



*Office of Inspector General  
for the Millennium Challenge Corporation*

December 20, 2011

Mr. Daniel W. Yohannes  
Chief Executive Officer  
Millennium Challenge Corporation  
875 Fifteenth Street, N.W.  
Washington, DC 20005

Dear Mr. Yohannes:

This letter transmits the Office of Inspector General's Report No. M-000-12-001-S on the *Review of the Millennium Challenge Corporation's Approach to Address and Deter Trafficking in Persons*. In finalizing the report, we considered your written comments on our draft report and included those comments in their entirety in Appendix II of this report.

The report contains one recommendation to strengthen the Millennium Challenge Corporation's (MCC) efforts to address and help prevent trafficking in persons. OIG agrees with MCC's management decision on the recommendation and that final action has been taken.

I appreciate the cooperation and courtesy extended to my staff during this review.

Sincerely,

/s/

Mark S. Norman  
Acting Deputy Assistant Inspector General  
Millennium Challenge Corporation

# SUMMARY

The William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (Public Law 110-457), dated December 23, 2008, requires for each of the fiscal years (FY) 2010 through 2012 that the Inspectors General of the U.S. Department of Defense, U.S. Department of State, and U.S. Agency for International Development (USAID) investigate a sample of contracts under which there is a heightened risk that a contractor may knowingly or unknowingly engage in acts related to trafficking in persons (TIP). Section 232 of the act requires those Inspectors General to either jointly or separately submit to specified congressional committees an annual report summarizing the findings of the investigations conducted in the previous FY by no later than January 15. The Office of the Inspector General (OIG) for the Millennium Challenge Corporation (MCC) conducted this review to provide information for the USAID/Inspector General's report to Congress. Because this report covers the investigation for FY 2011, OIG therefore interpreted the statutory provision to require submission by January 15, 2012.<sup>1</sup>

The U.S. Department of State's June 2011 TIP Report stated that for the past 15 years, "trafficking in persons" and "human trafficking" have been used as umbrella terms for activities involved when one person obtains or holds another person in compelled service. However, people may be trafficking victims regardless of whether they were born into a state of servitude or were transported to the exploitative situation, whether they once consented to work for a trafficker, or whether they participated in a crime as a direct result of being trafficked. The Department of State's TIP Report ranks countries according to four tiers based on language contained in 22 U.S.C. 1707(b): The tiers are Tier 1, Tier 2, Tier 2 Watch List, and Tier 3. The best ranking is Tier 1 and the worst is Tier 3. Table 3 in Appendix V contains the Department of State's description of each tier.

The objective of OIG's review was to determine what controls MCC has designed to help prevent TIP in its funded programs.<sup>2</sup> This review found that MCC had designed controls to help prevent TIP in its projects by (1) adopting a zero tolerance policy, (2) putting in procurement mechanisms that included stronger TIP language, (3) addressing TIP when selecting countries eligible for MCC funding, (4) including activities and actions designed to minimize the risk of TIP (principally seeking to deter potential offenders) in its compact development and implementation phases, and (5) sharing TIP knowledge and engaging stakeholders. In addition, to date no reports of TIP allegations have been linked to MCC projects. OIG did not observe any indications of TIP during site visits to MCC-funded infrastructure projects in El Salvador in FY 2011. The Investigations Office of the USAID Inspector General and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons also did not receive allegations of TIP associated with MCC's projects.

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<sup>1</sup> Section 232 states that the reports summarizing the investigations are due "[n]ot later than January 15, 2009, and annually thereafter through January 15, 2011," but that statement appears to be erroneous. Given that Section 232 requires the investigations for "each of the fiscal years 2010 through 2012," it appears that the corresponding due dates would be those shown in brackets in the following: "Not later than January 15, [2009 2011], and annually thereafter through January 15, [2011 2013]."

<sup>2</sup> According to MCC officials, MCC funds are not subject to the Trafficking Victims Protection Act of 2000, as amended, Division A of Public Law 106-386, the act for which funding was reauthorized by the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 discussed above. Nevertheless, the MCC officials stated that MCC is complying with the spirit of the legislation.

Although MCC had designed controls to help prevent TIP, OIG found that MCC did not provide warning letters to two countries whose rankings were Tier 2 Watch List for a second consecutive year and one country whose ranking was downgraded from Tier 2 to Tier 2 Watch List (page 5).

Detailed results of this review appear in the following section. The scope and methodology are included in Appendix I. An evaluation of management comments is included in the report on page 8, and the full text of management comments appears in Appendix II.

# REVIEW RESULTS

**MCC has designed TIP controls.** MCC has designed controls to help prevent TIP as it relates to the projects and activities that it funds. The controls include the appointment of specific staff responsible for TIP in its Department of Compact Operations (DCO) and its Department for Policy and Evaluation (DPE). In DCO, all Social and Gender Assessment (SGA) staff is responsible for assessing TIP risks in MCC-funded projects during the different stages of compact operations (development and implementation). In older compacts, SGA and Environmental and Social Assessment staff members share this responsibility.

MCC's controls for helping to prevent TIP risks in MCC-funded projects include the following five components, which are part of its "Holistic and Risk-based Approach to Managing the Risk of TIP": (1) zero tolerance policy, (2) procurement mechanisms, (3) country eligibility, (4) compact development and implementation, and (5) knowledge sharing/stakeholders' engagement.

- *Zero tolerance policy* – MCC's Material Interim Amendment Notice 2011-001 to the Program Procurement Guidelines (PPG), dated May 23, 2011, states that MCC has a zero tolerance policy regarding TIP. The PPG further states that contractors, bidders, and consultants must notify their employees of MCC's zero tolerance policy and stipulates that employees must not engage in TIP during the performance of any contract funded, in whole or in part, with MCC funding.
- *Procurement mechanisms* – MCC's PPG requires that large works contracts, small works contracts, consulting services contracts, and standard bidding documents include provisions that contractors and their employees must certify that they are not engaged in TIP.<sup>3</sup>
- *Country eligibility* – Countries ranked as Tier 3 do not make MCC's country candidate list. For example, MCC's *Report on Countries that are Candidates for Millennium Challenge Account Eligibility for Fiscal Year 2012 and Countries that would be Candidates but for Legal Prohibitions*, August 2011, states that Eritrea is subject to restrictions due to its status as a Tier 3 country under the Trafficking Victims Protection Act of 2000, as amended.
- *Compact development and implementation* – When a country is selected as eligible for a compact, SGA provides guidance on MCC's approach to TIP risks through a variety of activities, including an in-country visit (usually conducted at an early stage of the compact development phase), especially if the country is high risk for TIP. Tier 2 Watch List countries are specifically addressed because the TIP risks for these countries are higher. For example, during compact development for the Philippines, the terms of reference for an Environmental and Social Impact Assessment, dated October 2010, on road projects in the Philippines, considered TIP.
- *Knowledge sharing/stakeholders' engagement* – MCC management encourages the resident country team to communicate regularly with the U.S. embassy and with MCC staff in Washington about evolving TIP issues. In addition, MCC engages other U.S. Government agencies, donors, nongovernmental organizations, and contractors to learn from their experiences and best management practices to refine MCC's approach on TIP.

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<sup>3</sup> MCC's guidance on standard bidding documents defines large works as construction contracts having a value of \$10 million or greater and small works contracts as having a value of \$1 million to \$10 million.

**MCC infrastructure contracts contained TIP provisions.** MCC included TIP provisions in selected contracts and countries reviewed by OIG: El Salvador, Ghana, Mali, and Namibia. OIG reviewed a total of 17 contracts, valued at about \$397 million, as required by Public Law 110-457, Section 232. (See Table 1 in Appendix III for the list of contracts reviewed.)

- For the El Salvador compact, OIG reviewed 12 large works contracts that supported the compact. These contracts contained clauses that prohibited child labor, sex trafficking, and prostitution.
- For the Ghana compact, OIG reviewed one large works contract and one small works contract that supported the compact. These contracts contained a clause that prohibited child labor. One contract contained a clause that prohibited child labor, sex trafficking, and prostitution. The other contract contained a clause that imposed restrictions on the contractor set forth in the compact or related documents with respect to any activities in violation of other applicable U.S. laws, which according to MCC officials, includes TIP.
- For the Mali compact, OIG reviewed two large works contracts that supported the compact. These contracts contained clauses that prohibited child labor, sex trafficking, and prostitution.
- For the Namibia compact, OIG reviewed one large works contract that supported the compact. This contract contained clauses that prohibited child labor, sex trafficking, and prostitution.

Although MCC had designed controls to help prevent TIP in connection with its investments during compact development and implementation, it did not provide warning letters to two countries whose rankings were Tier 2 Watch List for a second consecutive year and one country whose ranking was downgraded from Tier 2 to Tier 2 Watch List. MCC also continued to provide full compact funding to countries whose TIP rankings were on the Tier 2 Watch List for 2 or more consecutive years. These issues are discussed below.

**MCC needs to finalize and implement communications plans.** *MCC's Approach to Trafficking in Persons (TIP) Guidance for MCC Staff*, February 2010, states that consistent with its policy on suspension and termination, MCC can provide warnings to countries that show a pattern of behavior inconsistent with MCC's selection criteria. However, MCC did not provide warning letters to three countries whose rankings did not improve or were downgraded. If such warning letters are not acted upon, MCC may partially or fully suspend or terminate a country's eligibility to continue developing or implementing a compact or threshold program. The Department of State's June 2011 TIP Report ranked Tanzania and Niger as Tier 2 Watch List for the second consecutive year, and downgraded Liberia from Tier 2 to Tier 2 Watch List.

According to an MCC official, MCC is developing communications plans<sup>4</sup> that will include sending notices to Liberia, Niger, and Tanzania expressing MCC's eligibility concerns. The MCC official further stated that the plans are currently being coordinated among its DCO and DPE staff. Additionally, the official stated that the plans had not been finalized due to the lack of availability of key staff members and that the plans were expected to be ready in FY 2012. According to the Department of State, Section 107 of the William Wilberforce Trafficking Victims

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<sup>4</sup> A communications plan is a written document that encompasses objectives, goals, and tools for all communications.

Protection Reauthorization Act of 2008, as codified at 22 U.S.C. 7107(b)(3)(D), mandates that any country ranked as Tier 2 Watch List for 2 consecutive years will be ranked Tier 3 in the third year.<sup>5</sup> Pursuant to the act, sanctions may be imposed on Tier 3 countries, such as withholding or withdrawing certain types of nonhumanitarian, nontrade-related foreign assistance. Consequently, MCC needs to specify when in FY 2012 it will communicate its TIP concerns with Liberia, Niger, and Tanzania.

***Recommendation 1.*** *We recommend that the Millennium Challenge Corporation's Vice President of Policy and Evaluation finalize and implement the fiscal year 2012 communications plans for Liberia, Niger, and Tanzania.*

**MCC continues to fund countries with TIP issues.** MCC continued to provide full compact funding to countries whose TIP rankings were Tier 2 Watch List for 2 or more consecutive years, such as in the case of Mali. In Tier 2 Watch List countries, the number of victims experiencing severe forms of trafficking is very significant or significantly increasing, or the country failed to provide evidence that it is increasing its efforts to combat severe forms of TIP from the previous year, despite the country's commitments to take additional steps in the past year. In June 2011, the Secretary of State granted a waiver to Mali to prevent an automatic downgrade to Tier 3, which would have made the country subject to sanctions, including withholding of certain types of nonhumanitarian, nontrade-related foreign assistance as defined by the Trafficking Victims Protection Act of 2000. MCC elected to comply with the waiver for Mali and to not subject the country to sanctions.

According to MCC officials, MCC's *Policy on Suspension or Termination of Assistance and/or Eligibility for Assistance* (updated November 2005) enables MCC to cease "to provide full compact funding to any country due to policy concerns, including TIP-related policy concerns." The policy provides that MCC's Chief Executive Officer, in full consultation with Board members, may recommend that the Board suspend or terminate assistance, or terminate eligibility for assistance, when a country has engaged in a pattern of actions inconsistent with selection criteria. MCC's selection criteria include the indicator Rule of Law, which captures country performance on TIP. However, to date, MCC has not curtailed compact funding to any country for TIP.

**MCC addressed TIP issues previously identified in OIG reports.** OIG's previous review of *MCC's Review of the Millennium Challenge Corporation's Approach to Addressing and Deterring Trafficking in Persons* (Audit Report M-000-11-001-S, January 12, 2011) found that MCC included TIP provisions in its guidelines for the procurement of large works contracts, but did not include specific TIP provisions in its guidelines for the procurement of small works contracts. The report included one recommendation that MCC revise the guidelines on *Standard Bidding Documents: Procurement of Small Works* to include specific TIP provisions. MCC complied with the recommendation by issuing the PPG on May 23, 2011. This amendment required TIP language in small works contracts, as well as in large works and consulting services contracts. Part 15 of the PPG, "Combating Trafficking in Persons": (a) prohibits TIP; (b) requires contractors, subcontractors, and consultants to notify their employees of MCC's zero tolerance policy on TIP and notify the Millennium Challenge Account entity of TIP; and (c) provides remedies to follow if TIP occurs.

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<sup>5</sup> Unless the President waives the requirement after determining that the country has a written plan that, if implemented, would constitute significant efforts to bring the country into compliance with the minimum standards for the elimination of trafficking, and the country is devoting sufficient resources to implement the plan.

To verify whether MCC is using the new TIP language in its procurements awarded after May 23, 2011, seven small works contracts, valued at about \$2.6 million, were judgmentally selected from compacts in El Salvador, Ghana, and Mali. (See Table 2 in Appendix IV for the list of contracts.) The three small works contracts for the El Salvador compact contained the required TIP language. The three small works contracts for the Ghana compact were task orders from Indefinite Delivery/Indefinite Quantity contracts that were awarded in 2008 and 2010. Because those contracts were awarded before the PPG was amended in May 2011, they were not required to contain the new TIP language. According to an MCC official, the small works contract reviewed for the Mali compact did not contain the required TIP language because it was finalized close to when the amendment to the PPG was issued. However, the Millennium Challenge Account required the contractor to certify in writing that it was not engaging in, facilitating, or allowing TIP and to acknowledge the consequences of engaging in TIP. To further verify that MCC included the new TIP language in procurement documents, OIG reviewed four bidding documents for the Ghana compact that were issued in July 2011. These bidding documents contained the TIP language as required under the PPG.

A prior report also found that MCC had not sent letters expressing its concerns to Lesotho, Mali, and the Philippines regarding their tier rankings. During 2011, MCC sent letters to those three governments.

- MCC sent a letter to Lesotho's Minister of Finance and Development, dated February 1, 2011, reminding him that MCC takes TIP very seriously and that Tier 3 countries face certain foreign assistance restrictions.
- MCC sent a letter to Mali's President, dated January 27, 2011, stating that MCC was taking this opportunity to highlight the importance of policy performance in compact eligibility and to remind him that MCC considers government efforts to combat TIP.
- MCC sent a letter to the Philippines' President, dated January 27, 2011, stating that MCC takes TIP very seriously and reminding him that a low tier ranking could jeopardize MCC funding.

# EVALUATION OF MANAGEMENT COMMENTS

MCC's written comments on the draft report are included in their entirety in Appendix II of this report.

MCC agreed with Recommendation 1, to finalize and implement the fiscal year 2012 communications plans for Liberia, Niger, and Tanzania. MCC provided its FY 2012 TIP communication plans that address the recommendation. The communication plans provide proposed strategies for communicating with compact and threshold partner countries that have Tier 2 Watch List rankings. OIG considers that a management decision has been reached and that MCC has taken final action.

# SCOPE AND METHODOLOGY

## Scope

OIG conducted the review of MCC's approach to address and deter TIP in accordance with generally accepted government auditing standards.<sup>6</sup> Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions in accordance with our review objective. We believe that the evidence obtained provides that reasonable basis (Government Auditing Standards 8.08-8.12). Our objective was to determine what controls MCC designed to help prevent TIP in MCC-funded programs. The scope of the review included analyzing judgmentally selected infrastructure contracts issued between December 2008 and June 2011.

As part of OIG's efforts to address TIP, audit teams conducting performance audits in FY 2011 carried out tests to determine whether TIP was occurring in MCC compact countries. Four compact countries—El Salvador, Ghana, Mali, and Namibia—were selected for review because they had infrastructure projects, which may have the highest risk of TIP. The total value of the compacts for these four countries was about \$1.8 billion. We analyzed OIG audit teams' working papers regarding TIP audit tests during FY 2011 and reviewed 24 contracts valued at \$399 million. We also reported on the status of MCC countries that have received Tier 2 Watch List rankings for 2 or more consecutive years. We conducted the review at MCC's headquarters in Washington, DC, from August 2 to October 5, 2011.

## Methodology

We interviewed MCC officials in the DCO and DPE. Specifically, we interviewed MCC staff in the SGA and Investment and Risk Management divisions. We also interviewed staff from the Department of State's Office to Monitor and Combat Trafficking in Persons and contacted the USAID Office of the Inspector General's Investigations Office. In addition, we reviewed the Department of State's June 2011 TIP Report.

To answer the review objective, review steps were established to determine the following:

- Whether MCC had included TIP provisions in its infrastructure contracts.
- Whether MCC was taking action against countries that did not make significant efforts to fully comply with minimum standards of TIP policy.
- Whether MCC was taking additional actions to design controls to help prevent TIP.

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<sup>6</sup> Government Auditing Standards, July 2007 Revision (GAO-07-731G)

# MANAGEMENT COMMENTS



December 2, 2011

Mr. Mark Norman  
Acting Assistant Inspector General  
Office of Inspector General  
1401 H Street NW  
Suite 770  
Washington, DC 20005

Dear Mr. Norman:

Thank you for your letter transmitting the draft report on the Office of the Inspector General's (OIG) Review of the Millennium Challenge Corporation's (MCC) Approach to Address and Deter Trafficking in Persons (TIP). I am pleased that your findings recognize that MCC has designed controls and contract provisions to help prevent TIP in our projects with partner countries, and that no reports of TIP have been linked to MCC programs.

I agree with your recommendation that *"the Millennium Challenge Corporation's Vice President of Policy and Evaluation finalize and implement the fiscal year 2012 communications plans for Liberia, Niger, and Tanzania."* To this end, attached are MCC's TIP communication plans for fiscal year 2012 that addresses the recommendation raised in your letter.

MCC's communications plans take into account a number of country-specific factors, including: (i) the number of years a partner country has been on the Tier 2 Watch List; (ii) opportunities for MCC engagement with partner countries, including high-level communication with partner governments; and (iii) the Department of State's Office to Monitor and Combat Trafficking in Persons's (G/TIP's) interim assessment of partner country efforts to comply with the minimum standards of TIP policy. The timeframe for planned communications in fiscal year 2012 is consistent with the 2011 time frame.

As noted in your draft report, MCC uses TIP rankings as a guide for MCC staff monitoring human trafficking in partner countries and as an opportunity to engage contacts at the

Department of State and the embassies, so that MCC can strategically communicate eligibility concerns. MCC's *Policy on Suspension and Termination* also governs MCC's response when countries demonstrate a decline in policy performance on eligibility related matters.

Please let me know if you have questions or concerns.

Sincerely,  
/s/

NOTES		<b>FY2012 TIP Communication Plans</b> (As of 7 October 2011)
<p>The G/TIP office conducts interim surveys for all Tier 2 Watch List countries and releases their interim assessments in the Feb/March timeframe. DPE plans to use preliminary conclusions drawn from G/TIP's interim survey (available in December) as a helpful guide when considering the timing of our policy letters.</p> <p>If G/TIP believes a MCC partner country's TIP reform efforts are on track we will send our notices after the interim assessments are finalized (adjusting the tone as necessary); in partner countries where reform efforts are slower or inadequate, we will send our notifications earlier (via routine post-Board letters).</p>		
	Country (w/Tier 2 Watch List ranking)	Proposed Strategy (Coordinated with RCMs and Threshold Directors)
<b>Compact partners</b>		
	<p><b>Mali</b> 3rd consecutive year, received downgrade waiver  (letter)</p>	<p>DPE provided TPs in support of the DVP and CEO visits this fall. DPE will coordinate with G/TIP and RCM will stay in touch with the Embassy for updates on Mali's TIP progress. If G/TIP and Embassy assessments indicate Mali is making progress, DPE will draft letter to be sent Feb/March 2012 to coincide with G/TIP's public release of their interim assessment. Should we learn in December that Mali has not made adequate progress on TIP action plan, DPE will draft letter to be sent January 2012 (after Dec Board meeting). In December, DPE will check-in to see if RCM engagement with Embassy leads to the identification of a better notification window for MCC TIP letter.</p>
	<p><b>Tanzania</b> 2nd consecutive year  (letter)</p>	<p>DPE will coordinate with G/TIP and RCM will stay in touch with the Embassy for updates on Tanzania's TIP progress. If G/TIP and Embassy assessments indicate Tanzania is making progress, DPE will draft letter to be sent Feb/March 2012 to coincide with G/TIP's public release of their interim assessment. Should we learn in December that Tanzania has not made adequate progress on TIP action plan, DPE will draft letter to be sent January 2012 (after Dec Board meeting). Should there be any high-level engagements between GOT and MCC, RCM will highlight the opportunity for DPE to provide TPs on TIP eligibility concerns.</p>
<b>Threshold Partners</b>		
	<p><b>Liberia</b> downgraded this year  (verbal notice)</p>	<p>Downgraded to Tier 2 Watch List in June 2011. MCC has multiple occasions to verbally communicate our policy concern to the government. DPE can give the embassy TPs for use during the October 2011 Scorecard release. We can supply TPs for upcoming engagements concerning our Threshold Program. Also, G/TIP's interim assessment will be available in February/March 2012. We can give the embassy TPs to support engagements following the G/TIP interim report release. Should there be any high-level engagements in 2012 between GOL and MCC, Threshold POC will highlight the opportunity for DPE to provide TPs on TIP eligibility concerns.</p> <p><b>MCC will give notice to Liberia using at least one, but not necessarily all, of the opportunities outlined above.</b></p>
	<p><b>Niger</b> 2nd consecutive year  (letter)</p>	<p>Maintained Tier 2 Watch List rank since 2010 TIP report. We will need to communicate our policy concern to Niger via letter. TPs were given in support of DVP Jim Park's July 2011 Visit. We should also give the embassy TPs for use during the Scorecard release. Also, G/TIP's interim assessment will be available in February/March 2012 which means we have multiple options for notifying Niger of MCC's policy regarding TIP rankings. Africa Threshold Director will engage the Embassy or G/TIP office for updates on Niger's TIP progress. If G/TIP and Embassy assessments indicate Niger is making progress against their action plan, DPE will draft letter to be sent Feb/March 2012. Should we learn Niger has not made adequate progress on their TIP action plan, DPE will draft letter to be sent January 2012 (after Dec Board meeting). Should there be any high-level engagements between GON and MCC, Threshold POC will highlight the opportunity for DPE to provide TPs on TIP eligibility concerns.</p>

The G/TIP office conducts interim surveys for all Tier 2 Watch List countries and releases their interim assessments in the Feb/March timeframe. DPE plans to use preliminary conclusions drawn from G/TIP's interim survey (available in December) as a helpful guide when considering the timing of our policy letters. If G/TIP believes a MCC partner country's TIP reform efforts are on track we will send our notices after the interim assessments are finalized (adjusting the tone as necessary); in partner countries where reform efforts are slower or inadequate, we will send our notifications earlier (via routine post-Board letters).

(As of 7 October 2011)

	Country (w/Tier 2 Watch List ranking)	Proposed Strategy (Coordinated with RCMs and Threshold Directors)
	<p><b>Tunisia</b>                      3rd consecutive year, received downgrade waiver                      (letter)</p>	<p>Maintained Tier 2 Watch List rank since 2009 report. DPE will need to communicate our policy concern to Tunisia via letter. We could include policy concerns in a post-selection HOS letter but there are other opportunities for expressing our concern. For example, G/TIP's interim assessment will be available February/March 2012. In December, DPE can engage the Embassy or G/TIP office for updates on Tunisia's TIP progress. If G/TIP and Embassy assessments indicate Tunisia is making progress against their action plan, DPE will draft letter to be sent Feb/March 2012 to coincide with G/TIP's public release of their interim assessment. Should we learn Tunisia has not made adequate progress on their TIP action plan, DPE will draft letter to be sent January 2012 (after Dec Board meeting). Should there be any high-level engagements between GOT and MCC, a Threshold POC will highlight the opportunity for DPE to provide TPs on TIP eligibility concerns.</p>

**Table 1: List of Contracts Reviewed Under  
Public Law 110-457, Section 232**

<b>Contractor</b>	<b>Date Signed</b>	<b>Amount Rounded (\$Million)</b>
<b>El Salvador</b>		
Linares, S.A. de C.V.	August 2009	\$12.7
Constructora Santa Fe	September 2009	14.1
FCC Construction of Central America	December 2009	24.6
MECO Construction	February 2010	23.0
Astaldi	February 2010	16.0
Astaldi	February 2010	8.8
El Consorcio Contein-Cortazar y Gutierrez	March 2010	7.7
Linares, S.A. de C.V.	April 2010	21.5
Astaldi	April 2010	12.0
FCC Construction of Central America	July 2010	19.5
El Consorcio Contein-Cortazar y Gutierrez – La Herrera	September 2010	20.1
Asocio Terrasal-Salazar Romero	January 2011	13.0
<b>Ghana</b>		
China Railway Wuju Corporation	December 2008	42.2
Arab Contractors, Egypt	April 2010	9.5
<b>Mali</b>		
Sinohydro Corporation Limited	December 2009	46.3
Sinohydro Corporation Limited	June 2010	71.6
<b>Namibia</b>		
China Jiangsu International Namibia LTD	September 2010	34.4
<b>Total</b>		<b>\$397.0</b>

Source: Millennium Challenge Corporation. Nonaudited data.

**Table 2: List of Reviewed Contracts Awarded after May 23, 2011**

<b>Contractor</b>	<b>Date Signed</b>	<b>Amount Rounded (\$Million)</b>
<b>El Salvador</b>		
Constructora R&L, S.A. de C.V.	June 2011	\$0.3
Desarrollo de Proyectos de Ingeniería, S.A. de C.V.	June 2011	0.2
Constructora R&L, S.A. de C.V.	June 2011	0.2
<b>Ghana</b>		
Defiat Development Company Limited	May 2011	0.5
Malsons Limited	May 2011	0.8
Urban Development Consortium in association with Nippon Koei UK	June 2011	0.5
<b>Mali</b>		
Corbett & Company International Construction Lawyers Ltd.	June 2011	0.1
<b>Total</b>		<b>\$2.6</b>

Source: Millennium Challenge Corporation. Nonaudited data.

**Table 3: The Department of State’s Trafficking in Persons  
Tier Descriptions**

Ranking	Description
<b>Tier 1</b>	Countries whose governments fully comply with the minimum standards for the elimination of trafficking under Section 108 of the Trafficking Victims Protection Act of 2000 (Public Law 106-386), as codified at 22 U.S.C. 7106.
<b>Tier 2</b>	Countries whose governments do not full comply with the act’s minimum standards but are making significant efforts to bring themselves into compliance with those standards.
<b>Tier 2 Watch List<sup>7</sup></b>	<p>Countries whose governments do not fully comply with the act’s minimum standards, but are making significant efforts to bring themselves into compliance with those standards AND:</p> <ul style="list-style-type: none"> <li>a) The absolute number of victims of severe forms of trafficking is very significant or is significantly increasing;</li> <li>b) There is a failure to provide evidence of increasing efforts to combat severe forms of trafficking in persons from the previous year, including increased investigations, prosecution, and convictions in trafficking crimes; increased assistance to victims, and decreasing evidence of complicity in severe forms of trafficking by government officials; or</li> <li>c) The determination that a country is making significant efforts to bring itself into compliance with minimum standards was based on commitments by the country to take additional future steps over the next year</li> </ul>
<b>Tier 3</b>	Tier 3 countries are countries whose governments do not fully comply with the minimum standards and are not making significant efforts to do so.

<sup>7</sup> This ranking corresponds to one of three categories of countries requiring special scrutiny that are statutorily required to be listed on a “Special Watch List” submitted to congressional committees by the Secretary of State under 22 U.S.C. 7101(b)(3). The other two categories correspond to: (1) countries ranked “Tier 1” in the current U.S. Department of State’s annual Trafficking in Persons Report that were ranked as “Tier 2” in the previous annual report, and (2) countries ranked as “Tier 2” in the current annual report that were ranked as “Tier 3” in the previous annual report.