provided by MCC or posted on the MCC Website (the “**MCC Program Procurement Guidelines**”). The MCC Program Procurement Guidelines include, among others, the following requirements:

(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 shall be paid to procure goods, works and services.

(b) The Government shall ensure that any grant issued in furtherance of the Program (each, a “**Program Grant**”) is awarded, implemented, and managed in accordance with MCC’s *Program Grant Guidelines* (the “**MCC Program Grant Guidelines**”), unless the Parties agree otherwise in writing. The MCC Program Grant Guidelines must be interpreted and applied consistent with the principle that open, competitive, and fair procedures are used in a transparent manner in the award and administration of Grants, for the accomplishment of objectives under this Agreement.

Section 4.4 Fiscal Accountability. Unless MCC agrees otherwise and other than with respect to any MCC Contracted Activities, the Government shall develop, adopt, and implement a manual (as approved by MCC) setting forth the principles, mechanisms, and procedures (the “**Fiscal Accountability Plan**”) that shall be used to ensure appropriate fiscal accountability and compliance with MCC’s *Cost Principles for Government Affiliates* provided by MCC or posted on the MCC Website (the “**MCC Cost Principles**”) for the use of the Grant funding. The Fiscal

Accountability Plan shall include, among other things, requirements with respect to (a) budgeting; (b) accounting; (c) cash management; (d) financial transactions (receipts and payments); (e) opening and managing Permitted Accounts; (f) personnel and payroll; (g) travel and vehicle use; (h) asset and inventory control; (i) audits; and (j) reporting. The Fiscal Accountability Plan shall be revised periodically, subject to review and approval by MCC.

Section 4.5 Environmental, Gender, and other Program Guidelines.

(a) Unless MCC agrees otherwise, the Government shall ensure that activities undertaken, funded or otherwise supported in whole or in part (directly or indirectly) by Grant funding comply with the MCC Environmental Guidelines, including the environmental and social performance standards set forth in the Performance Standards on Environmental and Social Sustainability of the International Finance Corporation (as in effect from time to time, the “**IFC Performance Standards**”) that have been incorporated by reference into the MCC Environmental Guidelines. The Government also shall ensure that the Program complies with all Gambian environmental laws and regulations, licenses, and permits, except to the extent such compliance would be inconsistent with this Agreement. Unless MCC agrees otherwise the Government shall fund all necessary costs of environmental and social mitigation measures (including, without limitation, costs of resettlement) not specifically provided for, or that exceed the amount of Grant funding specifically allocated for such costs, in the Detailed Financial Plan for any Project.

(b) Unless MCC agrees otherwise, the Government shall ensure that activities undertaken, funded or otherwise supported in whole or in part (directly or indirectly) by Grant funding comply with the MCC Gender Policy, the MCC Gender and Social Inclusion Operational Requirements, the MCC Counter-Trafficking in Persons Policy, and MCC’s Counter-Trafficking in Persons Policy, and other gender and social integration operational milestones made available on the MCC Website. The Program shall comply with all Gambian laws, regulations, and policies related to gender and social inclusion, except to the extent such compliance would be inconsistent with this Agreement. Where there is a difference between such Gambian laws, regulations, or policies and the standards required by this Agreement, the MCC Gender Policy, the MCC Gender and Social Inclusion Operational Requirements, MCC’s Counter-Trafficking in Persons Policy, and other gender and social integration operational milestones, the Program shall follow the stricter standard provided it remains in compliance with this Agreement.

(c) Unless MCC agrees otherwise, the Government shall ensure that activities undertaken, funded or otherwise supported in whole or in part (directly or indirectly) by Grant funding comply with the Program Guidelines, which, if not directly applicable, shall apply, *mutatis mutandis*, to the Program and this Agreement as if references in such guidelines to a “compact” were references to this Agreement.

Section 4.6 Reports.

(a) Periodic Reports. Unless MCC agrees otherwise, the Government shall provide to MCC the periodic reports required by the *MCC Guidance to Accountable Entities on the Quarterly Disbursement Request Package* provided by MCC or posted on the MCC Website (the

“**MCC Reporting Guidelines**”), in each case timely delivered and in form and substance satisfactory to MCC.

(b) Additional Reports. In addition to the reports required by Section 4.6(a), the Government shall provide to MCC within thirty (30) days of a written request by MCC, or as otherwise agreed by the Parties, such other reports, documents, and information as MCC may request from time to time related to the Program or necessary for implementing, monitoring, or evaluating the Program.

Section 4.7 Records; Accounting; Providers; Access.

(a) Records. The Government shall maintain, and to use its best efforts to ensure that the Accountable Entity and any 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 Grant funding (collectively, the “**Records**”). The Government shall furnish or cause to be furnished to MCC upon MCC’s request originals or copies of all such Records.

(b) Accounting. The Government shall maintain, and shall use its best efforts to ensure that the Accountable Entity and any Covered Providers maintain, 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 The Gambia. Records must be maintained for at least five years after the end of the term of this Agreement or for such longer period, if any, required to resolve any litigation, claims or audit findings, or any statutory requirements.

(c) Access. Upon MCC’s request, the Government, at all reasonable times, shall 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 Agreement, 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 the Grant funding.

Section 4.8 Audits; Reviews.

(a) Government Audits. Unless MCC agrees otherwise, the Government shall conduct, or cause to be conducted, on an annual basis (or on a more frequent basis if requested by MCC in writing), financial audits of all disbursements of Grant funding covering the period from signature of this Agreement until such date determined by MCC and consistent with the AE Audit Guidelines. Upon MCC’s request, the Government shall ensure that such audits are (i) conducted by an independent auditor approved by MCC and selected in accordance with MCC’s AE Audit Guidelines and (ii) performed in accordance with the AE Audit Guidelines. Each audit must be completed and the audit report delivered to MCC no later than the deadline as required in the AE Audit Guidelines, or as otherwise agreed by the Parties.

(b) Audits of Other Entities. The Government shall 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 Parties agree otherwise; and (iii) a non-United States Covered Provider, on the other hand, state that the non-United States Covered Provider is subject to audit in accordance with the AE Audit Guidelines.

(c) Corrective Actions. The Government shall 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 necessitate 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 has the right to arrange for audits of the Government's use of Grant funding.

Section 4.9 Required MCC Approvals. Each of the following transactions, agreements, and documents require MCC's prior written approval:

(a) each Disbursement Request;

(b) Implementation Plan (including each element or component thereof), the Fiscal Accountability Plan, the M&E Plan, and any modification of any of the foregoing;

(c) all agreements between the Government and the Accountable Entity, and all agreements in which any of the following are appointed, hired or otherwise engaged (each of the foregoing, a "**Material Agreement**"):

(i) Auditor;

(ii) Fiscal Agent;

(iii) Procurement Agent;

(iv) Bank;

(v) Implementing Entity;

(vi) a member of the Accountable Entity's board of directors (including any observer); and

(vii) any Interim MCA Team or Key Staff of the Accountable Entity (including agreements regarding compensation for any such person);

(d) any modification, termination or suspension of a Material Agreement, or any action that would have equivalent effect;

- (e) any agreement or transaction of the Accountable Entity that is not arm's-length;
- (f) any pledge of any Grant funding or any Program Assets, or any incurrence of material indebtedness, or any guarantee, directly or indirectly of any indebtedness;
- (g) any decree, legislation, regulation, charter, contractual arrangement, or other document establishing or governing (other than public laws of general application to all public institutions), or relating to the formation, organization, or governance of, the Accountable Entity, and any amendment, supplement, modification, repeal or other alteration thereof or thereto (each, a "**Governing Document**");
- (h) any disposition, in whole or in part, liquidation, dissolution, winding up, reorganization or other change of the Accountable Entity;
- (i) any change in character or location of any Permitted Account;
- (j) (i) any change of any member of the Accountable Entity's board of directors, any observer, the chairperson of the board, the composition or size of the board or the filling of any vacant seat on the board, or the replacement of any observer; (ii) any change of any Key Staff of the Accountable Entity or in the composition or size of its Management Unit, and the filling of any vacant position of any Key Staff of the Accountable Entity;
- (k) any decision by the Accountable Entity to engage, accept or manage any funds in addition to the Grant (including from any donor agencies or organizations) prior to the Completion Date, or to engage in any activities or undertake any duties or responsibilities other than those contemplated under this Agreement or any related agreement or document;
- (l) any agreement, transaction, decision or other action or document for which MCC approval is required under any of the Program Guidelines, including the MCC Program Procurement Guidelines; and
- (m) any decision to amend, supplement, replace, terminate, revoke, or otherwise change any of the foregoing documents or arrangements.

Section 4.10 Implementation Letters. From time to time, MCC may provide guidance to the Government in writing on any matters relating to this Agreement, the Grant or implementation of the Program. The Government shall use such advice in implementing the Program. The Parties may also issue jointly agreed-upon writings to confirm and record their mutual understandings on aspects related to the implementation of this Agreement or other related agreements. Both types of writings are referred to herein as "**Implementation Letters**."

Section 4.11 Service Provider Contracts. Consistent with the Activities in Annex I, either the Government or MCC, as the case may be, may procure and manage the services of one or more providers of goods, works, or services to implement each of the Activities.

(a) Government Service Provider Contracts. The Government shall procure and manage the services of providers of goods, works, or services for implementation of the Program for each of the Government Contracted Activities (each, a "**Government Service Provider**"), and the

Government shall enter into contracts, in a form acceptable to MCC, with the Government Service Providers (“**Government Service Provider Contracts**”). The Government shall be the primary point of contact for each Government Service Provider throughout the term of each Government Service Provider Contract. Any and all instructions to the Government Service Provider shall be made by the Government unless otherwise provided in such Government Service Provider Contract. No Government Service Provider Contract may be assigned by the Government without the prior written approval of MCC.

(b) MCC Service Provider Contracts. MCC shall procure and manage the services of one or more providers of goods, works, or services for each of the MCC Contracted Activities (each, a “**MCC Service Provider**”) in accordance with the U.S. Government’s Federal Acquisition Regulation. MCC shall enter into one or more cooperative agreements or contracts with the MCC Service Providers implementing the MCC Contracted Activities (“**MCC Service Provider Contracts**”). MCC shall be the primary point of contact for each MCC Service Provider throughout the term of each MCC Service Provider Contract. All instructions to the MCC Service Provider shall be made by and through MCC, unless otherwise provided in such MCC Service Provider Contract.

(c) For the purposes of this Agreement, (i) MCC Service Providers and Government Service Providers shall be collectively referred to herein as “**Service Providers**” and (ii) MCC Service Provider Contracts and Government Service Provider Contracts shall be collectively referred to herein as “**Service Provider Contracts**.”

ARTICLE 5.

DISBURSEMENT OF GRANT FUNDING

Section 5.1 Disbursement Process.

(a) MCC Service Provider Disbursements. Except as otherwise agreed in writing by the Parties, MCC shall make Disbursements of the Grant from time to time for the MCC Contracted Activities, directly to each MCC Service Provider that has entered into an MCC Service Provider Contract with MCC (each, an “**MCC Service Provider Disbursement**”). The Government hereby consents to the MCC Contracted Activities and any related MCC Service Provider Disbursement. For the avoidance of doubt, the conditions set forth in Section 5.1(b), including those in Annex III, do not apply to MCC Service Provider Disbursements.

(b) Government Disbursement Requests. The Government may request Disbursements of the Grant by submitting a written request to MCC substantially in the form of the disbursement request package provided by MCC or posted on the MCC Website (each, a “**Disbursement Request**”), duly completed, not later than 20 days (or such other period of time as may be agreed by MCC) prior to the commencement of each Disbursement Period. Unless MCC agrees otherwise, the Government may submit only one Disbursement Request for each

calendar quarter (such quarter, or any other period of time as agreed by MCC, the "Disbursement Period").

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

(i) Upon receipt of a Disbursement Request, MCC shall determine the appropriate aggregate amount of Disbursements permitted for the applicable Disbursement Period based on, among other things: (A) progress achieved under the Implementation Plan; (B) the amount of funds required to complete the activities described in the accompanying Disbursement Request during such Disbursement Period; and (C) the satisfaction, waiver, or deferral of the conditions precedent applicable to the requested Disbursements.

(ii) MCC may, in its discretion, reject any Disbursement Request completely, or reject or reduce the amount of any Disbursement requested thereunder, based on among other things: (A) any modification made to, or lack of progress under, the Implementation Plan; and (B) if any condition precedent applicable to the requested Disbursements has not been satisfied, waived, or deferred. MCC shall communicate any such rejection or reduction to the Government in writing.

(iii) Subject to MCC's approval of a Disbursement Request, the proceeds of the approved Disbursements may be transferred, at MCC's election: (A) to a Permitted Account; (B) directly to a third party as payment for goods, works, or services received by the Government or the Accountable Entity, as applicable, in accordance with MCC's common payment system (the "Common Payment System") or any alternate payment system approved by MCC; or (C) directly to an employee of the Accountable Entity (or to the Government, as reimbursement for authorized expenses); *provided, however*, that any expenditure of such proceeds is authorized by the Government or the Accountable Entity, as applicable, and any related payment complies with the most recently approved Detailed Financial Plan and the standards and procedures set forth in the Fiscal Accountability Plan.

(iv) Unless MCC agrees otherwise, any Disbursement, or financial commitment involving Grant funding may be made, and a Disbursement Request may be submitted, only if the related expense is provided for in the Detailed Financial Plan and sufficient uncommitted funds exist in the Detailed Financial Plan for that object of expense and for the relevant Disbursement Period.

(d) Permitted Accounts.

(i) Any Grant funding to be disbursed to a bank account of the Government or Accountable Entity must be deposited in a bank account (the "Local Account") established by the Government or the Accountable Entity, as applicable, in the local currency of The Gambia or United States dollars, as agreed by the Parties, at a financial institution acceptable to MCC. With prior MCC approval, the Accountable Entity may establish such other bank accounts as are needed for the purposes of implementing the Program (each such other bank account, together with the Local Account, a "Permitted Account"). Before any Grant funding is deposited into a Permitted Account, the Government shall ensure that the Accountable Entity enters into an agreement, in form and substance satisfactory to MCC, with the financial

institution approved by MCC to hold such Permitted Account (each, a “**Bank**”), which sets forth the signatory authority, access rights, anti-money laundering and anti-terrorist financing provisions, and other terms related to such Permitted Account (each, a “**Bank Agreement**”). The Bank shall be a commercial financial institution unless MCC otherwise agrees. The terms and operation of the Permitted Accounts shall be set forth in the Fiscal Accountability Plan and the Bank Agreement.

(ii) Unless MCC agrees otherwise, Grant funding held in a Permitted Account shall accrue interest or other earnings in accordance with the applicable Bank Agreement. On a quarterly basis and upon the termination or expiration of this Agreement or the relevant Bank Agreement, the Government shall ensure the transfer to MCC of any interest accrued on amounts held in a Permitted Account.

(iii) Unless MCC agrees otherwise, no funds shall be commingled in a Permitted Account other than Grant funding and accrued interest and earnings thereon. MCC has the right, among other things, to view any Permitted Account statements and activity directly on-line, and where such viewing is not feasible, the Government shall provide copies of such statements to MCC upon its request.

(iv) Unless MCC agrees otherwise, if Grant funding is held in any Permitted Account other than the Local Account, the Government shall ensure that such Grant funding is denominated in United States dollars prior to release. Unless MCC agrees otherwise, to the extent that any amount of Grant funding held by a Bank in United States dollars must be exchanged into the currency of The Gambia for any purpose, the Government shall ensure that such exchange is consistent with the requirements of the Bank Agreement.

Section 5.2 Conditions Precedent to the Initial Disbursement of Grant Funding other than MCC Service Provider Disbursements. Unless waived or deferred by MCC in writing, the conditions set forth in this Section 5.2 and the conditions set forth in Section 5.3 must be met to MCC’s satisfaction before the initial Disbursement of Grant funding other than for MCC Service Provider Disbursements:

- (a) Entry into Force. This Agreement has entered into force as provided in Article 8.
- (b) Implementation Plan. The Accountable Entity has developed a complete Implementation Plan; *provided, however*, that the Accountable Entity is only required to develop the Audit Plan by the time of the initial Disbursement if so required by the AE Audit Guidelines.
- (c) Fiscal and Procurement Documents. The Accountable Entity has developed the Fiscal Accountability Plan (or an interim version) and an interim Procurement Operations Manual and the plan has been approved by MCC and the Board.
- (d) Permitted Account. To the extent that any portion of the Disbursement is to be held in a Permitted Account, a Bank has been engaged, the Local Account and any other required Permitted Account has been established, and the Accountable Entity has delivered to MCC a copy of the Bank Agreement.

(e) Procurement Agent. The Procurement Agent has been engaged and the Accountable Entity has delivered to MCC a copy of the related Procurement Agent Agreement.

(f) Fiscal Agent. The Fiscal Agent has been engaged and the Accountable Entity has delivered to MCC a copy of the related Fiscal Agent Agreement.

(g) Interim MCA Team. The Interim MCA Team has been approved by MCC and appointed and engaged by the Accountable Entity in accordance with Section 3.2(b) and Annex I, Part B hereof, and the Government is making progress, satisfactory to MCC, on recruiting for MCA-Gambia employees.

(h) Accountable Entity Governing Documents. The Accountable Entity has delivered to MCC full copies of all Governing Documents of the Accountable Entity.

Section 5.3 Conditions Precedent to Each Disbursement other than for MCC Contracted Activities. Unless waived or deferred in writing by MCC, the following conditions must be met to MCC's satisfaction before each Disbursement of the Grant other than for MCC Contracted Activities:

(a) Deliverables. The Government has delivered to MCC the following documents, in form and substance satisfactory to MCC:

(i) a completed Disbursement Request, together with the periodic reports required under Section 4.6, covering the related Disbursement Period; and

(ii) a certificate from the Accountable Entity, dated as of the date of such Disbursement Request, substantially in the form provided by MCC.

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

(iv) a certificate of the Fiscal Agent, substantially in the form provided by MCC (the "***Fiscal Agent Disbursement Certificate***").

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

(i) any applicable conditions precedent in Annex III have been duly satisfied, deferred, or waived pursuant to the terms of this Agreement;

(ii) the Government's representations set forth in Section 3.1 are true and correct on and as of the date of such Disbursement Request as though made on and as of such date;

(iii) no material breach of any responsibility, covenant or obligation by the Government, the Accountable Entity or any other Government entity has occurred and is continuing under this Agreement or any related agreement or document;

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

(v) 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 related to such Disbursement;

(vi) there has been progress satisfactory to MCC on the M&E Plan (including the targets set forth therein, any related baseline data collection requirements set forth therein or any applicable reporting requirements set forth therein for the relevant Disbursement Period) and the SGIP;

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

(viii) any Taxes paid with Grant funding through the date ninety days prior to the start of the applicable Disbursement Period have been reimbursed by the Government in full in accordance with Section 2.5; and

(ix) each of the Key Staff remains engaged or, if a position is vacant, the Government (i) is actively engaged, to MCC's satisfaction, in recruiting to fill that position and (ii), for such period as agreed between MCC and the Government, the responsibilities of the position are covered by a member of the Interim MCA Team.

ARTICLE 6.

COMPLETION DATE; TERMINATION AND SUSPENSION

Section 6.1 Completion Date. Unless the Parties agree otherwise, the date four years after this Agreement enters into force in accordance with Article 8 is the date by which the Parties estimate that all of the activities related to the implementation of the Program and the achievement of the Project Objectives are expected to be completed (the "***Completion Date***"). Unless MCC agrees otherwise, Grant funding may not be used for expenditures incurred after the Completion Date.

Section 6.2 Termination and Suspension; Expiration.

(a) Either Party may terminate this Agreement without cause in its entirety by giving the other Party 30 days' written notice; *provided, however*, that notwithstanding such termination, this Agreement shall continue to be effective with respect to any activity for which a Disbursement has already been issued or approved by MCC.

(b) MCC may immediately, upon written notice to the Government, suspend or terminate this Agreement or the Grant, 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 (whether in writing to the Government or by posting on the MCC Website) has occurred, which circumstances include but are not limited to the following:

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

(ii) any statement, affirmation, or assurance of the Government made in this Agreement, any supplemental agreement, or in any certificate or other document delivered in connection with this Agreement proves to have been willfully false or misleading as of the date when made;

(iii) an event or series of events has occurred that MCC determines makes it improbable that the Program can be performed, that any of the Project Objectives can be achieved before the Completion Date, or that the Government can perform its obligations under this Agreement;

(iv) a use of the Grant or continued implementation of this Agreement would violate applicable law or United States government policy, whether now or hereafter in effect;

(v) the Government or any other person or entity receiving Grant funding or using assets acquired in whole or in part with Grant funding is engaged in activities that are contrary to the national security interests of the United States of America;

(vi) an act has been committed or an omission or an event has occurred that would render The Gambia 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 the Foreign Assistance Act of 1961 or any other provision of law;

(vii) the Government has engaged in a pattern of actions inconsistent with the criteria used to determine the eligibility of The Gambia for assistance under the MCA Act; and

(viii) a person or entity receiving Grant funding or using assets acquired in whole or in part with Grant funding is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking.

(c) All Disbursements shall cease upon expiration, suspension or termination of this Agreement; *provided, however*, that Grant funding may be used, in compliance with this Agreement, to pay for: (i) reasonable expenditures for goods, works or services that are properly incurred under or in furtherance of this Agreement before expiration, suspension or termination of this Agreement; and *provided, further*, that the request for such expenditures is submitted within 90 days after such expiration, suspension or termination; and (ii) reasonable expenditures (including administrative expenses) properly incurred in connection with the winding up of the Program within 120 days after the expiration, suspension or termination of this Agreement.

(d) Subject to Section 6.2(c), upon the expiration, suspension or termination of this Agreement: (i) any amounts of the Grant not disbursed by MCC shall be automatically released from any obligation in connection with this Agreement without any action from the Government or MCC; and (ii) any amounts of the Grant disbursed by MCC to the Government but not expended before such expiration, suspension or termination of this Agreement, including any amounts in a Permitted Account, plus accrued interest thereon, shall be returned to MCC within 30 days after the Government receives MCC's request for such return, and the Government shall ensure that such amount is returned promptly to such account(s) designated by MCC.

(e) Unless MCC agrees otherwise, at least one year prior to the expiration, or upon termination, of this Agreement, the Parties agree to consult in good faith with a view to reaching agreement in writing on (i) the treatment of the Accountable Entity after the Completion Date, (ii) the process for ensuring the refunds of Disbursements that have not yet been released from a Permitted Account or committed in accordance with Sections 6.2(c) and (d), and (iii) any other matter related to the winding up of the Program, including the proper disposition of all Program Assets. If the Accountable Entity continues operations after the Completion Date, or following the termination of this Agreement, with sources of funding other than the Grant, the Accountable Entity shall cease to use the name and logo that it used during implementation of the Program, except as otherwise agreed by MCC.

(f) The Parties expect the effects of the Program to be long-ranging and its impact may not be measurable for several years after the Completion Date. Accordingly, the Parties agree to cooperatively monitor the results and evaluate the impacts of the Program in The Gambia after the termination or expiration of this Agreement.

(g) MCC may reinstate any suspended or terminated portion of the Grant under this Agreement if MCC determines that the Government, or other relevant person or entity, has committed to correct each condition for which the Grant was suspended or terminated.

Section 6.3 Refunds.

(a) If any Grant funding, any interest or earnings thereon, or any asset acquired in whole or in part with Grant funding is used for any purpose in violation of the terms of this Agreement, then MCC may require the Government to repay to MCC in United States dollars the value of the misused portion of the Grant, interest, earnings or asset, plus interest within 60 days after the Government's receipt of the request for repayment. Interest shall accrue on such amount at a rate equal to the then-current United States 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. The Government shall not use Grant funding, proceeds thereof or any other funds received from MCC (assets acquired with Grant funding or with any such other funds) to make such payment.



(b) Notwithstanding any other provision in this Agreement or any other existing agreement to the contrary, MCC's right under this Section 6.3 to obtain a refund shall continue during the term of this Agreement and for a period of (i) five years thereafter or (ii) one year after MCC receives actual knowledge of such violation, whichever is later.

ARTICLE 7.

GOVERNING LAW; AMENDMENTS; GENERAL

Section 7.1 Governing Law. This Agreement is an international agreement and as such shall be governed by international law.

Section 7.2 Consultations. Either Party may, at any time, request consultations relating to the interpretation or implementation of this Agreement. Such consultations shall begin at the earliest possible date.

 Section 7.3 Representatives. For all purposes relevant to implementation of this Agreement, the Government acting through the Ministry of Finance and Economic Affairs is represented by the individual holding the position of, or acting as, the Permanent Secretary of MOPE, and the United States acting through MCC is represented by the individual holding the position of, or acting as, the Vice President of the Department of Policy and Evaluation of MCC (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 Agreement except for purposes of Section 7.7(a). The Government acting through the Ministry of Finance hereby designates the Chief Executive Officer of the  Accountable Entity as Additional Representative for The Gambia. The United States acting through MCC hereby designates the Deputy Vice President of the Department of Policy and Evaluation of MCC as an Additional Representative for the United States. 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 7.4 Communications. Any document or communication required or submitted by either Party to the other under this Agreement must be submitted in writing and, except as otherwise agreed, in English. All such documents or communication must be submitted to the addresses set forth below or to such other address as may be designated by either Party in a written notice to the other Party.

To the Government:

Ministry of Petroleum and Energy

Attention: Permanent Secretary of the Ministry of Petroleum and Energy
Petroleum House – 8th floor
Brusubi Roundabout
The Gambia

Telephone: +220 880 5395

Email: info@mope.gov.gm

To MCC:

Millennium Challenge Corporation

Attention: Vice President, Department of Policy and Evaluation
(with a copy to the Vice President and General Counsel)
1099 Fourteenth Street, NW, Suite 700
Washington, DC 20005
United States of America

Facsimile: +1 (202) 521-3700

Telephone: +1 (202) 521-3600

Email: VPPolicyEvaluation@mcc.gov (Vice President, Department of Policy and
Evaluation)

VPGeneralCounsel@mcc.gov (Vice President and General Counsel)

Section 7.5 MCC Status. MCC is a United States government corporation acting on behalf of the United States government in the implementation of this Agreement and the Program. MCC and the United States assume no liability for any claims or loss arising out of activities or omissions under this Agreement. The Government waives any and all claims against MCC or the United States or any current or former officer or employee of MCC or the United States for all loss, damage, injury, or death arising out of activities or omissions under this Agreement, and agrees that it shall 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 or any current or former officer or employee of MCC or the United States shall be immune from the jurisdiction of all courts and tribunals of The Gambia for any claim or loss arising out of activities or omissions under this Agreement.

Section 7.6 No Assurance of Future Assistance. Nothing contained in this Agreement creates an obligation on the part of the United States or MCC to provide any further funding or assistance, other than the Grant, in relation to any other project or program in The Gambia.

Section 7.7 Amendment.

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

(b) Notwithstanding subsection (a), the Parties agree that the Government and MCC may by written agreement, which shall enter into force upon signature (i) modify any annex to this Agreement to, in particular, but without limitation, (A) suspend, terminate or modify any project or activity described in Annex I or create a new project or activity, (B) add, delete or waive any condition precedent described in Annex III, or (C) modify the designation or allocation of funds among the activities identified in Annex II; or (ii) extend the Completion Date; *provided, however*, that, in each case, any such modification (A) is consistent in all material respects with the Project Objectives, (B) does not cause the amount of the Grant to exceed the aggregate amount specified in Section 2.1(a), and (C) does not cause the Government's responsibilities or contribution of resources to be less than as specified in this Agreement. Any such modification pursuant to this subsection (b) shall not be deemed an amendment of this Agreement pursuant to subsection (a).

Section 7.8 Survival. The obligations under Sections 2.4 (Use of the Grant), 2.5 (Taxes), 3.2 (Government Responsibilities), 4.7 (Records; Accounting; Providers; Access), 4.8 (Audits; Review), 6.2 (Termination and Suspension; Expiration), 6.3 (Refunds), 7.1 (Governing Law), and this Section 7.8 (Survival) shall survive the expiration, suspension, or termination of this Agreement; *provided, however*, that the terms of Section 2.5 shall survive for only 120 days following this Agreement's expiration.

Section 7.9 Definitions; Interpretation.

(a) Except as otherwise expressly provided herein, capitalized terms used in this Agreement shall have the respective meanings provided in Annex IV.

(b) Unless expressly provided otherwise: (i) each definition of or reference to any agreement, instrument, law, regulation, policy, guideline, or similar document in this Agreement (or any other agreement entered into in connection with this Agreement), unless otherwise expressly set forth herein, shall be construed as a reference to such agreement, instrument, law, regulation, policy, guideline, or similar document as it may, from time to time, be amended, revised, replaced, or extended, and shall include any agreement, instrument, law, regulation, policy, guideline, or similar document issued under or otherwise applicable or related to such agreement, instrument, law, regulation, policy, guideline, or similar document; (ii) all references herein to Articles, Sections, and Annexes shall be construed to refer to the Articles and Sections of, and Annexes to, this Agreement, all of which form an integral part of this Agreement; (iii) any use of the phrases "unless MCC agrees otherwise" or "unless the Parties agree otherwise" or similar phrases in this Agreement shall be deemed to be followed by "in writing" and any such notice, approval, or other action shall be required to be in writing; (iv) any approval right granted to MCC herein shall only be satisfied upon the prior written approval of MCC.

Section 7.10 References to MCC Website. Each reference in this Agreement, or any other agreement entered into in connection with this Agreement, to a document or information available on, or notified by posting on, the MCC Website shall be deemed a reference to such document or information as updated or substituted on the MCC Website by MCC from time to time.

Section 7.11 Signatures. Signatures to this Agreement and to any amendment to this Agreement (and to any other legally binding international agreement related to this Agreement) shall be original signatures appearing on the same page or in an exchange of letters or diplomatic notes.

Section 7.12 Grant Reference. The Government shall include the grant reference number provided by MCC on all notices, requests, reports or correspondence in connection with the Grant funding.

ARTICLE 8.

ENTRY INTO FORCE

Section 8.1 Date of Entry into Force. The Government shall notify MCC in writing when necessary internal Gambian procedures for this Agreement's entry into force have been

completed. Following receipt of this notification, MCC shall notify the Government in writing when MCC deems the conditions precedent to entry into force set forth in Section 8.2 have been met to MCC's satisfaction and the United States' necessary internal procedures for entry into force have been completed. This Agreement shall enter into force on the date of MCC's written notification to the Government. This Agreement, upon entry into force, shall prevail over the domestic laws of The Gambia, with the exception of the constitution, as a matter of Gambian domestic law.

Section 8.2 Conditions Precedent to Entry into Force. Each of the following conditions must be fulfilled, in each case to the satisfaction of MCC, before this Agreement enters into force:

(a) The Government has delivered to MCC a signed legal opinion, in form and substance satisfactory to MCC, by Minister of Justice or other legal counsel of The Gambia acceptable to MCC.

(b) The Government has delivered to MCC complete, certified copies of all decrees, legislation, regulations, or other governmental documents relating to the Government's domestic requirements necessary for this Agreement to enter into force, which MCC may post on the MCC Website or otherwise make publicly available.

(c) The Government has delivered to MCC an incumbency certificate and specimen of the Government's Principal Representative.

(d) MCC has determined that, since the time of signing this Agreement, the Government has not engaged in a pattern of actions inconsistent with the eligibility criteria for MCC assistance.

(e) The conditions set forth in Annex IV have been satisfied.

Section 8.3 Provisional Application. Upon signature of this Agreement by both Parties, and until this Agreement has entered into force in accordance with Section 8.1, the Parties agree to provisionally apply the terms of this Agreement.

SIGNATURE PAGE FOLLOWS ON NEXT PAGE

IN WITNESS WHEREOF, the undersigned, duly authorized by their respective governments, have signed this Agreement.

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

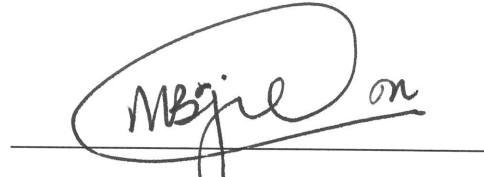


Name: Mahmoud Bah
Title: Acting Chief Executive Officer

Place: Washington, D.C., United States of
America

Date: 4 November 2021

FOR THE REPUBLIC OF THE GAMBIA,
acting through THE MINISTRY OF
FINANCE AND ECONOMIC AFFAIRS



Name: Mambury Njie
Title: Minister of Finance and Economic
Affairs

Place: Banjul, The Gambia

Date: 16th NOVEMBER 2021



HERE

ANNEX I

PROGRAM DESCRIPTION

Unless the Parties agree otherwise, the Government shall utilize the assistance provided under this Agreement to support the following Program.

A. SUMMARY OF PROGRAM

The Program consists of the following two Projects and their activities (each, an “**Activity**” and collectively, the “**Activities**”):

1. Power Sector Governance Project (the “**Governance Project**”)

The Governance Project focuses on building the capacity of power sector stakeholders to identify and solve problems in the following areas: the legal and regulatory environment; the policy and planning environment; NAWEC’s structure and governance; and external oversight and accountability. In addressing effectiveness, accountability, and transparency, the Governance Project is designed to bolster performance, support the Government’s existing efforts to provide universal access to electricity by 2025, increase gender representation and participation in the sector, and prioritize, where possible, public-private partnerships and transition to lower carbon forms of energy.

The Governance Project uses a “learning by doing” approach facilitated by expert advisors (the “**Facilitated Change Management Advisor**”). The Facilitated Change Management Advisor supports teams of stakeholders working to identify the underlying causes of legal, policy, regulatory, administrative, access, and operational challenges, and then to solve those problems through a disciplined, iterative, and action-oriented approach.

The Governance Project comprises two Activities:

(a) Building Power Sector Governance Capacity (the “**Governance Capacity Activity**”)

The Governance Capacity Activity supports Gambian power sector stakeholders, such as MOPE, NAWEC, the Ministry of Finance and Economic Affairs, the Public Utility Regulatory Agency (“**PURA**”), and the Office of the President, with the necessary skills and information to use appropriate government processes for solving problems and driving improved performance of the power sector. The Governance Capacity Activity has the following sub-Activities:

i. Establish, Monitor, and Support Performing Reform and Project Teams

In this sub-Activity, the Government, with the support of the Facilitated Change Management Advisor, shall establish a reform team (“**Governance Reform Team**”) and three project teams to drive engagement and problem solving of power sector governance challenges faced by the executive branch of government and relevant agencies. The Government shall establish one project team for each of the following areas and such teams shall include experienced sector employees: legal and regulatory environment; policy and planning environment; and NAWEC’s structure and governance. Membership of the Governance Reform Team and project teams shall be as gender

diverse as reasonably possible. In addition, the Government shall engage a consultant to conduct a baseline and program completion survey related to public perspectives on power sector governance and quality.

ii. Full-Time Advisor in The Gambia

This sub-Activity supports the full-time presence of the Facilitated Change Management Advisor in The Gambia to support implementation of the Governance Capacity Activity. Such advisor's work on the Activity includes project management; project team facilitation and guidance; monitoring, evaluation, and learning; providing sector expertise as needed; and integrating gender inclusion, access, and climate change considerations into the work of the Governance Reform Team.

iii. Advisory Support

This sub-Activity embeds a technical advisor in MOPE and another in the Office of the President. The MOPE advisor shall support donor coordination of projects in the power sector and shall provide guidance in order to strengthen investment planning. The advisor in the Office of the President shall support policymaking, with the aim of bolstering effective leadership for power sector reform.

iv. Incentivizing Engagement and Commitment to Improve Governance

This sub-Activity supports written requests from performing project teams for specific technical assistance to support problem solving in their assigned reform area (such requests, "**Action Requests**"). Among other potential work, the policy and planning environment project team is expected to analyze improvements in The Gambia's enabling environment for public-private partnerships, including the governance and accountability framework; this team is also expected to ensure the integration of decision-making processes that are evidence-based, gender-inclusive, and promote universal access and The Gambia's NDCs.

v. Evaluating Separation of NAWEC's Water and Sewerage Operations from its Power Operations

This sub-Activity supports a study examining the benefits and costs of separating NAWEC's water and sewerage operations from its power operations. The Government shall commission a study that assesses options for the separation of operations and analyzes costs and benefits of each option, and which is expected to provide evidence and data needed to support policy decisions.

(b) Accountability and Oversight for the Power Sector (the "**Accountability Activity**")

The Accountability Activity seeks to strengthen the ability of the National Assembly and of public stakeholders, such as civil society, the media, and academia, to influence the

development and operations of the power sector to better reflect their interests and needs. The Accountability Activity has the following sub-Activities:

i. Establish, Monitor, and Support Performing Reform and Project Teams

Under this sub-Activity, the Government shall establish a reform team (the “**Accountability Reform Team**”) and one project team to support engagement and problem solving that strengthens external oversight and accountability of the power sector. The Accountability Reform Team plays a leadership role and comprises representatives of the National Assembly, civil society, media, and academia.

ii. Full-Time Advisor in The Gambia

This sub-Activity supports the full-time presence of the Facilitated Change Management Advisor in The Gambia to support implementation of the Accountability Activity. Such advisor’s work on the Activity includes project management; project team facilitation and guidance; monitoring, evaluation, and learning; providing sector expertise as needed; and integrating gender inclusion, access, and climate change considerations into the work of the Accountability Reform Team.

iii. Incentivizing Engagement and Commitment to Improve Sector Oversight and Accountability

This sub-Activity supports Action Requests from the Accountability Activity project team for technical assistance for problem solving related to improved accountability.

iv. Build Capacity for Stronger Sector Engagement, Oversight, and Accountability

This sub-Activity supports developing a grant facility to provide grants to Gambian civil society organizations, media, and academic institutions to undertake power sector engagement activities that increase public participation in power sector decision-making, foster greater sector inclusion and access, and enhance accountability of power sector institutions.

2. Power Sector Operations Project (the “Operations Project”)

The Operations Project aims to develop critical skills, tools, and processes at NAWEC to address challenges in the following areas: power sector operations, customer operations, finance, and change management. The Operations Project is coordinated with and builds upon work financed by the Government and by other donors to ensure close alignment with NAWEC’s strategic operational plan, as well as The Gambia’s “Electricity Roadmap.” The Project is expected to operationalize NAWEC’s gender policy and improve institutional and operational capacity to achieve The Gambia’s universal access goals as stated in the “Electricity Roadmap.”

To advance the work of the Operations Project, the Government shall establish a team to coordinate the Project, the membership of which shall include NAWEC staff with appropriate expertise and authority, as agreed between MCC and the Government (the “**Transformation Team**”). The Transformation Team convenes project teams focused on specific challenges or

components of NAWEC operations. These project teams (expected to be located in NAWEC's finance, commercial, transmission and distribution, and generation business units) utilize an adaptive management approach, which is a facilitation methodology similar to that used for the Governance Project. Membership of the Transformation Team and project teams shall be as gender diverse as reasonably possible.

The Operations Project shall be supported by outside experts on energy sector operations (the “**Operations Advisor**”). The Operations Advisor, which is expected to embed experts within NAWEC, provides strategic guidance, analytical support, and capacity building to the Transformation Team and the NAWEC staff members that are members of the project teams, and, among other things, provides technical and analytical support on power sector data.

The Operations Project is expected to be implemented in two phases, described below in two Activities.

(a) Fundamental Change and Building Commitment (the “**Phase I Activity**”)

The Phase I Activity supports identifying, prioritizing, and analyzing weaknesses and inefficiencies in NAWEC's operations and structure, and then identifying and advancing solutions. This Activity is expected to include support for geographic information system (GIS) data gathering, energy forecast modeling, utility process mapping, operationalizing NAWEC's gender policy, and customer satisfaction surveys. This Activity also includes an analysis of opportunities to advance The Gambia's efforts to meet its NDCs and universal access goals, and to promote environmental and social performance in the power sector. The Phase I Activity has the following sub-Activities:

i. Change Management

Change management activities supported by the Phase I Activity include the Transformation Team, with the support of the Operations Advisor, developing a project management and monitoring approach for the Operations Project, and reviewing NAWEC's policies, business processes, and business environment to recommend adjustments based on industry standards and reflecting increased access, gender balance, and climate change goals.

ii. Operational Activities

Operational activities of the Phase I Activity comprise the work of the Operations Project's project teams. These project teams, with support from the Operations Advisor, use regular meetings to plan work, assess progress, and understand obstacles encountered to inform both adjustments in strategy and decision-making.

iii. Progress Assessment

MCC and the Government, along with NAWEC, the Transformation Team, and related project teams, shall conduct an assessment of progress of the Phase I Activity with the goal of identifying those change areas showing the greatest potential for achieving the Project Objective of the Operations Project.

iv. Phase II Plan Development

As the final stage of work in the Phase I Activity, the Government shall prepare a plan for the Phase II Activity in form and substance satisfactory to MCC in its sole discretion (the “**Phase II Plan**”). The Phase II Plan shall set forth the priority investment areas for the Project, an implementation plan, a high-level procurement plan, baselines and targets for expected outputs and outcomes, and a monitoring approach for these activities.

(b) Strategic Investments and Consolidating Change (the “Phase II Activity”)

The Transformation Team and related project teams shall implement the Phase II Plan, including through Action Requests. The Phase II Activity supports the Operations Advisor’s ongoing capacity development and change management activities at NAWEC. NAWEC and the Operations Advisor shall work with MCC in managing activities arising from the implementation of the Phase II Plan, including, for example, engaging with technical assistance support, enacting human resource and customer service reforms, and introducing new technology.

B. IMPLEMENTATION ARRANGEMENTS

The Program shall be implemented through an Accountable Entity (with MCC oversight). The roles and responsibilities of the various entities involved in implementation are set forth below.

1. MCC

MCC shall take all appropriate actions to carry out its responsibilities in connection with this Agreement and the Program, including, without limitation, exercise of its approval rights. MCC oversight of the Program is expected to include an MCC resident threshold director based in Banjul and an implementation support team from MCC headquarters, as well as MCC-managed consultants, who work in The Gambia from time to time as necessary to perform their duties.

2. **The Accountable Entity.**

(a) Independence and Autonomy.

The Government shall take all appropriate actions to carry out its responsibilities in connection with this Agreement and the Program. To do so, the Government has designated the Accountable Entity pursuant to Section 3.2(b) to exercise and perform the Government’s rights and obligations to oversee and implement the Program. The Accountable Entity shall have operational and legal independence, including, *inter alia*, the ability to (1) enter into contracts in its own name; (2) sue and be sued; (3) establish a bank account in its own name; (4) expend Grant funding; and (5) engage contractors, consultants, and grantees.

The internal operations of the Accountable Entity shall be governed by the terms and conditions of this Agreement, any related MCC policies, and the Governing Documents, which shall include bylaws providing further details on the Accountable Entity’s internal operations. The bylaws must be in form and substance satisfactory to MCC.

The Accountable Entity shall be administered and managed by a board of directors (the “**Board**”) and a management unit (the “**Management Unit**”).

(b) Board of Directors.

The Board shall have ultimate responsibility for the oversight, direction, and decisions of the Accountable Entity, as well as the overall implementation of the Program. It comprises seven voting members. The Board has the following representatives:

1. Permanent Secretary of MOPE (Chair);
2. Secretary General of the Office of the President;
3. Permanent Secretary of Ministry of Finance and Economic Affairs;
4. Managing Director of NAWEC;
5. Director General of PURA;
6. Representative of Gambian private sector; and
7. Representative of Gambian civil society.

The members of the Board may be represented by alternates appointed pursuant to the Governing Documents. The non-Government representatives shall be selected through an open and transparent process in form and substance satisfactory to MCC. Other non-voting members may be included as named in the Governing Documents. In addition, MCC’s resident threshold director in The Gambia shall serve as a non-voting observer of the Board. The Accountable Entity may also establish other non-executive and non-supervisory bodies, such as advisory councils or stakeholders committees.

(c) Management Unit.

The Management Unit shall report to the Board of Directors and have principal responsibility for the day-to-day operations of the Accountable Entity. The Management Unit shall be led by the Chief Executive Officer (CEO) and shall be composed of the directors and officers as agreed between MCC and the Government. The Government shall conduct an open and competitive recruitment for Program-funded positions within the Accountable Entity. The Key Staff shall be supported by appropriate additional staff to enable the Management Unit to execute its roles and responsibilities, subject to MCC approval and availability of Grant funds. Any reference to the Management Unit shall be deemed to be a reference to the Interim MCA Team, or any member thereof, until such time as Management Unit employees begin their employment following the above-referenced open and competitive recruitment. Any reference to Key Staff shall be deemed to be a reference to any member of the Interim MCA Team performing the functions that otherwise would be the responsibility of a Key Staff position, until such time as such employees begin their employment following the above-referenced open and competitive recruitment.

The Government shall provide the Accountable Entity with on-call resources of qualified legal counsel. The Accountable Entity shall be supported by Gambian-funded staff as needed, and the Government shall provide such other in-kind support as required for the performance of the Accountable Entity's duties.

(d) Other Gambian Government Entities.

The Government shall ensure that Gambian government entities cooperate with the Accountable Entity in the implementation of the Program. As needed, the Accountable Entity and such other Gambian government entities shall enter into appropriate agreements to memorialize such cooperation and to assure the sustainability and maintenance of any Program Assets.

(e) Fiscal and Procurement Management.

Unless MCC agrees otherwise, the Accountable Entity shall engage one or more individuals or a firm with expertise in financial management to serve as fiscal agent (the “**Fiscal Agent**”). In addition, unless MCC agrees otherwise, the Accountable Entity shall also engage a procurement agent (the “**Procurement Agent**”). It is expected that the Fiscal Agent and Procurement Agent, respectively, shall perform all services necessary to ensure that: (1) all financial management activities related to the Program are conducted in strict compliance with the terms of this Agreement, the MCC Cost Principles, and other related MCC policies, and (2) all Program-related procurements are conducted in strict compliance with the terms of this Agreement, the MCC Program Procurement Guidelines, and other related MCC policies.

C. MONITORING AND EVALUATION

This Part C of Annex I summarizes the M&E Plan for the Program. The actual structure and content of the M&E Plan, which may differ from that specified in this Part C, shall be formulated by MCC and the Government in accordance with the M&E Policy. In addition, the M&E Plan may be modified from time to time as described in the M&E Policy without requiring an amendment to this Part C. The M&E Plan shall be posted publicly on the MCC Website and updated as necessary.

1. General.

MCC and the Government agree to formulate, and the Government shall adopt and implement, an M&E Plan that explains in detail how and what MCC and the Accountable Entity will (i) monitor to determine whether the Projects are on track to achieve their intended results (“**Monitoring Component**”), and (ii) evaluate to assess implementation strategies, provide lessons learned, and assess progress toward achieving the Project Objectives (“**Evaluation Component**”).

2. Program Logic.

The program logic is an explanatory model that demonstrates how specific interventions lead to the expected outcomes and objectives of a program. This model reflects the design and implementation plans of a program, noting planned activities and outputs and the sequencing of

results. It also notes critical assumptions related to achieving results. The program logic forms the basis of the M&E Plan. A description of the logic underlying each Project is included below:

Overall Program Logic

The unreliable, inadequate supply of electricity represents a binding constraint to economic growth in The Gambia. The Program seeks to relieve this constraint through work to improve power sector governance and operations. The Program shall work in close coordination with other donors in the sector to ensure that efforts are not duplicated. The Governance Project's work to support more effective, accountable, transparent power sector governance in The Gambia is complemented by the Operations Project work supporting the development of critical skills, tools, and processes at NAWEC.

Power Sector Governance Project Logic

The Governance Project is designed to support reviews of and updates to The Gambia's power sector legal, policy, and regulatory frameworks. The Governance Project aims to build capacity of sector actors to ensure that the new legal, policy, and regulatory frameworks are fully implemented, and oversight is robust. These activities are expected to contribute to consistent implementation of energy sector laws, policies, and regulations.

The Governance Project is also designed to support improved processes for key governance activities. This includes improving board processes and introducing evidence-based and gender-inclusive decision-making processes and procedures at different levels that promote universal access and The Gambia's NDCs, and can support more effective investment decisions.

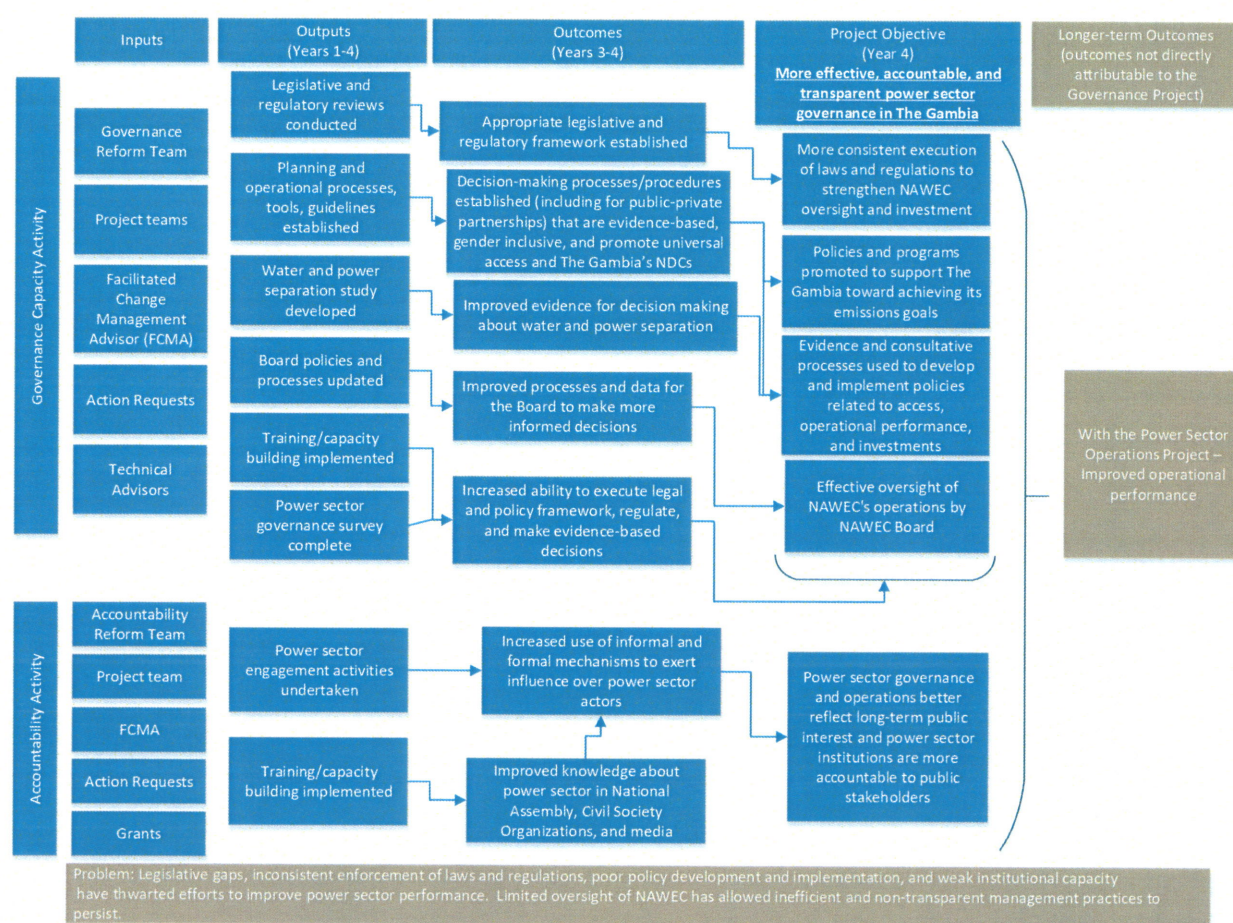
The Governance Project includes analysis of NAWEC's dual role in both the water and power sectors and supports the Government's consideration of alternate corporate structures that can enhance service delivery.

The Governance Project also aims to increase knowledge about the Gambian power sector among members of the National Assembly, civil society organizations, and the media, which is expected to result in enhanced sector oversight and increased accountability of power sector institutions to the public.

Overall, the activities of the Governance Project are expected to result in more effective, accountable, and transparent power sector governance in The Gambia and, along with the Operations Project, contribute to improved operational performance.

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Power Sector Governance Project Logic



Key Assumptions

- A1:** Sector actors are willing and have the capacity to execute consistent and appropriate laws, policies, regulations, and plans, including implementing the least-cost system expansion plan and using public-private partnerships (PPPs) where appropriate.
- A2:** Power sector agencies engage with and process input from stakeholders.
- A3:** The Operations Project will improve the availability, quality and timeliness of power sector data and reports. This will be done in time to be used to improve governance.
- A4:** NAWEC receives training/coaching on business separation for water and power operations.
- A5:** Project teams are convened, members are engaged, and the majority of the teams complete their planned work.

Power Sector Operations Project Logic

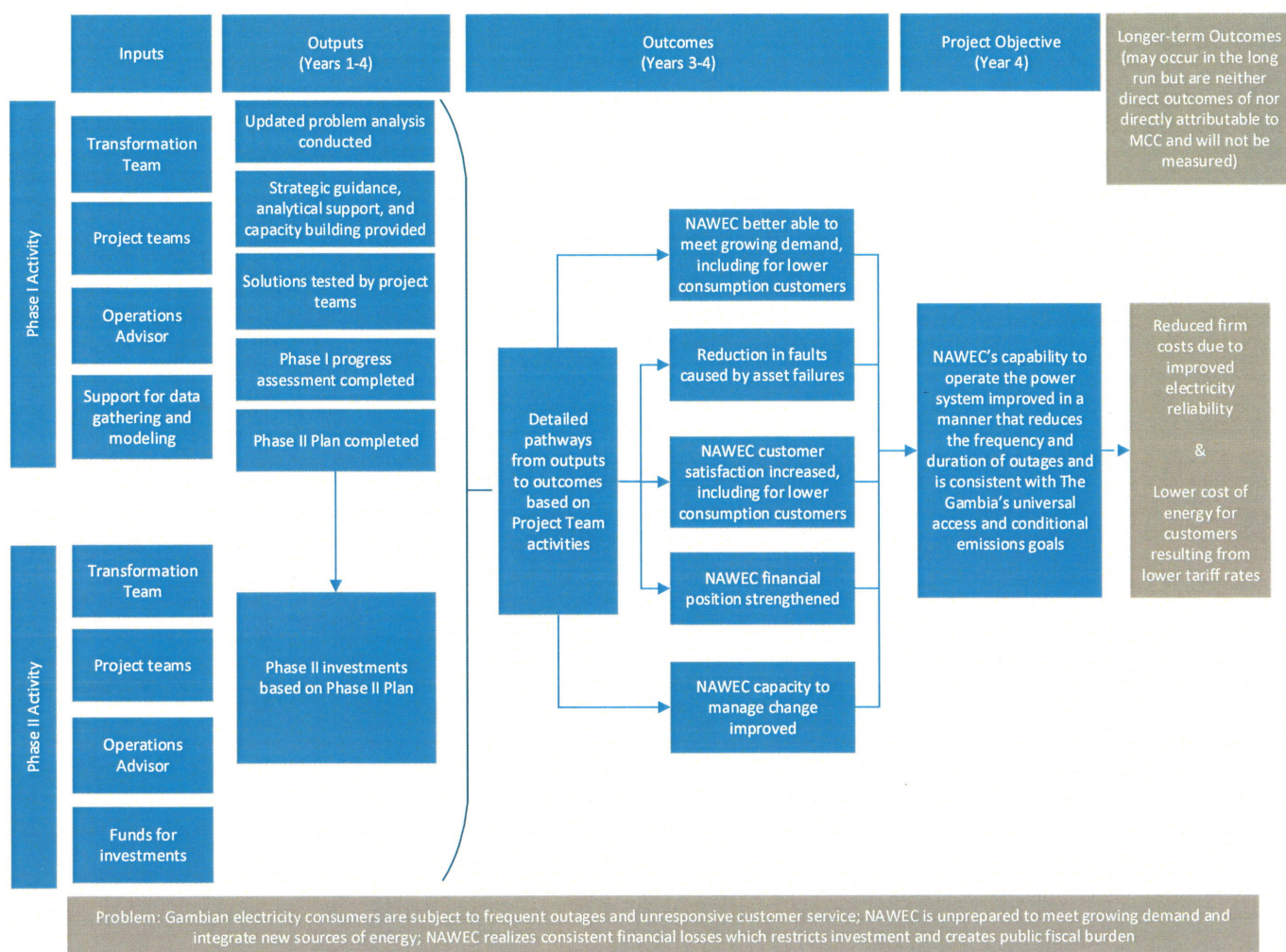
The Operations Project works to identify and address weaknesses in NAWEC's operations and structure through a two-phased approach, the first phase of which utilizes a facilitated adaptive problem-solving approach similar to the Governance Project, and the second phase of this focuses more intensely on operations improvements. The Project is expected to create an environment suitable to initiate change, and then support NAWEC management and staff in advancing operational improvements.

Given the adaptive nature of the project, many outputs as well as specific pathways from the outputs to the Project Objective have not been determined. However, the operational improvements are expected to meet the Project Objective by contributing to some of the following outcomes: (1) equipping NAWEC to manage system growth, including for lower consumption customers; (2) supporting NAWEC to sustainably maintain system assets and optimize the use of those assets to reduce faults on NAWEC's network; (3) improving customer service and increasing satisfaction among NAWEC's customers, including for lower consumption customers; (4) strengthening NAWEC's financial position through increased revenue or reduced operating costs; and (5) improving NAWEC's capacity to manage change.

Overall, the Operations Project is designed to reform the institution of NAWEC on many aspects – growth, reliability, customer satisfaction, financial position, and adaptation for a successful and climate resilient future – leading to improved capability to operate a power system in a manner that reduces the frequency and duration of outages. In the long-term, reduced outages and improved operations are expected to lead to lower energy costs for consumers and lower costs for businesses.

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Power Sector Operations Project Logic



Key Assumptions

A1: NAWEC staff and management are sufficiently motivated and committed to deploy new processes, tools, and skills and to create an inclusive, diversified workforce.

A2: NAWEC will obtain and deploy investment resources to leverage improved capacity for planning, construction, and system operations to improve electricity service, including from existing projects such as the improved dispatch center equipped with Supervisory Control and Data Acquisition (SCADA) system, transmission and distribution investments, and Gambia River Basin Development Organization interconnection.

A3: Increased funding to adequately maintain NAWEC assets will be available from internal budget, increased tariff adjustments, reduced losses, or from other Government resources.

A4: NAWEC's financial position is strengthened by the transfer of NAWEC debt to the Ministry of Finance and Economic Affairs.

A5: Project teams are convened, members are engaged, and the majority of the teams complete their planned work.

3. Monitoring Component.

To monitor progress toward the achievement of results of the Program, the Monitoring Component of the M&E Plan shall identify (a) the Indicators (as defined below), (b) the definitions of the Indicators, (c) the sources and methods for data collection, (d) the frequency for data collection, (e) the party or parties responsible for collecting and analyzing relevant data, and (f) the timeline for reporting on each Indicator to MCC. It should be noted that some indicators shall continue to be tracked after the Completion Date as necessary.

Indicators

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

- a) The M&E Plan shall 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 shall establish Baselines on the selected Indicators or verify already collected Baselines where applicable.
- b) The M&E Plan shall establish a benchmark for each Indicator that specifies the expected value and the expected time by which the result shall be achieved ("**Target**").
- c) The M&E Plan shall indicate which Indicators shall be disaggregated by gender, income level, and age, and beneficiary types to the extent practical and applicable.
- d) MCC's Common Indicators (as described in the M&E Policy) shall also be included as relevant. These shall be denoted by the Common Indicator code.
- e) Subject to prior written approval from MCC and in accordance with the M&E Policy, the Government may add Indicators or refine the definitions and Targets of existing Indicators.
- f) The Accountable Entity 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 the *MCC Guidance to Accountable Entities on the Quarterly Disbursement Request Package*. In the case that the Accountable Entity submits a six-month disbursement request, the ITT must still be submitted quarterly.

Key Indicators that can be reported on at least an annual basis shall be included in quarterly monitoring indicator reports, while Indicators that require survey data or a longer time period

to track shall be tracked for evaluation purposes. The M&E Plan shall contain the Indicators listed in Schedule A to Annex I.

4. Evaluation Component.

The Evaluation Component of the M&E Plan contains information about how the program will be evaluated through independent evaluations which are further described in the 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. For each independent evaluation, the Accountable Entity is expected to review and provide feedback to independent evaluators on the 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.

A description of the expected evaluation methodologies for each Project is below.

Governance Project

The Governance Project may be evaluated through a performance evaluation. The questions that shall guide the design of the evaluation may include:

1. Was the project implemented as expected? What was learned about how to use facilitated change management as an implementation approach? What facilitated implementation and what challenges were encountered?
2. Did the project achieve its targeted outcomes, particularly its stated objective to create more effective, accountable, and transparent power sector governance in The Gambia, in the timeframe and magnitude expected? Why or why not?
3. Do the results of the project justify the allocation of resources toward it?

Operations Project

The Operations Project may be evaluated through a performance evaluation. The questions that shall guide the design of the evaluation may include:

1. Was the project implemented as expected? What was learned about how to use adaptive management as an implementation approach? What facilitated implementation and what challenges were encountered?
2. Did the project achieve its targeted outcomes, particularly its stated objective to improve the capability of NAWEC to operate the Gambian power system, in the timeframe and magnitude expected? Why or why not?
3. Do the results of the project justify the allocation of resources toward it?

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

5. 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 term of this Agreement 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.

6. Other Components of the M&E Plan.

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

(a) Data Management. The M&E Plan will describe the process to collect data, store, analyze, and deliver information to relevant stakeholders in such a way that the information collected and verified pursuant to the M&E Plan is accessible and useful to those who wish to use it.

(b) Budget. A detailed cost estimate for all components of the M&E Plan.

7. 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.”¹ For this reason, primary responsibility for developing the M&E Plan lies with the M&E staff of the Accountable Entity 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 the Accountable Entity 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 applicable. While the entire M&E Plan must be developed collaboratively, MCC and the Accountable Entity 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.

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

The approval and implementation of the M&E Plan, as amended from time to time, shall be in accordance with this Agreement, any other relevant supplemental agreements, and the M&E

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

Policy. All M&E Plan modifications proposed by the Accountable Entity 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.

9. Post-Program M&E Plan.

As part of the planning process for winding up the Program at the end of the term of this Agreement, MCC and the Accountable Entity shall develop a post-Program M&E Plan designed to observe the persistence of benefits created under this Program. This plan should describe future monitoring and evaluation activities, identify the individuals and organizations that shall undertake these activities, and provide a budget framework for future monitoring and evaluation. The post-Program M&E Plan should build directly off the M&E Plan.

SCHEDULE A TO ANNEX I

INDICATORS

The table below lists the preliminary set of monitoring and evaluation indicators linked to each result in the project logics.

Table 1: Power Sector Governance Project

Result	Indicator	Definition	Unit of Measure	Baseline	End of Threshold Target	ITT Indicator
Outcome Indicators to measure the Project Objective						
Objective: More effective, accountable, and transparent power sector governance in The Gambia	More consistent execution of laws and regulations to strengthen NAWEC oversight and investment	Power sector legislative provisions implemented	TBD	TBD	TBD	No
		Power sector regulatory provisions implemented	TBD	TBD	TBD	No
	Policies and programs promoted to support The Gambia toward achieving its emissions goals	TBD	TBD	TBD	TBD	No
	Evidence and consultative processes used to develop and implement policies related to access, operational performance, and investments	Power sector investment projects approved according to an established process and defined criteria	Percentage of total dollar value of investments approved according to the "Electricity Roadmap" or an established process and defined criteria	Percentage	TBD	No
	Effective oversight of NAWEC's operations by NAWEC Board	TBD	TBD	TBD	TBD	No
	Power sector governance and operations better reflect long-term public interest and power sector	Policy, legal or operational actions taken by power sector institutions	TBD	TBD	TBD	No

Table 1: Power Sector Governance Project

Result		Indicator	Definition	Unit of Measure	Baseline	End of Threshold Target	ITT Indicator
	institutions are more accountable to public stakeholders	that reflect input from public stakeholders					
Governance Capacity Activity							
Outcome Indicators							
Appropriate legislative and regulatory framework established		Power sector laws created, updated, or clarified	Number of laws created, updated, or clarified	Number	TBD	TBD	Yes
		Power sector regulations created, updated, or clarified	Number of regulations created, updated, or clarified	Number	TBD	TBD	Yes
Decision-making processes/procedures established (including for public-private partnerships) that are evidence-based, gender-inclusive, and promote universal access and The Gambia's NDCs		Annual update of sector investment plan completed	Date each year when the sector investment plan is updated	Date	N/A	TBD	Yes
Improved evidence for decision making about water and power separation		TBD	TBD	TBD	TBD	TBD	TBD
Improved processes and data for the Board to make more informed decisions		NAWEC Board approves updated Board rules and processes	Date when NAWEC Board approves updated Board processes in accordance with legal requirements	Date	N/A	TBD	Yes
Increased ability to execute legal and policy framework, regulate, and make evidence-based decisions		TBD	TBD	TBD	TBD	TBD	TBD
Output Indicators							
Legislative and regulatory reviews conducted		TBD	TBD	TBD	TBD	TBD	TBD
Planning and operational processes, tools, guidelines established		TBD	TBD	TBD	TBD	TBD	TBD
Water and power separation study developed		Water and power separation study completed	Date study analyzing costs and benefits of NAWEC water and power separation completed	Date	N/A	TBD	Yes
Board policies and processes updated		TBD	TBD	TBD	TBD	TBD	TBD

Table 1: Power Sector Governance Project

Result	Indicator	Definition	Unit of Measure	Baseline	End of Threshold Target	ITT Indicator
Training/capacity building implemented	TBD	TBD	TBD	TBD	TBD	TBD
Power sector governance survey complete	Power sector governance survey completed	Date when the power sector governance survey report is accepted by MCA-Gambia	Date	N/A	TBD	Yes
Accountability Activity						
Outcome Indicators						
Increased use of informal and formal mechanisms to exert influence over power sector actors	TBD	TBD	TBD	TBD	TBD	TBD
Improved knowledge about power sector in National Assembly, Civil Society Organizations, and media	TBD	TBD	TBD	TBD	TBD	TBD
Output Indicators						
Power sector engagement activities undertaken	TBD	TBD	TBD	TBD	TBD	TBD
Training/capacity building implemented	TBD	TBD	TBD	TBD	TBD	TBD

Table 2: Power Sector Operations Project

Result	Indicator	Definition	Unit of Measure	Base-line	End of Threshold Target	ITT Indicator
Outcome Indicators to measure the Project Objective						
Objective: NAWEC's capability to operate the power system improved in a manner that reduces the frequency and duration of outages and is consistent with The Gambia's universal access and conditional emissions goals	Average frequency of outages	Proxy indicator for System Average Interruption Frequency Index (SAIFI)	Number/quarter/customer	TBD	TBD	No
	Average duration of outages	Proxy indicator for System Average Interruption Duration Index (SAIDI)	Hours/quarter/customer	TBD	TBD	No
	Indicator(s) to measure "consistent with the universal access goal" are TBD	TBD	TBD	TBD	TBD	TBD
	Indicator(s) to measure "consistent with emissions goals" are TBD	TBD	TBD	TBD	TBD	TBD

Table 2: Power Sector Operations Project

Result	Indicator	Definition	Unit of Measure	Base-line	End of Threshold Target	ITT Indicator
Outcome Indicators to measure the Project Objective						
Outcome Indicators						
NAWEC better able to meet growing demand	Percentage of households connected to the national grid (MCC common indicator P-25)	Number of households that have access to a legal connection to electricity service from an electrical utility or service provider / Total number of households in the country	Percentage	TBD	TBD	Yes
	New electricity connection days (NAWEC KPI)	Days from payment to actual energizing	Days	TBD	TBD	Yes
	Share of Sector Investment Plan expended	Percentage of Sector Investment Plan expended on an annual basis	Percentage	TBD	TBD	Yes
Reduction in faults caused by asset failures	TBD	TBD	TBD	TBD	TBD	TBD
NAWEC customer satisfaction increased	TBD	TBD	TBD	TBD	TBD	TBD
NAWEC financial position strengthened	Operating cost-recovery ratio (MCC common indicator P-24)	Total revenue collected / Total operating cost. Total operating cost is defined as operating expenses plus depreciation.	Ratio	TBD	TBD	Yes
	Arrears as percentage of revenues	Total value of arrears in US dollars/ NAWEC annual revenue	Percentage	TBD	TBD	Yes
	Profit after tax (NAWEC KPI)	Net profit after tax/turnover	Percentage	TBD	TBD	Yes
	Return on assets (NAWEC KPI)	Net profit after tax/total assets	Percentage	TBD	TBD	Yes
	Current ratio (NAWEC KPI)	Current assets/current liabilities	Ratio	TBD	TBD	Yes
NAWEC capacity to manage change improved	TBD	TBD	TBD	TBD	TBD	TBD
Phase I Activity						
Output Indicators						
Updated problem analysis conducted	TBD	TBD	TBD	TBD	TBD	TBD
Strategic guidance, analytical support, and capacity building provided	TBD	TBD	TBD	TBD	TBD	TBD

Table 2: Power Sector Operations Project

Result	Indicator	Definition	Unit of Measure	Base-line	End of Threshold Target	ITT Indicator
Outcome Indicators to measure the Project Objective						
Solutions tested by project teams	TBD	TBD	TBD	TBD	TBD	TBD
Phase I progress assessment completed	Phase I progress assessment completed	Date the Phase I progress assessment is accepted by MCC	Date	N/A	End of Year 1.5	Yes
Phase II Plan completed	Phase II Plan completed	Date the Phase II Plan is approved by MCC	Date	N/A	End of Year 1.5	Yes
Phase II Activity						
Output Indicators						
Phase II investments based on Phase II Plan	TBD	TBD	TBD	TBD	TBD	TBD

ANNEX II

ALLOCATION OF GRANT FUNDING

	MCC Contracted Activities	Government Contracted Activities	Total MCC Funds
Power Sector Governance Project	\$35,000	\$8,365,000	\$8,400,000
Building Power Sector Governance Capacity	\$35,000	\$6,765,000	\$6,800,000
Accountability and Oversight for the Power Sector		\$1,600,000	\$1,600,000
Power Sector Operations Project		\$11,600,000	\$11,600,000
Fundamental Change and Building Commitment		\$3,900,000	\$3,900,000
Strategic Investment and Consolidating Change		\$7,700,000	\$7,700,000
Monitoring and Evaluation		\$1,000,000	\$1,000,000
Monitoring and Evaluation		\$1,000,000	\$1,000,000
Program Management and Administration	\$135,000	\$3,865,000	\$4,000,000
Program Total	\$170,000	\$24,830,000	\$25,000,000

ANNEX III

CONDITIONS PRECEDENT TO DISBURSEMENTS OF GRANT FUNDS OTHER THAN MCC SERVICE PROVIDER DISBURSEMENTS

The conditions precedent set forth in this Annex III apply to all Disbursements other than MCC Service Provider Disbursements.

PART A. Conditions Precedent for Entire Disbursement Request (Applicable to All Projects)

1. Prior to the second Disbursement, the Accountable Entity must develop and adopt, in each case, in form and substance satisfactory to MCC:
 - (a) a comprehensive social and gender integration plan (“*SGIP*”) in accordance with the MCC Gender and Social Inclusion Operational Requirements, and
 - (b) an M&E Plan in accordance with Section 4.2, which M&E Plan includes indicators reflecting sufficient project design that measure the Governance Project Objective and the Operations Project Objective, and such indicators have agreed-upon baselines and final targets.
2. Prior to the third Disbursement, the Accountable Entity must develop and adopt, in form and substance satisfactory to MCC, a Program-wide ESMS commensurate with the scope, scale, risks and opportunities presented by the Program, which ESMS shall include, *inter alia*, a Stakeholder Engagement and Communications Plan for each of the Governance Project and the Operations Project.
3. Prior to each Disbursement of funds for payment under any technical assistance contract for a given Project or Activity, the Accountable Entity must submit evidence, in form and substance satisfactory to MCC, that the Accountable Entity is implementing and in compliance in all material respects with the requirements of each of the ESMS, the Stakeholder Engagement and Communications Plan for that Project or Activity, and all of the environmental and social requirements identified in each of the studies conducted as part of such Project or Activity.

PART B. Conditions Precedent to Disbursement of Funds for the Governance Project

1. Prior to the Disbursement of any funds for grants under the Accountability Activity, the Accountable Entity must develop and adopt, in each case, in form and substance satisfactory to MCC, framework documents for the grant facility, including a grants operating manual, selection criteria, and a grant agreement template in accordance with MCC guidance, including MCC’s Program Grant Guidelines.
2. Prior to the first Disbursement of funds in support of activities requested in an Action Request under the Governance Project, MCC and the Government shall have agreed in an Implementation Letter on a written process for vetting and approving Action Requests, including metrics for “performing” project teams.

PART C Conditions Precedent to Disbursement of Funds for the Operations Project

Prior to the Disbursement of any funds for procurements related to or arising from the Phase II Plan, the Parties shall agree in an Implementation Letter on the conditions for funding the components of the Phase II Activity, as such components are described in the approved Phase II Plan.

ANNEX IV

ADDITIONAL CONDITIONS PRECEDENT TO ENTRY INTO FORCE

The following additional conditions must be met before this Agreement enters into force:

1. With respect to the Governance Project, (i) the Government, through MOPE, has established the Governance Reform Team and the Accountability Reform Team, and each such team is fully staffed, and has a documented scope of work, which scope of work includes details on their responsibility for overseeing the membership and operations of the relevant project teams, and (ii) the United States through MCC has approved the team membership and scope of work, and is satisfied that the Government has used its best efforts to ensure that such teams are as gender diverse as reasonably possible.
2. With respect to the Operations Project, (i) the Government, through NAWEC, has established the Transformation Team and this team is fully staffed, and has a documented scope of work, which scope of work includes details on their responsibility for overseeing the membership and operations of the relevant project teams, and (ii) the United States through MCC has approved the team membership and scope of work, and is satisfied that the Government has used its best efforts to ensure that the Transformation Team is as gender diverse as reasonably possible.

ANNEX V

DEFINITIONS

- Accountability Activity** has the meaning provided in Section A.1(b) of Annex I.
- Accountability Reform Team** has the meaning provided in Section A.1(b)(i) of Annex I.
- Accountable Entity** has the meaning provided in Section 3.2(b).
- Activity** or **Activities** has the meaning provided in Section A of Annex I.
- Action Requests** has the meaning provided in Section A.1(a)(iv) of Annex I.
- Additional Representative** has the meaning provided in Section 7.3.
- AE Audit Guidelines** has the meaning provided in Section 4.1(d).
- Agreement** has the meaning provided in the preamble to this Agreement.
- Audit Plan** has the meaning provided in Section 4.1(d).
- Auditor** has the meaning provided in Section 4.1(d).
- Bank** has the meaning provided in Section 5.1(d)(i).
- Bank Agreement** has the meaning provided in Section 5.1(d)(i).
- Baseline** has the meaning provided in Section C.3 of Annex I.
- BCS** has the meaning provided in Section 4.1(b).
- Board** has the meaning provided in Section B.2(a) of Annex I.
- Common Payment System** has the meaning provided in Section 5.1(c)(iii).
- Completion Date** has the meaning provided in Section 6.1.
- Covered Provider** has the meaning provided in the AE Audit Guidelines.
- Detailed Financial Plan** has the meaning provided in Section 4.1(a).
- Disbursement** has the meaning provided in Section 2.1(b).
- Disbursement Period** has the meaning provided in Section 5.1(b).
- Disbursement Request** has the meaning provided in Section 5.1(b).
- DQR** has the meaning provided in Section C.5 of Annex I.

Environmental and Social Management System or ESMS means a set of policies, procedures, tools and internal capacity to identify and manage an institution's exposure to the environmental and social risks of its activities, investments, clients, investees or stakeholders.

Evaluation Component has the meaning provided in Section C.1 of Annex I.

Exempt Person means each implementing partner and any natural or legal person providing goods, works or services, directly or indirectly, in furtherance of this Agreement.

Facilitated Change Management Advisor has the meaning provided in Section A.1 of Annex I.

Fiscal Accountability Plan has the meaning provided in Section 4.4.

Fiscal Agent has the meaning provided in Section B.2(e) of Annex I.

Fiscal Agent Agreement means the agreement or agreements by which the Government or Accountable Entity engages or hires the Fiscal Agent and which sets forth the roles and responsibilities of the Fiscal Agent and other appropriate terms and conditions.

Fiscal Agent Disbursement Certificate has the meaning provided in Section 5.3(a)(iv).

Governance Capacity Activity has the meaning provided in Section A.1(a) of Annex I.

Government Contracted Activities means those activities undertaken by Government Service Providers, the budget for which is set forth in Annex II, as such may be modified from time to time in accordance with Section 7.7(b).

Governance Project has the meaning provided in Section A.1 of Annex I.

Governance Reform Team has the meaning provided in Section A.1(a)(i) of Annex I.

Governing Document has the meaning provided in Section 4.9(g).

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

Government Service Provider has the meaning provided in Section 4.11(a).

Government Service Provider Contracts has the meaning provided in Section 4.11(a).

Grant has the meaning provided in Section 2.1(a).

IFC Performance Standards has the meaning provided in Section 4.5(a).

Implementation Letters has the meaning provided in Section 4.10.

Implementation Plan has the meaning provided in Section 4.1.

Implementation Plan Document has the meaning provided in Section 4.1.

Indicators has the meaning provided in Section C.3 of Annex I.

Inspector General has the meaning provided in Section 4.7(c).

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 the Grant.

Interim MCA Team has the meaning provided in Section 3.2(b).

ITT has the meaning provided in Section C.3 of Annex I

Key Staff has the meaning provided in the MCC Governance Guidelines or as otherwise agreed between MCC and the Government.

Lien has the meaning provided in Section 3.2(f).

Local Account has the meaning provided in Section 5.1(d)(i).

M&E Plan has the meaning provided in Section 4.2.

M&E Policy has the meaning provided in Section 4.2.

Management Unit has the meaning provided in Section B.2(a) of Annex I.

Material Agreement has the meaning provided in Section 4.9(c).

MCA Act has the meaning provided in the recitals to this Agreement.

MCA-Gambia has the meaning provided in Section 3.2(b).

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

MCC Contracted Activities means those activities undertaken by MCC Service Providers, the budget for which is set forth in Annex II, as such may be modified from time to time in accordance with Section 7.7(b).

MCC Cost Principles has the meaning provided in Section 4.4.

MCC's Counter-Trafficking in Persons Policy means the Counter-Trafficking in Persons Policy, as such may be posted on MCC's Website from time to time or otherwise made available to the Government.

MCC Environmental Guidelines has the meaning provided in Section 2.4(b)(iii).

MCC Gender and Social Inclusion Operational Requirements means the MCC Operational Requirements and Milestones for Social Inclusion and Gender Integration, as such may be posted on MCC's Website from time to time or otherwise made available to the Government.

MCC Gender Policy means the MCC Gender Policy (including any guidance documents issued in connection with the guidelines) posted from time to time on the MCC Website or otherwise made available to the Government.

MCC Governance Guidelines has the meaning provided in Section 3.2(b).

MCC Marking Standards has the meaning provided in Section 3.2(j).

MCC Program Grant Guidelines has the meaning provided in Section 4.3(b).

MCC Program Procurement Guidelines has the meaning provided in Section 4.3(a).

MCC Reporting Guidelines has the meaning provided in Section 4.6(a).

MCC Service Provider has the meaning provided in Section 4.11(b).

MCC Service Provider Contracts has the meaning provided in Section 4.11(b).

MCC Service Provider Disbursement has the meaning provided in Section 5.1(a).

MCC Website has the meaning provided in Section 2.4(b)(iii).

Monitoring Component has the meaning provided in Section C.1 of Annex I.

MOPE has the meaning provided in Section 3.2(b).

NAWEC has the meaning provided in Section 1.2(b).

NDCs has the meaning provided in Section 1.2(b).

Operations Advisor has the meaning provided in Section A.2 of Annex I.

Operations Project has the meaning provided in Section A.2 of Annex I.

Party or Parties has the meaning provided in the recitals to this Agreement.

Permitted Account has the meaning provided in Section 5.1(d)(i).

Phase I Activity has the meaning provided in Section A.2(a) of Annex I.

Phase II Activity has the meaning provided in Section A.2(b) of Annex I.

Phase II Plan has the meaning provided in Section A.2(a) of Annex I.

Principal Representative has the meaning provided in Section 7.3.

Procurement Agent has the meaning provided in Section B.2(e) of Annex I.

Procurement Agent Agreement means the agreement or agreements by which the Government or Accountable Entity engages or hires the Procurement Agent and which sets forth the roles and responsibilities of the Procurement Agent and other appropriate terms and conditions.

Procurement Agent Disbursement Certificate has the meaning provided in Section 5.3(a)(iii).

Procurement Plan has the meaning provided in Section 4.1(b).

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

Program Asset means any asset, good or property (real, tangible or intangible) purchased or financed, in whole or in part (directly or indirectly), by the Grant, including any Intellectual Property.

Program Goal has the meaning provided in Section 1.1.

Program Grant has the meaning provided in Section 4.3(b).

Program Guidelines means collectively the AE Audit Guidelines, the MCC Cost Principles, the MCC Environmental Guidelines, the MCC Gender Policy, the MCC Gender and Social Inclusion Operational Requirements, the Policy on Preventing, Detecting and Remediating Fraud and Corruption in MCC Operations, the MCC Governance Guidelines, the MCC Marking Standards, the MCC Program Procurement Guidelines, the MCC Reporting Guidelines, the M&E Policy, MCC Program Grant Guidelines, any successor to any of the foregoing, and any other guidelines, policies or guidance papers relating to the administration of a Threshold Program, and, in each case, as from time to time published on the MCC Website.

Project or Projects has the meaning provided in Section 1.2.

Project Objective or Project Objectives has the meaning provided in Section 1.2.

Provider has the meaning provided in the AE Audit Guidelines.

PURA has the meaning provided in Section A.1(a) of Annex I.

Records has the meaning provided in Section 4.7(a).

Service Providers has the meaning provided in Section 4.11(c).

Service Provider Contracts has the meaning provided in Section 4.11(c).

SGIP has the meaning provided in Section A.1(a) of Annex III.

Target has the meaning provided in Section C.3 of Annex I.

Taxes has the meaning provided in Section 2.5(a).

***TBD** means to be determined by the Parties.*

***The Gambia** has the meaning provided in the recitals to this Agreement.*

***Threshold Program** has the meaning provided in the recitals to this Agreement.*

***Transformation Team** has the meaning provided in Section A.2 of Annex I.*

***United States** has the meaning provided in the recitals to this Agreement.*

***United States Treasury Current Value of Funds Rate** means the interest rate published by the United States Treasury's Bureau of Fiscal Services that is based on the current value of funds available to the Department of the Treasury and is the rate used for debt collection, cash discounts, and rebate evaluation of the United States government.*

***Work Plan** has the meaning provided in Section 4.1(c).*