



CONGRESSIONAL NOTIFICATION TRANSMITTAL SHEET

We wish to inform you that the Millennium Challenge Corporation intends to obligate up to \$3,830,000 to facilitate the development and implementation of a Millennium Challenge Compact with the Republic of Zambia. We have included supplemental information summarizing the intended uses of these funds.

The attached notification is being sent to the Congress on May 18, 2011. Obligation of funds may be incurred on or after 15 days from the date of this notification.

Sincerely,

A handwritten signature in blue ink, which appears to read "T. Charles Cooper".

T. Charles Cooper
Vice President
Congressional and Public Affairs

Enclosure:
As stated

**MILLENNIUM CHALLENGE CORPORATION
CONGRESSIONAL NOTIFICATION**

May 18, 2011

PROGRAM: Eligible Countries
APPROPRIATIONS CATEGORY: FY 2011 Program Funds
OBLIGATION AMOUNT: \$3,830,000

Pursuant to section 7015(c) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2010 (Pub. L. 111-117, Division F), as carried forward by the Full-Year Continuing Appropriations Act, 2011 (Pub. L. 112-10, Division B), this is to advise that the Millennium Challenge Corporation (“MCC”) intends to obligate up to \$3,830,000 under section 609(g) of the Millennium Challenge Act of 2003, as amended, for the purpose of facilitating the development and implementation of a Millennium Challenge Compact (“Compact”) with the Republic of Zambia.

MCC funding will be used to support costs associated with early preparations for Compact implementation, including administrative and recruitment costs related to the accountable entity and fees for approximately the first year of fiscal agent and procurement agent services.

MCC expects that MCC funding will facilitate detailed timely implementation planning and mobilization, thereby supporting a seamless transition from Compact development to Compact implementation.

SUPPLEMENTAL INFORMATION
MCC / Zambia 609(g)

A. Accountable Entity Administrative and Recruitment Costs (\$930,000)

609(g) funds will be used to support early administrative and implementation costs associated with the interim and permanent accountable entities in advance of compact signing, including fees for an external recruitment firm to conduct an open and competitive recruitment for accountable entity key personnel, and salaries for key personnel at the interim and permanent accountable entities.

B. Fiscal Agent and Procurement Agent Services (\$2,900,000)

609(g) funds will be used to pay base year fees for an external fiscal agent, including mobilization and preparatory work by the fiscal agent to support the implementation of activities to be carried out under the proposed compact with Zambia. This early engagement of the fiscal agent will facilitate compact implementation by ensuring that the accountable entity develops its organizational policies, procedures, and internal controls. Any subsequent option years for the fiscal agent will be financed using compact funds.

609(g) funds will also be used to support base year fees for an external procurement agent. The procurement agent will assist the accountable entity in developing the overall compact procurement strategy, preparing the initial procurement plan, developing procurement implementation plans, drafting a procurement operations manual, preparing procurement documents, and launching the first procurements. Any subsequent option years for the procurement agent will be financed using compact funds.