

## **Republic of Madagascar: Poverty Reduction Strategy Paper Progress Report**

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**REPUBLIC OF MADAGASCAR**  
TANINDRAZANA – FAHAFAHANA – FANDROSOANA



# Poverty Reduction Strategy Paper

A central graphic featuring a bright yellow sun with rays, positioned above two stylized human figures in light blue. The figures have their arms raised, suggesting a sense of achievement or hope. The sun is partially obscured by a horizontal yellow line. The text 'PRSP' is centered below the sun, and 'FIRST ANNUAL IMPLEMENTATION REPORT' is centered below that. The entire graphic is set against a white background.

**PRSP**

***FIRST ANNUAL IMPLEMENTATION  
REPORT***

***July 2004***



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## VOLUME 1

### ANNUAL PRSP IMPLEMENTATION REPORT JULY 2003 – JUNE 2004

#### EXECUTIVE SUMMARY

The present document provides the first annual report on the implementation of the Poverty Reduction Strategy Paper (PRSP), finalized in March 2003 and updated in July 2003. Its objective is to review the status of achievements on policy measures, action plans, as well as reforms concerning the Initiative for the Heavily Indebted Poor Countries (HIPC).

The report covers the first year of PRSP implementation corresponding to the period from July 2003 to June 2004 and follows up the first semi-annual report developed in February 2004. It will in addition be used to make recommendations for policy, strategies, actions, and budget programming orientations.

This report includes two volumes. The first volume, composed of eight big parts presents: (i) an analysis of the evolution of poverty, (ii) the socio-economic arrangements taken by the Government, (iii) the program implementation status in the priority sectors, (iv) the program implementation status in the crosscutting activities, (v) the results analysis, (VI) the status of the reforms related to HIPC, (vii) the strategy financing cost, and (viii) the monitoring-evaluation system. The second volume, presented in the form of a matrix, highlights the connections between the achievements and the objectives, the programs, and the indicators thus allowing to improve the fact that poverty reduction policy can be read logically through reforms and arrangements that were taken.

#### TOME I

##### 1. Introduction

The full PRSP updated in July 2003 serves as a reference framework for implementing the actions planned with the development objective to reduce poverty by half in 10 years. It consists of 3 large strategic axes, 15 implementation programs, and 31 principal indicators.

This full PRSP is the result of a large participatory process on a regional and national scale that mobilized the public sector, the civil society, and the private sector. It was approved by the The Bretton Woods Institutions in November 2003 after its validation by the Government and the Malagasy Parliament.

Ownership by the Malagasy population was effective during the implementation of PRSP. There were political dialogues between the leaders and the various development actors during organized workshops, which were directed towards the effectiveness of the Public-Private Partnership principle.

##### 2. Poverty Evolution

The poverty rate was 69.6% in 2001 and 80.7% in 2002, due to the crisis; it dropped significantly by 7.1 points in 2003 and, according to an estimate, recorded a small rise of 2.2 points in 2004. The groups who had the most important poverty rates in 2001 were the ones who underwent the pernicious effects of the crisis more: small farmer, employee, unqualified workman and labor. In the urban, as well as the rural areas, the poverty ratio dropped and the rural areas benefited most from the return to normal life given the shifts compared to the situation in 2001.

A household and commune based survey was conducted in June 2004 by the National Institute of Statistics (INSTAT) in 75 localities, of which 28 are urban and 47 rural and in 39 localities beneficiaries of projects and 36 others that are not. The result synthesis of the aforementioned survey is presented in the document. It is about how citizens perceive the impact on population of the actions undertaken in keeping with implementing PRSP.

The reference period of the surveys was dominated by exogenous shocks, which intervened during the first half of 2004. These facts partly conditioned the interviewee answers regarding their perception of the evolution of their standard of living. The involved exogenous factors are: the price rise of the barrel of oil, depreciation of FMG and the passage of the Gafilo and Elita cyclones, the generalized inflation trend and in particular the rice price coming from this economic situation.

For households, the perception of the evolution of the living standard varies from one period to another and from an area to another. In general, some households think that the standard of living has improved currently but their proportion is falling compared to that of the last quarter of 2003. Over half the households interviewed have an income level that does not manage to cover their expenses, and which implies dissaving and indebtedness. In activity sectors, households appraise a clear improvement regarding the education sector, dynamism in health, agriculture, roads and security. Job creation is found to be in regression. In general, interviewees recognize the existence of positive impacts of projects on their living conditions. As to the interviewees' future, households in localities with projects think that their standard of living will improve more than that of households in localities without projects. The survey per area indicates that households in rural areas are more confident than those in urban areas .

For communes, the existence of projects in localities has a significant impact that is felt by the population through job creation. Half the surveyed localities declare that job offer in their commune have been increasing since July 2003 compared to previous years. Appreciations were given to a few social services: element of police force, cleanliness, lighting, road infrastructure, water and sanitation ...regarding the quality of their services, physical condition, and frequency rate. Half the surveyed noted that projects intervening in their respective communes have direct or indirect impacts on their household income. The secondary urban centers are the ones that think most that the projects have had positive impacts on household income. Projects pertaining to education, health, and communal roads are the ones that are mostly present in the surveyed communes.

The Regional workshops organized in keeping with monitoring of the PRSP implementation from March to May 2004 have allowed to substantiate knowledge about provincial, regional, and local realities and specificities. Indeed, most of the information communicated during the Regional workshops was not available among sector authorities of the central Ministries.

The results synthesis of Regional workshops has allowed to differentiate provinces from another as regards: (i) ownership of poverty reduction strategy as set by the PRSP, (ii) coordinating regional development actions, (iii) mobilizing partners that are the civil society and the private sector and, (iv) information system that consist in collecting, processing, and exploiting data.

### **3. Socio-Economic Reform measures**

The Government took various socio-economic measures at the end of 2002 crisis. Regarding governance, the arrangement consists in setting up the Higher Council for Fight against Corruption (CSLCC).

The CSLCC began its activities in July 2003, working initially to establish its credibility and then to organize and support the fight by setting up adequate structures.

At the level of administrative reform, the adoption of a bill on setting up the regions by the National Assembly (N.A) is worth noting.

In the field of economy, selective tax reductions measures in favor of importing equipment, input, construction materials, and farm equipment were applied. For private sector development, meetings with operators were organized. Improving the liberalization conditions of the road transportation sub-sector was done.

Concerning the social sectors, the point is to liberalize import of medical drugs, to divest the state from managing hospital pharmacies, to apply the User Financial Contribution in a more human way, to take care of registration fees of primary school pupils and FRAM teachers' salaries (Pupils Parents Association), to give school kits equipment, and to prepare a national strategy for social protection followed by disbursement of 100 billion FMG of Social Safety Nets.

Following these various measures, the economic and financial results for year 2003 clearly improved in general compared to those of 2002.

The objective of 6% growth rate in the PRSP is overtaken. Recovery was noted in almost all sectors of the economy. Economic growth was drawn from investment and export. In 2003, the inflation rate dropped. In 2004, oil products international prices increased and the Malagasy currency has strongly depreciated entailing an increasing in inflation. The Central Bank official market rate was revised twice. In 2003, the tax ratio was improved due to improved tax and customs administrations. For 2004, the objective of tax ratio is to exceed the level of 2003.

Public expenditure increased in 2003. For 2004, the big innovation concerns the establishment of program budget. Allocating important resources in priority sectors has continued. In keeping with public expenditure reforms, a priority action plan was set and implemented by the Government with support from the principal donors.

Progress within the framework of private sector development through EPZs boosting, setting up the one-stop shop for Investment and the Businesses Development (GUIDE), promoting Public-Private Partnership are included in the report. A situation of progress status of privatization program is also presented, as well as actions undertaken to fight against corruption as an incentive for private sector development.

#### **4. Implementing programs in priority sectors**

In the area of transportation, civil works and land management, the main achievements as regards institutional development are centered on: (i) capacity building in the administration to ensure devoted missions of strategic planning, coordination, control, monitoring-evaluation at the central and regional levels, (ii) good governance by putting in place autonomous organizations for functional and efficient regulations involving the private sector, (iii) conducting basic studies to better formulate the sector and sub-sector strategies in the short, medium, and long terms, (iv) updating the legislative and regulatory texts stipulating the intervention framework at various stakeholders level, and, (v) developing and implementing sector-based strategies.

Concerning physical achievements, results recorded during the first PRSP implementation year include: construction, rehabilitation, and periodic maintenance of about 600 Km of national roads, routine maintenance of approximately 8,000Kms of roads, and servicing of around 2,300Kms of rural tracks. This

allows improving slightly the access rate of communes and population to transportation services that are respectively 60 % and 70 %.

In the framework of relaunching the railroad sub-sector, and at the end of effective transfer of the Northern Network management and exploitation to a private dealer, reinforcing, rehabilitating, and maintaining infrastructures and motor pool have been done. More than 20 % of hydrocarbons and 100 % of chromate ores are already conveyed by railway transportation after a very low traffic level. Therefore, the general conditions of the traffic safety on primary National Road N°2 has improved.

In the area of urban and land management, the main achievements are on: (i) promoting the Integrated Growth Poles; (ii) developing and equipping cities in keeping with improving urban area living conditions, (iii) protecting cities against major risks such as flood and coastal erosion, and (iv) development of landscapes allowing the building of new industrial EPZ.

To improve maritime and air services, many rehabilitation, development, and extension works have been completed. An increase of 8.5 % compared to the 2001 level was recorded in 2003 in maritime traffic, which is of 3.7 millions tons.

These actions have impacted on the quality of service for users by opening-up production zones, reducing journey time and distributing income with an average ratio of 1.7 jobs created per kilometer of rehabilitated or serviced road.

As regards education, it is worth stressing that the various measures taken by the State such as waiver of registration fees in primary schools and of FRAM teachers' salary, recruiting and training new teachers, distributing school kits and supplies, as well as building and renovating classrooms have permitted access to education for several Malagasy children. These measures have indeed allowed to reduce costs among needy families, and improved school reception facilities. The number of pupils in the first cycle of fundamental education has thus increased from 2,850,000 in 2002/2003 to 3,400,000 in 2003/2004. However, despite recruiting new teachers, the boom in pupils' numbers was such that the pupil / teacher ratio still remains high as increase in number of teachers could not follow that of the pupils. Besides, CISCO heads were recruited on an open call for application pursuant to good governance. The objective contracts to which they committed have made them more accountable and the efficiency in decision-making at the decentralized level has thus improved. Finally, it is worth noting that even if the State has taken several measures to improve the educational system, the community has continuously contributed to its development. All these actions are in keeping with the Education for All (EFA) implementation and Reform and Development Strategic Plan of the Educational Sector.

Regarding rural development, institutional reform actions of the Ministry were carried out and the Hydro-Agricultural Network Maintenance Funds was created. In order to increase agricultural productivity, irrigated perimeters have been rehabilitated, distribution of manure and ploughing machines has been facilitated, and various production and exploitation infrastructure such as vaccination corridors, watering points, transformation units, warehouses, and cattle markets were developed. The penetration rate of rural finance rises from 3 to 6 % in one year. Rice production has showed an annual increase of about 8 % and fishing production increased by 2 %.

Regarding the health sector, setting up the "Equity Funds" and the first transitional arrangements of FANOME in order to help the poorest, as well as strengthening basic prevention activities such as vaccination campaigns and maternity without risk strategy increased CSB frequentation rate. In keeping with health system performance improvement, the medical staff was reinforced and health care centers were provided with materials and equipment. Health care centers were rehabilitated and built. A system for

management mechanism for the poor has been put in place, that is the "Equity Funds" and transitional period arrangements of FANOME have been applied.

As regards drinking water, several works in drinking water supply and sanitation were completed. The legal and institutional framework for water and sanitation was put in place.

## **5. Implementing programs in crosscutting activities**

The Government committed to fight against corruption. In that respect, decrees n° 2002-1128 of September 30, 2002 creating the High Council for Fight against Corruption (CSLCC) and n° 2002-1127 of same date instituting the obligation from high ranked staff to declare periodically their properties have been taken.

Actions and arrangements carried out by the CSLCC to develop the strategy and law against corruption, as well as setting up related structures have been pursued. The first draft of the fight strategy was prepared and presented to the Presidency, the Government, and Donors; the anti-corruption bill was transmitted to the Government, the bill on political parties was developed; and studies on standardizing administrative competition examinations and on boosting the mediator office have been completed. The Technical Ethics Committee, the Anti-Corruption Penal Chain and the Anti-Corruption Independent Bureau were created. In order to combat the mostly denounced corruption points, CSLCC receives and examines complaints addressed to it.

As for the Justice sector, in view of setting up the structures provided by the Constitution, texts relating to it have been drafted (High Court of Justice, General Judiciary Inspection) or are being finalized (Supreme Court, National Council of Justice). The strategy for modernizing the Justice has been defined. Deconcentrating Courts and Tribunals has been scaled up unchoke jurisdiction services: five (5) Faritany main towns are provided with Administrative and Financial Courts (Mahajanga, Fianarantsoa, Antananarivo, Toliara, and Antsiranana). Measures such as accelerating case treatments, as well as civil, commercial, and penal procedures... have been taken. 230 (out of planned 230 files) criminal files of long detention have been processed. Bills on Company Law have been drafted and examined at the Parliament level. Missions for inspecting and controlling jurisdictions have been reinforced: 15 inspectors form the core of control team and control management; 12 jurisdictions and 8 penitentiary establishments have been inspected. Safety and sanitation in prison conditions have been improved through reinforcement of the penitentiary Administration human resources, and improvement of detention conditions and infrastructure at the level of 10 penal establishments.

As regards economy and finance, the main achievements relate to the use of tax policy as economic policy instrument through detaxation on certain imported products. A process to reform the public finances was engaged in controlling and monitoring expenditure, and extending the computerized system at the national level. Legal and regulatory texts are remolded: organic law on public finances, Budgetary and Financial Disciplinary Board, public procurement mechanism, restricting recourse to derogatory procedures, General Finance Inspectorate (IGF)... To reach the international standards in tax ratio, arrangements have been made in order to increase revenues, namely simplifying goods custom clearance procedures by setting up 2 one-stop shops in the 2 most important ports (Toamasina and Mahajanga), scaling up actions in keeping with community-based tax policy, putting in place a crosschecking circuit on public expenditure and imports (84 files are being crosschecked, of which 44 are done, allowing thus retroactive fees of FMG 10,465 billion), modernizing the Big Businesses Tax Directorate (DFGE)... These actions have brought about namely improvements at the levels of: tax pressure ratio that increases from 7.7 % in 2002 to 10.3 % in 2003 and estimated at 11.2 % for 2004, tax revenue transfer period, identification of new tax-payers (22.221 new tax-

payers were detected in 2003 all over the country generating MGF 3,084 billion of revenues), and reduction in transaction and file processing timelimit namely at the customs level (optimal time of goods custom clearance set at 7 hours for Toamasina, 12 hours for Ivato, 24 hours for Mahajanga and Toliara), and also at the level of money order payments (the time to complete file visas is now 48 hours).

Regarding administrative reform, the principal achievements are: (i) development of several bills of decrees relating to decentralization, (ii) implementing conventions (DINA) as regards public safety, (iii) providing materials and equipment to prefectures and sub-prefectures, (iv) organizing local and communal elections, (v) operationalizing national and regional risk and disaster management structures, and (vi) strengthening fight against fires, (vii) improving file processing circuits relating to stay visa granting and resident card issuance, (viii) setting up the 22 Regions, and (ix) study and drafting of a new bill on Electoral Code.

As regards public safety, the principal achievements are: (i) setting up and operationalizing "modern infrastructures", (ii) spontaneous inspections and controls, and (iii) reinforcing urban safety by giving training to the agents (100 officers in charge of the Territory Surveillance, 42 Police Captains, 30 specialized units... have been trained), acquiring materials and modern equipment: softwares, transportation means, information transmittal, and computer processing equipment.

In the area of defense, significant achievements relate to: (i) recruiting gendarmes trainees and active officers, (ii) computerizing human resource and equipment management, (iii) establishing Civil Protection Units in some localities, (iv) improving equipment strengthening civil protection in areas at risk (cattle rustling and crime), (v) securing operations FANDIO III, VANILLA III, MANTASALY III, (vi) "RONGONY" (drug) operation: destruction of plantations in the region of Ambanja, and (vii) adopting Walking Maneuver for Rural security (MMSR) in order to reduce the insecurity in rural areas.

For the Foreign Affairs, the principal achievements relate to recognizing Madagascar at the regional and international levels, completing the documents on Madagascar economic promotion, and strengthening bilateral relations by signing conventions, putting in place a computer network, strengthening co-operation, and reinforcing diplomatic and economic relations of Madagascar with international partners.

At the level of decentralization, the stress was laid on the consistency of texts relating to land reserves of industrial use, and land sales at commune level. Promoting and developing inter-commune co-operations (Organisme Public de Coopération Intercommunale - OPCI) that is, Public Inter-commune Co-operation Organization; and decentralized co-operations were in addition undertaken in order to harmonize interventions. A program of integrated support was conducted to benefit the pilots communes. Support was given to develop, implement, monitor, and evaluate regional and local development schemes. The technical and institutional capacities of communes were strengthened especially by training provided to the 99 commune officials (of which 42 in the Faritany of Antsiranana and 57 in the Fivondronana of Ikongo), creating a resource center and a Web site. The capacity building consists in improving autonomous tax and other resource collection and clarifying role distribution in health, education, and birth status sectors. To mark the place and the importance of communes regarding development, an information and exchange, as well as training briefing to all urban and rural mayors was held on March 05, 2004 at the State Palace in Iavoloha under the initiative of the President of the Republic.

As regards environment, achievements particularly related to identifying 2,700,000 ha of conservation sites, the obvious increase in forest resource transfer, that is, a little more than 40,000 ha, transfer of marine and coastal resources to grassroots communities through 35 signed Contracts. The stress was laid also on boosting local anti-bush fire committees in 76 Fivondronana, reforestation on approximately 7,000 ha, and developing 75 Plans Communaux de Développement (PCD) Verts, that is Green Commune

Development Plans. In the intervention sites of mini-projects in support of agricultural production and of water and land conservation actions implementation, reduction in "tavy" (slash and burn) and increase in agricultural outputs were noted.

Within the framework of fight against AIDS, the actions have related to drafting various laws, texts, policies, and regulations as regards HIV/AIDS in Madagascar and to a national communication strategy. Prevention means are reinforced to ensure a better service quality. Monitoring structures are put in place at national, provincial, and local levels.

Concerning Employment, arrangements are under way to cleanse the database of the State human resources. The law pursuant to the General Statute of the Civil Servants and three application decrees relating to the obligations of civil servants, to granting a retirement lump sum allowance, and to Administrative code of ethics and to Government officials good behavior were taken. Weekly monitoring on implementing the Notices aiming to have effective public services has been conducted. The one-stop shop for procedures granting employment authorizations has been set up. The Labor Code was updated. It is also worthwhile to note the single file updating in order to control the State employees, the visits to decentralized structures (05 supervision missions completed), and setting up a committee for developing ethic and good conduct among State employees.

In the area of population, social protection, and leisure, the principal achievements relate to preparing a national social protection strategy that will benefit the vulnerable populations (in particular children, handicapped people, elders, women...), operating "Ezaka Kopia Ho an`ny Ankizy" (EKA) to regularize birth certificate granting to the children. Fight against illiteracy is reinforced and actions are taken to integrate the gender dimension in development programs.

For youth and sport, actions conducted consist of rehabilitating the Ministry buildings, building sporting infrastructures: gymnasium, stadium, sports events, and organizing meetings to identify talented young people. Some Centres d'Animation et de Promotion de la Jeunesse (CAPJ), that is, Centers for Facilitation and Youth Promotion have been rehabilitated and the national youth agenda has been implemented.

Regarding social safety nets projects, initiated by the Government within anti-poverty framework and to assist disadvantaged populations, the principal achievements pertain to creating temporary jobs for 6,021,622 men/day in keeping with Haute Intensité de Main d'Oeuvre (HIMO) that is, Intensive Labor. These works have had direct impacts on vulnerable populations in term of income and food distribution. In addition, infrastructure has been built and contributed to improve the population welfare conditions: schools, health care centers, markets, public washing places, drinking water supply, tracks, hydro-agricultural dams that have impacted the economy: opening-up areas, irrigation work... It has been possible to complete these works with the collaboration of the 549 NGOs, 108 Engineering and Design Offices, and 446 Small and Medium Enterprises.

Within the framework of private sector development, the principal achievements pertain to rehabilitating SIDEMA and SIRAMA, continuing the State divestiture from HASYMA. The Handicraft Promotion Space has been created. A forum for dialog is operational to reinforce the Public-Private Partnership through the creation of a Comité d'Appui au Pilotage de l'Entreprise (CAPE), that is Support Committee to Piloting Enterprises (CAPE) and of Guichets Uniques des Investissements et du Développement des Entreprises (GUIDE), that is One-Stop Shops for Investments and Business Development at the national and regional levels. The objective to reduce to 3 days the time necessary to create a business is practically achieved at the GUIDE that is already operational.

Regarding tourism and culture, the principal achievements for the year related to the creation of Réserves Foncières Touristiques (RFT), that is Tourist Land Reserves. In addition, about 20,000 employments have been created by the 1,360 new establishments operating in tourism Sector. Actions have been conducted to promote the Madagascar destination and tourist products, and to develop partnership with foreigners. In the area of culture, the Cultural Center of Sainte-Marie, as well as the Anahidrano Museum, is created. Inventory of the cultural wealth has been largely completed.

In the field of energy and mine, collecting mineral tax is carried out in three zones and the number of granted licenses for Autorisation Exclusive de Réserve de Périmètre (AERP), that is Exclusive Authorization for Perimeter Reservation has increased. The legal texts relative to reforming the sector, as well as the various texts for application are out. Regarding rural electrification, the various agencies are being set up. Connections are carried out at the level of the rural communes and peri-urban villages.

As regards posts and telecommunications, the principal actions are on setting up tele-centers in various regions, the effective setup of a postal saving service "Tsinjolavitra" which attracts more than 36,000 savers who are primarily rural ones, the effective privatization of TELMA company, and the start of the preliminary studies on the national telecommunication Backbone and international connection by optical fiber.

## **6. Results analysis**

A result analysis regarding institutional reforms and PRSP implementation programs was made while highlighting the principal achievements in each strategic axis and identifying constraints. Recommendations were set out to orient the programs. In addition, an analysis of actions and results linked to determining factors has been done and the recommendations for specific actions are formulated

## **7. Status of HIPC related reforms**

Regarding the use of HIPC funds, the annual average achievement rates for the 2001-2003 period were 89% for financial executions and 92% for physical executions. The progress made in the privatization programs was important.

The organic law on the public finance, the bill on renewing the Public Procurement Code were voted by the National Assembly in June 2004. The former was voted by the Senate and the latter is under Senate examination. The personnel and the equipment in Contrôle des Dépenses Engagées (CDE) that is, Committed Expenditure Control and Inspection Générale de l'Etat (IGE) State General Inspectorate have always been in constant rise. Periodical reports on the budgetary execution of the six Ministries (Health, Education, Civil works, Water and Forests, Justice, and Agriculture) have been developed from figure collations among line Ministries, CDE, and the Budget. Computerization in the twenty-two principal treasurers is operational. The drafts of *loi de règlement*, that is report on budget execution for 1997 and 1998 were submitted to the Government.

The first biannual reports on the activities of the Education and Health Sectors are drafted and the second ones are planned for the end of July 2004. Publishing twice per annum the transparent lists of mining, forest and fishing license holders, as well as of royalties collected at the level of each operator was completed.

More than 88% of recruited teachers were assigned in Public Primary schools (EPP) in rural areas. From year 2001, a constant rise of the sales turnover of the Drugs Purchase Center "SALAMA" is recorded.

In 2002 and 2003, the percentages of resources allocated to the rural tracks were respectively 10.3% and 10.9%.

## **8. Strategy costs and financing**

In PRSP framework, program funding for year 2003 was entirely received. The tax ratio in the order of 10.0% of GDP correctly shows the Government effort in mobilizing domestic resources. These resources combined with the contributions from technical and financial partners have been able to cover the costs of planned investments.

In 2004, the amount of public investment budget has registered an increase of 15% compared to that of 2003. Within the framework of setting up the budget program approach, credits and budgetary support programs are already received.

## **9. Monitoring and Evaluation**

The PRSP Technical Unit, whose secretariat is the responsibility of the Technical Adjustment Secretariat, ensures organization and coordination of technical monitoring activities with the collaboration of Ministries, Madagascar Members of Parliament, the private Sector, and the civil Society, gathered within three thematic groups: governance, economy, and social.

The INSTAT plays a vital role in the monitoring evaluation system by conducting households surveys, publishing current statistics, coordinating the statistical system, controlling big operations like the General Census of the Population and the Habitat, and the Demographic and Health survey, and especially validating PRSP indicators.

The actions carried out in keeping with monitoring work at Government level related to developing business plans and action plans with Ministries, organizing meetings with the Technical Unit and the donors on achievement evolution.

A first intermediate report of PRSP implementation was drafted in February 2004 for the period from July to December 2003. This report was presented to the Technical Unit, the donors, and the Government in March 2004.

Thematic sector-based workshops were organized with Ministries, every quarter, by the Technical Adjustment Secretariat and the Technical Unit, from January to June 2004.

In keeping with monitoring work, regional workshops were organized at the level of Faritany main towns to present the first semi-annual report of PRSP implementation. On average, the number of participants to workshops is 173 with a representation of 12% for the private sector, 18% for the civil society, and 70% for the administration.

The future actions for monitoring PRSP implementation pertain to capacity building in institutions in charge of monitoring, setting up monitoring system at national and regional levels, establishing a PRSP communication plan for recipients. The works by the 3 thematic groups will resume until the final implementation report is finalized. Regional workshops will be held every 6 months and the PRSP will be subject to annual update and a national validation workshop each year. In addition, the INSTAT will carry out household surveys, public opinion polls, and surveys and dispatch, in manufacturing companies, workshops, economic situation surveys.

## **10. Conclusion**

Establishing the present report is very important insofar as it allows noting and appraising the Government efforts to guarantee PRSP implementation.

The report gives an opportunity to appraise the overall effectiveness of the country policies and the poverty reduction program at all sector level, to highlight the outline of the future government policy in relation to the annual budget and to revise the strategies according to the national calendars.

Overall, the various sectors have respected the action plan implementation schedule envisaged. The data contained in the report provide the situations in June 2004 and are provided in real time, as well as the results of the regional workshops, which ended in May 2004.

At the level of reform arrangements related to HIPC initiative, the periodical reviews for supervising the progress status with the donors have been beneficial as for monitoring the situation of each arrangement.

In the area of financing, it has been noted that the donors are in line with PRSP following the example of the *Crédit d'Appui pour la Réduction de la Pauvreté* that is Poverty Reduction Strategy Credit (PRSC) given by the World Bank and the *Programme d'Appui pour la Réduction de la Pauvreté*, that is Support Program for the Poverty Reduction (SPPR) of the European Union.

Strengthening of participatory process throughout implementation monitoring works has always been among the priorities with the Technical Unit in charge of PRSP.

The shocks that occurred during the first 2004 semester allow noting that the economic context still remains sensitive and vulnerable to exogenous risks, which limits and did not enable to fully achieve the goals assigned in PRSP;

For its part, the Government will endeavor to ensure better coordination of interventions, to support the involvement of all actors in all aspects of PRSP process, and to consider as a priority effective ownership of PRSP by the whole population.

## VOLUME II

The various matrix tables recapitulating the principal achievements per sector highlight the links of governmental actions with not only the PRSP strategic axes, but also the related development objectives, programs, and indicators.

The presentation form of the aforesaid tables is as follows:

STRATEGIC AXIS N°: .....

Overall objective: .....

Program: .....

Sub-Program: .....

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATION
		Priority Measures	Action plans		

## 1. INTRODUCTION

The present document provides the first annual report of PRSP implementation since its finalization in March 2003. A first intermediate implementation report was finalized in February 2004 for the period from July to December 2003. The annual report covers the period from July 2003 to June 2004.

As an annual report, the document aims at presenting the situation of the various actions, arrangements, and reforms undertaken during the period under consideration. It also provides benchmark elements as for the evolution of poverty and as for economic and financial results recorded during the period. Moreover, the report gives some indications with regard to challenges and stakes for future years.

Ownership by the Malagasy population was effective during PRSP implementation. Political dialogs between the authorities and the various development actors during organized workshops, which are directed towards the efficiency of the Public-Private Partnership principle. The establishment of the report testifies the will of the State, in collaboration with all the stakeholders, to ensure the good execution of the activities and tasks envisaged, in agreement with the established schedule and budget. To this end, the report objectives are to present the various results compared to results assigned to each department, to single out the adjustment and/or correction elements in order to improve the effectiveness of the actions and measure taken, as well as sustainability of the results obtained. The aforementioned report will include, among others, the perception among the various regions of Madagascar concerning the effects and impacts of the actions taken to date on improving their respective situation, the results of the priority programs (health, education, roads, water). The report has taken into account the results of the regional workshops organized at the level of the 6 Faritany main towns.

The report is the fruit of collaboration among sectoral Ministries in charge of applying the Government policy through various action plans and measures, the INSTAT on analyzing the evolution of poverty and the impacts, as well as monitoring main PRSP indicators, the Technical Adjustment Secretariat, the Secretariat of PRSP Technical Unit, which coordinates and facilitates activities on PRSP implementation.

The annual implementation report includes two volumes. The first volume contains all data relating to achievements, and the second, the matrix of these achievements.

The first volume is structured in eight (08) parts from presentation of the poverty evolution to that of monitoring-evaluation system through the arrangements taken by the Government and the economic and financial results...

In the second volume, the various matrix tables, summarizing the principal achievements by sector, highlights the links of the government actions with not only the PRSP strategic axes, but also related development objectives, programs, indicators, and the determining factors of poverty.

### **Recall Of PRSP Implementation Monitoring Framework :**

- Madagascar reached the decision-making point in December 2000, and ever since, it has been allowed to benefit from HIPC resources (equivalent of USD 50 million per annum).
- The full PRSP was finalized according to a participatory process in March 2003, validated by the Government in May 2003.
- The document was subject to broad distribution to donors in June 2003.
- A first update relating to action plans, determining the 31 monitoring indicators and the budget was operated in July 2003.
- The updated PRSP was presented to the National Assembly in July 2003.
- The approval from the Bretton Woods Institutions was received in November 2003.

- Quarterly thematic workshops were organized with various Ministries in January, April, and May 2004 for monitoring sectoral achievements.
- A semi-annual implementation report was drafted in February 2004.
- Regional workshops were organized at the level of the 6 Faritany main towns during March, April, and May 2004 and subject to reporting in May 2004.

During that period, the leading authorities, with the example of the President of the Republic, held information sessions and to conduct awareness raising campaigns on PRSP whys and hows at the level of regions.

## **2. EVOLUTION OF POVERTY.**

### **2.1. ACCORDING TO THE CONSUMPTION APPROACH**

The definition of poverty that is kept is the state of material deprivation characterized by a daily caloric consumption below 2,133 cal per person, adult equivalent. This definition is better adapted to the socio-economic situation of a country like Madagascar. Nevertheless, given that an individual must also use minimum goods and services, a nonfood threshold supplements this food threshold. Using the monetary equivalent allows evaluating the various components of the consumption basket<sup>\*\*1</sup> the value of which is equal to the sum of the 2 thresholds. In 2002, the threshold was MGF 1,173,800 running at the price of the Capital (Antananarivo Renivohitra). Thus, it was 1,154,000 MGF (230 800 Ariary) in 2003.

In the absence of information base on household living conditions in 2003, the poverty indicators should be estimated with information on poverty evolutions from 1993 to 2002 and information from economic activities from 1993 to 2003.

#### **2.1.1. EVOLUTION OF THE POVERTY FROM 1993 TO 2002.**

The economic stagnation of the period 1993-1997 resulted in amplifying the poverty incidence from 70.0% to 73.4%. Thereafter, it recorded a fall of 3.8 points between 1997 and 2001. The politico-economic crisis in 2002 had different impacts on the socio-economic groups. The groups that have the most important poverty rates into 2001 suffered the most from the crisis. This situation remains valid whatever the big standard groups (in urban environment or rural areas).

In particular, the aggravation of the poverty ratio is less important among farmers who exploit vast land areas. It is even slightly falling with big farmers. The disparity in terms of consumption has then worsened at the level of this large farmer group.

The fall of the poverty ratio at the stockbreeders and fishermen is due to the fact that in 2001, much of them were just below the threshold. That appeared by the moderation of poverty intensity among this group in 2001 (30.8%). Among the same group, this last indicator recorded a rise of 5 points between 2001 and 2002.

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<sup>1</sup> Monetary expenditure, self consumption, received payments in kind, received transfers, rents charged and rental value of durable goods

**Table 1: Evolution of the poverty indicators between 1993 and 2002 according to Socio-Economic Groups'.**

Unit in %

<b>GSE Year</b>	<b>1993</b>	<b>1997</b>	<b>1999</b>	<b>2001</b>	<b>2002</b>
<b>Ratio of poverty</b>					
Big scale farmer	66.9	64.7	61.2	90.8	89.9
Average scale farmer	72.0	74.9	73.3	86.6	91.4
Small scale farmer	79.3	79.8	82.2	85.9	93.6
Stockbreeder or fisherman	50.8	82.8	78.0	79.5	68.4
Non-agricultural businessman	49.2	31.4	61.3	47.4	57.2
Service trading businessman	14.4	66.2	50.4	32.5	52.2
Salaried Senior staff	50.4	54.6	47.5	16.7	34.3
Employee or workman	75.4	39.3	53.3	40.2	62.1
Unskilled Laborer	52.9	57.7	81.3	64.1	84.4
Other	55.4	68.0	61.5	48.0	65.8
Total	70.0	73.4	71.3	69.6	80.7
<b>Poverty Intensity</b>					
Big scale farmer	28.6	27.6	24.4	43.1	57.4
Average scale farmer	29.5	32.5	33.1	42.0	56.7
Small scale farmer	37.3	38.3	40.2	460.4	61.9
Stockbreeder or fisherman	23.4	43.3	39.9	30.8	35.7
Non-agricultural businessman	19.8	13.8	27.7	18.7	23.7
Trading contractor of Service	2.9	30.0	20.8	13.0	19.1
Salaried Senior staff	15.6	22.6	19.8	4.8	13.1
Employee or workman	30.9	17.3	21.0	15.0	26.4
Unskilled Laborer	21.9	26.2	36.5	28.6	46.3
Other	23.6	30.4	28.4	20.0	30.2
Total	30.3	33.6	32.8	34.8	47.6

Source: INSTAT/DSM/EPM2001 and 2002.

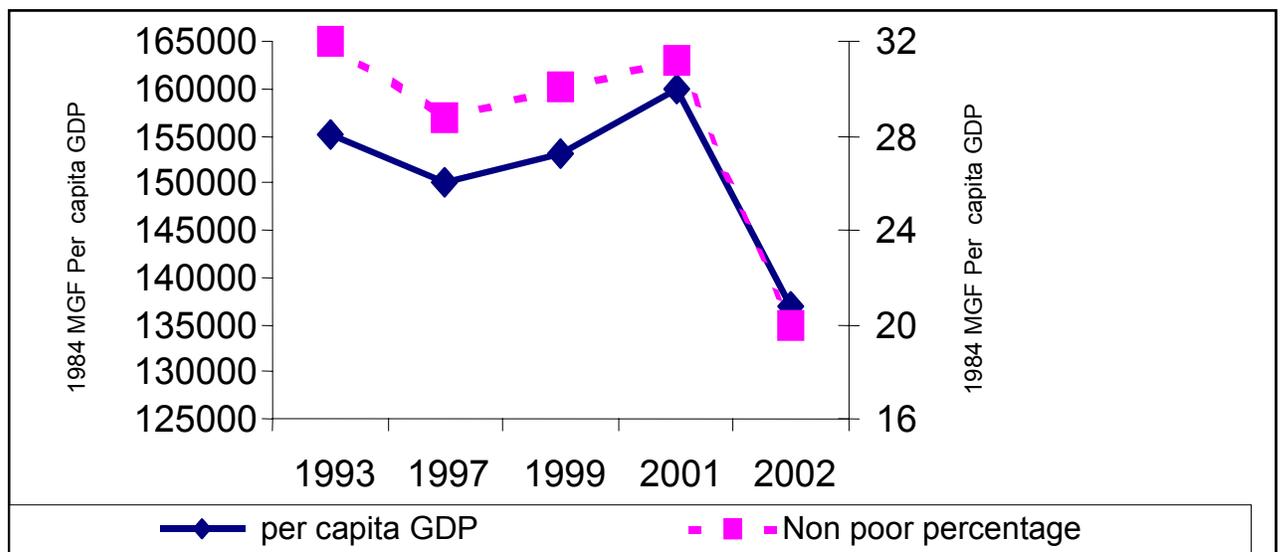
Fortunately, the big poverty rise in 2002 was only due to the current economic situation; indeed, with the economic recovery started around the last quarter of this year, a fall in poverty incidence and intensity was expected. The section that follows is devoted to estimating levels of poverty indicators in 2003.

### 2.1.2. RELATIONS BETWEEN ECONOMIC GROWTH AND POVERTY.

The evolution of poverty ratio is due to the **impacts of growth** and the **impacts of redistribution** on overall household consumption.<sup>2</sup> The redistribution is especially related to several circumstances such as the sources of the economic growth (investments, consumption, employment, public infrastructure, private infrastructure...), the dominating actors of this growth (a large monopolistic company, a few businesses, workers, the informal sector), the branches that contributed the most (rice growing, agriculture, trade, EPZ...).

Thus two growth types exist, namely pro-poor growth (a growth in per capita GDP, which is accompanied by a reduction in poverty) and anti-poor growth (growth in per capita GDP, and persistence or intensification of poverty).

**Graph 1: Evolution of real per capita GDP and of complementary poverty ratio from 1993 to 2002**



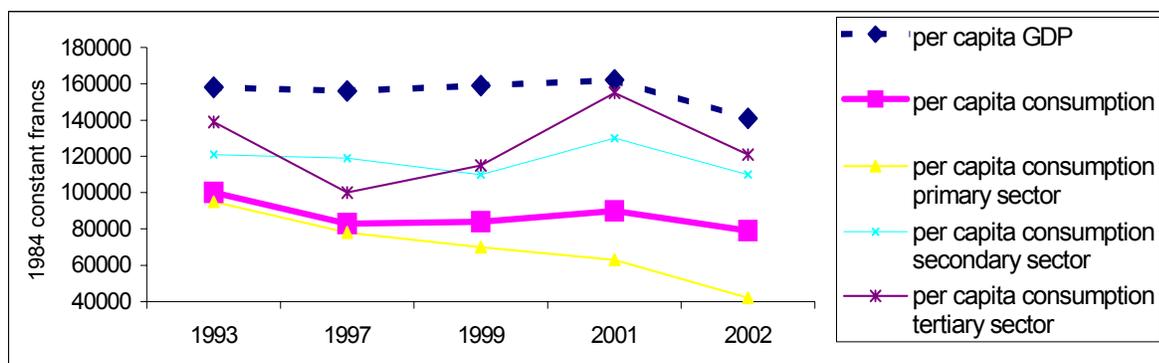
Source INSTAT/ DSY, INSTAT/DSM

<sup>2</sup> Confer to Paternostro, Razafindravonona and Stifel in Evolution of Poverty from 1993 to 1999 in Madagascar, INSTAT publication

### 2.1.3. HOUSEHOLD CONSUMPTION CHARGING IN 2003

In this paragraph, information on economic growths (or decreases) and past households consumptions is mobilized to estimate the levels of poverty indicators in 2003. The point is to link the growth rates of a given sector with household consumptions in which individuals earn wages or capital incomes in that sector. Ranking by decile of consumption is used to take into account the effects of redistribution.<sup>3</sup> It is realistic to presume that standard of living is a dominating variable over the distribution of growth fruits. Finally, growth types are considered by including a dichotomic variable which is worth 1 over the period of 1999, 2001, 2003, and 0 elsewhere.<sup>4</sup>

**Graph 2: Evolution of per capita GDP and of real per capita consumption from 1993 to 2002.**



Source: INSTAT/ DSY, INSTAT/DSM

### 2.1.4. EVOLUTION OF POVERTY IN 2002-2003

The poverty ratio recorded a fall of 7.1 points between 2002 and 2003. Like the other years of economic recovery, households of average standard of living headed by tertiary sector people benefited most from the growth. The weakest performance is in agriculture with a fall of 4.1 points. As this sector is the one that employs most active people, that weighed on the overall evolution.

**Table 2: Evolution of poverty indicators since 1993 according to family head activity sector**

Year	1993	1997	1999	2001	2002	2003
Poverty Ratio						
Primary Sector	73.7	76.5	77.5	84.5	90.8	<b>86.7</b>
Secondary Sector	53.1	54.2	56.7	41.3	65.3	<b>51.6</b>
Tertiary Sector	47.0	62.5	52.0	35.1	55.4	<b>41.2</b>
Other	55.4	67.1	61.5	45.8	63.8	<b>53.2</b>
Total	70.0	73.3	71.3	69.6	80.7	<b>73.6</b>
Poverty intensity						
Primary Sector	32.6	35.5	36.6	44.3	58.1	<b>51.4</b>
Secondary Sector	20.3	22.4	23.4	15.0	28.9	<b>20.7</b>
Tertiary Sector	15.5	28.5	20.9	13.4	22.7	<b>16.2</b>
Other	23.6	29.0	28.4	20.2	27.9	<b>20.3</b>
Total	30.3	33.6	32.8	34.8	47.6	<b>40.8</b>

Source: INSTAT/DSM/ EPM93, EPM97, EPM99, EPM2001, EPM2002 and results of the imputation model.

<sup>3</sup> We cannot go beyond decile ranking for significance concern. It is supposed that intra decile distributions remain constant

<sup>4</sup> The econometric pattern kept is a pattern for consumption charging and not an explanatory consumption pattern

According to ranking by area, the urban population has benefited more from the return to normalcy of economic life in 2003. Poverty ratio fall was -9.8 points against -6,3 points in rural areas. In comparison with the situation in 2001, the poverty ratio difference reaches 7.7 points in urban areas against 3 points in rural areas. It is in terms of poverty intensity (average gap compared to the threshold) that the 2003 situation in urban areas was similar to that of 2001 with a low difference of 4.6 points.

**Table 3: Allocated Poverty indicators according to provinces and areas from 2001 to 2003.**

	Poverty Incidence Rate			Poverty Intensity		
	2001	2002	2003	2001	2002	2003
<b>Madagascar</b>	<b>69..6</b>	<b>80..</b>	<b>73 .6</b>	<b>34..8</b>	<b>47..6</b>	<b>40..8</b>
Antananarivo	48..3	66..0	56..2	21..0	33..7	27..4
Fianarantsoa	83..2	91..0	85..5	45..4	57..6	50..9
Toamasina	82..3	86..3	78..7	44..1	51..7	43..9
Mahajanga	72..4	89..1	84..3	35..1	57..5	51..4
Toliara	76..1	81..2	75..0	39..2	47..4	39..3
Antsiranana	69..2	83..7	78..5	28..9	51..4	45..7
<b>Urban</b>	<b>44..1</b>	<b>61..6</b>	<b>51..8</b>	<b>18..3</b>	<b>29..3</b>	<b>22..9</b>
Antananarivo	28..3	51..2	42..0	10..4	23..1	17..7
Fianarantsoa	59..8	78..5	71..6	25..5	42..4	34..1
Toamasina	60..1	66..9	53..1	28..4	33..2	26..8
Mahajanga	49..8	71..0	66..8	17..3	33..6	27..2
Toliara	53..3	58..3	44..1	25..4	25..1	18..8
Antsiranana	30..1	62..5	52..9	8.7	28..1	20..5
<b>Rural</b>	<b>77..1</b>	<b>86..4</b>	<b>80..1</b>	<b>39..7</b>	<b>53..0</b>	<b>46..1</b>
Antananarivo	56..7	72..3	62..2	25..5	38..1	31..5
Fianarantsoa	87..9	93..5	88..3	49..4	60..7	54..3
Toamasina	87..9	91..9	86..2	48..2	57..1	48..9
Mahajanga	78..4	93..8	88..9	39..9	63..8	57..7
Toliara	83..3	87..5	83..5	43..5	53..5	44..9
Antsiranana	79..0	88..6	84..3	34..0	56..7	51..4

Source: INSTAT/DSM/ EPM2001, EPM2002 and results of the allocation model

### 2.1.5. OTHER POVERTY DETERMINING FACTORS.

Cause and effect relationship is often reciprocal between the fact of being poor and its characteristics. This reciprocity can be direct. Reciprocity between the determining characteristics of poverty and poverty can be transmitted between two or several generations. For example, the fact of being uneducated reduces paid activity choice (in type and in category). This influences income. Lack of income influences negatively instruction length and quality of direct descendants and so on until particular effort is done (internal to the household or carried out by the community) to break this vicious circle. Households whose members have a high educational level have more chance to live safely from poverty.

The existence of a business employing more than 10 people in the commune decreases the poverty risk by -6.4%. This is in relation to potentialities, in human resources and/or in infrastructure and/or in natural resources, of the area that attracts investors. The latter, once established in the commune, must provide employment, even partly.

**Table 4: Result of Probing Model on Poverty Risk in 2002**

Prediction Variable	Variation of probability <sup>5</sup>	Standard Error	Z	P>Z	Average	Confidence Interval	
Number of Men	<b>0.084</b>	0.008	10.400	0.000	2.337	0.068	0.099
Number of women	<b>0.088</b>	0.009	10.160	0.000	2.486	0.071	0.105
Households heads aged less than 20 yrs old	<b>0.135</b>	0.096	1.250	0.213	0.009	-0.054	0.324
Households heads aged from 20 to 40 yrs old	<b>0.048</b>	0.025	1.950	0.052	0.275	0.000	0.097
Proportion of people aged less than 5 yrs old	<b>0.363</b>	0.074	4.940	0.000	0.133	0.218	0.507
Proportion of people aged from 5 to 15 yrs old	<b>0.132</b>	0.059	2.230	0.026	0.226	0.016	0.249
kerosene as light source*	<b>0.375</b>	0.029	12.370	0.000	0.597	0.319	0.431
Candles as light source *	<b>0.186</b>	0.034	4.610	0.000	0.047	0.119	0.253
Other sources of light *	<b>0.331</b>	0.028	5.200	0.000	0.016	0.278	0.385
Good floor*	<b>-0.035</b>	0.025	-1.390	0.164	0.646	-0.084	0.014
Chief is average scale farmer *	<b>0.118</b>	0.034	3.270	0.001	0.137	0.052	0.184
Chief is small scale farmer *	<b>0.237</b>	0.025	8.330	0.000	0.297	0.187	0.287
Existence of businesses hiring more than 10 people*	<b>-0.064</b>	0.027	-2.390	0.017	0.494	-0.116	-0.012
Proportion of those of university level	<b>-0.989</b>	0.134	-7.570	0.000	0.056	-1.253	-0.726
Proportion of those of secondary education level	<b>-0.390</b>	0.059	-6.610	0.000	0.134	-0.506	-0.274
Proportion of those of primary education level	<b>-0.113</b>	0.040	-2.850	0.004	0.380	-0.191	-0.035
Place of residence: Fianarantsoa*	<b>0.186</b>	0.027	6.140	0.000	0.151	0.134	0.239
Place of residence:Mahajanga*	<b>0.141</b>	0.029	4.520	0.000	0.132	0.085	0.197
Number of months when road is cut <sup>6</sup>	<b>0.028</b>	0.011	2.490	0.013	0.726	0.006	0.050

**SOURCE/ INSTAT/DSM/EPM 2002**

### 2.1.6 IMPACTS EXPECTED FROM ROAD CONSTRUCTION IN RELATIONSHIP BETWEEN POVERTY AND REMOTENESS.

Given that the majority of Malagasy population live in rural areas and that poverty ratio and intensity are more serious there, infrastructure availability plays a dominating role in anti-poverty strategies.

By restricting the analysis to rural areas, it appears that there is a positive connection between poverty ratio and remoteness. If those who live at 3 hours from an urban primary education center record a ratio of 47.8%, those who spend one day to arrive there record a rate of about 87%. Among impacts of road constructions, we can list the following:

- Progress in agricultural product flows and manufactured staple product supply. This entails decrease in commercial benefit margins to the profit of producers and consumers;
- More available administrative, social and economic services such as administrative offices, schools, health centers, and large markets...
- And to a lesser extent, better safety (less cattle theft)<sup>7</sup>.

<sup>5</sup> This is the variation of poverty risk when a variation exists at the average household (relative to the explanatory variables). For the titles marked in\*, it is the variation when the value of the dichotomist variable passes from 0 to 1. For example, if a business employing more than 10 people opens in the locality where the household lives, then its poverty risk (its probability) decreases by 9%.

<sup>6</sup> Between the commune main town and the nearest national road. The sample is biased by the fact that three landlocked localities have to be excluded for security and accessibility reason

**Table 5: Poverty and Remoteness (within the meaning of accessibility) in 2001**

Remoteness Quintile - Ratio in 2001	Travel Time (in hour) to the nearest	Travel time (on foot in minute) to the nearest	Poverty
	primary urban center	accessible road	
Nearer	3.4	1.8	47.8
Quintile_2	5.3	1.7	75.2
Quintile_3	10.0	2.1	85.6
Quintile_4	17.6	2.7	89.7
Further	21.5	3.1	86.6
Altogether	10.99	22.7	77.1

Source: Implication of isolation for rural poverty in Madagascar, Dorosh, Minten and Stifel 2003

## 2.2. POPULATION PERCEPTION ON PRSP IMPLEMENTATION

Two light survey types were carried out by the National Institute of Statistics (INSTAT) at household level and commune level, during the first half of June 2004 to get information on how the citizens perceive the impacts of projects and actions taken within the framework of PRSP implementation.

The household survey was carried out in 75 localities, which were divided into 39 localities that are beneficiaries of projects and 36 others, which are not. The unit to survey is an 18+ years old individual and one household (head of household, spouse, active member). The number of individuals to survey in a locality is set at 35. The survey at commune level was conducted in 74 localities.

It is important to stress that the reference period of the survey was dominated by exogenous shocks, which occurred during the first semester of 2004: rise in oil barrel price, depreciation of the fmg, passage of the Gafilo and Elita cyclones, rise in rice prices, resulting generalized inflation trend... Shocks that condition and modify partly the responses of surveyed relating to perceiving the evolution of living standard.

### 2.2.1. RESULTS AT THE LEVEL OF HOUSEHOLDS.

#### 2.2.1.1. LIVING CONDITIONS OF HOUSEHOLDS.

The degree at which evolution of household standard of living is perceived varies from one period to another and from an area to another. In general, some households think that their standard of living has currently improved but their proportion has clearly dropped compared to that of the last quarter 2003; indeed, if 10.6% of the surveyed households affirmed "they live well" during the last semester of the year 2003, they are 4.4% to have this standard of living during the second semester of 2004. If the percentage of the surveyed households that declared they had difficulties living during the last semester of 2003 is 23.7%, it passed to 51.5% for the period from January to May 2004. The same situation is found in urban environment as well as in rural area.

By expenditure quintile and during the same periods, there really was no real impact on the economic mobility of the households because 70.3% of the poorest households (those of the first quintile) of the period from July 2003 to December 2003 remained in this same quintile during the first semester of year 2004. 80.1% of the richest households during the second semester of 2003 had remained the richest during the first semester of 2004. However 13% of the supposed relatively richest households compared to households as a whole (those of the 5th quintile) declared, "they live with difficulty".

If 22.9% of surveyed households were able to save during the last semester of 2003, they are only 8.7% currently. More than half of the surveyed households have an income level which cannot cover their expenditure and, which implies dissaving for 22.3% of them and indebted for approximately 40%.

The period 2004 has not yet benefited the households, which declared they have an average food consumption level; indeed, if they were 50% for the first period; they are only 27.3% currently. On the other hand, almost the quarters of the 217 households whose food consumption level was poor during second semester of 2003 declared that this year it has improved.

At the level of activity sectors, households appreciate a clear improvement in the education sector (61.7% and 61.1% respectively for the two periods). The households also note, for the period of the second semester of 2003, dynamism at the level of health, agriculture, national roads, and safety. From January to May 2004, health always wins households appreciation in the second place, followed by safety, tracks and national roads. However, the sector judged to be in regression by households is especially that of job creation.

### ***2.1.2. HOUSEHOLDS CONFIDENCE IN THE FUTURE.***

As for the future of households, 17,5% surveyed in the localities with projects think that their standard of living will improve, against 14.4% households of localities without projects. The proportion of the urban households, which envisage an improvement of their standard of living in 2004, is 14.2%, it is 17.1% in the rural area. On the opposite, 49.2% households foresee a degradation of the Malagasy standard of living and 26,5% think that there is at least no change. For households which envisage a future improvement of the Malagasy standard of living, localities with projects present a proportion of more than 2.4% compared to those without projects. However, the study by area shows, like previously, that households in rural area are more hopeful than those of urban areas.

### **2.2.1.3. IMPACT OF PROJECTS ON HOUSEHOLD LIVING CONDITIONS**

In general, those surveyed recognize the existence of projects positive impacts on their living conditions because 67% think that all projects have had a positive impact on their absolute living conditions, 54 % interviewed give a satisfactory mention to the majority of ongoing projects since July 2003, of which 12 % judge that projects existing in their community are very satisfactory. The impact is far more felt in urban areas than in rural areas with simultaneously positive answer rates of 70 % and 60 %.

Overall, 38 % beneficiaries participate actively in project realization. Sectors which receive a favorable opinion are the following, by order: drinking water supply, education, road constructions, and electrification. The low opinion on financial sector should also be noted.

### **2.2.1.4. HOUSEHOLDS PERCEPTION ON OTHER INTERVENTION AXES**

4 households out of 10 think that good governance has improved in Madagascar over the first 4 months of this year 2004 compared to the last 6 months of year 2003. 42.8 % households affirm transparency improvement at the level of the State for same periods. It should be noted that 43.9 % and 13.3 % mention the contrary case.

As regards fight against corruption, about 50% surveyed households think that nothing has changed as far as corruption in Madagascar is concerned over the reference period, and it has even worsened according to 17.3 % surveyed households. About 90 % surveyed households find school education satisfactory. As for the health sector, 78 % households show their satisfaction with existing health infrastructure in their area and 76 % for medical services.

As regards safety, 31.5% surveyed find the number of policemen or "gendarmes" in their respective areas satisfactory while 29.6 % find it insufficient.

## **2.2.2 RESULTS AT THE COMUNE LEVEL**

### **2.2.2.1 EVOLUTION OF HOUSEHOLD STANDARD OF LIVING**

Half the surveyed localities have declared that job offer in their commune is currently increasing (after July 2003) compared to previous years. The presence of projects in their localities has significantly impacted and is felt by the population on the job offer variation. If job offer has increased in 57.1 % localities 'with projects' (i.e. in 24 localities out of 42), it has increased in 40.6 % localities "without projects" (i.e. in 13 localities out of 32).

Generally speaking, households wealth in the commune is "average" in 32.4 % surveyed localities. Household income in 17.6% surveyed localities allows them to save. In 64.9 % communes, households income of residents cannot cover their expenditures.

## 2.2.2.2 APPRECIATION ON THE STATUS OF SOME SOCIAL SERVICES

### **Security Force Elements**

Out of 74 surveyed localities, in 43 the number of security force elements is still insufficient this year, of which, "very insufficient" in 16 of these localities. Services provided by security forces are judged satisfactory.

### **Cleanliness And Lighting**

Out of 74 surveyed localities, cleanliness is ensured in half of them. More than 20 of them are qualified "of very good quality". Lighting is "good" in 21 localities and is acceptable in 18 localities.

### **Roads Infrastructures**

Bridges exist in 63.6 % localities out of 74 surveyed; and 41.3 % localities have bridges of satisfactory quality compared to previous years.

As far as asphalted roads are concerned, they can be found in 60.8 % localities. The physical condition of the roads has not changed in 53.3 % localities that have some. However, they are currently of good quality in more than half the localities.

As regards secondary roads, almost 80 % communes have some. The present quality of this type of infrastructure is qualified "bad" by respondents in 40.5 % localities. Their physical condition has not much improved in the course of these 2 reference periods.

### **Health Centers**

Health centers are available in 87.8 % surveyed localities. The physical condition of these centers remains unchanged in 40 localities. As regards service provided in their centers, they are said to be satisfactory by respondents in 62.7 % localities. Frequentation rate in these centers is increasing in 38 localities.

### **Food Markets**

In more than 83 % of the localities, food markets exist but their existence date back to before July 2003. For these communes where this type of social service exists, the physical existence of these markets remains unchanged in half of them during the 2 reference periods (from last semester 2003 until the first semester 2004).

In 46 % of these very communes, service provision is said to be satisfactory by respondents. Frequentation rate in these markets is increasing in 67.2 % of the communes (i.e. in 43 communes out of 64).

### **Cattle Markets, Extension And Fertilization Services**

As regards cattle markets, they existed in 41.9 % localities before July 2003. The physical condition of these markets has improved in more than third of localities where they already exist. It is noted that the quality of service provision has improved in these markets (more than the third). Besides, frequentation of these services is increasing in more than half these localities (i.e. in 17 of them).

Extension services already exist in 46 % surveyed localities where the physical condition of these services improved in 12 localities and where the quality of service is satisfactory in 14 localities. Usage rate of these services has risen in 17 localities.

### **Rural Funding And Funding Networks**

About half of the surveyed localities have rural funding and 40 % of them show physical rising evolution of these services. Intervention quality of these rural funding services is said to be satisfactory by respondents in 17 localities and recourse to these services are also rising in 18 localities.

Funding networks still remain low because they exist only in less than 40 % localities. Out of 25 localities, the physical condition of the networks is raising in more than half of them. The quality of service provision is satisfactory this year compared to last year.

### **Water Distribution Network And Sanitation**

Water distribution network exists in 50 localities out of 70 surveyed, and the usage rate of these services is increasing in 29 of them, and water is of very good quality in 15 % of the localities. The physical condition of these networks has improved in 15 localities and their quality of service is satisfactory in 18 localities. A contrario, 39.2% of the surveyed localities still live in a situation where water is still of bad quality.

Concerning public toilets, they are available in 57.5 % surveyed localities. The physical condition of these public toilets remains unchanged in 59.5 % of them. As regards quality of service, it is said to be average quality by respondents in 13 localities. Frequentation rate in these public toilets is increasing in more than half of them.

### **Firaisana Offices (Communes)**

Firaisana offices are available in 86.5 % surveyed localities where their physical condition remains unchanged in more than half of these localities. However, the quality of service in these offices is satisfactory in more than half of these localities and the frequentation rate is rising in 68.8 % of the localities.

### **Garbage Tray**

They exist only in 64.9 % localities, but their physical condition is seen to have improved in less than one-fourth of the localities and their quality of service is satisfactory in 410 of these localities. In addition, usage rate of these garbage trays is rising in more than one-fourth of localities.

## **2.2.2.3 IMPACTS OF THE PROJECTS ON HOUSEHOLD LIVING**

### **CONDITION IN COMMUNE**

Opinion varies on the impacts of projects; thus half of surveyed see that project interventions in their respective communes have had direct or indirect impacts on household income and 12% think that there is but little impact, while 31 % think that there is no impact at all.

Opinion varies according to the area because 60 % of big urban centers (GCU) have not felt the impact of projects on households income, while 61.4 % of secondary urban centers (CUS) and 47.4 % of communes in rural areas estimate that projects have had positive impacts on household' income, linked with a consequential improvement of job offer in 71.4 % of communes; and for those that do not feel any impact from projects on household income, 53.8 % of them said that job offer has decreased.

Projects touching education are present in 62 % sample communes. In the same proportion of communes (62 %) health sector and communal roads exist. Agricultural projects are established in 55 % communes.

#### **2.2.2.4 SCHOOL INFRASTRUCTURE**

Results of survey show that in some localities, physical increase in the number of new schools exists and that schools have come nearer to the communes (71%). An improvement of school infrastructure is also seen even if it is very modest. Besides, in the whole, teaching quality has improved with an appreciation rate of 60 %.

In general, analysis by commune type having projects or not does not seem to bring a big change. The same findings are identified during these 24 survey months of 2004 compared to the 6 previous months.

#### **2.2.2.5 HEALTH SERVICE**

Following the example of education, the survey results show also that in some surveyed localities the new centers increase in number and the beneficiaries think that they are nearer to their dwelling, and the frequentation of consultation places has increased in urban areas as well as in rural areas (respectively 59 % and 41 %) during the same periods. Overall, a health center client has to walk 18 minutes, in urban areas, and 38 minutes in rural areas on average to join them.

As regards quality of services, it is thought to be average since 2003 by the majority of beneficiaries: 59 % in urban areas and 56 % in rural areas.

#### **2.2.2.6 NATURAL DISASTERS AND COMMUNITY MANAGEMENT**

Of all natural disasters reckoned, cyclone is the one that affects the most the different localities; and flood comes afterwards. In most cases, assistance comes to these affected localities. Concerning the cyclone, the major part of assistance is found to be slow. As regards flood, the majority of the beneficiaries think that it is quick.

Assistance comes in principally from the State, and the State participation rate is very high in urban area, as well as in rural areas compared to other actors.

### **2.2.3 REGIONAL WORKSHOPS RESULTS**

The regional workshops organized within the framework of PRSP implementation from March to May 2004 allow learning more about provincial, regional, and local realities and specificities. In fact, most information communicated during regional workshops is not available to sectoral officials of Central Ministries.

The synthesis of the regional workshop results allows situating the different provinces the ones compared to the others in matter of: (i) ownership of poverty reduction strategy as set by PRSP, (ii) coordination of regional development actions, (iii) mobilization of partners including the civil society and the private sector, and (iv) information system including data collection, processing, and exploitation.

## **GOVERNANCE**

Significant results and impacts are registered at the level of public safety and national defense sectors. It should be also noted that except for the impacts, we could see the preponderance of information sent to the Faritany of Antsiranana.

Among problems, those of institutional capacity weakness as well as financial resource insufficiency are mentioned. Lessons have rarely been identified. As regards actions and challenges, it is noted that at the level of each sector, some efforts are made to establish some links between the latter and a given problem.

## **PRODUCTION – INVESTMENT**

At the level of achievements and impacts, the following should be noted: relative importance of growth and results registered at the level of road and transportation sectors, rural development and environment compared to other productive sectors (industry, trade, energy and telecommunication)

Concerning problems and lessons, the principal constraints on the institutional and judicial levels are essentially related to lack of human, financial, and material means, and to cumbersome administrative procedure (texts, means and work organization, as well as information system), to information unavailable to the Public in general and to users in particular, non-extension of development policy of Public-Private Partnership and texts governing several sectors: mining, rural lighting, and PSDR procedures.

At the technical level, as regards rural development, insufficiency of supervision of farmers by shift partners (NGOs and Associations) risks to delay the ownership of new agricultural techniques aiming at improving productivity.

We can also note that failure in technical coordination of some basic sectors could delay the development other sectors depending on them: TIC (multimedia information, telephones, computers, internet) remains tributary of electric energy access, insufficiency of electricity production and its high costs, and rural insecurity combined with landlocked situation.

## **SOCIAL**

At the level of progress and results, we see the predominance of water and sanitation, education and population, social protection and safety nets sectors in terms of achievements and, to a lesser extent, youth and sports. The volume of activities in the Faritany of Antananarivo is seen to be important, followed by Antsiranana, Mahajanga, and Fianarantsoa.

At the level of impacts, it can be considered that a step is made in PRSP ownership process by the Faritany, which really feel concerned in procedure, this is by rich testimonies and practices expressed during debates within various commissions.

Concerning lessons and challenges, aspects of governance (institutional and organizational) and assets sustainability, given some lacks and malfunctioning, still need improvement efforts. Fundings are largely insufficient and do not allow reaching the assigned objectives. This needs an increase in financial partners' participation.

## **PARTICIPATION - EVALUATION**

Participants in workshop showed regular attendance for the 2 days of work because the number of participants has remained constant or with a slight increase on the second day.

In general, the evaluation of logistical and technical organization of the workshops by the participants is good and the recommendations given involve decentralizing the workshop to the level of Fivondronana and at least held once every 6 months.

## **2.3 EVOLUTION OF MONITORING INDICATORS**

### ***2.3.1. EVOLUTION OF 31 MONITORING INDICATORS***

Most of the 31 PRSP indicators are impact indicators, the variation or evolution rating of which is only possible through surveys compared to a reference situation. However, we can give a temporary analysis of the evolution of some of these indicators according to data availability until June 2004. Given the various exogenous shocks, the temporary estimation from an allocation model based on growth shows that there is a tendency towards slight increase of poverty ratio compared to 2003, i.e. more than 2.2 points. However, the other indicators that explain and that are strongly linked to the poverty ratio show a tendency towards an improved situation. To illustrate, and according to the availability of data, we can quote:

- The increase in number of telephone connections of + 0.7 points for 1,000 inhabitants due to positive effects of globalization and operator promotion policy;
- The increase in number of new students (from 577,831 in 2001/2002 to 778,041 in 2002/2003 and 893,725 in 2003/2004) follows the waiver of registration fees and provision of school kits, which leads to increase in enrolment net rate;
- In the first semester 2004, the DTC vaccination rate is estimated at 41.3 %, i.e. more than half of achievement in 2003;
- The increase of 9.5 points of completion rate in the primary school explains the improved continuing study until grade 7;
- The decrease of 10 points in enclosurement rate of rural areas, logical follow-up of road infrastructure development and extension;
- The good operation of one-stop shop and its extension;
- A provisional increase estimated at 14 points of agricultural production compared to 2003;
- An increase trend in financial resources made available to the Education and Health sectors;

Analyzing the evolution of macro-economic data will only be possible by the end of year 2004.

The following table shows the situation of these 31 indicators in December 2003.

**Table 6: The 31 Indicators**

	<b>Indicators</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>Sources</b>
<b>N°</b>	<b>Poverty Indicators and social indicators</b>				
1	Poverty rate (in % of poor population /population)	80.7	73.6	Mai 2004: 75.4	INSTAT
2	Number of telephone connections (fixed and portable) for 1,000 people		22.6	23.3	MTPC
3	Mortality of children aged less than 5 yrs old (for 1,000 children less than 5 yrs old)		141		INSTAT
6	AIDS Prevalence rate among pregnant women		1.1		CNLS
5	Public and private Net enrolment rate (6-10 yrs old school figures /school-age population)	70	82	84	MENRS (2003 Directory)
6	DTC3 Vaccination rate (infants less than 1 yr old) in %	61.5	73.3	41.3 (**)	MSPF
7	Primary school completion rate in %		39.5	49	MENRS
8	Literacy rate (% of people aged 15 yrs old and plus who can read and write)	57.2	57.0		INSTAT
9	Rate of realization of medical prescriptions in CSB s (in %)	84.3	90.7	83.8	MSPF
10	Percentage of population having permanent access to drinking water source	29.5	29.4		INSTAT
	<b>Infrastructure Indicators</b>				
11	Kilometer of road s serviced or rehabilitated	485	1850		VPM
12	Isolation rate		59.0	40.0	VPM
13	Reduced transportation fares percentage		12.4 (*)		VPM
14	Number of population for one operational CSB1 and CSB2	5700	6705		MSPF
15 <sup>7</sup>	Number of school-age children (6 to 10 yrs old) for an operational Primary school	145	146		MENRS
16	Number of latrines		50		INSTAT
17	Number of villages with electricity 128 MEM		128		MEM
	<b>Indicators of Good governance</b>				
18	Time necessary to launch a business		3 days	3 days	MICDSP/One-stop Shop
19	Tax ratio in %		10	11.2	DGE
20	Budget deficit (in % of GDP)		-4.9	3.6	DGE
21	Number of population per policeman			2450	SESP
	Number of population per gendarme		1562	1591	MINDEF
22	Number of corruption cases with judiciary proceeding		0		JUSTICE / CNLC
23	Number of delayed suits (per cent)		10		JUSTICE

<sup>7</sup> Number of pupils in operational scholls : 2,409,082 in 2001/2002; 2,856,480 in 2002/2003 and 3,556,042 in 2003/2004

Number of operational schools (public and private altogether) :18,295 in 2001/2001; 18,977 in 2002/2003 and 19,961 in 2003/2004

<b>Indicators of primary sector</b>					
	Intensity of agricultural production (rice), Index base 100 = 2002	100			MAEP
24	Agricultural production indice	100	104	118	MAEP
25	Reforestation area (Index base 100 = 2002)	100	397.4		MEEF
26	Investment value in mining sector (Index base 100 =2002)	100	125 (*)		MEM
<b>Macroeconomic Indicators</b>					
27	Total budget for education (Index base 100 = 2002)	100	101.5	140.3(***)	MENRS
28	Total budget for health (Index base 100 = 2002)	100	110.8	117.5	MSPF
29	GDP (growth rate in %)	-12.7	9.8	5.3	INSTAT
30	Inflation rate (average period IPC, annual deviation) in %	16.5	-1.7	10.8 (****)	INSTAT
31	Exports (Index base 100 = 2002)	100	142.5		INSTAT

(\*) Provisional

(\*\*) First quarter

(\*\*\*) For 2004 budget of Higher Education included

(\*\*\*\*) Estimate for June 9, 2004

Missing information are due to forecast difficulty (significant elements missing)

### **2.3.2 INTERMEDIARY INDICATORS BY SECTOR**

At the level of each sector, 5 intermediary indicators are selected to allow periodical monitoring (monthly or quarterly or semi-annual) of sectoral actions and achievements. These indicators are included in the section reserved for sector presentations (section 4 and 5)

### **2.4 LESSONS**

For the sake of feasibility and comparability, data collection, in principle, allows doing an analysis of poverty by consumption that has to cover the September-November period of the year. However financial availability has not allowed collection during this last quarter of 2003.

Annual funds availability must be ensured for year 2003 to be able to conduct household survey (EPM) in September 2004.

Besides, regions could be considered at a level exceeding space representation of EPM samples, which remains the province crossed to the 2 areas (urban and rural). Increase in allocated funds will allow increasing the locality samples in order to get significant information at the regional level.

### **2.5 ACTION PLAN IN 2004**

According to discussions with technical and financial partners and with concern about methodological comparability for calculating poverty ratio, the INSTAT should plan a heavy household survey by September 2004 in order to bring about objective assessment and subjective perceptions of the impact of PRSP implementation (this period of last quarter of each year does not fit the

schedule of monitoring-evaluation of the Malagasy PRSP implementation). Conducting this survey depends on funding availability.

### **3. SOCIO ECONOMIC REFORM ARRANGEMENTS**

#### **3.1. GOVERNANCE**

- Organization of government conferences in June and December 2003;
- Reduction in number of Ministries;
- Adoption of a new work style by drafting a Business Plan and an Annual Work Plan for each Ministry;
- Holding 2 conferences of Friends of Madagascar in Paris in July and in October;
- Setup, operationalization of the High Council for Fighting against Corruption, and setup of adequate structures in view of elaborating the national strategy to fight against corruption;
- Preparation of Good Governance and Institutional Development Agenda;
- Modernization of Justice to improve The Rule of Law;
- Demonetization (Ariary);
- Establishment of the Regions;
- Organization of meeting with mayors to improve local governance;
- Public finance reform: simplifying public procurement procedures; reinforcement and modernization of public finance management framework and reinforcement of internal control; and
- Adoption of new General Accounting Plan (PCG 2005)

#### **3.2 ECONOMY**

- Access to land tenure by foreign investors as an incentive to Foreign Direct Investments (FDI);
- Establishment of Bank guarantee fund;
- Organization of international economic meetings to relaunch the private sector activities: Canada, USA, France, Switzerland, Germany, South Africa and Mauritius.
- Authorization for JIRAMA to directly import oil products in order to reduce users charges;
- Launching call for bids to put in place tourist land reserves in order to relaunch tourism sector;
- Launching the Studies relative to Integrated Growth Poles at the regional level in keeping with agenda for setting up and developing Regions;
- Updating provisions related to liberalization of road transportation sub sector while ensuring improved service and road safety quality;
- Selective detaxation of equipment goods, inputs, agriculture in order to boost infrastructure, transportation, industry, and agriculture sectors in view of increasing outputs and productivity; and
- Establishing a conciliation and recourse committee in matter of customs litigations.

### **3.3 SOCIAL**

#### **3.3.1 HEALTH**

- Put reference Hospitals (CHUI, CHRP, CHD2) pharmaceutical units in concession contract with NGOs;
- Dissemination of decree authorizing cohabitation of community-managed pharmacies and medicine selling stations;
- Liberalization of medicine imports with accompaniment measures taken by MINSAN PF;
- Implementation of Expanded Program in Immunization (EPI) and a rectification plan with the elaboration of micro-plans for mass anti-measles vaccination campaign planned in September 2004;
- Application of Humanized Financial Participation at the level of health districts by setting up solidarity funds to cover the poorest people;
- Effective tax reduction on impregnated mosquito nets.

#### **3.3.2 EDUCATION**

- Validation of Education for All (EFA) request for the Friends of Madagascar group (Paris) and transmittal to the Secretariat of IMOA-EPT (October 2003);
- State management of registration fees of primary school pupils, provision of school kits to primary school pupils, provision of school supplies to pupils and teaching equipment to the teachers, nutrition support to primary school pupils;
- State partial management of teachers' wages paid by FRAM (pupils' parents associations);
- Integration of skill-based approach (APC) at first cycle level of Basic Education (EF);
- Production of strategy for Secondary Education (Junior and senior high schools) for Technical and Vocational Training ;
- Drafting of Master Plan of Supervisor for Higher Education and Scientific Research (PDESRES);
- Launching the elaboration procedure of strategic framework for Higher Education and Scientific Research (ESUP and RS).

#### **3.3.3 SOCIAL PROTECTION**

- Development of National Social Protection Strategy;
- Implementation of "Social Safety Nets" projects for vulnerable groups in partnership with faith-based NGOs;
- Disbursement of MGF 100 billion for the Safety Net.

### **3.4 ECONOMIC AND FINANCIAL RESULTS**

### **3.4.1 GROWTH RATE**

After the political crisis of 2002, the economy has known a significant recovery with a growth rate of 9.8 % in 2003, bringing the GDP level to a little below its 2001 level. The objective of 6 % in PRSP was thus been largely exceeded thanks to reconstruction, recovery, and relaunch arrangements carried out by the Government. Recovery was noticed in almost all economy sectors.

The tertiary sector has registered an increase of 10.6 % compared to 2002, following development of civil works branch and implementation of road construction and rehabilitation programs, as well as relaunch of housing activities, facilitated by tax suppression on construction materials. Good performance in tertiary sector in 2003 results also from remarkable evolution of transportation branch due to return to normal activity in road traffic, resumption of air and railway transportation activities, and to acceleration of activities in the telecommunication branch resulting from uncompleted investments in 2002 and new investment.

Secondary sector activities resumed with a growth rate of 14.65 % following incentives undertaken, namely the establishment of a banking guarantee fund for financing the needs of business and provision of loans to some public enterprises in difficulty. Therefore, 6 activity branches underwent revival in their activities: wood industry, pharmacy and chemical industries, fat substance industry, textile industry, paper industry, and construction materials. In addition, EPZ activities also regained some strength: the level of employment in these businesses was near that of 2001 estimated at 110,000 jobs.

For the primary sector, the growth rate of 1.23 % was the result of the combined effort of a good performance at the agriculture sector level and a slow down in forestry sector. After many years of stagnation, the agricultural sector has increased by 3.5 % in 2003 thanks to tax measures taken regarding fertilizers, inputs, and agricultural equipment, as well as rehabilitation of irrigated perimeters and improvement of hydro-agricultural network operation. On the contrary, activity decrease was registered in forestry branch because of short and mid-term objectives of the sector and of sustained cleaning of forestry exploitations started since 1998.

The economic growth in 2002 is drawn by investment and export. Public investment increased by 5.8 % compared to 2002, following renovation, as well as construction of social infrastructure (schools, health centers), and road infrastructure. Private investments also resumed, with an increase of 10.2 % compared to 2002. Exports increased by 50.9% in terms of SDR compared to the previous year and to the anticipation of 56 % in PRSP; imports also indicated a rise of 51.3 % against the anticipation of 45% due mainly to equipment and raw materials purchase. The current external deficit has improved: - 4.9 % of GDP in 2003 against -6.2 % in 2002.

For 2004, the objective is to reach a growth rate of at least 6%. Thus, new measures of economic recovery were taken, of which tax reduction during 2 years for raw materials, some equipment and sustainable consumption goods towards the end of year 2003, the aim being, on one hand, to encourage enterprises to renovate their material stock and to improve their productivity and, on the other hand, to urge population to improve their living conditions.

In the course of the first quarter of 2004, Madagascar was struck by 2 successive violent cyclones, Elita and Gafilo. These cyclones had significant impacts on the socio-economic activity of the country. The principal regions of vanilla production and part of rice fields regions were strongly affected. Almost 300,000 hectares of damaged agricultural areas were estimated, leading to a downward review of the initial anticipation of agricultural production and exports. Thus, the anticipation of economic growth rate

was revised to 5.3 % according to current estimations, taking account of other phenomena such as international price rise of oil products during the first half of 2004.

The economic growth in 2004 would still be drawn by investment. Important private investments are still in the process of realization in the country, given the remarkable increase in equipment imports noticed during the last quarter of year 2003 and during the first semester of 2004; this reflects the positive response in matter of business investments with the tax reduction measures taken by the Government. For the public sector, investments in construction and infrastructure rehabilitation (roads, schools, care centers) were intensified.

### **3.4.2 INFLATION RATE AND EXCHANGE RATE**

In 2003, inflation rate remarkably dropped. Consumer price index decreased by 1.4 % on average against an increase of 1.58% in 2002 and an increase of 8 % envisaged in PRSP. Recovery in socio-economic situation, as well as price fall, following production resumption, explains this notable fall in inflation. Concerning the exchange rate, in 2003, the Malagasy franc strongly depreciated by 9.8 % compared to the Euro and appreciated by 9.8 % compared to the Dollar.

The initial objective for 2004 regarding inflation is not to exceed 5 %. Over the first semester 2004; a rise in the international price of oil products was noted and the Malagasy franc depreciated by almost 50 % (in nominal term) compared to the Euro and US Dollar. Thereafter the inflation increased though this depreciation restored economy competitiveness. In June 2004, the Government took measures to alleviate the social impacts of a high inflation and to stabilize the economy. These measures include the implementation of social safety nets in the amount of MGF 100 billion, the reduction of recurring State expenditure by 10 %, the re-establishment of VAT on certain durable consumption goods. In addition, monetary measures were taken, namely, at the end of April 2004, the upward review of the central bank base rate from 7 % to 9.5 %, and of the compulsory minimum reserve rate from 12 % to 15 %. A second revision of the central bank base rate from 9.5 % to 12 % was carried out on June 2, 2004. These measures aimed mainly at increasing the interest rates and at reducing the money supply in circulation in order to curb inflation. At the beginning, to slow down the unrestrained fall of Malagasy currency, the Central Bank injected in parallel currencies in the Inter-bank Currencies Market (MID). By the end of June 2004, a relative stability of the Malagasy currency compared to foreign currencies was noted and the intervention of the Central Bank in MID often resulted in net purchase of hard currencies.

### **3.4.3 REVENUES**

In 2003, the tax ratio improved to 10 % in 2003 (against an anticipation of 10.3 %) exceeding the 2001 level of 9.7 % and the 2002 level of 7.7 %. This performance was obtained thanks to improved efficiency of tax and customs administrations, namely reinforcement of tax services (widening the tax base by integrating the informal sector, intensifying collection, computerizing tax centers), and the establishment of an action plan with a company inspecting before shipment at the customs level. In addition, a Management committee was created in order to monitor the implementation of tax and custom reforms for better collection of public revenues; this committee includes representatives from private sector and meets once a week.

For 2004, the tax ratio is estimated at 11.2 %. Besides scaling up tax collection, taken measures were more oriented toward the economic role of the tax and custom system.

Simplifying and restructuring the tax system, both internal and customs-based, have been undertaken. Regarding IRNS (tax of non-wage), the 7 tranches of taxable income have been merged into 4. Same thing happened for the IRSA (tax of income and others), the 5 tranches were reduced to 4. For custom taxation, the number of duties and taxes is reduced to 4 against 7 before. A simplified tariff structure is also set up: there remain only 2 duties and taxes for imported goods: (i) Custom duties (DD) and (ii) Import tax (TI) obtained from the combination of 3 former taxes (Import tax, Statistical Import tax, and Custom fiscal stamp duty).

In addition, setting up the one-stop shop at level of customs services is continuing. A recourse and conciliation committee has been instituted in order to settle disputes among operators, the Customs, and the pre-shipment inspection company. The installation of the software SYDONIA++ was launched.

#### **3.4.4 PUBLIC EXPENDITURE**

During the first year of PRSP implementation, the Government laid the stress on priority actions in the area of public resource management and good governance, guarantee of an enabling environment to investment and principal condition to improve service provision to the population, especially to the poor.

To that end, two principal measures were adopted as regards public expenditure: (i) orienting resources towards priority sectors, and (ii) improving expenditure execution and reinforcing control capacity.

Thus, for the year 2003, 20.2% of expenditure was allocated to education to recruit teachers assigned in rural areas, to rehabilitation and rebuilding of some school buildings and to distribution of school supplies and materials. The Health sector benefited from 8.5% of the budget and the infrastructure of 23.2%.

Moreover, actions were conducted to streamline expense estimates and to improve the budgetary execution mechanisms. The budgetary control was strengthened by a joint action in capacity building at the level of the General State Inspectorate, the Budget and Finance Council of Discipline, the General Directorate for controlling Engaged Expenditure and the General Auditor's Office (Chambre des Comptes). All these actions were to identify extra-budget expenditure and to reduce operating costs as much as possible for the Administration for investment. Besides, the public procurement threshold through bidding was raised in order to increase disbursement rate in public expenditure.

Thus, total public expenditure presented a net increase (15.7 % of GDP in 2002 and 19 % in 2003 which does not exceed the 18.2 % estimate). Recurrent expenditure slightly increased and capital expenditure also significantly increased: 7.8 % of GDP in 2003 against 4.8 % in 2002. The non grant public deficit in 2003 was 8.7 % of GDP on engagement basis and of 4.9 % of GDP on cash basis. The deficit of overall operations of Treasury on engagement basis (grants included) improved from -5.5% in 2002 to -4.1 % in 2003. Foreign Debt Reduction, non-bank funding, as well as privatization receipts have contributed importantly to finance this deficit.

For year 2004, the big innovation as regards expenditure is the establishment of the program budget: the funds allocated to the administrative departments is now associated with their respective programs and not to their needs anymore. The principal asset in this principle is transparent budget utilization and facilitated execution procedures.

To that end, for year 2004, total public expenditure slightly increased and reached 19.6 % of GDP against 19.5 % in 2003. Capital expenditure then increased: 8.2 % of GDP in 2004 against 7.8 % of GDP in 2003. Non grant public expenditure in 2004 was 7.8 % of GDP on cash basis. The deficit of overall operations of treasury on engagement basis (grants included) improved from -4.1 % in 2003 to -3.7 % in 2004.

Allocating important resources to priority sectors is continuing: 26.4 % of budget to Education, 10.4 to Health, and 22.1 % to infrastructure.

For financial good governance, a priority action plan was set by the Government and the principal donors in the framework of public expenditure reform. The organic law on Public Finance was prepared and submitted to the Parliament. This law allows streamlining the budgetary choice by introducing the program budget and of a mid-term vision. A new public procurement Code was drafted and people in charge have been appointed in order to clarify and simplify the procurement procedures (PRMP).

### **3.4.5 PRIVATE SECTOR DEVELOPMENT**

#### **Promoting Investments**

**Actions have been taken by the Government within the framework of private sector incentive programs to:**

- Boost Export Processing Zones by conducting studies through putting in place the EPZ Observatory and recasting the law through Ministerial works;
- Promote direct and foreign investments by studying the sustainability and operational capacity building for the one-stop shop for Investment and Business Development (GUIDE): setup of information system, renovation of the Antsirabe office, study and design of the Investment Charter, have the Parliament ratify Madagascar membership to ATI/ACA and study the elaboration of a foreign promotion device: trade representation (Business Brokers).
- Promote Public-Private Partnership by conducting a study on establishing an Ethic Code for Public-Private Partnership and start works to put in place the Economic Barometer for Businesses in Madagascar.

With regard to GUIDE in particular, its mission is to: (i) facilitate national and foreign investments; (ii) build investors confidence, and (iii) improve Madagascar's image. The results recorded at GUIDE level are in the following table:

TABLE 7 RESULTS RECORDED AT GUIDE LEVEL

<b>Title</b>	<b>Oct to Dec 2003</b>	<b>Jan. to May 2004</b>
Created businesses	211	450
EPZ agreements	40	11

**Source: GUIDE**

For export processing zones, for the period from January to May, the number of created businesses is on average 67 per month.

The number of jobs planned in 2003 within the framework of these agreements is 23,381 and 5,703 in 2004 (first six months). As regards the total investments planned in 2003, it is MGF 390,998 billion and MGF 82,499 billion in 2004 (first six months).

The textile and clothing industry attracts most interest under the EPZ regime; 21 agreements in 2003 and 7 in 2004.

The number of agreements granted for EPZ business creation in 2002 and in 2003 showed will in Authorities to support business development under the EPZ regime in the country.

### **Privatization**

In the area of privatization, the progress is presented in chapter 6, related to HIPC related measures.

In general, the programs are progressing at an advanced rhythm. However, substantial delays occurred for several reasons, namely the specificity of big businesses such as SIRAMA, characterized by several different sites and a large number of employees scattered in those sites, the scarce offer from successful bidders for big businesses, subtlety in matter of cleaning and delicate social treatment: case of SIRAMA, delay in processing big cases (SIRAMA, TELMA...) does not allow treating in parallel the other cases given the donors priorities (PRGF,...)

### **Fight against corruption**

Within the framework encouraging private sector development, the Higher Council for Fight against Corruption (CSLCC) according to Decree n° 2002-1128 of September 30, 2002 has among its missions that of establishing a climate of confidence to promote private investment.

CSLCC commits to promote the national integrity system, which will boost the private sector by establishing a climate of confidence and by opening the economy to a greater and healthier competition.

To this end, putting in place the " Probity Label ", which is a certification issued to a public utility meeting transparency and integrity standards set by common agreement with CSLCC or its agents, is under finalization. The (technical and strategic) granting Committee of the Label certificate is already operational in partnership with the Malagasy Movement for Quality.

The compulsory training on the " Probity Label " is already given to preselected consultancy service providing to intervene in the " Probity Label " project. Four public services already sent their candidacy applications to acquire the " Probity Label " certificate, of which GUIDE is the first to be audited.

As regards corporate governance, setting up and implementing the " Ethic Codes" are already under way. A drafting and monitoring committee for implementing a reference ethical code is working.

In addition, setting up the "Integrity Pact", with regard to the private sector as public procurement bidders, is awaiting the availability of the organizational decree. It is a convention which institutes a set of rules organizing competition among the State suppliers. Concerning public administration, as an applicant, the point is to promote the application of " Behavioral Rules" for all its agents involved in public civil works procurement. Boosting and capacity building among pillars and components of the national integrity system, to which the private sector belongs, has already started with the Mediator's office and the Civil Society.

The project to have an audit of big investment projects, in order to detect the corruption opportunities inside these big projects, is under preparation.

The national strategy on the fight against corruption, which is the reference framework of the fight against corruption in Madagascar, is under completion in the course of July 2004.

Setting up the Independent Anti-corruption Office, which will be the executing agency for implementing the National Strategy of Fight against corruption, is planned in September 2004.

## **IMPLEMENTATION OF PROGRAMS IN PRIORITY SECTORS**

### ***TRANSPORTATION, ROADS, LAND DEVELOPMENT, AND METEOROLOGY***

#### **GENERAL CONSIDERATIONS**

The Vice-Prime Minister's Office (VPMO) is the governmental structure in charge of coordinating the programs of the different Ministries with economic roles. It is also the organ in charge of designing, implementing and monitoring the governmental policies in the areas of transportation, civil works, land development, and meteorology.

Its objectives are to:

- ensure coordination in the implementation of economic development programs;
- rehabilitate 14,000km of roads by 2009;
- ensure the maintenance of the road network as a whole;
- ensure urban sanitation and urban structures development;
- promote good operation of railroads by private businesses;
- improve service quality in Malagasy ports and reduce costs;
- encourage development of competitive air services, and
- improve meteorological systems and national alert systems.

Its activities fall under the framework of operational poverty reduction programs defined in PRSP. For the first year of PRSP implementation, these activities mainly focused on governance, developing Public-Private Partnership, and upgrading infrastructures and equipment.

#### **PROGRESS AND RESULTS**

In order to reinforce in a sustainable way the national capacity to coordinate economic programs and to foster better synergy between economic and land development, VPMO set up in its structure a Directorate in charge of economic programs whose role is to support all national and decentralized economic sectors in developing their programs and to look after consistency and efficiency of such programs in relationship to PRSP objectives.

In the area of civil works, transportation, and land development, institutional and physical infrastructures are developed as part of an integrated strategy relying on five main pillars, namely:

- re-focusing Government role on strategic planning, supervision, and coordination;
- setting up autonomous agencies by involving the private sector in the management and regulation of each sub-sector;
- divesting Government from commercial and industrial operations by implementing a program to involve the private sector through privatisation, concession, or lease;
- developing the national industry of consultancy services and building in the area of civil works;
- rehabilitating and maintaining transportation and meteorology infrastructures.

The main achievements noted in the infrastructure sector on institutional aspect and among physical project during the period running from July 2003 to June 2004 are described hereafter:

#### **INSTITUTIONAL DEVELOPMENT**

The following activities were prioritized and carried out:

- as part of reinforcing the administration's capacity in its fundamental missions:

- Competence audit among staff in VP MO completed in December 2003 by an international consultancy firm with the aim of implementing a redispaching and resources-to-job adjustment plan;
  - Training in leadership, organization, and management for twelve executives at VP MO in November 2003, and training in management and leadership for about fifty officers at VP MO in 2004 first semester;
  - Strengthening performances in central and regional structures of VP MO in the area of environment; completion of 5 support missions, 18 environmental impact studies, and 48 field visits.
- Launching studies to promote Integrated Growth Poles in the regions of Antananarivo, Antsirabe, Nosy Be and Taolagnaro as part of the agenda to effectively set up Region development;
  - Reinforcement of performances in central and decentralized structures of VP MO in the areas of environment, and integration of the environmental dimension in VP MO projects: launching bidding documents and setting up accounting relationship between infrastructures and physical and social environment;
  - As part of establishing governance by setting up autonomous operational and efficient regulation organisms involving the private sector:
  - Appointing new deliberation and management structures with a staffing audit at Aviation Civil de Madagascar (ACM) in August 2003 whose conclusions and recommendations lead to efficient restructuring in 2004 first semester:
    - Setting up the Agence Portuaire, Maritime et Fluviale (APMF or Agency in charge of Ports, Sea, and Rivers): Decree creating the APMF adopted in June 2003; Board of trustees set up in October 2003; recruitment and appointment of the President.
    - Training plans to reinforce the ACM and APMF's capacities;
    - Setting up a computerized management system at ACM;
    - Activities to prepare the setting up of the Road Authority:
      - ✓ Setting up the programming units at the central and regional levels with equipment in computer tools and logistics means, and a steady on-site training program for the use of software (Visage, RED, HDM, IV) since September 2003 and capacity building
      - ✓ Launching development of road data bank under the responsibility of the Road Maintenance Initiative Unit and training staff for management and updating
      - ✓ Intensive training session on public procurement based on open and public call for candidates, organized in October 2003. Following the training, 5 people were recruited in the administration in view of setting up the procurement unit.
    - Preparation of setting up of Land Transportation Agency (ATT):
      - ✓ Study reports submitted and restitution of results: definition of mission and attributes, organizational structure, human resources, status, etc.
      - ✓ Operational plan for implementation proposed
- Development of baseline studies for a better definition of sectoral and sub-sectoral strategies in the short, medium and long term:
    - Facilitation audit of transportation and international trade: restitution of results and final report of action plans submitted in August 2003

- Technical, organizational, and financial audit of the Road Maintenance Fund (FER) completed in February 2003. Recommendations led to:
  - ✓ Reform of road management system
  - ✓ Setting up new deliberation and management structures for the FER whose role is from now on strictly limited to funding the current and periodical road maintenance activities and whose resources are made sure and stable through direct payment to FER of products and users' fees perceived on fuel.
- In-depth need diagnosis in the areas of infrastructure rehabilitation and functional and logistics improvement of Toamasina Port.
- Study on Road Transportation policy:
  - ✓ Set of diagnosis reports submitted in October and November 2003 (road transportation of goods, road safety, road transportation impacts on the environment, road tax system, buses station, transportation database)
  - ✓ Development and validation of projected plans for decreasing road insecurity over the 2003-2008 period and a projected plan for reducing road transportation impacts on the environment
- Study of the National Transportation Plan (PNT) launched in May 2003, results expected for the National Transportation Conference in 2004:
  - ✓ Study of traffic: results report established in November 2003
  - ✓ Study on projected transportation demand: sub-sector analysis reports established in December 2003
  - ✓ Modelling the road network and demand affectation on the modelled network: calibration work completed in December 2003
- Study on the displacement plan in Antananarivo:
  - ✓ Survey data collection completed in October 2003
  - ✓ Proposal for the priority development of black spots established in November 2003
- Development of urban development plans and master plans (SDU and PDU) for the 6 provincial capitals and Antsirabe:
  - ✓ SDU: 4 out of 6 completed in 2003
  - ✓ Regional workshops organized to validate SDU in view of developing PDU: 2 workshops in 2003
  - ✓ Institutional support to the development of the master urban development plans for 40 concerned communes, 60 technicians trained, PDU studies completed at 67%
- Updating laws and regulations defining the scope of intervention of the different actors:
  - Law on the ports status promulgated in September 2003
  - New Civil Aviation Code in Madagascar
  - Bill on the Civil Aviation Code in Madagascar: finalized in December 2003, awaiting validation, submitted to the National Assembly and the Senate
    - ✓ Drafts of main detailed application texts developed in December 2003
- As part of developing and implementing sectoral strategies:
  - Northern railroad network put into concession: transaction signed in July 2003, goods transportation resumed

- Southern railroad network put into concession: call for interest published in July 2003 with 4 answers, specifications for the call for bids finalized in December 2003, call for bids published
- Handling put into concession at the Toliara and Mahajanga ports respectively in August and October 2003
- Study for the concession of the container terminals in the Toamasina port: preparatory works launched in October 2003.
- Development of the Government's disengagement from the air and seaports systems (12 airports including Ivato): Action plan recommendations submitted in April 2003 and technical validation in August 2003
- Development and implementation of a program to involve the private sector in the management and the exploitation of the main 12 airports (through concession, lease, and management contract) : preparatory work launched in October 2003
- Organization of regional workshops on institutional reforms of ports in view of developing application laws as part of a participatory approach, in October and November 2003
- Organization of regional workshops on rural road planning in view of prioritizing projects as part of a participatory approach involving all stakeholders, in September and October 2003
- Observance of the obligation of conducting an Environmental Impact Study for all infrastructure programs and projects:
  - ✓ Environmental impact study carried out for the northern railroad network with a pilot project to protect from slope landslides
  - ✓ Environmental impact study carried out for road projects consisting in rehabilitation and periodic maintenance
  - ✓ Environmental impact study carried out at Toamasina port
- Development and implementation of an HIV/AIDS control program as part of the big road and rural road rehabilitation program: 6 workshops including 4 sectoral workshops organized, and 10 field missions completed.
- Organization of the 2<sup>nd</sup> National Transportation Conference at the Madagascar Hilton Hotel on June 14, 2004 with the participation of all national and international partners involved in the transportation and road sector development.

## **PHYSICAL ACHIEVEMENTS**

Besides institutional measures, the action plan of VPMO includes a consistent set of physical activities. These activities are to contribute to national development through quantitative and qualitative improvement of goods and people traffic in general and especially by linking remote rural areas to the rest of the country. They are coordinated and structured in components and specific objectives.

## **INTEGRATING ENVIRONMENTAL PROTECTION TO INFRASTRUCTURE DEVELOPMENT**

As part of the crosscutting activity of integrating the environmental and social aspects in infrastructure development, adequate equipment and materials were purchased. This action was supported by the development of environmental management tools made available to the VPMO.

## **ROADS AND CONSTRUCTION WORKS**

As part of implementing the road program, the status of the main achievements during the period running from July 2003 to June 2004 is described hereafter:

- Building, rehabilitation, and periodic maintenance work on the national highways network totaling 586km
- Recruitment and installation of NGOs at their post to manage social and economic supportive measures along the Primary National Highways # 2, 4, and 7
- Development of roads to link remote rural areas to the rest of the country: 2,300km including rehabilitation of 370km under the Intensive Labor system
- Current maintenance of 8,077km of roads
- Current maintenance of 27 construction works as part of the National Construction Works Maintenance Program (PNEOR) at the central level, and 12 bridges as part of PNEOR at the provincial level
- Launching the big rebuilding of primary national highway # 6 between Port-Bergé and Ambanja
- Other land development and building activities: building the Petit Boulevard, associated works in Antananarivo, building the first part of the bypass; building studies for a total of 25km of coastal protection construction works in Toliara, Mahajanga, Farafangana, Morondava, Toamasina, and Vatovandri; rehabilitation of 8 bridges (700m) and building 14 bridges, rehabilitation works after cyclone damages mainly on tertiary national highway 31 (Antsohihy-Bealalana) and national highway 31A (Antsohihy-Analalava).
- Setting up a priority investment program for 10 road stations for goods transportation, 30 rest areas, and 13 road stations for travellers

## **RAILROAD TRANSPORTATION**

Since effective transfer of management and exploitation of the Northern Network to the concessionary company Madarail, recovery efforts have yielded the following results:

- Reinforcement, rehabilitation, and maintenance of vehicles on the Northern Network including:
  - Rehabilitation of 2 motolories, 1 track motorcar, and 131 wagons
  - Purchase of 7 locomotives, of which 4 delivered
  - Maintenance and repair of 4 locomotives, 2 shunters, and 1 motorcar
- Security reinforcement and rehabilitation of railroads on the TCE and MLA lines.
- Reopening of TA line (Antananarivo-Antsirabe), including rehabilitation of two bridges

All these achievements allowed for revival of the railroad sector which efficiently contributes to improving transportation conditions between Antananarivo and Toamasina by absorbing a significant portion of heavy freight such as fuel (20% by railroad) and chrome ore (100% by railroad). Road preservation and improvement in road traffic security on national highway 2 are some of the impacts expected from revival of railroad transportation.

## **PORTS, SEA AND RIVER TRANSPORTATION**

As part of the development of the ports, sea and river transportation sector, the following achievements were noted:

- Rehabilitation and extension studies for 6 ports:

- Detail pre-project for the extension of the Toliara port
- Call for bids document related to the rehabilitation and the extension of the ports in Mahajanga, Nosy Be, Manakara, and Morondava
- Summary pre-project for the rehabilitation and extension of the port in Antsiranana
- Rehabilitation and extension work in the Toliara and Mahajanga ports:
  - Rehabilitation works in the Toliara port accepted in December 2003, extension works to be completed by September 2004
  - Rehabilitation works in the Mahajanga port accepted in December 2003
- Development works on the Sofia and Tsiribihina rivers
- Improvement and security improvement of sea and in-land navigation: naval signaling, 61.66% of technical studies completed
- Rehabilitation of 40 ferries
- Development of 12 other ports
- Providing the Ports, Sea and River Agency (APMF) and the National Naval Training School (ENEM) with equipment and materials

### **AIRPORTS AND AIR TRANSPORTATION**

The main physical achievements in airports and air transportation sectors are summarized as follows:

- Security and safety equipment for airports: materials and equipments purchased, installation scheduled for September 2004
- Development of runways (reinforcing the taking off runways, widening the stationing area) and fencing the airport compound of Nosy Be: call for bids published in December 2003
- Rehabilitation and extension of the travellers' international airport and equipment at the Ivato Airport
- Development of the Ivato and Nosy Be airports to improve aeronautic security: two service orders launched on March 23, 2004

### **MULTIMODE INFRASTRUCTURES**

As part of improving the transportation system in general and especially inter-mode complementarities, the following activities were carried out:

- Expropriation, as well as technical and environmental study of a 7ha-plot that will serve for a multimode platform in Andronrakely in Antananarivo. The plot will be developed by Madarail, the concessionary of the Northern Railroad Network
- Setting up multimode platforms in Antananarivo and other areas: 50% of studies completed

### **URBAN AND LAND DEVELOPMENT**

As part of land and urban development, the following activities should be noted:

- Development and equipment of towns:
  - 15 marketplaces rehabilitated or built
  - 5 road stations rehabilitated
  - 1 slaughterhouse built
  - the sea garden of Toliara rebuilt
  - 36.5km of urban roads rehabilitated

- Provision of garbage collection equipment:
  - ✓ 155 garbage containers, 7 tractors, and 14 trailers
- Diverse public equipment:
  - ✓ 36 public fountains, 24 public W.C, 23 washhouse, and 1 bathhouse
- Sewage network rebuilt or rehabilitated
- Protection of towns against major risks
  - Study on the protection of Vatomandry coast over 1.3km
  - Hydraulic study of Farahantsana
  - Inundation protection works in Toliara
  - Inundation protection works in Antananarivo (rehabilitation of dykes on the Mamba river)
- 36ha of lands developed and made usable including 12ha in the Development Zone of Andranomanelatra (Antsirabe)
- Land development on 130ha of lands in the Masay swamps (Antananarivo)

## METEOROLOGY

At the core of the national system for disaster management and risk prevention, the national meteorology contributes to reducing the negative impacts of disasters on the population at large but especially on the vulnerable groups. In order to reinforce the capacity of this sub-sector and to enhance its contribution to the development of the other sectors, mainly transportation and rural development, the following actions were carried out:

- Rehabilitation and upgrading the national networks and infrastructures pertaining to hydrometeorology: 6 network extensions, 8 infrastructures extension, rehabilitation of the meteorology station in Maevatanana (finalization awaiting additional credits)
- Setting up MSG and HRTP satellite infrastructures
- Setting up the meteorological database system: installation and operation of the CLISYS, TRANSMET, RETIM, SYNERGY and PDUS systems
- Purchase of equipment for the RANET system in Antananarivo and Toliara to start agro-meteorological support: official authorization secured from OMERT for the utilization and exploitation of the system in Madagascar
- Start up the meteorological assistance to locust control in collaboration with the National Locust Control Committee (CNA)

## INDICATORS

**Table 8: Kilometers of roads benefiting from periodic maintenance or rehabilitation**

Road type	Rehabilitation program (1996-2000)	Rehabilitation program (2001-2002)	Program started 2003	Achievement	Program planned 2004
Unpaved national roads	1,504	369	800 (100.0%)	180 (22.5%)	2,000
Paved national roads	102	43	1,500 (100.0%)	1,150 (76.7%)	1,300
Other	1,782	73	1,460 (100.0%)	520 (35.6%)	2,400
Total	3,388	485	3,760 (100.0%)	1,850 (49.2%)	5 700

Source: Vice-Prime Minister's Office

**Table 9: Cumulative kilometres of roads benefiting from periodic maintenance or rehabilitation since 1996**

Road type	1996-2000	1996-2002	1996 to end of 2003 program	1996 to end of 2004 program
Unpaved national roads	1,504	1,873	2,673	4,673
Paved national roads	102	145	1,645	2,945
Other	1,782	1,855	3,315	5,715
Total	3,388	3,873	7,633	13,333

Source: Vice-Prime Minister's Office

**Table 10: Number of communes accessible by road, railroads or in-land navigation**

Years		2002	2003	2004
Communes served	Number	451	562	825
	%	33%	41%	60%
Population of communes served (% of total population)		46%	53%	71%

Source: Vice-Prime Minister's Office (based on the division of the national territory into 1,385 communes)

**Table 11: Traveler transportation fare on the structuring lines**

Structuring line	Vehicle type	Fare 2001 (MGF)	Variation compared to 2001 (base 100)		
			2002	2003	2004
RN2: Antananarivo –Toamasina	Minibus	30,000	200	167	133
	Bus	25,000	200	160	120
RN7: Antananarivo – Toliara	Minibus	90,000	100	128	111
	Bus	80,000	111	125	113
RN7: Antananarivo- Fianarantsoa	Minibus	45,000	129	111	89
	Bus	35,000	100	114	100
RN4: Antananarivo -Mahajanga	Minibus	60,000	100	100	100
	Bus	50,000	100	100	100
RN4-RN6 Antananarivo - Antsiranana	Minibus	250,000	100	100	100
	Bus	200,000	100	125	100

Source: Service of National Travellers Transportation and road stations in Antananarivo

**Table 12: Number of local jobs generated by road works in 2003**

Type of work	Km of roads processed	Number of jobs generated	Ratio job/km
Current road maintenance	6,000	7,200	1.2
Rehabilitation of rural roads	1,670	5,500	3.3
Rehabilitation/PM of paved roads	180	540	3.0
<b>Total</b>	<b>7,850</b>	<b>13,240</b>	<b>1.7</b>

Source: subdivisions of the civil works department – control consultancy firms

PM= periodic maintenance

**Table 13: Evolution in Road Maintenance Funds (FER) resources per source (in billion MGF)**

Source	1999	2001	2002	2003	2004
Funding from TF	35	84	62	58	33
Road utilization fees	0	11	28	114	160
EU contribution	0	0	25	19	7
Total	35	95	115	191	200

Source: Road Maintenance Fund (FER) – TF: taxes on fuel – EU: European Union

## Major impacts:

The major impacts of actions undertaken in the infrastructure sector are:

- Significant increase in traffic flow for all transportation modes following the 2002 crisis, which allows to achieve or even exceed the 2001 level
- Strong correlation between the development of infrastructure and transportation services and improvement in population accessibility in the served communes
- Trend in transportation fares on the structuring lines to remain relatively stable despite increases in fuel prices, which is due to the combined effect of competition development and increases in car booking rate (Cf. Table 11)
- Importance of creating of direct and local jobs under the road program (Cf. Table 12)

## LESSONS AND CONSTRAINTS

As regards lessons learned from the implementation of the PRSP in the infrastructure sector, the following should be noted:

- Strong adaptive and productive capacity of VPMO in response to unprecedented increase in works given the important amount of studies and works launched
- Need to develop internal communication for better coordination, and external communication for better mutual understanding of population needs, on one hand, and the actions undertaken by VPMO, on the other hand
- Need to develop result-based work management to ensure better performance control and monitoring
- Need to improve organization and team building to increase productivity and efficiency given the increase of workload related to the challenge of rehabilitating 14,000km of roads by 2009
- Limited capacity of consultancy firms and small and medium building businesses in bidding
- Too little competition among big building companies due to their limited number, which results in undue submission costs inflation
- Alarming situation as regards arrears and moratorial interests amounting to MGF 50.4 billion that are due to consultancy firms and building companies. The situation is due to the combined effect of:
  - Projects that have inherited insufficient investment budget to cover the real works for several years;
  - Projects that have received investment budget with a firm block and a conditional block. The works were fully completed to safeguard investments but only the firm block has been paid
  - Projects that were terminated. Payment is due for works completed before termination

The main constraints in implementing the action plan for the infrastructure sector (transportation, roads, land development, and meteorology) are summarized as follows:

- Increase in the price of building materials resulting into insufficient credits for some road projects, mainly rural roads rehabilitation, periodic maintenance of national highways, current maintenance of roads and construction works (PNER and PNEOA)
- Slow responses from donors that do not have offices in Madagascar, resulting in delays in the administrative procedures of the concerned projects: case of projects funded on resources provided by the African Development Bank Group
- Little knowledge of the importance of urban development plans among decentralized structures

- Insufficient technical and financial resources allocated to the Program for the development of the national meteorology system

### **CHALLENGES AND ACTIONS**

The main challenges and actions for the Government in pursuing its objectives in the infrastructure sector include:

#### **INSTITUTIONAL AND POLICY ASPECTS:**

- Applying the logical framework approach to ensure consistency in objectives and means in developing action plans for 2004 according to the program budget approach
- Reinforcing private sector capacities in order to absorb the expected needs in the areas of technical studies, control, and building
- Developing international competition to reduce costs of works
- Reinforcing VPMO capacity in the areas of social and environmental management
- Setting up and operationalizing the Road Authority and the Land Transportation Agency (ATT) by the end of 2004
- Setting up a structure to facilitate transportation
- Reinforcing the participatory process as part of developing human establishments.

#### **TECHNICAL AND FINANCIAL ASPECTS**

- Increasing paces in study and work in order to achieve the objective of rehabilitating 14,000km of roads by 2009
- Regularizing the arrears in order to increase Government credibility and confidence among service providers and building companies: about half of arrears will be paid by the end of 2004
- Purchase of additional resources to reinforcement the national capacity in the area of meteorology
- Mastery of new technologies in a range of areas: transportation database, road maintenance management and planning, meteorology, etc.
- Controlling and reducing locust invasions through an appropriate meteorological support system
- Developing more efficient meteorological forecasts models that will serve as tools to support planning and decision-making in the agricultural sector (agro-meteorology)

### **EDUCATION**

#### ***GENERAL CONSIDERATIONS***

Education is a priority sector in the poverty reduction strategy. As such, the education sector has to work towards two (2) general objectives:

- Ensure fundamental education for all Malagasy citizens as part of the "Education For All" (EFA) initiative, prepare and improve the country human resources;
- Ensure educational quality at all levels.

Under this perspective, the educational system was restructured with the aim of improving governance and efficiency, and fundamental education, technical and vocational education, and higher education were merged into one ministerial department.

## PROGRESS AND RESULTS

### **OBJECTIVE 1: ENSURE FUNDAMENTAL EDUCATION FOR ALL MALAGASY CITIZENS AS PART OF THE "EDUCATION FOR ALL" (EFA) INITIATIVE, PREPARE AND IMPROVE THE COUNTRY HUMAN RESOURCES**

To achieve this objective, nineteen (19) main activities/actions were selected in PRSP. During the period running from July 2003 to June 2004, following refocusing efforts carried out by the Department especially in the areas of operational objectives, the action plan shifted the emphasis on implementing the Education For All initiative. One of the most important measures taken as part of this new emphasis was to contract some activities to external partners such as the Development Intervention Fund (FID) for building activities. The main activities carried out in relationship with the operational objectives set by the department are described hereafter.

#### **COMPONENT 1: HAVE AN EFA PLAN AVAILABLE**

In keeping with financial and technical mobilization, the following activities were carried out:

- Roundtable organized with financial partners in order to secure their formal approval on the content of the reform strategic plan and on their contribution to its implementation
  - EFA request validated by the Friends of Madagascar group in Paris on October 22<sup>nd</sup>, 2003
  - Recommendation by the group to grant funds to Madagascar as part of the FASTTRACK initiative
- EFA request sent to the IMOEA-EFA secretary's office
  - Document sent to the IMOEA-EFA secretary's office in the first week of October 2003 through the World Bank
- EFA request presented at the G8 meeting for discussion
  - Request discussed (the acquisition of Fast-Track is expanded to all countries with a complete PRSP and a sectoral program provided they produce credible operational action plan)
- EFA funding integrated in the 2004 budget, including HIPC
  - 2004 budget notified by the Ministry of Economy, Finances, and Budget (MEFB)
  - Program budget and means budget developed and ready for communication to the MEFB
  - Achievement date: November 13<sup>th</sup>, 2003 (law on government budget promulgated)
- Posters to extend the operational action plan of the education and training sector printed:
  - 20,000 copies in French and 20,000 copies in Malagasy edited, printed, and dispatched
- EFA/NAP updated and sectoral key indicators revised:
  - EFA/NAP documents updated

## **COMPONENT 2: IMPROVE ACCESS AND HAVE QUALITY EDUCATION**

The actions mainly consist in providing school, teaching and technical equipment, in building/rehabilitating buildings and classrooms, in recruiting and training teaching or administrative staff and in paying teachers formerly paid by Parent Associations (FRAM).

### **Building and rehabilitation**

- Building/rehabilitating new class rooms and classrooms in poor condition in 797 primary schools (2,029 classrooms)
  - 565 public primary schools (PPS) completed out of a total of 797 (or 1,394 classrooms on total of 2,029)
- Building and equipping new classrooms as part of EFA FID
  - Building and equipping 1,200 classrooms launched
- Building 110 accommodations for teachers with solar panels
  - List of schools established
- Building/rehabilitation 20 offices and accommodations for CISCOS (school district office)
  - Procurement procedures launched

### **Equipment**

It should be noted that the dramatic increase in the number of enrolments in school year 2003-2004 has somehow biased projections. The following actions were carried out as part of equipment:

- Equipping the 2,700,000 primary pupils with school kits
  - All the school kits delivered at the CISCO level
  - Distribution completed at school level (2,656,900 kits distributed with 398,515 additional kits)
- Equipping 60,760 teachers with teaching kits
  - Teachers' kits delivered (there are excess kits)
- Equipping 17,320 public primary schools with blackboards
  - blackboard kits delivered
- Allocating school cash to 19,181 primary and public schools
  - Funds to pay for enrolment fees in public and private primary schools deposited by the Government Treasury in the accounts of the DIRESEB
  - Treasury checks withdrawn by heads of CISCO starting on November 5,2005 in their respective DIRESEB
- Equipping 2,700,000 pupils in public and private primary schools with textbooks
  - 9,657,400 textbooks and 517,400 teaching guide distributed
  - 17,500 French dictionaries distributed
- Providing 16,300 public primary schools with school funds and 4,500 private schools with enrolment fees.
  - Fund transfer in process
- Equipping Grade 1 new entrants with 1,200,000 school kits and new teachers with 2,000 teaching kits.

- Delivery scheduled in August 2, 2004
- Equipping pupils in public and private primary schools with 1,041,700 textbooks
  - Delivery scheduled in September 2004

#### **Recruitment, training, and payment of teachers**

- Payment of 8,000 assistant teachers and teachers formerly paid by parent associations by the Government
  - 14,518 teachers formerly paid by parents associations paid by the Government (increase in the number of teachers paid by parent associations)
- Recruitment of 1,658 new teachers
  - 527 recruited to replace 816 (55% of positions awaiting approval at the Finance Department or on short term contract)
  - 169 recruited out of the 842 positions to be funded on remaining HIPC funds.
- Training of 60,760 teachers from the public and private sectors on the use of textbooks
  - Training for Grades 4 and 5 completed at 100%
  - Training for Grades 1, 2, and 3 scheduled for July 2004
- Finalization of the curriculum for Grade 5
  - Curriculum for Grade 5 available
- Integration of the skill-based approach in the first cycle of fundamental education
  - Pre-mainstreaming of the curricula in Grade 1 and 2
  - Experimentation launched in Grade 3
- Training of 2,000 new teachers in the first cycle of fundamental education
  - 2,000 teachers trained in 17 centers
- Alleviating parent charges in private schools where fees are less than MGF4,000 per month:
  - Funds transfer in process

#### **OBJECTIVE 2: ENSURE QUALITY TEACHING AT ALL LEVELS**

The different actions attached to this objective pertain to technical, institutional, organizational, and research reinforcement. Three main activities were selected in PRSP, namely improving internal efficiency, improving external efficiency, and improving system management.

#### **COMPONENT 1: REINFORCE THE INSTITUTIONAL CAPACITY OF THE MINISTRY OF EDUCATION AND SCIENTIFIC RESEARCH**

##### **Policy, strategy, and institutional management**

- Finalization of MENRS institutional development plan
  - Recruiting and installing in their posts 111 heads of CISCO based on criteria and tests
  - Organizational audit of the Ministry at all levels by a consultancy firm: in process
  - Networking and development of the master plan for the information system in process
- Reorganizing MENRS with support from an international consultant and national consultants for the central level:
  - International consultant recruited, national consultants in process
- Finalizing the reform matrix for the PRSC

- First proposal available
- Estimating physical and financial needs for the 3 PRSP years
  - Needs in 2004 planned
- Developing the strategy for secondary education and technical and vocational training
  - Recruitment of consultant: in process
- Developing the master plan for higher education and scientific research (PDESRES)
  - Document presented to researchers during the “Forum on Research and Development”
- Putting organization procedures in place: PDERES and Business Plan developed
  - First draft available
- Launching the process for the development of strategic framework for higher education and scientific research
  - Plan for the document developed
- Setting up the procurement unit and developing an action plan for its reinforcement
  - Procurement unit set up at the Financial and Administrative Directorate but needs to be reinforced
- Organizing national and regional meetings on primary and secondary education
  - Regional and national meetings on primary and secondary education organized
- Organizing national meetings to update the curricula of technical and vocational training
  - National meetings to update the curricula of technical and vocational training organized
- Carrying out several studies and surveys, development of documents on educational reform and development strategies
  - Tasks and reports completed

#### **Reinforcement of coordination, guidance, and management capacities**

- Supplying the Ministry with diverse equipment:
  - Purchase of:
    - ✓ 12 vehicles
    - ✓ 30 motorcycles for supervision
    - ✓ 5 vehicles for the 2 ministries
    - ✓ 12 computer kits for the UERP and DIRESEB
    - ✓ 6 computer kits for planning
- Equipping the 111 CISCOS with storage containers
  - 111 CISCOS equipped with storage containers
- Training and equipping CISCO and ZAP (111 Triennial Development Plans developed, 1 car per CISCO)
  - 1 motorcycle and 2 computer per CISCO, 20 CISCO equipped with BLU, 1,600 bicycles and 1,600 writing machines for heads of ZAP
  - 111 triennial development plans developed
  - 111 cars delivered to CISCOS

#### **COMPONENT 2: IMPROVE THE INFORMATION SYSTEM AT MENRS**

## **Reinforcement of coordination, guidance, and management capacities**

- Computerizing administration at all levels
  - Connectivity works launched at the central level
- Setting up 14 Intranet/Extranet networking infrastructures at universities, and reinforcing computer equipment
  - 5 infrastructures for Antananarivo
  - 2 for Toamasina and 1 for Antsiranana
  - 2 for Fianarantsoa and 3 for Mahajanga
  - 1 for Toliara
- MLA and CORNELL studies
  - First report available, survey in process

## **COMPONENT 3: HAVE QUALITY POST-PRIMARY EDUCATION**

### **Equipment, building, and rehabilitation**

- Equipping 110 public high schools with computers kits
  - 110 computer kits delivered
- Two payments for school cash in 58 junior high and high schools
  - Two payments for 44 schools
  - One payment for 14 schools
- Equipping schools with Mathematics textbooks (CIAM) and corresponding teacher guides
  - 72,500 textbooks
  - 2,500 guides delivered to DIRESEB
- Building 709 classrooms in secondary schools
  - 578 classrooms build in 162 schools
- Building and equipping new classrooms as part of the EFA FID
  - Building and equipment of 200 classrooms launched
- Equipping 57 schools with furniture
  - 57 schools equiped with furniture
- Rehabilitation of high schools and vocational training centers
  - Technical studies of completed works conducted
  - 17 calls for bids launched between January 26 and February 14, 2004
- Setting up 5 training and research infrastructures
  - 5 infrastructures set up:
    - ✓ Fianarantsoa: DEA in computer science
    - ✓ Antananarivo: Physics of atmosphere
    - ✓ Mahajanga (Miadana), Ambatondrazaka (CALA): Vohijoro in Agronomy, Nosy Be (CNRO) Vohijoro: aquaculture
- Setting up the Licence-Master-Doctorate (LMD) system at universities:
  - In process
- Setting up 6 accommodations units for 180 students
  - Accommodations for students:
    - ✓ Antananarivo: 6 units for 72 students

- ✓ Miadana: 2 units for 30 students
- ✓ CALA: 2 units for 36 students
- ✓ CNRO: 5 units for 44 students
- Rehabilitating 6 halls of residence
  - Technical specifications being prepared

#### **Training**

- Training teachers and principals from private schools
  - 1,590 workers trained in 21 sessions
- Training 150 primary and junior school teachers in ITC
  - Training done in Toamasina and Mahajanga
- Training 8 communication mediators
  - Training done
- Setting up an ITC doctorate degree based on the research/training/production model.
  - Training curriculum defined during the trip at Paul Sabatier University in Toulouse
- Training 20 network and database managers
  - Training done

### **COMPONENT 4: EXTEND RESEARCH TO PROMOTE DEVELOPMENT**

#### **Research and supporting development**

- Producing 25,000 arborescent acacia plants in the Middle West
  - 25,000 acacia plants of two species available at the Kianjasoa station
- Producing 2,800,000 veterinary vaccine doses
  - Producing 1,848,140 doses according to demand from users
- 60% of rural communes covered by the CVP/TMV networks in the Antananarivo province to reduce aviary mortality rate from 80% to 5%.
  - 80% of the objectives covered by the network
- 70% of the cattle of the Antsalova AEBA members are immunized to reduce the clostridiosis prevalence rate from 70% to 40% among the immunized sentinel herds.
  - 500 immunized cattle heads constitute the sentinel herds in the Antsalova region.
- Producing 3 tons of improved rice species seeds that would allow a yield rate of 6 tons per hectare.
  - Activities completed
- Setting up 10 sustainable activities (trade agriculture, farming and rice farming...) per 100 young people in the Beforona region under the supervision of researchers from the Agronomy School and 10 students completing their engineer degree.
  - Recruiting 100 young people
  - Setting up the first two demo plots
- Setting up a laboratory to treat 100ha per dose of  $1.5 \times 10^{13}$  of bio pesticides (laboratory set up; pre-base and base seeds made available to multiplication centers or producers' groups: Alaotra Lake: - irrigated rice 3 tons (Makalioka 34), Maize 1 ton (Volasoia, Bakoly, IRAT 200), Antsirabe : - Beans: 100kg (Mahavatsy, Marohavana), Middle West: irrigated rice 3 tons (Mailaka))
  - Beans and maize seeds made available to multiplication centers in August 2003.

To summarize, the completion rates of the 67 actions/activities that should have been carried out during the period running from July 2003 to June 2004 read as follow:

- 32 actions fully completed
- 20 actions on the point of being fully completed
- 13 actions in process
- 2 actions whose completion deadline is beyond August 2004

Out of 67 actions/activities, 25 are included in the 2004 action plan. The situation presented hereafter pertains to the progress and results obtained for 67 actions/activities in line with the set objectives.

## INDICATORS

The following table summarizes the monitoring indicators included in PRSP and the European Union Support (PABU).

**Table 14: Education indicators**

	Monitoring framework	2000	2001	2002	2003		2004		2005	2006
		1999/00 Achiev.	2000/01 Achiev.	2001/02 Achiev.	2002 - Objective	2003 Achiev	2003 - Objective	2004 Achiev	2004/05 Obj	2005/06 Obj
<b>1. Fundamental education and secondary education</b>										
Net primary enrolment rate %		72.90	67	70		82	84		86	87
Primary completion rate public, %		39	35	35		39.5	49	47	53	58
11 General class-repetition rate %	PABU	27.6	30.2	30	25	29	22	29.8	15	8
Urban		18.7	21	21		20	19	17.9	16	13
Rural		28.8	32	32		32	29	31.0	26	15
12 Ratio pupil/trainer in all primary schools, %	PABU									
Urban		54	53	52	51	59	57	56	57	54
Rural		41	42	41		41	41	49	41	41
		55	54	53		52	50	56	47	42
13 % of children aged 6 enrolled in primary school	PABU	67	61	66		80	81		83	85
14 number of classrooms built: PPS						1,694	1,004	2,300	2,300	2,300
Junior high						544	153	716	716	716
High						250	28	45	45	45
15 Number of teachers recruited and trained					1658	696	1,700		1,700	1,700
<b>2. Technical and vocational training</b>										
11 Number of people with access to TVT				44,792		54,047	63,639		74,951	90,831

12. Number of curricula developed in the area of modern production				54		66	97	110	120
13. Number of curricula developed in the area of basic, traditional and crafts production				0		90	117	135	150
14. Number of people trained/graduates				28,876		33,166	40,822	49,894	63,300
15. Number of public/private partnership agreements				22		97	189	273	337

The main impact of the measures taken pertains to the increase in number of entrants in primary schools. The measures alleviated the burden of enrolment for needy families and improved school facilities. The number of entrants at primary school increased from 2,850,000 in 2002-2003 to 3,400,000 in 2003-2004. However, despite the recruitment of new teachers, the pupil-to-teacher ratio remained high because the increase in staffing could not keep up with the increase in enrolments.

### **LESSONS**

The Government is aware of the great importance of overcoming a certain number of major barriers and constraints that may impede achievement of the selected objectives. Review of constraints and lessons learned, especially at regional workshops on the implementation of PRSP, has highlighted the following areas of concern:

#### **Institutional**

- Insufficient coordination and lack of strategy in planning interventions among different partners due to lack of exchange and discussion fora for the educational authorities, civil society, and decentralized structures in the Programming of construction works.
- Absence of a Health Council which may account for the delay in implementing the strategies and activities in the areas of nutrition/feeding, AIDS prevention, and improvement of school health.
- Non equal development of training in terms of access means due to missing or insufficient clarification of roles in paying for training modalities and to the fact that provincial specificities are not taken into account in planning training sessions
- Difficult communication related to access problems of remote CISCOS and to lack of communication between the central and peripheral levels, which results into:
  - Discrepancies and delays in data between CISCOS and DIRESEBs
  - Reliability of statistical data (collaboration between the province and the DIRESEB)
  - Gaps in data collection among private partners
  - No coverage for remote areas on technical and scientific knowledge
- Irregularities in legal status of school compounds and in administrative status of some private schools
- Delays in implementing actions to address the issue of aging teaching population, mainly in recruiting assistant teachers and staff redispaching

### **Finance**

- Important disproportion between amount allocated and needs, which is related to lack of planning and which results into lack of credits at school level and for payment of teachers formerly paid by parent associations, delays in payment of training compensations, and cash supplying problems at financial districts (CIRFIN).

### **Technical**

- Problems in assessing needs due to increase in enrolments (insufficient number of kits, human resources, logistics, classrooms, tables and chairs, infrastructure, computer equipment)
- Deterioration of school infrastructures
- Documentation of teaching materials outdated
- Lack of textbooks

## **CHALLENGES AND ACTIONS**

### **CHALLENGES**

The main challenges the educational sector has to take on are:

- Achieving effective guidance of the social economic development fora by the administration representatives at all decentralized structures level (provinces, regions, communes, grassroots communities)
- Setting up a training quality control and monitoring system
- Adapting curricula to the social, economical, and cultural needs of the country
- Ensure a policy for replacing teachers (in the short-term, part-time trainers) supported by enhancement of their levels
- Improve the pupil-to-teacher ratio
- Set up a policy of incentives for human resources, especially those working in rural areas
- Ensure community-based payment of teachers in rural areas in order to avoid long absences from their schools.

Expected results for 2004 are:

- Increase primary school completion rate from 39% to 49%
- Increase percentage of children aged 6 enrolled in school from 80% to 81%
- Reduce class-repetition rate from 29,3% to 22%
- Reduce pupil-to-teacher ratio from 59 to 57

### **ACTION PLANS**

The actions in 2004 will be:

- Pursue improvement in management system
- Ensure primary education for all Malagasy by keeping on equipping pupils and teachers with school and teaching kits, building and rehabilitating facilities, recruiting and training teachers.
- Transfer technologies and techniques
- Ensure internal and external efficiency of system
- Achieve basic standards

- Pursue replacement of trainers
- Continue initial vocational and professional training.

## **RURAL DEVELOPMENT**

The main mission of the Ministry of Agriculture, Farming, and Fishery is to “accelerate rural development so that the yields of economic growth may be shared by all Malagasy citizens”. To this end, it works to achieve the following main objectives:

- Increase agricultural productivity in order to achieve the level in Asian countries and to increase irrigated surface areas
- Promote diversification and processing of agricultural products by promoting investment in rural areas and partnership among farmer groups, village associations, and the private sector
- Achieve international quality standards to develop agricultural and agro-industrial exports
- Reinforce collaboration with technical and financial partners to ensure transparent and rational management and sustainability of sea resources
- Ensure governance in the sector

## ***PROGRESS AND RESULTS***

The main achievements in the different components of rural development sector in the first year of PRSP implementation (July 2003 to June 2004) read as follows. It should be noted that the results obtained confirm the importance given by the Government to improving the status of some poverty determinants such as agricultural development and land access.

### **OBJECTIVE 1: INCREASE AGRICULTURAL PRODUCTIVITY IN ORDER TO ACHIEVE THE LEVEL IN ASIAN COUNTRIES AND TO INCREASE IRRIGATED SURFACE AREAS**

As part of intensifying animal and plant production, the following activities were conducted:

- Setting up 4,617 demo sites regarding agricultural techniques compared to the 3,540 planned
- Delivering 1,323,890 individual cattle cards
- Completion of 3,929 covering and artificial insemination of milk cow compared to an objective of 4,800 for 2004 first semester
- Organizing an agricultural competition scheduled in the first semester of 2004 on HIPC and RPI resources

As part of developing production and exploitation infrastructures, the following achievements that pertain to all regions in Madagascar should be noted:

- 67 processing units
- 100 storage infrastructures
- 7 cattle markets
- 47 immunization corridors
- 31 watering points
- Rehabilitation of rural dirt roads under 2003 program:
  - 23km of service rural dirt roads awaiting temporary acceptance over 25Km targeted in 2003 in the SAVA region

- 75km of milk collection dirt roads in 2003 and 187km being rehabilitated in 2004 in the Vakinankaratra region
- 78km of inter-provincial road and 65km of inter-communal dirt road in the South
- 02 landing runway rehabilitated in Mandritsara and Soadona in 2003
- Rehabilitation of 46km of rural dirt roads over an objective of 75.6km as part of the 2004 first semester program
- Finishing off the abattoir in Antsirabe (on 2003 credit balance)

In order to improve the control of animal diseases, the Health Defence Group was set up in Arivonimamo.

- As regards the development of irrigated surface areas and watersheds, the following activities were prioritized and recorded:
  - Adoption of the Decree setting up the Fund for the Maintenance of Hydro-Agricultural Networks (FERHA) and pursuing the process to set up the Fund.
  - Rehabilitation of irrigated areas during the period running from June to December 2003:
    - ✓ 3,000 hectares rehabilitated by the PSDR;
    - ✓ 2,100 hectares that were damaged by cyclones rehabilitated, that is a 100% achievement rate;
    - ✓ 857 hectares rehabilitated in SAVA region, that is a 100% achievement rate
    - ✓ 267 hectares rehabilitated in the South (PHBM) over an objective of 870 hectares
    - ✓ 6,224 hectares rehabilitated in the lower Mangoky
  - Improving the operation of irrigation channels
    - ✓ Channels improved on 25,500hectares: Dabara, Marovoay, Alaotra Lake, Taheza, landratsay, Ivato, Savana (100%)
    - ✓ Maintenance work on 184km of channels in the South-East over an objective of 210km.
- Rehabilitation of 3,880ha of irrigated surface areas in 2004's first semester over an objective of 3,500ha, which means an overachievement of 300ha.
- Protection of watersheds in 10 communes in the Boina Region during the same period of time

As regards activities to support organization and professionalization among producers, the achievements exceeded the objectives in general as presented hereafter:

- Technical support to plant production:
  - System to facilitate access to fertilizers set up in 8 Regional Directorate of Rural Development (Antananarivo, Vakinankaratra, Amoron'Imania, Haute Matsiatra, Mahajanga, Ambatondrazaka, Toamasina, Bongolava) instead of in 3 pilot zones
  - 7,940 tons of NPK and 1,753 tons of urea sold over a total objective of 10,000 tons
  - 4,728 ploughs delivered over an objective of 4,500
  - 71,179 ha treated against locusts infestation: objective achieved at 100% and corresponding to the treatment of 80% of infested surfaces in 2003, treatment of 36,838 ha in 2004.
- Technical support to animal production:

- 6,350,000 young fish produced over an objective of 6,000,000
- Artificial insemination of 1,830 milk cow over an objective of 1,500 in 2003
- Cattle immunization objective achieved at 75%, which corresponds to effective immunization of 40% of cattle
- Reintroducing fish in 4 lakes (Itasy, Alaotra, Mantsoa, and Tsiacompaniry) over an objective of 3
- Support to producers' professionalization:
  - Raising awareness on animal diseases among farmers (768 broadcasts and spots over an objective of 580)
  - Popularizing high-performances agricultural techniques on 1,493 demo plots over an objective of 1,500
- Supervision and support to 887 farmers' organizations over an objective of 1,100
- Revitalization of 103 Chambers of Agriculture at the national, regional, departmental, and communal levels over an objective of 110 Chambers of Agriculture

In order to intensify research applied to rural development, the following activities were carried out:

- Adoption of the decree setting up the Competitive Fund for Applied Research
- In-vitro production of plants and basic seeds (FIFAMANOR): 63,120 in vitro plants with 13,412 in 2004 first semester, 347 tons of basic seeds and cultures produced (93%), 40,000 sweet potato cuts produced, which means an achievement rate of 160%
- Confirmation test of horticultural varieties: 8 varieties tested (watermelon, gherkin, mini maize, ground cherry, artichokes, pepper, endives), which means an achievement rate of 80%

As regards improving population access to legal rights over land, one of the poverty determinants, the following activities were prioritized and carried out in the first year of PRSP implementation:

- Preparing the Letter for Land Tenure Policy (validation workshop scheduled for November 2004) and the National Land Program
- Finalizing a three-year action plan on land tenure
- Drawing up 11,530 titles in Arivonimamo, Ambararatabe, Talata-Maromena, Tsaratanana over an objective of 23,000. The difference is due to lack of staffing and delay in launching the activities which was caused by changes at the Ministry in charge of land tenure services, among others.

**OBJECTIVE 2: PROMOTE DIVERSIFICATION AND AGRICULTURAL PRODUCT PROCESSING BY PROMOTING INVESTMENTS IN RURAL AREAS AND PARTNERSHIP among FARMER GROUPS, VILLAGE ASSOCIATIONS, AND THE PRIVATE SECTOR**

In order to set up a funding system that is adapted and accessible to the most needy ones, the following actions were carried out:

- Development of agricultural activities:
  - Funding of 1,894 agricultural activity sub-projects, including 1,578 activities in 2004 first semester over an objective of 1,500
  - Organization of one national agricultural competition and 6 provincial competitions completed at 100%
- Improving rural finance penetration rate from 3 to 6% according to regions over an objective of 5%
- Development of income-generating activities:

- 147 non agricultural projects received including 104 in 2004 first semester over an objective of 191
- Promotion of mutual funding institutions for rural populations: affiliation of 138 farmer organizations to mutual funding institutions.
- Developing the public-private partnership:
  - Signing of the decree establishing standard protocols in the fishery sub-sector: 100%
  - Objective achieved as regards the development of partnership with countries in the sub-region (La Réunion) and national and multilateral agreements (cotton and potatoes)
  - Implementing the paddy commercialization fund: MGF 7.250 billion disbursed over an objective of MGF 7 billion to collect 6,254 tons of paddy from producers at the sustained price of MGF 1,158 per kilo
  - Objective achieved as regards identifying 2 pilot regions for milk production development
  - Objective achieved as regards setting up 2 concerted development zones (Bay of Ambaro and Morondava)

**OBJECTIVE 3: ACHIEVE INTERNATIONAL QUALITY STANDARDS TO DEVELOP AGRICULTURAL AND AGRO-INDUSTRIAL EXPORTS**

As regards developing export of high-potentiality products, the following main achievements should be noted:

- Reviving export crops:
  - distribution of farmer cards and punches with GES: 17,000 farmer cards and 17,000 punches distributed over an objective of 20,000 farmer cards and 20,000 punches
  - distribution of 347,157 plants (coffee, cloves, pepper, and litchis cuts) with 310, 567 plants distributed as part of 2003 second semester program, over an objective of 350,000
  - 641,400 coffee trees lopped back over an objective of 780,000
- Objective achieved as regards identifying 3 sites for shrimp farming in Mahajanga II, namely Morira, Boanamaray and Belobaka.

**OBJECTIVE 4: REINFORCE COLLABORATION WITH TECHNICAL AND FINANCIAL PARTNERS TO ENSURE TRANSPARENT AND RATIONAL MANAGEMENT, AS WELL AS SUSTAINABILITY OF SEA AND FRESH WATER RESOURCES**

As regards environmental, sea, and continental resource conservation and development, the following activities were carried out:

- Enforcement of the forgery-proof collection licenses for sea and fresh water product collection
- Quarterly publication of the list of license holders and corresponding fees: last publication in April 2004
- Enforcement of the Standard Protocol for the exploitation of sea and fresh water resources

As part of reinforcing the control of sea and fresh water resource exploitation, the following achievements were obtained:

- 70 hours of air surveillance over an objective of 80 hours
- 15 days of boat surveillance of the sea over an objective of 20 days

- 183 days of surveillance trips by the land brigade over an objective of 150 days

## **OBJECTIVE 5: ENSURE GOVERNANCE IN THE SECTOR**

Instituting governance in the sector would warrant success in achieving the goal of rural development. The following activities were carried out to achieve this objective:

- (i) Improving the institutional framework of the Rural Development Action Plan (PADR)
- (ii) Reorganizing and institutional reform of the Ministry of Agriculture, Farming, and Fishery (MAEP)
- (iii) Promoting the public-private partnership
- (iv) Improving resource management
- (v) Developing an information system for the rural sector

The detailed situation of the different activities are described hereafter:

### **Improving the institutional framework of the Rural Development Action Plan (PADR)**

- Developing a master plan
- Updating the Rural Development Policy letter and revitalizing GTDRs

### **Reorganizing and institutional reform in Ministry of Agriculture, Farming, and Fishery (MAEP)**

- Defining sustainable functions and subsequent reorganization of the MAEP: 1,500 target with volunteer retiring, finalization of the staff redispaching, recruitment and training plan
- Organizing 20 information sessions on the staff restructuring for the staff at the Ministry
- Setting up 4 Regional Directorates of Rural Development in line with Decree # 2004-278 on February 24, 2004

### **Promoting the public-private partnership**

- Reinforcement of the local communities:
  - Building 9 schools over an objective of 11
  - Literacy classes for 3,016 people in the intervention zone of the Haut Bassin du Mandrare Project (PHBM) over an objective of 970
  - Training of 1,155 migrants in Mandoto, training of 800 groups as part of household food security efforts
  - 10 wells built in the south of the PHBM area, that is an achievement rate of 100%
  - 2,910 tons of rice conveyed to the South pursuant to drought, activity completed at 100%
- Technical support:
  - Objective achieved as regards the management transfer for 30 lakes and water bodies, and 25 sea and coastal resources
  - Objective achieved as regards carrying out 240 fishing surveillance tripstr
  - Objective achieved as regards the training of small scale shrimp fishermen in keeping fresh and cold
  - Objective achieved as regards setting up anti-erosion devices in 9 communes in Marovoay
- Workshop to discuss the marketing of the fishing sector organized

- Privatization process implemented for companies under the Ministry's authorities and transfer management implemented for seeds multiplication centers

#### Improving resources management

- Setting up an internal audit service and a public procurement unit
- Improving budget management: 11 audits carried out over an objective of 10
- Approval of 15 public procurements

#### Developing an information system

- Promoting an information system for the rural world:
  - o Feasibility study on a Rural and Food Security Information System (SIRSA) by an international consultancy firm as part of the ACCORD project; selection of the service provider in charge of implementation in the Fianarantsoa and Toliara Provinces;
  - o Setting up a Market Information System (MIS) covering 14 DDR out of 18 and operating in 28 rural markets
  - o Setting up the Ministry website: [www.maep.gov.mg](http://www.maep.gov.mg)
  - o Preparing the National Agricultural Census for 2004/2005
  - o Setting up the Tranoben'ny Tantsaha (Chamber of Agriculture), 03 regional chambers (100%) 30 departmental chambers (100%) and 331 meetings points in communes over an objective of 500 points
  - o Implementing the Master Plan of the Rural Development Information System
  - o Two agricultural surveys conducted: a productivity survey and a survey to estimate food production under subsistence agriculture (100%)
  - o Setting up 14 Regional Units of Agricultural Statistics (URSA): 78%
- Publication of the results of the small survey in 2003
- Framework survey on traditional fishing conducted

### INDICATORS

**Table 15: Rural development indicators**

Indicator	2001	2002	2003		2004		2005	2006
			Objective	Achiev	Objective <sup>8</sup>	Achiev.		
Agricultural production index (base 100 in 2002)	104	100	106.4	104	123	114	137	155
Rice production (tons)	2,662,465	2,603,965	2,800,000	2,800,000	3,600,000 <sup>9</sup>	3,030,000	4,320,000	5,184,000
Number of cattle	7,646,200	7,994,900	8,250,000	8,042,000	8,600,000	-	9,000,000	9,500,000
Sea and fresh water production (tons)	133,580	135,230	138,000	138,100	139,550	-	141,130	142,350
Current Credit (thousand MGF)	59,536,469	66,060,821	<sup>10</sup>	76,731,695	168,687,093	-	253,030,640	379,545,959
Surface area infested by locusts and treated		80%	80%	80%	80%	-	80%	80%

<sup>8</sup> Situation end May 2004

<sup>9</sup> Objective set by the President of the Republic at the agricultural competition award ceremony at the Iavoloha State Palace

<sup>10</sup> Objective not defined

## **LESSONS AND CONSTRAINTS**

The major constraints encountered in implementing the rural development plan are summarized as follows:

(i) **Institutional and policy aspects:**

- Renewal budget for reinforcement: limits the Ministry actions in the area of credit planning in relationship to its real needs
- Current staffing of the MAEP:
  - Inadequate and expensive due to aging staff
  - Imbalance between technical and administrative staff at the central and regional levels
  - Imbalance in the operating budget: about 22% of the annual amount is spent on paying salaries of short-term employees and 23% to transfers and grants at the expense of the real operation of the Ministry
- Complex procedures:
  - Conditions before fund disbursement, non objection to be obtained, and disbursement procedures (EU, ADB, OPEP)
  - Bank account re-supplying expenses processed at the Budget Control Unit and at the Coordination of Foreign Aids
- Poor internal and external communication: information collection and dissemination made difficult

(ii) **Technical and financial aspects:**

- Lack of means
  - Insufficient technical and human resources
  - Materials are generally obsolete
- Low rates for trip indemnifications in the functioning budget
- Increases in prices of supplies and building materials resulting into insufficient credits for certain components such as rehabilitation of rural dirt road, funding of production infrastructure sub-projects, rehabilitation of irrigated surface areas, and establishment of title deeds.
- 2 boats used for sea surveillance are in poor condition (breakdown)
- Long floating periods between specific protocols related to the distribution of coffee, pepper, cloves and litchis trees

## **CHALLENGES AND ACTIONS**

The general measures to be taken in the rural development sector are:

- Institutional reform at the MAEP: reorganization and capacity building for teams in the Regional Directorate of Rural Development
- Setting up services in charge of public procurement and internal audits
- Improving document processing delays at internal level as well as in collaboration with different partners
- Improving internal communication: setting up a web site, connecting with decentralized services of MAEP through internet connection, BLU, or automatic phone liaison with recharging cards

- A study to assess the different policies in the irrigation sub-sector (institutional reinforcement of Water Users' Associations) will be conducted to help in developing better strategies
- Reinforcement and extension of Integrated Rural Development zones.

Given the above mentioned constraints related to increases in prices and to lack of additional credits for involved components, reductions in the amount of activities may be considered.

Other specific actions concerning the different regions will be undertaken, mainly:

- Operationalization of Regional and Departmental Agriculture Chambers as well as of meeting points
- Relaunching rural facilitation: reinforcing literacy efforts and knowledge transfer to farmers
- Information, Education, and Communication on procedures and laws among local authorities and the rural population
- Reinforcing the roles of decentralized services in monitoring and evaluation in the rural development sector
- Reinforcing basic training in agricultural activity management (professionalization of farmer job)
- Reinforcing capacities in Land and Topography services: computerization and setting up topographic and land services in every region, setting up a single office for land services at the central and regional offices
- Facilitating access to land tenure for farmers: collective marking of plot boundaries
- Census of properties to distinguish between land improvement and acquisitive property
- Accelerating processing of many land disputes at courts
- Accelerating land marking procedures in process.

## **HEALTH**

### ***GENERAL CONSIDERATIONS***

Health is one of the five priority sectors selected in the PRSP. The mission entrusted to the Ministry of Health and Family Planning that is in charge of the sector consists in improving the Malagasy population, and especially the poor, access to health services and to protect them from diseases. The four objectives retained in the PRSP are:

- To promote maternal and child health;
- To intensify malnutrition control;
- To reduce by 50% the socio-economic burden of the main infectious diseases, including emergent and reemerging diseases;
- To reduce by 20% the morbidity related to non infectious diseases.

It should be noted that the actions related to achieving objectives of improving performance in the health system, which were not initially included in the PRSP objectives are also presented in this report.

### ***PROGRESS AND RESULTS***

#### **OBJECTIVE 1: PROMOTE MATERNAL AND CHILD HEALTH**

This objective is supported by six (06) large areas of main activities in the PRSP which pertain to reinforcing the activities in the Expanded Program on Immunization (EPI) and emergency obstetrical care, the application of Integrated Management of Childhood Illnesses (IMCI) and Roll Back Malaria, the institution of "health schools", and control of sexual and domestic violence. The activity progress status is described hereafter:

### **Expanded Program on Immunization**

- Equipment with vaccines
  - District health offices (SSD) and basic health centers (CSB) equipped with tetanus, BCG, DTP/hepatitis, polio, and measles vaccines
- Equipping SSD and Provincial Health Services (DPS) with materials:
  - Cold chain available at every level with complementary materials and equipment (vaccine box, ice box, batteries...)
  - Equipment with computer equipment
  - EPI officers trained in cold chain (pursuant to equipment), epidemiological surveillance, acute flaccid paralysis, EPI policy, management (EPIMAP, EPIINFO)
- Development of micro plans and implementation of immunization mobile and outreach strategies at district level;
- Epidemiological and acute flaccid paralysis surveillance (AFP),
  - 54 cases of AFP identified
- Immunization coverage rates for children aged 0 to 11 months:
  - BCG: 100.9%
  - Polio3: 82.2%
  - DTP3: 83.3%
  - Measles (82.7%)
  - Tetanus 2 and on (52.1%)

### ***IMCI***

- Supervision of Provincial Health Services
  - 6 DPSFP and 50 SSD
- Refresher training on IMCI for trainers
  - 20 trainers at the DPSFP and 18 officers
- Equipping 32 SSD with teaching and technical materials:
  - 8 SSD equipped

### ***Reinforcement of the Safe Motherhood strategy***

- Launching the operations of units and staff capacity building
  - 8 level 1 district hospitals (CHD1) transformed into laparo-C section units (ULC), equipment for the 8 ULC purchased
  - 1035 (2003) and 317 (2004) health workers trained in SM, 40 in community-based services, 42 community health workers trained in Reproductive Health including SM, 71 young peer trained on ARH, 148 on Adolescent Reproductive Health (ARH), Family Planning (PF), 74 in Norplant, 439 in Integrated Management of Childhood Illnesses
  - 18 Adolescent Reproductive Health Centers made operational
  - Reproductive Health monitoring indicators updated
- Equipment:
  - contraceptives commodities (111 SSD and 2118 FP sites)
  - delivery kits, sphygmomanometers, stethoscopes, examination tables (172 CSB)
  - Emergency reproductive health kits (CHD2 Vatomandry)

- Prenatal Consultation (PNC) kits (28 SSD)
- 750 KIT AT Traditional matrons in remote areas
- 2 computers and related equipment and photocopier
- 9 youth centers equipped with related materials
- Structure reinforcement
  - 31 community-based services (CBS) sites set up
  - 286 new FP sites operational and 27 Norplant sites
  - Telemedicine: 5 referral maternities interconnected

## **OBJECTIVE 2: MALNUTRITION CONTROL**

This objective is supported by 12 large areas of activities whose levels achievement are described hereafter.

### ***Reinforcement of malnutrition control***

- National Nutrition Policy validated and disseminated
- 36 Intensive Nutritional Rehabilitation Centers (CRENI) rehabilitated, 37 day Nutritional Rehabilitation Centers (CRENI) set up, equipment with therapeutic food (CSB2) and drugs, therapeutic food and food for caretakers (36 CRENI and 37 CRENJs)
- Community-based nutrition sites monitored and supervised
- 651 community-based nutrition sites made operational as volunteer in community-based nutrition, 3 608 SEECALINE sites
- 73% of women coming for Prenatal Consultation supplemented with iron (iron folic acid)
- 84% of children aged 6 to 59 months supplemented with Vitamin A
- Exclusive breastfeeding promoted:
  - Baby-friendly Working Places (BFWP) and Baby-Friendly Hospitals (BFH) operational, Baby Kangaroo referral units set up
- Nutritional education reinforced:
  - 2 SSD equipped with Female Nutritional Education Team (FNET)
- Nutritional education: Female Nutritional Education Teams relaunched and community-based nutrition expanded
  - Number of operational SEECALINE sites: 3,608.

## **OBJECTIVE 3: REDUCE BY 50% THE SOCIO-ECONOMIC BURDEN OF THE MAIN INFECTIOUS DISEASES, INCLUDING EMERGENT AND REEMERGENT DISEASES**

Twenty-two (22) main activities/actions are linked to this objective. The progress and the results are described hereafter.

### ***Malaria control***

- Social marketing of bed nets
  - Sales of impregnated bed nets : 309,000 (2003) and 46,300 (2004)
  - Training of trainers on case management: 10 people trained
  - Home aspersion of DDT in the central highlands and in malaria instable areas: 871 928 inhabitants

- Entomological surveys carried out for malaria stable zones or coastal zones, 12 malaria epidemiological surveillance sites made operational
- Home treatment by chloroquine blisters launched and impregnated bed nets subsidized
- Malaria rapid test.
- Training, study, evaluation
  - Refresher training: 5 officers, 10 trainers, and 10 lab assistants
  - 12 epidemiological surveillance sites made operational
  - Physicians recruited for the baseline indicators study
  - Studies carried out on insecticides that can be used as alternatives to DDT and on the impact of Roll Back Malaria strategy

#### ***Leper elimination***

- 6 provinces equipped with PCT drugs
- Information, Education, and Communication activities carried out in 12 hyper endemic SSD in collaboration with local NGOs
- 156 members of the District Management Teams (EMAD) trained on case management and program management
- Heads of CSB from 160/225 SSD and 20 lab assistants from referral centers benefited from refresher training on case management
- 20 hyper endemic SSD equipped with motorcycles, 4WD vehicles, and computers
- Health units and SSD supervised
- Consultant recruited to provide technical support to the program

#### ***Filariosis elimination***

- Survey launched to map SDs according to their endemic level
- 145 villages surveyed and supervised

#### ***Tuberculosis control***

- Committees to support tuberculosis control set up in 30 SSD
- Treatment kit purchased and DPSPF
- All Diagnosis and Treatment Centers (DTC) equipped with drugs, reagents, and management tools
- 72 EMAD members, 58 DTC officers, and 6 Tuberculosis and Leper officers at provincial level trained on the national tuberculosis policy
- Preparatory phase of anti-tuberculosis immunity research set up

#### ***Bilharzias control***

- 63 hyper endemic villages sensitized on preventive actions
- 63 villages and 10 592 individuals treated
- 32 SSD equipped with anti-bilharzias drugs and reagents

#### ***Cysticercoids control***

- IEC materials developed, validated and shared with the Technical Horticultural Center of Antananarivo

#### ***Plague control***

- 120 community workers trained on preventive actions
- 40 prison traps built and put in place in the towns of Antananarivo and Mahajanga

- 547 disinfection operations carried out pursuant to cases
- 40 affected SSD equipped with drugs, materials, and equipment
- IEC materials produced and disseminated: 4,000 guides, 2,000 posters, and 12,000 brochures
- Surveillance at borders reinforced: information notes, preventive actions and multisectoral approach applied

#### ***Cholera control***

- Groups equipped with vaccines and hygiene education actions reinforced
- 65 international travelers immunized and 1,027 travelers from the Comoros Islands equipped with doxycycline

#### ***Tungosis control***

- 25 infested SSD and 4 concerned provinces equipped with insecticides, health workers and community workers trained on management and preventive actions.

#### ***Epidemic diseases control***

- Epidemic Response Strategic Plan developed
- Interventions and responses in cases of flu, conjunctivitis and rabies
- Health control at borders and preventive measures reinforced to prevent Severe Acute Respiratory Syndrome (SARS)
- Clean water access improved:
  - Studies conducted for clean water supply system for 311 CSB
- Rate of access rate to excreta disposal infrastructure improved:
  - Social and school latrines set up: 1963
  - Family latrines built: 4,601 in 2003, 499 in 2004
  - 91 incinerators build for CSBs

#### ***HIV/AIDS control***

- Awareness-raising and prevention of HIV/AIDS
  - **Strategy and policy**
    - ✓ National strategic plan on STI/HIV/AIDS control developed
    - ✓ National policy for the management of People Living with HIV/AIDS (PLHA) developed
    - ✓ National plan for the monitoring and evaluation of the National strategic plan developed
    - ✓ Country Coordination Mechanism set up for the monitoring and the management of the Global Fund for Malaria, Tuberculosis, and HIV/AIDS control
    - ✓ National strategy for male condom planning developed
    - ✓ Protocol for second generation STI and HIV/AIDS surveillance defined
    - ✓ Document on Mother-to-Child Transmission Prevention (MTCP) developed, 17 lab assistants trained and 11 MTCP sites equipped with reactants
    - ✓ National syphilis and HIV/AIDS seroprevalance survey conducted among pregnant women
  - **Capacity building**

- ✓ Preventive education and communication for behavioral change (mass media, NGOs, peer educators)
  - ✓ Capacity building for 2 associations supporting PLHA
  - ✓ Guides for HIV/AIDS counseling , PLHA management, and voluntary counseling and tests developed and disseminated
  - ✓ Training curriculum on syndromic management of STIs validated
  - ✓ Guide and algorithm on clinical and therapeutic management of HIV infection developed
  - ✓ Guide on voluntary counseling and test
  - ✓ Guide and training module on MTCP developed
- **Equipment and materials**
    - ✓ Blood banks in 6 provinces supplied with rapid transfusion HIV test for transfusion safety
    - ✓ One center for treatment of PLHA with antiretroviral drugs made operational at the Raseta Befelatanana Hospital in Antananarivo
    - ✓ Referral centers supplied with reactants for routine screening of syphilis among pregnant women
    - ✓ 3 voluntary counseling and test centers and 11 MCTP sites set up
    - ✓ Blood transfusion centers in 3 teaching hospitals (CHU), 3 regional hospitals (CHR) and 32 level-2 district hospitals (CHD2) equipped with syphilis screening tests, and HIV rapid tests
  - **Training**
    - ✓ 77 health workers trained on clinical management of PLHA (4 referral physicians, 40 general physicians with basic knowledge, and 33 paramedics)
    - ✓ 25 counselors in psycho-social support trained

#### **OBJECTIVE 4: REDUCE BY 20% THE MORBIDITY RELATED TO NON INFECTIOUS DISEASES**

Seven important activities are planned to achieve this objective. The main achievements are described hereafter.

- **Management of blinding cataracts**
  - Cataract surgery: 4,054
  - Ophthalmologic centers at CHD2 rehabilitated and equipped
- **Oral health promotion**
  - 69 existing dental clinics supplied with materials and consumables
  - Materials and equipments purchased for new dental structures (being built)
  - Iodised salt fluorization strategy developed
  - 41 dentists recruited
  - 5 surgeon dentists trained in public health
  - Feasibility study conducted and iodized salt fluoridation launched
- **Drug addiction control**

- Legal framework
  - ✓ Convention on tobacco control ratified
  - ✓ Tobacco control law submitted for ratification
  - ✓ Interministerial decree defining regulation on industrialization, importation, commercialization, and consumption of tobacco products in Madagascar
  - ✓ Regulations on alcohol
  - ✓ Drug addiction (drug, alcohol, and tobacco) control structures set up at province, district, and commune levels
- **Strategy and policy**
  - ✓ IEC materials developed and advocacy conducted
  - ✓ National committee for tobacco control and provincial coordination structures set up
  - ✓ 3 facilitators from NGOs trained in drug addiction control
  - ✓ Evaluation of the current situation of drug addiction carried out in the provinces of Antsiranana, Mahajanga, and Toliara
  - ✓ Study on the social and health of drug addiction in Madagascar carried out
  - ✓ National policy and action plan on tobacco control
- **Mental health promotion**
  - Mental health policy developed and validated, and 500 copies disseminated
  - Psychiatric emergency management document developed and validated, and 600 copies disseminated to the heads of CSB
- **Management of disabled people**
  - 6 prosthesis centers equipped with prosthesis production materials
  - National plan for Community-based reeducation (CBR) and training modules for district level reeducators (DLR) developed
- **Improvement of cancer and cardiovascular diseases management**
  - One specialist trained in radiotherapy, IEC materials on cancerology developed and validated
  - Cancer registers put in place, MCV brochures/guides developed and validated

## **OBJECTIVE 5: IMPROVE PERFORMANCE IN HEALTH SYSTEM**

As noted in the introduction of this section, this objective is not included in the PRSP. However, achievements under this objective were deemed to be noteworthy in the present report.

- Community care center management decentralized
- Paramedical staff trained
- Existing medical staff redispached
- Basic drug coverage increased
- Management Committees grouping the health staff and representatives from the community operational at 2,466 CSB
- Paramedical graduates from the 6 paramedical schools recruited as well as executive paramedics which graduated from the National Institute of Public and Community Health (INSPC), social workers in training, nurses specialized in anesthesia and intensive care, paramedical students in their 1<sup>st</sup> year of study

- 170 paramedical workers recruited in 2003 and dispatched in the 6 provinces
- 220 physicians and 15 specialists recruited and dispatched in the 6 provinces
- Bill on the special status of civil servant physicians developed and submitted to the Ministry of Civil Service
- 610 staff trained at the INSPC
- National list of essential drugs revised
- A system for referral and counter referral from CSB to CHD and CHR developed
- 14 mobile health teams set up to provide health services in remote areas:
  - Drugs purchased in 2002: MGF 12 billion to recapitalize the central purchase department Salama
  - MGF 25 billion to purchase drugs and consumables for the public sector
  - 2003: MGF 29 billion to purchase drugs for the public sector and 4WD vehicles
- Improvement of service provision (Supplying in drugs, reactants, and medical consumables by the central purchase department Salama)
  - Equipment and materials
    - ✓ Equipping with reactants and consumables as part of ensuring blood transfusion security: 2 CHU (teaching hospital), 4 CHRP (provincial referral hospital) and 32 CHD2
    - ✓ Films and development products for medical imaging: 2 CHU, 4 CHRP, 29 CHD2
    - ✓ Lab reactants and medical consumables for CHU, CHRP, CHD2, CHD
    - ✓ Technical materials purchased, staff trained on the production of massive solutes
  - Technique
    - ✓ 45 food processing plants inspected in 4 provinces (Antananarivo, Fianarantsoa, Toliara, Mahajanga) and 488/625 physico-chemical analyses conducted at the Food control laboratory
    - ✓ technical equipments provided, rehabilitated, and maintained, 40 health workers trained
    - ✓ Orders of 601,746 bottles of massive solution delivered
    - ✓ Inventory of production units in provinces conducted in view of decentralization
    - ✓ Technical and legal evaluation of the production unit at Saint-Luc Clinique in Toliara conducted
    - ✓ 196 medicinal plants usually used by the population inventoried in 3 provinces (Antananarivo, Toamasina, Antsiranana)
    - ✓ 80 herbalists identified in the communal markets of Antananarivo
    - ✓ 626 traditional practitioners identified in 37 SSD
    - ✓ 100% of health units equipped with drugs from the central purchase department Salama and donations
    - ✓ Use of GESIS software (Health and management information management) extended to referral hospitals and 35 SSD
  - Strategy

- ✓ Bill on traditional pharmacopoeia promotion developed and validated
- ✓ Proposal for an agreement on traditional pharmacopoeia with the Pierre Fabre foundation being developed
- ✓ IEC on traditional pharmacopoeia
- ✓ District, CSB and CHD development plans validated
- Increasing the population's access to quality health care
  - 1 CHU, 2 BSD, 9 CHD2, 4 CHD1 and 73 CSB damaged by cyclones and 172 CSB and 1 wholesale district pharmacy (Pha-G-Dis) rehabilitated or rebuilt
  - Equipment with ambulances
  - Mobile health teams set up at the Provincial Directorate of Health (DPS)
  - CSB equipped with school health kits
  - Health schools set up at the DPS level
  - SSD sensitized as regards the health school initiative
- Improving the poor's access to the health system
  - Humanitarian actions carried out in 3 provinces hit by natural disasters (FARI, MANOU,...)
  - Mechanism to assist indigent people set up : "equity fund" – all CSB apply the transition period measures included in FANOME<sup>11</sup>
  - (Free treatment for 3 high-prevalence diseases)
- Improving the health management information system to regularly monitor health indicators (immunization coverage rate)
  - Application of the GESIS software MoH's website in 6DPS and 36 SSD
  - Audit conducted in 111SSD and all public sector CSB before relaunching FANOME
  - Evaluation of the Users' Financial Participation (older version of FANOME) conducted
  - Implementation guide revised
  - Legal framework developed (decree, interministerial decree)
  - Management tools developed, printed, and disseminated
- Evaluation of the humanitarian cost recovery system
  - Audit conducted in SSD and all public sector CSB before relaunching FANOME
  - Evaluation of the Users' Financial Participation (older version of FANOME) conducted
  - Implementation guide revised
  - Legal framework developed (decree, interministerial decree)

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<sup>11</sup> FANOME in Malagasy is « Fandraisana Anjara NO Mba Entiko » and in French « Financement pour l'Approvisionnement Non Stop des MEDicaments" which respectively mean « What I bring in is just contribution » and « Funding for non stop supplying in drugs ». As such, Fanome is the new name given to Users' Financial Participation. It is another form of community participation in the CSB operation (basic and first contact health unit)

- As regards legal aspects, two decrees were developed (a) decree # 2003/104 on October 14, 2003 pertaining to the institution of FANOME and (b) an interministerial decree pertaining to the enforcement of the decree and allowing for payment to the pharmacy managers and the guardians at the Community-managed Pharmacies or PhaGeCom.
- As regards involvement in the management, a reorganization was conducted in order to have the Commune and the community strongly involved in FANOME operation. The community members who intervene in the FANOME management, will be compensated with funds from the benefit margin on drug sales.
- As regards support to the indigent, a mechanism has been set up. However, the only sure source of funding currently is the benefit margin on drug sales.

- Management tools developed, printed, and disseminated
- Setting up a mechanism to assist indigent people with an “equity fund”
  - FANOME’s setting up ratified and disseminated
  - Transition period as regards resuming Users’ Financial Participation. New version with free treatment for the 3 most prevalent diseases (Malaria, diarrhea, and acute respiratory infections) from October to December 2004.
  - Older version of Users’ Financial Participation assessed;
  - Legal framework developed (decree and interministerial decree)
  - Management tools developed, printed, and disseminated about FANOME

## INDICATORS

**Table 16: Health Indicators**

Indicator	Objective2002	Achiev. 2002*	Objective 2003	Achiev. 2003**	2004		Projections	
					Objective	Achiev. 1 <sup>st</sup> quarter	2005	2006
<b>1. Under 5 mortality ‰</b>			141		131		121	111
1.1. Proportion of children aged 0 to 59 months seen in outpatient consultation at CSB who are malnourished	19.0	18.6	17	17.9	15.0	16.2	13.0	11
<b>2. HIV prevalence rate among pregnant women aged 25 to 34, %</b>			<1	1.1	<1*		<1*	<1*
2.1. Evolutive syphilis prevalence rate among pregnant women, %				8.2	6.9	8.2	5.3	4.1
<b>3. Rate of children aged 0 to 11 months completely immunized</b>	75.0		75		83		85	90
3.1. Immunization coverage rate in DTP3 in CSB among children 0 to 11 months, %	76.0	61.5	80	82.3	83	57.8	84.8	95.8
<b>4. Medical prescription achievement rate in CSB, %</b>	89.4	84.3	89.4	87.1	90.4	85.48	90	90
4.1. Outpatient consultation rate in curative medicine in CSB, %	64	52.3	60	87	90	48	73.2	87.8
<b>5. CSB to population ratio</b>	1/7,451	1/7,416	1/7,588	1/7,386	1/7,586		1/7,523	1/7,470
5.1. Number of operational public CSB	2,106	2,116	2,126	2,184	2,186		2,266	2,346
6. Maternal mortality rate, for 100,000 live births			421		353		285	217
Contraceptive coverage rate	5.3	5.1	5.5	5.9	5.7	4.9	5.9	6.1

Sources:

\*MoHFP/DEP/SSSa Yearbook of Statistics of the Health Sector, 2002

\*\*MoHFP/DEP/SSSa District synthetic monthly report, with reporting rate of 95,4%

\*\*\* MoHFP/DEP/SSSa District synthetic monthly report, with reporting rate of 76,6%

According to the Directorate General of HIV/AIDS control, given the natural evolution of the HIV epidemics, the projections for 2004, 2005 and 2006 would respectively be 1.4%, 1.8% and 1.9%.

The non communication of reports from NGOs (FISA) at the SSD level can account for the difference between the contraceptive coverage rates from the national surveys and from the synthetic monthly reports from districts.

## **LESSONS**

### **Institutional**

- Inadequate coordination due to structural and institutional causes: central/provincial, sectoral, communication at the Committee in charge of health development, which results into:
  - High dependency of local and regional activities on the central level
  - Inconsistency between commune development programs and actions carried out (health infrastructure built while they are not included in commune development plan)
  - Priorities set by the provincial levels infiltrated by the big amount of national data
  - Infrastructures building terminated which lead to frustration among the population (when technical disputes are not solved)
- Population ignorance of diseases (e.g. bilharzias, tungosis, rabies), which results into:
  - Population vulnerability to shocks (measles reappear after a cyclone)
  - Persistence of rumors and wrong interpretations (especially as regards family planning)
  - Inability to cover the whole territory especially remote areas
  - Low involvement of communities in the health actions
  - Security problems for interveners in remote areas
- Centralized management of HIPC funds :
  - Poor adequacy between allocations received by the Provinces and local priorities
- Insufficient partnership between the public and the private sector:
  - Commitments of the public sector not kept when there is a change in staffing
  - Private health centers are late or irregular in sending their monthly activity reports
- Precariousness of existing infrastructures due to lack of maintenance:
  - Low financial capacity among population
  - Increasing number of infrastructures that do not meet standards
  - No Regional Maintenance Workshop
- Selection of interventions based on donors' priorities
  - Fianarantsoa is the only province that does not have a specific donor for health activities

### **Financial**

- Funding insufficient to achieve the set objectives, which is due to:
  - Insufficient number of financial partners
  - Insufficient number of budget lines
  - Lack of funding for training traditional birth attendants (TBA)
  - Lack of qualified staff

### **Technical**

- Lack of premises, means of transportation (staff, students), computer equipment, teaching materials, management tools
- Problems related to remoteness of some CSB
- Time management problems (delays in delivery, in funds disbursement, etc.)

- Objective assessment of results made difficult by variations in population number according to data sources (general, provincial, SSD census)
- Problems related to rehabilitation of CHD2
  - Poor performances of building companies
  - Disputes with the contracting companies (contract managed at central level)
  - Call for bids, specifications, provider selection managed at central level with no information or approval from provincial level
  - Remarks made by technicians regarding assessment of performances : not taken into account
- Laws governing CPS are obsolete (1960)
- Problems encountered in implementing FANOME:
  - Need to access health care for everyone (FANOME, equity fund)
  - Delays in drug delivery leading to stock outs (delivery by road from Antananarivo)
  - Renewing cholera drugs reserve supply

## **CHALLENGES AND ACTIONS**

### ***CHALLENGES***

#### **Pursue actions to achieve objectives, including 2006 objectives, which are:**

- Reduce maternal mortality from 488 to 285 per live births;
- Achieve an immunization coverage rate of at least 80% for all the antigens in the EPI among children aged 0 to 1 year and at least 80% for TT2 among pregnant women;
- Reduce the malnutrition rate from 48% to 36% among under five children
- Eliminate leper and lymph filarioses as public health problems
- Maintain the HIV prevalence rate at less than 1% and reduce by 50% the prevalence of STIs among vulnerable groups
- Reduce by 50% the mortality and the duration of diseases outbreaks such malaria, tuberculosis, bilharzias, and cysticercoses
- Reduce from 85 to 80% the prevalence of tooth decay among children aged 6 and from 85 to 75% the prevalence of parodontopathy among people aged 18.
- Reduce the prevalence of tobacco addiction.
- Achieve the reinforcement of alcohol and drug addiction control
- Improve health funding at all the levels
- Improve population access to health centers and hospitals from 80 to 90%
- Improve communities contribution in health development

### ***ACTION PLAN***

#### **Actions in 2004 will be focused on:**

- Extending BFWP and setting up Baby-Friendly communes at the CSB2 level
- Setting up nutrition activities coordination structures at the SSD level (NGOs and technical partners in the area of nutrition)
- Extending CBN sites and reinforcement of existing CBN sites
- Setting up the equity fund to assist indigent people
- Promoting mutual insurance as a way to assist people who are seasonally indigent

- Involving communities in referral and counter referral system and equipping with transportation and communication means
- Setting up and making operational 22 mobile health teams (14 old and 8 new)
- Installing software GESIS in all SSD, email communication and installing BLU datacom for remote SSD
- Monitoring and supervising the setting up of FANOME
- Promoting mutual insurance
- Carrying out internal audit
- Advocating for the ratification of the anti-tobacco law
- Studying the social and health consequences of drug addiction
- Political commitment to the development of the family planning program with the objective of achieving a contraceptive rate of 20% in 2004
- Sensitizing the private health centers on the stipulations of their operation authorization, especially the stipulation requiring them to send monthly reports
- Measles immunization campaign
- Setting up and equipping 69 dental clinics
- Launching fluorided and iodized salt in Antsiranana and Morondava
- Setting up 3 VCT in Fianarantsoa, Toliara, and Antsiranana
- Setting up 30 MCTP (Mother-to-Child Transmission Prevention) sites
- Home drench campaign in the central highlands
- Purchasing 42 000 insecticide-impregnated bed nets
- Finalizing the upgrading of 6 CHD1 into CHD2: 4 in Antananarivo, 1 in Toamasina, 1 Fianarantsoa
- Rehabilitation of 135 CSB that were damaged by cyclones
- Equipping 323 CSB with BLU and solar panels.

## **CLEAN WATER AND SANITATION**

### ***GENERAL CONSIDERATIONS***

The clean water and sanitation sector ranks among priority sectors after update in PRSP in July 2003. However, no general objective is attached to this sector. The Ministry of Energy and Mines (MEM) is in charge of leading and coordinating this sector and its mission is to provide access to clean water to households. The attached specific objective is to improve access to clean water and sanitation.

### ***PROGRESS AND RESULTS***

#### **SPECIFIC OBJECTIVE 1: IMPROVING ACCESS TO CLEAN WATER AND SANITATION**

The achievements are:

##### ***Infrastructures***

- Call for bids on building the pipeline published (May 17<sup>th</sup>, 2004)
- 515/625 drillings and wells equiped with manual pumps;
- 286/345 water conveyance made
- 240 commercially-managed fountains
- Improvement of 4 centers managed by JIRAMA
- 668 management committees set up
- 210 latrines built

- 05 water supplies made in main rural centers
- Water supplying works built in south Midongy: water arresting works, water conveyance network, reservoir, washhouse, fountain, school bathhouse completed at 100%
- Water supplying works in Antanimbary (sous-prefecture of Maevatanana): 3 water arresting works, reservoir, 15 fountains completed at 100%
- Increased number of users:
  - Morondava: 350/160 (219%)
  - Taolagnaro: 350/300 (115%)
  - Ambositra: 300/220 (134%)
  - Tsiroanomandidy : 300/260 (114%)
- Increased rate of access to excreta disposal infrastructures : 1,903 social, family, and school latrines
- New legal and institutional framework defined for water and sanitation:
  - 13 decrees related to the application of the Water Code published: setting up the ANDEA, clean water and sanitation policy for urban areas, master plan for development, decree on rates published
  - National sanitation policy developed. The main principles are:
    - ✓ Clarification of the organizational framework
    - ✓ Mobilization and education on hygiene
  - WASH initiative expanded to the six provinces
  - “Heritage society” concept validated, that is setting up communes associations to be contractors in water management. The Ministry of Energy and Mines is the delegated contractor in this case.

## INDICATORS

**Table 17: Indicators for clean water and sanitation**

		Achiev.	Objective	Achiev.	Projections		
		2002	2003	2003	2004	2005	2006
<b>Clean Water</b>	Rural setting	12.10%	13%	12.74%	13.62%	15.05%	17.17%
	Urban setting	64.62%	79%	63.02%	64.0%	64.68%	65.16%
<b>Sanitation</b>	Rural setting	55%	57% (*)	57%	58%	60%	62%
	Urban setting	92%	93% (*)	93%	95%	97%	97.6%

(\*) PRSP page 115 (French Version)

$$\text{Clean water service rate} = \frac{\text{Number of population served}^{12}}{\text{Total number of population}}$$

$$\text{Access rate} = \frac{\text{Number of households who have access to excreta disposal infrastructures}}{\text{Total number of households}}$$

## LESSONS

<sup>12</sup> The total number of served population is calculated based on the following premises :

- Number of people using each infrastructure (JIRAMA hypothesis)
  - 10 inhabitants per private connection
  - 500 inhabitants per public fountain
- Number of people using each infrastructure (MEM hypothesis)
  - 200 inhabitants per well or drilling equipped with a manual pump
  - 500 inhabitants per water conveyance infrastructure

### ***Institutional aspect***

- very low clean water access rate due to:
  - low population participation rate
  - lack of dynamism of private sector in water management
  - clean water supply not considered as priority in the rural area for fear of impacts on ricefields irrigation
  - financial weakness of communes
- For communes in remote areas, projects with known financing are priorities
- Sensitization on the fact that water is not free depending on population purchasing power
- Lack of coordination in NGO's actions

### ***Financial aspect***

- Insufficient funding
  - Very low allocations for the sector (aid: 0.7%)
- Delays in the appointment of investment credit managers

### ***Technical***

- Very limited intervention capacity
- Latrines system not adapted to inundation-prone areas

## **CHALLENGES**

- Increase the quantity and quality of human resources, mainly by (i) recruiting and training executives; (ii) reinforcing provinces as part of decentralization and devolution
- Develop the capacities of communes so that they can play their role as water managers
- Provide support to the development of the private sector involved in the water and sanitation sector
- Clarify relationship between ANDEA and the Ministry: ANDEA will be in charge of managing water resources while the Ministry will be in charge of clean water supply and sanitation
- Apply the National Sanitation Policy and Strategy in urban and rural settings.

## **ACTION PLAN**

- Integrate the Water and Sanitation component in the communes' development plans
- Provide support to the development of the private sector involved in the water and sanitation sector
- Build the capacities of communes, private users and administration in water and users management
- Improve information and communication system at the commune level
- Consider transferring management of public fountains to the private sector
- Set up a leading committee made up of all interveners
- Adopt a program approach for water management and set up the Medium Term Expense Framework

Plans for year 2004 include the followings:

- Clean water:
  - Clean water supply system in schools and CSB: 30
  - Drillings and wells: 125
  - Pipeline: Mandrare-Sampoina
  - Gravitary water conveyance system: 80
  - Water conveyance for main rural centers: 12
  - Technical training workshop for interveners

- Sanitation:
  - Implement of the national sanitation policy
  - Build latrines in schools and CSBs: 3,000
  - Build infrastructures for excreta disposal and clean water in the WASH pilot areas: Toliara and Antananarivo provinces
  - Carry out campaign to popularize hands washing with soap: in the whole country
  - Integrate hygiene education program in the school curricula and in the communities

## **5. IMPLEMENTING PROGRAMMES IN CROSS-CUTTING ACTIVITIES**

### **5.1. GOVERNANCE**

#### **5.1.1. ANTI-CORRUPTION HIGH COUNCIL**

##### **5.1.1.1 GENERALITIES**

The government is aware of the destructive impacts of corruption which are affecting almost any sector of the community. In this respect, they have taken the decision to control the issue by developing appropriate tools capable of controlling them.

To this end the CSLCC has been set up, whose activities aim mainly at

- preparing and developing anti-corruption strategy;
- preparing and designing anti-corruption laws ;
- setting up an Anti-Corruption Independent Bureau (BIANCO)

Actions and measures achieved since 2003 to meet these objectives are described hereafter, and this through establishment and operationalization of CSLCC;

- developing strategies
- developing external relationships and monitoring/evaluation;
- implementing operations and creating a task-force;
- enhancing public support through communication actions.

##### **5.1.1.2. PROGRESS AND ACHIEVEMENTS:**

###### **5.1.1.2.1. ESTABLISHMENT AND OPERATIONALIZATION OF CSLCC**

- Appointing Madam President of CSLCC by presidential decree N° 2003-720 of 02 July 2003.
- Appointing the members of CSLCC by presidential decree n° 2004/325 of 16/03/04
- Setting up the structure, organization and team for the Permanent Secretariat
- Setting a timeline to the activities
- Settling funding, purchasing furniture, materials and equipment

###### **5.1.1.2.2. DEVELOPING STRATEGIES**

- Establishing the state of corruption situation:

- Initiating studies on the state of the corruption situation by sector (trade and consumption, financial organizations, journalism, political party funding, decentralised and devolved administration, property and land tenure, major corruptions, small-scale corruptions, private sector, ...). The outcomes of these studies will serve to develop a draft to the National Strategy for the Anti-corruption Paper.
- Drafting the final report on the coordination of the above-mentioned studies.
- Organizing a workshop on financial organisations
- A survey of the major international corruption
- Developing a National System of Integrity :
  - Determine the "PRECIS" model – Prevention, Inducement, Condition, Elicitation, Sanction – to undertake anti-corruption activities
  - Drafting the final report on the development of a National System of Integrity
  - Support to the coalition of civil society in developing the national anti-corruption strategy
  - Contact the National Assembly, the Senate, and the HCC to present the first draft of the national anti-corruption strategy
  - Meet donors to present the first draft of the anti-corruption strategy
- Establishing the seal of probity quality :
  - Develop the concept and the process of establishing the "seal of probity quality". Ministerial services and directorates (GUIDE, CSB II, CHU HJRA, Directorate for Human Resources in the Vice Prime Minister's Office, ...) offer to bear the seal of quality.
  - Achieve the training for the consultancy firm in the seal of probity quality
  - Seal of quality under way for DOHR in the Vice Prime Minister's office, GUIDE, CSB II in Toamasina, Service Aptitude in HJR Hospital.
  - Drafting the National Anti-corruption Strategy Paper (SNLCC)
    - Draw the perceptual map of corruption in Madagascar
    - Present the first draft of the strategy to donors (UNDP Head-office)
    - Draft the strategy
    - Present the strategy to the President of the Republic, the Government, and donors.

#### **5.1.1.2.3.DEVELOPING EXTERNAL RELATIONSHIPS AND MONITORING-EVALUATION**

- Promote a movement on ethics, integrity pact and prevention measures against corruption:
  - Take part in designing and validating the Code of Ethics of the civil service in collaboration with the Ministry of Civil service
  - Contribute to the development of the Code of Ethics for the Commissioners and trade controllers Corps
  - Take part in workshops for the promotion of electoral ethics in democratic elections
  - Promote ethics and integrity movement among various ministry departments
  - Training in texts and concepts in customs criminal laws organised by ENMG in September 2003 and on International Trade Operations organised by ENMG in partnership with BNI/CL in October 2003
  - Creation of the Technical Ethics Committee
  - Training, on professional ethics for civil servants with the competence of criminal investigation department (customs, Water and Forests, Energy and Mining, Trade Commissioners, ...)

- Create reference documents for the promotion of ethics movement, and integrity pact
- Draft and operationalize CTE by-laws
- Validate the Communication Project at the Cabinet meeting on the distribution of information on public procurements and the production of an integrity pact to submit to the members of CSLCC.
- Auditing major investment projects
  - Validation of terms of reference by the good governance programme team at the President Office and by the CSLCC members.
  - Initiate 2 audits to major investment projects in 2004.
- Support to and implementation of International Conventions :
  - Signing the United Nations Convention against Corruption by the Government of Madagascar on December 10, 2003 in Merida, Mexico , shows the political will of the Malagasy State and its support to control this issue.
  - Signing the African Union convention to prevent and fight against corruption in February 2004
  - Current implementation of the ratification procedures for the two anti-corruption conventions (United Nations and African Union)
- Prospecting for and developing partnership :
  - Develop and strengthen partnership relations with donors, civil societies, ministry departments and anti-corruption potential partners
  - Take part in seminars on anti-corruption strategies for French speaking countries 06 to 09 October 2003 in Yaounde, Cameroon
  - Working session with officials from the Central Service for the Prevention of Corruption (SCPC) in Paris on 05 December 2003 to develop a partnership in the training of the future staff of the anti-corruption agency, formulating the strategy and the risk analysis in various sectors of the administration and the private sector.
  - Seminar on the control of corruption in the Japanese context in October 2003
  - Creation of a network of the public sector as principal partners of CSLCC
  - Completion of a partnership convention with the Norwegian cooperation (NORAD)
  - Prospecting for partners to set up the Anti-corruption Criminal Chain (Japanese Embassy)

#### **5.1.1.2.4.IMPLEMENTING OPERATIONS AND SETTING UP A TASK FORCE**

- Creating an independent Anti-corruption Bureau :
  - Hiring BIANCO deputy directors
  - Hiring and training BIANCO staff
  - Acquisition of materials and equipment, rehabilitating the building
- Legislative reforms:
  - Transmitting the bill on corruption to the Government
  - Achievement of the study on standardization of administration competition examinations
- Tackling the most disparaged points
  - Play the part of a catalyst in the actions conducted by competent authorities in tackling the most disparaged corruption issues and in addressing the complaints received
  - Reactivate the mediator system

- Implementation of the "Clean Competition Examinations" Project, in collaboration with the UNDP and TELMA has started with the Ecole Nationale de l'Administration Malgache (ENAM)
- Signing a common statement for transparency in the election of Mayors and commune counsellors by the political leaders in Maibahoaka
- Final report of the survey on reactivation of the mediator system
- In-taking and processing complaints
- Setting up the Anti-Corruption Criminal Chain
  - Design a project on "Anti-corruption Criminal Chain" to support actions by the Anti-corruption Agency
  - Hiring staff for the CPC
  - Training the staff on economic and financial criminality with the support of CSLCC
  - Rehabilitation and refurbishing the office
  - Purchase of materials and equipment
  - Drafting an inter-ministerial circular governing the CPAC
  - Signing the inter-ministerial circular

#### **5.1.1.2.5.DEVELOPING PUBLIC SUPPORT THROUGH COMMUNICATION ACTIONS**

- Raising public awareness of fight against corruption
  - Sensitization, call for collaboration and development of partnership with civil societies (Justice et Paix, PLADICC, OEMC, KMF/CNOE, FJKM –ACI, JPM, CJL, Fifanabeazana, COMODE, ...)
  - Organising a course on "seal of probity quality"
  - First meeting of the Committee members
  - Workshop for validating the bill on political parties
  - Preparation of devolved national workshops (organization and communication)
- Acquiring participation and support from all stakeholders :
  - Development of a concept and process to establish the "seal of probity quality". Services and Ministry directorates (GUIDE, CSB II, CHU HJRA, Human Resource Direction to the vice Prime Minister Office ...) volunteer to take up the constraints and take care of related costs .
  - Initiating the public consultation process on the main actions for the Anti-corruption Agency to undertake with a view to identifying the best ways to control the threat
  - Select the contractor to set up the CSLCC website
  - Design a Communication Plan for the Ministry of Justice
  - Design billboards in partnership with the Townhall of Antananarivo
  - Negotiate the acquisition of spaces for advertisement with the Townhall of Antananarivo and ADEMA

#### **5.1.1.3. PERSPECTIVES FOR YEAR 2004**

- Setting up a permanent national anti-corruption system
  - Define the anti-corruption strategy and set up general principles (July 2004)
  - Reactivate pillars and components of the National Integrity System (August 2004)

- Operationalize an independent legal-status agency in implementation and intensification of fight against corruption (September 2004)
- Acquire better transparency and integrity in Administration
  - Complete legislative reforms (December 2004)
  - Complete "seal of quality" for public service Pilots (December 2004)
- Significantly reduce corruption pressure in economy, justice and community-based administration issues
  - Establish the Criminal Chain (December 2004)
- Improving ethical behaviour
  - Establishing the integrity pact (December 2004)
  - Enhance ethical movement (December 2004)

## **5.1.2. JUSTICE**

### **5.1.2.1. GENERALITIES**

The mission assigned to the Ministry of Justice consists in ensuring healthy and fair justice respectful of the Human Rights and investment secure

The objectives are:

- rehabilitate judiciary and penitentiary functions and infrastructures at national level;
- reinforce the anti-corruption provision;
- speed up case processing ;
- improve judicial environment especially in the economic field ;
- humanize conditions in prison

### **5.1.2.2. PROGRESS AND ACHIEVEMENTS**

#### **5.1.2.2.1. OBJECTIVE 1 : REHABILITATE JUDICIAL AND PENITENTIARY FUNCTIONS AND INFRASTRUCTURES AT NATIONAL LEVEL**

- Setting up structures provided in the Constitution
  - **High Court of Justice** : texts drafted, presented and studied in the Cabinet Meeting in 2003, political decision expected for its creation
  - **Supreme Court** :
    - ✓ draft of organic law bearing organization, roles, operation and procedure applicable at the Supreme Court and the three Courts, the component was examined during the 19/11/03 Cabinet meeting, transmitted for adoption to the Parliament in the August 2004 session.
    - ✓ Building the Supreme Court headquarters : Convention for a principalship between the Vice Prime Minister's office and the Ministry of Justice for the implementation of the preliminary works: tender documents, architectural study and design, site preparation works; funding agreement with the European Union for the construction works.
  - **National Council for Justice** : update through consultation entities involved in drafting texts (Bar Association, the Public Prosecution, businessmen, civil society, ...) transmitted for study to the Cabinet
  - **General Inspectorate of Justice** : draft text completed
- New construction and rehabilitation of judiciary and penitentiary infrastructures
  - Rehabilitation : Magistrate's Court (TPI) Vatomandry

- Extension of the Magistrate Court of Antananarivo
  - Initiating procedures for Construction of the Supreme Court headquarters : Publication of the tender documents
  - Extension and rehabilitation of TPI Ankazobe
  - Operationalization : TPI Mampikony
  - Implementing prison securing works : MC Antalaha, MF Tsiafahy, MC Vatomandry, MC Ankazobe, MC Ambatolampy, MC Ambatondrazaka, MS Arivonimamo, MC Antanimora.
- - Devolving Courts and Tribunals : operationalizing CA Tuléar – Dec 2003
  - Improving working conditions
    - Continuation of the construction of annexes to the ENAP School in Antetazambo
  - Provision of materials (100%) : Court of Appeal Toliara (office furniture), Court of Appeal Fianarantsoa, Toliara and Mahajanga (four-wheel drive vehicles), 20 TPI ( books on laws and sound equipment), Court of Accounts (laptops)
  - Definition of strategy to update the judicial system (100%) : audit on how the judicial system operates, completed end of November 2003 ( funding from: EU, PGDI, UNDP), organisation of a national forum in December 2003, Validation in Cabinet meeting of the Strategy and the priority action plans (reforms matrix – May 2004).

#### **5.1.2.2.2. OBJECTIVE 2 : REINFORCE ANTI-CORRUPTION FACILITIES**

- Survey on the creation of a corruption Observatory : not completed as it comes under anti-corruption Agency whose creation is scheduled this Year 2004.
- Reinforcement of inspection missions and monitoring of jurisdictions and prisons in 12 sites (Antsiranana, Mahajanga, Morondava, Tuléar, Miarinarivo, Ankazobe, Arivonimamo, Port-Bergé, Toamasina, Moramanga, Ihosy, Ankazoabo) corresponding to 1/3 of the overall number (target : 10 sites):
  - Establishing a model Jurisdiction
    - ✓ Magistrate's Court (TPI) Ambatolampy
- Prevention and education activities for the population:
  - 27 radio programmes : "Zo sy lalàna": right and laws (RNM) and "Omeo anay ny vahaolana": give us the solution (Radio Fahazavana) over 24 schedules and 10 TV shows "Fantaro ny zo sy ny andraikitra": do know the rights and the obligations (TVM) over 12 scheduled.
  - Publication of booklets written in Malagasy on the judicial system and common procedures
  - Setting up an anti-corruption reception service in Antananarivo jurisdiction financed by USAID (100%) and approximately twenty complaints boxes in jurisdictions and Courts of Appeal.
  - Designing an internal and external communication policy (study to make)
- Reinforcing technical and monitoring structures that will contribute to the fight against corruption :
  - Crush-course for 25 magistrates in inspection and monitoring delivered by the Training and monitoring unit from the Supreme Court and completion of first training session for trainers in deontology and ethics gathering both magistrates and judiciary and prison personnel
  - Updating the training of a core group of inspectors in 2004
  - Setting up support structures for processing pending cases: on-site training in applying regulatory tools and implementing service standards

- Enhancing planning structure and monitoring-evaluation activities : Monitoring budget commitments and programmes financed by donors and plans from the Strategy on updating the Justice
- Legal assistance to populations
  - ✓ Education and support actions for the public on their rights and obligations through scheduled and surprise visits to the public and/or open door sessions
  - ✓ Extension for common texts and procedures about the following themes :
    - o judiciary organisation,
    - o lawsuit and criminal trial,
    - o civil status record
    - o issues specific to each region

### 5.1.2.2.3. OBJECTIVE 3 : SPEED UP CASE PROCESSING

- Devolving Courts and Tribunals in order to ease jurisdiction services : 90% achievement
  - court of Appeal : Toliara : construction works completed in April 2003, operational beginning 2004.
  - Court of Appeal Antsiranana : geotechnical survey of the implantation site completed
  - Administrative and financial courts:
    - ✓ Act n° 2001-025 of 09/04/03 bearing on the creation of Administrative Courts (TA) and Financial Courts (TF);
    - ✓ **Infrastructures** TA/TF available for Toamasina : New constructions in prefabricated for Mahajanga, Fianarantsoa, Toliara and Antananarivo.
- Speeding up case handling and civil, commercial and criminal procedures
  - Census and identification cases in Antananarivo which have been affected by long detention
  - Handling 230 criminal cases carried out in Antananarivo out of 230 schedules
  - Texts on speedy procedures in the drafting process
- Upgrading knowledge of magistrates/clerks/sous-prefets in charge of controlling civil registration for the rehabilitation of civil status archives in the three pilot courts : Antsirabe, Fianarantsoa, Antananarivo (by ENAM and ENMG) : 100%
- Building capacity of jurisdiction model.
  - Build a team comprising 3 judges, 1 clerk and 1 accountant who will work on assessing dysfunctions and needs in materials/equipment, in human resources, ...
  - Intensify training of judges and clerks in computerized criminal Chain and on specific themes
- Setting up a structure to support cases clearance
  - Create and train 03 teams comprising 03 judges - inspectors to monitor the Supreme Court and the Directorate in charge on monitoring and 01 clerk for training/monitoring and speeding up the clearance of pending cases
  - Increase number of members in the team assigned to the clearance of cases in TPI Anosy by 14 clerks to handle judicial and criminal cases
- Implementing new civil, commercial and criminal proceedings
  - Enforcement of the new Code of civil proceedings
  - Intensification of training for Chefs de Cour (Courtheads), judges and clerks – June 2004

#### **5.1.2.2.4. OBJECTIVE 4 : ENHANCE THE LEGAL ENVIRONMENT ESPECIALLY IN THE ECONOMIC FIELD**

- Passing the Trade Corporation Law,
- Bills about Companies rights transmitted for submission to the Parliament on 24/09/03 after reading in the Cabinet (January/February 2003) and in the Cabinet (May 2003): act relating to trade corporations. Acts bearing on goodwill, sureties, collectives procedures for auditing liabilities are transmitted for adoption to the Senate.
- Capacity building for Commercial court : intensification of training for judges, clerks in monitoring functionality of RNCS, in banking laws, business laws, ...

#### **5.1.2.2.5. OBJECTIVE 5 : HUMANIZE CONDITIONS IN PRISON**

- Reinforce human resources in prison administration
  - Training of 154 agents, 20 inspectors, 15 controllers and 13 clerks (100%)
  - Launch a competition examination for the training in 2004
- Reinforce security and improve conditions in 10 prisons over the 7 scheduled
  - Making secure central gaols and safety centers in Vatomandry, Ambatondrazaka, Tsiafahy, Ambatolampy, Arivonimamo.
  - Regular check-up on prisoner health, providing prisoners with medical care and medicines
  - Establish health care facilities and rehabilitate kitchen, setting up a water tank, providing prisoners with blankets and sports equipments (MF Tsiafahy)
  - Build two latrines (Miarinarivo)
  - Construction of building for female prisoners and the under-age (Toamasina, Ambatolampy, Ambohimandroso and Fianarantsoa) with the financial and technical contribution of NGOs and the British Embassy.
- Re-initiating activities in 7 penal camps over 5 scheduled for prisoner food and health self-reliance and to improve their diet and health conditions : Antsilaka in Antsiranana, Antseva in Antsirabe, Betakilony in Miarinarivo, Iavinomby in Ambositra, Ankaramena in Fianarantsoa, Tsaratanana in Vatomandry, Andilanomby in Ambatondrazaka – Harvest beginning of June 2004.
- Improving the prison conditions and prison infrastructures
  - Redistribution of the personnel
  - Rehabilitation of prison conditions (health-, medical-wise ...)
  - Implementation of social re-insertion measures (collaboration with NGOs to improve some penal camps)

### 5.1.2.3. INDICATORS

**Table 18 : Justice Indicators**

Type	Indicator	2002 Real	2003 Obj	2003 Real	2004	2005	2006
Indicators of means	Budget (FJC) earmarked to the Ministry of Justice (thousands of MGF)	690 000	5 000 000	2 391 113	2 396 837*	5 000 000	...
	Number of inspection and check up missions: *Jurisdictions 36TPI and 4 Appeal Courts (CA) * Penitentiary inst.: 95 Central Gaols (MC)/Safety Centers (MS)	08 00	25 30	20 12	20 26	25 30	30 34
Activity indicators	Clearing case rates: Public Prosecutor's office: Headoffice	78% 62%	85% 85%	ND ND	78% 70%	80% 80%	85% 85%
Result or impact indicators	Number of complaints in general	229	**	491	590	400	300
	Average rate of prison occupation	138%	**	142%	140%	140%	140%

(\*): This amount is under LF 2004 to distribute over the 04 Courts of Appeal

(\*\*) system of monitoring/evaluation during the setting up period

### 5.1.2.4. LESSONS LEARNT

#### 5.1.2.4.1. INSTITUTIONAL ASPECT

- Lengthy administrative proceedings : shortage of personnel and budget allocation, significant number of pending cases, scattered cases and follow-up actions not completed either by the judiciary or by the penitentiary hamper handling the cases and civil proceedings.
- Isolation of magistrates stationed in land-locked areas and lack of knowledge of proceedings by some magistrates.
- Lack of transparency in the actions of the chancery to the jurisdictions
- Inefficient or even non-existent monitoring/control missions
- Opaque judicial texts and procedures for the majority of people to whom the law applies
- Indifference of stakeholders regarding reform policy
- Significant volume of unhandled cases : source of corruption
- Obsolete texts
- Poor detention conditions
- Lack of command of public management procedures by magistrates and clerks
- Poor knowledge of business laws among magistrates : source of dissatisfaction among businessmen regarding the handling of cases.

#### 5.1.2.4.2. FINANCIAL ASPECT

- Law compensation rates in the field of inspections and monitoring
- Lack of budget item:
  - source of delay in appointment of magistrates and clerks
  - source of non integration of the current personnel in the civil service

- Shortage of budget allotted to criminal justice expenses (FJC)
- Humanizing prison detention : actions slowed down for lack of means
- Coordination and monitoring-evaluation of the Ministry action programmes : monitoring field missions not scheduled in 2003 budget
- Failure to earmark budget matching the needs
- Shortage of budget earmarked for investments : 30% achievement in view of the decaying infrastructures across the country

#### **5.1.2.4.3. TECHNICAL ASPECT**

- Belated unreliable and non exploitable statistical data

#### **5.1.2.5. CHALLENGES AND 2004 ACTION PLANS**

##### **5.1.2.5.1. CHALLENGES**

- More coherent financial programming of institutional capacity building (rehabilitation, extension of infrastructures, new constructions, ...)
- Growing updated material means (computerisation for reliability of data, networking of jurisdictions and penitentiary institutions with the Chancery, ...)
- Enhancing human resources (intensification of in-service training, ...)
- Justice getting closer the person to whom the law applies (reinforcing of efforts to educate and inform the population, distribution of brochures, translation of texts into Malagasy, ...)
- Speeding up the procedures (proceeding reform, provision of efficient materials, motivate personnel, ...)
- Guarantee for Justice impartiality (enhancing transparency , decisions, judiciary, reorganize roles of monitoring body, adoption of an anti-corruption program, ...)
- Promotion of the Human Rights (reform of the Code of Criminal Proceedings especially in preventive detention, ...)
- Enhancing legal framework for business, efforts to harmonize texts are to be pursued (Supports to the Committee for the Reforms in Business Laws (CRDA), intensification of training specialising magistrates in business laws, enhancing Commercial Courts, ...)
- Efficiency of legality monitoring and budget monitoring (operationalize Administrative and Financial Courts (TAF), raise awareness among the State and submit companies' account for auditing, ...)
- Update prison administration ( redefine prison policy : humanizing prison detention, securing facilities, implementation of prisoner social reinsertion)
- Grant some credit for those missions of monitoring/evaluating the Ministry actions in the field
- Request for lifting the procedure allocation Criminal Justice Funds
- Setting up six (06) TAs and TFs at the end of September 2004
- Carry out maximum training/monitoring visits in the jurisdictions
- Establish service standard and ensure regularity of monitoring/evaluation actions of services rendered in jurisdictions
- Intensify on-site training and follow-up the personnel's outputs
- Approach and inform jurisdictions of the Ministry's policy
- Implement of the Strategy of internal and external communication through more operational and communicative services
- Cleanse maximum of cases through catch-up operations to carry out by Support Structures
- Increase and improve the volume of cases handled from the point of view of quality

- Enhance reform actions
- Take improvement measures at the level of both personnel and facilities
- Intensify cultivation in penal camps with a view to make up for dietary deficiency

#### **5.1.2.5.2. ACTION PLANS**

The 2004 actions focus on :

- Rehabilitation of judiciary and prison roles and infrastructures at national level :
  - building construction
  - updating working materials
  - organisational reform of the Ministry
- Reinforcement of the anti-corruption facility : establishing statistical units, reinforcement of the project overall coordination, monitoring jurisdictions and prisons, prevention actions and public education efforts , improvement of the judicial environment.
- Speed up handling of cases : speeding up procedures, study the networking of the Ministry and jurisdictions, improve human resource management.
- Improvement of the economic environment of the judiciary: make the judicial environment secure for investors, establishment of national commercial and business records in the Faritany, reinforcement of the efforts to harmonise texts, intensification of training sessions for magistrates .
- Humanize detention : improvement of the detention conditions and prison infrastructures MC/MS/MF by continuing improvement actions, reinforcing actions which aim to standardise sanitation in prisons and implement social reinsertion action (pursue activities in penal camps )
- Improve working conditions : build TAs and TFs to be finalised in Mahajanga and Fianarantsoa at the end of July 2004 and those in Toliara, Antsiranana and Antananarivo by the end of September 2004; building of housing for the staff of the Centre for the underage rehabilitation at Anjanamasina to complete in the frame of the 3P, the centre will be entirely rehabilitated with European Union funds; finalizing the rehabilitation works of the main building in Anosy Courts; beginning of the extension works of TPI Antananarivo.

### **5.1.3. ECONOMY, FINANCE AND BUDGET**

#### **5.1.3.1. GENERALITIES**

The mission of Ministry of the Economy, Finance and Budget is to implement a development framework propitious to macro-economic stability, a fiscal and financial framework leading to growth and job creation.

The objectives are :

- To contribute to design a long term development strategy and coherent medium term macro-economic forecasts with a view to sustained growth and maintenance of major balances
- Implementation of a reliable information system needed for the knowledge of the financial and economic situation of the country in order to contribute to the evolution of the financial system
- To develop a budget policy as a tool for directing and promoting the economy involving an increase in revenues and control public expenditure consistent with overall objectives and priority sectors.
- Fight against corruption, transparency and improvement of the quality of services rendered in the Ministry.
- Update and achievement of the privatisation programme urging national to take part in the process through the "Fonds de Portage" .

### **5.1.3.2. PROGRESS AND RESULTS**

#### **5.1.3.2.1. OBJECTIVE 1 : CONTRIBUTION TO DESIGNING LONG TERM DEVELOPMENT STRATEGY AND FRAMEWORKS, AS WELL AS COHERENT MEDIUM TERM MACRO-ECONOMIC FORECASTS WITH A VIEW TO SUSTAINED GROWTH AND MAINTENANCE OF MAJOR BALANCES**

- Speed up economic growth
- Finalize and implement PRSP since July 2003
- Implement emergency programs
- Design a long term development strategy by reactivating the NLTPS process:
  - Terms of reference finalized in consultation with UNDP
  - Monitoring the political policy under PRSP
- Provision of an analysis tool for coordinating sectorial policies:
  - Design the "Assessment of Sectorial Policies: Organisational Aspects" document and its distribution to Ministries
  - Reflection on the format of sectoral policy analysis
  - Preliminary works preparing for the hiring of a consultant who is to support in the design of a manual of procedures : TOR established
  - Contribution to the guidance of the establishment of a National Nutrition Policy: synthesis of recommendations and amendments received during the national workshop of validation of the policy document in April 2004
  - Contribution and steering participation in designing the strategy for Social Protection in Madagascar
- Mitigate imbalance in the distribution of public investments
  - Collect and analyse PIP data,
    - ✓ 2003 Tranche : spatial financial achievements
    - ✓ 2004 Tranche : technical details with geographic intervention areas
  - Establish the TOR on consultations to conduct in Provinces and Regions (needs and expectations) for PIP preparation, 2005 Tranche
- Monitoring and assessing the achievement of quarterly and annual programmes and projects:
  - 2003 annual report
  - 2004 1<sup>st</sup> quarterly report
  - Performance chart with the performance indicators of the main programmes and projects
- Enhance the implementation of external cooperation through :
  - sectorial platforms : DCE co-organization/participation in designing Papers for UNDP, UNFPA, UNICEF and WFP Countries (joint steering committee and technical committees)
  - review multicultural programs/projects: preparation of the reviews/project monitoring; implement projects
- Intergovernmental negotiations : process underway for the preparation of the Madagascar-France joint Commission and RFA-Madagascar intergovernmental Consultations
- Continuation of the cooperation with the private sector and NGOs: update a database on NGOs
- Transparent management of external cooperation : collection , update, validation of current data with donors and other development partners

- Follow-up to the Friends of Madagascar Conferences
- Supervision, training, methodological and technical support to the 06 SREPs and ZEPs
  - preparation of the REPLEX workshop scheduled end of May (postponed because of delay in the release of UNDP funds)
  - note on the situation of PCDs: data collection, processing and synthesis.
- Capacity building in national institutions involved in economic management , in terms of analysis and development policy making : hiring a researcher to take care of capacity building
- Research and economic surveys in management
  - remission of tax, guarantee, Fanambina and passage to Ariary
  - contribution to the design of DPR (Development Policy Review)
- Communication of the research results
  - Publication of newsletter (n°1 and 2)
  - Debates among MEFB, MICDSP staff, and the private sector
  - Creation of the CREAM website
- Development of forecast and macroeconomic simulation tools: update of the document on Madagascar Macroeconomic Model (MAROA)
- Economic and financial monitoring (FRPC)
  - Update macroeconomic programme achievements
  - Update macroeconomic framework for economic forecast
  - Update the status of measures in the protocol
  - Review macroeconomic framework after review by IMF staff, in view of the passage of cyclones and MGF depreciation
- Coherence between external contributions and development objectives:
  - finalizing the collection format on the basis of APD (Aide Publique au Développement)
  - finalizing the Draft document on policy and intervention area
  - writing a report on cooperation by the DCE
- Effectiveness and monitoring of commitments during the meeting of the Friends of Madagascar
  - Monitoring conventions signed and disbursement
  - Monitoring grants and loans related to Elita and Gafilo cyclones
- Contribution to poverty reduction by targeting vulnerable classes of society
  - More with Associations and NGOs
  - Purchase and dispatching building materials to the areas victims of the disaster.

**5.1.3.2.2. OBJECTIVE 2: IMPLEMENTATION OF A RELIABLE INFORMATION SYSTEM  
REQUIRED TO UNDERSTAND THE ECONOMIC AND FINANCIAL SITUATION OF  
THE COUNTRY, IN ORDER TO CONTRIBUTE TO THE DEVELOPMENT OF THE  
FINANCIAL SYSTEM**

- Production of reliable information:
  - connecting a few Principal Treasuries through the Internet connected to accounting terminals accessible through a telephone network : 6 principal trasuries connected
  - installing a website of the Ministry : website available and operational

- designing a periodical performance chart : the national "Tableau de Bord Social (TBS)" is completed as well as the regional TBS of Fianarantsoa and Tulear.
- setting up a computerized network in the ministry: network available and operational
- production and distribution of surveys and statistic and economic data : in the framework of PRSP monitoring and updating information (including macroeconomic frame), monitoring plan available
- initialization and monitoring made in June 2003. coordination reinforced through the African Day of Statistics and designing the TBS
- establishing the Center for Research, Studies and Support to economic analysis in Madagascar (CREAM): a center created and introduced to public institutions and the private sector in August 2003. Presentation and publication of surveys on recent measures (remission of tax, Fanambina, passage to Ariary, ...)
- Improvement of accessibility and service provision: provision of equipments to devolved services (Tulear: Regional Directorate for Public Expenditure, of the Treasury and the Customs)
- Updating the Ministry website
- Information on the overall strategy of MEFB and of the Government
- Half-year report/workshop on PRSP implementation
- 2003 annual report on program monitoring and assessment
- First quarterly report of program and project monitoring
- Distribution of 2003 JAS Report (Journée Africaine de la Statistique)
- End of collection on Population and Health Survey
- 2005 PCG passed by decree
- Public presentation of 2004 Financial Law (at regional level and economic operators and the media)
- Measures helping the evolution of the financial system:
  - putting in place the Malagasy Guarantee Funds: Guarantee funds operational: guarantee granted MGF 16.5 billion, loan MGF 27 billion launch of the communication campaign
  - finalizing the coherent General Chart of Accounts (PCG) restructuring with standards applicable at international level : sectoral guides insurance bank and PCOP in the process of finalization
  - drafting laws and texts relating to mutualist and non mutualist microfinance
    - ✓ edition of a first draft of text submitted to various stakeholders involved in microfinance and discussed in a validation workshop for microfinance national strategy
    - ✓ validation workshop for the national strategy in matter of micro-finance
  - acquire better information on the private sector : contact and information sharing with major business operators

**5.1.3.2.3. OBJECTIVE 3 : IMPLEMENTATION OF A BUDGET POLICY AS AN INSTRUMENT OF DIRECTION AND PROMOTION OF ECONOMY INVOLVING GROWTH IN REVENUES AND CONTROL OF PUBLIC EXPENDITURE IN ACCORDANCE WITH THE OVERALL OBJECTIVES AND PRIORITY SECTORS**

- Reform in the public finance:
  - finalising the organic law and texts on budget management:
    - ✓ bills on the Comité de Réforme Interne (Internal Reform Committee), the Special Funds, stock accounting, adaptation of the PCOP to PCG 2005 are underway

- ✓ the text on the nomenclature of the expense vouchers to put in place
- strengthening budget monitoring through joint action by the "Inspection Générale de l'Etat" (General State Inspection)), the "Conseil de Discipline Budgétaire et Financière" (sanction authority), the "Direction Générales des Dépenses Engagées" (state spending) and the "Chambre des Comptes" or General Auditor's Office .
  - ✓ continue institutional capacity building in inspection and monitoring bodies
  - ✓ bills of regulatory texts with general and specific scope relating to the above bodies
- setting up a system to monitor the budget cycle (liability, account, order to pay, payment) in six ministries : Education, Health, Agriculture, Environment, Justice and Public Works : system put in place in the six ministries
- monitoring social sector activities including budget allocation, effected expenses and physical achievements: the facilities are in place for the financial and physical monitoring of social sectors (operation budget)
- clarification and simplification of public procurement procedures
  - ✓ adoption of voucher nomenclatures through a decree
  - ✓ adoption through a decree of advance payments
  - ✓ adoption through a circular of demands for payment
  - ✓ define the roles and responsibilities of the official to order payment in the execution stages of public expenditures
  - ✓ Validation of the Code of public procurements
  - ✓ Presentation of the bill bearing the code of public procurement to the Parliament
  - ✓ Instituting PRMPs
- Reinforcement and upgrading the management staff in the Public Finance
  - ✓ Organize the workshop on the matrix of reforms
  - ✓ adoption of the draft for the organic law on public finance by the Assembly
  - ✓ adoption by the Assembly of the Act bearing the Conseil de Discipline Budgétaire et Financière (CODIF)
  - ✓ preparation of implementation texts on the organic law and CODIF and the code of public procurements
  - ✓ Launch of the process of reviewing public expenditures on a three-time a year basis: first review in May 2004
- Strengthening internal monitoring :
  - ✓ Creation of the Inspection Générale des Finances(IGF), that is (General Finance Inspectorate):
  - ✓ "Adoption" of the decree bearing creation, organization and operation of IGF
  - ✓ IGF: study tours
  - ✓ Strengthening monitoring bodies
- Developing a budget policy as an instrument for directing and promoting the economy
  - organize workshops actively associating technicians from economic groups:
    - ✓ organization of 12 working sessions since 2003
    - ✓ meeting with operators from the 6 provinces
  - intensify works of the commission in charge of conducting analyses and draw concrete leads for reflection: actions undertaken with a view to making taxation into a development tool

- implement remission of tax and some incentive provisions : tax remission measures on inputs and agricultural equipments, as well as investment goods – Fanambina – setting up Guarantee Funds ...
- Training in public procurements
- Revenue growth to reach international standards in matters of tax ratio
  - Creation of the "Comité Directeur" or Steering Committee to monitor reform programmes in taxation and customs administration , chaired by the Minister of the Economy, Finance and Budget with 6 representatives from the private sector and 6 representative from the Administration : operational committee (weekly meeting)
  - Formalization of the current procedure : through the creation of the arbitration and appeal committee in matters of customs dispute.
  - continuation of collection actions and follow-up delinquent taxes : through the creation of the "Direction de la Fiscalité des Grandes Entreprises" (DFGE) in charge of monitoring taxation for major companies, Creation a "handling unit" in the DFGE, Reorganization of DFGE
  - rehabilitation of tax offices outside Antananarivo : 5 tax offices recently computerized, 16 centres rehabilitated, 3 new ones under construction , 3 cases of building in the process of rehabilitation , and reconstructing the Faravohitra centre is under study.
  - reinforcement of the security of tax offices through the acquisition of new safes
  - Intensification of actions under the proximity taxation policy helping to identify new tax payers : actions conducted while tapping for growth activities, new tax payers identified : more than 22 000 ones, bringing in MGF 3 084 billion of payment.
  - continue actions aiming at raising awareness of the informal sector thanks to the intensification of TV spots and radio programmes; publication of new tax leaflets and awareness field visits;
  - writing implementation and interpretation texts for the General Codes of Taxes (CGI): Extension of the CGI, distribution of leaflets and brochures on tax texts
  - simplification of customs clearance procedures through the creation of one-stop shops (Toamasina, Mahajanga) and instauration of forms on the "Declaration en Douane Unique" (DDU) in operation since June 2002.
  - implementation of a customs update programme under the new contract with an inspection company before operational shipping since April 2003. Monthly reports available until May 2004.
  - Creating cross-checking with public expenditures and the Treasury: dispatching every 3 months of accounting centralization cards to the Treasury.
  - DFGE upgrading : conduct a feasibility of the SIGTAS system
  - Computerising tax offices (38 centres)
  - Extension of texts on the implementation and integration of CGI: launch of newsletter and leaflets about fiscal texts.
  - guaranteeing customs revenues: SYDONIA ++: signing of the contract and mission of UNCCED experts locally
  - Strengthening means and capacities for a better quality of revenue repayment: publication of progress report by the steering committee for the tax and customs reforms
- Coordinating external assistance
  - Running the development of bilateral and multilateral cooperation programs: System of the United Nations, European Union, BAD, France, Germany, ...

- Implementing and monitoring programs in partnership with technical and financial partners (IMF, World Bank, European Union, BAD....)
- Monitoring all donor budget assistance
- Reduction of debt structure :
  - ✓ Draft a report on initiating HIPC factor monitoring
  - ✓ Conduct physical monitoring of 2002 achievements and part of 2003 on HIPC
- Control and stabilize public expenditure and distribution in accordance with overall and sectorial objectives
  - Presentation of the financial law 2004 in the form of a program budget annexed to 2004 Financial Law. In 2004, technical capacity building among stakeholders with a view to the presentation in the form of a program budget in 2005 Financial Law
  - Preparation of new texts governing public finance: Organic law about public finance passed by the Parliament
  - Creation of a system of integrated public finance management : pilot site of Toamasina operational. Extension begins in 2004 at national level
  - Creation of a one-stop shop for TVA payment in order to prevent project implementation from being stopped by lack of local counterparts
  - Improvement of public procurement mechanism by upgrading thresholds
  - Settlement of the State arrears with the private sector (refunding VAT credits and payment of outstanding bills): pending cases of payment prior to the end of December 2002 are entirely settled during the first half of 2003 under the Programme d'Appui Budgétaire d'Urgence of the European Union (PABU/UE)
  - Rehabilitation by the State of SOLIMA debt to the Central Bank and repayment convention institution between the Treasury and the Central Bank signed on 25 April 2003. The repayment will spread over 5 years as from 2004.
  - Settlement of State arrears to Salama Pharmaceutical central purchasing office
  - Compensation between JIRAMA debts towards oil product providers and the debts as oil taxes owed towards the State on December, 2 2002
  - Financial situation rehabilitation for the cotton company (HASYMA)
  - Setting up an Integrated InformationSystem (SIGFP)
    - ✓ Development of an intermediate system from the pilot system developed in Tamatave
    - ✓ Integration of credits in the Finance Law with a view to a gradual rehabilitation of the state debts towards JIRAMA and TELMA
  - mobilize external funding in accordance with the development objective and the State economic policy:
    - ✓ COMESA : negotiation EPA in March 2004
    - ✓ Millennium Account : Madagascar application has been accepted : Creation of an Inter-ministerial committee on the Millennium Challenge Account (MCA)
    - ✓ Initiating the designing of a report on development cooperation

#### 5.1.3.2.4. OBJECTIVE 4 : FIGHT AGAINST CORRUPTION, TRANSPARENCY AND ENHANCING QUALITY OF SERVICES PROVIDED AT MINISTRY LEVEL

- Fight against corruption and fraud :
  - Creation of an internal audit system: creation of the Direction Générale de l'Audit Interne (DGAI) directly under the Minister. Setting up a structure directly under the DGAI : department of internal audit, investigation unit for surveillance pursuit and collection in tax and customs matters
  - Creation of the green line (22 397 97) to take in complaints and information against users with a view to identifying blocking factors within the Ministry and to find those solutions which may help improve service quality.
  - Preparation of texts on Budget and Financial Disciplinary Committee : Law passed by the Parliament.
  - Publication of the manual of procedures for tax services at the level of taxes in order to inform users and empower ministry agents.
  - Strengthening control of documents on site in the framework of the fight against fraud: 1012 reports in 2003 for taxes evaded amounting to up MGF 44,8 billion
- Transparency in procedures and accounts
  - Production by the taxation department of TV commercials and radio programs , and publication of practical guide for the taxpayer regarding continuation of awareness actions on the informal sector
  - Posters put up in the financial institutions in view of informing the users of the procedures
  - Catching up efforts in developing the State final accounts :
    - ✓ Production of Treasury Balances (Bal)
      - o Bal 2001 : June 2003 achieved
      - o Bal 2002 : Dec 2003 coordination and final control underway
      - o Bal 2003 : underway
      - o Bal 2004 : Bal 1st quarter in operation
    - ✓ Production of accounts with a view to reports on budget execution (Ldr)
  - Ensure that procedures are transparent : practical guides in press
  - Improve financial management
- Improve quality of services rendered by the Ministry
  - Establishment of an internal communication network through email with the taxation services in administrative centres and Antsirabe (DGI), operational since March 2003. Special line in place and operational for the 6 DGD bureaus , extension under study.
  - Speeding up clearance procedures : setting an optimal timeframe for goods clearance. deadline for Tamatave (7 hours) – Mahajanga and Tulear (24 h) – Ivato (12 h) – Antanimena (24 h)
  - Speeding up payment of postal order : creation of a waiting room in the PGA – opening of four additional counters in PGA – Establishment of a computerised pre-payment monitoring system
  - Rehabilitation and maintenance of administrative buildings
  - Rehabilitation of government personnel management : processing and updating data files relating to civil servants and eligible parties, erasing non active agents
  - Creation of new Embassies : developing a financial management software relating new personnel overseas, development of a circular note about the simplification of procedures for handling old age pensions

- rehabilitation of the salary file: merging of Manpower and Stamp sections
  - Ensure healthy management of the database on salaries and old age pensions:
    - ✓ developing a programme to convert into Ariary of all the payment documents of salaries and old-age pensions
    - ✓ Development of a manual of procedures to fill up any formatted acts by transaction
    - ✓ Creation of a counter for delivering registration and reception of for taking in claims and complaints
  - Computer networking and training of personnel: simplification of pension handling procedures
- Development of a monitoring system
- Monitoring major businesses in conjunction with DGT, DGI, DGD : visits to Toamasina, Toliara and Mahajanga
  - Organizational auditing and support to the management of MEFB human resources
  - Setting up DGAI final structure

#### 5.1.3.2.5. OBJECTIVE 5: UPDATING AND CONDUCTING PROGRAM URGING PARTICIPATION OF NATIONALS IN THE PROCESS THROUGH "FONDS DE PORTAGE"

- Update and achieve the privatization program
- urge participation of nationals
  - Implement privatization program
  - ✓ HASYMA : continue process pursuant to unfruitful outcomes of the first call for tenders
  - ✓ JIRAMA : Launch in view of management contract
  - ✓ SIRAMA : privatization process underway
  - ✓ TELMA : Finalization of the process

#### 5.1.3.3. INDICATORS

**Table 19 : Economy, Finance and Budget Indicators**

Measures	Indicators	2003	2004
Production of statistical and economic information	Website in operation	Website in operation	Improvement of website
Creation of an integrated system of public finance management	Integrated system operational	Operational system in Toamasina pilot site	System operational in the province admin. centres
Adoption of legislative and regulatory texts	Draft texts finalised	Finalisation of texts	Implementation of texts
Reinforcement of monitoring and internal auditing	Creation of DGAI	Creation of DGAI	
Continue collection efforts	Tax ratio	10.0%	11.2%
Creation of the Steering Committee	Decree on Creation	Decree n° 2003-652 of 23.05.2003	
Review the State procedures for payment of fees and taxes (including VAT) in public procurements with external funds	Procedures implemented	Through budget circular n° 05-MEFB of 27.12.02	
Finalization of contract with new inspection company before shipment	Contract signed	March 2003	Follow up implementation of contract
Boost activities of tax offices outside Antananarivo	Number of computerised offices	30	45
Reinforcement of structure for monitoring major enterprises	Creation of DFGE	Creation of DFGE	Updating of DFGE. installing SIGTAS new software
Writing and dissemination of texts of application and interpretation of Code Général des Impôts	Texts published	Texts published	Distribution of texts
Expansion of computerisation of Customs	SYDONIA ++ operational		SYDONIA ++ functional

Measures	Indicators	2003	2004
Simplification of goods clearance procedures through a one-stop shop	-Time required for clearing goods - New form - one-stop shop	Time reduced down to - 24 h for customs checks (airports) - 48h for handling containers in Toamasina - new DDU forms -creation of one-stop shop Tamata-ve and Majunga	- Shorter time - creation of one-stop shops in, Antsiranana & Toliary - creation of an arbitration committee
Monitoring HIPC programme	Implementing HIPC measures (completion point)	Monitoring implementation of HIPC completion point measures	Attaining HIPC completion point
Creation of a system to monitor budget cycle	System in operation	System in place in 6 ministries (MINESEB, MINSAN, Agriculture, Water & Forests, Justice, Public Works	System in place in other ministries
Designing final State accounts	Reports completed	2001 & 2002 quarterly balances 2000 & 2001 settlement bills	2003 quarterly balances 2002 & 2003 settlement bills
Rehabilitation of State arrears towards the private sector	Arrears rehabilitated	Repayment of VAT and payment of bills due	
State carries forward SOLIMA debts towards the Central Bank	Repayment agreement	Repayment agreement signed on 25 April 2003	Beginning of repayment
Rehabilitation of the State arrears to SALAMA Pharmaceutical purchasing office	Arrears rehabilitated	Arrears rehabilitated	
Compensation between JIRAMA debts towards providers and debts under taxes	Compensation completed	In December 2002	
Rehabilitation of the financial situation of the cotton company (HASYMA)	Payment of arrears to farmers	Assignment of 23 billion	International call for tenders for HASYMA
Setting up a guarantee fund	Guarantee fund in operation	Creation of a guarantee fund	
Customs tariff reform	Tariff reform	Tariff redevelopment in FL2004	Continuation of study on tariff reform

#### 5.1.3.4. LESSONS LEARNT

##### 5.1.3.4.1. INSTITUTIONAL ASPECT

###### Internal level

- Lack of human means, resources
- Lack of training among agents
- Lengthy privatization procedures
- Complexity of partners procedures (approval, disbursement ...)
- Enterprise reform policies in the country , still focusing on settling immediate issues with the implementation of short term reform as a priority
- UNDP willingness to support implementation of the activity
- Absence of coordination in nutrition interventions
- Donors willingness to finance the sector
- Insufficient social protection programmes (informal and formal)
- Projects and injected resources too much targeted (some regions are hardly or not covered by public investments)
- Regions still lack information about PIP and its implementation
- Delayed information from sectors resulting at times in unavailability of some information

- More marked involvement of the efforts of technical commissions
- Timely production of review reports
- Regular and documented monitoring of program implementation run by DCE
- Better organized collection, processing and analysis of data on cooperation
- Preparation of required documents well in advance for the 3<sup>rd</sup> Friends of Madagascar Conference (2004)
- Initiating the process for the preparation of the inter-governmental negotiations/consultations sufficiently in advance
- New needs for methodological support generated by the new structures (regions, communes)
- Surveys have helped have insight into controversy on current themes and formulate measures to take
- Research topics in economic management to tap are numerous
- Publications are too technical
- The participation of the public and private sectors helps a dialogue which contributes to enrich our analyses
- Existence of several data collection formats within MEFB which standardising
- Improvement of surveillance, monitoring of the overall maintenance of building and offices.

#### **External level**

- Lack of coordination among various donors supports and interventions
- Budgetary impacts of some institution decisions are not taken into account on the outset resulting therefore in disruptions in the achievement of projects.

#### **5.1.3.4.2. FINANCIAL ASPECT**

- Problem of procedures in fund disbursement
- Problems of credit release
- Lack of financial means
- Insufficient financing for training in the establishment of the System of Monitoring and Assessment and field missions helping see physical achievements of programs and projects on site .

#### **5.1.3.4.3. TECHNICAL ASPECT**

- No control among agents of all functions of SYDONIA 2.7

#### **5.1.3.5. IMPACTS OF MEASURES**

- As regards fiscal revenues:
  - Increase by 2.3 points in fiscal revenues/GDP ratio (tax pressure ratio of 10.0% in 2003 up from 7.7% in 2002) following reinforcement of actions relating to collection and follow-up of delinquent taxes.
  - Increase in TST and IRNS fiscal revenues by more than 44% from 2002 to 2003 following establishing and revitalising of tax centers outside Antananarivo.
  - Back pay of duty of MGF 10.4 billion following the installation of cross-checking with public expenditure and import circulation

- More than 22,000 new taxpayers detected with MGF 3.8 billion collected following prospecting of promising activities
- As regards improvement of quality of services provided at the Ministry:
  - reduction of transaction processing time (customs, taxes, treasury)
  - reduction of user queuing during major payments (Treasury), thanks to the creation of additional payment counters

#### **5.1.3.6. CHALLENGES AND ACTION PLANS**

##### **5.1.3.6.1. CHALLENGES**

- At the internal level:
  - Strengthening of linkage between resource allocation and overall and sector objectives as regards fight against poverty
  - Setting-up of a framework for medium-term expenditure (program budget)
  - Greater control over expenditure circulation (Integrated Automated Management System of Public Finances, Procurement Contracts...): increase in the absorption rate, better follow-up of achievements.
  - Improvement of technical capability and work environment
  - Effectiveness of SYDONIA++ system
  - Adoption of regulations and management tools over routine activities
  - Continuing of participatory process
  - Reviewing of the privatization procedures
  - To reposition PSRP in an overall vision of long-term sustainable development
  - Harmonization of procedures to facilitate supervision and coordination from Government
  - To have an intervention orientation framework as regards nutrition
  - To have a Social Protection Strategy that is based on risk management and that is integrated
  - To have a tool for orienting public actions for an improved spatial balance
  - To provide regions with information relating to the Public Investment Program (PIP) and its spatial distribution
  - Continuation of the REPLEX chain training for region officials
  - To have a follow-up tool over the evolution of region development
  - To improve regional services planning capacities
  - To go deeper into the reflections and contemplate other research leads
  - To make a broad diffusion of the debates, in particular for non economists
- At the external level:
  - Acceleration of fund releasing
  - Harmonization of the supports and interventions from the various financial donors by the installation of a co-ordinating entity
  - Taking into account in the budget estimates of any decision of the institutions

### 5.1.3.6.2. ACTION PLANS

The main trends for the year 2004 such as they are envisaged in the Annual Work Plan (2004) are consistent with the continuation and consolidation of the actions undertaken since 2002 and 2003, and the programs which have been selected are supported by the various technical and financial partners of the Government.

Overall objectives:

- Good governance
- Improvement of the quality of the services provided at the Ministry
- Fight against corruption
- Contribution to fight against poverty
- Upholding of commitments

The specific objectives selected for 2004 are:

- To work in collaboration with the sector ministries, to ensure a distribution of the budgetary expenditure reflecting PSRP priorities.
- To work out and carry out a detailed work program which aims at eliminating corruption in all Customs, Tax and Treasury services and to improve collection of customs revenue, as well as interior revenues from taxes through widening the tax base
- To reform the expenditure and procurement systems with a view to accelerating investment project implementation, to improve transparency and to eliminate corruption
- To carry out privatization programs, in priority privatization of HASYMA and to encourage participation from nationals in the process

Input:

- Human resources: capacity building
- Computerization: Setting-up of a comprehensive data-processing network
- Organization
- Drafting of working methods
- Establishing of regulatory procedures and framework

Main measures and actions to be implemented in 2004:

- Modernizing of the economic policy management
- Strengthening and increase of revenue level:
  - Measures for increasing domestic revenue: modernization of DFGE
  - Installation of SYDONIA ++ at 3 customs houses (Tamatave Harbor, Ivato Airport, Antanimena)
  - Extension of the one stop shop
  - Setting-up of the recourse committee
  - Popularization of procedures to users
  - Continued consultation with the private sector

Reinforcement and modernization of the legal and organizational framework of Public Finance management:

- Implementation of the Organic Law on Public Finance

- Improvement of the rules and procedures of procurement contracts
- Establishment of a nomenclature of supporting documents
- Generalization of the Public Finance integrated management system
- Rationalization of the programming and the implementation of the PIP
- Reinforcement of follow-up control:
  - Setting-up of the Finance General Inspection (IGF)
  - Publishing of procedure handbooks for all the structures at the MEFB
  - Creation of a monitoring and evaluation system within each Directorate
- Monitoring of implementation and observance of due dates of poverty reduction programs:
  - Attaining HIPC completion point
- Decentralization:
  - Legal framework
  - Means
  - Training

#### **5.1.4. ADMINISTRATIVE REFORM**

##### **5.1.4.1. GENERAL**

The mission of the Ministry of Interior and Administrative Reform is to defend democracy, to enforce legality and to ensure success in decentralization program.

The objectives are:

- To strengthen the institutions responsible for managing elections in order to ensure that the various elections are fair, transparent and impartial.
- To develop and set up a modernization program of the administration which reflects the decision of Government to accelerate the decentralization process, to strengthen the communes and to develop the regions
- To reinforce safety, to modernize the police force and to ensure respect for human rights and democratic rules.

##### **5.1.4.2. PROGRESS AND RESULTS IN 2003**

###### **5.1.4.2.1. OBJECTIVE 1: TO STRENGTHEN INSTITUTIONS RESPONSIBLE FOR MANAGING ELECTIONS TO ENSURE THAT THE VARIOUS ELECTIONS ARE FAIR, TRANSPARENT AND IMPARTIAL**

Within the framework of Good Governance, priority measures were carried out in several fields:

- Decentralization:
  - Draft decree on the creation and delimitation of the State territorial administrative units
  - Draft decree setting the attributions of State territorial administrative unit Chiefs
  - Draft decree setting the conditions of remuneration, allowances and benefits allocated to the State territorial administrative unit Chiefs
  - Establishment of 15,980 fokontany, and 61,324 fokonolona (fully completed)
  - Adoption of the bill on the establishment of regions by the National Assembly
  - Development of a procedure handbook as regards control of the lawfulness of Communes actions: studies have been carried out and the document is being published
  - Training of the 'Prefets' and 'Sous-Prefects' on lawfulness control: preparations in progress

- Upholding of democracy
  - Presentation of regulation related to communal elections
  - Preparation and organization of local and communal elections
  - Study and design of the new bill on Electoral Code
  - Development of a draft decree relating to institutional capacity building of the National Electoral Council
  - 'Birth Certificate' and 'ID card' Campaigns
    - ✓ Development of the bill relating to the 'Birth Certificate' campaign
    - ✓ Drafting of instructions
    - ✓ Data collection
    - ✓ Making out of program estimate
  - Preliminary studies on the secured management system of the population
- Civil Defense
  - Implementation of conventions (dina) as regards public security: 29 dina covering 23 'Sous-prefectures' considered to be 'sensitive zone' (objective completed)
  - Weapons and explosive substances control (exhaustive census of the civil gun holders), fully completed
  - Studies on the collective agreements relating to public security: documentary works

**5.1.4.2.2. OBJECTIVE 2: TO DEVELOP AND TO SET UP AN ADMINISTRATION MODERNIZATION PROGRAM THAT WILL REFLECT THE DECISION OF GOVERNMENT TO ACCELERATE THE PROCESS OF DECENTRALIZATION, TO STRENGTHEN THE COMMUNES AND TO DEVELOP THE REGIONS.**

As far as the Administration modernization program is concerned, the achievements can be seen in several fields

- Fight Against Corruption
  - Studies relating to computerizing staff management and foreigner control and the 6 registration centers completed
  - Improvement of processing channels for application documents relating to residence permit granting and issuance of resident card:
    - ✓ Analysis of the application documents processing procedures
    - ✓ Rationalization of actions of government departments
  - Studies relating to computerizing foreigner control: definition of terms of reference
  - Computerizing registration centers: validating report on the studies of computerization of these centers in progress
  - Development and distribution of a code of conduct for the chiefs of administrative units
- Reinforcement of the means of the Administration
  - Construction and rehabilitation of buildings of the central services (2 new buildings)
  - Rehabilitation of the offices of 'Prefectures' and 'Sous-prefectures' (objective outgone: 3 Prefectures and 5 Sous-prefectures rehabilitated whereas 2 Prefectures and 3 Sous-prefectures were planned. This was made possible not only because of input and building materials tax reduction but also because of the granting of an additional funding from the Prime Minister Office

- Provision of office equipment (objective largely outgone: 457 typewriters and 60 computers whereas 25 typewriters and 21 computers were planned). Competition established between providers, significant lowering of prices due to tax reduction, as well as an outstanding financial support from the European Union and USAID made it possible for the Ministry to increase acquisitions compared to initial forecasts.
- Equipment in rolling stocks (7 4X4 vehicles and 4 motor cycles)
- Rehabilitation of Population Registry
- 13 regional trainings for 22 'Préfets' and 22 'Deputy préfets', 89 'Sous-préfets' and 89 'Deputy sous-préfets', 31 Magistrates of County Courts (objective completed)
- Effective devolution of Administration:
  - Rehabilitation of buildings of decentralized services: Six (06) rehabilitations carried out

#### **5.1.4.2.3. OBJECTIVE 3: TO STRENGTHEN SAFETY, TO MODERNIZE THE POLICE FORCE AND TO ENSURE HUMAN RIGHTS AND DEMOCRATIC RULES UPHOLDING**

Within the framework of the setting-up of a national system of civil protection, the achievements are:

- Establishment of the legal framework and enabling of the national (CNS), regional (6 CRS) and local structures of risk and disaster management (completed)
- Training of 50 voluntary first-aid workers and supply of small intervention equipment (Antananarivo and Toamasina) carried out
- Training of 20 persons in charge on initiation with fire forecast and prevention (completed)
- Provision of fire control equipment to the town of Majunga (objective completed: 01 vehicle and 02 motor-driven pumps)
- Training of voluntary community associations firemen from three districts of the City of Antananarivo (completed)
- Provision of six fire control vehicles to the Urban District of Antananarivo: equipment being unloaded at the Toamasina Harbor
- Drafting of the application decree to the law on the risk and disaster management national policy: draft decree on revolving communication for observations and opinion

#### **5.1.4.3. INDICATORS**

**Table 20: Administrative Reform Indicators**

<b>Indicators</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>Assumption</b>
Effective geographical coverage rate in DAA (in %)	69.76	68.21	71.07	78.80	86.54	Granting of 100 budget headings/year as from 2005
Number of buildings built in central services	02	02	-	01	-	Sufficient allocated appropriations
Number of offices rehabilitated in central services	22	107	-	-	-	Sufficient allocated appropriations
Number of administrative office buildings used by decentralized services rehabilitated	01	08	10	12	14	Sufficient allocated appropriations
Number of purchased computers	34	60	45	50	50	Sufficient allocated appropriations

#### **5.1.4.4. LESSONS**

##### **Institutional Aspect**

The main constraint met was staff shortage for the Administrative Delegates of District (392 vacancies out of 1,208)

Difficulty to establish a perennial structure: frequent change of structure (Fokontany, Fokonolona, district...)

#### **5.1.4.5. CHALLENGES AND ACTION PLANS 2004**

##### **5.1.4.5.1. CHALLENGES**

- To ensure the effective State presence all over the country
- To carry out recruitment depending on the availability of budget headings and the accommodation capacity of the National Center for Administrative Training 'CNFA'
- To accelerate execution of the administrative reforms and study works as regards Rule of Law and observance of democracy
- To enforce precise procedures in a field which can lend itself to corruption
- Effective devolution of the direction of administrative reform
- To get the 'dina' involved in the normal process of justice (involvement in court/public prosecution)

##### **5.1.4.5.2. ACTION PLANS**

The actions for 2004 aim at:

- fighting against corruption: computerizing staff management, sensitizing agents and users, deontology and behavior, controls and inspections, development of a common procedure handbook, meeting among concerned government departments
- Observance of democracy: public freedoms, financing of political parties, opposition party statutes, electoral code, study and drafting of the bill relating to the 'Birth Certificate' campaign, implementation of 'Birth Certificate' and 'ID Card' campaigns
- Capacity building among civil servants
- Staffing reinforcement in Administration Associates and Assistants
- Governance and the Rule of Law: protected computerization of population management
- Community-based governance: territorial reform
- Civil protection: risk and disaster management, fire control
- Civil defense: gun and explosive substance control

#### **5.1.5. PUBLIC SAFETY**

##### **5.1.5.1. GENERALITIES**

The main missions of the Public Security Secretariat of State consist, on the one hand, in ensuring the domestic protection of persons and goods and, on the other, in guaranteeing safety conditions to population productive and economic activities because 'No safety, no development'.

The objectives are:

- To reinforce safety in urban areas
- To reinforce the National Police Force

- To provide the National Police Force with infrastructures and modern equipment

#### **5.1.5.2. PROGRESS AND RESULTS**

##### **5.1.5.2.1. OBJECTIVE 1: TO REINFORCE SAFETY IN URBAN AREAS**

As part of pursuing safety in urban areas, several measures and actions were carried out. The main achievements are:

- Transparency in file processing
  - inspection of 5 files in provinces carried out
- Fight against corruption
  - Provincial Service installed and operational in the six Faritany.
  - Completion of 2 trainings of management officers and 20 impromptu controls in various services
- Support to the reinforcement and the rationalization of safety
  - Training of 30 Captains from Police force for controlling the setting-up process of the new National Public Security Plan (completed)
  - Preparation of travel documents: Printing of passports by French National Printing works
  - Rehabilitation of ENIAP buildings in Antsirabe.
  - Land purchase for setting-up the 8th Police District.
  - Opening of new CSPs in Manandriana-Ambatomainty.
  - Opening of new Police Stations in Tsararano (Mahajanga), in Fianarantsoa, in Nosy-Be (Ambatoloaka), in Antananarivo (Ambatobe).

##### **5.1.5.2.2. OBJECTIVE 2: TO STRENGTHEN THE NATIONAL POLICE**

As part of improving the system of 'Initial and in-service training' in National Police Force aiming at Adequacy between Employment-Recruitment

- Training of 42 Captains (including 30 for last semester 2003 and 12 for first semester 2004) in Executive Management with the INSCAE (satisfactory results)
- Training of the 30 specialized units at Ivato.
- Recycling of 180 elements to provide a better reception of the public.
- Training of 100 Officers from the Intelligence Service (Anti-terrorism).
- Training of 60 elements in office automation, 01 element in maintaining information processing systems, 02 Officers in the AUTOCAD 2D/3D, 04 elements in level 2 computer electronics and fixing (At BIT SOLUTION Tsiadana).
- Training of one (01) element in maintenance of information processing systems and one (01) as an Data Processing Engineer (at ENI Fianarantsoa).
- Training of Senior officers in India (01) and in Egypt (03).

##### **5.1.5.2.3. OBJECTIVE 3: TO PROVIDE THE NATIONAL POLICE WITH MODERN INFRASTRUCTURE AND EQUIPMENT**

As part of providing equipment to the National Police Force in modern infrastructure and equipment, the main achievements are:

- Acquisition of data-processing and transmission equipment and software for professional activities
  - Provision of radio communication devices
    - ✓ Provision of 12 Fixed Transmission Stations with accessories;
    - ✓ Provision of 3 Mobile Transmission Stations with accessories;
    - ✓ Setting-up of the Central Site Transmission Service
  - Provision of computer equipment
    - ✓ Provision: of a Scientific Server, 40 microcomputers, workstations for the Fixed Transmission Stations and for data processing
    - ✓ Acquisition of 4 portable microcomputers for the Mobile Transmission Stations
    - ✓ Provision of Operating Software and Database Engine
- Acquisition of new modern equipment:
  - Provision of 4 4x4 vehicles especially for the SAVA area and the cattle theft zones (Between Tulear-Fianarantsoa);
  - Provision of 04 auto-cycles.
  - Provision of new uniforms.
    - ✓ Black specialized outfits

- ✓ Complete battle dress
- ✓ New man and woman uniform
- Provision of rolling stocks such as:
  - ✓ 30 VW mini vans
  - ✓ 15 VW patrol sedan Golf
  - ✓ 03 1017 Mercedes-Benz trucks.
- Setting-up and enabling of the 'modern infrastructures'
  - Building of 03 police stations in Faratsiho, Ambatomainity and Miarinarivo
  - Rehabilitation of the police station of Maevatanana, and of Camp FIP Antanimora, as well as the platform, and asphaltting of the ceremony ground at ENSP Ivato

### 5.1.5.3. INDICATORS

**Table 21: Public Security indicators**

INDICATOR	OBJECTIVE	SITUATION					
		2001	2002	2003	2004	2005	2006
Main PSRP Indicator: Police officers/number of inhabitants ratio	International Standard = 3 Police officers/1000 inhab.		3/7860	3/7350	3/6600	3/5970	3/5320
Trend and Capacity for Addressing Criminality (All Criminality included)		38526/61543	29085/53466	36475/59873	39690/63460	44500/66640	50160/70630
Coverage rate of Public Security Police Stations	In 2010: 141/141	67/141	70/141	73/141	75/141	80/141	85/141
Coverage rate of Community Police Stations in 60 Large Cities of Madagascar	In 2010: 192/192	30/192	28/192	28/192	38/192	63/192	98/192
Data processing and Information transmission capability		0	0	0	15 X 118 X 4 X 30 = 212,400	34 X 147 X 7 X 36 = 1,259,496	34 X 187 X 10 X 48 = 3,051,840
Number of trained and recycled Police officers out of total staff in 2010		-	850/ 11,800	1070/ 11,800	2390/ 11,800	4390/ 11,800	7100/ 11,800

### 5.1.5.4. LESSONS

#### Institutional Aspect

- ruling of the Procurement Central Commission incompatible with the technical specifications of the invitation to tender.
- arbitration from the Special Subcommittee chaired by the MEFB pursuant to article 49 of the Decree 98-559 on regulation of public procurement
- delay in equipment deliveries (to be imported).
- equipment insufficiency

#### Financial Aspect

- budget insufficiency

### 5.1.5.5. CHALLENGES AND ACTION PLANS 2004

#### **5.1.5.5.1. CHALLENGES**

- To re-examine the operating process of public procurements and the Procurement Central Commission line-up
- Setting-up and maintenance of the material infrastructures and software network to be carried out in 2004
- Rationalization and reinforcement of the community-oriented Police Force system and the homeland surveillance.
- Reinforcement and rationalization of the operational capacity of the units in charge of Administrative Police and the Criminal Investigation Department facing individual and organized crime, terrorism and kidnapping.
- Introduction of Executive Management training on a continued basis for in-service Police Captains
- Setting-up and enabling of the Public Security TELEMATICS System for 24 Public Security Police Stations.

#### **5.1.5.5.2. ACTION PLANS FOR 2004**

The actions for 2004 are based on:

- Strengthening of unit operational capacity
  - to well define sensitive zones
  - To carry on the establishment of Community-oriented Police Force and community policing.
- Recruitment and training activities
  - To define the adequate training modules for Police Academies.
  - Training in office automation, maintenance of information processing systems
  - Intensive training of new recruits (F.I).
  - Training of 850 new elements.
- Strengthening of the material capacity
- Definition of priorities

#### **5.1.6. NATIONAL DEFENSE**

##### **5.1.6.1. GENERAL**

The missions of the Ministry for National Defense are to ensure the protection of goods and persons against any form of threat and aggression, to guarantee safe conditions for population productive and social activities and to reinforce the action of the State at sea and the borders

The objectives are:

- To reassert the value of the defense scheme, guarantor of national sovereignty
- To strengthen the civil protection capacities

##### **5.1.6.2. PROGRESS AND RESULTS**

#### **5.1.6.2.1. OBJECTIVE 1: TO REASSERT THE VALUE OF THE DEFENSE SCHEME, GUARANTOR OF NATIONAL SOVEREIGNTY**

As part reevaluating the defense scheme, guarantor of national sovereignty, several measures and actions have been carried out. Main achievements include:

- Improvement of the operational capacity of the National Gendarmerie (GN) Units:
  - Increase in mobility of GN security system and availability of communication materials: adequacy of means-mission
  - Increase in staffing of GN: recruitment of regular service cadet gendarmes and officers (depending on availability of budget headings and accommodation capacity of Training Centers), enlisting of conscripts, recruitment of GN officers
- Support to the units through more powerful means

- Provision of more powerful means: special equipment for Criminal Investigation, provision of equipment to the territorial units, data-processing equipment, modernization of the printing works and the clothing workshops (completed)
- Provision of research sections and Criminal Investigation Support Group Department with special equipment. Continuation of setting-up of Criminal Investigation Team.
- Purchasing of computer equipment - ANACRIM (Criminal Analysis)
- Rehabilitation of the Tracker Dog Group: purchase of 3 tracker dogs and rehabilitation of buildings
- Rehabilitation and/or construction of military housings by 2004 until 2005.
- Installing a data-processing Network at EMGAM.
- Setting-up the maritime (COFONA) and air (COFOA) forces.
- Recruitment of specialists in the Army through competitive examinations: 300
- Establishing of the SOVAMAG workshop (Vehicle maintenance).
- Revaluation of unit operational capacity:
  - ✓ Provision of transport means (vehicles, boats, mountain bikes, motor bikes...)
  - ✓ Provision of communication means (radio, TPH, PC, FAX...)
  - ✓ Utilization of horses
- Improvement and computerization of human resources management
  - Raising the standards at military training centers: infrastructure, instruments and training
  - Study of availability of teaching system
- Rationalization of human and logistic resources management
  - Computerization of staff and material management
  - Redeployment of staff carried out: observing TED
- Fight against corruption and misuse of power
  - Personnel educating and sensitizing
  - Agent motivation
  - Development of controls and inspections: seminars, visits and periodic unit evaluation
  - Regulations upholding
  - Basic documentation: permanent documents, Criminal Investigation Department and Gendarmerie Memorandum, CP, CPP, declaration notebooks)
- Improvement of working conditions
  - Partial rehabilitation
    - ✓ Units and Troops
    - ✓ Sampoina (PC-Impluvium)
    - ✓ 2/RM, 1/RM2, 2/RM4
    - ✓ 2°RFI, Ste Marie
    - ✓ Civil Protection Units (5 buildings in Ampahibe), UPC (Toamasina)
  - Repairing materials and rehabilitating laboratory
  - Progressive provision of equipment to units

#### **5.1.6.2.2. OBJECTIVE 2: CIVIL PROTECTION CAPACITY BUILDING**

As regards civil protection capacity building, major achievements include:

- Reduction of insecurity in rural areas and on communication routes
  - Redeployment of community-oriented security system (GN)
  - Identification and targeting of high cattle rustling and crime zones
  - Deployment of operations against crime and execution of patrol maneuvers for rural security-keeping (Security-keeping Operations: FANDIO III, VANILLA III, MANTASALY III)
  - General police patrols
  - Surveillance of major roads
  - Surveillance of airports, ports, coasts and rivers
  - Semi-annual operation per Grouping
  - Operation 'RONGONY'
  - Annual large-scale operation (VB + Narcotics)
  - Intensive Rural Security-keeping Operation (OSRI)
  - Establishment of Outposts (PAs) in each important Firaisana and PV and/or PF in other ones (Furniture- armament-MAE, etc.)
  - Joint operation (French-Malagasy)
- Permanent presence of Malagasy Army units in rural areas
  - Raising of Autonomous Security Detachments and implementation of village security
  - Normalization of field unit staff number: enlistment and voluntary re-enlistment
  - Cancellation of the operation Autonomous Security Detachments (DAS) and adoption of the MMSR (Patrol Maneuver for Rural Security-keeping).

- Setting-up of monitoring systems such as rounds and patrols throughout the year, special and specific operations in the sensitive zones.
- Reduction of harmful effects of natural disasters
  - Pre-positioning of capacities and means for disaster control
  - Establishment of Civil Protection Units (UPC) in Arivonimamo and Toamasina;
  - Acquisition of technical materials (vehicles, transmission equipment, rescuing materials)
  - Protection of resources in defensive anticipation (natural disasters, etc): reforestation, control of mining sites, fishery resources and bush fire operations
  - Participation in protecting the Protected Area of Ankarafantsika
  - Establishment of tree nurseries in each province
  - Support to disaster victims
    - ✓ Transport of materials and relief such as foodstuffs (400 tons) in collaboration with the CNS.
    - ✓ Finding and recovery of shipwrecked men from the SAMSON boat in Mahajanga undertaken by the EMFAN – 02 high-speed motorboats used.
    - ✓ Sending of servicemen and emergency assistance equipment such as slicers, zodiacs in Morondava, Sambava.
    - ✓ Institution of a Civil Protection Regiment in Arivonimamo, protection of the population against natural disasters.
- Development of the operational capacity of the air and naval forces
  - Navigation capability equipment
    - ✓ Provision by the United States of America of 07 high-speed motorboats to coastguard police force
  - Air capability equipment
    - ✓ Acquisition of a TETRA plane
    - ✓ Acquisition of an helicopter
    - ✓ Purchase of a light and semi-light plane
- Prevention against HIV/AIDS
  - Awareness campaign and IEC to families: posters, seminars.
  - Compulsory AIDS screening when enlisting
  - Periodic visits
  - Provision of infirmaries and hairdressing parlors with means of fight (one man, one disposable syringe with needle)
  - Strengthening of education mission (administrative and medical police force): distribution of condom package at every exit
  - Strengthening of fight against sexual tourism

### 5.1.6.3. INDICATORS

**Table 22: National Defence Indicators**

Indicators in %	Sector	Year				Assumptions and Definitions
		2003	2004	2005	2006	
S.C.R.	Gendarmerie	0.70	0.70	0.80	0.92	Gendarme/inhabitants Serviceman/inhabitants
	Army	0.90	1.00	1.10	1.20	
N.S.C.	Gendarmerie	3	3.30	3.70	4	Units/Communes
	Army	14	11	9	8	
Tes 1	Gendarmerie	1.30	1.80	1.90	2	Arrests/tickets
Tes 2	Army	99	88	86	78	Km2/serviceman
QEP	Gendarmerie	14.60	14.60	15	15.50	Units/requests
	Army	40	40	40	40	

- 1- **S.C.R.:** Security Coverage Rate = Relation between the number of servicemen and the number of inhabitants
- 2- **N.S.C.:** Number of Secure Communes = Relation between the number of Units and the number of Communes
- 3- **TES 1:** Efficiency Level of operational Control of the territory (GN) = Relation between the number of arrests and the number of tickets
- 4- **TES 2:** Efficiency Level of operational Control of the territory (A,M) = Relation between the control area and the number of servicemen
- 5- **QEP:** Efficiency Rate of Provisions of Services = Relation between interception resolutions and intervention request (complaints, grievances, creation of units)

### LESSONS

#### *Institutional aspect*

- Dilapidated and outdated status of military resources and properties
- Imbalance between means and tasks assigned
- Lack of effective monitoring and follow-up for in-the-field units
- Insufficient number of the Gendarmerie Nationale personel
- Territory of intervention too broad
- Cooperation of various forces of law and order occurs in rural areas: Fandio III Operation (Ihorombe, Mania, Haute Matsiatra), CIRGN: 3 units (Fianarantsoa, Mananjary and Farafangana)
- Lack of appropriate "drastic measures" to ensure security
- Disciplines are more respected because applicable penalties are severe.
- The donation of materials to the Army, even though it is not in a sufficient quantity, has allowed them to provide much better work.

## **2004 CHALLENGES AND PLANS OF ACTIONS**

### **CHALLENGES**

- Renovation of buildings
- New supply of materials
- Promotion of control and inspection
- Recruitment of new Gendarme cadets and regular army officers
- Mobility in actions: emergency matters

### **ACTION PLANS**

Actions for 2004 are focused on:

- Optimizing the Organization and the Administration: supply of materials, institutional strengthening and training
- Revitalizing operational group action capacities : support in specialized equipment, improvement of infrastructures
- Normalizing the security of individuals and their possessions: health, reforestation, fight against AIDS, natural disasters...

### **FOREIGN AFFAIRS**

#### ***GENERALITIES***

The task of the Ministry of Foreign Affairs is to promote Madagascar on the international scene and to participate in the development of the country through actions aiming at attracting investors and encouraging exports.

Its objective is to strengthen Madagascar's economic and diplomatic relations thanks to diversified partnerships, opening to other countries and strengthening regional cooperations and SADC.

### **PROGRESS AND RESULTS**

#### **Objective 1: Strengthen Madagascar's representation at international and regional levels**

For the tasks aimed at winning the trust of governments and Madagascar's International Partner Organizations, the main achievements include:

- Recognition of the African Union, International Organizations and Madagascar Friends and Partners.
- Monthly diplomatic conference
- Regional Seminar on the Public Procurement Reform jointly organized by MAE and COMESA
- Improvement of the International Relations Conference
- Ratification of 9 international conventions on terrorism
- Ratifying the Protocol of the treaty creating the African Economic Community -- instrument of ratification submitted on 17 Feb. 04
- Participation in meetings on follow-up and monitoring capacities on regional and international scale
  - Participation in the 6<sup>th</sup> extraordinary session of the AU Conference in Syrte, Lybia, 16 to 19 Feb. 2004
  - Participation in 6<sup>th</sup> ordinary session of the AU Executive Council in Addis-Abeba, 15 to 16 March 2004
  - Madagascar was elected President of the African group of UNESCO, January 2004
  - Participation in group work on EPA in Lusaka, 24 to 26 March 2004
  - Participation in the meeting of COMESA ministers of the Interior in Lusaka, 24 to 26 March 2004
  - Participation in UE-AFOA Orientation meeting in Brussels, 8 to 12 March 2004
  - Participation in the meeting of the Monitoring Committee of the Agreement of December 20, 2003 on transitional provisions in Madagascar-Comoros: Permanent Committee Member (8, 9 and 10 March 2001)

- Participation in the meeting of the Monitoring Committee of the Agreement of December 20, 2003 on transitional provisions in the Comoros, 12, 13 and 14 April 2004
- Madagascar's participation in civil watchers' missions to legislative elections of:
  - ✓ 14 and 21 April 2004...
  - ✓ 18 and 25 April 2004...
- MAE's participation in the expert group ad hoc meeting on the funding of regional integration (Addis-Abeba)
- MAE's participation in a regional workshop on technical barriers to trade (Lusaka)
- MAE's participation in the 1st meeting of the regional forum on economic joint venture agreement for Southern and Eastern Africa. (Mombassa)

**Objective 2: Ensure Madagascar's integration into regional organizations**

- A sensitization delegation dispatched to the SADC Executive Secretariat.
- Participation to the meeting of experts from African islands and partially island states (Moroni)
- Participation in various councils of ministers
  - IOC Council of Ministers (Moroni)
  - 17th COMESA Council of Ministers

**Objective 3: Develop Madagascar's economic, trade , technological, financial, social and cultural partnerships**

For the promotion of economic, trade, technological, financial, social and cultural partnerships, the main achievements include:

- 45 copies of PRSP sent to 15 representations abroad (100% done)
- Publication of 50 copies of the MAE Quarterly Review (100% done)
- Publication and dissemination of 1,000 leaflets on economic promotion (95% done). The budget and the cash withdrawal depend on the World Bank. The Ministry of industrialization is totally in charge according to the letter No 445/AE/S/L of MAE sent to the Prime Minister's Office on 14 Nov. 2003
- 2 conventions signed with FRG (Federal Republic of Germany): Integrated Management of Natural Resources (Farafangana Vangaindrano - Mitsinjo -- Ilaka Centre, Midongy du Sud) and Institutional Support to the forest policy (POLFOR)
- A computer network set up (Multimedia):
  - Intranet: Network for 14 computers
  - Internet: Network for 14 computers
  - Website: 1s
  - Purchase of 50 computers and 1 jeep
  - Donation of 30 batches of Chinese military materials to the ministry of National Defence
- Strengthening Madagascar's cooperation with IOF
  - Celebration of the International Day of Francophony
  - Signature of the Agreement creating the Cooperation and Information Agency for International Trade (CIAIT), 23 March 2004, by REPERMAD -- Geneva
  - Signature of a funding Agreement with the International Fund for Agricultural Development (IFAD), 24 Feb. 2004 by AMBAMAD - Roma.
- Strengthening Madagascar-Mauritius diplomatic and economic relations
  - Meeting of both Madagascar and Mauritius Coordinating and monitoring Committees, 23 and 24 March 2004 at MAE
  - Mauritian Prime Minister BERENGER's visit to Madagascar from 4 to 7 April 2004
- Strengthening relations with traditional partners
  - Germany-Madagascar Financial cooperation agreement of 10 millions Euros signed by the PM and the RFA Ambassador in Madagascar, on 16 March 2004
  - Reopening of the flights Madagascar-Comoros, on 29 March 2004
  - Signing, in Roma, of a bilateral Agreement between Club de Paris IX and Italy on 8 January 2004
  - Visit of a Japanese Economic mission in Madagascar.
  - Setting up of flight agreement Madagascar - Italy (on 6 May 2004 in Roma)
  - Marseilles Franco-Malagasy Chamber of Commerce delegation from 2 to 8 May 2004
  - Visit of a delegation of Businessmen from Bordeaux from 24 to 29 May 2004
- Participation in meetings, workshops and seminars
  - Workshop on the contribution of Francophony to NEPAD
  - Organization of an interdepartmental meeting on the implementation of NEPAD (MAE)
  - Strengthening of People's Republic of China (PRC)-Madagascar cooperation
  - State visit of the President of Republic, H.E. Ravalomanana, to the People's Republic of

- China
  - Donation of 40 millions Yuans RMB by the PRC, under the technical and economic cooperation Agreement
- Set up new partnership
  - Setting up of Antananarivo-Bangkok flights

#### **Objective 4: Promote Madagascar's image and Malagasy Diplomacy nationally and internationalLy**

- Incentive to participating in international events
  - Conference on Defence on 24-25 March 2004 at MAE
  - List of exporters and national trade associations sent to AMBAMAD-OTTAWA, on 17 February 2004
  - Schedules of international Fairs and events sent to technical Departments (International Fair of Liege, Belgium from 10 to 15 February 2005).
  - 6th International Fair of Tourism and Travels, Alger from 1 to 5 March 2004;
  - 5th International Fair of Agriculture and Animal Resources in Dakar, Senegal from 3 to 10 March 2004
- Drafting of a Decree determining the remit and the general organization of MAE:
  - Decree No 2004-159 of 3 February 2004 determining the remit of MAE and its general organization was translated and disseminated to the government and institutions of the Republic of Madagascar
- Participation in trade events
  - Craft industry Exhibition "SALAMA"
  - International Forum on Finance (Dakar)
  - 16th International Trade Fair (Malawi)
  - International Health Fair EXPOMEDICAL 2004
  - International Special Exhibition of Coffee and magic aromas (Moscow)
  - COMESA International Investment Trade Fair (Addis-Ababa)
  - 2nd ordinary meeting of the Conference of ministers of Commerce (Kigali)
  - 3rd meeting of ministers of Commerce of LDCs (Least Developed Countries) with a view to reopening Post-Cancun trade negotiation (Dakar)

#### **5.1.7.3. INDICATORS**

**Table 23: Foreign Affairs indicators**

Intermediary indicators	Achievements		Expectations		
	2002	2003	2004	2005	2006
Number of Conventions signed	18	19	18	19	20
- Number of ratifications carried out	3	16	12	13	13
- Number of Economic, Trade and Cultural Partners	1	6	4	5	6
- Number of accreditation	4	6	7	8	9
- Number of international Conferences and Seminars attended	17	31	25	27	28

#### **5.1.7.4. LESSONS**

##### **Financial Aspect**

- Insufficient budget given to MAE
- Insufficient number of existing budget items

#### **CHALLENGES AND PLANS OF ACTIONS**

##### **5.1.7.5.1. Challenges**

- Put as many Malagasy as possible in different positions within International organizations
- Make EU Administration better known to the Malagasy negotiators
- Ensure Madagascar's permanent presence internationally
- Contribute to the respect of human rights and democracy
- Better prepare oneself to face globalization
- Strengthen Madagascar's presence internationally
- Reach Mauritian market
- Hold conferences at MAE at least once a month

- Create a reference trade library
- Encourage national businesses to participate in international events
- Ensure transparency in diplomacy
- Improvement of immigration and migration monitoring system

#### **5.1.7.5.2 Plans of actions**

Actions for 2004 are focused on:

- Strengthening regional integration actions
- Developing partnership and cooperation with other countries
- Opening embassies and consulates abroad

### **DECENTRALIZATION**

#### **GENERALITIES**

The Department's role is to get the Government closer to the citizens thanks to decentralization and strengthening of Communes.

Objectives include:

- Providing a favorable environment for CTDs economic and social development
- Creating regional development structures and making them operational
- Strengthening CTDs' technical and institutional capacities
- Improving Communes financial autonomy
- Giving more responsibility to communes in management of health care and education services

#### **PROGRESS AND RESULTS**

#### **OBJECTIVE 1: PROVIDE A FAVORABLE ENVIRONMENT FOR CTDs ECONOMIC AND SOCIAL DEVELOPMENT**

For the creation of an enabling environment to developing communes, several measures and actions have been carried out.

- Ensuring consistence among laws:
  - Draft decree creating the body of the Civil State Secretaries (prepared)
  - Circular related to the remit and general organization of rural and urban commune structures (distributed)
  - Circular related to the creation of land reserve for industrial purpose (distributed)
  - Circular related to the freeze of land sales which are suspended at the level of communes (survey in progress with MIRA)
  - Proposal for changing some provisions of the draft decree determining the remit of Chiefs of public regional and district administration in Madagascar (done)
  - Inventory, classification and harmonization of laws on decentralization (completed)
  - Laws on communes and regions: communes (drafted) and regions (survey in progress)
- Harmonizing and rationalizing budget interventions
  - Change budget intervention criteria (fixing a unique rate for communes with more than 7,000 inhabitants)
- Harmonizing support organizations' interventions (FID, PSDR, PAICAL, SAGE, ...): national workshop (held), intervention site list (being completed)
- Key role of incentive measures to attract private investors and support local initiatives;
  - Preparation of a study of laws in favor of private initiatives (in progress)
  - Drafting of a circular related to the creation of special land reserves for industrial purpose at commune level
  - Informing communes on the approaches to the requests for the creation of forest resources
  - Making information available to set up contacts
  - Organization of briefing sessions with technical departments concerned
- Developing horizontal (OPCI) and vertical (Communes and other communities) cooperations
  - Drafting of laws on partnership implementation procedures with communes (OPCI) completed
  - Carrying out of TOR related to the study of the amendment of the laws resulting from the OPCI
  - Sensitization of communes on the significance of OPCIs

- Realization of the TORs of the survey on the intercommunality
- Creation of 6 OPCIs
- Promotion of decentralized cooperations (Partners for Development)
  - Validation of the local development and decentralization implementation strategic framework
  - Organization of the workshop on national strategy
- Sensitization of ministries on the creation of convenience public services
  - Carrying out of the study of expertise and resource transfer
  - Organization of national conferences, interdepartmental meetings
  - Launching of the SEDDRC integration procedure into the administrative printing commission
  - Organization of the interdepartmental technical meeting in view of decentralizing the Government publications office
  - Promoting adequate convenience services at the level of communes
  - Organization of training for agents from 180 communes
  - Organization of training for senior officials of the central and provincial bodies of the department (trainer training)
  - Follow-up and control at the level of 250 communes
  - Distribution of guideline 001 concerning the terms of using grants
  - Improvement of the institutional framework of commune functioning
  - Drafting of the decree No 2004-299 fixing the organization, functioning and remit of Fokontany
- Improvement of local governance
  - Allow Mayors to have access to laws on expertise, resources and sector-based policies
  - Organization of the Mayors' meeting (5 March 2004)

## **OBJECTIVE 2: CREATE AND OPERATIONALIZE REGIONAL DEVELOPMENT STRUCTURES**

For the creation and operationalization of regional development structures, the main achievements include:

- Drafting of organic laws and enforcement laws on local communities:
  - Identification of 13 communes to extend urban HIME projects and HIMO roads
  - Carrying out of a survey of the implementation of the project ACCOR / EU in the provinces of Fianarantsoa and Toliara
  - Identification of 10 pilot communes / Faritany for the implementation of the integrated support program with UNDP
  - Carrying out of the survey "Special solidarity fund"
- Support to the development, implementation and monitoring/assessment of local and regional development schemes
  - PCD development guide
  - Regional development scheme of 4 communes (study in progress)
  - Organization of a workshop on regional development

## **OBJECTIVE 3: TECHNICAL AND INSTITUTIONAL CAPACITY BUILDING TO CTDs**

In building communities' institutional and technical capacities, the main achievements include:

- Strengthening and redeployment of department personnel and means
  - Setting up Minister's delegations in FIV: operational provincial office with sufficient personnel (waiting for budget items)
- Organization of training sessions and information trips
  - External / Internal training sessions for department personnel
    - ✓ External: 5 senior executive officers
    - ✓ Internal: central and provincial office executive officers
- Training sessions for Commune officials
  - Creation of an interdepartmental unit in view of the training
  - Organization of training sessions in 17 communes, for 42 commune officials (Faritany of Antsiranana)
  - Development of training modules
  - Pilot action in 120 communes
  - Promotion of partnership
  - Training sessions in 14 communes, for 57 commune officials (Fiv. Ikongo)
- Creation of a resource center and a website
  - Existence of an operational resource center and website at the department (setting up waiting for budget items)
- Effective community monitoring

- 250 communes monitored, available monitoring reports
- Support to the identification of regional development foci
  - Active participation in work group (VPMO)
- Continuation of setting up decentralized structures
  - Setting up of the "Task force"
  - Development of laws on regions

#### **OBJECTIVE 4: IMPROVE COMMUNES FINANCIAL AUTONOMY**

For the improvement of communes financial autonomy, the main achievements include:

- Standardization of the autonomous tax collection system and of other resources in communes (in progress)
  - Training officials from 250 communes (completed)
  - Identification of new tax bases (study in progress)
  - Autonomous property tax collection structure set up in 12 pilot rural communes
  - Organization of tax collectors training in 12 pilot rural communes
  - Development of TOR on the study on resources improvement
- Improvement of the monitoring system
  - Setting up of a decentralized monitoring system (study in progress)
  - Development of a monitoring handbook for CTDs
  - Training of the ministry executive officials
  - Development of monitoring and follow-up systems
  - Training of 15 ministry officials
- Improvement of communes own resources
  - Drawing up of an inventory of commune resources

#### **OBJECTIVE 5: GIVE MORE RESPONSIBILITY TO THE COMMUNES IN MANAGEMENT OF HEALTH CARE AND EDUCATION SERVICES**

In order to give more responsibility to the communes in management of healthcare and education services, the following measures and actions have been completed:

- Clarifying matters concerning the roles and remit of Communes as regard health care, education, registry etc.
  - Training of communes officials: registry, EPP, CSB, budget accounting ...
  - Training of officials from 250 communes
- Review of rural department organizational charts
  - Circular of application in the communes of the new organizational chart recommended in the communal administration guide
- Inventory and setting up of CSBs/EPPs:
  - Inventory (carried out)
- Promotion of adequate health care, education and registry convenience services
  - 7 works on the water supply system
  - Effective running of CSBs, EPPs in rural communes
  - Every commune benefits from allocations for CSBs and EPPs
- Drawing up of periodical reports on education of children under 14 and the population's health status
  - Periodical reports sent to the main body
  - 250 communes trained and sensitized
- Allocation follow-up and monitoring
  - Send allocation monitoring reports to the ministry
  - Monitor allocation uses for the 250 communes
  - Sensitize and train 250 communes
- Training of commune officials
  - Identification of training needs
  - Training of 15 officials from the ministry
  - Training of commune officials in terms of convenience resource management
    - ✓ 31 communes
    - ✓ 99 commune officials
- Development of health care and education services management handbook
  - Dissemination of guideline 001 concerning the terms of using grants

## INDICATORS

**Table 24: Decentralization indicators**

Indicators	2003	2004	2005	2006
Number of communes providing adequate convenience services (health care, education, registry, ...)	60	120	240	450
Number of communes having increased their collection	10	20	50	90
Number of operational OPCIs	15	30	70	90
Number of decentralized cooperation completed	5	10	20	35
Number of commune officials trained	300	1,200	1,500	2,000

### 5.2.2. LESSONS

#### **Institutional aspect**

- Inconsistent laws related to CTDs
- Troubles in harmonizing different support organization interventions
- Problems related to diffusion of laws, rules and regulations
- Problems related to poor communal resources mobilization and collection
- Insufficient commune monitoring means and systems
- Poor intervention capacity of the Department in charge of Decentralization (personnel, redeployment, training)
- Rural communes' troubles in enforcing current laws on OPCIs
- Very poor number of Arrondissement Administrative Delegates (DAA)

#### **Financial aspect**

- Lack of financial means

## CHALLENGES AND ACTIONS

### CHALLENGES

- Improvement of local governance
- Harmonization of different support organization interventions through strengthening the capacities of elected representatives
- Harmonization of intervention procedures and strengthening commune intervention capacities
- Sensitization of ministries to create convenience public services
- Creation of an interdepartmental unit for training elected representatives and officials
- Promotion of decentralized cooperation
- Granting communes more responsibility in the management of their land resources
- Setting up regions
- Setting up regional development foci
- Carrying out training for 1,200 commune officials from 300 communes
- Strengthening commune financial capacities
- Improving communal governance
- Capacity building for commune official in implementing convenience services
- Clarifying matters concerning role and responsibility distributions between Decentralized Services and Regional Administration
- Adjustment of PSRP with Commune Development Plans (PDC)

### ACTION PLANS

Actions for 2004 include:

- Having consistent laws related to CTDs
- Encouraging convenience services (health care, education)
- Capitalizing and extending local development tools
- Encouraging inter-community cooperation and decentralized cooperation
- Setting up and strengthening regional development structures
- Strengthening management capacities among CTD officials
- Supporting the initial running of new communes
- Strengthening the ministry's intervention capacities
- Improving local tax systems
- Rationalizing budget interventions
- Improving the collection system

- Strengthening communes' follow-up and monitoring systems
- Supporting communes in installing chiefs of Fokontany
- Informing/training commune officials on the roles and remit of different commune units (bureau central, commune council, State representative)
- Inserting communes' expertise in various sectoral policies (education, health care, environment) into the training of commune officials,
- Simplifying laws on OPCIs
- Providing information on the benefits of and approaches to, the setting up of decentralized cooperation
- Holding training sessions for commune officials at the level of Fivondronana
- Carrying out a survey of local tax system
- Scheduling support advising and monitoring tasks at the level of communes
- Maintaining training sessions in convenience services management
- Following up the enforcement of guidelines 001 concerning the terms of using grants

## **ENVIRONMENT**

### ***GENERALITIES***

The task assigned to the Ministry of 'Environment, Water and Forests is to ensure the 'preservation of Madagascar's environment and unique biodiversity'.

The Government's main objectives that are fixed in the PSRP include:

- Increase protected areas
- Monitoring deforestation and bush fires, encouraging rational management of forest resources by the Communities
- Ensuring the financial sustainability of the National Parks
- Preserving the quality of the natural resources that ensures sustainable economic growth and a better quality of life
- Integrating the environment aspect into the sectoral development policies and actions and into regional, communal and local plannings

### ***PROGRESS AND RESULTS***

Environment is one of the determining factors of poverty. Particular attention has then been paid to the implementation of the related Action Plan. The main achievements of environmental programs have, on the whole, allowed to attain the Government objectives. Results of some activities have even exceeded expectations. Most relevant results of the first year of implementation of PSRP are presented below.

#### **OBJECTIVE 1: INCREASE PROTECTED AREAS**

In the development of the concept and creation of "Conservation Sites", the following essential actions have been carried out:

- Definition of the concept of Conservation Sites and their identification
- Development of the 1st draft of a text related to them
- Identification of 2,700,000 ha possible Conservation Sites with an objective of 6,000,000 ha by 2008
- Launching of procedures for creating 3 Conservation Sites covering 500,000 Ha: in Daraina, Makira and Anjozorobe
- Registration of Lac Alaotra Site in the RAMSAR list in July 2003 and proposal for registration of two sites (Totorofotsy and Tsarasaotra), out of the 4 sites planned for 2004, submitted to the RAMSAR office.

#### **OBJECTIVE 2: MONITOR DEFORESTATION AND BUSH FIRES, ENCOURAGE RATIONAL MANAGEMENT OF FOREST RESOURCES BY COMMUNITIES**

Measures taken for prohibiting the issuance of new (precious woods) exploitation and export licenses include :

- streamlining the precious woods sector, monitoring cancellation of exploitation licenses for ebony and rosewood, especially in the regions of Antalaha and Fénérive -Est;
- Publication of the list of licensees and their royalty status: in October 2003 and March 2004
- In terms of measures against vegetation fires and fight for support to alternative rural practices, the most relevant achievements for the first year of implementation of the PSRP include:
- Attainment of objectives of agro-ecological practices and/or alternative practices to tavy (Volorakotra, production of young plants and agro-biological cultivation) in 60 communes out of 47 communes planned; activities carried out by ANAE, FFKM with support from various intermediary partners;
- Strengthened awareness of fight against fires in 76 Fivondronana classified red zones;
- 50 "Hira Gasy" shows organized (puppet shows played by traditional artist groups) and conveying the theme of "fight against vegetation fires" out of HIPC resources;
- Boosting committees for fight against fires in 76 Fivondronana classified red zones: Creation of Monitoring-Assessment Committee, watchdog committee, Vaomieran'ny Ala [VNA], that is local Forest Commission, Komitin'ny Ala sy ny Tontolo lainana [KASTI], that is Local Committee for Protection of forests and environment.
- Organization and promotion of 6 expanding sectors: raphia (survey of development of a management plan); medicinal and aromatic (survey in view of a tax reform); katrafay; cinnamon; orchids and zetra.

In the promotion of sustainable management of forest resources, the main achievements can be summarized as follows:

- Transfer of 40,141 Ha natural resources to grassroot communities: 37,000 Ha in 2003 out of an objective of 7,500 Ha and 3,141 Ha out of an objective of 35,000 Ha;
- Development of the first draft of an enforcement law of the Environmental Education Policy completed at 60%: Development of text concerning the creation of National Committee for monitoring and implementation of the Environmental Education Policy (PERE), finalizing it is awaiting the appointment of the representative members from ministries involved;
- Signing the agreements on the integration of Environment program in the school syllabus (100%): two agreements signed
- Validation of the national Action Plan for Prunus Africana sustainable management, and setting up of a pilot site in Antsohihy;
- Training of agents in charge of regional forest zoning activities;
- Training of agents in wood inventory and economic assessment techniques as part of setting up of a forest tender system;

As far as the National Reforestation Program is concerned, the following activities have been completed:

- Attainment of objectives in terms of organized activities, training, reforestation supervision and monitoring in 400 communes by the teams of LDI eco-regional development Program (11), National Silo of Forest seeds (Silo National de Graines Forestières [SNGF] (176) and Forest Reserves (213)
- 6.232 Ha of newly reforested areas
- Supervision and monitoring of the new reforestation of an area of 1,260 Ha
- Intensive reforestation in the 4 regions: Fénérive-Est, Moramanga/Ambatondrazaka, South East, South, that is over 400 Ha
- Setting up of nurseries in 47 targeted communes
- Marking the boundary of the reforestation area (141 ha reforested area)
- 230 Ha of area overgrown
- 51 Ha of villagers' orchards
- Soil preparation and hole digging
- Identification and demarcation of 7 Land Reserves for Reforestation (RFR)

### **OBJECTIVE 3: FINANCIAL SUSTAINABILITY OF THE NATIONAL PARK SYSTEM:**

The main achievements with regard to the objective of financial sustainability of the National Park System relate to the development of legal framework and related mechanisms, which are:

- Drafting of the legal text instituting the Foundation (Trust Fund);
- Effective establishment of the Foundation Steering Committee and appointment of its Coordinator;

#### **OBJECTIVE 4: CONSERVATION OF NATURAL RESOURCES QUALITY TO FOSTER DURABLE ECONOMIC GROWTH AND BETTER QUALITY OF LIFE:**

In connection with the institutional and legal framework development needed for the protection of the environment and nature, the actions hereafter were carried out:

- Setting-up of a forest royalty collection control system;
- Preparation of training sessions on monitoring and evaluation, and planning systems at the level of regional services dealing with environment, water and forestry;
- Setting-up of a Forest Commission for the Province of Antananarivo;
- Adoption by the National Assembly of the law relating to hydrocarbon draining-off;
- Development of 3 sector-based application bills of the Secured Local Management (GELOSE): marine fishery resources, inland fishery resources and pastoral resources;
- Update of the National Environmental Performance Chart;
- Holding of a Central Workshop and 6 Provincial Workshops on updating of information on International Conventions relating to Environment;
- Definition of the priority actions and development of the program relating to the preparation of Convention on Desertification.
- Drafting of final framework papers on durable development policy of coastal and marine zones.
- Strategy of wetland management finalized (100%)

Within the framework of the Durable Management of Marine and Coastal Resources, the relevant achievements are presented hereafter:

- Project of fight against the hydrocarbon discharge: development of the National Plan of Fight Against Hydrocarbons Discharge and carrying-out of 7 series of simulation exercises at the 7 important ports of Madagascar;
- Development objective of 2 alternative activities for fishermen's wives achieved: distribution of weaving loom and training on the valorization of Penjy in Mananjary;
- Achievement of objective of signing of 35 of Marine and Coastal stock Management Transfer Contracts to Communities, including 10 in 2003 and 25 in 2004.

With regard to restoration of ecological and economic functions of watersheds in Areas with strong development potentialities, the following have been carried out:

- Development of the 2<sup>nd</sup> Watershed Management in Alaotra Draft Master Plan, and
- Identification of 10 pilot sites out of the 30 planned.

#### **OBJECTIVE 5: INTEGRATION OF ENVIRONMENTAL DIMENSION IN SECTOR-BASED DEVELOPMENT POLICIES AND ACTIONS AND IN REGIONAL, COMMUNAL AND LOCAL PLANNING**

In view of promoting the integration of environmental dimension in the national, regional and local development actions, the relevant achievements are presented as follows:

- Development of 75 Green Communal Development Plans (PCD) in the 6 Provinces for an estimated objective of 44;
- Achievement of objective of implementation of water and soil conservative actions at the level of 60 communes with support from the National Association for Environmental Actions (ANAE);
- Promoting application of the Compatibility of Investments to Environment (MECIE) for all investments (public and private): setting-up of 22 Environmental Units and Environmental Units platform;
- Update of MECIE Decree;
- Drafting of a bill on the setting-up of a one-stop show MECIE;
- Setting-up of 3 Regional Committees MECIE (CRM) out of 6 planned for 2004;
- Training and sensitizing in 4 Communes on the water and soil conservative actions, out of 30 Communes planned to be covered during the year 2004;
- Achievement of objective to organize 3 meetings within the framework of empowerment of Environmental Units Platform

With regard to promoting the Innovative Rules of Pollution and Nuisance Prevention, the following achievements can be noted:

- Submission to the Government of the Document on the system of standards on urban waste;

- Drafting of application texts of Decree n° 2003-464 of the April 15, 2003 on the classification of surface waters and setting the standards for the disposal of effluents;
- Finalization of the inventory report on the sources of marine pollution;
- Evaluation of the POPs incidences and socio-economic impacts of POPs use;
- Achievement of objective of setting-up 3 salvaging and recycling SAO networks;
- Information and sensitizing at the level of 3 Provinces and 2 regions on climatic change;

As for the promotion of environmental education and communication actions, the objective to mobilize 60 Communes on 'environmental conscience of population' was fully completed.

It is important to note that performances achieved in the implementation of environmental stem from the following main success factors:

- Strong rules and regulations framework
- Implementation of support mini-projects to the production and implementation of water and soil conservative actions: reduction of the tavy and increase in the agricultural output at intervention sites;
- Use of improved stove and substitution fuel (fuelwood saved: 1,3 tonnes per household per year)
- Increase in number of strategic partners (NGO, associations...) that are qualified and operational as regards environment
- Improvement of land management at the Program intervention sites;
- Improvement of environmental management tools (various guidebooks);
- Progressive Integration of environmental dimension in the development projects;
- Development facilitation and programming at the local and regional levels.

### 5.3.3. INDICATORS

**Table 25: Environment Indicators**

Indicators	2002	2003		2004		2005	2006
	Compl	Obj	Compl	Obj	Compl	Forecast	forecast
Reforested surface (ha)	1,568	12,855	6,232	7,500	1,260	10,000	12,500
Number of marine and coastal resource management contracts transferred	NA	4	7	25	25	25	25
Surfaces of natural resources transferred and managed (ha)	40,733	7,500	37,000	35,000	3,141	35,000	35,000
Number of green PCDs	20	14	57	30	18	30	30
Surface of conservation site created (ha) <sup>13</sup>	NA	NA	NA	500,000	2,700,000 identified	860,000	960,000
Number of communes using water and soil conservative management	NA	60	21	30	4	30	30

### 5.3.4. LESSONS AND CONSTRAINTS

Major lessons to be learnt from the implementation of the environmental actions are:

- Overall, forest resources degradation phenomenon continues
- Territorial scope of the actions remained very limited
- Poor synergy between State and major development projects
- Environment was not sufficiently taken into account in comprehensive multisector-based programs
- Lack of strong synergy between environmental projects, sector-based projects and other development projects
- Lack of vertical and horizontal coordination between the environment actors in the National Plan for Environmental Actions (PNAE) and those outside PNAE
- Delay in signing Credit Agreement for the third phase of the Environmental Program (PE3);

Major constraints met during the implementation of the Environmental Action Plan for the first 2004 semester can be summarized as follows:

#### ***On the institutional and regulatory level:***

- Limited capacity for inventory, monitoring and evaluation of the forest resource management transfer to communities;

#### ***On the technical and financial level:***

<sup>13</sup> Formulation of this indicator followed upon the presidential Sept. 2003 declaration in Durban on the increase in surfaces to be protected

- Delay in the implementation of a number of planned activities to be funded within the framework of PE3: designing of Ecotourism Development Plans in National parks, environmental education actions (development of teaching kits, communication package....)

### **5.3.5. CHALLENGES AND ACTIONS**

Major challenges faced by the Government within the framework of the implementation of the Environmental Action Plan consistently with the objectives of the PSRP include:

- Strengthening relationship mode among the actors in order to involve them more in environmental and forest problems resolution at the instigation of the Ministry;
- Management capacity building of the Ministry: designing and orienting, providing incentive, coordinating, controlling and evaluating;
- Logical connection among the implementation of the environmental policy, the forest policy and that of other sector-based policies
- Enforcement of the environmental and forest legislations and regulations in force;
- Research on and/or setting-up of sustainable mechanism in order to guarantee the continuity of initiated actions;
- Promotion of Public-Private Partnership in the environmental management.

In order to improve performances in the environment, water and forest sector, the Government will take the following measures:

- Strengthening of overall forest control and especially on strategic sites: Mahajanga, Antsohihy, Fianarantsoa and Antalaha Regions;
- Developing coaching and monitoring and evaluation capacity on the operations of natural resources management transfer to Communities;
- Revising the fund allocation system to Communes as part of the Reforestation Program for more effective use of related financial resources;
- Effective setting-up of the forest adjudication system;
- Speeding-up financial resources mobilization for PE3 for the execution of the related activities;
- Increase in protected areas surface
- Control of deforestation and bush fires, promotion of Community rational forest resources management
- Financial sustainability of the national parks system
- Conservation of natural resources quality to foster a durable economic growth and a better quality of life
- Integration of the environmental dimension in sector-based development policies and actions and in regional, communal and local planning

## **5.4. HIV/AIDS**

### **5.4.1. GENERAL**

The HIV/AIDS issue is included in the PSRP as a sector. In this implementation report, it is considered as a special crosscutting priority sector considering the seriousness of the phenomenon and its impact on development at large.

The mission assigned to HIV/AIDS sector consists in maintaining the prevalence rate of the disease to the current low level, and to ensure that infected people or those affected by the virus are taken care of.

The overall objective assigned to the sector, such as defined in the PSRP is the reinforcement of the fight against communicable diseases. Nevertheless, as it has its own characteristics, specific objectives are peculiar to it, namely:

- To create an enabling environment with an effective multisector-based fight
- To improve access to information and prevention means.

## **5.4.2. PROGRESS AND RESULTS**

Objective: reinforcement of the fight against communicable diseases

### **5.4.2.1. SPECIFIC OBJECTIVE N° 1: TO CREATE AN ENABLING ENVIRONMENT TO EFFECTIVE MULTISECTOR BASED FIGHT**

- Reinforcement of the institutional framework of the fight against HIV/AIDS
- Annual Work Plan 2004 at the level of the CNLS Executive Secretariat, designed and validated, and received the World Bank's consent concerning PMPS project
- 6 BCP set up with equipment
- Setting-up of 90/200 CLLS
- 19 operating CT for supporting the CLLS
- Setting-up of co-ordination and monitoring, and evaluation structures of the fight against HIV at the level of central, 20 districts and 50 communes
- Self-evaluation of CLLS competence
- Launching of 19 CTs, of which 3 are equipped with means of transportation and office furniture
- Improvement of the strategic, political and legal environment at all levels
- Finalization of the bill relating to right and HIV (project available)
- Finalization of the strategic framework for the fight against AIDS in the Security Sector
- Support to the development of 8 sector-based strategies including 3 already available
- Formulation of the master plan for fight against drugs
- Drafting of guidebooks on CTV, PTME, and the treatment of the PVVIH
- Definition of the national strategy on condom planning
- Development of sector-based strategies of fight against AIDS: 'structured work' (published), health, education, infrastructures: 3 out of 9 sector-based strategies available
- Development and validation of 20/200 local plans for fight against AIDS
- Commitment of Government Officials, Representatives and Senators, Religious Leaders, Employers, of Presidents of Special Delegations (PDS) and 'Prefects'
- Application of the transfusion policy on HIV/AIDS/SYPHILIS/HEPATITIS in Madagascar
- Mobilization of technical and financial resources
- Mobilization of financial resources necessary to the fight against HIV/AIDS
- Formulation and financing of sub-sector-based projects (Labor sector)
- Acquisition of USD 13 million from the world funds, available as from September 2004 and covering 2 years
- Credit agreement for the 3rd round of the global Fund,

### **5.4.2.2. SPECIFIC OBJECTIVE N° 2: TO IMPROVE ACCESS TO INFORMATION AND TO MEANS OF PREVENTION**

- Planning, co-ordinating and monitoring national response
- Launching the behavioral monitoring investigation
- Establishing commune synoptic sheets indicating their distinctive features related to HIV/AIDS

Improvement of the operational capacity in IEC as regards fight against HIV/AIDS

- Finalization of the national communication strategy: validated
- Funding of NGOs/Associations working in the fight against HIV/AIDS: 140
- Comprehensive awareness campaign with audio, audio-visual, leaflet media:
  - ✓ Distribution of sensitization media
  - ✓ Distribution of condoms: 10,823,057
  - ✓ National Forum on HIV AIDS
- 12 television films shot in the 6 provinces
- Broadcasting of the monthly magazine 'Malagasy matrika ny SIDA'
- Advocacy, partnership and alliances
  - ✓ 35 FJKM projects, 17 FLM projects,
  - ✓ Projects with EKAR under negotiation
  - ✓ Advocacy sessions to officials
  - ✓ Draft-agreements with entertainment businessmen
  - ✓ Testimonies of PVVIH
- Availability and accessibility to first aid services and treatment
- Basic training in HIV/AIDS treatment
- Therapeutic treatment of PVVIH
- Supply of Anti Retro-Viral drugs (UNICEF, RIVE, AXIOS)
- Validation of 2 universal guidebooks and the guidebook on standard care best practice

- Provision of quality services
- Capacity building to health groups (328) and doctors (1,361) in STI treatment
- Setting-up of 3 Counselling and Voluntary Test (CTV) Centers and of 12 Anonymous and Voluntary Screening Center
- Promotion of CURA7 for the treatment of STI: 500,000 CURA kits and 160,000 GENICURE (being purchased)
- Ensuring safety of blood transfusion:
  - ✓ 15,203 blood bags tested in all the centers
- Provision of quality service for medical and psychosocial treatment:
  - ✓ 4 Malagasy doctors are able to prescribe the ARV
  - ✓ 73 Health Agents (40 general practitioners and 33 medical ancillaries), Counselling and Voluntary Test Centers (CTV) in Antananarivo, Mahajanga and Toamasina (Ministry of health)
  - ✓ Ten screening centers(NGO)
- Counselling and adequate psychosocial support to the PVVIH:
  - ✓ Creation of two associations
  - ✓ Training of 25 advisers
  - ✓ Funding of 4 NGOs
- Setting-up and operation of 15 PTME sites: 11 set up including 02 operating
  - Strengthening of monitoring and evaluation of fight against AIDS
  - Setting-up of monitoring structures at the national level, the 6 provinces, and the local levels: 20 zones at risk
  - National HIV/AIDS Database operating
  - Second-generation Monitoring Protocol validated
  - Development of international collaboration against HIV/AIDS
  - ✓ Participation in sub-regional, regional and world conferences and meetings (Kampala, New York, Maurice, Johannesburg, Botswana, etc)
  - ✓ Collaboration/Training with other institutions (RIVE from Réunion, PILS from Mauritius, FAHA from the Seychelles, worldwide virtual Network)

### 5.4.3. INDICATORS

**Table 26: Indicators HIV/AIDS**

Indicator	Definition	1995	1997	2001	2003
Syphilis prevalence rate among pregnant women	Percentage of syphilis positive pregnant women blood samples		10.3%		8.2%
HIV/AIDS pregnant women sero-prevalence rate	Percentage of HIV positive pregnant women blood samples	0.07%		0.16%	1.1%

### 5.4.4. LESSONS

The main constraints were:

- Poor capacity of most national organizations (public sector as well as private sector and NGOs) in developing requests meeting the requirements of donors.
- Reluctance among donors to fund public national structures and those newly created.
- Poorly structured communication in the field of AIDS
- Insufficient support from political and administrative leaders

The problems and lessons to be learnt include:

#### **On the Institutional level**

- Increase in the rate of prevalence (exposed following the setting-up of voluntary test centers) due to under-estimation of the seriousness of HIV/AIDS and resulting from:
  - Insufficiently trained/informed public sector
  - Limitation of streamers setting-up campaign in certain zones
  - Denial of AIDS actual mortal threats by most population
  - Suspicion of population towards AIDS (due to lack of testimony and low rate of prevalence)
  - Reservation among Intelligentsia on the existence of the disease
  - Some risk bearing medical practices are being carried out.

- Management of used materials overlooked
- Non-systematic use of condom among young people
- Use of condoms regarded as for birth limitation purpose
- Local culture does not facilitate the fight.
- Insufficiency of monitoring and evaluation of actions undertaken
- Lack of sound co-ordination among field agents, interventions and messages
- Field agents insufficiently trained and documented
- Inadequate and non-cohesive interventions
- Sustainability of the actions after departure of outside contributors.
- Overlapping of interventions (standard activities) on same sites
- Proliferation of opportunist NGOs engaging in the program and neglecting other sectors
- Centralization of field agents in accessible areas.
- Lack of harmonization among the various field agents, together with poor information exchange
- Reduction of MinSANPF intervention following the setting-up of the National Program

#### **On the Financial level**

- Sex workers overlook precautions of use on financial problem grounds
- Insufficiency of resources for the operation of BCPs
- Sluggishness of resource mobilization procedure

#### **On the technical level**

- Non-existence of any processing center
  - CTV unable to operate for lack of sampling material
  - Delay in material, reagent and drug supplies
- Difficulty in filling the activity monitoring sheet
- Non-installation of the 'AIDS Radio Project Management Unit' Consortium
- Efficiency and effectiveness issues on NGO promotion

### **5.4.5. CHALLENGES AND ACTIONS**

#### **5.4.5.1. CHALLENGES**

- Recruiting a facilitating organization to help with sub-project design
- Demonstration of capacity in well managing the fight and securing the effectiveness of the adopted approach (result-based management). More and more, the partners bring their support to these structures (trust is deserved, it cannot be imposed)
- Development of a national communication and development strategy in partnership with communication professionals
- Advocacy activity to the Senate, the National Assembly, and soon to the communes
- To ensure sustainability to Commune-based actions
- Maintenance of prevalence rate to less than 1%
- AIDS must be the subject of transverse topic in all development activities
- To effectively enforce the legal provisions as regards minors and all sources of debauchery
- To subsidize condom price (still unaffordable in rural areas)
- To finalize the communication strategy
- To envisage measures of fight against discrimination to encourage the Message of Hope
- To co-ordinate the actions and horizontal and vertical flow of information

#### **5.4.5.2. ACTION PLAN**

- Strengthening of education on AIDS in educational and Community circles
- Setting-up of local committees in Communes
- Taking into account of traditional medicines in the fight against AIDS
- Organization of testimony meetings with advanced stage AIDS sufferers
- Sensitizing strategy taking local culture into account
- Establishment of the Fight Coordination Unit (Office of Provincial Coordination)
- Monitoring and evaluation of the activities by promoters or simple associations by the number of people referred to CCTV
- To support social integration of sex workers
- Promotion of AGR which can ensure a fixed minimum income
- Distribution of free medical charts

- To target behavioral change after intensive public awareness campaign
- To activate the functionality of centers
- Reinforcement of management of follow-up STD treatment at the level of the Department of Health
- To provide equipment for enabling CPLS and communes operation

The actions for 2004 are mainly based on:

- Implementation of the national strategy of fight against AIDS by awareness campaigns: promotion of crank radios, mobile movies, leaflets and booklets, radio broadcasts, event organization
- Improving and securing the services
- Strengthening of monitoring and evaluation: co-ordinating structure, data analysis,
- Institution strengthening
- Intensification of advocacy to speed-up the finalization of the bill on right and HIV
- Finalization of the remaining sector strategies and implementation of those which are validated
- Carrying-out of behavior field investigation
- Adapting available resources to targeted objectives
- Capitalization on collected data
- Setting-up of the Consortium
- Promotion of OCB financing to improve the local response

## **5.5. EMPLOYMENT**

### **5.5.1. GENERALITIES**

Missions assigned in 2003 to the Ministry for Civil Service and the Ministry of Labour and Social Laws were, on the one hand, to set up a transparent and effective Civil Service that serves citizens as part of Good Governance and, on the other, to promote an environment enabling job creation and to improve the quality of life within the framework of a job market open to social dialogue.

The objectives are:

- To prepare and carry out a Civil Service reform program to make it more effective;
- To fight corruption and favoritism:
- To reinforce partnerships between State, Workers and Investors for the fast, human and sustainable development of the country;
- To ensure that job market rules promote competitiveness and employment while protecting worker basic rights;
- To encourage the commitment and the participation of employers in the fulfilment of social projects.

### **5.5.2. PROGRESS AND RESULTS**

#### **5.5.2.1. OBJECTIVE 1: TO PREPARE AND TO IMPLEMENT A CIVIL SERVICE REFORM PROGRAM TO MAKE IT MORE EFFECTIVE**

- Streamlining of State personnel database
  - Profile sheet for the different types of civil servant
  - Summary table (number of civil servants) under the control of each ministry department and the attached organizations
  - Civil servant census with a view of establishing a single file:
    - ✓ diffusion of census sheets to central and provincial Ministries.
    - ✓ 47,458 sheets handed back to Ministry for Civil Service (MINFOP) November 2003
- Ensuring quality of vocational training among civil servants:
  - ENAM functional: entrance examination ENAM in November 2003 (2,143 candidates for 151 places)
  - CNFA (Administration Training National Center) functional: entrance examination to CNFA in November 2003 (10,900 candidates for 202 places)
- Installation of an Internet network: acquisition of 19 microcomputers
- Design, drafting and updating of the legislative and regulatory texts especially application decrees of the law n°2003-011 of September 3, 2003 on General Civil Servant Staff Regulations:

- Design of draft decrees on the attributions of the Ministry for Civil Service, Labor and Social Laws, as well as the general organization of its ministry.
  - Design of draft decrees on:
    - ✓ Family allowances
    - ✓ Salary scale of civil servants
    - ✓ Transport allowances
  - Design of a draft decree on recruitment terms based on title
  - Design of a draft decree on the organization of Joint Administrative Committees (CAP)
  - Design of draft decrees on recruitment terms and civil servant appointment (application decree of titles III and IV of the General Civil Servant Staff Regulations)
- Organization of the activities and meeting of the Higher Council of the Public office (CSFOP):
    - Organization of ordinary meetings of the CSFOP and extraordinary meetings
    - Drafting of rules and regulations on the new simplified procedure with regard to disciplinary matters
    - Drafting of rules and regulations relating to the establishment of a Committee for the Development of Civil Servant Ethics and Good Behavior
    - Setting-up of a disciplinary data base
  - Installation of information systems and a network infrastructure for State human resources management
    - State personnel: studies and analyses carried out
    - Private Sector (private companies): test carried out
    - For the installation of an Intranet and extranet network infrastructure for the MFPTLS, to carry out the design of a draft-agreement between MFPTLS, DTS and TELMA (restricted invitation to tender)
  - Training of personnel in data processing and basic maintenance:
    - Training in basic data processing for 12 agents (introduction, Microsoft Word, Excel)
  - Simplification of file processing procedures:
    - Organization of a 4-day workshop (with CDE, the Ministry for Economy, Finances and Budget, MFPTLS) for the definition of the organization of a Single Counter and development of the procedure handbook, preparatory meeting carried out
    - Setting-up of the one-stop show: travelling one-stop show tested
    - Edition of the procedure handbooks for the 19 Ministries, 05 institutions and decentralized structures
  - Sorting out of pending files prior to computerization:
    - 19,563 files processed from January to May 2004
  - Carrying-out of inspections at decentralized structures
    - 05 missions of supervisions carried out
  - Development of an institution project: ENAM
    - 12 institutions contacted
  - Development of relations with partners
    - Ministry (MFPTLS) is negotiating with foreign partners
  - Activation of the equivalence system
    - 589 equivalence ministerial decree certificates issued
  - Construction and rehabilitation of CNFA
    - Preparation of files for financing for rehabilitation
  - Carrying-out of the trainings
    - Organisation of the International Relations Research Department (ENAM)
    - Organization of CNFA training
  - Update of the single file by the Interdepartmental Technical Committee:
    - Retrieving of the 25 Databases
    - Carrying-out of file confrontation
    - Sending of the names of 7,130 agents found to be unknown to MEFB for salary suspension in order to detect fake but paid civil servants
    - Finalization of streamlining of the single file in progress

- Organizing of regional workshops on Public Utility and Civil Service Reform in the six Faritany aimed at the heads of decentralized services, the representatives of civil servants on June 16, and 18, 2004
- Determination of the implementation terms for the general principles of personnel remuneration:
  - Setting-up and getting underway of the Interdepartmental Technical Committee (CTI)
  - Appointing of a Design and Consulting Office to support the CTI
  - Handing-in and validation of the study report
  - To honor Madagascar's obligations towards ILO in its capacity as member:
  - Payment of contributions to ILO
  - Drafting of reports on Madagascar's application of ILO conventions and recommendations
  - Development of 03 reports due to ILO

#### **5.5.2.2. OBJECTIVE 2: TO FIGHT CORRUPTION AND FAVORITISM**

- Updating and popularization of rules and regulations on behaviour and change of mentality
  - General Civil Servant Staff Regulations Act: N° 2003-011 of September 03, 2003
  - Communication concerning unauthorized absence at workplace, Circular on the suspension of salary for offending Agents: n°4639/2003-MINFOP of September 02, 2003
  - 03 Application Decrees of the General Civil Servant Staff Regulations:
    - ✓ Decree N°2003-937 of 09 September relating to civil servant obligations
    - ✓ Decree N°2003-993 of October 07, 2003 on the granting of retirement installation allowance
    - ✓ Decree N°2003-1158 of December 17, 2003 on the Administration Code of Ethics and Civil Servant Good Behavior
- Providing information to users and civil servants:
  - Briefing to human resources management officers on July 24, 2003: information on transparent public administration towards users (instruction on the application of decree n°2002-1194 of October 07, 2003) of the Directors in charge of managing human resources at the 22 Ministries: 100%
  - Communication (n° 3819-2003/MINFOP of July 08, 2003) by MINFOP during Cabinet Meeting relating to the processing of administrative files not exceeding the 72h on working days: information to all Ministries
  - Weekly follow-ups in Ministries at the central level on the application of the Government circulars on:
    - ✓ Information to users (N° 002-003-PM /SGG of February 25, 2003)
    - ✓ The obligation of posting at places visible to users information on schedules, exemption from payment, tariffs and service processing time (in Malagasy and French),
    - ✓ The setting-up of user reception and orientation facilities
  - Weekly broadcasts with RNM and TVM: 'Seraseran' ny Asam-panjakana': Information and sensitizing for civil servants and users on their rights and obligations on RNM from August 20 to December 17, 2003 and TVM from August 29 to December 26, 2003: objectives of 5 TVM broadcasts and 10 RNM broadcasts carried out at 100%
- Development of deontology and ethics within the Administration:
  - Duplication of Administration Code of Ethics (50 codes) and Civil Servant Good Behavior
  - Diffusion of the Code to the 19 ministerial departments such as the Prime Minister's Office and the Vice Prime Minister's Office, the Faritany of Antsiranana, of Toliara...
  - Application of rules and regulations with regard to disciplinary matters

#### **5.5.2.3. OBJECTIVE 3: TO REINFORCE STATE / WORKERS / INVESTORS PARTNERSHIP**

- Setting-up of the one-stop show for granting procedures of employment authorizations (100%): appointment of officers carried out.
- File processing for employment authorizations issuance completed at 67% because of staff and material constraints.
- Processing of 20 files out of 25 per week
- Processing of 480 files out of 720 in 6 months
- Drafting and handing in of application texts for Labor Code to the CNT and the Government

- Development of a procedure handbook and designing of the technical guidelines on labor legislation
- Inventory and monitoring of the activities of private labor agencies and vocational training center
- Inventory of information on 50 Vocational Training Centers
- Collection of documents and information on CFPs and various trades
- Installation of the OMEF
- Development of a bill for creating the OMEF
- Setting-up of 01 national OMEF and 10 chapters

**5.5.2.4. OBJECTIVE 4: TO ENSURE THAT JOB MARKET RULES PROMOTE COMPETITIVENESS AND EMPLOYMENT WHILE PROTECTING THE BASIC RIGHTS OF WORKERS;**

- Updating of the Labor Code:
- Submission to the National Council for Employment (CNE) of the draft Labor Code
- Submission of the draft Labor Code to Cabinet Meeting on October 28, 2003
- Decree n°1056-2003 of October 28, 2003
- Submission of bill n°2003-043 of October 28, 2003 to the Legal Affairs Committee: November 17, 19 and 28, 2003
- Plenary meeting on December 03, 2003
- Submission of the bill to Senate
- Presentation at Cabinet Meeting of the bill governing the Inter-Company Medical Organizations (OSIEs): Adoption of the decree n°2003-1162 on December 17, 2003
- Visit and control to EPZ companies: (40%)
  - 2 companies per week out of 5 planned
  - 48 companies in 6 months out of 120 targeted
- Visit and control to ordinary companies: (30%)
  - 3 companies per week out of 10 planned
  - 72 companies in 6 months out of 240 planned
- Support from external services in order to ensure observance and application of work regulations and to guarantee worker rights:
  - Non-regular basis interventions by way of media to inform on work legislation
  - Settlement of collective work disputes, national-scale work disagreements and to deal with disciplinary complaint as regards dismissal of union delegates
- Boosting and execution of the programs promoting the basic human rights as far as work is concerned:
  - Design of bills on child work
  - Identification of new projects
  - Carrying-out of educational and vocational training of working children suffering worst conditions
    - ✓ Start of school year at the 'Manjary Soa' center: 20 children of school age and 20 children of more than 15 years are educated at the MFPTLS' Manjary Soa center
    - ✓ Carrying-out of the study on the establishment of regional observatories for child work
  - Reception of the ILO mission on the 'Time Bound Program'
  - Carrying-out of 03 regional and national workshops on the 'Time Bound Program'
- Fight against child work and abolition in the immediate future of its worst forms:
  - to revitalize and to reinforce the National Management Committee (CDN) for the steering and validation of action plans;
  - to carry out the educational and vocational training of working children suffering worst conditions;
  - to study the setting-up of regional child work observatories;
  - to carry on the institutional support program for child work abolition;

- to work out and to implement the program with a timelimit for the elimination of the worst forms of child work.
- Update of the employment and vocational training regulations, drafting and design of application texts for the National Employment Policy and the subsequent texts (International Conventions):
  - Inventory and monitoring of the activities of private labor agencies and vocational training centers
  - Collection of documents and information on CFPs and the various trades
- Control of the activities of Vocational Training Centers (CFP) and of the Private Labour Agencies (BPP)
  - inventory of information on the 50 Vocational Training Centers
  - collection of documents and information on CFPs and the various trades

### 5.5.3. INDICATORS

**Table 27: Employment Indicators**

Indicators	2004	2005	2006
Processing time of an administrative file	< 72 hours	< 72 hours	< 72 hours
Number of jobs created per annum	10,000	15,000	20,000
Percentage of Medical Departments sensitized	40%	30%	30%
Percentage of sensitization meetings carried out	50%	30%	20%

### 5.5.4. LESSONS

#### 5.5.4.1. INSTITUTIONAL ASPECT

- Slowness in civil servant individual record sheets routing from Ministries
- Insufficiency of popularization of the texts
- Job application processing: distribution of competence between One-stop show and Directorate of Employment, slow procedures at the Ministry for Public Security
- Limited control and visit of companies: material and personnel constraints
- Delay in the popularization of NTIC for lack of means.

#### 5.5.4.2. FINANCIAL ASPECT

- Insufficient fund for the development of establishment projects

### 5.5.5. CHALLENGES AND ACTIONS

#### 5.5.5.1. CHALLENGES

- Intensification of the various rules and regulations popularization
- Reinforcing monitoring of regulation observance
- Recycling of human resources management officers
- Computerization of the civil servant career management
- Organization of a civil servant census operation
- Reinforcement of the use of NTIC at all levels
- Effective decentralization

### **5.5.5.2. ACTION PLANS**

By virtue of a mission consisting in modernizing Civil Service and in promoting a job market which enables job creation, the action plans are based on:

- The preparation and execution of a Civil Service Reform Program for improved effectiveness: modernization (NTIC), one-stop show, electronic management of documents, electronic archiving system, information of agents and users, popularization of rules into force including that on good behavior and deontology, decentralized disciplinary board, training (ENAM, CNFA), motivation and modes of sanction;
- Making sure that job market rules promote competitiveness and job creation: implementation of national employment policy, establishment of a national fund for employment promotion, promotion of vocational training and the job finding activities;
- Promotion of a worker basic rights protection system and a broad-based social security scheme: updating and popularization of Labor Legislation and Social Security, extension of social security, revitalizing of corporate medical departments and CNaPS, fights against AIDS and prevention of drug abuse at workplace
- Reinforcement of social dialogue culture to establish the sense of partnership through support to the introduction of negotiations at free-zone companies: sensitizing, training of social partners, setting-up of a joint arbitration committee, updating of regulations

## **5.6. SOCIAL DEVELOPMENT**

### **5.6.1. POPULATION AND SOCIAL PROTECTION**

#### **5.6.1.1. BACKGROUND**

The objective consisting in “reducing social exclusion in the rapid and sustainable development process” has been kept in the PRSP to be pursued by the Population and Social Protection sector. The Ministry of Population, Social Protection, and Leisure has been appointed by the Government to lead the implementation of the state policy in this area.

Specifically, the operational objectives to reach the overall goal mentioned above that are adopted by the Department are:

- To promote non formal education in keeping with the Education For All agenda implementation
- To set up a social protection system for vulnerable groups
- To promote culture while taking into account the population / gender / environment dimension in development programs

#### **5.6.1.2. PROGRESS AND RESULTS**

Objective: to reduce social exclusion in the rapid and sustainable development process

##### **5.6.1.2.1. SPECIFIC OBJECTIVE No. 1: TO PROMOTE NON FORMAL EDUCATION IN KEEPING WITH EDUCATION FOR ALL AGENDA IMPLEMENTATION**

Main achievements are:

##### **In the activity area of non formal education**

- Campaign of Intensive Functional Literacy (AFI) at the level of the sites selected by the Provincial Steering Committee
- Training of alphabetizers

- Technical capacity building among 125 technical officials and SIG/EPT users

### ***Adult Literacy and Education Agenda***

- Edition and distribution of 5,000 manuals of reading and 2,500 manuals of calculation out of 4,000 forecast manuals of reading and calculation (realization: 187%)
- A communication plan in favour of the literacy: established
- Trained Instructors: 759
- Training of 870 future officials responsible for versatile resource centers
- 12,000 alphabetized people (thanks to a supplementary envelope grant from the United Nations)
- Training of 1,320 teenagers, young and adults in the Basic Technical and Vocational Training in rural and urban areas .

### ***Non formal Education Agenda***

- A national policy document adopted under decree No. 834 of August 05, 2003
- Retraining of 400 facilitators in "Education to family life"
- Training in nursery education of 349 educationalists from 148 Public and Private Establishments
- Realization of a teaching aid kit for educationalists in nursery school
- More than 500 children supervised in keeping with DIJE (Integrated Early Childhood Education): 14 sites situated in 11 communes;
- Development of 1 training module in parent education

### **5.6.1.2.2. SPECIFIC OBJECTIVE No. 2: TO SET UP A SOCIAL PROTECTION SYSTEM FOR VULNERABLE AND MARGINALIZED GROUPS**

As part of setting up a social protection system for vulnerable groups, the main realizations are:

#### ***Finalization of the social protection national strategy document:***

- Organization of regional workshops of reflection (Toliara, Antsirabe) and national enrichment workshop in Antananarivo
- Technical validation of the strategy project and presentation to the conference of Helsinki/Finland

#### ***Reinforcing institutional capacities***

- Construction and/or rehabilitation of buildings of the Population delegates
- Restoration of the operation structures

#### ***Relocation of the homeless and the rural households:***

- 450 re-lodged and reintegrated households in new zones of production
- basic Infrastructures set up
- Signing of convention of partnership between the Ministry of Population and the supervising NGO
- training of the 170 households in agricultural techniques
- Distribution of supplies, blankets and staple products
- production equipments (husker, grinder, brick press, band-saw, surfacing machine) and provision of tooling (angady, shovel, wheelbarrow, rake, water tank)
- installation of two water towers for drinkable water
- Signing of a codicil bearing modifications of some articles in the partnership convention between the Ministry of Population and the OTIV "Ombona Tahiry Ifampisamborana Vola"
- Reinforcing the activities of the drought victim sub - prefectures in the south and support to the households struck by the cyclones Gafilo and Elita throughout generating finance activities

- Follow up of support projects to the population victim of kere, that is famine in the south and endowment of supplies to beneficiary associations
- Functionality of 3 resource centres and 10 relay centres
- 33 female groupings supported in AGR in the Androy (realization 130% because the follow-up action and the framing of the groupings concerning AGR have been achieved in addition)
- 3 Centres of support in 5 KERE sites (victim of drought) and managed by 3 NGOs, set up

### ***Rights and protection of the Children***

- 5 draft of clauses relative to the International Adoption, to the reception centers and underage orphans, written and submitted to National Assembly and awaiting its adoption.
- Adoption of the EKA program through a decree and official launching at the State Palace of Iavoloha
- Insertion of the EKA program in the national strategy of social protection
- Refresher training to 40 educators from children and family welcoming centers
- Achievement of a training module about birth registration (EKA)
- 1,700 additional birth deeds achieved at Marovoay
- 11 families, beneficiary of money transfer (underage orphan)
- 178 EKA trainers and facilitators, trained in Mahajanga
- A manual of training concerning children's rights and protection, achieved
- multi-field networks of child protection, set up and operational in Toamasina, Antsiranana, Nosy-be, Mahajanga, Antananarivo and Fianarantsoa, targeting about 10,000 children with 203 trained facilitators, 864 sessions of sensitization and 17,440 sensitized people
- A survey of sexual exploitation of children, achieved
- 05 means of sensitization preventing children from violence and sexual exploitation, achieved (poster, logo, movie, novel-photo, short story on radio) and launching of the sensitization campaign about sexual exploitation
- A compilation of texts about child protection, produced
- 2 workshops concerning the identification of text hiatuses about child protection, achieved

### ***The elderly :***

- Green Card: 113 conventions signed with Civil Society for 12,334 recipients spread in 25 communes and 22 associations
- AGR: 15 beneficiary groupings trained and endowed in 15 communes.
- 10 groupings of 15 to 20 persons trained in management of AGR (7 of which equipped with technical means)
- Leisures: 8 meeting centers, inaugurated and functional

### ***Disabled people:***

- Project of text under validation
- Action Plan for the national decade, elaborated
- Assessment of home accompanying experimentation of 209 children from 14 Centres in 3 operational Sites of 2 communes (Antananarivo and Manjakandriana) with 120 agents for Re-adaptation on a Communal Basis (RCB)

### ***Vulnerable women:***

- N.B: The Project of Valorisation of the Woman's Statute and Education to the Domestic Life ended in the year 2003
- Creation of 2 centres of attention and advice (Antananarivo and Fianarantsoa)
  - Diffusion of 5,000 folders concerning the law about sexual violence
  - Diffusion of 3,000 booklets about violence against women

### ***Institutional support to the intervening parties:***

- Diffusion of 200 NGO's directories, achieved at 100%
- 12 regional boards of functional NGOs (realization: 100%, Structures already mobilized by all, Prefects and Vice – prefects, awaiting acceptance concession because of communal elections)
- 12 bipartite committees of acceptance concession, set up
- Acceptance of 33 NGOs, achieved (Antsirabe: 12, Itasy: 04, Ambatondrazaka: 17)
- Center of analyses and forecasting on the operational development: 40 researchers, trained and 5 qualitative studies, achieved
- Education in social development: 195 NGO responsible persons, trained, 360 accompanists, 161 development agents, 25 technicians,
- Socio-economic promotion Center: 4 centers equipped
- Sensitization of 30 presidents of associations using hydraulic networks in the framework of Integrated Rural Development Zone (IRDZ) (Inter-Ministerial Actions)
- Support Program to social - economic insertion (PSSEI)
- Identification of professional branches for site development (Toliara and Antsiranana) in the framework of PSSEI

### **5.6.1.2.3. OBJECTIVE 3: TO PROMOTE CULTURE TAKING THE POPULATION / GENDER / ENVIRONMENT DIMENSION INTO ACCOUNT IN DEVELOPMENT PROGRAMS**

The realizations from 2003 until June 2004 are:

- Promotion of the Woman/Education to the domestic life
  - Integration Technique: sensitization of 207 communal and regional people in charge, 59 university officials, mobilized
  - Validation of the national plan of action, gender, and development: decree No. 1,184 on December 23<sup>rd</sup>, 2003
  - Gender-based training : 2,763 responsible association members and female groupings, informed and trained
  - Diffusion of documents:
    - PANAGED: 653 mother documents, 1,000 booklets
    - PNPF: 500 mother documents, 1,500 folders, 1,000 eye-shades, 320 summaries in Malagasy
    - MIRALENTA: 244 documents
  - Fight against violence with respect to women: 5,000 folders, 3,000 CEDAW, 500 folders about the Pan-African Organization of Women.
  - Spreading of 6 regional development gender-based plans of actions
  - Realization of 6 workshops for elaboration and validation of the PANAGED in Tana
  - Realization of 5 provincial workshops for spreading and advocacy regarding integration of the gender
- Sensitization on Gender and local Development:
  - In the 06 Faritany and at the level of the Fivondronana during the 05 social mobilizations organised yearly for the promotion of the gender
  - In 07 rural communes
  - Follow-up and framing of the groupings of generating incomes activities
  - 108 groupings in 04 Fivondronana and 08 rural communes
- Reinforcing the national consensus for the PNP
  - Population and development: 4 studies achieved
  - Integrated Population / gender: policy document readjusted and validated, diffusion of 593 manuals of integration
  - Holding workshops and initiation to techniques of taking the dimension population / gender into account
    - / HIV/AIDS in the programs/projects: 49 trained in the pilot zone of Alaotra
    - Revalorisation of spare time activities
    - Promotion of spare time activities in cycling: 250 participants

- Exchanges of information, entertainment.

### 5.6.1.3. INDICATORS

**Table 28: Achievements: Governmental Programs and NGO / Associations**

Realization		Forecasting		
2002	2003	2004	2005	2006
<b>1. Number of persons alphabetized [ 15 years old and over]</b>				
3,000	21,000 *	35,000	50,000	70,000
<b>2. Number of operational literacy sites</b>				
25	500	700	900	1,000
<b>3. Number of alphabetisers trained</b>				
273	1,900	3,000	4,000	5,000
<b>4. Number of manuals published and distributed</b>				
19,000	65,000 *	130,000	250,000	300,000

\* : *Achievement of Government and NGO / Association Programs*

### 5.6.1.4. LESSONS

The main constraints encountered:

- New migration zones: long site management
- Accompaniment in AGR: delay in subsidy disbursement
- Insufficiency of the blankets: vulnerability of the children, elderly people and disabled people
- Benevolent work by district facilitators
- Analysis and training Center: insufficiency of information on training, setup of one National Institute of the Social Workers, advocacy

#### ***At the Institutional level***

- Difficulty in establishing agreement formalities with the local operators (transportation, pharmacy, clinic)
- Inaccessibility of landlocked zones (green card)
- Non-existence of National Identity Card for the majority of the parents (additional judgment sheet)
- Non professionalism of the associations/ONG: difficulty of sensitization
- Weak involvement of local authorities concerning sensitization of the community
- Beneficial intervention of Help and Action in the literacy Program and EKA
- Insufficiency of collaboration and coordination between the intervening parties, with the local authorities and the decentralized technical services
- Partitioning between the central level and the province
- Delay of file treatment at the national level
- Weak communication between GTP core and decentralized structures
- Weak involvement of local authorities in sensitization of the community
- Parents' Ignorance about children's rights
- Children too much exposed to dangers
- Reluctance of the population denounce ill-treatment of children
- Non complete involvement of engine sectors in application of child right and protection
- Delay in the publication of the municipal texts bearing the network creation and functioning about children protection
- Growth in number of women breadwinners (mono-parent system)
- Frequency of arrangement case for victimized children
- Required review of texts related to the time granted for registration at commune.

#### ***At the Financial level***

- Abundance of requests for intervention
- Non-observance of contract clauses for the use of saved funds
- Non- availability of learners during the day, implying extra costs
- Unavailable planned Credit for producing plans and support for mobilization concerning child right
- Insufficiency or non-existence of financing allocated to programs (EVF, literacy, preschool)
- Delay in setting up and/or releasing budgets, engendering a schedule shift

### ***At the Technical level***

- Insufficient maintenance of restored or constructed infrastructures
- Weak education of the users and the community.
- Weak collaboration and help among authorities, project and community
- Non sustainability of achieved works and actions for lack of means
- Insufficient Sites for Re-adaptation on a Communal Basis (RCB)
- Insufficiency of Training for RCB Agents
- Educational approaches non mastered
- Dropout of training contents
- Frequent change in intervening parties
- Difficulty in mobilizing the inter ministerial actors for the EKA program, aggravated by lack of communication and travel means for realizing the copy operation

#### **5.6.1.5. CHALLENGES**

- Execution of the actions programmed by the Orientation and Validation Council
- Implementing the adopted policy concerning non Formal Education
- Alphabetization of 25,000 adults and proceeding on extension of the number of literacy sites in the 04 concerned Provinces (Toamasina, Toliara, Fianarantsoa, Mahajanga)
- Increase of the number of alphabetisers and backing of alphabetisers' technical ability in Intensive Functional literacy for Development (IFID)
- Installation and Exploitation of the information system with a view to managing the education For All in Madagascar (ISM/EFA)
- Backing of development partners and extension of sites and recipient numbers in the South: Ambovombe, Tsihombe, Amboasary Sud and Ampanihy.
- To improve living conditions among the 200 displaced families
- To lessen the impact of natural disasters by setting up associations and relay groupings and by creating infrastructures
- To operationalize the PAISE resources centers
- Priority Restoration of the administrative buildings and operation structures damaged by the cyclones
- Finalization and putting into practice the social protection strategy document
- To reach the objective timelimit for establishing birth documents (2 to 5 years old)
- To reach the PANAGED's objectives
- Necessity of reviewing the legal texts concerning leisure centers and holiday group campings
- Elaboration of a Leisure National Policy

#### **5.6.1.6. ACTIONS PLAN**

- Promotion of intensive functional literacy by setting up the structures for the campaign and intensification of the NGO partners' training
  - Increased exploitation of the information system for the management of the Education For All
- The actions for the year 2004 are focused on:
- Setting up of a social protection system: PRSP, socio-economic reinsertion of the underprivileged and vulnerable groups, social funds for development, training, structure reinforcement
  - Fight against illiteracy: non formal education, economic insertion of the non schooled
  - Integration of the gender dimension into development programs: studies and researches.

### **5.6.2. YOUTH AND SPORT**

#### **5.6.2.1. GENERALITIES**

Youth and Sports actions work to reach the objective No. 8 entitled " To promote cultural diversity in the PRSP". In that respect, the mission assigned to the Ministry of Youth and Sports is to open out all possible efforts and to mobilize all available resources to encourage sport practice in general and to promote high-level sport in particular, as well as to encourage the involvement of young in the development process of the country so that youth, instead of being a burden to the society, can rather be a progress vector.

After re-centring the activities operated within the Department, the specific objectives are:

- A healthy and efficient administrative management
- Transformation of Madagascar into a real sport country
- Preparation of a healthy, educated and productive Malagasy youth,
- Efficient use of the TIC in the administration

### **5.6.2.2. PROGRESS AND RESULTS**

Objective: to Promote cultural diversity

#### **5.6.2.2.1. SPECIFIC OBJECTIVE No.1: HEALTHY AND EFFICIENT ADMINISTRATIVE MANAGEMENT**

- Staff redeployment and training, decentralization of the MPJS and auditing of TAFITA
- Numbering the doors, respect of working hours, carrying of badge and setting boxes of grievances.
- Finalization of staff listing
- Record of the training needs
- Restitution of the internal audit works

#### **5.6.2.2.2. SPECIFIC OBJECTIVE No.2: TRANSFORMATION OF MADAGASCAR INTO A REAL SPORT COUNTRY**

- Construction/restoration of Sport infrastructures
- Internal and external restoration of the Ministry of Youth and Sports buildings (MJS)
- Toliara: grass cultivation at the Master KIRA stadium
- Launching service offers for the gymnasium achievement
- Record of works to be carried out per site
- Promotion of Sport for All for well-being
- Training of 23 district sport facilitators at the National Sport Academy (NSA)
- Training of 20 monitors in chief of the national state police
- Indian Ocean Island Olympic games in Mauritius: 109 medals (26 golden; 31 silver, 52 bronze)
- African Olympic Games at Abuja in Nigeria: 6 medals (26 golden; 31 silver, 52 bronze)
- Valorization of traditional sport activities
- Organization of traditional sport festival (Toliara, Antsiranana, Mahajanga)
- Organization of savika at Ambositra
- Preparation of the games (Athens, CJSOI,...)
- Preparation of the Malagasy teams
- Multiplication of country-wide competitions: 1 national criterion for taking over athletes
- Detection of sport talented young : 20 young footballers distinguished as fit for taking over
- Institution of boarding system in the CPPS: 3 CPPS concerned

#### **5.6.2.2.3. SPECIFIC OBJECTIVE No.3: PREPARATION OF THE MALAGASY EDUCATED, HEALTHY AND PRODUCTIVE YOUTH**

- Training and sensitization
- Reinforced skills among youth educators and facilitators: 300 young educators sensitized
- Maximal covering of territory with infrastructure of youth: 14 centers restored
- Re-launching of the CAPJ: 18 CAPJ boosted
- Young people trained in agro- pastoral techniques: 50 young trained
- Young people trained in entrepreneurial and in self promotion: 50 young trained
- Young people sensitized about STD/AIDS, SRA and drugs: 150 young sensitized
- Teenagers sensitized about the prevention against the social calamity: 150 young sensitized
- Young people orientated and accompanied in professional insertion
- Private Public Partnership: partnership with 2 programs taking care of the youth
- Reinforcing the boarding units at INJL at Carion: 3 units restored
- Reinforcing the welcoming and facilitation infrastructures for youngsters
- Recording of works in the 39 youth centres out of the 111 Fivondronana
- Training of 6 new SRA people in charge of sites
- Finalization of the law project related to the Youth National Policy
- Regularization of the administrative situation for the FIJ projects (CONFESJES)
- Construction of light sport infrastructures: 12 polyvalent sport courts
- Construction of covered gymnasium: 2 covered gymnasiums under completion
- Construction of a large football stadium: 1 football stadium under completion

#### 5.6.2.2.4. SPECIFIC OBJECTIVE No.4: EFFICIENT USE OF TIC IN THE ADMINISTRATION

- Setting up of the modern information system
- Maintenance of the information system in the organization chart
- Establishment of the needs

#### 5.6.2.3. INDICATORS

Table 29: Youth and Sports Indicators

No.	Intermediate indicators	Realization	Forecasting		
		2003	2004	2005	2006
1	Number of constructed sport courts	12	15	20	20
2	Number of sport and/or youth centres restored	5	10	15	15
3	Number of trained animators in sport	100	200	500	1,000
4	Number of sensitized young educators in health of reproduction	650	1,000	3,500	4,000
5	Number of young people especially rural orientated in development actions	50	500	1,000	1,500

#### 5.6.2.4. LESSONS

The main constraints in the Ministry in the achievement of its mission are as follows:

- Lack of ability related to the effective and efficient use of allocated resources
- Cumbersome administration
- Youth and Sport non considered as a priority sector
- Underused human means.

##### *At the Institutional level*

- Absence of the MJS representative at the decentralized level (rural communes)
- Lack of coordination between school sport calendars and those of the federal sports

##### *At the Financial level*

- Criteria of TAFITA financing

##### *At the Technical level*

- Majority of sports infrastructures not in compliance with standards
- Shortage of qualified personnel (newly graduated from ENEPS not recruited)
- Insufficiency of human, material and financial means

#### 5.6.2.5. CHALLENGES AND ACTIONS

##### 5.6.2.5.1. CHALLENGES

- Effective management of the existing resources
- Better consideration of the youth and sports sector
- Respect of the financial orthodoxy
- Alleviation of the procedures
- To decentralize TAFITA
- Incitation of the private investors in the achievement and the management of the sport infrastructures
- To enhance sportsmen technical level
- To consider Youth and Sports as a priority
- To give out quickly the youth national policy

#### **5.6.2.5.2. ACTION PLAN**

- Non- authorized masters affectation during the school year
  - Decentralisation of the TAFITA funds
  - Construction and/or restoration of sport infrastructures in the respect of standards while privileging communes in assuming responsibility
  - Improvement and transparency of infrastructure management
  - Adjustment of executives level (sportsmen and young)
  - Reinforcing follow-up, control and assessment capacities
  - Standardization of materials endowments to youth groups
  - Popularization of the different legislative and regulation texts
- The actions for the year 2004 are focused on:
- The healthy and efficient administrative management
  - Promotion and development of sport
  - To officialize the youth national policy
  - Boosting of youth;
  - Socio-economic integration of youth.

#### **5.6.3. SOCIAL NETS OF SECURITY**

As a reminder, it has to be mentioned that all organisations/institutions mentioned in the present part, such as the Intervention Fund of Development, the Economic Re-launch Project, the SEECALINE pursue the objective No.7 like the Ministry of Population and Social Protection, to reduce the social exclusion in the rapid and sustainable development process of the PRSP. However, they have each their own specific objectives.

#### **5.6.3.1. SEECALINE**

##### **5.6.3.1.1. GENERALITES**

The Project SEECALINE, co financed by the Government, the World Bank and the PAM, intervenes in matters of nutrition and food security, targeting the most vulnerable layers of the population (children less than 3 years old, schooled and non schooled children from 3 to 14 years old, pregnant women and breastfeeding mothers).

The Component Net of Security has as a mission to attenuate poverty in urban zone through COMMUNAL WORKS "Cash and Food for Work" and "SUPPORT TO SOCIAL CENTERS.". It specifically aims at the most underprivileged social layers.

The priority measures are shared out in:

##### ***Communal works:***

- to offer an opportunity of incomes to the most deprived households
- to improve the setting of life of the community by the restoration and/or the construction of communal or economic infrastructures

##### ***Support to Social Centers:***

- To help the social insertion of one population from productive Social Centers through support in supplies in view of allowing the said Centers to invest more in the improvement of their activities.

**For the Nutrition Program component, since its starting in 1999, the 5 year- objectives (from 1999 to 2003) are:**

- to reduce by 30% the proportion of child less than 3 years old presenting weight insufficiency
  - to reduce by 30% the proportion of children less than 3 years old and breastfeeding women (8 weeks after child birth at the latest) presenting an A avitaminosis having weight insufficiency
  - to reduce by 25% the proportion of pupils in primary school suffering from anemia for iron deficiency
  - to reduce by 25% the helminthiasis prevalence rate with the schooled and non schooled children.
- In September 2001, at the mid-course assessment, the results were reached at 50% of overall objective.

The final assessment will be undertaken during the 2nd Quarter of 2004 (investigations) and the closing/ completion date of the Project, instead of December 2003 as initially forecast, has been

postponed until October 2004. Otherwise, different programs have been performed since the beginning of the Project in 1999 (communal nutrition, school nutrition, Information - Education. Communication), in 62 Fivondronana of Madagascar (the nutrition school program spread on, for example, more than 770 ZAP (that is Educational Facilitation Zones)

#### **5.6.3.1.2. PROGRESS AND RESULTS**

##### ***Security Nets***

**1.The achievements during the working period from July to December 2003 are presented as follows:**

- Communal Works "cash and food for work" (in the 6 chefs-lieux of Faritany)
  - recipients number: 89,253 / 80,841 workers
  - number of created jobs: 1,816,049 / 1,507,330 person/day
  - transferred incomes: 193,203 fmg and 22 kg of rice/ person
  - average length of work: 20 days
  - number of concerned communes: 91
  - number of concerned fokontany: 495
- Support to social centers
  - recipient number: 109,183 / 47,266 persons
  - number of shared food intake: 3,844,377 / 2,484,950 intakes
  - number of social centers: 490
  - weight of rice distributed: 1,153.3 tons
  - weight of vegetables distributed: 115.3 tons
  - quantity of oil distributed: 61,510 litres

**2.The achievements during the first semester 2004 are the following:**

- Communal Works: "Cash Food and for Work" in the 6 chefs- lieux of Province
  - Number of arrondissements or communes involved: 10 / 18 forecast
  - Number of Fokontany involved: 34 / 50 forecast
  - Number of recipients: 7,110 / 21,390 workers forecast of whom 3,235 women
  - Number of jobs created: 88,702 / 427,000 person/day
- Support to Social Centers:
  - Number of Social Centers concerned: 37 / 45 centres
  - Number of recipients: 10,728 / 11,200 people
  - Number of food intake distributed: 292,059 / 840,000 intakes

##### ***Commune and School Nutrition program***

- The achievements during the period July 2003 to June 2004 are the following:  
- 62/56 Fivondronana involved  
- 3,606 /4,040 Communal Nutrition sites of which 3,459 functional in rural zones and 147 in urban zones

(after crisis 2002)

- 664,226 children weighed
- supplement in flour for children: 264,531
- supplement in flour for pregnant women: 50,976
- supplement in Vitamin A:
  - 602,441: babies of 6 to 36 months old
  - 157,413 breastfeeding women
- 421,100 children of 1 to 3 years old dewormed
- 32,810 pregnant women dewormed
- funds of well-being (activities of micro-realization financing): 691 recipient communal sites

##### ***School Nutrition program (SNP)***

- deworming:
  - 1,500,786 schooled children
  - 1,061,251 non schooled children
- supplementation in total iron for the pupils : 1,450,536
- promotion of iodized salt consumption: 8,572 schools
- funds of well-being at the level of the schools: 433 beneficiary schools

## Information Education Communication

- Education of the intervening parties on the nutrition communication techniques
  - NGO: 203
  - ACN: 3 606
  - GVC: 253
  - Facilitators: 404
  - Masters: 25, 689

### 5.6.3.1.3. IMPACTS

The assessment of the security nets impact on poverty should have been made during the first quarter of the 2004 but nevertheless, elements of appreciation of this impact can be raised:

#### Communal works:

- creation of temporary jobs: the workers are from the poor population of the quarter (in 2003, 50% of the recipients recruited in Antananarivo are technical unemployed people from the 2002 crisis).
  - Training in practical techniques: cobble-stone setting, studding, mining work, masonry,.. allowing the laborer and help-masons to pretend to be fit for the specialized worker statute (SW 1) in the market of work. The HIMO (Intensive Labor) system practiced by the project since 2001 until now has facilitated the access to work for the most underprivileged layers,
    - increase in identity card operation: recruitment in the working site being conditioned by possession of identity card
    - opening up and facilitation of goods and people circulation by track realization,
    - infrastructure constructions such as ways of communication: alleys, stairs, footbridges have facilitated access into quarters
    - equipping quarters with small infrastructure has allowed to improve population well-being in unhealthyquarters: garbage containers, drinking-fountains, washing and rinsing board, public water-closets, sanitary blocks, areas of games, parklands, outside fittings, clearing-out of canals,
    - increase of arable surface area and agricultural production thanks to construction and/or restoration of irrigation channels.
    - the program has induced a change in household behaviour regarding nutrition and income management

#### Support to Social Centers:

- the distribution of food intakes at the level of school canteens has allowed to improve school attendance and results.
- the support in supplies at the level of social welcoming centers for wandering children and orphans facilitates their reinsertion and schooling.
- the recipient centers were able to develop their professional training thanks to acquisition of useful materials for the education of boarders before their insertion into the world of work

### 5.6.3.1.4. INDICATORS

**Table 30: SEECALINE Indicators**

INDICATORS	2003		2004 *	2005	2006
	Objectives	Realizations			
<b>Communal works</b>					
- recipients number	80,841	89,253	108,000	152,500	157,500
- number of person/day	1,507,330	1,816, 049,	2,160,000	3,050,000	3,150,000
- number of Fokontany concerned		495			
- number of communes or arrondissements		91			
<b>Support to social centers</b>					
- recipients number	47,266	109,183	52,900		
- number of distributed intakes	2,484,950	3,844,377	6,348,000		
- number of centers		490			

(\* Extension of the intervention zones starting from the year 2004: three (3) Fivondronana per year).

#### **5.6.3.1.5. LESSONS:**

The achievements during the first quarter of 2004 were carried out on the remaining of the 2003 IPPTE credit. The funds amounting to MGF 15 billion entitled on the 2004 HIPC credit have already been transferred to our open deposit account in the care of the Public Treasure at the end of March 2004. But the amount put at disposal is limited with regard to our budgeted needs, as well as the use of a credit portion by the Nutrition II SEECALINE Program, while waiting for the budgetary extension release sheet to be ratified by the Parliament; this is one of the reasons for delay in realizing the objectives for the first semester 2004.

#### **Communal works:**

- perpetuation of achieved infrastructures: the achieved infrastructure, of which the utility, is not directly perceived by recipients in their daily life (ex: exit channels) are not subject to maintenance from the community
- the project satisfies only 13% of the demands from the fokontany due to insufficient financing, and reaching the objectives (with figures) is subject to fluctuation in used equipment prices resulting from local currency depreciation.
- demands coming from other urban and rural communes, after the passage of the cyclones Elita and Gafilo do not stop from increasing and suffer from waiting due to the limitation of the Program intervention zones and the allocated budget for the year 2004.
- the activities of the Security Net Program are slowing down since one part of the allocated fund is used for realizing the activities in the Communal Nutrition II SEECALINEs project awaiting the ratification of the extension piece of USD 10 million from the project by the National Assembly.

#### **Support to the Social Centers:**

- Considering the fluctuations due to economic situation granting supplies was either short term or intermittent, besides the impacts are difficult to assess.

#### **Nutrition Programs**

The final status of assessments of the Nutrition program impacts on the recipients is not yet performed because :

- the status of assessment of the nutritional state must be achieved by anthropometrical investigation: the last one was held in 2001 and the next in 2004

- the result on avitaminosis is waiting for the 2004 Demographic and Health Investigation
- the investigation on the iron deficiency will take place during 2004

Information collections are done at the level of the primary schools and the Communal sites situated within the Fokontany and communes, inside the landlocked Fivondronana (Marolambo, Midongy of the South, Nosy, Varika,...), thus the term of the collection is from one to three months and the results are sometimes available only starting from the third month of the current quarter.

The project benefited from a supplementary credit (10 millions USD / IDA) in October 2003 to lead to term the completion of the project (during the period January to October 2004). However, this additional credit remains undisbursed until now because the corresponding credit agreement (N° 30 60-01-MAG) was concluded on December 1st, 2003 but not yet ratified by the Parliament.

#### **5.6.3.1.6. CHALLENGES AND ACTIONS**

#### **CHALLENGES:**

#### **Security Net**

- maintenance of assets gained is taken in charge by deconcentrated authorities
- considering the importance of demands coming from the Fokontany, the allocated fund to the Security Net Component has to be increased.
- In the action plan of 2003 to 2006, the extension of the actions zones of three Fivondronana per Province and per year with the budget relating to it has been foreseen. Granting consequential financing will support the project to realize their needs by order of priority.
- Resumption and catching up of works engendered after ratification of the budgetary extension piece of the project by the Low Chamber

- the communal works proved, on use, to be real communal solidarity schools (organization, technical supervision, medical follow-up, know-how exchanges, I.E.C...) as well as the "working site-school" system have to be set up.
- regular monitoring of recipient nutritional balance
- orientation to creation or development of Income Generating Activities
- Ensuring support in supplies over a sufficient period to be able to assess the impact of it and to monitor the observance of the memorandum of agreement by the beneficiary center.

### **Program of Nutrition**

The agreement of the additional credit N° 30 60-1-MAG should be presented at an extraordinary session by the Parliament.

#### **ACTIONS:**

For the year 2004 the planned budget was of MGF 62. 6 billion with extension of intervention zones in addition to the Province main town, and only MGF 15 billion has been acquired; thus, the objectives for 2004 had to be revised downward

#### **Communal works:**

recipient number: 21,390  
 number of persons/day: 427,800  
 number of communes: 18  
 number of Fokontany: 50

#### **- Support to social centers**

recipients number: 11,200  
 number of persons/day: 840,000  
 number of centers: 45

### **Nutrition Program**

The actions will focus on:

- reinforcement of activities in the Communal sites and in schools involved in the programs
- different investigations and final assessments of impacts
- completion of Phase II of the Project forecast in October 2004
- preparation completion of Phase III of the programs

#### **Other actions:**

- civic education for users
- training of the management committees for maintenance,
- the users must be educated, the management committees must be trained for maintenance works,
- the Fokontany will be endowed with equipment to guarantee the cleanliness and the maintenance of the infrastructures
- Technical and organizational capacity building in territorial authorities
- Reinforcement of professionalizing training for recipients
- Training in income management

Table 31 : SEECALINE Physical Achievements ( 6 Province main towns )

WORK TYPES	U	Quantity	Districts or Communes involved	Fokontany involved
Rehabilitation / construction of irrigation canals	ml	4 522	3	4
Rehabilitation of public right of way	ml	2 700	2	4
Rehabilitation/construction of stairs	ml	4	1	1
Rehabilitation of Track	ml	6 550	6	6
Outdoor fittings (large space, areas of games)	m2	677	2	2
Rehabilitation/construction of public washhouse	Place	2	1	2
Rehabilitation/construction of dyke	ml	376	2	3
Fitting public infrastructure (market,...)	m2	3 200	1	1
Crossing works	ml	8	1	1
Sanitation works	ml	212	3	3
Construction of wells	u	2	1	2

### **5.6.3.2. ECONOMIC RECOVERY PROJECT**

#### **5.6.3.2.1. GENERAL CONSIDERATIONS**

A Unit for coordinating economic recovery project and social action (CCPREAS) under the supervision of Ministry of Finance, Economy, and Budget is in charge of the activities of the Program, the main two axes of which are the Economic Recovery Emergency Credit and the Safety Net / Social Protection Project.

Regarding the Safety Net / Social Protection Project, the main mandate of the project is to help improve living conditions among vulnerable and poor layers of population. Some subprojects are jointly managed with FID and others are HIPC funded

#### **5.6.3.2.2. PROGRESS AND ACHIEVEMENTS**

##### ***As part of period from July to December 2003***

- Under projects managed jointly with FID, the actions consist of what follows :
  - Awareness raising and information campaign among ecclesiastical districts , visits to and technical controls of worksites
  - 677 projects achieved all over Madagascar : 3 million men / day were able to benefit from a financial support through high labor intensity (HIMO) scheme
- Under HIPC funded projects, the achievements related to:
  - Funds injection among households in vulnerable layers: MGF 1.4 / 1.5 billion
  - creating complementary and remunerative activities in the rural world: number of recipients: 138 726 / 100 000 men / day
  - rehabilitation and restoration of basic infrastructures : 26 / 30 HIMO worksites
  - the works related to infrastructure rehabilitation:
    - 57, 575 m earth tracks , 2 160 m lanes made of flat stone masonry
    - 1 405 m paved road, 41 580 m of earth piping,
    - 1 975 m of piping in masonry with quarry, 35 related works
    - 40 m of stairs in masonry with quarry, 05 garbage cans, 26 bridges
    - 01 dam rehabilitated, 02 public washhouses
  - Improvement of drinking water supply device in rural areas:
    - 08 decantation basins, 05 source fitting
    - 3 5550 m of supply network, 4 230 m distribution network
    - 03 tanks, 21 public fountains

##### ***Regarding the period from July 2003 to June 2004***

In total, 33 drinking water supply, 127 infrastructure works and 5 construction works have been achieved.

#### **5.6.3.2.3. LESSONS**

##### ***At the institutional level***

- Communes do not play their roles, they do not communicate the sanitation plans

##### ***At the financial level***

- Regarding financing, the financial chain includes mysterious parts that delay disbursement

### ***At the technical level***

- The little weighting on working materials does not allow to fulfill standards in public works
- Works that are not achieved in line with standards defined by FID are to be resumed
- Successive evaluations by various people from FID regarding corrections to be made delay works and affect work quality
- Inappropriate materials used for construction of works in « public works » entail a questionable quality among works achieved
- *Lack of technical skills among executing agencies provokes standard and quality issues*

#### **5.6.3.2.4. CHALLENGES**

To enhance actions, the following steps are to be advocated:

- redefine roles of actors
- FID has to develop a reliable information circuit
- FID has to distribute the budget by taking account of engaged expenditures and by revising weighting coefficients attributed to each heading
- executing agencies have to develop an IEC policy for the target public
- social protection actions have to develop towards economic recovery
- the work realized has to be maintained by local committees

#### **5.6.3.2.5. ACTIONS FOR 2004**

Actions for the year 2004 will be centered on multiplying targeted areas, increasing subproject number, creating new profitable activities and increasing project number in building construction / rehabilitation.

For year 2004, the number of subprojects will be more than ten times. Actions will focus in particular on drinking water supply and rehabilitating rural tracks and irrigation devices. Rural areas have the priority.

**Table 32 : Number of subprojects, Economic Recovery Project**

Year	2002	2003	2004	2005	2006
Number of subprojects	10	22	250	300	200
Increase in %	-	120%	1306%	20%	-33%

**Table 33 : Building Construction and rehabilitation 2004 -2005 -2006, Economic Recovery Project**

Churches	Number of districts
FJKM	30
FLM	20
ECAR	20
EEM	5

### **5.6.3.3. INTERVENTION FUNDS FOR DEVELOPMENT (FID)**

#### **5.6.3.3.1. Generalities**

The mandate of FID is to enhance service quality, beneficiary population access to services provided through social and economic basic infrastructures financed by the project, and to increase satisfaction level among beneficiary population regarding service provision through:

- capacity building among beneficiary population regarding selection, financing in part, monitoring evaluation, realization, use and maintenance of commune investment;

- capacity building among communes for selection, realization and maintenance of commune investment, in connection with beneficiary population, through support to decentralization process.

#### **5.6.3.3.2. PROGRESS AND ACHIEVEMENTS**

##### ***Period from July to December 2003***

- Regarding safety net projects, achievements relate to 685 projects :
  - Antananarivo : 203, Antsiranana : 85, Fianarantsoa : 150
  - Mahajanga : 47, Toamasina : 90, Toliara : 110
  - Number of men / workday is 4, 066, 847.
  - Income transferred is MGF 7, 500 / man / day (5 hours)
- Regarding community-based work, achievements relate to 497 projects distributed as follows:
  - schools : 271 out of 435, of which 54 in Antananarivo, 31 in Antsiranana, 40 in Fianarantsoa, 80 in Mahajanga, 44 in Toamasina, 22 in Toliara
  - health centers : 84 out of 136, of which 22 in Antananarivo, 5 in Antsiranana, 13 in Fianarantsoa, 12 in Mahajanga, 10 in Toamasina, 22 in Toliara
  - drinking water supply : 33 out of 57, of which 14 in Antananarivo, 4 in Antsiranana, 4 in Fianarantsoa, 1 in Mahajanga, 9 in Toamasina, 1 in Toliara
  - irrigated micro- perimeters : 7 out of 20, of which 4 in Antananarivo, 1 in Fianarantsoa, 1 in Mahajanga, 1 in Toliara
  - marketplaces : 39 out of 47, of which : 12 in Antananarivo, 6 in Antsiranana, 7 in Fianarantsoa, 6 in Mahajanga, 4 in Toamasina, 4 in Toliara
  - tracks / works : 60 out of 131, of which : 13 in Antananarivo, 5 in Antsiranana, 18 in Fianarantsoa, 10 in Mahajanga, 12 in Toamasina, 2 in Toliara. 338,36 km tracks and 1646,1mL works not achieved.
- Direct financing to communes : 117 beneficiary communes whose achievements are:
  - 2 abattoirs, 34 AEP, 1 pool management, 2 sanitation, 1 storing basin,
  - 12 CEG, 1 veterinary center, 7 vaccination corridors, 11 CSB, 57 EPP, 1 EPC,
  - 1 youth hostel, 4 multipurpose hangars, 1 impluvium, 5 latrines,
  - 2 housing facilities for school staff, 5 Marketplaces, 7 Irrigated Micro Perimeters, 9 Tracks, 8 Bridges,
  - 2 health posts, 8 ZP outposts
- Capacity building:
  - 931 communes and associations have implemented their priority activities in PCD,
  - 634 after sale service IEC program, 7 thematic activities,
  - 20 training series for partners : small and medium enterprises, consultancy firms, relay partners, 640 training sessions for communes
  - 945 support to associations and project units

##### ***Period from January to June 2004***

- Community-based Projects
  - Schools : 248
  - Health : 54

- Drinking water supply : 9
- MPI : 1
- Marketplace : 11
- Tracks and works : 17
- Abattoir : 1
- Cyclone damages
  - 1 499 work for rehabilitating and reconstructing basic infrastructures are under way
- Education For All
  - 2/1400 classrooms
  - 1/312 school
  - 180 contracts for lodging house construction under way
  - 243/400 MPE are trained and 50/80 are awarded the contract
- Direct financing to communes
  - Waiting for results of external evaluations of FDC 2002
- Capacity building
  - Deployment of AWP 2004 under way, in line with cyclone damages
- Social Protection
  - 928 conventions

#### **5.6.3.3.3. INDICATORS**

- community-based work : 450 subprojects achieved per year: 497 in 2003, 341 in 2004
- Direct financing to communes: number of beneficiary communes: 60 per year, that is 10 communes per province
- Capacity building: number of *Plan Communal de Développement*

#### **5.6.3.3.4. LESSONS**

In social protection, the project meets 75% of requests fit for acceptance. Some requests are not met. Counterpart funds has been insufficient for achieving FDC programs

Regarding community-based work:

- Shortage of cement for some period, which entails delays in implementing site work
- Insufficiency of bidding Small and Medium size Enterprises (SMEs) (case mentioned in Toamasina and Antsiranana) that entails relaunch of competitive bidding
- Lack of organization among enterprises regarding site work conduct
- Insufficient ordinary or specialized labor (for some provinces like Toliara)

#### **5.6.3.3.5. CHALLENGES AND ACTION PLAN**

#### **Challenges**

As regards Community-based work and direct financing to Communes :

- capacity building needs among enterprises, consultancy firms and relay partners have to be identified.
- The State has to equip the project with the Counterpart Funds and sufficient Internal Equity
- The State has to ensure availability of construction supplies and materials among projects
- Launch marketing for MPE and Consultancy firm ; enhance preselection method
- Implement training programs for specialized labor, strengthen awareness raising among beneficiaries.

- The manual of procedures has been revised to increase the amount of approval threshold for project for better achievement : validated by the Board of Directors and sent to the World Bank

#### **Action Plan for 2004**

- Regarding Community-base work, actions for 2004 are geared to achieving 636 community-based work ; priority subprojects by direct beneficiaries: identified from PCDs.
- Concerning «Direct financing to Communes», number of beneficiary communes will increase: 60 new communes will add to the 120 ones planned for year 2003.

Orientation of actions is in favor of remote communes.

- As regards capacity building, actions will be geared to developing 316 Commune Development Plans and to implementing 683 IEC after sale and thematic services
- for the part about social protection, actions in 2004 will be mainly geared towards actions for reducing vulnerability among populations affected by natural disasters and shocks, strengthening collaboration with religious NGOs : 873 subprojects to be conducted.

## **5.7. PRIVATE SECTOR DEVELOPMENT**

### **5.7.1. INDUSTRY, TRADE AND PRIVATE SECTOR DEVELOPMENT**

#### **5.7.1.1. GENERAL CONSIDERATIONS**

The main mission for the Ministry of Industrialization, Trade and Private Sector Development consists in : marketing private investment, technology transfer, competitiveness of industrial fabric and integrating Madagascar into the world economy.

To fulfill such a mission, six objectives have been set, as follows:

- Integrate Madagascar into regional and international development spheres;
- Promote national and foreign private investment;
- Promote partnership between the State and the private sector;
- Strengthen national competitiveness;
- Increase export ; and
- Boost free zones.

#### **5.7.1.2. PROGRESS AND RESULTS**

##### **5.7.1.2.1. OBJECTIVE 1 : STRENGTHEN NATIONAL COMPETITIVENESS**

The main expected results are :

- increase in goods flows;
- job creation;
- Increase in national enterprise competitiveness.

Among relevant achievements by the Ministry, there are:

- Putting in place « Handicraft Promotion Space » already operational in Antananarivo, Toamasina and Toliara : material supplying and staff training
- As part of rehabilitation of Société Industrielle pour le Développement des Machinismes Agricoles (SIDEMA) :
  - putting in place the leading team (appointment of Board of Directors members and of DG),
  - finalizing and launching call for bids, opening and evaluation of bids;
  - Execution of provision by consultancy firm kept: ECR
- As part of rehabilitating SIRAMA :
  - Beginning of stock and asset inventory (December 2003)

- Launching financial bid or social cleaning
  - Audit of SIRAMA account
  - The formula retained for privatization is management contract : units in Ambilobe, Nosy-Be and Brickaville are managed by a Mauritian consortium (contract signed on June, 25 2004)
  - Land tenure issue settlement
  - Environmental audit
  - Cleaning in staff
  - Warning the leading authority
  - Implementing the redress plan
- As part of State divestiture from cotton enterprise HASYMA :
    - Defining privatization and validation strategy by the Privatization Committee
    - Finalizing the contract with a Merchant Bank (Société Générale)
    - Recruiting the technical body for land tenure issue settlement, account auditing and environmental auditing (December 2003)
    - The bid by DAGRIS, only bidder cannot be accepted, call for bids for a second round was launched.
  - For cleaning internal trade:
    - inventory of existing texts,
    - finalizing the guide for trader and importer,
    - implementing texts on standards and quality of products not complying therewith,
    - creating an interministry committee on consumption norms,
    - bill on competition and law on end-consumer protection
  - Launching call for bids after identifying industrial areas : identifying unfruitful sites
    - File taken over by the Ministry under Private Sector Development Project 2 (PDSP 2) ; draft of Terms of Reference (TOR) and call for bids under way; the audit will be conducted by the consultancy firm DCDM.
  - Guarantee funds : operational

#### **5.7.1.2.2. OBJECTIVE 2 : BOOSTING FREE ZONES**

It is no longer worth mentioning the importance of roles played by Free Zone Enterprises in economic development through intensified private investment, job creation and significant increase in currencies. The results obtained in boosted free zones in the first years of PRSP implementation are as follows :

- Setting up a pilot Local Productive Scheme (SPL) related to textile branch, in collaboration with Brussels Enterprise Development Center.
- Agreement for 40 free zone enterprises over the year 2003 ;
- Project to recast texts about free zone regime in consultation with *Groupement des Entreprises Franches et Partenaires (GEFP)* and *Comité d'Appui à la Promotion des Entreprises (CAPE)* ; Interministry work, submitting the text to the next parliamentary session;
- Study on implementation of Free Zone Observatory;
- Developing the Industrial Free Zone in Tsarakofafa, in Toamasina : Environmental Impact Study and Infrastructure Study; site development works (water, electricity and telephone), contact with potential investors (Developers) for other development works and for managing the industrial free zone.

#### **5.7.1.2.3. OBJECTIVE 3 : INTEGRATION INTO THE INTERNATIONAL MARKET**

Results expected from actions for integrating the international market consist in :

- increasing export in value and in volume ; and
- scaling up textile product export to the USA under AGOA : US\$ 180 million

The related steps taken by the Government have produced relevant results that are summed up as follows :

- As part of restructuring the vanilla sector : adoption of related text by the interministry Committee; organization of workshops on Vanilla in Sambava and in Fianarantsoa, Study for creating Interprofessional Structures;
- Exporting textile products to USA under AGOA : US\$ 107 million in 2003 ;
- As regards strengthening approach to Quality : Setting up Madagascar Label and Tracking, appointment of members of National Council for Standards; supervision, with MAEP of Project on exporting potatoes to Mauritius;
- Editing the leaflet « Madagascar Land of Opportunities »

#### **5.7.1.2.4. OBJECTIVE 4 : PROMOTING PPP**

The main actions intended in promoting Public Private Partnership consist in putting in place the CAPE and some regional CAPE in province main towns;

Results obtained are :

- Operationalizing the CAPE and regional CAPEs in the 6 province main towns
- Holding periodical information meetings on various national meetings
- Participating in missions for marketing Madagascar (Madagascar's friends, Bavaria mission ...)
- Holding 2 General Assemblies (April 25, 2003 and October 17, 2003)
- Work for improving customs procedures
- Consultation on the Law relating to competition and consumer protection
- Reflection on improving land registration
- Developing a national standpoint in international trade negotiations
- Operationalizing GUIDE ;
- Developing an ethical code for private sector.

In that respect, the effort by the Ministry has been geared to conducting the following primary actions:

- Operationalizing the CAPEs in 6 province main towns ;
- Developing the TOR relative to developing the Ethics Code for Public Private Partnership;
- Starting work for putting in place the Economic Barometer for Enterprises in Madagascar (BEEM);
- Establishing the Matrix relative to Guides for Consumers and Operators under domestic trade cleaning;
- Creating and operationalizing the GUIDEs in the 6 province main towns :
- Study by Cambridge International Office on making GUIDE sustainable;
- Work for fitting out the premises for Antsirabe GUIDE ;
- Putting in place of GUIDE Information System including a website ;
- Study and Design of Charter for Investment;
- Securing trade and investment transactions, after signing by the President and ratification by the Parliament, of Madagascar membership to ATIIACA ;
- Developing a Strategy for marketing Foreign Direct Investment (FDI) : validating the study for putting in place a marketing scheme abroad and recruiting a Business Broker ;

- Putting in place a Solution Center for SMEs (CSPME) in collaboration with International Finance Corporation (IFC) and the World Bank with a view to putting new financial instruments at SME disposal.

**Table 34 : Activities by Central GUIDE in Antananarivo (Status at 06/30/04)**

Activity Headings	Outcome Indicators
Reception	2844
Business creation	450
Visa grant	1187
Preliminary advice and opening of tourism establishments	134
Embarkment agreement	134
Leases and purchase of land	02
Granting work permit to foreigners	847
Authorization grant	58
Environmental permit grant	05

#### **5.7.1.2.5. OBJECTIVE 5 : PROMOTE NATIONAL AND FOREIGN PRIVATE INVESTMENT**

Main results are:

- Strengthening information system :
  - Putting in a place website
  - Putting in place a database
- Developing an investment promoting strategy
  - Mission for marketing Madagascar abroad:
    - 11 international meetings and fora: EMA INVEST, AGOA II MAURICE, Mission SUD AFRICAINE, CCA in Washington, Fair of LYON, Fair of MONTARGIS, CRANS MONTANA, AGOA III, ADDIS ABEBA, Fair of BASLES, Madagascar's Friends
    - Foreign companies created: 121 (Oct - Dec 2003)
    - FDE planned in free zone regime: MGF 313 billion
  - Preparing and organizing foreign operator missions in Madagascar :
    - 4 economic missions (American, Canadian, Bavarian, French)
    - Developing marketing aids:
      - ❖ Film : 2 versions (French – English)
      - ❖ Cd-rom : 40 copies
      - ❖ Lands of opportunity : 1, 000 copies
      - ❖ Leaflets on new incentives offered by the State: 5, 000 copies
      - ❖ Madagascar : a new investment land: 500 copies
    - Studying setup of trade representation (Business Brokers)
- Securing investment
  - Signing APPI Madagascar-France
  - Preparing documents for Madagascar membership to Agence pour l'Assurance du Commerce en Afrique (ACA)
- Setting up Guichet Unique des Investissements et du Développement des Entreprises (GUIDE)  
(One stop shop for Investment and Enterprise Development)
  - GUIDE : created through Decree 2003-938 of September 09, 2003

- GUIDE Regional agencies: Toliara, Fianarantsoa, Mahajanga, Antsiranana, Toamasina
- Monitoring GUIDE activities in Toliara and in Fianarantsoa
- GUIDE results :
  - ❖ Visit for information : 2210
  - ❖ Files received : 903
  - ❖ Business creation : 211
  - ❖ Tourist business creation: 47
  - ❖ Preliminary opinion on tourist establishments: 52
  - ❖ Granting work permit: 202
  - ❖ Granting visa: 9
  - ❖ Agreement to free zone businesses: 40
- Awareness raising among our diplomatic representations in America, Europe, and Asia.

### 5.7.1.3. INDICATORS

*Table 35 : Industry, Trade and Private Sector Development Indicators*

Indicateurs	2002	2003 objectives	2003 achievements	2004	2005	2006
Number of authorized free zone businesses	20	40	40	52	52	52
Export : textile products (Export : textile products)	52	180	106	115	126	138
Number of food products cleaned through radioactive analysis	533	590	1, 093	1, 500	1, 400	1 300

### 5.7.1.4. LESSONS

In fulfilling its mission, the Ministry faces constraints which are as follows:

(i) at the institutional and regulatory level:

- Delay in appointment of credit administrators: the appointment took place in the course of September 2003, which resulted in low disbursement rate.
- Lack of collaboration from the private sector. This reality is at the origin of bad quality information obtained due to low communication level;
- Cumbersome procedures and high number of preconditions in cooperation with donors.
- Lack of technical staff.

(ii) at the technical and financial level:

- Delay in developing and validating various TORs;
- Delay in looking for and fitting out premises to put up regional GUIDEs .

### 5.7.1.5. CHALLENGES AND ACTION PLANS 2004

#### 5.7.1.5.1. CHALLENGES

Major challenges as part of pursuing the action plan for development of private sector consist in:

- strengthening actions for developing and boosting Public Private Partnership;
- strengthening the institutional capacity of the Ministry through granting extra resources in staff, equipment and credit.

#### **5.7.1.5.2.ACTION PLANS 2004**

It matters to remind that the Action Plan of the Ministry for this year 2004 provides for the following:

- Developing and boosting private sector through :
  - Promoting national and foreign private investment;
  - Strengthening national competitiveness;
  - Boosting industrial free zones;
  - Promote private public partnership
- Opening to world competition, in particular, through :
  - Integrating Madagascar into regional and international development sphere ;
  - Penetrating international markets.

#### **5.7.2. TOURISM AND CULTURE**

##### **5.7.2.1. GENERALITIES**

The mission of the Ministry is to promote cultural diversity and to accelerate tourism development.

To come up with this, three objectives have been set :

- To leverage tourism for sustainable development to the direct benefit of village-based communities and for environment protection.
- Secure the Malagasy cultural heritage;
- Encourage craft development and market the Malagasy culture inside and outside the country ;

##### **5.7.2.2. PROGRESS AND RESULTS**

###### **5.7.2.2.1. OBJECTIVE 1 : LEVERAGE TOURISM FOR DEVELOPMENT**

In response to the objective of leveraging tourism for economic and social development, the Ministry in charge of this sector for the period from July 2003 to June 2004 has planned the following operational objectives :

- to market Madagascar destination with the private sector ;
- to conduct recasting of tourism code;
- to create and develop Tourism Land Reserves (RFT) ;
- to create and operationalize the Office in charge of managing RFTs ;
- to fight against sexual tourism and drug trafficking.

Results expected from the related action plan are namely:

- 900 to 1,500 additional rooms are created ;
- tourism zones are demarcated and RFTs are constituted;
- increase in tourist arrivals; and
- Tourism Office is put in place.

Relevant achievements recorded during PRSP first implementation year are as follows:

- As part of privatizing State-owned hotels:
  - Audit of State-owned hotels and with State participation (Betty Plage, Hilton, Hôtel des Thermes, Zahamotel in Mahajanga and in Ihosy) :
    - Developing the draft setting the general conditions for hiring , operating and transferring Stat-owned hotels;
    - Finalizing the finding before auditing Hôtel des Thermes and Betty Plage

- Developing draft for privatization schema : submitted for approval to the Ministry of Economy, Finance, and Budget (MEFB) ;
- Presenting and submitting the legal framework draft governing the management, the hiring, the operation, and the transfer of State-owned hotels in Government Council in accordance with legislation in force. This draft is awaiting the enforcement of the new law bearing recasting of Law N° 96-011 of August 17, 1996 on privatization
- As part of valorizing tourism sites:
  - Identifying new types of activities related to tourism: RAVAKA TETRAKYS Project in the region of Vakinankaratra, Bemaraha Project and German Project Garafantsika
  - Implementing a pilot project in the province of Antananarivo : site of Antsirabe put in place in the province of Antananarivo
  - 17 tourism sites identified, of which 10 on the National Road RN1 and 7 on RN43 ; that is, in total, 356 interest sites inventoried on the territory as a whole
- Regarding investment promotion in Tourism Land Reserves (RFT)
  - Identifying sites potentially fit for RFT or for tourist products;
  - Studying creation of 3 RFTs : Cirque rouge (on eh way to be created), Morondava, Manambato ;
  - Putting boundary stones in 3 RFTs created : Isalo, Ankarana and Montagne d'Ambre
  - Putting 3 RFTs at the disposal of investors : call for bids launched for Isalo ; Management Plans realized for Ankarana, Montagne d'Ambre (under examination for technical opinion from departments in charge of land management and land reserves) ;
  - Relaunching activities relative to finalizing constitution of RFTs of Soalara, Anakao and Beheloka in Toliara II : conducting social engineering and management plans;
  - Finalizing creation of a new RFT in Antsanitia, Mahajanga II.
- Extension of concept of ecotourism
  - Education / training : training achieved and distribution of guide for ecotourism (ZDRI of Betafo)
- Improved reception in international and regional airports
  - Improved reception system in airports
  - Outfitting of airport of Ivato and airport of Nosy-Be : works under way
- Improved visa grant procedures for businesspeople and expatriate workers:
  - Streamlined and simplified administrative procedures and proceedings through operationalization of One Stop Shop
- Opening of air space for air transport:
  - Revision of existing bilateral agreements conducted by the Vice Prime Minister's Office (VPM)
- Training and capacity building: putting in place of two pathways « Licence en entrepreneuriat et BTS en gestion hôtelière » ( Bachelor's degree in Entrepreneurship and Advanced Vocational training certificate in hotel management) at Institut National du Tourisme et de l'Hôtellerie (INTH) (National Institute for Tourism and Hotel Trade)

As part of actions for marketing Madagascar destination, it matters to note that Madagascar was represented at the following international tourism events:

- Salon vert de Liège in Belgium ;
- Salon Mondial du Tourisme in Paris ;
- ITB Berlin ;
- Replica of Masoala (Zurich)
- Journée Madagascar à Munich (in the course of second quarter of 2004) ;
- Foire Internationale de Bordeaux (in the course of second quarter of 2004) ;
- MUBA PLUS (Switzerland),
- MAHANA (France).

Futhermore, the following have been organized (i) eductours for international journalists and specialized press journalists such as: Scuba, BBC, Groupe Bourbon, Inter Air Magazine, (ii) an eductour – a training initiated by CI Netherlands for Malagasy Tour operators, (iii) eductours carried out with Association Francophone du Tourisme d’Affaires (AFTA) for computerized booking of the francophone supply.

Main results, that indicate a good recovery of activities after 2002 crisis, may be recapitulated as follows :

- number of hotel establishments created : 806 ;
- number of new available rooms : 9527 ;
- number of EVPT : 553 ;
- currency revenues recorded : 54 million SDR for 2003 ;
- jobs created in hotels / restaurants : 15.110 ;
- jobs created in EVPTs : 4273.

#### **5.7.2.2.2. OBJECTIVE 2 : SECURE THE MALAGASY CULTURAL HERITAGE**

- With a view to securing the Malagasy cultural heritage, the Ministry has granted priority to implementing the following activities:
  - Construction and rehabilitation : palace of Ambohimanga, Besakana, Manjakamiadana,
  - Andafiavaratra : construction of 6 traditional huts
  - Creation of 6 provincial miuseuims and of 2 national muiseums (Antananarivo, Anahidrano)
  - Creation of 6 libraries in provincial centers
  - Mass awareness raising and education on cultural identity : Developing leaflets for learning the Malagasy language, inventory of sultural wealth in 12 Fivondronana of Fianarantsoa, negotiating the Zafimaniry knowhow into a world heritage
  - Organizing a national meeting of experts in culture (National Culture Policy ).
  - Official reception of entry of Royal Hill of Ambohimanga in the World heritage list
  - Official reception of entry of Knowhow in Zafimaniry woodwork in the World oral heritage list.

#### **5.7.2.2.3. OBJECTIVE 3 : PROMOTE CULTURE**

In the objective of promoting culture inside and outside the country, the relevant achievements by the Ministry have related to what follows:

- training for high positions and managers in the Ministry ;
- promoting culdutral diversity through regional festivals in Mahajanga, Toamasina, Antananarivo, Fianarantsoa, Tuléar, Antsiranana and one international festival SANGA 3

- developing a document of cultural policy, a decree on national council of crafts and cultures, and of code of artists ; and
- training for cultural operators : training sessions for cinema operators and stage artists

### 5.7.2.3. INDICATORS

**Table 36 : Tourism and Culture Indicators**

INDICATOR	2002	2003		2004		2005	2006
		Obj	Achieved	Planned	Achieved (June)	Planned	Planned
Created tourism and hotel infrastructure growth rate :							
otel number	717	767	768	820	-	870	920
Room number	8,780	9,300	9,325	9,800	9,607	10,300	10.800
EVPT number	522	530	553	570	-	590	600
Development of currency revenues regarding tourism (Millions of SDR):	27,8	33	54	75	-	85	90
Development of direct employment generated by tourism sector							
Hotels and/or Restaurants	14,031	14,800	14,809	15,600	16,092	16400	17.200
EVPT	3,563	3,800	3,781	4,000		4,100	4,300
Arrivals of International Tourists	61,673	-	139,230	170,000			
Document Processing Time:	90j	10j (**)	10j	10j		10j	10j
Number of <i>Maisons de la Culture</i> operationalized :	01	15	11	14		N.C.	N.C.
Number of cultural sites inventoried and valorized:	04	18	11	04		05	05
Number of texts regulating the job as an artist :	00	01	01	02		02	N.C.
Text ruling the organization and the duties of the National Council for Culture:	00	01	00	01		N.C.	N.C.
Visit rate to public reading :	100 pers/j	130 pers/j	100 pers/j	160 pers/j		200 pers/j	240 pers/j
Text bearing creation of National Craft Council:	00	01	00	N.C.		N.C.	N.C.

EVPT= Entreprise de Voyage et Prestataire Touristique ( Travel Enterprise and Tourism Provider)

(\*) : First semester 2003

(\*\*) : 10 days if all documents are complete

#### **5.7.2.4. LESSONS**

Constraints limiting the actions of the Ministry in charge of Tourism and Culture are as follows:

- Lack in staff numbers ;
- Low staff capacity ;
- Lack of training establishments and of material means ;
- Delay in disbursing funds required for putting in place Tourism Land Reserves (Fonds de Solidarité Prioritaire - FSP, PDSP2) ;
- Delay in appointing sector officials ;
- Waiting for the new law on privarization ;
- Lack of budget for marketing and promoting tourism and culture;
- Lack of knowledge among communities of tourism contribution ;
- Improving airports to ensure coordination of safety actions and to facilitate tourism;
- Delay in identification of turism sites due to access difficulties;
- Lack of financial resources aimed to rehabilitate and to build museums.

#### **5.7.2.5. CHALLENGES AND ACTION PLANS 2004**

##### **5.7.2.5.1. CHALLENGES**

Major challenges for Government regarding development of tourism and culture sector as a buoyant sector consist in:

- strengthening capacity in the ministry through human, material, and financial resources;
- improving collaboration with partners with a view to oversoming all bottlenecks as soon as possible.
- identifying new tourism sites through field visits during dry seasons
- streamlining procedures relative to creating and developing RFTs :
- mobilizing financial resources aimed to promoting and marketing the Malagasy Culture.

##### **5.7.2.5.2. ACTION PLANS**

It matters to remind that the actions planned for the year 2004 focus on :

- valorizing ecotourism and other products ;
- promoting a tourist development and ecotourism :
  - protecting and securing the Malagasy environment and cultural identity ;
  - tourism, a leverage for sustainable development to the direct benefit of village-based communities.
- cleaning and increasing tourism revenues;
- developing tourism infrastructures ;
- implementing the Art Mada project;
- rehabilitating sites and monuments ; and
- organizing cultural events

#### **5.7.3. ENERGY AND MINES**

##### **5.7.3.1. ENERGY**

The Government Action Plan in Energy sector includes three main agendas, namely :

- Institutional reform of the sector aiming to create a performing and effective institutional framework to assist and support sector investors and operators;

- Electrification of rural and periurban areas ; and
- Development of production, distribution and transport of electrical energy.

#### **5.7.3.1.1. PROGRESS AND RESULTS**

Regarding achievements in energy sector, the actions by the ministry during these periods focused namely on : on the one hand, institutional reform aiming to put in place a legal and organizational framework enabling and inciting private investment and, on the other, rural electrification.

Relevant achievements recorded during PRSP first implementation year are as follows:

##### ***As part of the Institutional Reform Agenda :***

- Audit of JIRAMA : definite report October 2003
- Study of JIRAMA restructuring
- Tariff study: definite report September 2003
- Development of JIRAMA management contract : Documents for Call for bids: finalized, call for interest expression for launched Management Contract;
- Putting in place the Agency for Regulating (ORE) : appointment of 7 members to the Board of Directors of ORE ; recruiting the Executive Secretary.
  - Putting in place the Agency for Developing Rural Electrification (ADER) : staff training in 2004 : appointment of 9 members to the Steering Committee and of President for ADER ;
  - recruiting the Executive Secretary to ADER ; and recruiting the Consultant in charge of developing the bidding documents relative to construction of building to put up ADER
- Putting in place the *Fonds National de l'Electrification* (FNE) (National Funds for Electrification) : recruiting the commercial bank in November 2003 and information meeting.
- Finalizing and validating the mechanisms for granting authorizations and for financing operations : disbursement January 2004

##### ***As part of physical achievements of the Rural Electrification Agenda :***

- Electrification of two rural communes (Ambondromamy and Ambatosoratra)
- Electrification of 3 villages through photovoltaic kits (Zazafotsy, Ankaramena and Mahatsinjo)
- SWER junction project: 142 villages connected to the network.
- Network electrification works 1st tranche: Call for bids launched for material and equipment purchase;
- IBERMAD network electrification works 2nd tranche : developing specifications for call for bids for projects ;
- Rural electrification project: enforcement of credit, order and technical reception of materials and equipment before ambrkmant;
- Electrification of 20 communes by private sector or by communes.

As part of development of production, distribution, and transport of electrical energy, the feasibility study of Antsirabe-Ambositra interconnection has been prepared : waiting for BADEA opinion for short list of consultancy firms to be consulted.

##### ***As part of the Agenda on developing renewable energies:***

- pursuing the Integrated Pilot Program of Mahajanga (2,d stage) aiming to ensure economical, ecological, sustainable fuelwood supply. The Program includes monitoring 20 former GELOSE contracts realized in 2002 and putting in place 15 new contracts in 2003 : demarcation, zoning, and training of beneficiaries: achieved at 100% ;
- pursuing Green Mad Project :

- social organization activity : supervision of 10 owners of reforested plots; 24 charcoal-makers trained;
- reforestation and social forestry: 703 Ha or reforested area with a more than 70 % success rate ; performance chart : developed; preliminary study of household energy consumption in Antsiranana in May 2004.
- extension of enhanced stoves: production of clay stove prototype with Berthold

### 5.7.3.2. INDICATORS

**Table 37 : Energy Indicators**

ENERGY	DEFINITION (Calculation Method)	ACHIEVEMENTS		FORECASTS		
		2002	2003	2004	2005	2006
1- Number of new operators other than JIRAMA	Holder of Authorization or Concession	03	03	04	06	08
2- Number of households connected to electricity		17,465	21,718	30,00	30,000	30,000
3- New capacity installed	Power of machines installed	250,307	250,707	280,700	288,700	305,600
4- Number of economical stoves distributed		-	282,000	310,200	341,220	375,340
5- Number of Secured Local Management (GELOSE) contracts		20 (2001-2002)	00	15	15	15

#### 5.7.3.2.1. LESSONS / CONSTRAINTS :

The main constraints noted during implementation of the action plan relate to institutional and regulatory aspects, namely :

- Incompatibility of certain provisions in texts in force ruling the electricity subsector ;
- Delay in opinion from financial partners: World Bank opinion regarding amendment of Credit Agreement, on the one hand, and BADEA opinion regarding the feasibility study of the Project of Antsirabe-Ambositra interconnection, on the other.

#### 5.7.3.2.2. CHALLENGES AND ACTIONS :

In order to improve the performance of the sector, the following actions will be engaged:

##### **At the institutional and regulatory level:**

- accelerating effective operation of various organizations: ORE, ADER, and FNE ;
- finalizing JIRAMA Management Contract;
- enforcing new tariff for JIRAMA ;
- capacity building, recruitment ; private sector support as part of access to credit; developing more flexible specification document;
- enhancement of JIRAMA management to make it more competitive;

##### **At the technical and financial level:**

- catching up delays in executing rural electrification projects.
- increasing private investment in electricity production.

### 5.7.3.3. MINES

In order to ensure increasing contribution of mining sector to Madagascar development, the Government policy set out in PRSP consists in implementing the following objectives:

- Put in place a transparent mining scheme ;
- Increase mining sector contribution to national added value;
- Strengthen decentralized management of mine resources ; and

- Promote and develop private mining investment.

#### **5.7.3.3.1. PROGRESS AND RESULTS**

The main achievements recorded in mine sector during PRSP first implementation year focused on priority activities that allow to achieve the objectives set. The results obtained in this buoyant sector are significant, in particular regarding institutional reform.

##### **Objective 1 : Put in place a transparent mining scheme**

Among relevant achievements, the following may be quoted:

- Coming out of texts for applying the mining code: coming out of orders on limitation of coming out of gold, authorization for laissez-passer by mayors, order for putting in place the Provincial and National Mine Committees, order for putting in place the one stop shop for exporting gems and precious stones, order for putting in place the National Mining Committee (CNM), and Provincial Mining Committees (CPM);
- Recasting mining taxation : waiting for interministry validation
- Substantial revenues from mine export: US \$ 25 million (provisional data end 2003).
- As part of Technical Assistance for improving and applying the legal and regulatory framework:
  - Interest expression appeared as of 04/ 10 / 04 for recruiting consultants in charge of developing various texts for applying the Mining Code; reception of bids presented by 5 consultants.
  - Organizing two validation meetings at the Ministry under recasting of mining taxation.
- As part of community-base management of crisis situations and rush to precious materials:
  - Attributing the Contract to SAGETEC consultancy firm and signing of contract in charge of household survey:
  - Establishing the short list of NGOs to be consulted and of Request for Proposal for recruiting the NGO in charge of putting in place the *Bureau d'Administration Minière* (BAM) (Mining Administration Office) ;
  - Recruiting the international individual Consultant for support to developing BAMs : developing TOR
  - Under the Project for constructing the Building for BAM Vatomandry :
    - Regularizing the land administrative document;
    - Approving the building blueprint;
    - Developing the related specification document with a view to recruiting the firm in charge

##### **Objective 2 : Increase contribution of mining sector to national added value**

- As part of the Program for certification and control of quality of gems, putting in place the *Institut de Gemmologie de Madagascar* (IGM) (Madagascar Gem Study Institute) :
  - Dispatching the request for proposal to consultants interested in technical study for rehabilitating the building devoted to IGM, Mining Sector Promoting Agency (APSM), UCP and the one stop shop:
  - Elaboration du rapport final de l'étude de faisabilité de création et de mise en place de l'IGM :
  - Holding training session by GIA from December, 02 to 06 2003
  - Oversea training for IGM training executives

- Selecting IGM teaching official
- Establishing the contract for leasing the premises aimed to the School for lapidaries
- Developing TOR for technician of certification laboratory
- Assessment of applications in recruiting the international consultant in lapidary art
- First tranche of translation of IGM courses
- Preparing the participation to the Fair organized by UAMA planned for 08 / 28 / 04
- Preparing the International Fair for mining products planned from August 13, to 15, 2004 at Madagascar Hilton
- Developing TOR relative to Action Plan for putting in place of a precious stone purchasing and selling counter to be financed USAID
- As part of strengthening private sector associations:
  - Validating TOR relative to developing the statutes of a lapidary and jeweller association
- As part of support to National Mining Council (CNM)
  - Developing the statutes and byelaws of CNM

**Objective 3 : Strengthen the decentralized management of mine resources**

Relevant achievements during PRSP first implementation year are as follows :

- Improved governance of mine and geology sector:
  - Coming out of texts : Statutes of *Institut de Gemmologie de Madagascar* - IGM (under way) ; text for amplying the Law on Large Mining Investment - LGIM (already published ) ; text on *Bureau d'Administration Minière* - BAM (under way)
  - Study of feasibility and setup of IGM ;
- Support to community-based management of mine resources in the regions of Sakaraha, Ilakaka, and Vatomandry
  - Decentralizing mine resource management in pilot communes;
  - Improved fees collection;
  - Formalizing operating.
- As part of institutional reform action for decentralizing mining administration and for capacity building in public mining institutions :
  - Developing TOR on making mining duty collection into a tertiary sector ;
  - Publishing the list of bad paying operators and amounts due in newspapers of 04 / 14 / 04;
  - Developing TOR for reorganizing mining statistics and computerization;
  - Developing TOR of legal consultant in charge of technical assistance for improving and applying the legal framework;
  - Launching the call fo bids relative to material and equipment purchase for laboratory preparing and analyzing samples;
  - Launching the study for defining the strategy and action plan for implementing Environmental Units in Provincial Directorates of Energy and Mine by SORITRA consultancy firm;
  - Launching study for updating the conceptual schema or SIGE and supervision mission of environmental studies by the international consultant ANTONIO BERMEO;
  - Recruiting VOARISOA for contract relative to decontamination and elimination of chemical waste of National Mine Laboratory;

- Drawing up the short list of consultancy firms to be consulted for designing and supervising the rehabilitation works of CEM-DP ;
  - Publishing the interministry order for creating the « Mine-Forest » Joint Committee in charge of assessing the forest zoning; and
  - Recruiting operator NGOs for the sites of Vatomandry (ONG FIANTSO), of Ankazobe and of Maevatanàna
- As part of distributing the objectives of the mining policy at regional level and local level:
    - Negotiating the contract relative to the communication campaign for small grants
    - Developing TOR for communication firm on IGM
    - Recruiting of ATW Consultant in charge of Geophysics communication campaign
  - As part of implementing the intranet and extranet networks of mining administration:
    - The site is put up on a provisional basis at the Mining Cadastre at the address: [www.bcmm.mg/prgm](http://www.bcmm.mg/prgm)

**Objective 4 : Promote and develop private mining investment**

As part of implementing the objective of promoting private investment in the mining sector, the Minsitry has granted priority to the following activities :

- As part of putting in place the *Agence de Promotion du Secteur Minier* (APSM)
  - Viability study for APSM and for the manual of administrative and financial procedures
- As part of strengthening the geological infrastructure and of updating geoscientific information :
  - Starting airborne geophysical survey on 05 / 02 / 04 in zones E and B
  - Recruiting two counterparts in geophysics and ten counterparts in geology
- As part of establishing the Base for Promoting Mine Resource Governance (BPRGM)
  - Developing the Request for Proposal relative to establishing a mapping exercise and BPRGM
  - Signing a Contract relative to fossiliferous zone classification with the University of Antananarivo
  - Negotiating the training of counterparts in geology and specific studies with the University of Antananarivo

**5.7.3.3.2. LESSONS AND CONSTRAINTS :**

The major constraints during the implementation of the action plan of the mining sector are of three orders, namely :

- Weak information system that allows for collecting and processing data required for developing planned indicators: provincial and communal tax revenues, increase in value of mining product export, increase in volume of exported cut stones and increase in value of investment in mining sector;
- Delay in putting in place the BAMS and in integrating management of mine resources into *Plans Communaux de Développement* (PCD) (Commune Development Plans) due to cumbersome procedures;
- Low mining duty collection rate due to capacity and orgnaization constraints.

#### **5.7.3.3.3. CHALLENGES AND ACTIONS :**

In order to enhance the performance recorded in mining sector, particular actions will be engaged. They consist in :

- accelerating recast of mining taxation;
- coordinating with organizations involved through purchase of land for constructing BAMs ;
- Effective putting in place of a precious stone purchasing and selling counter in August 2004 ;
- accelerating service provision relative to improvement of mining statistics scheme and to improvement of legislative framework that rules the sector.

#### **5.7.4. POSTS AND TELECOMMUNICATIONS**

As part of implementing the objective to contribute to broad-based human and economic development through ITC tools, the main achievements in the sector of Post, Telecommunication and Communication involve namely : (i) development of community-based financial services, namely in rural areas, and (ii) development of basic infrastructures and services in telecommunication under the ICT for All Agenda.

##### **5.7.4.1. PROGRESS AND RESULTS**

The sector of Posts and Telecommunication is part of sectors that recorded some level of performances during PRSP first implementation year. The most relevant results are as follows :

- As part of Development of Postal Financial Services :
  - Study of the new status of Centers for Postal Checks (CCP) with a view of transforming them into Savings and Credit Establishments (ECP) ;
  - Outfitting works for postoffices in Antananarivo, Soavinandriana, Sabotsy Namehana, Ambohimangakely, Anjozorobe and Sambava ;
  - Putting in place of Postal Savings Tsinjolavitra, operational since March 2004 among all postoffices : registration of 36,000 savers made up of rural ones essentially until end of June 2004 ;
  - Putting in place new *Cyberpaositra* : a post shopwindow in 67 Ha (Antananarivo), in Talatamaty, in Fianarantsoa, in Toamasina and in Antsirabe.
  - Improving access to telecommunication services through a program for installing 56 telecenters and 78 public telephone booths;
- As part of telecommunication Backbone Project
  - Technical study for realization and financing :
- As part of international connection Project through optical fibers :
  - Adoption of Business Plan by the Government Council and starting quest for financing
- As part of setting up technological poles (*Technopôle*) :
  - Finalisation of partnership schema and installation of first firms on the site of Antanetibe in Antananarivo.
- As part of environment improvement in the Telecommunication sector :
  - TELMA privatization : achieved :
  - Conduct of study on renewing the regulatory framework.

### 5.7.4.2. INDICATORS

**Table 38 : Posts, Telecommunications and Communication Indicators**

Intermediate Indicators	Achieved 2003	Forecast 2004	Achieved 2004	Forecast 2005	Forecast 2006
1- Number of telecenters	5	53	<b>5</b>	250	300
2- Number of public booths	7	11	<b>11</b>		
3- Numbers of localities connected to fixed GSM	13	8	-	10	12
4- Number of localities that are newly serviced by "mobile phone" operators	8	4	<b>3</b>	4	4

### 5.7.4.3. LESSONS AND CONSTRAINTS :

The main constraints during the implementation of the action plan of the sector of Posts, Telecommunication and Communication are of technical and financial order, namely:

- Lack of financing allocated to development of postal financial services despite the interest expressed by the rural population;
- Lack of financing allocated to ICT for All Program
- Non disbursement of financing on HIPC resources aimed for project of telecenter and public telephone booth installation.

#### 5.7.4.3.1. CHALLENGES AND ACTIONS :

In order to improve the sector performance, the following actions will be engaged:

- implementing a campaign for Marketing and for Information Education and Communication (IEC) relative to promoting postal financial services (TSINJOLAVITRA Savings) and for using CYBERPAOSITRA ;
- looking for and negotiating additional financing that allow for achieving the objective of 600 telecenters in 2006 ;
- effective realization of International Connection Project through optical fibers in 2006.

## 6. RESULT ANALYSIS

### 6.1. ANALYSIS PER STRATEGIC AXIS

#### 6.1.1. GOVERNANCE

Restoring a Rule of Law and a well governed society requires significant realizations as regards the four (04) main objectives which consist in ensuring good governance and in succeeding in fighting against corruption, in observing democracy, establishing the rule of Law and bringing the Government nearer to citizens through decentralization and deconcentration.

Substantial reforms steps of institutional order have been taken in fight against corruption, management of public affairs, transparency and observance of choice of people, establishing the Rule of Law and decentralization.

#### 1. Reforms of institutional order

The measures taken as part of good governance have related to setting up an enabling framework to improve relationships between administration and administered, to ensure effectiveness in conducting public matters and to improve public finance management

The main achievements relate to putting in place structures like (i) the Higher Anti-corruption Council (CSLCC), (ii) the High Court of Justice, the Supreme Court, the National Justice Council and the General Inspection of Justice (texts developed ), (iii) the administrative and financial tribunals of Toamasina,

Mahajanga and Antananarivo. Regarding the regulatory framework, the following may be quoted (i) finalizing the organic law and the texts on budget management, (ii) preparing the texts relative to organization of decentralized territorial authorities, (iii) operationalization of National Relief Council at national level and regional level, (iv) developing the organic laws and application texts on decentralized authorities.

It has, however, to be noted that gaps exist regarding implementation of control measures and texts such as monitoring and control of personal asset statement by high position state agents, the too long time period between development of bills and their adoption, slow administrative procedures, appointment of Procurement Officials.

Institutional measures to be taken consist in continuing setting up of structures provided by the Constitution in the area of Justice, in monitoring operationalization of structures already set up, in accelerating the procedures relative to adoption of texts. To ensure effectiveness application of texts and laws, action plans are to be developed to allow for closer monitoring.

## **2. Programs**

The achievements in the agenda for improving the relationship between the administration and the administered have mainly related to putting in place the legal framework relative to development of regions and communes, operationalization of regional development structures and capacity building among commune officials. Furthermore, bringing the justice nearer to the population is on the good track through putting in place of institutions and through constructing new infrastructures. Strengthening rural safety is effective through increase in safety numbers and strengthening of means.

It is, however, noticed that the various texts are not always coherent, especially those relative to territory authorities, and difficult to implement, such as the texts on Intercommune Cooperation Public Organization. Lack of human resources is an issue in several areas. The number of district administrative delegates is to be increased to ensure the State presence all over the territory. In public matters conduct, the actions relate to modernizing the overall administration and to strengthening means in order to transparency, rigor and rapidity in document processing. Fight against corruption is effective by putting in place the executing institutions and by developing action plans in various sectors such as public safety, Vice Prime Minister's Office, economy and finance. Administrative reform expresses the willingness of the Government to combat this scourge.

Despite advances made in implementation of programs, strengthening the means among the administration is needed. Putting in place an anti-corruption body at each Ministry has to be effective and repressive actions are to be made effective.

Regarding public affair management, the actions related to improving the framework for developing the long term development strategy (developing PRSP) and developing tools for managing the economic situation and the budget policy. Measures that allow to increase the State resources and to master the State expenditures have been taken in customs, taxes, tax centers.

The main constraints relate to lack of harmonization among donor actions. The actions have to relate to putting in place the expenditure framework in the medium term (MTEF) and the program budget.

Regarding public procurement, materializing appointment of Public Procurement Officials is needed.

### **6.1.2. PRODUCTION – INVESTMENT**

Promoting a broad-based economic growth requires the realization of five (5) overall objectives : reach an annual 8 to 10 % economic growth rate, improve investment rate so that it reaches 20 %, boost the private sector so that it participates in up to 12 to 14 % in investment rate, open the Malagasy economy to

larger competition with a view to reducing costs and to improving quality, as well as raise will to participate among the population.

The 9.8 % economic growth rate recorded in 2003 would be between 5 to 6 % for the year 2004 according to provisional estimates. This slight regression results from the combined effect of several factors, internal and external to Madagascar economy. The results secured in the main sectors are the performance results achieved, on the one hand, from economic reforms and, on the other, from investment programs.

### **1. Institutional and regulatory reforms**

Putting in place an institutional and regulatory framework enabling private investment development is among the Government priorities in the economic sector during PRSP first implementation year.

Appreciable achievements have been recorded as part of restructuring, not only of rural development sectors transportation and energy, but also of buoyant sectors such as mine and tourism. The most relevant achievements also include (i) capacity building in ministries in their core functions, (ii) putting in place new operational organizations and structures in charge of managing, regulating and/or financing sectors in which the private sector participates, and (iii) developing various related legal and regulatory texts.

However, delays have been noticed in implementing institutional and regulatory reforms due, in particular to time periods, which are lengthy, in decision making in processes for designing, developing, and adopting legislative and regulatory texts. The authorities in charge of coordination and piloting reform measures will have to take account of this period aspect in applying these reforms.

Reinforcement actions have been undertaken in Vice Prime Minister(s) Office in the area of training in management, developing public private partnership and of autonomous regulation organizations. Such efforts will have to be sustained to improve performances.

Improvement measures of institutional order to be brought under PRSP implementation involve the development of combined information-decision scheme. Conducting processes for planning, coordination, programming, monitoring evaluation of development activities requires the fact of having an effective and reliable information system at both national and sectoral, as well as regional levels. It is important to scale up information and awareness raising actions among the population, to have their adherence and mobilization in economic activities.

### **2. Programs**

The pace of public investment in structuring infrastructure sectors is deemed good. As regards roads and transportation, the gaps recorded between forecasts and achievements result usually from constraints related to slow processing of public procurement documents and to lack of technical capacities in consultancy firms and public work firms. To palliate such constraints, appropriate measures have been taken by the vice Prime Minister(s) Office under its action plan.

The physical achievements in rural and environmental development programs are characterized by good performance in that several objectives have been overtaken. However, a particular effort remains to be made (i) to improve access to land that is part of the main poverty determinants, and (ii) for technical supervision of various relay partners that are the Associations and field active NGOs.

Concerning mine, tourism, and manufacturing industry sectors ..., coherence of related public investment remains very limited. Investments are mainly oriented to operations for identifying, servicing, and developing basic infrastructures (industrial areas, Tourism Land Reserves ...). Measures for strengthening technical coordination between, on the one hand, line ministerial departments and the municipal authorities and, the potential private investors, on the other, have to be undertaken in order to increase effectiveness and economic efficiency of public investment made.

As regards investment programs in the sectors of telecommunication and energy, the achievement level is also deemed fairly good. Lack is also noticed in public funds allocated to these sectors compared with national. Despite such a situation, neat improvement in existing conditions is noticed and favor the population in general and rural population, in particular.

We also noticed (i) increase in population access to telecommunication services through telecenters and telephone booths; (ii) setup of new postal savings services, and (iii) increase in village and rural commune access to electricity. The gaps recorded between forecasts and achievements in both sectors result from non effective and oportune disbursement of planned financing. These are actually constraints due to cumbersome administrative procedures related to mobilization of HIPC financing for telecommunication and of foreign financing for rural electrification program.

Interministry coordination actions will be needed to further improve performances in these infrastructure sectors (roads, energy and telecommunication) which generate significant induced effects on improvement of development conditions for rural populations: opening to external world through access to information and markets, promoting new income generating activities at the local level (micro enterprises in the form of small processing units or of artisanal workshops, ...).

### **6.1.3. SOCIAL**

Developing and promoting human and material securing and social protection schemes require achievement of eight objectives which consist in ensuring basic education to all Malagasy people « Education For All », ensuring education quality at all levels, promoting mother and child health, scaling up fight against malnutrition, strengthening fight against non communicable diseases, reducing social exclusion in rapid and sustainable development process, promoting cultural diversity.

#### **1. Institutional reforms**

Important reform measures have been undertaken in the social arena concerning setup of legal and framework and legal regulation of sectors: (i) preparing a national strategy for social protection, (ii) facilitating access to social services (health, education), and (iii) developing a legal and institutional framework ( water and sanitation, health, AIDS).

Adopting parallel accompanying measures adequate to such decisions is needed facing such measures to take account of lack of classrooms and teachers in education and of needs for strengthening community capacities in maintaining public infrastructures.

#### **2. Programs**

The main achievements in improvement of access to social services relate to infrastructure construction in education, health, drinking water and sanitation, waiver of school fess in education and setup of an equity funds in health, provision of equipment and materials, and strengthening human resources.

Actions in favor of vulnerable groups are important, such as relocating homeless, the operation called *Ezaka Kopia ho an'ny Ankizy* (Birth certificate for children), green card for elder people, developing draft texts for people living with a handicap, support to vulnerable women. Social security nets programs have allowed, on the one hand, to provide work for tagret beneficiaries, and to bring help in nutrition and health support.

As regards fight against AIDS, large achievements relate to putting in place structures at regional level in keeping with execution and monitoring of actions, stregthening of means, and orientation of actions in communication and prevention.

At the end of activities / actions at level of the five sectors, as a whole, it comes out that activities experience advanced implementation levels. Results are satisfactory as a whole but constraints exist mainly as regards the budget allocated to social sectors which are insufficient compared to the needs of the sector. Lack of coordination may also be highlighted at central and regional levels. Increase in budget allocated to social sectors is an important recommendation to achieve the objectives in the social arena and strengthening of actions in rural areas.

Increase in budget allocated to social sectors is an important recommendation to achieve the objectives in the social area and strengthening actions in rural areas.

## **6.2. ANALYSIS OF DETERMINING FACTORS OF POVERTY**

Poverty determining factors that have been developed in PRSP are the following: access to land, lack of qualification and underemployment, agriculture policy, remoteness, insecurity, especially in rural areas, health, education, drinking water and the environment.

Analyzing PRSP per strategic axis and poverty determining factor per objective has allowed to highlight the actions undertaken and the results recorded in implementing PRSP. The objective of the analysis is to know whether actions or measures have been undertaken taking account of such poverty determining factors, and to know the current results and the possible recommendations / orientations for future actions .

### **6.2.1. AXIS N° 1 : RESTORING A RULE OF LAW AND A WELL GOVERNANCED**

#### **SOCIETY**

##### **Insecurity**

As part of public security and civil protection, conventions known as DINA have been implemented in 23 sub-prefectures defined as red zone. Arms and explosive substances have been controlled. The number of autonomous security detachments has been increased. Numbers and staff of Gendarmerie has been raised.

Results are still far from objectives as regards coverage. Currently, there exist 3 policemen for 7, 350 inhabitants and coverage rate as regards community-based police posts in the 60 big towns of Madagascar is 38 / 192. Security coverage rate for Gendarmerie is 0,70 versus 1GN/142 inhab as an objective. The personnel in Ministry of Defense has been sensitized on their mission with valorization of control and inspection actions.

Actions have to relate to strengthening security of people and their properties, especially in rural areas, because people have to be able to work in serenity and benefit from their work.

##### **Education**

Regarding decentralization, chefs CISCO have been recruited through competition exam to improve community-based management of school administration, on the one hand, and to professionalize the position of Chef Cisco, on the other, for better accountability.

##### **Health, education, environment**

Budget execution has been monitored in 6 pilot Ministries as part of improvement of public expenditure management. The sectors of Education, Health, and Environment are involved in this exercise, and the status in engagement rates for the situation in April 2004 is respectively 30,7%, 16% et 1,6% compared to open credits.

The Ministry of Education has the best engagement rate compared to the other Ministries and issues related to absorption capacity have to be studied in order to increase engagement rates.

## **6.2.2. AXIS N° 2 : RAISE AND PROMOTE A VERY BROAD ECONOMIC GROWTH**

### **Remoteness**

Outfitting works for opening up roads and rural tracks have been undertaken over 2, 300 km.

As regards current road maintenance, 8, 077 km / 14, 050 km have been made. Concerning rehabilitation, the achievements related to 586 km / 5, 100 km of tarred roads. Besides, 249 km of rural tracks have been rehabilitated for development of production infrastructures and agriculture exploitation: region of SAVA, tracks for transporting milk, provincial roads and intercommune tracks.

As for rail transportation, at the end of effective concessioning in 2003, the rolling park of the network North has been strengthened and rehabilitated. The lines Tananarivo-Côte Est, Moramanga-Lac Alaotra, and the line Antsirabe / Antananarivo have been rehabilitated and reopened.

Regarding maritime and fluvial transportation, rehabilitation works have been made in the ports of Mahajanga and of Toliara, Sofia and Tsiribihina rivers have been managed. 12 other ports have been outfitted and 40 ferries have been rehabilitated.

Concerning posts and telecommunication, in order to allow the population to communicate easily, 05 new cyber-paositra have been installed in Fianarantsoa, Toamasina, Antsirabe. In addition, 56 tele-centres have been installed, as well as 78 telephone booths. Over 36, 000 savers, mostly rural ones, are recorded by the postal financial services Tsinjolahitra.

The works realized in keeping with road infrastructures provide a big step forward in opening up regions. Taking account of magnitude of works, priorities have to be established taking account of development potentialities at the economic level (production and marketing) and of social needs of regions: schools, health centers, drinking water, electricity...

### **Agricultural Policy**

For agriculture development, at the technical level, 16, 300 ha of irrigated perimeters have been rehabilitated.

Tax exemption measures have been taken for agriculture inputs and materials, and resulted in sale of 9, 693 / 10, 000 tonnes of fertilizers and delivery of 4, 728 plows / 4500 planned ones. As regards antilocus treatment, the objective has been achieved at 80%. The objective in rice production volume, that is 2, 800, 000 tonnes has been achieved for the year 2003.

Actions in improving rural financing have been undertaken, and affiliation to Mutual Financial Institutions has been recorded among 138 / 120 farmer organizations. Penetration rate for rural financing has improved by 3 to 6%. The regional / departmental chambers of agriculture (*Tranon'ny Tantsaha*) have to be operational to play their support and information roles in each region.

### **Access to land**

In order to solve land access issues, an action plan for 2 years has been finalized regarding land tenure securing. Actions for titling have been undertaken but the objectives have been achieved only by half (11, 530 / 23, 000 planned).

Implementing concrete actions relative to the National Land Tenure Program has to be envisaged : regulation of acquisition of land subject to customary right, procedures in administrative approach for lengthy and costly land purchase ...

### **Environment**

As part of increasing protected areas surface area, 2, 700, 000ha / 6, 000, 000 ha by 2008 are identified to be classified into conservation site. Regarding reforestation, the objectives have been achieved by half : 6, 232 / 12, 855 ha. Contrariwise, the area of natural resources transferred and managed have almost reached the objectives: 40, 141 / 42, 500 ha. An effort is still to be done to encourage communes to practice

water management and conservation as their number is currently 25 out of 90 planned. Contrariwise, 75 communes have been able to develop green PCD out of 44 ones planned.

Against bushfires, awareness raising has been conducted in 76 Fivondronana. To remedy environment destructive practices through tavy, practices in agro-ecology, substitution energy and /or alternatives to tavy have been realized in communes (60/60 communes).

Recommendations relate to necessity of monitoring management of natural resources transferred to communities in order to assess the impacts of such actions. Multiplying / strengthening creation of income generating projects or diversifying activities of people living next to protected areas have to be envisaged to find solutions to devastating actions by men to the environment.

### **Employments**

13, 240 employments have been generated as part of rehabilitation and road maintenance works. Besides, actions in agriculture activity development with financing of 1, 894 agriculture activity subprojects have been undertaken. Similarly, 147 non agriculture income generating subprojets have been put in place. In the area of tourism, 15, 110 employments have been created in hotels, and 4, 273 in EVPTs.

In keeping with valorization of tourism sites - RAVAKA TETRIS project in the region of Vakinankaratra and BEMARAHA project in Garafantsika, new tourism related activities have been identified and create income sources.

It has to be underscored that, as part of agreements granted in free zone, forecasts in number of employment created are 23, 381 in 2003 and 5,703 in 2004.

## **6.2.3. AXIS N° 3 : RAISE AND PROMOTE THE HUMAN AND MATERIAL SECURING AND SOCIAL PROTECTION SYSTEM**

### **Health**

The objective of external consultation for malnourished children aged 0 to 9 month is achieved at over 100%. Same for the immunization coverage rate in DTC 3. The number of public operational CSBs is 2, 184 / 2,126.

Putting in place what is called *Fandraisana Anjara no Mba Entiko* (FANOME) has been effective to establish an equity funds for helping poor. The rate of external consultations is 87% out of 60% in 2003, and 48% for the first quarter of 2004 out of an annual objective of 90%. Such results leave to suppose that the objective in 2004 will be overtaken end of 2004.

Community and school nutrition programs as part of Seecaline security social nets projects have allowed to give flour supplementation to 264, 531 children, and 50, 976 pregnant women, vitamin A supplementation to 602, 441 children and to 157, 413 breastfeeding women, to deworm 421, 100 children aged 1 to 3 years old. Besides, 2, 562, 037 schooled ans non schooled children have been dewormed, as well as 32, 810 pregant women. In addition, 138 health centers have been built.

Concerning fight against HIV /AIDS, AIDS prevalence rate has increased by 0.16 % in 2001, by 1.1% in 2003. Awareness raising campaigns have been condctued for young people. Regarding prevention actions, centers for counselling, voluntary testing and anonymous diagnosis have been put in place. The centers have been supplied qith anti-retroviral drugs. As regards quality service provision, 4 physiccists and 73 health agent ensure management of patients. A national anti-AIDS communication strategy is validated.

In order to stabilize visits to health centers, awareness raising and behavior change actions are to be conducted. The medical and paramedical staff in health centers is to be strengthened. Regarding fight against AIDS, actions have to be oriented to implementation of concrete actions of communication strategy.

### **Education**

The main achievements in the area of education are primary school construction 565 /797. 1,658 teachers have been recruited. 2,700,000 primary students have been provided with school kits, 19,181 schools have been provided with school funds. Vocational centers have been rehabilitated.

Fight against illiteracy has been scaled up : 6,500 people have been taught to read and write out of 1,300 planned ones.

Regarding results, net school enrolment has gone from 70% to 82% between school year 2001/2002 and school year 2002/2003. The objectives for the year 2003 / 2004 is 84%. The ratio student / teacher has gone from 52 to 59.

In the framework of safety net project, 519 schools have been built.

Actions have to be undertaken to face the boom in primary numbers as regards school infrastructure and teachers.

### **Drinking water**

The objectives set in access to drinking water are achieved almost at 90% in rural areas and urban areas. Social safety net projects have also contributed to improving water supply system in drinking water in rural areas (economic recovery project and FID). However, increase in objectives of service rate in rural areas has to be envisaged because it is still relatively low.

### **Employment**

Social safety net projects have allowed creating temporary jobs accounting for 1,816,049 / 1,507,330 men /day and distributing 3,844,377 food rations from Seecaline ; 138,726 / 100,000 men / day from the Economic Recovery 4,066, 847 men / day from FID.

Jobless and unemployed have had income sources thanks to high labor intensity (HIMO) but demand is still very high and actions have to be oriented to increase in supply. Moreover, HIMO works should include accompanying measures that would allow continuing to work at the end of works, as those people run the risk of falling into unemployment again and not to find sustainable solution to their situation.

## **7. STATUS OF HIPC-RELATED REFORMS**

### **7.1. GENERAL CONDITIONS**

#### ***7.1.1. DEVELOPMENT OF REPORT ON PRSP EXECUTION***

Measures and big objectives included in complete PRSP (Full PRSP) have started to be executed in January 2003. An interim implementation report covering the period from July to December 2003 was finalized on February 26, 2004. This report was subject to a series of regional workshops (Toliara, Fianarantsoa, Manakara, Mahajanga, Antsiranana, Toamasina, Antananarivo) that started on March 15, 2004 and ended on May 14, the same year. The annual implementation report for the period from June 2003 to June 2004 takes account of various comments relative to PRSP implementation (observations from the Prime Minister suggestions and recentering from regional workshops, Joint Staff Assessment, ...).

#### ***7.1.2. USE OF HIPC FUNDS***

The methodology used by INSTAT in the process for assessing financial and physical achievements on HIPC funds includes two stages:

- checking through census that consists in counting the documents related to HIPC Initiative in various line Ministries.

- checking through sampling that consists in checking on the field effective credit uses.

### ***HIPC Initiative 2001***

Based on 69 projects amounting to MGF 166,8 billion that have been analyzed, the financial achievement rate is 76.2%. The related physical achievement rate is 80,7%. The main constraint has been the belated setup of credits. Use of resources should have continued in 2002, but the events occurring in the same year seriously affected disbursement and consumption pace.

### ***HIPC Initiative 2002***

Definite achievements associated with HIPC funds use for the year 2002 reveal that financial achievements is 94.3% and physical achievement rate is 98.6%.

### ***HIPC Initiative 2003***

A provisional report on HIPC funds use for the year 2003 came out current May 2004. This report reveals that the financial achievement rate is 97.6% versus 99.3% for physical achievements.

## **7.1.3. PRESERVING MACROECONOMIC STABILITY**

In 2003, the economy increased by 9.8% thanks to resumption of activities in various sectors of economy. The 6 % objective in PRSP has thus been largely overtaken.

The growth objective for 2004 is .,0%. Inflation, measured by means of consumer price index variation dropped by 1.7%, tending to compare to 8 % increase as an objective in PRSP and to 15.8% observed in 2002.

In 2004, the objective has been to curb inflation. To this end, measures have been taken, such as reducing public expenditures and upward adjustment of prime rate of Central Bank. In addition, a social safety net has been put in place in order to mitigate the impact of inflation on vulnerable layers of population.

In 2003, tax pressure rate was 10% versus 9,7% in 2001 and 7.7% in 2002. The objective is established to 11.2% in 2004.

Deficit based on engagement has restricted, representing only 4.1% of GDP in 2003 versus 5.5% in 2002. The objective for 2004 is to reduce this deficit to a level lower than that of 2003.

Details on these data are developed in chapter 3.4 (Economic and financial results).

As for progress status of structural reforms, namely business privatization, the situation on the date of June 09, is summed up as follows :

#### **1. TELMA**

Closing of privatization carried out on June 04, 2004

- Signing the share transfer contract between FCR and DISTACOM
- Removal of sequestered 20% and payment of State share outstanding
- Environmental Audit : final report delivered on May 15, 2004

#### **2. HASYMA**

- Environmental Audit : final report delivered, awaiting IDA approval.
- Rejection of single bid received (DAGRIS) for non observance of bidding documents : a second call for bids is open to the five initially prequalified candidates.

- Establishment of a new schedule for resuming privatization process
- Notification of prequalified candidates (May 28, 2004)

### **3. SIRAMA**

- Selecting the investor for management under lease : recruitment of a business bank - Société Générale (May 2004). The Government decided to recruit managers in charge of managing SIRAMA production units with assistance from the Business Bank (end of May 2004).

The study of divestiture strategy will be carried out as of July 2004.

- Accounting assistance
- delivery of asset inventory statement (May, 13)
- audit of accounts 2000 to 2003 : delivery of preliminary report (beginning of April)
- Land tenure regularization and environmental audit : ongoing works
- Social cleaning : identification of overnumbers
- Works under way regarding 4 sites Ambilobe, Nosy-be, Namakia and Brickaville.
- Social cleaning took longer taking account of its sensitiveness and SIRAMA specificity (3,000 people out of 6,000 currently permanent employees have to be dismissed)
- Vocational relocation
- Start of preparatory works by PASERP/SAF-FJKM/SIRAMA

### **4. ADEMA**

- Port and airport project : signing contract between IFC and Vice Prime Minister's Office planned in October 2004

### **5. RNCFM Sud /SBM**

- Concessioning of SudSBM network, financing PST NPM
  - Revision and update of bidding documents (DAO): December 2003. The Consultant recruited by PST recommended two technical studies on hydrocarbon transport
  - Bidding document awaited in June 2004

### **6. RNCFM Nord**

Effectiveness of concession (July 2003)

### **7. JIRAMA**

Selection of a service provider for managing public water and electricity enterprise

- Call for interest expression by the Directorate of Energy and Mine (Jan. 2004)
- Handing of preselection files and assessment of preselection files by the Assessment Committee

## **7.2. GOVERNANCE AND INSTITUTIONAL REFORM :**

### **7.2.1. BUDGET MONITORING AND CONTROL**

*The organic law on public finance was voted by the national Assembly on June, 07 2004 and by the Senate on June 16, same. At the same moment, a law was voted; it bears reorganization of *Conseil de Discipline Budgétaire et Financière* (CODIF) (Budget and Finance Disciplinary Board). The bill on renovating the Public Procurement Code was adopted by the national Assembly last June 17; the same bill is currently being examined by the Senate. As for putting in place the *Cour des Comptes* (Audit Office), it is dependent on adoption of bill applicable to the Supreme Court which includes the State Council, the Supreme Court of Appeal and the Audit Office; the examination of the bill by the parliament is put off until the next session planned in December.*

HIPC resources allocated to control bodies, namely CDE and IGE in general served to financing new recruitments and to purchasing materials. Thus, CDE and IGE personnel and equipment have always been on constant increase. Personnel numbers and newly purchased materials in these two bodies will be presented in detail in HIPC closing report.

Periodical reports on budget execution of the six Ministries (Health, Education, Public works, Water and Forest, Justice, Agriculture) have been developed from collating figures among linbe Ministries, CDE and Budget. Such reports integrate achievements at each stage of budgetary chain (engagement, liquidation, payment order, payment) and highlight those relative to articles 611 to 613, and 621.

Computerization of the twenty-two principal treasuries is operational and has allowed to establish treasury balances and budget execution reports. Thus, treasury balances for 2001 and 2002 have been made in 2003. Those for 2003 and 2004 are planned in 2004.

Draft budget execution reports 1997 and 1998 have been submitted to the Gouvernement. Those for 1999, 2000, and 2001 have been transmitted to the Audit Office (Chambre des Comptes). Draft execution budget reports for 2002 and 2003 will be communicated to the Audit Office in 2004, while that for 2004 will be transmitted in 2005.

#### **7.2.2. BIENNIAL REPORTS ON ACTIVITIES BY EDUCATION AND HEALTH SECTORS**

The development of biennial reports on activities bt social sectors started with that of Education in August 2003. Such first report which relates to first semester 2003 has been available since December 2003. It has been prepared by a joint team of Ministry of Education and STA and integrates financial and ohysical achievements.

The second report covering the year 2003 is being developed following financial and physical information collection organized by the Ministry of Education. Such information is being processed. The fional report integrating financial and physical achievements will be available at latest towards end of July 2004.

For the Ministry of Health, two reports, the first one relating to first semester 2003, and the second one to the year 2003 as a whole, are under preparation. Collection missions have also been organized by the Minstry of Health in order to collect information which are under procesing. Both reports will be available at latest towards end of July 2004.

#### **7.2.3. PUBLISHING TRANSPARENT LISTS OF HOLDERS OF MINING, FOREST, AND WATER RESOURCE, PERMITS, AS WELL AS OF FEES COLLECTED FROM EACH OPERATOR**

It has been agreed that the list of mining, water resource, and forest operating permits, as well as offees collected from each operator be published twice a year.

- The Ministry of Energy and Mine completed in 2003 the two publications of the list of holders of mining permits, the first one in April 2003, and the second one, on September, 02 of the same year.

The first publication of holders of mining permits per province and of the amount of fees collected from each operator was completed on April 15, 2004 in the daily newspaper MIDI MADAGASCAR under nnumber 6290. Such amount covers the period from 2000 to 2002.

- The Ministry of Environment, Water and Forests published the first list of forest permit holders in April 2003. The second publication (including the fees from operating permits, the names of beneficiaries, the geographical area, and the amount) was completed on February 02, 2004.
- As regards water resource operating permit, the first publication was completed on October 17, 2003 ; the second publication, including fees, was completed end of December of the same year.

### **7.3. IMPROVED BASIC SERVICE DELIVERY**

#### **7.3.1. STRENGTHENING THE TEACHING CORPS**

The Ministry of Education in 2001 recruited teachers called to serve in remote EPPs. Results from verification conducted by the Ministry reveal that, out of the 3,500 positions planned, 3,427 are effectively engaged. Over 88% of recruited teachers are assigned to EPPs in rural areas.

The original objective of recruiting consists in providing with teachers the areas presenting a student/teacher ratio higher than fifty (> 50), then to manage teachers paid by FRAMs, who are already exercising for a number of years. After evaluation, the following conclusions may be highlighte:

- taking account of the fact that the ratio student/teacher taken originally takes into consideration the number of teachers paid by FRAMs, the new recruitments did not lower the ratio because these recruitments do not inject new flows,
- the more so as the Ministry of Education has taken incentives entailing a high enrolment level.

#### **7.3.2. SETUP OF A DRUG SUPPLY SYSTEM**

SALAMA drug purchasing group has been operational since the year 1996. The development of its sales is characterized by large fluctuations from 1996 to 2000. As of 2001, a constant rise has profiled as described below:

2001 : + 83.6%

2002 : + 2.5%

2003 : + 2.6%

#### **7.3.3. USE OF FER RESOURCES**

In 2000, the amount of FER resources is MGF 47 billion, of which 1.1 billion (2.3%) has been affected to rural tracks. In 2001, the total resource amount is MGF 84.9 billion with a percentage equal to 3.2% (or 2.7 billion) earmarked to rural tracks. In 2002 and 2003, total resources are MGF 147, and MGF 208.1 billion; percentages earmarked to rural tracks are respectively 10.3% (15.1 billion) and 10.9% (22.7 billion).

## **8. STRATEGY COSTS AND FINANCING**

Implementing poverty reduction strategy depends on efficient mobilizing and use of local and external resources. Indeed, 2003 budget execution indicates that 62% of total resources come from domestic resources and 38% from foreign resources. 41% of such resources have been earmarked to capital investment.

In 2003, capitl expenditures amounted to MGF 2, 657 Billion, that is a realization rate near 106.5%. Funding for such program may be divided as follows:

- Foreign funding : MGF 1. 796 billion
- Domestic funding : MGF 861.4 billion

## 8.1. FOREIGN FUNDING

Disbursements from foreign funding in 2003 amounted to MGF 2,258.524 billion, of which:

- multilateral funding : MGF 1,719.851 billion
- bilateral funding : MGF 538.673 billion

**Table 39 : Status of disbursements of external financing (in MGF millions)**

Donors	2003	Jan – Feb. 2004
<b>Multilateral</b>	<b><u>1,719,851</u></b>	<b><u>464,716</u></b>
- IDA	846,831	392,140
- FAD-BAD	43,341	23,926
- EU	681,080	44,506
- UNDP	43,341	n.i
- UNICEF	55,725	n.i
- UNFPA	18,575	n.i
- Other ones	30,958	4,144
<b>Bilateral</b>	<b><u>538,673</u></b>	<b><u>40,026</u></b>
- France	439,606	n.i
- USA	74,300	n.i
- Japan	18,575	7,399
- Others ones	6,192	32,627
<b>Total</b>	<b><u>2,258,524</u></b>	<b><u>504,742</u></b>

As regards 2004, foreign funding disbursed in the course of January and February amounted to MGF 504.742 Billion, of which MGF 464.716 Billion granted by multilateral donors and MGF 40.026 Billion by Madagascar partner countries.

## 8.2. DOMESTIC FUNDING

In 2003, tax revenues provide the most important Government resource for implementing anti-poverty strategy; they account for 51% of total public resources. Foreign resources, grants and net foreign funding,<sup>14</sup> account for 38% of total resources.

Efforts have been provided by the Government in order to mobilize domestic resources. Indeed, the tax pressure rate increased from 7.7% in 2002 to 10% of GDP in 2003 ; and the objective for the year 2004 is to achieve 11.2%.

Close to 25% of domestic resources (that is MGF 861.4 billion) have been mobilized to finance expenditures in capital programs in 2003 representing 40% of total expenditures. The remainder has been earmarked to personnel expenditures (27%), recurrent expenditures (18%) and other expenditures (15%).

<sup>14</sup> Raw foreign funding = non amortized loans and grants and debt relief evaluated at average rate of year. Net foreign funding = drawings - amortizations + exceptional funding (debt relief) + variation of net foreign outstanding

**Table 40 : Public resources and their earmarking 2002 – 2004**

	2002	2003	2004	2002	2003	2004
	ACHIEVEMENT			In % of total resources		
			LF 2004			
<b>Total resources</b>	<b><u>4,916</u></b>	<b><u>6,697</u></b>	<b><u>7,768</u></b>	<b><u>100%</u></b>	<b><u>100%</u></b>	<b><u>100%</u></b>
Internal resources	3,172	4,159	4,510	65%	62%	58%
<i>of which tax revenues</i>	2,304	3,392	4,210	47%	51%	54%
External resources	1,744	2,539	3,258	35%	38%	42%
<b>Grants</b>	650	1,539	1,390	13%	23%	18%
<b>Net external resources</b>	1,094	1,000	1,368	22%	15%	18%
<b>Total Expenditures</b>	<b><u>4,916</u></b>	<b><u>6,697</u></b>	<b><u>7,768</u></b>	<b><u>100%</u></b>	<b><u>100%</u></b>	<b><u>100%</u></b>
Personnel expenditures	1,380	1,827	1,931	28%	27%	25%
Goods and services expenditures	742	1,180	1,331	15%	18%	17%
Capital expenditures	1,446	2,657	3,076	29%	40%	40%
<i>internal investment</i>		861			21%	
<i>external investment</i>		1,796				
Others expenditures	1,349	1,032	1,430	27%	15%	18%
<b>Of which debt interest</b>	659	566	878	13%	8%	11%

In the course of 2003 budget year, a large part of public expenditures has been allocated to PRSP priority sectors. 44% of total expenditures (all mixed) have been attributed to the 6 pilot ministries : Public works, Justice, Education, Health, Agriculture, Water and Forests.

In 2004, budget allocation to same Ministries experienced a rise estimated at 66.5%. This reflects Government determination de further pursue its actions in PRSP priority areas. Part for education went from 20.2% of total in 2003 to 26.4% in 2004 following the Education For All Agenda. Public works, one of Government priorities, were provided with MGF 1,112.8 billion in 2004 versus MGF 648.3 billion in 2003.

**Table 41 : Recurrent and Capital Expenditures of the 6 pilot Ministries 2003  
and 2004**

	<b>2003 Prov in MGF billions</b>	<b>2004 LF</b>	<b>2003 in % of total</b>	<b>2004</b>
<b>Total all Institutions and Ministries</b>	<b>3 567.5</b>	<b>5092.1</b>	<b>100.0 %</b>	<b>100.0 %</b>
<b>Total</b>	<b>2 146.1</b>	<b>3 683.9</b>	<b>60.2 %</b>	<b>72.3 %</b>
Salary	785.5	1 046.9		
Non salary	213.7	517.3		
Capital	1 146.7	2 119.8		
<b>Health</b>	<b>302.0</b>	<b>531.2</b>	<b>8.5 %</b>	<b>10.4 %</b>
Salary	132.1	167.6		
Non salary	85.1	148.1		
Capital	84.8	215.4		
<b>Education</b>	<b>722.0</b>	<b>1 344.7</b>	<b>20.2 %</b>	<b>26.4 %</b>
Salary	543.0	725.8		
Non salary	74.9	278.0		
Capital	104.2	340.9		
<b>Agriculture</b>	<b>190.1</b>	<b>403.0</b>	<b>5.3 %</b>	<b>7.9 %</b>
Salary	46.4	53.3		
Non salary	17.8	25.4		
Capital	125.9	324.4		
<u>Water and F</u>	<b>18.4</b>	<b>167.5</b>	<b>0.5 %</b>	<b>3.3 %</b>
Salary	7.2	9.9		
Non salary	2.6	8.0		
Capital	8.5	149.6		
<b>Justice</b>	<b>85.3</b>	<b>111.4</b>	<b>2.4 %</b>	<b>2.2 %</b>
Salary	42.4	54.5		
Non salary	28.7	30.4		
Capital	14.3	26.6		
<b>Public Works</b>	<b>828.3</b>	<b>1 126.1</b>	<b>23.2 %</b>	<b>22.1 %</b>
Salary	14.7	35.8		
Non salary	4.7	27.4		
Capital	809.0	1 062.9		

Source : DGE-STA

In 2004, budget allocation to these 6 pilot Ministries considerably increased (72% of total recurrent and capital expenditures). This reflects government determination to further pursue its actions in PRSP priority areas. Part for education went from 20.2% of total in 2003 to 26.4% in 2004 following the Education For All Agenda. Public works, one of Government priorities, were provided with MGF 1, 062.9 billion in 2004 versus MGF 809 billion in 2003.

The analysis has been conducted at the 6 pilot Ministries, taking account of available data. This does not restrict interpretation, given that activities by these 6 Ministries provide PRSP main axes. Once 2003 definite accounts are closed, expenditure realizations will be divided according to PRSP priority sectors, and a more in-depth analysis will then be made.

Cost estimates for implementing medium term programs (2005-2006) will be integrated in the final Annual Report.

## **9. MONITORING AND EVALUATION**

### **9.1. TECHNICAL COMMITTEES**

Works by the 6 technical committees in the Technical Unit, made up of Ministries, elected people, private sector, civil society and donors, who took part in PRSP development, have continued during monitoring works. They have been grouped into 3 thematic groups :

- **Governance:** public finance, public security, national defense, decentralization, foreign affairs, administrative and interior reform, civil service, labor and social laws
- **Economy:** private sector/industry/handicraft/trade, tourism and culture, agriculture/fisheries/livestock, environment/water and forests, energy/mine, transportation/public works / land management, posts / telecommunication / communication
- **Social :** health, education, population, sports, safety nets

### **9.2. ACTIONS REALIZED UNDER MONITORING WORKS**

As part of monitoring works, the following works have been realized:

#### **9.2.1. ACTIONS UNDETAKEN BY GOVERNMENT**

- **development of business plans from 2003 to 2006 and of an Annual Work Plan 2004** at each Ministry, which serves as a basis for establishing their action plans for 2004
- **one first statement of achievements regarding priority measures** and of action plans has been completed for the period from July to September 2003, for conference of Madagascar's Friends in October 2003
- **adoption by Government of Plan for PRSP** on December 09, 2003
- **organization of a meeting between Government and donors as a whole** on December 12, 2003 regarding achievements for the period from July to December 2003 with priorities for 2004
- **organization of work meetings with PRSP Technical Unit** on January 29, and February 05, 2004

#### **9.2.2. FIRST INTERMEDIATE PRSP IMPLEMENTATION REPORT**

A first intermediate implementation report has been finalized for the period from July to December 2003. This report was validated by Government and presented to PRSP Technical Unit, as well as to donors as a whole in March 2004.

#### **9.2.3. REGIONAL WORKSHOPS**

Afterwards, regional workshops have been organized under monitoring works. Such workshops have been organized according to Public Private Partnership principle and to participatory process in the 6 Faritany main towns during March, April, and May 2004. Results from such regional workshops have been analyzed and synthesized, and are included in the « PRSP Implementation in the 6 Faritany »

Average representativeness of participants in the 6 organized regional workshops is presented in the following table :

**Table 42 : Average Representativeness of Participants in Regional Workshops**

Sector	Invited	Present	% present	% representativeness
Private sector	31	20	64 %	12 %
Civil society	34	31	91 %	18 %
Administrations	110	122	110 %	70 %
Other ones	6	-	-	-
<b>Total</b>	<b>181</b>	<b>173</b>	<b>88 %</b>	<b>100 %</b>

On average, participant number in each workshop is 173 with 12 % representativeness for private sector, 18% for civil society, and 70% for administration (made up essentially of local elected people and regional, and provincial officials)

#### **9.2.4. QUARTERLY WORKSHOPS OF THEMATIC GROUPS**

The 3 thematic groups have worked on a continuous basis in PRSP implementation monitoring. Quarterly workshops were organized since January 2004 until finalization of report. The objectives of such workshops are establishing the status of achievements in each Ministry and discussing issues, as well as measures to be taken.

- organization of a workshop for the 3 thematic groups on January 12, and 13, 2004 for technical preparation of development of first intermediate semester report from July to December 2003
- organization of a workshop for the 3 thematic groups on April 22, and 23, 2004 for monitoring of situations for the period from January to March 2004
- organization of a workshop for the 3 thematic groups on June 01, and 02, 2004 for monitoring of situations for the period from April to May 2004.

#### **9.2.5. ACTIONS ACHIEVED AT INSTANT**

Selection and finalization of the 31 main monitoring indicators : these have been selected from indicators suggested by Ministries and discussed with donors.

- finalization of plan and draft for monitoring and evaluation budget : with STA, directorate General of Economy, Directorate General of Planning and CREAM.
- Selection of 5 intermediate indicators per Ministry : to achieve the objectives of PRSP 3 axes
- Starting an opinion survey on public affair management, PRSP and State budget as part of PABU
- Monthly monitoring of Consumer Price Indices (IPC)
- Development of a new base on industrial production : to publish on a periodical basis the study of development of enterprise production in Madagascar
- Development of a new base on Foreign Trade : quarterly publication of MalagAsy foreign trade
- Estimate of economic growth and inflation rate : with help from quantitative economic information compatible with data from various MEFB entities.
- celebration of african Statistics Day : show assets gained in statistics, the weaknesses and the challenges to be met

- Relaunch of Social Performance Chart (TBS) : at national level and for launching regional TBSs for Fianarantsoa and Toamasina-
- decision to launch a new General Population and habitat Census for 2005-2008 : through decree
- Launching the National Demography and Health Survey: on health key indicators.

At the directorate General of Planning, the monitoring evaluation system relates to resources, activities and results of Programs and Projects. The activities hereafter have been undertaken in that respect :

- monitoring-évaluation covering the following periods : first quarter 2003, first semester 2003, and year 2003 ;
- regional training workshops in monitoring-evaluation of programs and projects in Fianarantsoa and Mahajanga ;

Regarding foreign help, cooperation programs with the United Nations system have been reviewed and recentered.

### **9.3. MONITORING SYSTEM PUT IN PLACE**

The monitoring system put in place at the Technical Secretariat for Adjustment (STA) has allowed to establish collaboration among institutions : Ministries, Special Faritany Delegations, Interregional directorates, INSTAT, private sector, civil society, and donors :

- Technical Secretariat for Adjustment, for coordinating and facilitating monitoring works : designing working tools, technical meetings with Ministries on presentation of working tools and methodology, organizing quarterly workshops and regional workshops, strengthening participatory process, analyzing and processing information, reporting.
- Ministries, for providing information on their achievements regarding action plans and priority measures, problems encountered, lessons to be learnt, challenges, and actions to be undertaken.
- INSTAT , for monitoring indicators, and organizing surveys on PRSP implementation impacts, monitoring HIPC budget use.
- Technical and financial partners who take part in workshops organized, and who contribute by bringing their remarks on reports established as part of PRSP monitoring.

### **9.4. LESSONS**

In conducting monitoring works, constraints emerged at the beginning and indicate technical difficulties regarding information system in availability of data. A working framework has been presented to Ministries for PRSP monitoring. This framework has been developed depending on the one used by the Prime Minister's Office with Ministries in order not to encumber the work by the latter. Progress has been recorded in Ministries to follow the presentation of the framework in communicating information.

Besides, interlocutors in monitoring evaluation in Ministries for PRSP implementation are not always the same, namely at each Minister change, hence, works already started do not continue. Official appointment of people in charge of PRSP monitoring at each Ministry has allowed to solve this problem in part.

In order to have regular and more reliable data, monitoring evaluation structures in Ministries will have to be strengthened. Moreover, selection and figures used have to be consistent with those of Ministries and donors.

Certain indicators originally adopted in the 31 indicators are to be changed and updated.

Five intermediate indicators have been identified in each sector and will allow to establish links with the 31 PRSP monitoring indicators, which are mainly impact indicators that may not be verified at the end of one year implementation.

In operationalizing monitoring activities by STA and INSTAT, current funding allocated does not cover scheduled actions.

#### **9.5. CHALLENGES AND ACTIONS**

The overall monitoring evaluation scheme has to be improved between Ministries and organizations, as well as departments in charge of monitoring evaluation, such as INSTAT, Directorate of Public Expenditures, directorate General of Planning, and Technical Secretariat for Adjustment.

This scheme has to allow knowing available and necessary information types, their availability, frequency, and circuit.

A monitoring evaluation scheme has to be instituted in each Ministry in order to secure opportune and reliable data.

Interlocutors in each Ministry for monitoring activity implementation have to be appointed officially.

Effort for harmonizing working tools has to be provided in the Government, for requests for information from Ministries, in order to make them more performing in required data provision.

Regarding data collection from enterprises, there has to be collaboration with Presidents of private sector representatives.

Periodical monitoring of intermediate indicators has to be facilitated according to PRSP need.

Capacities in monitoring evaluation have to be strengthened in departments and services in charge, as well as in organizations involved in PRSP monitoring evaluation system.

As regards financing, needs have to be taken into account according to actions planned under PRSP implementation monitoring and establish advocacy among technical and financial partners.

#### **9.6. NEXT STEPS**

Future actions for PRSP implementation monitoring consist in:

##### **Capacity building**

Taking account of first experiences in implementation monitoring activities, capacity building actions among institutions in charge of PRSP monitoring prove to be required. The objective of actions are to improve working tools for monitoring, data reliability, information flow, and analysis and processing capacities.

##### **Regional monitoring structure**

Putting in place a monitoring system at regional level through creation of monitoring forum made up by administration, elected, private sector, and civil society, for collecting data on achievements and impacts in regions, will be discussed in next regional workshops in faritany.

##### **Communication Plan**

A plan for communicating PRSP will be developed and its target will be beneficiaries. The objective of this plan will consist in informing population on PRSP, its objective, the programs and the results of its implementation.

## **Survey**

As part of monitoring and evaluation works, INSTAT will conduct a national survey on perception of impacts and a feasibility study of an important survey on household budget.

## **Quarterly workshops by the 3 thematic groups**

The quarterly technical works with Ministries will be continued to put in place an information system for continuous and permanent dialog and discussion that facilitates monitoring works as experience has revealed that quality of information has improved as works proceeded.

## **Regional workshops**

Holding the first regional workshops has allowed knowing and discussing achievements in regions and of problems emerging. Information will serve to Central Ministries to take into account the recommendations from Interegional Directorates in their future actions. Upon request from almost participants in such regional workshops, these workshops will take place every 6 months.

## **Annual PRSP Update**

PRSP update will be conducted every year. Such PRSP will include all new elements regarding poverty status, economic and financial results, budgetized programs and action plans. Such programs and action plans will take account of all consultation works undertaken in regions. Such PRSP will be subject to a national validation workshop every year.

**Table 43 : Action Plans for Monitoring the 2004 – 2005 – 2006 PRSP**

Description	2004	2005	2006	Observations
<b>1. 1<sup>st</sup> PRSP implementation report at level of regions</b>	- June 2004			
<b>2. Annual PRSP implementation report</b>	- July 2004	- July 2005	- July 2006	
<b>3. Capital building among STA/ministries</b>				
<b>4. Quarterly monitoring workshops</b>	- August 2004	- August 2005	- August 2006	Partnership Prospection
- Situation June to August 2004				
- Situation September to November 2004	- September 2004			
- Situation December to February 2005	- December 2004			
- Situation March to May 2005		- March 2005		
- Situation June to August 2005				
- Situation September to November 2005		- June 2005		
- Situation December 2005 to February 2006		- September 2005 - December 2005		
- Situation March to May 2006			- March 2006	
- Situation June to August 2006			- June 2006	
- Situation September to November 2006			- September 2006 - December 2006	
<b>4. Regional workshops</b>				
- Toamasina	- September 2004*	- April 2005**	- September 2005***	* January to June 2004
- Antsiranana	- September 2004	- April 2005	- September 2005	** July 2004 to June 2005
- Mahajanga	- September 2004	- April 2005	- September 2005	*** January to June 2005
- Toliara	- October 2004	- May 2005	- October 2005	
- Fianarantsoa	- October 2004	- May 2005	- October 2005	
- Antananarivo	- October 2004	- May 2005	- October 2005	
<b>5. 2<sup>nd</sup> PRSP implementation report at level of regions</b>				
<b>6. 3<sup>rd</sup> PRSP implementation report at level of regions</b>			- June 2006	
<b>7. Updating PRSP</b>	- November 2004	- November 2005	- November 2006	- includes recommendations from regional workshops
<b>8. National Workshop</b>	- December 2004	- December 2005	- December 2006	

**Table 44 : PRSP Monitoring Budget 2004-2006/STA***Figures in MGF millions*

<b>Description</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Capacity building	93.75	112.50	135.00
Thematic workshops	80.00	192.00	224.00
Regional workshops		738.00	907.20
National workshop	488.71	586.45	703.74
Technical Unit	36.00	86.40	103.68
Printing Report	340.00	422.03	506.43
Technical Assistance	215.00	540.00	676.80
Instat Survey	110.00	252.00	302.40
PRSP Translation	30.00	36.00	43.20
Layout	20.00	24.00	28.80
Communication	500.00	400.00	300.00
<b>Total in MGF millions</b>	<b>1.913.46</b>	<b>3 389.38</b>	<b>3 931.25</b>
<b>Total US \$ * (1\$ = MGF 12,000)</b>	<b>159.46</b>	<b>282.45</b>	<b>327.60</b>

**Table 45 : Action plans for monitoring activities carried out by INSTAT**

Objectives	Activities	Periodicity	Representativeness	Estimated Costs	Million FMG	Use
- Monitoring household living conditions - Poverty monitoring	Surveys among households	2 years  1 year for preparing and collecting 1 year for processing and disseminating	National, regional (22 regions), and per environment	2004  2005  2006	400  136  400	- Measuring poverty  - Developing social compatibility matrix  - Thematic studies of social sectors - Indicator monitoring - Analyzing poverty profiles and determinants
Knowing population appreciations on governance, PRSP, economy status and social sector status	Opinion survey	6 months	National, provincial, and per environment	2004  2005  2006	31.25  40  45	- Taking account of operator and citizen opinion while implementing - Measuring trust indicators
- Reporting findings, analyses and forecasts of the country socio-economic situation - Promoting statistic culture	Workshop and disseminations	1 month for INSTAT point information 3 months for workshops 1 year for each regional dissemination		2004  2005  2006	93  95  98	Extending methods, principles and results of surveys  Taking account of feedback from users
Ensuring consistency and integration of economic and sectoral statistic indicator and information	Monitoring coordination	On a continuous basis		2004 2005 2006	42 44 46	Approving methodologies Technical supports Experience exchanges

<b>Objectives</b>	<b>Activities</b>	<b>Periodicity</b>	<b>Representativeness</b>	<b>Estimated Costs</b>	<b>Use</b>
Synthetic and integrated presentation of economic and sectoral statistic indicators and information	Social Performances Charts (TBS)	1 year	National Provincial	2004 2005 2006	4.2 37.5 37.5 Easy and fast consultation of statistic information and indicators
Monitoring activities and impact studies of HIPC financed programs	Monitoring HIPC financed programs	1 year	National Provincial	2004 2005 2006	200 200 200 Measuring achievements, impacts, and recommendations for future actions
Improving budget use	Cascade budget monitoring	1 year	National Provincial	2004 2005 2006	200 200 200 Better budget monitoring and allocation
Monitoring firm performance in secondary education	Survey among manufacturing firms	6 months	National And per activity branch	2004 2005 2006	50 53 55 1/ Establishing Industrial Production Index (IPI) 2/ Calculating growth rate per activity branch in secondary sector
1/ Implementation a reliable information system required for knowing the country economic situation 2/ provide economic information to economic decision makers and actors of the country 3/ supply development with macro economic forecasts	Economic survey	Quarterly	National	2204  2005  2006	15.7  15.7  15.7 - Analyzing the economic climate  - Updating macroeconomic data
Extending statistic information and methods (macroeconomic, demographic, sectoral,...)	African Statistics Day	1 year	According to participants	2004 2005 2006	38 40 42 - Data for forecast pattern Better access to existing statistic information

<b>Objectives</b>	<b>Activities</b>	<b>Periodicity</b>	<b>Representativeness</b>	<b>Estimated Costs</b>	<b>Use</b>	
Knowing the main characteristics of population to understand population/development interrelations Putting in place an integrated and georeferenced socio-demographic information system for planning and managing development programs	General Population and Habitat Census (RGPH 3)	Every ten years	National Per province, per region, per commune	2004 2005 2006	4 725 7 193 1 542	- Measuring the status of population and its dynamics - Measuring sub-populations (education, health, active population) - Drawing thematic maps - Developing official geographical code
Contributing to achieve objectives in poverty reduction, population dynamics, and sustainable development by improving reproduction health, gender related equality and equity	Population and Health related Survey (EDS III)	Every five years	National, per province and per environment	2004 2005 2006	21 10 0	- Immunity prevalence rate of syphilis, measles, tetanos - Haemoglobin rate (anemia...) - Knowledge and prevalence in PF, Reproduction Health, Mother and child Health - Child and Youth mortality rate - Mother mortality rate - CAP AIDS - Household living conditions - Child malnutrition
Measuring mother and child health conditions	Multiple Indicator Cluster Survey (MICS)	Every five years	National, per province and per environment	2004 2005 2006	15 459 10	- Indicators child World Summit - Indicators for monitoring child rights - Indicators for monitoring IMCI and malaria - Indicators for monitoring HIV/AIDS

## 10. CONCLUSION

Drawing up the present report is of utmost importance in that it allows to notice and to assess efforts by the Government to guarantee PRSP implementation.

This report provides the opportunity to assess overall effectiveness of poverty reduction policies and programs in all sectors, to highlight the outline of the government future policy in relation with annual budget and to revise strategies according to national schedules.

Overall, the various sectors have observed the implementation schedule of planned actions. Data included in this report relate to status in June 2004 and were provided in real time, as well as results of regional workshops, which ended in May 2004.

Information collection has been much more facilitated by regular organization of quarterly thematic workshops, which have allowed all sectors to better adapt to working tools and to undertake continuous work. Nevertheless, there still exist issues of organizational order related to interlocutor change in Ministries, which delays information provision. At the technical level, capacity building among various actors is required regarding monitoring evaluation and require substantial financial support.

Results in study of PRSP implementation impacts on households and communes, on population, are somehow mitigated because surveys were conducted in a period that coincided with occurrence of exogenous shocks (price rise in oil, in rice ...). The next surveys to be conducted by INSTAT, planned in its action plan, will allow to have information that is more realistic and exploitable (opinion survey every 6 months, survey among households every two years ...)

As regards HIPC related reform measures, periodical reviews for supervising progress status with donors have been beneficial as for monitoring the status of each measurement.

Concerning funding, alignment of donors with PRSP has been noticed in the light of Poverty Reduction Support Credit (PRSC) by the World Bank and of Poverty Reduction Support Program (PARP) by the European Union.

Strengthening participatory process, all along implementation monitoring works, has always been among priorities among Technical Unit in charge of PRSP. The various development actors have been invited to contribute through their various remarks and aide memoires. The civil society has largely committed in all work stages. Contrariwise, it has been noticed that private sector representatives have not been so representative, because their representation has been low compared to invitations, especially regarding thematic and regional workshops.

The shocks occurring in the first semester 2004 have allowed to notice that the economic context is still sensitive and vulnerable to exogenous risks, which are restricting, and have not allowed to fully achieve the objectives assigned to the strategy. Hence, the objective of inflation for 2004 has been revised upward. The repercussion of depreciation on the Malagasy currency has also entailed an upward revision in local currency of public expenditures, namely those financed from outside; part of change gain has been earmarked to PRSP priority sectors, such as education, health, nutrition, infrastructures and drinking water supply.

For its part, the Government will set to ensure better coordination of interventions, to enable involvement of all actors in all aspects of PRSP process, and to consider as a priority effective ownership of PRSP by the whole population.

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## 11.2. LIST OF ACRONYMS

ADER	:	Agence pour le Développement de l'Electrification Rurale (Agency for Development of Rural Electrification)
AEP	:	Approvisionnement en Eau Potable (Drinking Water Supply)
AERP	:	Autorisation Exclusive de Réserveation de Périmètre (Exclusive Perimeter Reservation Authorization)
AGR	:	Activité Génératrice de Revenu (Income-generating Activity)
AME	:	Allaitement Matériel Exclusif (Exclusive Breastfeeding)
ANAE	:	Association Nationale d'Actions Environnementales (National Association for Environmental Actions)
APIPA	:	Autorité pour la Protection contre les Inondations de la Plaine d'Antananarivo (Authority for Protection against Flood in Anananrivo Plain)
ARV	:	Anti-Retro-Viral
AT	:	Accouchement Traditionnel (Traditional Childbirth)
AUE	:	Association des Usagers de l'Eau (Association of Water Users)
BAM	:	Bureau d'Administration Minière (Mining Administration Office)
BAON	:	Bureau d'Appui de l'Ordonnateur National (Support Office for National Ordonnateur)
BBK	:	Bébés Kangourou (Kangaroo babies)
BCM	:	Banque Centrale de Madagascar (Central Bank of Madagascar)
CA	:	Cour d'Appel (Court of Appeal)
CAE	:	Coordination des Aides Extérieures (Coordination of Foreign Help)
CAF	:	Cadre d'Appui Forestier (Forest Support Unit)
CAID	:	Campagne d'Aspersion Intra domiciliaire (Intradomiciliary Spraying Campaign)
CAPE	:	Comité d'Appui au Pilotage de l'Entreprise (Committee for Support to Enterprise Piloting)
CAPJ	:	Centre d'Animation et de Promotion de la Jeunesse (Center for Youth Promotion and Facilitation)
CCB	:	Cellule de Contrôle Budgétaire (Budget Control Unit)
CCP	:	Compte de Crédit Postal (Postal Credit Account)
CDT	:	Centre de Diagnostic et de Traitement (Center for Diagnostic and Treatment)
CE	:	Consultations Externes (Outpatient Visits)
CER	:	Comité d'Etudes et de Recherches (Study and Research Committee)
CGI	:	Code Général des impôts (General Tax Code)
CHD1	:	Centre Hospitalier de District du niveau 1 (Level 1 District Hospital Center)
CHD2	:	Centre Hospitalier de District du niveau 2 (Level 2 District Hospital Center)
CHRP	:	Centre Hospitalier de Référence Provincial (Provincial Reference Hospital Center)

CHU	:	Centre Hospitalier Universitaire (University Hospital Center)
CISCO	:	Circonscription Scolaire (School District)
CNaMLAT	:	Comité National Malagasy de Lutte Anti-Tabac (Malagasy National anti-tobacco Committee)
CNE	:	Conseil National de l'Emploi (National Council for Employment)
CNFA	:	Centre National de Formation Administrative (National Center for Training in Administration)
CNS	:	Conseil National de Secours (National Relief Council)
COMESA	:	COMmission Market for Eastern and Southern Africa
CPN	:	Consultations PréNatales (Prenatal Visits)
CPPS	:	Centre Provincial de Perfectionnement Sportif (Provincial Center for Sport Upgrading)
CRDA	:	Comité pour la Réforme du Droit des Affaires (Committee for Reforming Business Law)
CREAM	:	Centre de Recherches d'Etudes et d'Appui à l'Analyse Economique à Madagascar (Center for Prospecting Studies and Support to Economic Analysis in Madagascar)
CREN	:	Centre de REcupération Nutritionnelle Intensive (Center for Intensive Nutrition Recovery)
CRENA	:	Centre de Réhabilitation et d'Education Nutritionnelle Ambulatoire (Center for Ambulatory Nutritional Rehabilitation and Education)
CRENJ	:	Centre de REcupération Nutritionnelle jour (Day Center for Nutrition Recovery)
CRS	:	Conseil Régional de Secours (Regional Relief Council)
CSB	:	Centre de Santé de Base (Basic Health Center)
CSB1	:	Centre de Santé de Base du niveau 1 (Level 1 Basic Health Center)
CSB2	:	Centre de Santé de Base du niveau 2 (Level 2 Basic Health Center)
CTD	:	Collectivités Territoriales Décentralisées (Decentralized Territory Authorities)
CTV	:	Conseils et Tests Volontaires (Voluntary Counsel and Tests)
D(I)RDR	:	Direction (Inter) Régionale de Développement Rural [(Inter)regional Directorate for Rural Development]
DAA	:	Délégué d'Arrondissement Administratif (Administrative District Delegate)
DAT	:	Direction de l'Aménagement du Territoire (Land Management Directorate)
DEM	:	Demande d'Engagement Financier (Request for Financial Engagement)
DEP	:	Direction des Etudes et de la Planification (Directorate for Studies and Planning)
DFGE	:	Direction Fiscale des Grandes Entreprises (Taxation Directorate for Large Enterprises)
DGAI	:	Direction Générale de l'Audit Interne (Directorate General for Internal Audit)
DGD	:	Direction Générale des Douanes (Directorate General of Customs)
DGI	:	Direction Générale des Impôts (Directorate General of Taxes)
DGLSGF	:	Direction Générale de la Lutte contre le Sida et les Grands Fléaux (Directorate General for Fight against AIDS and Prevalent Scourges)
DGT	:	Direction Générale du Trésor (Directorate General of Treasury)
DIJE	:	Développement Intégral du Jeune Enfant (Integral Development of Young Child)

DIRESEB	:	Direction InterRégionale de l'Enseignement Secondaire et de l'éducation de Base (Interregional Directorate of Secondary and Basic Education)
DOMSAT	:	DOMestical SATelite
DPSPF	:	Direction Provinciale de Santé et du Planning Familial (Provincial Directorate of Health and Family Planning)
DPTP	:	Direction Provinciale des Travaux Publics (Provincial Directorate of Public Works)
DRL	:	Direction des Réformes Législatives (Directorate of Legislative Reforms)
DSP	:	Document de Stratégie par Pays (Country Strategy Document)
DSRP	:	Document de Stratégie pour la Réduction de la Pauvreté (Poverty Reduction Strategy Paper)
DWCT	:	Durrell Wildlife Conservation Trust
ECD	:	Emploi de Courte Durée (Short Term Employment)
ECP	:	Epargne et Crédits Postaux (Postal Savings and Credits)
EDS	:	Enquête Démographique et de Santé (Demography and Health Survey)
EFEN	:	Equipe Féminine d'Education Nutritionnelle (Female Team for Nutritional Education)
EKA	:	Ezaka Kopian'ny Ankizy (Birth Certificate Campaign)
EMaD	:	Equipe de Management des Districts (District Management Team)
ENAM	:	Ecole Nationale d'Administration Malagasy (National School for Malagasy Administration)
ENAP	:	Ecole Nationale d'Administration Pénitentiaire (National School for Prison Administration)
ENMG	:	Ecole Nationale de la Magistrature et des Greffes (National School for Magistrates and Court Clerks)
ENST	:	Ecole Nationale du Service du Trésor (National School for Treasury Service)
EPP	:	Ecole Primaire Publique (Public Primary School)
EPT	:	Education Pour Tous (Education for All)
ESM	:	Equipe Sanitaire Mobile (Mobile Health Team)
EVPT	:	Entreprise de Voyage et Prestataire Touristique (Travel Enterprise and Tourism Provider)
FAF	:	Government-community Partnership
FCV	:	Fonds de Contre Valeur (EXchange value Funds)
FED	:	Fonds Européen de Développement (European Development Funds)
FIFAMANOR	:	Flompiana sy FAmbolena MALagasy-NORveziana (Malagasy-Norwegian Livestock and Agriculture)
FJC	:	Fonds de Justice Criminelle (Criminal Justice Funds)
FNE	:	Fonds National de l'Electrification (National Funds for Electrification)

FRAM	:	Fikambanan'ny Ray Aman-drenin'ny Mpianatra (Association des Parents d'élèves) (Pupils' Parent Association)
FSP	:	Fonds de Solidarité Prioritaire (Priority Solidarity Funds)
GEFP	:	Groupement des Entreprises Franches et Partenaires (Grouping of Free Zone Enterprises and Partners)
GSM	:	Global System Mobile
GUIDE	:	Guichet Unique des Investissements et du Développement des Entreprises (One Stop Shop for Investment and Enterprise Development)
HAB	:	Hôpitaux Amis des Bébé (Baby Friendly Hospitals)
HIMO	:	Haute Intensité de Main d'Oeuvre (High Labor Intensity)
IGM	:	Institut de Gemmologie de Madagascar (Madagascar Gem Art Institute)
INSPC	:	Institut National de Santé Publique et Communautaire (National Institute of Public and Community Health)
INSTAT	:	Institut National de la STATistique (National Institute of Statistics)
IPPTE	:	Initiatives pour les Pays Pauvres Très Endettés (Highly Indebted Poor Countries Initiative)
IST	:	Infection Sexuellement Transmissible (Sexually Transmissible Infection)
KASTI	:	Komitin'ny Ala Sy ny Tontolo Iainana (Committee for Forests and Environment)
LDI	:	Landscape Development Interventions
LGIM	:	Loi sur les Grands Investissements Miniers (Law on Large Mining Investment)
LNR	:	Laboratoire National de Référence (National Reference Laboratory)
LOLF	:	Loi Organique sur les Finances Publiques (Organic Law on Public Finance)
LTAB	:	Lieux de Travail Amis des Bébé (Baby Friendly Work Places)
MAEP	:	Ministère de l'Agriculture, de l'Elevage et de la Pêche (Ministry of Agriculture, Livestock, and Fisheries)
MC	:	Maison Centrale (Prison)
MCV	:	Maladies Cardio - Vasculaires (Cardiovascular Diseases)
MECIE	:	Mise En Compatibilité des Investissements avec l'Environnement (Ensuring Compatibility of Investment with the Environment)
MICET	:	Madagascar Institut pour la Conservation des Ecosystèmes Tropicaux (Madagascar Institute for Conservation of Tropical Ecosystems)
MICS	:	Multiple Indicators Cluster Survey
MINENVEF	:	Ministère de l'Environnement, des Eaux et Forêts (Ministry of Environment, Water and Forests)
MinSANPF	:	Ministère de la Santé et du Planning Familial (Ministry of Health and Family Planning)

NAC	:	Nutrition à Assise Communautaire (Community-based Nutrition)
NTIC	:	Nouvelles Technologies de l'Information et de la Communication (New Information and Communication Technologies)
OM	:	Ordure Ménagère (Household Garbage)
OPCI	:	Organisme Public de Coopération Intercommunale ( Public Organization for Intercommune Cooperation)
OSIE	:	Organisation Sanitaire Inter Entreprise (InterEnterprise Health Organization)
PANAGED	:	Plan d'Action National pour le GENre et le Développement National Action Plan for Gender and National Development)
PCD	:	Plan Communal de Développement (Commune Development Plan)
PCG	:	Plan Comptable Général (General Chart of Accounts)
PCIME	:	Prise en Charge Intégrée des Maladies de l'Enfant (Integrated Management of Child Illnesses)
PCOP	:	Plan Comptable des Opérations Publiques (Chart of Accounts for Public Operations)
PCT	:	Polychimiothérapie (Polychemotherapy)
PDFIV	:	Projet de Développement Forestier Intégré du Vakinankaratra (Integrated Forest Development Project of Vakinankaratra)
PDSP 2	:	Deuxième Projet du Développement du Secteur Privé (Second Private Sector Development Project)
PEC	:	Prise en Charge (Management)
PERE	:	Politique de l'Education Relative à l'Environnement ( Policy of Environment Related Education)
PEV	:	Programme Elargi de Vaccination (Enlarged Program of Immunization)
PF	:	Planning Familial (Family Planning)
PFA	:	Paralysie Flasque Aiguë (Acute Flaccid Paralysis)
PFU	:	Participation Financière des Usagers (User Financial Participation)
PGDI	:	Programme pour la Gouvernance et le Développement Institutionnel (Program for Governance and Institutional Development)
PGRM	:	Projet de Gouvernance des Ressources Minérales (Mine Resource Governance Project)
PhaGeCom	:	Pharmacie à Gestion Communautaire (Community Management Pharmacy)
PHBM	:	Projet Haut Bassin du Mandrare (Haut Bassin of Mandrare Project)
PHm	:	Personnes Handicapées Motrices (People with Motor Deficiencies)
PIN	:	Programme Indicatif National (National Indicative Program)
PNAE	:	Plan National pour les Actions Environnementales (National Plan for Environmental Actions)
PNPF	:	Programme National Planning Forestier (National Program of Forest Planning)

PNPF	:	Politique Nationale de la Promotion de la Femme (National Policy for Promoting Women)
POLFOR	:	POLitique FORestière (Forest Policy)
PP	:	Perception Principale ( Main Tax Office)
PSDR	:	Projet de Soutien pour le Développement Rural (Support Project to Rural Development)
PSO	:	Projet Sud Ouest (South East Project)
PST	:	Programme Sectoriel des Transports (Sectoral Program for Transportation)
PTME	:	Prévention de la Transmission Mère enfant (Prevention of Mother to Child Transmission)
PVVIH	:	Personne Vivant avec le VIH/SIDA (People Living with HIV / AIDS)
RBC	:	Réadaptation à Base Communautaire (Community based Re-adaptation)
RFI	:	Régiment des Forces d'Intervention (Intervention Force Regiment)
RFT	:	Réserves Forestières Touristiques (Tourism Forest Reserves)
RGCP	:	Règlement Général sur la Comptabilité Publique (General Regulation on Public Accounting)
RGPH	:	Recensement Général de la Population et de l'Habitat (General Population and Habitat Census)
RM	:	Régiment Militaire (Military Regiment)
RMA	:	Rapport Mensuel d'Activités (Monthly Activity Report)
RMSD	:	Rapport Mensuel de Synthèse du District (District Synthesis Monthly Report)
RN	:	Route Nationale (National Road)
RND	:	Rééducateur du Niveau District (District Level Re-educator)
RPTL	:	Responsable Provincial Tuberculose et Lèpre (Provincial Official in Tuberculosis and Leper)
SADC	:	Southern Africa Development Community
SAF/FJKM	:	Sampan'Asa Fampandrosoana/Fiangonan'i Jesoa Kristy eto Madagasikara (Development Division / Jesus Christ Church in Madagascar)
SAGE	:	Service d'Appui à la Gestion de l'Environnement (Support Service to Environment Management)
SIDEMA	:	Société Industrielle pour le Développement du Machinisme Agricole (Industrial Company for Development of Agriculture Mechanization)
SIGFP	:	Système Intégré de Gestion de Finances Publiques (Integrated System for Managing Public Finance)
SMI	:	Santé Maternelle et Infantile (Mother and Child Health)
SNGF	:	Silo National des Graines Forestières (National Silo for Forest Grains)
SR	:	Santé de Reproduction (Reproductive Health)
SRA	:	Santé de Reproduction des Adolescents (Adolescent Reproductive Health)
SRAS	:	Syndrome Respiratoire aigu Sévère (Severe Acute Respiratory Syndrome)
SSD	:	Service de Santé de District (District Health Service)
SSSa	:	Service des Statistiques Sanitaires (Health Statistics Service)

STA	:	Secrétariat Technique à l'Ajustement (Technical Secretariat for Adjustment)
SYGTAS	:	Système de Gestion de Taxe (Tax Management System)
TAF	:	Tribunaux Administratifs et Financiers (Administrative and Financial Courts)
TEF	:	Titre d'Engagement Financier (Evidence of Financial Engagement)
TP	:	Trésorerie Principale (Principal Treasury)
TPI	:	Tribunal de Première Instance (Court of First Instance)
UE	:	Union Européenne (European Union)
ULC	:	Unité Laparo - Césarienne (Laparo-caesarean Unit)
UPC	:	Unités de Protection Civile (Civil Protection Units)
URSA	:	Unité Régionale de Statistique Agricole (Regional Unit of Agriculture Statistics)
VIH/SIDA	:	Virus de l'Immuno déficience Humaine/Syndrome Immuno Déficient Acquis (HIV /AIDS)
VNA	:	Vaomieran'Ny Ala ( Forest Committees)
VSAT	:	Virtual Small Aperture Terminal
ZDRI	:	Zone de Développement Rural Intégré (Integrated Rural Development Area)

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**REPUBLIC OF MADAGASCAR**  
TANINDRAZANA – FAHAFAHANA – FANDROSOANA

# Poverty Reduction Strategy Paper



**PRSP**

**FIRST ANNUAL IMPLEMENTATION  
REPORT**

**VOLUME II**

***July 2004***



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## TOME II

### INTRODUCTION

The present Report is the Volume N° II to the first annual monitoring of the Poverty Reduction Strategy Paper (PRSP) implementation . It complements the series of texts describing and analyzing the progress status of various policy measures and action plans presented in the main report (Volume I). Through information presented in the form of tables, the objective of this presentation consists in highlighting not only the articulation of activities achieved with PRSP strategic axes, programs and overall objectives but also, and especially, the progress status recorded in each activity at the end of June 2004, in reference with the specific objectives to be reached.

The matrix presented in this report have been developed with the aim of having a monitoring tool that is easy to exploit, and presenting a performance chart type for monitoring. To this end, they fairly accurately take over the basic presentations Business Plans and/or Action Plans from various ministerial departments. Such action plans, which are more detailed than PRSP Programs, have been designed and developed from the Logic framework of the poverty reduction strategy paper. As a matter of fact, matrix vertically indicate the various objective levels and horizontally the related objectively verifiable indicators.

The other advantage from matrix presentation consists in facilitating appraising the progress status against the forecasts of the period under study. This approach is namely applicable in the case of activities provided with quantitative indicators, such as the economic and social sectors. In such cases, two matrix series are presented: (i) a series related to the main achievements in the period from July to December 2003, and (ii) another series relative to the period from January to 2004. This presentation comes from the fact that action plans usually include the activities to be carried out by Ministries during a fiscal year, and indicate the related resources allocated (annual budgets). Tables for monitoring the economic and social sectors have therefore been developed in the same spirit.

It has to be noted that some programs present cumulative 2003-2004 achievements. Appraising the achievement level refers, in such a case, either to objectives aimed at, or to concrete results expected at the end of the first PRSP implementation year.

The tables are presented in order following PRSP structure (page 54). This report is structured per strategic focus and per program:

- Part 1 : Strategic Focus « Restoring a Rule of Law and a Good Governance Society »:

- . Program 1.1 : Governance and fight against corruption
- . Program 1.2 : Governance and observance of democracy
- . Program 1.3 : Governance and Rule of Law
- Program 1.4 : Community-based Governance

-Part 2 : Strategic Focus « Promoting a social broad-based economic growth»

- . Program 2.1 : Macroeconomic Stability and Growth
- . Program 2.2 : Buoyant Sector Development
- . Program 2.3 : Rural Development
- . Program 2.4 : Structuring Infrastructure Development and Increase
- . Program 2.5 : Private Sector Development and Stimulation
- . Program 2.6 : Opening to global competition

-Part 3 : Strategic Focus « Promoting Systems for Human and Material Security, and for Social Protection» :

Program 3.1 : Education

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. Program 3.2 : Health

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. Program 3.3 : Water and Sanitation

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. Program 3.4 : Reduction of Social Exclusion, and Social Protection

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. Program 3.5 : Cultural Diversity

Strategic Focus 1 : Restoring a Rule of Law and a Good Governance Society  
Overall objective : Ensure Good Governance and Succeed in Fight against Corruption  
Program : Governance and Fight against Corruption  
**Sub- Program : Fight Against Corruption**

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plan		
Fight against corruption by setup appropriate tools capable of curbing it	Setup and operationalizing CSLCC	Put in place CSLCC	- Note on disciplinary sanctions and administrative measures	Madam Chair of CSLCC appointed through decree n° 2003-720 CSLCC members appointed through presidential decree n° 2004/325 du 16/03/04 Structure : put in place Activity Timeline: established Financing put in place : Furniture	July 02, 2003
	Developing Strategies	Make an inventory of corruption (EDL)	- Communication relative to irregular absence from working post, Memorandum on salary suspension for irregular agents	Inventory carried out: - private sector,  -customs--police-justice (audience), -petty corruption, - Land tenure and State-property property units, - Decentralized / decentralized Administration, - political party financing, -journalism, -trade and consumption, financial authorities, -education. Workshop held	
		Conduct a study on international large-scale corruption	-Decree applying articles relative to civil servants obligations	Study on international large-scale corruption carried out	Under way
		Develop a National Integrity System		Final report handed in .	
		Put in place a probity label	- Realization of Training for firms in probity labelling - Labeling of HR Department in Vice-Prime Minister's Office, GUIDE, CSB 2 in Toamasina, JRA Hospital Aptitude Service	Probity Label put in place	Under way

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plan		
		Develop the National Corruption Reduction Strategy paper	<ul style="list-style-type: none"> <li>- Draft of map indicating hopw corruption is perceived in Madagascar</li> <li>- Presentation of 1st strategy draft to donors (UNDP Headoffice)</li> <li>- Writing out the strategy</li> </ul>	Map drawn  1st strategy draft presented  Strategy written out	Under way
	External relations and monitoring evaluation	Promoting the ethics movement, integrity pact, and anti-corruption prevention measures	<ul style="list-style-type: none"> <li>- Creating the Ethics Technical Committee.</li> <li>- Training civil servants exercising judiciary police power in ethics (Customs, Water and Forests, Energy and Mine, Trade Commissioners).</li> <li>- Developing referential documents promoting ethical movement and integrity pact</li> <li>- Developing the byelaws draft and operationalizing CTE.</li> </ul>	<ul style="list-style-type: none"> <li>Ethics Technical Committee created</li> <li>Civil servants exercising judiciary police power trained in ethics</li> <li>Referential documents developed</li> <li>Draft developed and validates</li> </ul>	Under way : waiting for validation of Communication Draft by CSLCC members.
		Audit of large investment projects	<ul style="list-style-type: none"> <li>- Validating terms of reference of good governance program at Presidency by management team</li> <li>- Launching 2 audits for large investment projects for the year 2004.</li> </ul>	<ul style="list-style-type: none"> <li>- TOR validated</li> <li>Audits for large investment projects launched</li> </ul>	Under way
		Adherence to, and implementation of international Conventions	<ul style="list-style-type: none"> <li>- Ratifying the two anti-Corruption Conventions (United Nations and African Union )</li> </ul>	Conventions ratified	
		Partnership Prospection and Development	<ul style="list-style-type: none"> <li>- Signing a partnership convention with the Norwegian Cooperation (NORAD).</li> <li>- Partner Prospecting for setup the Anti-Corruption Penal Chain (CPAC),</li> <li>- Signing a partnership convention with UNDP.</li> </ul>	<ul style="list-style-type: none"> <li>Partnership Convention with the Norwegian Cooperation signed</li> <li>Partners for setup CPAC found</li> <li>Convention signed</li> </ul>	Under way

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Mesures Prioritaires	Action Plan		
	Operations and « Task Force »	Put in place an independent Anti-Corruption Office (BIANCO)	<ul style="list-style-type: none"> <li>-Recruiting deputy directors for BIANCO</li> <li>-Recruiting and training of BIANCO staff,</li> <li>-Purchasing materials and equipment, rehabilitating buildings</li> </ul>		Under way Under way
		Conducting legislative reforms	-Dispatching bill on corruption to Government. -Conducting study on standardization of administrative competition examinations	Bill on corruption dispatched to Government.	
		Attacking the most decried points	-Approving the final report on stimulating The Mediation Organization again -Receiving and processing complaints,	Final report on study approved Complaints received and processed	Under way Under way
		Put in place an Anti-Corruption Penal Chain	<ul style="list-style-type: none"> <li>-Recruiting and training staff,</li> <li>-office rehabilitating and development,</li> <li>-purchasing materials and equipment.</li> <li>-Developing interministerial memorandum ruling CPAC.</li> </ul>	<ul style="list-style-type: none"> <li>-Staff recruited and trained</li> <li>-Office rehabilitated and developed</li> <li>-Materials and equipment purchased</li> <li>-Interministerial memorandum developed</li> </ul>	
	Communication	Public awareness raising to fight against corruption	<ul style="list-style-type: none"> <li>-Organizing the probity label Workshop.</li> <li>-1st meeting of Council members.</li> <li>-Workshop for validating bill on political parties.</li> <li>-Preparing decentralized national workshops (organization and communication</li> </ul>	Workshop organized National workshops organized	Under way
		Obtaining participation and adherence from all actors	<ul style="list-style-type: none"> <li>- Select provider for creating CSLCC website.</li> <li>-Draw a Communication Plan for Ministry of Justice.</li> <li>-Design huge boards in partnership with the Townhall of Antananarivo.</li> <li>-Negotiate for advertisement spaces with the Townhall of Antananarivo and ADEMA</li> </ul>	Selection made Communication Plan drawn Huge boards designed Advertisement spaces negotiated with the Townhall of Antananarivo and ADEMA	Under way Under way

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Mesures Prioritaires	Action Plan		
Strengthen the institutions in charge of managing elections for making sure that elections will proceed in a fair, transparent, and equitable manner	Modernizing Administration	<ul style="list-style-type: none"> <li>- Studies relative to computerization of control on foreigners</li> <li>- Improving processing circuits of files relative to stay visa grant and resident card issuing</li> <li>- Developing and disseminating a text compendium for the use of administrative district heads</li> <li>- Developing and disseminating a code of behavior for administrative district heads</li> </ul>	<ul style="list-style-type: none"> <li>- Renew conditions for National Gendarmerie (GN) personnel and motivate them - (enhancing living framework and conditions, training and employment conditions for gendarmes )</li> <li>- Valorizing controls and inspections (seminars, visits and periodical evaluation to units)</li> </ul>	<ul style="list-style-type: none"> <li>Procedures for processing files analyzed</li> <li>Fitting together offices : streamlined</li> <li>Texts compiled</li> <li>Code of behavior : developed and disseminated</li> </ul>	<ul style="list-style-type: none"> <li>Under way</li> <li>Under way</li> </ul>
Revalorize the « defense » apparatus guarantor of national sovereignty	Fight against corruption and power misuses		<ul style="list-style-type: none"> <li>- Basic Documentation</li> <li>- Court of First Instance of Ambatolampy</li> <li>- Developing and implementing the plan for computerizing and networking jurisdictions</li> <li>- Draw up an inventory (remote areas ...)</li> </ul>	<ul style="list-style-type: none"> <li>Partial rehabilitation of service premises and lodging houses for 20 units.</li> <li>2500 controls and inspections Working documentation (Permanent documents, Memo Judiciary Police (PJ) and Gendarmerie ; CP, CPP, Statement books)</li> </ul>	
Strengthen the anti-corruption scheme at level of justice	Scaling up controls on jurisdictions and Prison Administration	Setup a model Jurisdiction	<ul style="list-style-type: none"> <li>Texts to be presented at the first parliamentary session</li> </ul>	<ul style="list-style-type: none"> <li>Capacity building among magistrates</li> <li>Procedures and standards implemented again</li> <li>Real time data and statistics processing</li> </ul>	<ul style="list-style-type: none"> <li>Texts for approval, development of texts : under way</li> </ul>
Strengthening Actions for prevention And educating the population	Developing an internal and an external communication policy	-Setup of structures provided in the Constitution	<ul style="list-style-type: none"> <li>-Actions for public information and awareness raising</li> </ul>	<ul style="list-style-type: none"> <li>Supreme Court and National Justice Council : put in place</li> <li>Communication strategy : developed for July 2004</li> </ul>	

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Mesures Prioritaires	Action Plan		
	Consolidation of technical and control structures that will contribute to fight against corruption	Setup of structures to support outstanding file processing	On site training in application of regulatory tools and service standards		
		Multiplication of number of inspections and controls on jurisdictions and prison centers		Number of missions for control /training on jurisdictions, CA : (12) jurisdictions inspected	
		Legal Assistance to populations	<ul style="list-style-type: none"> <li>-Installation of reception desks for the public in jurisdictions with complaint box</li> <li>-Actions for educating and raising awareness among the public about their rights and obligations</li> <li>-Extension of usual texts and procedures</li> </ul>	<p>Radio / TV programs (18) RNM ; (10) TVM, (08) private radio stations</p> <p>04 open door sessions : carried out</p> <p>Scheduled or unexpected visits</p> <p>Leaflets, brochures edited and put at disposal, on the following themes :Judiciary organization, Civil and penal proceedings, Certificates of birth / marriage / death, issues specific to each region</p>	<p>Weekly programs : « Zo sy Lalana » (that is, Right and Law)</p> <p>Monthly programs : « omeo anay ny vahaolana » (that is, Give us the solution)</p> <p>Bimonthly programs : « Fantaro ny Zo sy ny Andarikitrao » (that is, Know your Rights and Responsibilities)</p>
		Strengthening actions for planning structure and monitoring : Monitoring budget engagements and donor-funded programs	<ul style="list-style-type: none"> <li>-Reminder of FCC production by each credit administrator</li> <li>-Development and monitoring of programs with donors</li> <li>-Developing the matrix of reforms</li> <li>-Monitoring action plans from Strategy on modernization of Justice</li> </ul>	Disbursement rate	Low rate
				Reports developed Priority actions monitored	Monitoring of priority actions by DAP/SG

Strategic Focus 1 : Restoring a Rule of Law and a good governance society  
 Overall Objective : Ensure good governance and succeed in fight against Corruption  
 Program : Governance and fight against corruption

**Sub-Program : Reform of Civil Service**

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plan		
Prepare and carry out a program for reforming the civil service to make it more effective	Database on State-employed personnel	Cleaning the database on State-employed personnel	Develop a technical card relative to various types of reporting civil servants Establishing summary board on number of state-employed personnel controlled by each Ministry and related organisms Conduct a census of civil servants for setting up a single card index system Setup of Internet network	Census cards disseminated among central and provincial Ministries. 47458 cards arriving at Ministry of Civil Service (MINFOP)	
	Setup a legislative and regulatory framework in compliance with reform requirements	Design, development, and updating of legislative and regulatory texts, namely decrees for applying Law n°2003- 011 of sept 3, 2003 on general status of civil servants	-Develop decree drafts setting the duties of the Ministry of Civil Service, Labor and social Laws, as well as the general organization of its ministry.  -Develop draft decrees on : Family benefits • Code salary scale of civil servant profession • Transport allowances  -Develop a draft decree on modalities for recruiting according to title  -Develop a draft decree on organization of Joint Administratives Commissions (CAP)  -Develop draft decrees setting civil servant recruitment and appointment modalities (decree for applying titles III and IV of Civil Servant General Status )	Draft decree developed  O3 drafts developed in January March 2004  01 text adopted	01 draft to be re-studied

SPECIFIC OBJECTIVES	COMPONENTS		ACHIEVEMENTS		INDICATORS	OBSERVATIONS
	Activities and meeting of Higher Council of Public Service (CSFOP)	Priority Measures	Action Plans			
	Activities and meeting of Higher Council of Public Service (CSFOP)	Organization of activities and meeting by Higher Council of Public Service (CSFOP)	-Organizing ordinary and extraordinary CSFOP -Developing a legal text on the new streamlined procedure regarding discipline -Developing a regulatory text relative to -Setup a committee for developing Ethics and Good Behavior among state Agents -Setup of a discipline-related database	04 ordinary meetings and 02 extraordinary meetings held  Text developed  Text developed  Committee for developing Ethics and Good put in place  Discipline-related database set up	01/21/04, 02/15/04, 03 /04/04 41/01/04, 05/06/04	
	Modernizing management of State agents	Setup information systems, and a network infrastructure for managing State human resources	-For state personnel : conduct studies and carry out analyses for private sector (private enterprises) : carry out a test -For setup an Intranet/extranet network for MPFTLS : develop a memorandum of understanding between MPFTLS, DTS, and TELMA (restricted Bidding)	-Intranet/extranet network : put in (Central Ministry, 06 DFFOP)  -Software on Human Resource Management(GRH ) : put in place (Central Ministry, Provincial Directorate :06) - Agents trained in network administration - users trained		Under way
	Training in computing and basic maintenance Processing files	Conducting a training in computing and basic maintenance Simplifying file processing procedures	Conducting a basic computing training (initiation, Microsoft Word, Excel) -Organizing a four day workshop (with CDE, Ministry of Economy, Finance, and Budget, MPFTLS) for defining the organization of One Stop Shop, and developing a manual of procedures -setup the One Stop shop -editing manuals of procedures to the disposal of the 19 Ministries, 05 decentralized institutions and structures	Agents trained in basic computing  -Preparatory meeting held  -Ambulant One Stop Shop tested  -19 Ministries, 05 decentralized institutions and structures having the manual of procedures at their disposal		
		Regularizing pending files sation before computerizing	Processing 19 563 files	Files processed		12 389 files January March) 7 174 files (April May)

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
	Monitoring Evaluation	Stimulating monitoring evaluation structures and tools :	-Visits to decentralized structures carried out	-04 instruction and supervision missions among MFPTLS decentralized structures : Toamasina, Fianarantsoa, Morondava, Antsirabe	
	Training and upgrading among State agents	Ensure training and upgrading among state agents	Develop a draft for establishment : ENAM	-01 supervision mission carried out : Fort Dauphin - Draft for establishment developed - establishments contacted	
			Develop relations with partners	Negotiation with partners	The ministry (MFPTLS) is negotiating with foreign partners
			Ensure the working of equivalence system	-230 extracts from orders establishing equivalence issued, that is : • January : 60 • February : 82 • March : 88 -359 orders issued	
		Construction and rehabilitation of CNFA	Preparing financing document for rehabilitation	Rooms built	
			Training carried out : ENAM Organize the research department (ENAM) International Relations CNFA -recruitment -Training of the class	Competition examination carried out Training organized Number of successful students	
	Control over State agents numbers	Control State agents numbers	Updating the single index card: -Interministerial Technical Committee : operational		
			-Taking over the 25 Databases -Collating index cards : carried out	-databases taken over -single index card : validated -Collation : finalized	
			-Sending the name list of 7130 agents stated as unknown to MEFB for suspending issuance of payment document in order to detect the real non State agents who are paid for		

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENT/TW		OBSERVATIONS
		Priority Measures	Action Plans	
Fight against corruption and favoritism	Text on behaviors and mentality change	Updating and extending texts on behavior and mentality change	<ul style="list-style-type: none"> <li>-Law on Civil servant General Status</li> <li>-Communication relative to irregular absence to work post</li> <li>-Memorandum relative to salary suspension for irregular Agents : n° 4639/2003-MINFOP of September 02, 2003</li> <li>-Issuance of decrees for applying the Civil Servant General Status</li> </ul>	<p>Law N° 2003-011 Decree N°2003-937 relative to civil servant obligations Decree N°2003-993 on granting a retirement grant Decree N°2003-1158 on Professional Code of Ethics in Administration and of Good Behavior among State agents</p> <p>Of September 03, 2003 of September 09, 2003 of October 07, 2003 of December 17, 2003</p>
	Informing State agents and users	Informing State agents and users	<ul style="list-style-type: none"> <li>-information on public administration : transparent to users of Directors in charge of managing human resources in the 22 Ministries</li> <li>-Communication (n° 3819-2003/MINFOP of July 08, 2003) MINFOP in Government Council, relative to administrative file processing not exceeding the 72 working hours</li> <li>- Weekly monitoring among Ministries at central level on implementation of memorandum from the government</li> <li>-Weekly programs broadcast</li> </ul>	<p>Information of 22 Ministries out of 22</p> <p>Informing users (N° 002-003-PM /SGG of February 25, 2003) Posting, at locations visible to users, of information on hours, free of charge services, fees and timelimit for service processing (in Malagasy and in french), Structure for receiving and orienting users : put in place Weekly programs at RNM and TVM « seraserany Asam-panjakana » (that is, Communication in Civil Service)</p> <p>Information and awareness raising among civil servants and users on their rights and obligations on RNM from August 20, to December 17, 2003, and on TVM from August 29, to december 26, 2003 : objectives of 5 TVM and 10 RNM programs : achieved 100%</p>
	Professional Code of Ethics in Administration	Developing Professional Code of Ethics in Administration	<ul style="list-style-type: none"> <li>-Multiply the document on Professional Code of Ethics (50 copies) of Administration and the Good Behavior of state agents</li> <li>-Disseminate the Code among the 19 ministries, as well as among the Prime Minister's Office and the Vice Prime Minister's Office, among Faritany of Antsiranana, Tolitry...</li> </ul>	<p>Codes multiplied (copies)</p> <p>Codes disseminated</p>

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Strengthen partnership among State / workers/ investors			-Apply legislative and regulatory texts regarding discipline matters		
	Puttin gin place the One Stop show for procedures of granting work permits			Appointment of officials : carried out	(100%):
	Update, harmonize, extend, and apply Labor Law		-Developing and submitting to CNT and Government texts for applying Labor Code -Developing a manual of procedures and designing technical guidelines on labor legislation	Guide cards developed	
	Regulating activities by vocational training centers (CFP) and private placement bureaus (BP)		-Census of information on the 50 Vocational Training Centers -Gathering the documents and information on CFPs and various trades		
	Setup OMEF		-Developing a draft text creating OMEF -Installation of 01 national OMEF and 10 agencies	-Decree creating OMEF adopted in Government Council -Director of OMEF appointed in Council of Ministers	
Ensure that Labor Market rules enable competitiveness and employment while protecting workers' basic rights	Updating the Labor Code		Submitting to the National Employment Council Submitting the draft labor code to Council of Ministers on 10/28/03 Decree n°1056-2003 of 10/28/03 Submitting bill n°2003-043 of 10/28/03 to the legal Committee : 11/ 17, 19, and 28/03 – Plenary Session of 12/03/03 Submitting the bill to Senate		
	Visit and control of EPZ enterprises and common law enterprises				
	Presenting to government council of draft text ruling Inter-Enterprise Health Organizations (OSIEs) :		Adopting the decree n°2003-1162 of	Decree n0 2003-1162 adopted	12/17/03

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
	Obligations of Madagascar towards ILO	Honor Madagascar obligations as a member towards ILO	<ul style="list-style-type: none"> <li>-Pay contributions to ILO</li> <li>-Develop reports on how Madagascar applies ILO conventions and recommendations</li> </ul>	<ul style="list-style-type: none"> <li>Vouchers justified</li> <li>Depositing the 15 instruments adopted at SGG</li> </ul>	
	Rights of Workers	Support external services for ensuring observance and application of labor related texts so as to guarantee the rights of workers	<ul style="list-style-type: none"> <li>-Point-in-time interventions through medias to inform on labor legislation</li> <li>-Settling collective labor disputes, national importance labor disputes, and processing recourses to chain of command regarding dismissal of personnel delegates</li> </ul>	<ul style="list-style-type: none"> <li>03 reports arrived at ILO</li> <li>Establishments controled</li> </ul>	
		Relaunch, carry out, and carry through the programs proposing labor related basic human rights	<ul style="list-style-type: none"> <li>-Design draft texts on child labor</li> <li>-Identify new projects</li> <li>-Carry out enrolment and vocational training for children in worst labor forms</li> <li>-Conduct study on setup regional child labor observatories</li> <li>-Hold 4 regional consultation workshops on child labor worst forms (Toamasina, Toliara, Mahajanga, Antsiranana)</li> <li>-Hold a national strategic planning workshop on child labor</li> <li>-Hold a national three-party workshop for validating the National Action Plan on Child Labor</li> <li>-Finalize and submit the Document on <i>Programme Assorti de Délai</i> (PAD) (that is, Timelimit-based Program) to the US Government</li> </ul>	<ul style="list-style-type: none"> <li>-School year beginning at center « Manjary Soa » : 20 school age children and 20 children over 15 in charge at center</li> <li>Manjary Soa of MFPTLS being trained</li> <li>ILO Mission on TBP carried out</li> <li>Workshop report</li> <li>Workshop report</li> <li>National Action Plan Document</li> </ul>	

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
	National Policy on Employment	Update texts on employment and vocational training, develop and design texts for applying the National Policy on employment and subsequent texts (international conventions ratified...): Regulate activities of vocational training Centers (CFP) and private placement bureaus (BPP) Put in place OMEF	-Count and monitor activities by placement bureaus and vocational training centers -Gather documents and information on CFPs and various trades	Publication Decree N°2004-517 of May 04, 2004 on increase in minimum salaries	
			-Inventory information on the 50 Vocational Training Centers -Gather documents and information on CFPs and various trades Develop a draft text creating OMEF		
				Draft text creating organization of OMEF : approved	

Strategic Focus 1 : Restoring a Rule of Law and a good governance society  
 Overall Objective : Ensure good governance and succeed in fight against Corruption  
 Program : Governance and fight against corruption  
 Sub- Program : **Administrative Reforms**

SPECIFIC OBJECTIVES	PROGRAM	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Strengthen the institutions in charge of managing elections for making sure that elections will proceed in a fair, transparent, and equitable manner	Modernization of Administration	-Fight against corruption	<ul style="list-style-type: none"> <li>-Carry out studies relative to computerization of personnel management, control on foreigners and of 6 registering centers</li> <li>-Studies relative to computerization of control on foreigners</li> <li>-Improvement of file processing circuits relative to stay visa grant and resident card issuance</li> <li>-Development and distribution of a text compendium for use of administrative district heads</li> <li>-Development and distribution of a code of behavior for administrative district heads</li> </ul>	<ul style="list-style-type: none"> <li>-Carried out</li> <li>-Procedures for file processing : analyzed putting offices together : streamlined</li> <li>-Texts compiled</li> <li>-Code of behavior : developed and distributed</li> </ul>	<ul style="list-style-type: none"> <li>Under way</li> <li>Under way</li> </ul>

Strategic Focus 1 : Restoring a Rule of Law and a good governance society  
 Overall Objective: Observe democracy  
 Programme : Governance and democracy Observance

**Sub- Program : Transparency and observance of people's choice**

SPECIFIC OBJECTIVES	PROGRAM	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Strengthen the institutions in charge of managing elections for making sure that elections will proceed in a fair, transparent, and equitable manner	Good Governance and Democracy Observance	Ensure transparency and observance of people's choice	-Presentation of texts relative to communal elections  -Preparation and organization of municipal and communal elections	Municipal elections organized	
			-Study and design of new bill on Electoral Code  -Developing a draft decree relative to institutional capacity building among National Election Council  -Operations « Birth Certificates» and « National Identity Card » -Preliminary studies relative to secured population management system	-Study and design realized  Draft decree developed  -Bill adopted at National assembly	Ongoing study  Ongoing works  Being adopted
				-Instruction written out -Data collected -Estimates program carried out Preliminary studies carried out	Under way

Strategic Focus 1 : Restoring a Rule of Law and a good governance society  
 Overall Objective: Establish a Rule of Law  
 Program : Governance and Rule of Law

**Sub- Program : Justice**

SPECIFIC OBJECTIVES	PROGRAM	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Rehabilitate judiciary and prison functions and infrastructures at national scale		Put in place structures provided by the Constitution	<ul style="list-style-type: none"> <li>-Put in place the High Court of Justice</li> <li>-Put in place the Supreme Court</li> </ul>	<p>texts developed, presented to, and examined in Government Council in 2003</p> <ul style="list-style-type: none"> <li>-draft organic law relative to 'organization, duties, working and procedure applicable in front of the supreme Court and the 3 Courts making it up' : examined in Government Council of 11/19/03</li> <li>-Construction of Supreme Court buildings : Convention for implementing agency between the Vice Prime Minister's Office and the Ministry of Justice for executing preliminary works</li> <li>: Bidding documents, Architecture study and design, field preparation works</li> <li>Convention for financing with the European Union for construction works</li> <li>Updating, by consultancy firm, of entities involved in the draft text developed (the Bar, magistrates, economic operators, civil society, ... draft text developed</li> </ul>	<p>Dispatched for adoption in parliamentary session for August 2004</p> <p>Dispatched for examination in Council of Ministers</p>
Speed up processing of files		Speed up settling of files, and civil , commercial and prison files	<ul style="list-style-type: none"> <li>-Setup of National Council for Justice</li> <li>-Setup of General Inspection for Justice</li> <li>-Works for counting and identifying on files suffering from long detention regarding Antananarivo</li> <li>-Processing 230 Criminal cases on Antananarivo out of 230 planned ones</li> </ul>		

SPECIFIC OBJECTIVES	PROGRAM	ACHIEVEMENTS		OBSERVATIONS
		Priority Measures	Action Plans	
			-Texts relative to rapid processing	Being developed
		Training magistrates / court clerks / sub-prefects in charge of controlling civil status archives for the three pilot courts :Antsirabe, Fianarantsoa, Antananarivo (by ENAM and ENMG)		Magistrates / courtclerks / sub-prefects in charge of controlling civil status trained
	New construction, and rehabilitation of judiciary infrastructures and prison establishments	-Rehabilitation : Court of Vatomandry, Court of first Instance of Ankazobe (+extension) -Executing works for securing prisons		? Prison of Antalaha, Penitentiary of Tsiarahy, Prison of Vatomandry, Prison of Ankazobe, Prison of Ambatolampy, Prison of Ambatondrazaka, Prison of Arivonimamo, Prison of Antanimora.
	Improvement of working conditions	-Rehabilitation and extension Of Justice Palace of Anosy -Initiation of procedures to construction of building for the Supreme Court -New construction in prefabricated building : - Rehabilitation of underage rehabilitation center of Anjanamasina -Pursuing construction of annexes to ENAP -Setup a support Structure to speed up processing of pending files in jurisdictions	-Launching the bidding documents -Extension and renovation of buildings Social rehabilitation actions Training of 03 teams made up of (03) magistrates -inspectors and of 01 courtclerk	-Working conditions improved -03 Courts of the supreme Court put in place -Texts -05 Faritany main towns equipped with TA and TF -Improved living condition Building R+1 : dormitory, refectory available Standardized Services FID – Executing Agency FID - Executing Agency

SPECIFIC OBJECTIVES	PROGRAM	ACHIEVEMENTS		OBSERVATIONS
		Priority Measures	Action Plans	
Improve legal, namely economic, environment	Put in place new civil, commercial and penal procedures	-Application of new code of civil procedure  -Study and updating of texts in force through monitoring of works on Business law reform	Sureties in discharge of liabilities Bill on international money laundering, detection, cooperation regarding crime....	New procedures applied Workshop organized  Texts finalized and / or in communication and/ or adoption to CG and to Parliament
	Reform of texts (strengthening actions by CRDA)  Capacity building among the model jurisdiction	-Scaling up training for magistrates and courtclerks on computerized Penal chain and specific themes  -Constitution and training of a team made up of 3 magistrates, 1 courtclerk and 1 accountant ensuring diagnosis works in malfunctioning and needs for materials / equipment, in personnel -Strengthening in human resources of prison administration -Strengthening security and cleaning of prison conditions  Relaunching activities in 7 penal camps for food sufficiency and improvement of food diet and health of prisoners	Scheduling ongoing training sessions  Organizing training sessions -Securing prisons and and penitentiaries -Regular monitoring of health status of prisoners, health care and drug provision to prisoners  -setup of an infirmary and rehabilitation of a kitchen, -setup of a water tower, provision of blankets and sport articles to prisoners (Tsiatahy) -construction of two latrines (Miarinarivo) -Construction of buildings for women and under age prisoners	Specific themes  -Training of 154 agents, 20 inspectors, 15 controllers and 13 courtclerks (100%) -Launching the competition examination for 2004 training. -Security strengthened in 10 Penitentiaries out of 7 planned ones -Prisons and penitentiaries secured in Vatomandry, Ambatondrazaka, Tsiatahy, Ankazobe, Ambatolampy, Arivonimamo.
Humanize detention in prison				

SPECIFIC OBJECTIVES	PROGRAM	ACHIEVEMENTS		OBSERVATIONS	
		Priority Measures	Action Plans		
				Buildings constructed (Toamasina, Ambatolampy, Ambohimandroso and Fianarantsoa Activities relaunched in : Antsilaka in Antsiranana, Antseva in Antsirabe, Betakilony in Miarinarivo,, lavinomby in Ambositra, Ankaramena in Fianarantsoa, Tsaratanana in Vatomandry, Andilanomby in Ambatondrazaka New management policy	
Improvement of imprisonment conditions in prison establishments		-Anti-corruption action program in prisons, Strengthening discipline and ethics among prison agents - Cleaning infrastructures -Implementing social rehabilitation actions : strengthening production activities in penal camps ; -Multiplication of technical and vocational training workshops	Redeployment of personnel Rehabilitation of imprisonment conditions (health, medical,...)	Better profitability from administration of land heritage  Food self sufficiency : increase productions and improved food rations  Conventions signed  Collaboration with NGOs for relaunching some penal camps  CARE/ACP, Collaboration with Médecins du Monde, CICR, ...	

Strategic Focus 1 : Restoring a Rule of Law and a good governance society  
 Overall Objective: Establish the rule of Law  
 Program : Governance and Rule of Law

**Sub- Program : Security**

SPECIFIC OBJECTIVES	PROGRAM	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
<b>Strengthen security in urban areas</b>	Support to strengthening and streamlining of urban areas.	Applications per activity area	<ul style="list-style-type: none"> <li>- Making travel documents</li> <li>-Rehabilitation of ENIAP buildings Antsirabe.</li> <li>-Purchasing a landplot for installing the 8th District.</li> </ul>	50.000 passports edited by the french National Printing House.  Buildings rehabilitated  Training Camp more than 5 buildings : Inspectors and Police agents.	
		Transparence in file processing	-Carrying out file inspections in provinces	Inspection of 5 files in province : achieved	
<b>Strengthen the profession of National Police by providing them with adequate training</b>	<ul style="list-style-type: none"> <li>-Recruitment, Pre-service training (F.I) and in-service training (FCE) Action</li> <li>-placement, monitoring-évaluation and regulation of professional capacity in the profession of National Police</li> </ul>	Improvement of system for pre-service and in-service training in the profession of National Police aiming at Suitability between Employment – Recruitment – Training .	-In-service training for Police Commissioners	-12 Police commissioners trained at INSCAE.  -30 specialized units trained at IVATO.	

SPECIFIC OBJECTIVES	PROGRAM	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Equip the National Police with modern infrastructure and equipment	Support to purchase of materials and software for transmitting information and for computerized processing of professional activities	Support to purchase of materials and software for transmitting information and for computerized processing of professional activities .	<ul style="list-style-type: none"> <li>-Equipping with rolling stock</li> <li>-Installation of radiotelephony communication materials</li> <li>-Computering materials</li> <li>-setup and operationalization of modern infrastructures</li> </ul>	<p>Materials purchased :</p> <ul style="list-style-type: none"> <li>-VW Transporter (+10) -VW Golf (+10)</li> <li>-Central Service for Site Transmission 95% installed.</li> <li>-Computers and exploitation softwares purchased</li> <li>-03 police commissioner stations of Faratsiho, Ambatomainty and Mirinarivo built</li> <li>-police commissioner station of Maevatanana, of Camp FIP Antanimora, and of tribune</li> <li>rehabilitated, and asphaltting of main field at ENPS Ivato</li> </ul>	

Strategic Focus 1 : Restoring a Rule of Law and a good governance society  
 Overall Objective: Establish the rule of Law  
 Program : Governance and rule of Law

**Sub- Program : National Defense**

SPECIFIC OBJECTIVES	PROGRAMME	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Revalorize the « defense » apparatus, guarantor of national sovereignty	Increasing mobility and communication means :	Support to units through more performing means	<ul style="list-style-type: none"> <li>-Revalorizing operational capacity of units : Provision of equipment</li> <li>-Providing research sections and judiciary police support group with special materials</li> <li>-Continuing setup a Judiciary Police team.</li> <li>-Purchasing computing materials.-ANACRIM (Criminal analysis)</li> <li>-Rehabilitation of dog-handling unit</li> </ul>	Transportation and communication means: purchased : -(vehicles, small boats, all field bikes, light and semi-light planes, helicopter...) -radio TPI,PC, FAX.. Project for using horses and camels 15 trucks and 10 unimog 29 light-motor vehicles  Computing materials purchased 3 dogs purchased Buildings rehabilitated  Student-Gendarmes recruited : 650 Young recruits drafted :350 - GN officers recruited : 25	Small boat maintenance and working  Donation from Germany for 2004
		Upgrading of operational capacity of National Gendarmeris (GN) units:	Increase in personnel numbers	Training centers upgraded : Development Furniture FBI Fuel and others	
		Upgrading and computerization of human resource management	-Upgrading of Training Centers (Infrastructures, Instruments and training)  -Computerization of management of personnel and materials -Redeployment of numbers : respect of TED	Management software : put in place (personnel, material, finance and data transmission) TED respected	
		Streamlining human and logistic resources management	-Gradual equipping to units	- Furniture for 60 units	Producing units :
		Improving working conditions			

SPECIFIC OBJECTIVES	PROGRAMME	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
			(see. TED) for 60 units – Renovation of materials and rehabilitation of laboratory	-Formq and registers for 250 Squads -Special equipment for 09 road squads Materials renovated and laboratory rehabilitated	GN Printing House
			-Construction of houses for the military -Installation of computing network -Putting in place of sea and air forces -establishment of regiment for civil protection and for protection against natural disasters	-Computing network installed at ENGAM -sea forces COFONA and air forces COFOA put in place -civil protection regiment established	

Strategic Focus 1 : Restoring a Rule of Law and a good governance society  
 Overall Objective: Establish the rule of Law  
 Program : Governance and Rule of Law

**Sub- Program : Civil Protection**

SPECIFIC OBJECTIVES	PROGRAMME	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Strengthen the institutions in charge of managing elections for making sure that elections will proceed in a fair, transparent, and equitable manner	Civil defense		-Studies relative to collective conventions regarding public security	Documentary works carried out	
	Civil protection	-Put in place a national civil protection system	-Development of decree for applying the law relative to the national policy for managing risks and disasters  -Providing the Urban Municipality of Antananarivo with six fire brigade vehicles  -General police round	Draft decree developed  06 Vehicles purchased	Draft decree is in revolving communication for observations and opinion  Materials being disembarked at port of Toamasina  National Defense
Strengthen the capacities of civil protection	Security in rural areas and on roads	Reduction of insecurity in rural areas and on roads	-Surveillance of big road axes	08 GN permanently in red zone,  04 GN in white zone. -02 GN permanently on big axes per 09 Road Police units -06 airport units created and / or supported -02 opérations per Grouping « Rongony » destroyed :about 271.5 tonnes detected surface area : 543 ha Number of men deployed in targeted areas: -384 servicemen -14 policemen -12 gendarmes with air support (01 joker + 3 Helico) and communication means (65)	Duration : during April
			-Surveillance of airports, ports, coasts, and rivers		

SPECIFIC OBJECTIVES	PROGRAMME	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
			<ul style="list-style-type: none"> <li>-Semester operation per grouping</li> <li>- « RONGONY » (that is, narcotics) operation</li> <li>-Redeployment of community-based security system (GN)</li> <li>-Identification and targeting of areas that are the foci of cattle theft and criminal acts</li> </ul>	<ul style="list-style-type: none"> <li>-Community-based security system redeployed</li> <li>-Identification and targeting of areas that are foci of cattle theft and criminal acts</li> </ul>	VB+ narcotics
			<ul style="list-style-type: none"> <li>-Conducting of an annual large-scale operation</li> <li>-Conducting an Intensive Rural Security Operation OSRI</li> </ul>	<ul style="list-style-type: none"> <li>-01 operation (GN)</li> <li>-150 men per Military region to be deployed in red zones (Army)</li> </ul>	
			<ul style="list-style-type: none"> <li>-Setup of Outposts in each important Firaiana and of Mobile Posts (PV) and/or Fixed Posts (PF) in the other ones (Furniture – armament – MAE, etc...)</li> <li>-Bilateral (French-Malagasy) Drill</li> </ul>	<ul style="list-style-type: none"> <li>-10 outposts – 20 PFs – 20 PVs per province per year</li> <li>-250 servicemen for the malagasy party</li> </ul>	January- April 2004 May- June 2004
			<ul style="list-style-type: none"> <li>-Continuation of activities by Security Autonomous Detachments (DAS)</li> </ul>	<ul style="list-style-type: none"> <li>-98 detachments on the field, that is 472 servicemen (the Army)</li> </ul>	
			<ul style="list-style-type: none"> <li>-Cancellation of DAS operation and adoption of Drilling March for Rural security (MMSR)</li> </ul>	<ul style="list-style-type: none"> <li>Surveillance system put in place</li> </ul>	Ministry of Interior and administrative reform
<b>Ensure rural security</b>	Civil defense		<ul style="list-style-type: none"> <li>-Implementation of conventions (DINA) regarding public security : 29 DINAs covering 23 Sub -Prefectures defined as "red zone"</li> <li>-Control on arms and explosive substances (Exhaustive census of civils holding firearms)</li> </ul>		
	Natural disasters	Reduction of harmful effects of natural disasters	<ul style="list-style-type: none"> <li>-Anticipated positioning of capacities and means facing disasters</li> </ul>		

SPECIFIC OBJECTIVES	PROGRAMME	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
			<ul style="list-style-type: none"> <li>-Setup of civil Protection Units (UPC) in Arivonimamo and in Toamasina</li> <li>-Purchasing technical materials</li> <li>-Protection of resources to provide for defense (natural disasters, etc) :</li> </ul>	<ul style="list-style-type: none"> <li>-rolling stock, transmission materials, rescue materials : purchased</li> <li>-reforestation, control on mining sites, under water resources, and bushfires operations</li> <li>-Participation in protection of Protected area of Ankarafantsika</li> <li>- Nurseries developed per province</li> </ul>	
		Support to disaster victims	<ul style="list-style-type: none"> <li>-Transporting materials and help in collaboration with CNS.</li> <li>-Research and rescue of castaways from boat SAMSON in Mahajanga : undertaken by 'EMFAN</li> <li>-Convoy of men and emergency help equipment</li> <li>-Establishment of a Civil Protection regiment in Arivonimamo, protection of population against natural disasters</li> </ul>	<ul style="list-style-type: none"> <li>-materials and aids transported : foodstuff 400 tonnes</li> <li>- 02 small motorboats deployed.</li> </ul> <p>Chain saws, dinghies sent to Morondava, Sambava</p> <p>Outposts : Arivomamo - Toamasina</p> <p>Outposts to be installed in en 2004 : Manakara, Morondava, Sambava, and Mahajanga.</p>	
	Prevention against HIV / AIDS	Fight against STD / AIDS	<ul style="list-style-type: none"> <li>-Scaling up sensitization and awareness raising.</li> <li>-Printing and dissemination of brochures and posters</li> <li>-Seminars on health elements and local command</li> <li>-AIDS test compulsory at drafting (*)</li> <li>-Periodical visits</li> <li>-Providing infirmaries and hairdressers/shops with means to fight</li> <li>-Strengthen education mandate (administrative and health police)</li> <li>-Strengthen fight against sexual tourism</li> </ul>	<ul style="list-style-type: none"> <li>Brochures, posters, and seminars carried out</li> <li>01 visit</li> <li>05 disposable syringes with needles per man</li> <li>01 pack of 03 condoms per outing</li> <li>Tooling for hairdressers shops.</li> </ul>	Ministry of Interior and administrative reform

SPECIFIC OBJECTIVES	PROGRAMME	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Ensure protection of people, of their property and of their production activities		Setup of a national civil protection system	<ul style="list-style-type: none"> <li>-Setup of legal framework and operationalization of national structures (CNS), regionales structures (GCRS) and local structures for managing risks and</li> <li>-Training of 50 voluntary first aid workers and provision of small intervention materials (Antananarivo et Toamasina)</li> <li>-Giving a fire brigade vehicle and of two moto pumps to Firemen in the town of Mahajanga</li> <li>-Training for voluntary firemen from community groupings of three districts in the town of Antananarivo</li> <li>-Training for 20 officials on initiation to forecast and prevention against fires</li> </ul>	<p>Legal framework put in place</p> <p>50 first aid workers trained</p> <p>Vehicle acquired</p>	

Strategic Focus 1 : Restoring a Rule of Law and a good governance society  
 Overall Objective: Bring the Government nearer to citizens through decentralization and deconcentration  
 Program : Community-based Governance

**Sub - Program : Decentralization and strengthening of commune**

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Strengthen the institutions in charge of managing elections for making sure that elections will proceed in a fair, transparent, and equitable manner	Good governance and decentralization	-Implement decentralization	-Putting regions in place	Bill on putting regions in place : adopted by the national assembly	Under way Ongoing preparatory works
			-Development of a manual of procedure regarding control on legality of acts by Communes	Study carried out Document edited	
Create a context enabling Economic and Social development of Communes		Establish consistency of texts	-Training Prefects and Sub-prefects in legality control	Prefects and sub-prefects trained	Draft decree developed Memorandum distributed Memorandum distributed Inventory work completed
			-Draft decree creating the profession of civil status Secretary		
			-Memorandum on duties and general organization of structures in rural commune and urban commune		
			-Memorandum relative to constitution of land reserve a usage industriel -Circulaire relatif au gel de vente des terrains suspendus au niveau des communes en étude (étude en cours avec MIRA)		
			-Proposal for modifying some provisions of the draft decree setting the duties of administrative and territorial district State heads in Madagascar		
			-Work for inventory, classification, harmonization of texts on decentralization : completed ;		

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
	Institutional operating framework of commune	Improvement of institutional operating framework of commune	-Information and training in modalities for setup Fokontany heads	Decree n° 2004-299 setting The organisation, the operating, and the duties of Fokontany established	
	Local Governance	Improvement of local governance	-Put texts on competences, resources, sectoral policies at disposal of mayors -Organization of Mayors' meeting	Texts put at mayors' disposal Mayors' meeting : organized	March 05, 2004
	Satisfactory community-based services :	Promoting satisfactory community-based services in communes	-Distribution of instruction 001 on modalities for using subsidies -Introduction of this theme in training modules		
	Inter-commune cooperations	Developing inter-commune cooperations	-Conducting study on inter-commune work -Sensitizing communes on importance of OPCIs -Developing TOR of study on inter-commune work -Putting OPCI in place	Study and TOR of study : carried out Communes sensitized Number of OPCI put in place : 06	
	Decentralized cooperations	Development of decentralized cooperations	Inventory on decentralized cooperation	Number of decentralized cooperations	
	Incentive to attract private investors	Support to constitution of land reserves for industrial and handicraft uses (urban commune)	-Conducting a study of texts enabling private initiatives (under way), -Writing a memorandum relative to creating special land reserves for industrial use in communes -Informing communes on proceedings for requesting land resource constitution	Number of communes supported Interministry Unit on reconstitution of land resources : put in place	

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
			<ul style="list-style-type: none"> <li>-Putting information for contract establishment at disposal</li> <li>-Organizing information, sessions with line technical services</li> </ul>		
<b>Set up and operationalize the regional development structures</b>		Developing organic laws and texts for application for decentralized governments	<ul style="list-style-type: none"> <li>Identification of the 13 pilot communes for extending the project HIMO - URBAN and HIMO-Road in Fort-Dauphin</li> <li>-Study for implementing the project ACCORD/U.E in the provinces of Fianarantsoa and Tuléar</li> <li>-Identification of the 10 pilot communes/Farintany for implementing the integrated support program with UNDP</li> <li>- Study on Special Solidarity Funds : achieved</li> <li>-Developing PCD</li> <li>-Regional Development model : achieved and validated in 04 regions</li> <li>- Workshop on regional development</li> </ul>	<ul style="list-style-type: none"> <li>-Guide for developing a PCD : developed and validated</li> <li>-Regional development model: achieved and validated in 04 regions (CRD) (under study)</li> </ul>	
<b>Strengthen institutional capacities among decentralized governments</b>	Putting of decentralized structures in place	<ul style="list-style-type: none"> <li>-Support to development, implementation, and monitoring / evaluation of regional and local development models</li> <li>- Support from decentralized governments to ensure effectiveness of administrative and financial controls</li> </ul>	<ul style="list-style-type: none"> <li>-Putting « Task force » in place</li> <li>-Developing texts on regions</li> <li>-Finalizing texts on regions</li> </ul>	<ul style="list-style-type: none"> <li>Task force put in place</li> <li>Texts on regions:finalized</li> </ul>	

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
	Regional growth poles	Support to identification of regional development poles	-active participation in Work Group (VPM)	-Poles identified -Responsibilities determined	
	Training for Commune officials	Conduct of training for commune officials	-Setup of an inter-ministry unit through training -Organization of training sessions 17 Communes-42 commune officials (Faritany of Antsiranana) -Development of training modules -Pilot action among 120 communes -Partnership development -Training session 14 communes -57 commune officials ( FIV Ikongo)	Number of commune officials trained Number of modules taught Number of partners	
<b>Enhance financial autonomy of commune</b>	Enhance commune equity resources	Enhancement of commune equity resources	Conduct an inventory of commune resources	Inventory carried out	
	System for autonomous collection of tax and other resources in communes	Generalization of system for autonomous collection of tax and other resources in communes	-Conduct a study on extending the system for autonomous collection of tax resources and other taxes in communes -Develop strategies for improving commune financial resources	TOR of study : developed Financing secured	
	System for controlling communes	Strengthening of commune control system	-Training for executives from the Ministry -Developing control and monitoring systems -Training for 15 officials from the Ministry	Supported communes : controlled	

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Make communes more accountable in management of health and education services	Training for commune officials	Establishment of training programs for commune officials with provincial directors, and some technical partners, as well as the inter ministry unit	-Identification of training needs -Training for 15 officials from the Ministry -Training for commune officials on community-based resource management	Number of commune officials trained	
	Health, education service management	Developing manuals for health, education service management	Distribution of instruction 001 on modalities for using subsidies	Instruction 001 distributed	
		Revision of organizational chart of commune services  -Recensement du nombre et implantation des CSB/EPP	Census operation  -availability of exhaustive and reliable information on CSBs and EPPs	Memorandum for application in communes of new organization chart advocated in commune administration guide	(see decentralization pilot experiences )  (number and implantation) ongoing

Strategic Focus 1 : Restoring a Rule of Law and a good governance society  
 Overall Objective: Bring the Government nearer to citizens through decentralization and deconcentration  
 Program : Community-based Governance

**Sub- Program : Effective Deconcentration of Administration**

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		OBSERVATIONS
		Priority Measures	Action Plans	
Strengthen the institutions in charge of managing elections for making sure that elections will proceed in a fair, transparent, and equitable manner	Implement effective deconcentration of Administration	-Rehabilitation of buildings of deconcentrated services		Rehabilitations achieved (06 achieved)
		Deconcentration of courts and tribunals	-Appointment of Court Chiefs	-first hearings held
Rehabilitate judiciary and prison functions and infrastructures at national scale	-Operationalize the Court of Appeal of Tuléar -Court of Appeal of Antsiranana		-Conduct a geotechnical study of implantation field	-study completed
		Strengthen intervention capacities (support and control) of department	Development of draft decree creating and demarcating the territorial administrative districts of the State	Draft decree creating and demarcating the territorial administrative districts of the State :developed
Draft decree setting the remuneration conditions, indemnities, and benefits allocated to Heads of territorial administrative districts of the State	Draft decree setting the territorial administrative districts of the State : developed			- Draft decree setting the duties of Heads of territorial administrative districts of the State : developed
		Setup 15 980 Fokontany and 61 324 Fokonolona	15 980 Fokontany and 61 324 Fokonolona : put in place	

Strategic Focus 2 : Foster and Promote a social broad-based economic growth  
 Overall Objective : Maintain macroeconomic stability and develop a fiscal and monetary framework that enables growth and job creation  
 Program : Macroeconomic stability and growth

**Sub- Program : Public Finance, Public affairs management)**

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Implementation of a reliable information system required for knowing the country economic and financial status in order to contribute namely to development of financial system	Production of reliable information	Enhancement of service accessibility and provision	-Development of a periodical performance chart	National social performance Chart (TBS) : achieved Regional TBS of Fianarantsoa and Tuléar : achieved	2003
			-Connection of a few Treasuries through installation of Internet to accounting posts accessible to telephone network -Setup of a computer network within MEFB -Provision of equipment to deconcentrated services	20 principal Treasuries connected  Computing network available and operational Equipment provided to deconcentrated services	(Tuléar : Regional Directorate of Public Expenditures, Regional Directorate of Treasury, Regional Directorate of Customs) 2003 2004
			-Setup of Ministry website -Updating of Ministry website	Website : set up Website : updated	
	Information on overall strategy of MEFB and of Government		-Development of semester report / workshop on PRSP implementation	Semester Report / Workshop on PRSP implementation : achieved	
	Putting at disposal reliable and up-to-date information helping to decision making		-Setup of Center for Research, Study, and support to Economic Analysis in Madagascar (CREAM) -Distribution of JAS (African Day for Statistics) 2003 -Finalization of EDS survey collection -Adoption of 2005 PCG (that is General Chart of Accounts) through decree -Conducting campaign for communicating 2005 PCG -Conducting training as regards 2005 PCG	Center created and presented to public Institutions and to private sector JAS Report 2003 distributed - EDS survey collection : completed 2005 PCG adopted through decree Campaign for communicating 2005 PCG : achieved training as regards 2005 PCG : achieved	In August 2003  Under way Under way Being finalized

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
			<ul style="list-style-type: none"> <li>-Finalization of Guide</li> <li>-Public Presentation of 2004 Appropriation Law</li> </ul>	<ul style="list-style-type: none"> <li>Guide finalized</li> <li>2004 Appropriation Law : presented to the public</li> </ul>	<ul style="list-style-type: none"> <li>At regional level, economic operators and press</li> </ul>
		PRSP monitoring	<ul style="list-style-type: none"> <li>-production and distribution of statistic and economic studies</li> <li>-Conduct surveys on how population perceive PRSP implementation and national affairs</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring Plan available</li> <li>Initializations and monitorings : carried out</li> <li>Survey reports: developed</li> </ul>	<ul style="list-style-type: none"> <li>June 2003</li> </ul>
		Production of economic information and analyses	<ul style="list-style-type: none"> <li>-Conducting and publishing studies on various themes)</li> <li>-Holding workshop on Reform Matrices</li> <li>-Evaluation of macroeconomic and financial information system with IMF experts</li> </ul>	<ul style="list-style-type: none"> <li>Publishing studies on various themes : done</li> <li>-Workshop on Reform Matrices: held</li> <li>- Macroeconomic and financial information system evaluate with IMF experts</li> </ul>	
Contribution to development of financial system		Writing out law and texts relative to mutualist and non mutualist microfinance	<ul style="list-style-type: none"> <li>-Edition of a first draft project of text</li> <li>-Holding the Workshop for validating the national strategy in microfinance</li> </ul>	<ul style="list-style-type: none"> <li>Draft project of text edited</li> <li>Validation workshop held</li> </ul>	<ul style="list-style-type: none"> <li>Submitted to various actors in the microfinance sector and debated in the workshop for validating the national strategy on microfinance</li> </ul>
		Putting the Guarantee Funds in place	<ul style="list-style-type: none"> <li>- Putting the Guarantee Funds in place in 2003</li> <li>-Communication Campaign</li> </ul>	<ul style="list-style-type: none"> <li>Guarantee Funds put in place</li> <li>Guarantee amount granted</li> <li>Communication Campaign : held</li> </ul>	<ul style="list-style-type: none"> <li>Under way</li> </ul>
		Have better information on the private sector	<ul style="list-style-type: none"> <li>-Contact and information exchange with large operator groups</li> </ul>	<ul style="list-style-type: none"> <li>Contact and information exchange with large operator groups : achieved</li> </ul>	

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
Implementation of budget policy as an instrument for orienting and promoting economy implying increase in revenues and control of expenditures complying with overall and sectoral priority objectives	Reforme of Public Finance	Strengthen budget control	<ul style="list-style-type: none"> <li>-Carry on institutional capacity building among inspection and control organizations.</li> <li>-Develop regulatory draft texts of general and specific scope concerning them</li> </ul>		Joint action by the General State Inspection, the Budgetary and Financial Discipline Board, the Directorate General for Control of Engaged Expenditures, and the Audit Court
		Monitoring of activities by social sectors, including budget allocation, expenditure execution, and physical achievements		Scheme put in place for financial and physical monitoring of social sectors (current budget)	
		Setup of budget cycle monitoring system	Setup of a budget cycle monitoring system : exposure, settlement, order to pay, payment) in six ministries	Budget monitoring system put in place in six ministries : Education, Health, Agriculture, Environment, Justice and Public Works	
		Clarify and simplify public procurement procedures	<ul style="list-style-type: none"> <li>-Adoption of voucher list through decree</li> <li>- Adoption through Decree relating to advances</li> <li>-Adoption through memorandum relating to requisitioning</li> <li>-Definitions of duties and responsibility of Ordonnateur in phases for executing public expenditures</li> </ul>	<ul style="list-style-type: none"> <li>Decree n° 2004-282 of March 02, 2004 on voucher list</li> <li>Decree n° 2004-319 of March 10, 2004 relating to advances</li> <li>Memorandum n° 01/MEFB/DGDP /DB/DF2 of March 01, 2004 on requisitioning</li> <li>Duties and responsibility of Ordonnateur in phases for executing public expenditures defined Decree n°2004-571 of June 01, 2004</li> </ul>	

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
			<ul style="list-style-type: none"> <li>-Setup of Recourse and conciliation Committee</li> <li>-Validation of Public Procurement Code</li> <li>- Presentation to Parliament of bill n° 023/04 of June 03, 2004 on public procurement code</li> <li>-Institution of PRMP</li> </ul>	<ul style="list-style-type: none"> <li>Recourse and conciliation Committee: put in place</li> <li>Public Procurement Code validated through workshop of May 7 and 8, 2004</li> <li>Decree n° 2004-617 of June 03, 2004 on presentation to Parliament</li> <li>PRMP instituted</li> </ul>	
	Strengthen and modernize the Public Finance management framework		<ul style="list-style-type: none"> <li>Holding the workshop on Reform Matrix</li> <li>-Adoption by the National Assembly of organic law bill on public finance</li> <li>-Adoption of bill on CDBF (Budget and finance Disciplinary Board) by the National Assembly</li> <li>-Preparation of texts for applying: *the organic law on Appropriation Law *the law on Budget and finance Disciplinary Board *the law on Public Procurement Code</li> <li>Launching the process for reviewing public expenditures every four months</li> </ul>	<ul style="list-style-type: none"> <li>Workshop on Reform Matrix : achieved</li> <li>Organic law bill on public finance adopted by the National assembly</li> <li>Bill on CDBF (Budget and finance Disciplinary Board): adopted by the National Assembly</li> <li>Texts on organic law, law on CDBF and law on Public Procurement Ceode : prepared</li> </ul>	
	Strengthen internal control		<ul style="list-style-type: none"> <li>-Setup of General Inspectorate of Finance (IGF)</li> <li>-IGF :Organization of study tours</li> <li>-Transform Treasury Squad into Directorate</li> </ul>	<ul style="list-style-type: none"> <li>Process for reviewing public expenditures every four months : launched</li> <li>1st review :</li> <li>*Ministries and Institutions May 12-13 2004</li> <li>*Donors May 17, 2004</li> <li>creation -organization- working of IGF</li> <li>Adopted through decree n° 2004-573 of June 01, 2004</li> </ul>	

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
			<ul style="list-style-type: none"> <li>-Strengthening control organizations</li> </ul>	<p>Study tours organized France, Morocco Treasury Squad transformed into a Directorate Control organizations strengthened</p>	<p>General state Inspectorate, Financial Control, Procurement Committees, Audit Court</p> <p>2003</p>
	<p>Implementation of budget policy as an instrument for orienting and promoting economy</p>	<p>Organization of workshops actively associating technicians from economic groupings</p> <p>Scaling up of works by committees in charge of conducting analyses and to highlight concrete areas for reflection</p> <ul style="list-style-type: none"> <li>-Implementation of tax exemption measures and of some incentive provisions</li> </ul>	<ul style="list-style-type: none"> <li>-Organization of 12 working sessions</li> <li>-Meeting with operators from the 6 provinces.</li> <li>-Conduct actions in order to make a tool for development out of taxation</li> <li>- Implementation of tax exemption measures on agriculture inputs and materials, on capital goods</li> <li>- Launching Fanambina</li> <li>- setup of Guaranteee funds</li> </ul>		
		<p>Control budget programming, execution and monitoring</p> <p>Creation of « Executive Committee » in charge of overseeing reform programs in administration, taxation, and customs</p>	<ul style="list-style-type: none"> <li>Training in public contracts</li> <li>-Procedure Formalization</li> <li>-Setup of Recourse Committee</li> </ul>	<p>Training in public contracts organized Under way. for 2004.</p>	<p>Chaired by the Minister of Economy, Finance, and Budget with 6 representatives from the private sector and 6 representatives from the Government : committee operational (weekly meeting).</p>
	<p>Increase in revenues to reach the international standard regarding tax burden rate</p>	<p>Continuation of actions in collection and monitoring of tax in arrears</p>	<ul style="list-style-type: none"> <li>-creation and strengthening of material means in the special unit in charge of proceedings and actions regarding collection.</li> <li>-relaunch to delinquents.</li> <li>-Settlement of arrears</li> </ul>		

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
		Strengthening of structure for monitoring large enterprises	-creation of Directorate of Taxation for Large Enterprises–DFGE. -creation of a «reception unit » within DFGE. -reorganization of DFGE		2003
		Modernize DFGE	-Conduct a feasibility study regarding the system SIGTAS	Feasibility study regarding the system SIGTAS : carried out	2004
		Computerize tax centers	-Computerization of tax centers	Tax centers computerizes:30 in 2003 and 38 for first semester 2004	
		Strengthen security of tax centers	-purchase of new safes	Safes purchased	
		Rehabilitation and setup of tax centers		Centers rehabilitated and put in place	
		Extend texts for applying and integrating the General Tax Code ( CGI)	-Extension of CGI -Launching bulletins and brochures on tax texts	CGI extended Bulletins and brochures on tax texts launched	
		Setup of a crosschecking circuit with public expenditures and Treasury		Crosschecking carried out among « Expenditures » and « Treasury"»	
		Secure customs revenues	-Signing the contract SYDONIA ++/	SYDONIA ++/ contract signed, UNCTAD experts on the spot since May 2004	
		Strengthen means and capacities for better quality revenue collection	-Mission by UNCTAD experts -Publication of activity report by the Executive Committee of tax and customs -Setup of Recourse and Conciliation Committee	Activity report by the executive committee of tax and customs reforms : published Recourse and Conciliation Committee : put in place	
		Scaling up of actions as part of community-based taxation policy	-Actions as part of buoyant activity prospection	New tax-payers detected	
		-continuation of sensitization actions among informal sector	-intensification of TV commercials and radio programs; -edition of new leaflets on tax, -awareness raising tours		
	Coordination of foreign aid	Piloting the development of bilateral and multilateral cooperation programs			United Nations system, European Union, AfBD, France, Germany...

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
		Implementation and monitoring of programs in partnership with technical and financial partners			(IMF, World Bank, European Union, AfDB...)
		Conduct and monitoring of reform measures on factors triggering HIPC-Initiative completion point and resources	-organization of review meetings	Report established	
		Reduce debt stock	-Develop report on monitoring HIPC- triggering factors -Conduct physical monitoring of 2002 and part of 2003 achievements on HIPC Initiative	Report on monitoring HIPC- triggering factors developed - Physical monitoring of 2002 and part of 2003 achievements on HIPC Initiative: conducted	
	Control of public expenditures and distribution complying with overall and sectoral objectives	Set up an integrated computerized system (SIGFP)	-Development of the Intermediate System from the pilot system developed in Toamasina, -Registration of credits in Appropriation law for gradual settlement of State debt to JIRAMA (water and electricity) and to TELMA (telephone)	Intermediate System being developed from the pilot system developed in Toamasina, -credits recorded in Appropriation law for gradual settlement of State debt to JIRAMA and to TELMA -arrears settled : 62 billion : water and electricity 130 billion : telephone	début d'extension au niveau national 2005 En 2003
		Mobilize external financing in compliance with the development objectives and with the state economic policy	-COMESA : EPA negotiation -Setup of Interministry Committee on the Millennium Challenge Account (MCA) -Launching the development of report on cooperation to development	-Negotiation achieved in -Millennium Challenge Account: candidacy by Madagascar accepted -Report on cooperation to development : developed	In March 2004
<b>Fight against corruption, transparency and enhancement of quality of services provided at MEFB</b>	Transparency of procedures and accounts	Simplify clearance procedures	Setup of One Stop Shows: Toamasina, Mahajanga Reduction in clearance period	One Stop Shows set up: Toamasina, Mahajanga Clearance period reduced	
		Ensure transparency of procedures	-Printing of practical guides	Practical guides printed	Under way

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
		Enhance financial governance	-Production of balances of Treasury:	Balance 2001: June 2003 Balance 2002: Dec 2003 coordination and final control Balance 2003 Balance 2004: Balance 1st quarter of accounts for developing the reports on budget produced	Achieved  Under way Under way Being prepared
			-Production des comptes en vue de l'élaboration des lois de règlement		
	Improvement of quality of services provided by the Ministry	Rehabilitate buildings	-Provision and rehabilitation of buildings at central and remote levels	Buildings rehabilitated	
		Clean management of State personnel	-Keyboarding and updating of data cards of civil servants and entitled beneficiaries, -suppression of agents in non activity position	-Data cards of civil servants and entitled beneficiaries keyboarded and updated -Agents in non activity position suppresses from index card	
		Cleaning of salary index card	Merging Numbers and Visa sections	Numbers and Visa sections merged	
		Setup of new embassies	-Creation of software for financial management of external personnel -Development of a memorandum on simplification of procedures for dealing with pensions Reprocessing status salary and pensions	Management software created  Memorandum developed	
		Ensure sound management of database on salary and pensions	-Development of program for conversion into « ariary » of salary and pension payment -Development of manual of procedures for filling out documents formatted per movement -Creation of a desk for registration issuance and claim reception	Program for conversion into « ariary » developed  Manual de procedure developed  Desk for registration issuance created	

SPECIFIC OBJECTIVES	COMPONENTS	ACHIEVEMENTS		INDICATORS	OBSERVATIONS
		Priority Measures	Action Plans		
		Setup of computerizing networks and training for personnel	-Simplification of procedures for dealing with pensions.	Procedures for dealing with pensions simplified	
		Setup of a financial management policy for State personnel for controlling salary and pension expenditures	-Development of a practical guide regarding salary and pensions -Updating of texts applicable regarding salary and pensions -Processing of pending files in the division in charge of validation and scheduling	Practical guide regarding salary and pensions developed Texts applicable regarding salary and pensions updated Pending files in the division in charge of validation and scheduling processed	
			-Processing the validity of temporary civil servant services	Validity of temporary civil servant services processed	
	Implementation of a control system	Monitor important affairs in connection with DGT, DGI, DGD	-Conduct visits to Toamasina, Toliara, Mahajanga	Visits to Toamasina, Toliara, Mahajanga conducted	
		Organizational Audit and support to MEFB human resource management	-Approval of Contract after favorable opinion from CCM of 06/07/2004	Contract being approved, after favorable opinion from CCM of 06/07/2004	
		Setup of DGAI definite structure	-Approval of DGAI organization chart in the form of addendum to MEFB organization chart  -Provision with equipment	DGAI organization chart in the form of addendum to MEFB organization chart Approved by the ministry authority Equipment purchased	Under way

STRATEGIC FOCUS 2 : FOSTER AND PROMOTE A SOCIAL BROAD-BASED ECONOMIC GROWTH  
PROGRAM : Development of buoyant sectors

**Sub - Program : Tourism**

**Development Objective : Promote tourism and ecotourism development that protects the natural environment and the sociocultural identity of Madagascar**

**MAIN ACHIEVEMENTS FROM JULY TO DECEMBER 2003**

SPECIFIC OBJECTIVES	Action Plans		Observation
	Planned Activities	Achievements	
<b>Enhance Tourism capacity and contribution to economic development</b>	Authorization for hotel establishments Authorization for EVPT	768 Establishments ; 9 325 rooms, et 14 809 direct jobs created 553 Establishments generating creation of 3781 direct jobs Revenues in currencies recorded estimated at SDR 54 million for an objective of 33 million for the year	
<b>Enhance reception in international and regional airports</b>	Identification of issues and proposals for solutions relative to enhancing reception system in airports Implementation of actions for improving quality of service related to reception in three (03) main airports (Antananarivo, Mahajanga and Toamasina)	Service quality and safety measures improved at Ivato  Bidding documents developed by VPM for developing Ivato and Nosy-Be airports	Conflict of interest between safety and tourism  Priority for Ivato and Nosy-Be
<b>Improve visa granting procedures for businesspeople and expatriate workers</b>	Revision of procedures for visa granting Implementation of new procedure	Streamlining and simplification of administrative procedures and proceeding Operationalization of a One Stop Show and reduction of processing time from 90 à 10 days	
<b>Open skies for air transport</b>	Revision of air transport liberalization code Identification of incentive measures for private airline companies for domestic flights	Revision of existing bilateral agreements carried out by VPM Meeting with international private operators held	Insufficiency of time for processing needs taking account of demand
<b>Privatize State hotels</b>	Audit of State hotels with State shareholding (Zahamotel, Betty Plage, Hilton, Hôtel des thermes)  Development of privatization model  Development and presentation of a legal framework ruling management, hiring, operating, and transfer of State hotels, in compliance with legislation in force  Application of existing texts and compliance threewith of state hotels	Two hotels pre-audited by the Ministry  Privatization model developed and submitted to MEFB for approval  Draft decree and draft order setting the general conditions for hiring, operating, and transfer of State hotels developed  Statement of reality before audit on Hôtel des thermes and Betty Plage in 2003	Response from donors (Mauritius) is awaited  Waiting for new law on privatization  Waiting for new law on privatization
<b>Identify and valorize tourism sites</b>	Identification of new types of activities related to tourism that may serve as alternative and/or ac supplement to farmer traditional activitiesin the province of Antananarivo	RAVAKA TETRAKYS Project in thr region of Vakinankaratra, Benaraha Project and German Project in à Garafantsika	

SPECIFIC OBJECTIVES	Action Plans		Observation
	Planned Activities	Achievements	
	<p>Implementation of pilot project in the province of Antananarivo</p> <p>Census of sites and prioritization in line with road program</p> <p>Opening up and valorization of sites, either through RFT constitution or through operating as tourism product</p>	<p>Site of Antsirabe set up and negotiation with Reunion Island regional cooperation being finalized</p> <p>17 tourism sites identified, of which 10 on RN1 and 7 on RN43</p> <p>7 potential sites identified, either to be constituted into RFTs, or as tourist products, 1 RFT to be created, 6 products to be valorized</p>	<p>Access difficulty</p>
<b>Promote investments in Tourism Land Reserves (RFT)</b>	<p>Study for creating three RFTs (Cirque rouge, Morondava and Manambato) and development of management plan</p> <p>Demarcation of three RFTs created (Ankarana, Andavadoaka and Manombo)</p> <p>Putting three RFTs (Isalo, Ankarana and Montagne d'Ambre) to the disposal of investors</p>	<p>Cirque rouge RFT is being created and works start on est en cours 12-158-03 for the two others</p> <p>The three RFTs are demarcated</p> <p>For Isalo, the call for bids has been launched, for the two others, this takes place in December 2003</p>	<p>Delay in funding disbursement (FSP, PDSP2)</p> <p>Technical procedures: too particular</p>
<b>Extend the concept of ecotourism</b>	<p>Education/training in three localities</p>	<p>Promotion of tourism and ecotourism development carried out through training conducted in (ZDR) of Betafo sensitized) and distribution of guide on ecotourism</p>	<p>Technical procedures: too particular</p>

**MAIN ACHIEVEMENTS FROM JANUARY TO JUNE 2004**

SPECIFIC OBJECTIVES	Achievements 1st Semester 2004		Observations
	Priority Measures	Action Plans	
<b>Increase capacity</b>		<p>-encouragement and authorization to new accommodation and/ or catering establishments</p>	<p>- over 40 Establishments authorized during first quarter 2004</p> <p>- 262 rooms recently available</p> <p>- 492 direct jobs created</p>
<b>Create and develop Tourism Land reserves (RFT)</b>	<p>Finalization of creation of RFTs of Soalara, Anakao, Beheloka in Toilara II and in Antsanitia in Mahajanga II</p>	<p>- Studies for social engineering</p> <p>- Development of Management Plans</p>	<p>- Study reports validated</p> <p>- Draft Management Plans</p> <p>The RFT of Antsanitia in Mahajanga II is recently identified</p>
<b>Market Madagascar destination</b>		<p>-Participation in international tourism events</p>	<p>- Salon vert de Liège in Belgium ;</p> <p>-Salon Mondial du Tourisme in Paris ;</p> <p>- ITB Berlin ;</p> <p>- Journée Madagascar in Munich (in the course of second quarter 2004) ;</p> <p>- Foire Internationale de Bordeaux (in the course of second quarter 2004)</p>

STRATEGIC FOCUS 2 : FOSTER AND PROMOTE A SOCIAL BROAD-BASED ECONOMIC GROWTH  
PROGRAM : Development of buoyant sectors  
Sub - Program : Mine  
Development Objective : Increase mining sector contribution to development of Madagascar

MAIN ACHIEVEMENTS FROM JULY TO DECEMBER 2003

Objectives	Action Plans		Observation
	Forecasts	Achievements	
Enhance governance in mine and geology sector	Publication of various application : mining code, IGM statutes, Law on Large-scale Mining Investments (LGIM) and Mining Administration Office (BAM)	For mining code : publication of order on restriction on gold export, gold washing and gold collection, visa, permits by mayors	
	Setup of IGM Study on recasting mining taxation	IGM and BAM Statutes : under way LGIM : application texta already published Feasibility study and setup : under way Study already conducted, awaiting validation of result at interministry level	
Support to community-based mineral resources in the regions of Sakaraha, Ilakaka and Vatomandry	Decentralize mineral resource management	Selection of NGOs to carry out works planned in pilot communes	
	Collection of mining tax in the three zones	Progress rate : 118%	
	Increase in permits and Augmentation de permis et AERP granted Awareness raising on AIDS	Progress rate : 100% Progress rate : 105%	

MAIN ACHIEVEMENTS FORM JANUARY TO JUNE 2004

SPECIFIC OBJECTIVES	Component	Achievement 1st semester		Indicator Forecasts 1st semester 2004	Observation
		Action Plan	Situation		
Set up a transparent mining scheme	Technical assistance for improving application of legal and regulatory framework	Publication of various texts for applying the mining code	Publication of expression of interest from 04/10/04 for recruitment of consultants. Reception of Bids presented by 5 Consultants	1 Contract	Realization within 12 months according to list, and probable adjustment according to context
		Recasting mining taxation	Two validation meetings at MEM 1 Order	1 Report 1 Order	Validation by a restricted technical committee at MEM Staff. Restriction on gold export
	Publication of the Order on gold				

SPECIFIC OBJECTIVES	Component	Achievement 1st semester		Indicator Forecasts 1st semester 2004	Observation
		Action Plan	Situation		
Enhance contribution of mining sector to national added value	Community-based management of crisis situations and rush to precious stones:	Recruitment of a consultancy firm for household survey Recruitment of NGO for setup of Miniong Administration Office (BAM)	Contract attributed to SAGETEC ; Short list established ; DP being developed	1 Contract 1 Contract	
		Recruitment of international individual Consultant in charge of support to development of BAMs	TOR being developed and discussed.	1 Contract	
		Purchasing of land and construction BAM Vatomandry	-Regularization of legal status of land under way; -BAM Plan approved by MEM ; -Specifications document (Bidding documents) being developed.	1 Building constructed	Regularization of document on land in close collaboration with Provincial directorate of energy and Mine of Toamasina.
		Rehabilitation of building for IGM, APSM, UCP and one stop shop	Request for proposal sent to consultants	1 Building rehabilitated	Works planned to end June 2005 Rehabilitation in one single batch (versus 4 previously)
		Feasibility study for creation and setup of IGM by GLW	Awaiting final report after observations by task manager	1 Report	
		Training by GIA	Training carried out from Formation réalisée du 12/ 02/03 to 12/06/03	1 training report	
		Training for IGM trainer executives	Comeback of executives trained abroad in July 2004 Selection carried out	1 Contract	
		Recruitment of Teaching Manager for IGM	Beginning of courses September 2004		
		School for Gem Study	Contract for premises signed with Magic Stones ; Beginning of courses September 2004	1 Contract	
		School for lapidaries	TOR for laboratory technician being finalized	1 Contract	
		Certification Laboratory	Evaluation of candidacy applications	1 Contract	
		Recruitment of international consultant in lapidary art	1st portion of course translation: carried out.	1 Report	

SPECIFIC OBJECTIVES	Component	Achievement 1st semester		Indicator Forecasts 1st semester 2004	Observation
		Action Plan	Situation		
<b>Strengthen decentralized management of mineral resources</b>	<p>Strengthening private sector associations : Assistance in operating fees of National Mine Council (CNM) and Provincial Mine Councils (CPM).</p> <p>Institutional adjustment for decentralization of mining administration and capacity building among centralized and decentralized public mining institutions</p>	Preparation of participation in fair organized by UAMA on august 28, 2004.	Non objection to TOR	1 draft TOR	
		Preparation of realization of an international fair at Hilton from August 13, to 15, 2004 and in November 2004	Non objection to TOR Reservation of Hilton made	1 draft TOR	
		Counter for stone purchase and sale	Development of TOR for a USAID-financed action plan.	1 draft TOR	Counter operational in August 2004
		Development of statutes of lapidaries and jewellers association :	Non objection to TOR	1 draft statute	
		Support to private entities (CNM)	Development of statutes and byelaws for CNM	1 draft statute	Order for CMN setup
		Mining tax collection	Development of TOR on making mining tax collection into a tertiary function	1 draft TOR	Request for proposal to be developed
		Enhancement of tax collection (2000-2003)	Publication of bad paying operators and of amount owed in newspapers of 04/ 14/ 04	1 Publication	
		Enhancement of mining system statistics	Development of TOR for reorganizing mining statistics and its computerization	1 TOR	Request for proposal to be developed
		Technical assistance for improving application of legal framework	Development of TOR for legal Consultant	1 TOR	Request for proposal to be developed
		Materials and equipment for preparation laboratory and sample analysis	Bidding documents with favorable opinion by CCM ready to be launched; Publication in Business Development ; Publication in local daily newspapers as of 04/26/04.	1 Bidding document launched	Opening planned for June 2004
		Definition of strategy and action plan for implementation of environmental units in Provincial Directorates	Contract signed Ongoing realization	1 Contract	Cabinet SORITRA
		Recruitment of International Consultant for updating SIGE conceptual model	Contract signed	1 Contract	
		Recruitment for supervision environmental studies	Contract signed Ongoing realization	1 Contract	International Consultant ANTONIO BERMEO

SPECIFIC OBJECTIVES	Component	Achievement 1st semester		Indicator Forecasts 1st semester 2004	Observation
		Action Plan	Situation		
Promote and develop private mining investments	<p>Strategy for publishing the mining policy objectives at national, regional, levels</p> <p>Design and execution of a training program</p> <p>Implementation of Intra / extra net Network of mining administration</p> <p>Promotion of mining sector : Setup of Agency for promoting the Mining Sector (APSM)</p> <p>Strengthening of geological infrastructure, and updating of geoscientific information : execution of airborne geophysical survey</p>	Decontamination and elimination of chemical waste from National Mine Laboratory	Selection of VOARISOA enterprise	1 Contract	
		Design and supervision of works for rehabilitation and development of CEM-DP offices	Short list set	1 Contract	Decision by MEM being signed
		Mines-Forest Committee: evaluation, forest zoning	Interministry order signed	1 Order	
		Hiring a lawyer for establishing consistence of texts, financed by USAID	TOR for lawyer handed to members for observations	1 Contract	
		NGO operator Vatomandry	NGO FIANTSO selected	1 Contract	
		NGO operator -Ankazobe	Proposal received on 05/28/04 Ongoing evaluation	1 Contract	
		NGO operator Maevatanana	Proposals received on 06/01/04 Evaluation	1 Contract	
		Campaign for communicating small grants	Negotiation of contract	1 Contract	
		Recruitment of IGM Communication firm	Non objection, to TOR	1 Contract	
		Communication campaign for Geophysics	Contract attributed to ATW. Contract signed on 05/19/04	1 Contract	
		Design and execution of a training program	Conduct of on site training sessions	1 Report	
		Implementation of Intra / extra net Network of mining administration	Provisional hosting of site at Land register; Address : <a href="http://www.bcomm.mg/pgrm">www.bcomm.mg/pgrm</a>	1 site	Site to be visited for suggestion proposal.
		Promote and develop private mining investments	Viability study on APSM	1 Report	Awaiting new reports following observations
			Geophysical survey	1 Report	
	Airborne Geophysics Campaign	1 Report			
	Recruitment of 2 and 10 Counterparts respectively in geophysics and geology	1 Report	Compilation works and Identification of all geological documents : under way		

SPECIFIC OBJECTIVES	Component	Action Plan	Achievement 1st semester	Situation	Indicator Forecasts 1st semester 2004	Observation
	Establishment of Base for promoting mineral resource governance (BPGRM).	Development of a Cartography and of BPGRM	Request for proposal approved by CCM on 05/19/04	1 Contract		
		Classification of fossiliferous zones	Contract signed with University of Antananarivo	1 Contract		
		Training for counterparts in geology and specific studies in collaboration with the University	Negotiation with University of Antananarivo	1 Contract		
		Specific studies	Selection of nine candidates	1 Report		
		Implementation of South African Grant	Bases for cooperation defined.	1 Report		

STRATEGIC FOCUS 2 : FOSTER AND PROMOTE A SOCIAL BROAD-BASED ECONOMIC GROWTH  
PROGRAM : Rural Development  
**Sub - Programs : Agriculture, Livestock, and Fisheries**  
**Development Objective : Optimize exploitation of resources and ensure food security**

**Main Achievements from July to December 2003 :**

SPECIFIC OBJECTIVES	Action Plan		Achievements	%	Observations
Support to producers in agriculture inputs	Setup of a system for facilitating access to inputs (VOUCHER system for fertilizers and seeds hybrid corn) Support to fry production	21,246 tonnes fertilizers imported 304 T de hybrid corn imported Number of fry produced: 6,350,000	100 100 106	Important requests for inputs from farmers but lack of funding	
	Support to improvement of dairy breed	Artificial insemination and covering of cows Covering : 4,420	80		
Relaunch of mechanization in agriculture	Development of policy for dairy cow and beef meat value chain « small agriculture materials » (plows) Opération	Policy established and validated  Delivered : 4,728	100  116		
Development of hydro-agricultural networks	Rehabilitation and development of irrigated perimeters, improvement of irrigation canal working	Area rehabilitated: 39,227 Ha	74	Delay caused by non objection obtention from donors (AfDB), use of FCV - UE/PASA 98 put off totally until 2004	
Development of production infrastructures	Financing of sub-projects for storing and processing	Number of sub-projects financed: 167, of which 55 taken delivery of	70		
	Financing for slaughterhouses, vaccination corridors, baths and deticking tubs, watering points	Number of sub-projects financed: 123, of which 52 taken delivery of	72		
	Construction of an abattoir, of cattle markets	7 cattle markets and 1 abattoir taken, delivery of .	73	After call for bid, cost higher than forecast, hence reduction in achievements	
	Rehabilitation of rural tracks	98 Km tracks taken delivery of and 333 Km ongoing works	20	Termination of a contract for PADANE, a new call for bid launched	
	Financing for sub-projects related to under water resources and aquaculture	Number of sub-projects financed :17, of which 1 taken delivery of	17		
	Financing for agriculture sub-projects (agriculture, livestock, fisheries)	2091 financed sub-projects, of which 349 taken delivery of	143		
	Organization of agricultural contests	1 national contest and 6 provincial contests held	100		

SPECIFIC OBJECTIVES	Action Plan		Achievements	%	Observations
	Implementation of antilocusust watchdog system and strengthening of surveillance and anticipation system regarding natural disasters	Treatment of areas infested by locusts	71,179 Ha area treated	100	
	Strengthening actions relative to animal health	Rehabilitation of landing runways	2 landing runways rehabilitated (Mandritsara and Soadona)	100	
	Support to organization and professionalization of producers	Vaccination of livestock	Bovine vaccination rate achieved: 75%	100	
	Scaling up rural development applied research	Awareness raising among stockbreeders on animal diseases	768 programs and advertisements achieved	73	
		Training sessions for technicians, extension of performing production techniques (demonstration plots)	1,493 demonstration plots achieved	100	
		Production of in vitro plants and basic seeds (FIFAMANOR)	48,798 in vitro plants produced	90	
		Test for confirming horticultural varieties	347 T basic seeds and crops produced	93	
		Exploitation of recommendations from workshop on rural microfinance	40,000 sweet potato creeping stems secured	160	
		Improvement of rural finance penetration	8 varieties tested (melon, gherkins, baby corn, physalis, artichoke, pimento, endive)	80	
<b>Promote small scale investment in rural areas, and partner ship between farmer groupings and the private sector</b>	Setup of a financing scheme in the rural world	Ongoing works			
	Development of income generating activities	Financing of non agriculture sub-projects (PSDR)	Penetration rate : 6 %	120	
	Development of public/private partnership	Implementation of paddy marketing funds	188 sub-projects financed, of which 43 taken delivery of. 5,800 T paddy collected	98	
		Identification of pilot regions for dairy development	2 pilot regions identified	100	
		Setup of joint management area (ZAC) (Baie d'Ambaro and Morondava)	2 ZACs put in place	100	
		Development of typical protocols for fishing sub-sector in line with the existing legislative framework	Order on drawing up typical protocol : signed (5 typical protocols)	100	

SPECIFIC OBJECTIVES	Action Plan		Achievements	%	Observations
	Development of partnership relations with countries in the Sub-region		Participation in the symposium on ruminants in Reunion Island 2 meetings as part of national and multilateral agreements (cotton and potato)	100	
	Strengthening local communities		Taking in charge of socio-organizational part by PHBM for construction of 10 schools Teaching 3,337 learners how to read and to write in PHBM and PSO intervention areas Training for 1,155 migrants settling in Mandoto	100	
Promote agricultural and agro-food export	Development of buoyant sectors	Relaunch of export crops through distribution of planters' cards, stamps, and plants (coffee, vanilla, clove, horticulture, pepper) and by cutting coffee-trees back to the stump	17,000 planters' cards distributed 17,000 stamps distributed 309,938 plants distributed 641,400 coffee-trees that have been cut back to the stump 3 sites identified in Mahajanga II	85 85 88 82	Cumbersome procedures for account stocking
	Identification of bovids	Identification of sites for shrimp farming Replacement of passport, certificate of origin and vaccination certificate by individual bovid card	1,029,570 individual cards issued	94	6 % of cards have been sent back to printing house failing compliance, in delivery of 12 / 29 / 03
Ensure a transparent and rational resource management	Promotion of a rural world information system	Setup of National Chamber of Agriculture, of regional and departmental chambers, as well as of meeting points among 20 % of communes Development and implementation of Master Plan for Information System on Rural Development	All structures at national, regional (3), commune chambers (331) : put in place Master Plan for Information System on Rural Development : developed and in the process of implementation	100	Lack of personnel and remoteness of communes
	Conduct of 2 agriculture surveys		2 surveys conducted, of which: 1 output survey and 1 survey for estimating food productions.	100	
	Setup of Regional Units for Agriculture statistics (URSA)		14 URSA put in place	78	
	Support to management and development of stretches of water	Management transfer of stretches of water and other natural resources	30 lakes and stretches of water transferred, and 25 marine and coastal resources transferred	100	
	Improvement of budget management	Conduct of internal and external audits	10 audits conducted	100	

SPECIFIC OBJECTIVES	Action Plan		Achievements	%	Observations
Preservation and valorization of the environment and of marine and continental under water resources		Conduct of surveillance missions	240 surveillance missions conducted	100	
		Sensitization of collectors, fisherpeople for processing and practice of hygiene	Demonstration and training for small-scale fisherpeople in shrimp conservation through refrigeration	100	
		Restocking lakes with fish	4 lakes restocked with fish	133	
		Setup of anti-erosion scheme in 9 communes	9 communes involved	100	
		Food security	Forwarding rescue and help to regions affected by famine ( kere)	100	
Facilitate producer access to land capital	Setup of national land property program	Development and setup of a national land property program : Establishment and distribution of land deeds in Arivonimamo, Ambararatabe, Talata-Maromena, Tsaratanana	10,120 deeds established	44	Change in Ministry having impacted the setup of credit, hence delay in start of activities (august), Lack of personnel.

MAIN ACHIEVEMENTS FROM JANUARY TO JUNE 2004

Component per Specific Objective	ACTION PLAN Measures/Actions	INDICATORS		Observations
		Achievement 1 <sup>st</sup> semester 2004	Forecast 1 <sup>st</sup> semester 2004	
<b>Objective 1- Increase agriculture productivity to reach the same level as asian countries, and increase irrigated area</b>				
<b>Agriculture and livestock</b>				
<b>1.1. Scaling up of animal and plant production</b>				
	Setup of sites for demonstration of agricultural techniques	3,124 sites	2,040 sites	Plots for demonstration of several crops
	Stamping of bovine individual cards	294, 320 cards	300, 000 cards	
	Realization of covering and insemination of dairy cows	3,929	4,800	
	Funds transfer to private and public organizations for dairy production	MGF 230, 000, 000	MGF 230, 000, 000	Funds transfer to breeder associations VONONA and TSIRO, to IPROVA (fodder production and conservation and setup of covering station), and to FIFAMANOR for breed improvement
	Organization of agricultural contests (in 1 <sup>st</sup> and 2 <sup>nd</sup> seasons) on HIPC Resources	1 contest	1 contest	Poll on yield : under way: collection and processing of samplings, Sampling period : from March 20, to June, 30 2004 Number of candidates : 3,000 registered
<b>Rural Infrastructures</b>				
<b>1.2. Development of production and exploitation infrastructures</b>				
	Rehabilitation of rural tracks	75 km	75,6 km	Provisional delivery of 75 km out of 187km for FIFAMANOR; Ongoing works on PIC Esira (46 km) for PHBM; Ongoing works for PRBM
	Finishing works for a slaughterhouse in Antsirabe (on unspent credit balance 2003)	1	1	Completion date: 03/02/04
<b>Production Infrastructures</b>	Development of cattle markets	3, of which 1 during second semester of 2003 (Betroka), 2 for year 2004 (Mandritsara and Vohémar )	0	Under PTA 2003, 6 works are taken delivery of, that of Ampanotkana is being executed by another enterprise following financial default of the first contractor in 2003, who achieved only the construction of building for office use, the control post and 4 drinking troughs. Regarding fence for Betroka, it is being finished by project DELSO
	Financing for 666 sub-projects for production infrastructures, of 104 on unspent credit balance 2003	173 sub-projects	200 sub-projects	25 sub-projects taken delivery of, of which 18 hydroagricultural developments, 1 processing infrastructure, 1 storage infrastructure with capacity of 20t, 2 vaccination corridors, 4 drinking troughs, 133 being executed (PSDR), 15 husbandry infrastructures by PHBM.

Component per Specific Objective	ACTION PLAN	INDICATORS		Observations
		Achievement 1 <sup>st</sup> semester 2004	Forecast 1 <sup>st</sup> semester 2004	
	<b>1.3. Control on animal diseases</b>			
	Setup of Health defence Groupings (GDS)	3 GDS	3 GDS	Distribution of posters on GDS
Rural Infrastructures	<b>1.4. Development of irrigated perimeters and watersheds</b>			
	Rehabilitation of irrigated perimeters	3,800 Ha, of which 2,500 Ha on 2003 unspent credit balance	3,500 Ha	2,800 Ha rehabilitated, 2003 unspent credit balance and ongoing works over 1,000 Ha (progress 30 %= PRBM; Works achieved on 80 Ha for PRBM (progress at 55 %). Works started for 360 Ha, APD study for 210 Ha. Works achieved on 1,300 Ha by PSDR Beginning consulting consultancy firm for study, control and oversight for PASA/PP1. Bidding Documents in the process of preparation for emergency works in Irrigated perimeters of Mahavavy for FERHA.
	Protection of watersheds in 10 communes of the region of Boina and 300 Ha in the regions of Alaotra and SAVA	10 communes		Application of anti-erosion measures in 19 pilot sites and 73 community sites that adopt them (Boina); Stiltling measuring in canals downstream in 6 sites; Continuing implementation of management plans for grazing areas.  150 recipients notified of their management fees in the region of SAVA
	<b>1.5. Implementation of antilocus watchdog system and strengthening of forecast, surveillance, and alert regarding natural disasters</b>			
	Treatment of 80 % of infested areas, on HIPC I Resources	36,838 Ha		Areas treated – status end of April 2004
	<b>1.6 Support to organization and professionalization of producers</b>			
	Supervision and support to Farmer Organizations (OP)	887 OP	1,100 OP	457 OP in the process of training under PSDR, and training for bureau members in 22 AUE and 3 Federations for PRBM
	Support to promotion of Chambers of Agriculture (CA) at national, regional, department and commune level	103 CA	110 CA	Awareness raising among farmer leaders and local authorities, and stimulation of Chambers of Agriculture already in place
	<b>1.8 Contribution to scaling up of rural development applied research</b>			
	Production of in vitro plants	14,412 plants	27,800 plants	
	Land titling	1,410 titles	1,410 titles	Topographic survey works: achieved 3 407 cadaster plans established

Component per Specific Objective	ACTION PLAN Measures/Actions	INDICATORS		Observations
		Achievement 1 <sup>st</sup> semester 2004	Forecast 1 <sup>st</sup> semester 2004	
<b>Objective 2. Promote diversification and processing of agriculture products by encouraging investment in rural areas, and partnership between farmer groupings, village-based associations, and the private sector</b>				
<b>Rural Finance</b>				
	Financing of agricultural activity sub-projects	1,578 sub-projects	1,500 sub-projects	35 taken delivery of, of which 15 various stockbreeding (1 gallinaceae, 1 fodder crop, 6 pig breeding, 6 poultry farming, 2 web-footed bird farming), 1 bee keeping, 17 commercial crops (2 vegetable crops, 14 vanilla crops, pigeon pea growing), 2 fish farming, and 1,526 in the process of execution (PSDR), 17 agricultural activities by PHBM)
	Financing of non agricultural activity sub-projects	104 sub-projects, of which 55 on 2003 unspent credit balance	105 sub-projects	6 taken delivery of : i workshop for sewing /embroidery, 2 workshops for basketry / weaving, 1 artisanal fishing equipment making, and 98 in the process of execution
	Promotion of Mutualist Funds	138 OP	120 OP	138 newly created Farmer Organizations have made savings and are affiliated to IFMs
<b>Objective 3. Reach international quality standards to develop agricultural and agro-industrial export</b>				
<b>Value chain-based Approach</b>				
	Distribution of coffee-tree plants, pepper plants, clove tree plants, lychee tree plants	36, 500 plants	44, 000 plants	
<b>Objective 4. Strengthen collaboration with Technical and Financial Partners to ensure a transparent and rational management of under water resources and ensure their sustainability</b>				
<b>Control on exploitation of sea and fresh water resources</b>				
	Realization of air surveillance flight	70 hours	80 hours	
	Realization of sea surveillance by boat	15 days	20 days	
	Realization of surveillance missions by the land squad	183 days	150 days	
<b>Objective 5.Ensure good governance in the sector</b>				
<b>Administration and Organization</b>				
<b>5.1. Improvement of PADR institutional framework</b>				
	Participation in revision of Policy Letter on Rural development			Working document developed for new version.
	Establishment of a Master Plan	1	1	PADR-GTDR leaflets being printed Provisional Document developed and discussed
<b>5.2. Reorganization and institutional reform of MAEP</b>				

Component per Specific Objective	ACTION PLAN Measures/Actions	INDICATORS		Observations
		Achievement 1 <sup>st</sup> semester 2004 20 information sessions	Forecast 1 <sup>st</sup> semester 2004 20 information sessions	
	Updating and implementation of plan for redeploying numbers	4	4	Physical census of MAEP numbers Information and sensitization of personnel on voluntary retirement
	Creation of DRDR	4	4	Setup of 4 DRDRs according to decree n°2004-278 of February 24, 2004, including creation of DRDRs; there remains their operationalization
	<b>5.3. Development of public-private partnership</b>			
	Holding of consultation workshop on implementation of fishery sector marketing	1	1	
	<b>5.4. Improvement of resource Management</b>			
	Approval of public contracts	15 contracts	20 contracts	5 contracts are being approved , 9 being launched
	<b>5.5. Development of an information system</b>			
	Publication of results of light survey conducted in 2003	1 survey being conducted	1	Data processing achieved at 100%, publication of results awaiting validation
	2004-2005 Agriculture Census : 3, 000 sample Fokontany counted		0	Preparatory technical workshop held in March 2004
	Conducyt of 2 framework surveys on traditional fishery	1 survey being executed	1	Training for researchers held in February, collection of survey cards in regions Manakara, Farafangana, and Vangaindrano

**STRATEGIC FOCUS N° 2 : FOSTER AND PROMOTE A BROAD-BASED ECONOMIC GROWTH**

**PROGRAM : Rural Development**

**Sub - Program : Environment**

**Development Objective : Protect and valorize the unique environment and the biodiversity of Madagascar**

**MAIN ACHIEVEMENTS JULY -DECEMBER 2003**

<b>SPECIFIC OBJECTIVES</b>	<b>Policy Measures</b>	<b>Actions planned</b>	<b>Achievements</b>	<b>%</b>	<b>Observation</b>
<b>Maintain importance and quality in natural sustainable economic growth and better life quality.</b>	Setup of a political, strategic, institutional framework required for protecting the environment and nature	<ul style="list-style-type: none"> <li>- Sustainable Development Policy for coastal and marine areas : validated</li> <li>- Wetland management strategy : finalized</li> </ul>	<ul style="list-style-type: none"> <li>-Final documents for framing policy : developed</li> <li>-Strategy finalized</li> </ul>	<p>100%</p> <p>100%</p>	
	Promotion of sustainable management of natural resources	<ul style="list-style-type: none"> <li>- RAMSAR Site Management Plan of Manambolomaty finalized</li> <li>- 2 new RAMSA R sites registered</li> <li>- 11 forest management transfers</li> <li>- 4 sector valorization plans: Prunus africana, raffia, medicinal plant, cinnamon</li> <li>- Extend and prorogate prohibition of issuance of new forest exploitation permits and of export of all precious wood</li> </ul>	<ul style="list-style-type: none"> <li>Strategic partner: DWCT, Peregrine Fund</li> <li>-Lac Alaotra : registered RAMSAR list</li> <li>- File on Torotorofotsy marsh : under way</li> <li>-Development of technical file on lake Belo/Beloboka : under way</li> <li>- Cumulative status: 22 Management transfers -<i>Prunus africana</i> : National Action plan for sustainable management : validated</li> <li>-<i>Raffia</i> : ongoing sector structuring</li> <li>-Medicinal <i>Plants</i> : Finalization of draft relative to production of plants for traditional medicine in Madagascar</li> </ul>	<p>100%</p> <p>75%</p> <p>100%</p> <p>75%</p>	<ul style="list-style-type: none"> <li>-Awaiting validation from RAMSAR Office (Geneva) for registering site of Torotorofotsy.</li> <li>-Financing planned on EP 3 (credit agreement not signed ) and on FSP (French Subsidy) not disbursed.</li> </ul>

SPECIFIC OBJECTIVES	Policy Measures	Actions planned	Achievements	%	Observation
			<p>-Cinnamon : feasibility study on implementation of sector valorization : under way</p> <p>-Sector of precious wood: cleaned, and rigorous monitoring of cancellation of all exploitation permits for ebony and rosewood in the region of Antalaha and the region of Fénérive Est</p>	100%	
	Promotion of sustainable management of marine and coastal resources	<p>- 7 Sites managed by Communities</p> <p>- 2 alternative activities developed for wives of fisherpeople</p>	<p><i>Project « Fight against hydrocarbon discharge »</i></p> <p>Cumulative status :  Management of 10 sites  :transferred to communities ( 4 Gelose contracts on Mangrove : signed : 6 808 Ha ; 6 Gelose contracts on marine and coastal resources :signed: 11, 888 ha and 2 management plans : developed</p> <p>-Provision with looms, and training in penry valorization for the Association of fisherpeople's wives in Mananjary</p>	100%	
	<b>Sustainable Financing of the National Protected Area Network</b>	- Legal text on setup and structuring of Trust Fund : developed and adopted	<p>- <i>Study for setup of Trust Fund</i></p> <p>- Preliminary bill : developed, finalization and adoption planned February 2004</p>	75%	Initial schedule does not take account of consultations of various institutions involved
<b>Meet population economic, ecological, and social needs in forest, soil and water resources</b>	Promotion of a national reforestation program	<p>-Facilitation, training, supervision, and monitoring of reforestation in 400 communes</p> <p>-Intensive reforestation in 04 regions : Fenerive-Est, Moramanga/Ambatondrazaka, Sud Est, Sud : in all, on 400 Ha</p>	<p><i>Projects « promotion of reforestation-enabling environment» and « support to commune-based reforestation»</i></p> <p>- Cumulative status: 176 communes supervised by SNGF, 11 by LDJ, 213 by forest sections</p> <p>-Implementation of activities commissioned to service providers (NGO or Association) : installation of nurseries in 47 communes targeted, demarcation of planting places (414 Ha reforestation, 230 Ha planting with bush t, 51 Ha village orchard), land preparation and hole-digging</p> <p><i>Project « Fight against bushfires»</i></p> <p>-Cumulative status: 71 red Fivondronana + 39 other Fivondronana were provides</p>	100%  80%	The remaining 20% correspond to burying of plants, an operation to undertake in rainy season.
	Strengthening the modalities and means to fight against vegetation fires	- Strengthened awareness raising on fight against fires in 71 red zones - Committees for fight against fire:		100%	

SPECIFIC OBJECTIVES	Policy Measures	Actions planned	Achievements	%	Observation
		restimulated in the 71 red zones	with awareness raising under PIP project « Fight against bushfires» -Cumulative status: 50 <i>hira gasy</i> (that is, folk music) sessions on the theme « <i>Fight against bushfires and vegetation fires</i> » -Various committees for fight against fires created in the 71 red Fivondronana [monitoring - evaluation committee, vigilance committee, <i>Vaomieran'ny Ala</i> (VNA) (that is, Forest Committee), <i>Komitin'ny Ala sy ny Tontolo Iainana</i> (KASTI) (that is, Forest and Environment Committee)]	100%	
	Rehabilitation of ecological and economic functions of watersheds	- Launching of 1st stage of feasibility study for management of watersheds of Alaotra	<i>Project « Rural Development and management of watershed of Alaotra »</i>	100%	
	Support to alternative rural practices	- Practices in agro-ecology, substitution and / or alternative energies, tavy alternative practices in 47 communes	-20 communes have started implementing the techniques from the training ( <i>voly rakotra</i> , production of plants in nursery, agrobiological crops) under HIPC -1 : service provider : ANAE -27 communes with support from NGOs or associations partner to MINENVEF, SAGE, LDI, SAF FJKM, MICET, DWCT	100%	
Mainstream environmental development policies and actions (transportation, energy, tourism, mine, fishery, ...) and in regional, communal, and local planning	Promotion of MECIE application for all (public and private) investments	- Environmental Unit per Ministry : operational	-22 Environmental Units (Directorate, or Service, or Unit according to Ministry) operational	100%	
	Promotion of environmental actions and of communication actions	- Text for applying the policy for Environment related Education (PERE) formalized and distributed - Contract signed on integration of	-Draft of text creating the National Committee for monitoring and implementation of PERE : developed .	60%	Finalisation en attente de la nomination des membres représentant les ministères concernés

SPECIFIC OBJECTIVES	Policy Measures	Actions planned	Achievements	%	Observation
		environment module into school curriculum	-2 contracts signed	100%	
	Promotion of mainstreaming environment in Regional and Communal Development Plans	<ul style="list-style-type: none"> <li>- 14 green PCDs: Antananarivo : 04; Antsiranana : 03; Fianarantsoa : 04; Mahajanga : 01; Toliara : 02)</li> <li>- 60 communes implement conservation actions for water and soil</li> <li>- 7 500 ha of terrestrial natural resources transferred to grassroot communities</li> </ul>	<p><i>Strategic partners: ANAE, PDFIV, SAGE, CAF/Dette Nature, LDI</i></p> <ul style="list-style-type: none"> <li>- Cumulative status: 57 green PCD realized (Antananarivo : 15; Antsiranana : 09; Fianarantsoa : 06; Mahajanga : 06; Toliara : 12; Toamasina : 09) with support from relay partners: ANAE, PDFIV, SAGE</li> <li>- 60 communes implement conservation actions for water and soil with support from ANAE</li> <li>-Cumulative status: 37 000 ha natural resources transferred</li> </ul>	100%	
	Promotion of innovative rules for pest prevention	<ul style="list-style-type: none"> <li>- Development of a standard system on urban discharge and waste</li> <li>- Inventory of marine pollution sources : developed</li> <li>- Development of National Plan to fight against hydrocarbon discharge</li> </ul>	<ul style="list-style-type: none"> <li>-Document developed, submitted to Government</li> <li>-Finalization of report for « inventory of marine pollution sources» (contract CNRE/SG) under way</li> <li>-Regional Plan to fight against hydrocarbon discharge in the Indian Ocean : developed and validated.</li> </ul>	100% 90% 100%	Activity Report in the North East region (Sambava) because of climate hazards.

MAIN ACHIEVEMENTS FROM JANUARY TO JUNE 2004

SPECIFIC OBJECTIVES	ACHIEVEMENT			Indicators		Observations
	Priority Measures	Action Plans	Status end of June 2004	Objectives 2004		
1. Increase la area of protected Areas so that it reaches 6, 000, 000Ha	1.1-Development of concept and creation of « Conservation Sites » (SC)	- Definition of Concept on Conservation Sites	1 concept defined	1 concept defined	Procedures engaged : Daraina, Makira and Anjozorobe Proposal for 2 other sites : under way	
		- Development of text relative to Conservation Sites	1st draft of texte	1 texte		
2. Halt deforestation and bushfires, promote rational forest resource management by communities	2.1-Extension of prohibition on issuance of new permits for operating, and for exporting precious wood 2.2-Fight against vegetation fires, and support to rural substitution practices	- Identification of potential SC	2, 700, 000 ha	6, 000, 000 ha (en 2008)	Actions for administrative and technical check : programmed in sites deemed strategic (Mahajanga, Antsohihy, Fianarantsoa, Antalaha)	
		- SC Creation	500 ha			
		- Recording sites in RAMSAR	1 site (Alaotra)	4 sites		
		- Publication of list of permit holders with fee status in February 2004	1 Publication	2 Publications per year		
		- Control of fires	Beginning control of fires in July	14 Fivondronana		
		- Identification of deserving communes	-196 deserving communes , 16 communes prized, 05 defaulting	List of deserving communes	Fivondronana classified as red zones	
		-Creation Village Committees for fight against fires (KASTI or VNA)	76 Fivondronana *launching of raffia value chain for developing a management plan	76 Fivondronana		

SPECIFIC OBJECTIVES	ACHIEVEMENT		Indicators		Observations
	Priority Measures	Action Plans	Status end of June 2004	Objectives 2004	
		-Organization and valorization of the 6 value chains :	*launching of studies for reforming taxation on Medicinal and aromatic plants value chain, *Organization of Katrafay, Cannelle, Orchid and Zetra: under way	4 value chains	
		- Transfer of management of terrestrial zones to communities	-3, 141 ha	- 35, 000 ha	<i>Inadequacy of monitoring and evaluation system.</i> <i>Request for non objection forwarded to the World Bank for evaluation of activities</i> A pilot site is set up in Antsohihy
	2.3-Promotion of sustainable forest resource management	- Validation of national Action Plan national for sustainable management of Prunus africana	- One Action Plan - Training for agents on forest zoning	- One Action Plan	
		- Regional forest Zoning		06 zoning maps	
		- Establishment of forest adjudication system	- Training for agents on techniques for inventory and economic analysis of wood, preliminary to	Adjudication System tested in 2 batches	Development of related Manual of procedures is under way
	2.4-Promotion of a National Reforestation Program, and of Communal reforestations	-Supervision and monitoring of new reforestations - New reforestation - Identification and demarcation of Land Reserves for Reforestation (RFR) - Intensive reforestation in 4 Regions : Fenerive Est, Moramanga/Ambatondraza ka, South East and South	1 260 ha  6 232 ha 7 RFR 400 ha	7 500 ha 36 RFR 400 ha	Publication of ministerial order for fund allocation, the required markings



SPECIFIC OBJECTIVES	ACHIEVEMENT		Indicators		Observations
	Priority Measures	Action Plans	Status end of June 2004	Objectives 2004	
		-Preparation Convention on Desertification – No action started	Definition of overall priority actions and development of action program of PAN	01 PAN report(convention on desertification) 01 report on residual areas	
	4.2-Promoting sustainable management of marine and coastal	Setup of an oceanographic provincial Committee  -Transfer of resource management to communities	- No achievement	1 oceanographic provincial Committee	
	4.3-Restoring ecological and economic functions of watersheds in regions with high development potential	- Development of Master Plan for managing Alaotra watersheds  - Identification of pilot sites	25 contracts	25 contracts 1 Plan Directeur provisoire	
<b>5. Mainstream environment in sectoral development policies and actions (transportation, energy, tourism, mine, fishery, health, ...) and in regional, communal, and local planning</b>	5.1-Promoting mainstreaming of the environment in actions at all levels (national, regional and local)	- Updating of MECIE Decree - Setup of a one stop show for MECIE - Evaluation PGE Files  - Setup of MECIE Regional Committee (CRM) -Development of a manual of quality on one stop show, EIS evaluation guide	1 decree 1 MECIE one stop show No achievement  - 03 CRMs 5% fait	30 pilot sites 01 decree 01 MECIE one stop show 50% of PGE files evaluated 06 CRMs 30% fait	
		-Training and awareness raising on actions for conservation of water and soil -Development of Green Commune Development Plans (PCD) - Organization of meetings as part of operationalization of environmental unit forum	4 communes  18 Green PCDs 03 meetings	30 communes  30 Green PCDs 03 meetings	
	5.2-Promotion of innovative rules for preventing pests	- Development of POPs national profile	Evaluation of POPs incidences and socio-economic impacts of reduction in POPs use	01 Pops national profile	

SPECIFIC OBJECTIVES	ACHIEVEMENT		Indicators		Observations
	Priority Measures	Action Plans	Status end of June 2004	Objectives 2004	
		<ul style="list-style-type: none"> <li>- Identification of priority POPs</li> <li>- Setup of networks for SAO collecting and processing</li> <li>Setup of centers for storing marine rejects and waste</li> <li>- Revision of National Plan on hydrocarbon discharge</li> <li>- Information and awareness raising in regions on climate change</li> <li>- Creating website on rational management of chemical products</li> <li>- Developing texts for applying the decree classifying surface water and setting standards on aqueous effluents discharge</li> </ul>	<ul style="list-style-type: none"> <li>No achievement</li> <li>03 SAO networks</li> <li>No achievement</li> <li>01 National Plan revised</li> <li>03 provinces and 02 regions sensitized</li> <li>No achievement</li> <li>A set of texts</li> </ul>	<ul style="list-style-type: none"> <li>01 POPS report on priorities</li> <li>03 SAO networks</li> <li>02 centers for storing marine rejects and waste</li> <li>01 national plan</li> <li>12 regions sensitized</li> <li>01 web site</li> <li>A set of texts</li> </ul>	
		<ul style="list-style-type: none"> <li>- Finalization of report inventorying marine pollution sources</li> <li>- Mobilizing communes on environmental awareness among population</li> <li>- Development of teaching kits</li> <li>- Identification des Types de package de communication</li> <li>- Identification of a Module on the environment in school curriculum</li> </ul>	<ul style="list-style-type: none"> <li>1 Report</li> <li>60 communes</li> <li>Activite Planned to be financed by EP 3, the effectiveness of which is planned July 2004</li> </ul>	<ul style="list-style-type: none"> <li>1 Report</li> <li>60 communes</li> <li>6 teaching kits</li> <li>05 types of communication package 01 module on the environment in school curriculum</li> </ul>	
	5.3-Promotion of environmental education and of communication actions				

STRATEGIC FOCUS 2: FOSTER AND PROMOTE A BROAD-BASED ECONOMIC GROWTH  
 PROGRAM: Development and densification of structuring infrastructures

**Sub-program: Roads, Transportation, Land Development and Meteorology**

**Development objective: Rehabilitate and maintain roads, develop urban centers, and enhance productivity and efficiency in transportation system**

Specific objective	Action Plan	Physical Achievements			Observations
		Unit	Objective	Progress Rate	
<b>1. Set up a policy, institutional, and regulatory framework that promotes the development of integrated transportation system</b>	<b>1.1. Road transportation</b> - Road transportation policy - Terrestrial transportation agency - Training strategy	Study	1	100%	Studies done
		Study	Idem	100%	Next step: validation and implementation
		Study	Idem	100%	Initial report, methodology, and program validated on August 3
	<b>1.2. Railway transportation</b> - Concession of the north line - Concession of the south line	Contract	1	100%	% of concession of the north line completed
		CBD	1	100%	Call for interest
	<b>1.3. Sea transportation</b> Setting up APMF (Ports, Sea, and In-land navigation Agency) Institutional reforms of ports Concession of handling in Toliara and Morondava	Decree	1	100%	Decree on the creation of APMF adopted
		Law	1	100%	Adoption of the outline law
		Contact	1	100%	Done in August and October 2003 respectively
	<b>1.4. Air transportation</b> Development of the Malagasy Code of Civil Aviation Development of the strategy for State Divestment from airport system (Ivato and 4 airports)	Law	1	100%	Studies done by the SH&E firm (USA)
		Report	1	100%	

Specific objective	Action Plan	Physical Achievements			Observations
		Unit	Objective	Progress Rate	
<b>2. Rehabilitate and maintain the infrastructures of the other transportation modes</b>	<b>3.1. Railway transportation</b> Rehabilitation of vehicles of the north line (2 motolories, 1 handcar, and 20/30 engines)  Procurement of 7 locomotives, 2 delivered to the North line Maintenance of vehicles of the North line: 3 engines, 2 shunters, and 1 handcar.	Program	1	50%	Services meeting standards Insufficient credits in 2003
		Engine	2	100%	2 engines delivered in July 2003
		Program	1	100%	
		Study	6	100%	
		Acceptance of works	2	100%	Complementary study for the extension works in the Mahajanga and Toliara ports
		Building	2	88%	Increase of the amount of works to be done: access and development
	<b>3.3. Air transportation</b> Rehabilitation of airport buildings (Ambatondrazaka and Manakara)  Development of small domestic flights airport and general aviation in Ivato  Setting up entry/exit control system in the international airports	Airport	1	70%	Project terminated for more profitable activities
		Airport	12		IT equipment purchased at 100%

Specific objective	Action Plan	Physical Achievements			Observations
		Unit	Objective	Progress Rate	
Implement the Road Program	<b>1. Technical and financial audit of the FER (Road Maintenance Fund)</b>	Audit	1	100%	
	<b>3.1. Road paved</b>				
	<b>Rebuilding</b>				
	4 APS document 60km	APS	4	100%	
	6 calls for bids published 764km	CB	6	100%	
	4 bids awarded 341km	Bids awarded	4	100%	
	<b>Rehabilitation</b>				
	2 APS document completed 302km	APS	2	100%	
	3 calls for bids published 213km	CB	3	100%	
	9 bids awarded 532km	Bids awarded	9	100%	
	2 works completed 129km	Works	2	100%	
	<b>Periodic maintenance</b>				
	1 APS document competed 202km	APS	1	100%	
7 call for bids published 657km	CB	7	100%		
Upgrading national roads					
8 calls for bids published 1,138km	CB	8	100%		
6 bids awarded 1,070km	Bids awarded	6	100%		

Specific objective	Action Plan	Physical Achievements			Observations
		Unit	Objective	Progress Rate	
LAND DEVELOPMENT DEPARTMENT	Rehabilitation of rural dirt roads				
	37 bids awarded 286km	Bid awarded	8	100%	
	22 works completed	Works	6	100%	
	<b>current maintenance: 6,000km maintained</b> (3,500k paved)				
	1.1. Urban Development Strategy (UDS) and Plan (UDP) completed for the 6 provincial capitals and Antsirabe			90%	Services require looking for experts
	<b>3.1. Land development</b> - Ankotoaboana Plain 2,500ha	Study	1	100%	
	<b>3.2. Protection of cities against major risks</b>				
	Protection of the Vatomandry waterfront over 1,3km	Study	1	100%	Studies completed
	Hydraulic study of Farahantsana	Study	1	100%	
	Rehabilitation of the Mamba dyke	Works	1	100%	

Specific objective	Action Plan	Physical Achievements			Observations
		Unit	Objective	Progress Rate	
	<p><b>3.3. Equipment of towns: Nosy Be, Ambatondrazaka, Fort-Dauphin, Antananarivo, Toliara, Diégo Fianarantsoa</b></p> <p>2 markets rehabilitated over 0.18 2 markets built</p> <p>2 road transportation stations rehabilitated on 1.08ha</p> <p>1 abattoir built</p> <p>the sea garden of Toliara rebuilt</p>	Market Stations Abattoir Garden	4 2 1 1	100% 100% 100% 100%	
	<p><b>3.4. Development of the urban sewage system in Nosy Be, Diégo, Fianarantsoa, and larger Antananarivo</b></p> <p>17.5km rehabilitated</p>	Km	17,5	82%	3.5km not completed in Nosy Be – Company failure
	<p><b>3.5. Urban sanitation: Antananarivo, Fianarantsoa, Toliara, Diégo, Ambatondrazaka, Nosy Be, and Ambilobe</b></p> <p>Garbage collection: 145 cans 4 tractors, 4 trailers 24 public W.C, 23 washhouses, 36 fountains, 1 bathhouse completed Sewage system built or rehabilitated</p>			100% 100% 96%	1 terminated and 1 completed

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
<b>I- Institutional Development</b>					
Integrate the security aspect in the urban setting	Contribution to urban security		Volunteers' work against violence in Antananarivo: 2 pilot neighborhoods	2 neighborhoods: Anatihazo and Andohatapenaka	
	Support to regional development	Strengthening of the administration capacity at the regional level	Support to the coordination of different regional programs after harmonizing regional development plans with the PRSP		
Strengthen the national capacity to coordinate economic programs and promote better synergy		Development of an integrated development strategy at the regional level	Promotion of Development Poles: Incentive actions for effects of synergy with the other sectors and integration at the regional level	Recruitment of international consultant for the Environmental Impact Studies of the infrastructures project in the 4 Integrated growth Poles (Antananarivo, Antsirabe, Nosy Be and Taolagnaro)	
	Support to the public investment policy		Harmonizing the economic programs with the PRSP at design, implementation, and evaluation		
Integrate the environmental aspect in the infrastructure projects	Environmental protection		Strengthening of VPMO capacity in central and decentralized structures in the areas of environment and environmental concerns integration in VPM projects.	5 support missions, 48 environmental impact studies and 48 field missions	
	Management and programming of roads, transportation and land development		Strengthening of VPMO capacities	50 people trained in management and leadership	
Develop an integrated strategy in the areas of public works, transportation, and land development			Support to the VPMO	Training of 23 interviewers – purchase IT equipment, support to FER (including audit), 6 workshops	
		Development of a new Road transportation policy focused on improving services' quality, security and liberalization	Study for setting up the Road Authority and Land Transportation Agency (ATT)	2 reports on diagnosis and description of ATT validated – Implementation plan and 3 <sup>rd</sup> report on "Legal framework" submitted by Consultant	Participation of all stakeholders needed

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			Capacity building for road transportation and management actors	Training for staff, one national road safety plan validated, one national plan on the reduction of environmental impacts on road transportation validated	
			Setting up the Road maintenance initiative Unit at the Vice-Prime Minister's Office	Center programming and network management system set up, first training in HDM IV, VIZIROAD operational 06/2004	
			Capacity building in rural transportation development, promotion of intermediary transportation means	30 projects for the promotion of ITM	
			Improving the management and coordination of PST activities, improving the control and implementation of projects	16 people trained and 28 missions completed; study completed at 35%	
			Improving transportation facilitation		Difficulties in implementing resolutions made at facilitation workshop
			Combined concession of the railway (FCE line) and the Manakara port	CBD launched	Issue of Manakara Port profitability
			Capacity building in civil aeronautic sector management (ACM)	Restructuring and audit of the ACM staff, submission to Parliament (Assembly and Senate) of Madagascar Civil Aviation Code	
			Support to the development of human establishments: development of urban master plans; forging partnerships for the development of the larger Antananarivo	40 communes targeted, 60 technicians trained	Little knowledge on the importance of urban development plan among localities

Specific objective	Component	Achievements		Indicator	Observations	
		Priority Actions	Action Plan			
			Promulgation of Decree #2003-659 on June 4, 2003 on the creation of APMF, setting forth its by-laws, funding modalities, on the creation of the Higher Council of Ports, Sea Transportation and In-land Navigation Setting up APMF	Board operational since November 2003 – flowchart adopted, recruitment notification published for directors (technical, regulatory, administrative and financial), abrogation of revenues on sea transportation by Decree# 2004-327 on 03/16/04, appointment of the Chair of APMF by the Government		
		<b>METEOROLOGY</b>				
Build national capacity in meteorology		Study new statutes for the Malagasy meteorology	Strengthen national meteorology infrastructures	Hydro-meteorological database, calculation center, meteorological assistance to locust control	Insufficient financial, human, and material resources	
	Capacity building for meteorological agents (training and refresher training)		Practicum and training in management and leadership	15 executives trained in management (in November 2003) and 4 agents in network management in La Réunion (October 2003)		
			Several training sessions	Local training for the Meteorology Directorate staff on the management and use of the system by 4 experts from Meteo-France, Training on the development and implementation of Users' Geographic Information System		
		<b>Promotion of private and foreign investments</b>				
			Coordination of incentives for Direct Foreign Investments (DFI), reforms to improve investment regulations and environment		Insufficient financial, human and material resources	

Specific objective	Component	I Achievements		Indicator	Observations
		Priority Actions	Action Plan		
Foster and promote systems for human and material security and social protection		<i>HIV/AIDS Prevention</i>		6 workshops including 4 sectoral studies, 10 field missions, study completed at 16.7%	Lack of involvement by VP MO in HIV/AIDS control activities, environmental and social actions not adequately applied
			Capacity building for the VP MO on staff sensitization and on HIV/AIDS control under the infrastructures program		
	<b>II. Physical Achievements</b>				
	Environmental protection			Procurement of equipments and materials, development of environmental management tools	
			Contribution to the cleaning of the Mandrozeza Lake	2 environmental studies	Bid exceeding the financial allocation
		<b>ROADS</b>			
		<b>A. Development works on the national roads of the Primary Road Network</b>			
			Periodic rehabilitation and maintenance of national roads	586km: technical study completed at 22%	
			Complementary social and economic actions on national roads	Recruitment and installation of NGOs on NR2, NR4 and NR7	
		<b>B. Current maintenance work on the national network</b>			
			Current maintenance	2,077km of roads with maintenance	
		<b>C. Development work on access roads</b>			
			Rehabilitation and treatment of critical points	630km	Part of the works (about 225km) done using HLI techniques

Specific objective	Component	Physical Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		<b>D. Other development and building works</b>			
			Building of the small boulevard and related works – Study on the building of the Iavoloha-Ivato highway, By-pass south end	1 expropriation document completed, 16km of related works, study on highway completed at 35%, 2.25km of by-pass built and 36.9ml of construction works completed	
			Protection of Toiliara, Antananarivo, waterfront in Mahajanga, Miandrivazo, Farafangana, Toamasina, Vatomandry	25km of protection works completed, Study completed at 95%	Heavy decision-making process (involving additional costs due to late intervention)
			Rehabilitation and building of bridges	8 bridges rehabilitated (700ml) and 14 built, technical study completed at 75%	
			Rehabilitation of cyclone damages: traffic reestablished on RNT31 Antsohihy Bealana opened on 68km; clearing landslides, opening RN31A Antsohihy-Analalava	94km of roads made practicable and 30ml of landslides cleared on RNT31, 77km of roads made practicable on RN 31A	
			Study on building, rehabilitation and equipment of road transportation stations	Priority investment program for 10 road transportation stations (goods), 30 rest areas, and 13 bus stations	
			<b>E. Current maintenance of construction works (PNEOA)</b>		
			Central PNEOA on RN 2, 3, 4 Provincial PNEOA on RN 2, 3, 3a, 3b, 4, 5, 5a, 7, 11a, 12, 13, 25, 35, 55, 58b	27 construction works on 200km of roads on central PNEOA, 12 construction works and 12 bridges on 1.729km of roads on provincial PNEOA	Inadequate financial resources compared to the needs

Specific objective	Component	Physical Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		<b>RAILWAY TRANSPORTATION</b>			
			Rehabilitation of the railway lines: TCE (Fianarantsoa –East Coast), Moramanga – Alaotra Lake (MLA), and Antananarivo-Antsirabe (TA)	Rehabilitation and Procurement of materials for the railway and safety materials for the TCE, MLA, and TA lines (including rehabilitation of bridges)	
		<b>PORTS, SEA TRANSPORTATION AND INLAND NAVIGATION</b>			
			Improving and increasing safety for sea and inland navigation	Technical study for the rehabilitation of the sea signaling system (61.66%), 40 ferries rehabilitated	
			Development of orts and diverse equipments	12 ports; APMF, CAM and ENEM equipped with materials	
		<b>AIRPOTS AND AIR TRANSPORTATION</b>			
			Development of the Nosy Be and Ivato Airports, aeronautic safety	OS published on 03/23/04	
Promote the complementarity between roads and railways		<b>MULTIMODE INFRASTRUCTURES</b>			
			Setting up multimode platforms in Antananarivo and other towns	Feasibility studies for 8 multimode platforms	Lack of mastery of procedure for funds consignment in view of obtaining income statement
		<b>URBAN AND LAND DEVELOPMENT</b>			
			Development of GRV, equipment of towns, Masay Marsh in Antananarivo, Rehabilitation of the roads in Nosy Be, Mahajanga	3 bus stations developed, 450ml of urban sewage system rehabilitated, 10 garbage cans, 1 tractor and 2 trailers purchased, 9km of roads rehabilitated in Nosy Be, 130ha developed on the Masay marsh, 5 markets	Climatic events not taken into account in programming – Lack of credit allocation compared to needs arising

					developed, 1 zebu market, 98 housing commodities built, APD studies for 4 markets finalized	
Specific objective	Component	Physical Achievements			Indicator	Observations
		Priority Actions	Action Plan			
			Develop the development zones in Andranomanelatra, develop Farahantsana and the Ankatoaboana plain	12ha developed in Andranomanelatra, 1 network of 600ml developed in Ankotoaboana	Need for better project coordination with localities concerned (in this case: Province)	
		<b>METEOROLOGY</b>				
	Capacity building for meteorology		Rehabilitation, modernization and extension of national hydro-meteorological networks and infrastructures	8 network extensions, 8 infrastructures extension, 1 regional meteorological station rehabilitated (Maevatanana), 155 agents trained	Insufficient financial, human and material resources	
			Setting up lodging commodities, installation of satellite antennae MSG, reception antennae for satellite picture HRTP, setting up the meteorological database system, stations, and automatic meteorological data/products reception, processing and dissemination materials	CLISYS system installed and operational, TRANSMET, RETIM, SYNERGIE and PDUS installed and operational	Need for better contribution of meteorological watch and strengthening of meteorological data entry to feed the database	
	Development of meteorological application and research activities		Procurement of equipments for the RANET system for Antananarivo in Tsiroanomandidy and for HASYMA in Toliana – start up of agrometeorological assistance in Tsiroanomandidy in close collaboration with the local development managers and stakeholders	Official authorization from OMERT for the use of the system in Madagascar	Need to ensure better contribution of meteorology to support development sectors	
			Start up of meteorological assistance system to locust control in collaboration CAN		Need to ensure better contribution of meteorology to locust control	

STRATEGIC FOCUS 2 : FOSTER AND PROMOTE A BROAD-BASED ECONOMIC GROWTH  
PROGRAM: Development and densification of structuring infrastructures

**Sub-program: Energy**

**Development objective: Improve households' access to energy**

**MAIN ACHIEVEMENTS FROM JULY TO DECEMBER 2003**

Specific objective	ACHIEVEMENTS		Observation
	Action Plan	Indicator	
<b>Setting up an institutional and policy framework promoting public-private partnership</b>	Management audit of JIRAMA	Final report 10/13/03	
	Development of management contract for JIRAMA	Finalization of CBD and request for non objection from the World Bank	
	Finalization of the restructuring plan for JIRAMA	Defining options for restructuring	
	Price study		
	Setting up the Electricity Regulation Office (ORE)	Final report on the price study Training for the staff	
<b>Improving access to energy in peri-urban rural areas</b>	Setting up the Agency for Rural Electricity Development (ADER)	Law on the creation of ADER published	
	Setting up the National Electricity Extension Fund (FNE)	Recruitment of the commercial bank	
	Finalization and validation of the mechanisms for issuance of authorizations and funding of operations	Preparation of the credit agreement amendment, start up of the first 2 phases, awarding authorization contracts and funding agreement	
	Electricity brought to 2 rural communes (Ambondromamy and Ambatosoratra)	Progress rate: 100%	
<b>Promote renewable energy</b>	Electricity brought to 3 villages using solar panels kits (Zazafoisy, Ankaramena, Mahatsinjjo)	Progress rate: 100%	
	SWER connection and peri-urban villages connected to network	Progress rate: 133/128 target villages	
	Integrated pilot program in Mahajanga	Follow up of the 20 GELOSE contracts Setting up 15 new GELOSE contracts	

**MAIN ACHIEVEMENTS FROM JANUARY TO JUNE 2004**

Specific Objectives	Component	Achievements in 1 <sup>st</sup> semester, 2004		Indicators		Observations
		Priority Actions	Action Plan	Achieved	Planned	
1) Set up a high-performance and efficient institutional framework to support operators and investors	Institutional reform	Management contract JIRAMA	Call for interest for the management contract	1 call	1 call	Awaiting decision on the JIRAMA audit results
		Setting up ORE	Appointing the 7 members of executive board Appointing chair of ORE Recruitment of executive secretary initiated	1 contract	1 contract	Certain stipulations in the document are incompatible
		Setting up ADER	Appointing 9 members of CO Appointing chair of ADER Recruitment of executive secretary Recruitment of consultant in charge of preparing CBD for ADER building	1 contract	1 contract	Certain stipulations in the document are incompatible
		Setting up FNE	Recruitment of bank for the reporting of FNE Briefing meeting with commercial banks	1 contract	1 contract	Delay in non objection from Bank for credit agreement amendment
2) Accelerate electricity extension in rural areas and certain peri-urban areas: 2.4% in 2002 and 3.9% in 2004	Electricity extension in rural areas	Electricity extension: Electricity extension through network 1 <sup>st</sup> phase Electricity extension through network 2 <sup>nd</sup> phase	CB published for the Procurement of materials and equipment Development of specifications document for call for projects	1 CBD 1 CBD	1 CBD 1 CBD	
		Electricity extension to rural communes IBERMAD project SWER Project	Enforcement of credit Order for materials and equipments initiated Connecting villages	1 received	1 received 69 villages	Off board

Specific Objectives	Component	Achievements in 1 <sup>st</sup> semester, 2004				Observations
		Priority Actions	Action Plan		Indicators	
			Achieved	Planned		
<b>3) Develop energy-related infrastructures</b>	<b>Energy production, distribution and transportation (electricity)</b>	Interconnection for electricity lines Antsirabe – Ambositra	Feasibility study	1 report	1 report	Delay in answer from BADEA
<b>4) Promote renewable energy</b>	<b>Implementation of the Integrated pilot program in Mahajanga</b>  <b>Implementation of the GREEN MAD project</b>		Delimitation Zoning Training Supervision of reforested plot owners Training of charcoal producers Reforestation campaign	100% 100% 80% 10 owners 24 charcoal producers 703ha	100% 100% 100%  1000 ha	
			Development of the Indicators Table Preliminary study on households' energy consumption in Antsiranana Production of prototype clay stove	1 indicator table 1 report 1 prototype	1 indicator table 1 report 1 prototype	

STRATEGIC FOCUS 2 : FOSTER AND PROMOTE A BROAD-BASED ECONOMIC GROWTH  
**PROGRAM: Development and densification of structuring infrastructures**  
*Sub-program: Post, Telecommunications, and Communications*  
**Development objective: Improve access to telecommunication and postal network among population and regions, and extend communication**

**MAIN ACHIEVEMENTS FROM JULY TO DECEMBER 2003**

Component	Action Plan	Achievements	Observations
Telecommunication	Privatization of TELMA	Project started on 07/01/97 Progress rate: 90%	Audit report submitted on Government side. Awaiting report from DISTACOM
	Setting up 33 community access telecenters to improve access to information and communication	Project started on 05/01/03 Progress rate: 11%	Funds freeing by IUT needs to be revised after SMSI meeting. Negotiations in process
	Improving access for remote rural areas: 6 remote centers without phone connected through satellite	Project started on 05/12/03 Progress rate: 100%	All materials installed in the following six zones: Betafo, Maevatanana, Morombe, Iharana, Andilamena and Ikongo

**MAIN ACHIEVEMENTS FROM JANUARY TO JUNE 2004**

<i>Specific objective</i>	<b>Achievements 1<sup>st</sup> semester, 2004</b>		<b>Indicator</b>	<b>Observations</b>
	<b>Priority Actions</b>	<b>Action Plan</b>		
<b>Improve the environment of Telecommunication sector</b>	Privatization of TELMA		Report on operation close out	
	Updating regulations	Study on the renewal of the regulatory framework	Study report	
<b>Develop postal financial services</b>	Study on the new status of CCP to be turned into a Savings and Credit Institution. Audit initiated by World Bank in process		Effective setting up of the Savings and Credit Institution scheduled for November 2004	Lack of funding and slowness in studies
		New building in Antananarivo to accommodate the Savings and Credit Institution and development of the Posts offices	Acceptance of development works in the following post offices: Soavinandriana, Sabotsy Namehana, Ambohimangakely, Anjozorobe, Sambava	Insufficient funding
		Setting up Postal Savings "Tsinjolahitra"	Postal savings operational since March 2004	
			36,000 investors recorded (Objective 2004: 18,000) – 43% being in Antananarivo and the rest in the other provinces	Because there is no bank system, the rural populations are much interested in the savings system and are actively taking part in this operation.
		Extension of CyberPaositra	CyberPaositra set up in Talatamaty, Postal Showroom 67ha, Fianarantsoa, Toamasina and Antsirabe	

<i>Specific objective</i>	<b>Achievements 1<sup>st</sup> semester, 2004</b>		<b>Indicator</b>	<b>Observations</b>
	<b>Priority Actions</b>	<b>Action Plan</b>		
<b>Implement an “ITC for all” program</b>	Improve access to information and training	Setting up telecenters and public phone cabs	5 telecenters set up over an objective of 53 11 public phone cabs set up over an objective of 11 1 study report	Insufficient funding compared to needs in the “ITC for all” program
<b>Promote telecommunication backbone</b>		Technical study for its realization and funding		
<b>Implement international connection through optic fiber</b>		Technical study for its realization and funding	Business plan adopted by the Government	
<b>Set up the Technopole</b>		Finalization of the partnership plan to set up the Technopole	Installation of the first businesses on the Antenetibe-Ivato site (Antananarivo)	

STRATEGIC FOCUS 2 : FOSTER AND PROMOTE A BROAD-BASED ECONOMIC GROWTH  
**PROGRAM: Development of buoyant sectors and stimulation of the private sector**  
 Sub-programs:

- Promotion of private and foreign investments

- **Strengthening of national**

**competitiveness**

Development objective: *Stimulate the private sector to contribute to 12% to 14% of the investment rate.*

**MAIN ACHIEVEMENTS FROM JULY TO DECEMBER 2003**

Specific objectives	Action Plan		Observations
	Action	Achievements	
<b>Strengthen national competitiveness</b>	Rehabilitation of SIDEMA	Appointing management (Board, Chair) Recruitment of an audit firm for the revival plan (finalization of CB) Achievement rate: 80%	Delays in the appointment of the management and no transfer between the new and the old team
	Setting up three Centers for Crafts Promotion (EPA) in three provincial capitals	EPA operational in Antananarivo, Toamasina, and Toliara: provision of materials and training of staff (September 2003)	
	Rehabilitation of SIRAMA	Inventory of stocks and fixed assets started in December 2003 Finalization ToR for the recruitment of technical organ to carry out renting contract	Cumbersome procedures on donors' side and big number of pre-conditions
	State divestment from HASYMA	Finalization of contract with a business bank (La Société Générale)	Cumbersome procedures on donors' side and high number of pre-conditions
	Improvement of trade	Recruitment of technical organ for land property regularization, financial audit, and environmental audit (December 2003)  Inventory of existing laws Finalization of guide for trader and importer Enforcement of laws on standards, quality and non standard products  Creation of an inter-ministerial consumptibility committee	

Specific objectives	Action Plan		Observations
	Action	Achievements	
	Promotion of industrial zones Setting up guarantee fund	Bill on competition and low on consumers protection finalized Unsuccessful sites identification Funds operational (January 2003)	Communicated to private sector for possible observations Service entrusted to Gama Consulting do not meet CCM guidelines
<b>Revitalize Export Processing Zones</b>	Redesigning the bill on free export processing zone	Bill ready	Awaiting the opinions of operators in this sector
<b>Ensure integration in the international market</b>	Rehabilitation of the vanilla sector	Adoption by an inter-ministerial committee of the revised law	
<b>Promote public-private partnership</b>	Setting up CAPE in the six provincial capitals  Making GUIDE operational  Developing a deontology code for the private sector	Adoption of the statutes of groups 2 GA, offices, setting up technical secretariat in Antananarivo and making the provincial offices operational (September 2003)  6 operational activities at the central GUIDE level (April 2003) and business creation activity in the 5 provincial GUIDES (September 2003)  International CBD for study on sustainability of GUIDE (in process) Activity not planned in the Annual Work plan	Discussion of CAPE with the CCIA

**MAIN ACHIEVEMENTS FROM JANUARY TO JUNE 2004**

Specific objectives	Action Plan		Observations
	Action	Achievements	
<b>Promote national and foreign private investments</b>	Making GUIDE sustainable	Recruitment of Cambridge International firm	
	Setting up Information System for GUIDE Promotion of Direct Foreign Investment (DFI)	Creation of GUIDE website Study on setting up a promotion device abroad: Business brokers Editing brochure: "Madagascar, land of opportunities" Study and design of the Investment Chart	
<b>Revitalize the export processing zones</b>	Improving legal framework for investments	Development of ToR of consultant in charge of services	
	Setting up the Free export processing zones observatory	Study to support zone development	
	Promotion of the Tsarakofafa zone in Toamasina	Inter-ministerial work	
	Revision of law on the free export processing zones Setting up a pilot Local Productive System (SPL)	Setting up SPL for the textile sector	In collaboration with the Enterprises Development Center in Brussels
<b>Ensure the integration on the international market</b>	Strengthening of the approach on quality, label Madagascar, and trackability	Appointment of the members of National Council on Standards (CNM) Supervision with the Ministry of Agriculture of the potato exportation project	
	Restructuring the vanilla sector	Workshops on vanilla organized in Sambava and Fianarantsoa Study on the project to set up inter-professional structures	
<b>Promote Public Private Partnership</b>	Development of the Deontology Code for the PPP	Development of the ToR of consultant in charge of services	
	Setting up the Enterprises' Economic Barometer in Madagascar (BEEM) Improving domestic trade	Work to set up BEEM started Establishing matrix on consumers' guide	
	Development of SME	Setting up the solution center for SME (CS PME)	In collaboration with the International Financial Corporation (IFC) and the World Bank

STRATEGIC FOCUS 2: FOSTER AND PROMOTE A BROAD-BASED ECONOMIC GROWTH

**PROGRAM: - Opening to global competition**

Sub-program:

- Regional integration

**Development objective: Open the Malagasy economy to larger competition in order to reduce costs and improve quality - Opening to international markets**

Objectives	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
<b>Strengthen representation of Madagascar at regional – international levels</b>			Ratification of the protocol to the treaty instituting the African Economic Community	Ratification tools submitted	02/17/04
	International conferences and meetings	Participation to all meetings	Participation to the 4 <sup>th</sup> extraordinary session of the African Union Conference	Conference organized	In Syrite – Libya, February 16 to 19, 2004
			Participation to the COMESA Home Affairs Ministers meeting	Meeting organized	In Lusaka – March 24 to 26, 2004
			Election of Madagascar as chair of the African group at UNESCO		January 2004
			Participation to the working group on APE		In Lusaka – March 24 to 26, 2004
			Participation to the COMESA Home Affairs Ministers meeting	Meeting organized	In Lusaka – March 24 to 26, 2004
			Participation of the Ministry of Foreign Affairs to the ad hoc meeting of experts groups on regional integration funding	One (01) representative from the Ministry of Foreign Affairs	Addis-Abeba, April 6 and 7, 2004 – Funding by Economic Council for Africa: UNO
			Participation of the Ministry of Foreign Affairs to the regional workshop on technical barriers to trade	One (01) representative from the Ministry of Foreign Affairs	WTO; Lusaka April 20-22, 2004 Funding by WTO
			Participation of the Ministry of Foreign Affairs to the 1 <sup>st</sup> meeting of the regional forum on economic partnership agreement in eastern and southern Africa	One (01) representative from the Ministry of Foreign Affairs	ACP-EU: Mombassa, April 21-23, 2004 funding by COMESA

Objectives	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	Seminars – Workshops		Participation to the orientation meeting of EU –AFOA		In Brussels, 8 to 12
	Monitoring and control mechanism at the regional – international level	Participation to meetings on monitoring and control at the regional – international levels	Participation to the meeting of the Committee in charge of following up the Agreement on the transition dispositions in Comoros on December 20 <sup>th</sup> , 2003 – Madagascar: permanent member of the Committee		March 8, 9, 10, 2004
			Participation to the meeting of the Committee in charge of following up the Agreement on the transition dispositions in Comoros on December 20 <sup>th</sup> , 2003		April 12, 13, 14, 2004
			Participation to the mission of civil observers during legislative elections		April 14 and 21 2004 April 18 and 25 2004
	Visit in Madagascar		Visit of a COMESA delegation to Madagascar		Led by Secretary General M. Mwencha Erastus (April 21-24, 2004)
			Preparation of the visit of UNOID vice-director to Madagascar		Ms. Hirose Harucako Vice-director of UNOID (April 20 <sup>th</sup> , 2004)
<b>Strengthen Madagascar integration to regional organizations</b>	Missions	Building trust among Madagascar partner States and international organizations	Recognition by African Union		
			Recognition of government by Madagascar partner States and international organizations		
			Monthly diplomatic conference		
			Organization of Regional Seminar on Public Procurement Reform	Seminar jointly organized by the Ministry of Foreign Affairs and COMESA	
			Further analysis of the conference on international relations	Conference on international relations further analyzed	

Objectives	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	Summit – high level conferences	Participation to summits and high level conferences	Sending a sensitization mission to the executive secretariat of SADC	Mission sent	
			Participation to the meeting of insular or partly insular African States experts	One (01) representative from the Ministry of Foreign Affairs	(EAPI) (Moroni, May 28 <sup>th</sup> , 2004)
	Council of Ministers			Malagasy delegation led by the Minister of Foreign Affairs	IOC: Moroni, May 24 <sup>th</sup> – 27 <sup>th</sup> , 2004
		17 <sup>th</sup> COMESA Council of Ministers		Malagasy delegation led by the Minister of Foreign Affairs	May 30 <sup>th</sup> to June 8 <sup>th</sup> , 2004
<b>Develop economic, commercial, and cultural, and social partnerships</b>			Signing of two agreements with Germany: - Integrated management of natural resources (Farafangana, Vangaindrano, Mitsinjo, Center Ilaka, South Midongy) - Institutional support to the forest policy (POLFOR)		
	Promotion of technology	Setting up a multimedia computer network		Intranet: network for 14 workstations Internet: network for 14 workstations Website: 1 Procurement of 50 computers and 1 jeep Donation of 30 kits of Chinese military equipments to the Ministry of Defense	
	Cooperation with FIO	Strengthening of Madagascar cooperation with FIO	Celebration of the International Day for Francophonie		

Objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			Signing of the Agreement instituting the Agency for Cooperation and Information on International Trade (ACICI)	Agreement signed	March 23 <sup>rd</sup> , 2004 by REPERMAD, in Geneva
			Signing of a Funding Agreement with the International Fund for Agricultural Development (IFAD)	Agreement signed	February 2004 by AMBAMAD, Rome
	Diplomatic and economic relations	Strengthening diplomatic and economic relations between Madagascar and Mauritius	Meeting between the two Coordination and Monitoring Committees, Madagascar – Mauritius Visit by Mauritian Prime Minister Paul Bérenger in Madagascar		March 23 <sup>rd</sup> and 24 <sup>th</sup> at the Ministry of Foreign Affairs April 4 <sup>th</sup> – 7 <sup>th</sup> , 2004
	Relations with traditional partners	Strengthening of relations with traditional partners	Signing in Rome of the bilateral agreement with Italy under the Club of Paris IX Signing of the financial cooperative agreement between Germany and Madagascar – 10 millions euros Reopening of airlines between Madagascar and Comoros	Bilateral agreement signed Cooperative agreement signed by Prime Minister and German Ambassador in Madagascar Airlines between Madagascar and Comoros reopened	January 8 <sup>th</sup> , 2004 March 16 <sup>th</sup> , 2004 March 29 <sup>th</sup> , 2004

Objectives	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
				<p>Visit by Japanese economic mission in Madagascar</p> <p>Establishment of an airline agreement between Madagascar and Italy (May 6<sup>th</sup>, 2004 – Rome)</p> <p>Visit by delegation of the Marseille Franco-Malagasy Trade Chamber from May 2<sup>nd</sup> to 8<sup>th</sup>, 2004</p> <p>Visit by a delegation of businessmen from Bordeaux, May 24<sup>th</sup> to 29<sup>th</sup>, 2004</p>	
		Strengthening cooperation between the People's Republic of China and Madagascar		<p>State visit by President Ravalomanana to the People's Republic of China</p> <p>Donation of 40 millions Yuan RMB as part of the Economic and Technical Cooperative Agreement by the PRC</p>	<p>May 13<sup>th</sup> – 18<sup>th</sup>, 2004</p> <p>May 14<sup>th</sup>, 2004</p>
	Meeting, conference, workshop, seminars			<p>Workshops on Francophonie contribution to the NEPAD</p> <p>Inter-ministerial meeting on the implementation of NEPAD</p>	<p>May 17<sup>th</sup>, 2004 at the Ministry of Foreign Affairs</p>

Objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
Promote the image of Madagascar and its diplomacy at the national as well international levels	Conference – Colloquium – Exhibition	Encourage participation to international events	Colloquium on defense Communicating list of national exporters and professional groups to the Malagasy Embassy in Ottawa Communicating the schedule of international fairs and events to the concerned technical department	Colloquium organized List of exporters communicated Schedule of fairs communicated	March 24 <sup>th</sup> , 25 <sup>th</sup> , 2004 at the MFA February 17 <sup>th</sup> , 2004  Liège International Fair – Belgium, February 10 <sup>th</sup> to 15 <sup>th</sup> , 2005
	Transparency in diplomacy	Define the roles and general organization of the Ministry of Foreign Affairs	Participation to the 6 <sup>th</sup> International Show of Tourism and Travel Participation the 6 <sup>th</sup> International Fair on Agriculture and Animal Resources in Dakar – Senegal Dissemination of translation to members of the Government and Institutions of the Republic of Madagascar	Decree #2004-159 on February 2004 defining the roles of the MFA and its general organization translated	Alger, March 1 <sup>st</sup> to 5 <sup>th</sup> , 2004  March 3 <sup>rd</sup> to 10 <sup>th</sup> , 2004
	Contribution of MFA to the country sustainable economic development		Sending lists of economic groups to the Malagasy Embassy in Berlin Egyptian Embassy in Antananarivo, April 07 <sup>th</sup> and 13 <sup>th</sup> , 2004		

Objectives	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
Efficiently contribute to the activities of international organizations to which Madagascar belongs	International conferences and meetings		Celebration of the 10 <sup>th</sup> anniversary of the Family International Day in Antsirabe		Attendance by many Malagasy and foreign officials (May 14 <sup>th</sup> , 2004)
	Economic events		<p>Invitation to the 15<sup>th</sup> Annual Session of the Crans Montana Forum, June 24<sup>th</sup> to 27<sup>th</sup></p> <p>Crafts Exhibition "SALAMA"</p> <p>International forum on finances</p> <p>16<sup>th</sup> international trade faire</p> <p>International fair of the medical sector "EXPOMEDICAL 2004"</p> <p>International specialized show on coffee and magical aroma</p> <p>International COMESA fair on trade and investments</p> <p>2<sup>nd</sup> ordinary session of the Minister of Trade Conference</p> <p>3<sup>rd</sup> meeting of Minister of Trades for least advanced countries under the revival of trade negotiations after Cancun</p>	<p>Invitation transmitted to SEM and PDM and technical departments, April 1<sup>st</sup> 2004</p> <p>Leaflet transmitted to our Embassies abroad as well as to all embassies, diplomatic and consular missions based in Antananarivo</p>	<p>August 24<sup>th</sup> to 28<sup>th</sup>, 2004</p> <p>Dakar (December 14<sup>th</sup> to 16<sup>th</sup>, 2004)</p> <p>Malawi, July 23<sup>rd</sup> to August 1<sup>st</sup>, 2004</p> <p>Moscow, October 19<sup>th</sup> to 22<sup>nd</sup>, 2004</p> <p>Kigali May 24<sup>th</sup> to 28<sup>th</sup>, 2004</p> <p>Dakar May 4<sup>th</sup>, 5<sup>th</sup> 2004</p>

Objectives	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			Celebration of the 40 <sup>th</sup> anniversary of CNUCED	Participation of the Malagasy Delegation to CNUCED IX and to the parliamentary meeting of the X, May 2004	
<b>Encourage international peace and security</b>	Workshop		Workshop on the universality of the OIAC Agreement on Chemical Weapons	Addis-Abeba, April 20 <sup>th</sup> – 22 <sup>nd</sup> , 2004	
	Ratification		Ratification of 9 international agreement on terrorism		
			Preparation of the ratification of the Treaty on complete prohibition of nuclear trials		(CTBTO) (May 2004)
<b>Preserve and value the unique environment and biodiversity of Madagascar</b>	National level meeting	Participation of the Environmental Unit of the MFA	Development of national policy on bio-security  Preparation of the 2 <sup>nd</sup> national report on the implementation of the desertification control agreement in Madagascar		(April 06 <sup>th</sup> to 08 <sup>th</sup> , Hilton)  (April 9 <sup>th</sup> , 2004) Presentation of MECIE decree  April 09 <sup>th</sup> , 2004
	Session		Inter-ministry environmental platform at Panorama		
	Meeting		12 <sup>th</sup> session of the UN Commission for Sustainable Development  Meeting of the National Committee on the Environment World Day		(April 19 <sup>th</sup> to 30 <sup>th</sup> , New York)

STRATEGIC FOCUS 3: FOSTER AND PROMOTE HUMAN AND MATERIAL SECURITY AND SOCIAL PROTECTION SYSTEMS  
**GLOBAL OBJECTIVE 1: Ensure basic education for all Malagasy under the "Education For All" initiative, prepare and value the country's human resources**  
**PROGRAM: EDUCATION**  
 Sub-program: Basic Education

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
Education for all	Have an EFA plan available		<ul style="list-style-type: none"> <li>- Round table with financial partners organized to obtain their formal agreement on the content of the reform strategic plan and their contribution to its implementation</li> <li>- EFA request sent to the secretariat of IMOA – EFA</li> <li>- EFA request discussed at the G8 meeting</li> <li>- EFA funding integrated to the 2004 budget, including HIPC</li> </ul>	<ul style="list-style-type: none"> <li>- Validation of the EFA request by the Friends of Madagascar Group in Paris on October 22<sup>nd</sup>, 2003</li> <li>- Recommendation by the group to grant funds under the FASTTRACK initiative to Madagascar</li> <li>- Document sent to the secretariat of IMOA-EFA the first week of October via the World Bank</li> <li>- Acquisition of FASTTRACK expanded to every country with a complete PRSP and a sectoral program but with the condition of producing a credible operational action plan</li> <li>- Budget allocation communicated by the Ministry of Budget</li> <li>- Program budget and means budget developed and ready for submission to the Ministry of Budget</li> <li>Completion date: November 13<sup>th</sup>, 2003 (Law on budget promulgated)</li> </ul>	
		<ul style="list-style-type: none"> <li>- Printing of posters for the dissemination of the Operational Action Plan of the education and training sector</li> <li>- Updating NAP/EFA and revision of sector key indicators</li> <li>- New classrooms built and classrooms in poor condition rehabilitated in 797 primary schools (2,029 classrooms)</li> <li>- Building and equipping new classrooms under the FID EFA</li> <li>- 2,700,000 primary students equipped with school kits</li> </ul>	<ul style="list-style-type: none"> <li>- 20,000 copies in French, and 20,000 in Malagasy: edited, printed and disseminated</li> <li>- NAP/EFA documents updated</li> <li>- 565 primary schools completed over an objective of 797 (1,394 classrooms over 2,029)</li> <li>- Start up of building and equipment of 1,200 primary classrooms</li> <li>- All school kits delivered to CISCO</li> <li>- Distribution completed at school level (2,656,900 kits distributed)</li> <li>- Kits delivered were not sufficient due to the sharp increase in enrollments pursuant to awarding school cash (398 535 additional kits delivered)</li> <li>- Number exceeding number of teachers</li> </ul>		
	Improve access to and have quality education		60,760 teachers equipped with teaching kits		

Sub-program: Basic Education (continued)

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			17,320 public primary schools equipped with blackboard kits	Blackboard kits delivered to 17,320 primary schools	
			19,181 public primary schools endowed with school cash	Funds for the payment students' enrollment fees in public and private primary schools deposited by the Treasury General in the account of DIRESEB Treasury checks drawn by heads of CISCO from their respective DIRESEB starting on November 5 <sup>th</sup> , 2005	
			8,000 assistant and parents' association-paid teachers paid by the Government	Payment of 14,518 parents' association-paid teachers (increase in number of parents' association paid teachers)	
			1,658 new teachers hired	526 hired on the 816 replacements (55% of appointments in process of authorization at the Finance and CDE) 169 hired on the 842 planned from the remainder of HIPC	
			2,700,000 students from public and private primary schools equipped with textbooks	- 9,657,400 textbooks and 517,400 teachers' guides distributed	
			60,760 teachers from public and private schools trained on the use of textbooks	- Training completed at 100% for G4 and G5 - Training for G1, G2 and G3 planned for July 2004	
			Finalization of G5 curriculum	G5 curriculum available	

*Sub-program: Basic education (continued)*

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			Integration of the competency-based approach to the first cycle of basic education	- Pre-mainstreaming of the curricula in G1 and 2 - Experimentation initiated for G3	
			Building 110 accommodations for teachers with solar panels	List of schools drawn up	
			Building/rehabilitation of 20 offices/accommodations for CISCO	Call for bids	
			Recruitment and training of 2,000 new teachers for 1 <sup>st</sup> cycle of Basic education	2,000 teachers recruited and trained in 17 centers	
			Endowment with school cash for 16,300 public primary schools and enrollment fees for 4,500 private schools	Funds transfer in process	
			Alleviation of parental financial burden in private schools with school fees lower than MGF4,000/month	Funds transfer in process	
			Equipment with 1,200,000 school kits for new enrollees in G1 and 2,000 teaching kits for new teachers	Delivered on August 2 <sup>nd</sup> , 2004	
			Equipment with 1,041,700 textbooks for public and private primary school students	Scheduled in September 2004	

*Sub-program: Quality of teaching at all levels*

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
<b>Build MENRS' institutional capacity</b>	Piloting the system		Finalizing the institutional development plan of central MENRS	- Recruitment of 111 heads of CISCO based on specific criteria and tests and installing them in their posts - Organizational audit at all the levels of the Ministry by a specialized firm (in process) - Installing network and development of the information system master plan (in process)	
			Recruitment of international consultant and national consultants for the reorganization of central ministry	International consultant recruited, national consultant in process	
			Finalization of the reform matrix required for CARP	1 <sup>st</sup> proposal available	
			Estimation of needs (physical and financial) for the 3 PRSP years	Needs in 2004 planned	
			Development of the secondary school and technical and vocational teaching strategy	Recruitment of consultant in process	
			Development of master plan for higher education and scientific research (PDESRES)	Document submitted to researchers during the "Research and Development" forum	
			Setting up organization procedures: PDESRES and Business Plan developed	1 <sup>st</sup> draft available	
			Initiating the process for the development of higher education and scientific research strategic framework development	Outline developed	
			Setting up unit for procurement and strengthening action plan development	Procurement unit set up at the AFD level but needs to be strengthened	
			Regional and national meetings on primary and secondary education	Regional and national meetings organized on primary and secondary education	
			National meetings for the development of the technical and vocational teaching curricula	National meetings organized for the development of the technical and vocational teaching curricula	
			Several studies, surveys, development of documents on Malagasy educational sector reform and development strategies	Completed (cf. work and reports by Solaux, Diambomba, Lutchmea, Blondeau, MINESEB-MESRES team)	

Sub-program: Quality of teaching at all levels (continued)

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			<p>Diverse equipment provided to Ministries</p> <p>Equipment of 111 CISCO with containers</p> <p>- Training and equipment for CISCO and ZAP:</p> <ul style="list-style-type: none"> <li>• 111 three-years development plan developed</li> <li>• 1 car/CISCO</li> <li>• 1 motorcycle and 2 computers/CISCO</li> <li>• 20 CISCO equipped with BLU</li> </ul> <p>- 1,600 bicycles and 1,600 writing machines for the heads of ZAP</p>	<p>- 12 vehicles</p> <p>- 13 motorcycles for inspection</p> <p>- 5 vehicles for the 2 ministries</p> <p>- 12 IT kits for UERP and DIRESEB</p> <p>- 6 IT kits for planning</p> <p>111 CISCO and 6 DIRESEB equipped with storage containers</p> <p>Training of CISCO on developing their three-year- development plans</p> <p>111 TDP developed</p> <p>111 cars delivered to CISCO</p>	
	Improve the MENRS' information system		<p>Computerization of administration at all levels</p> <p>Setting up 14 Intranet- extranet networking infrastructures for universities, and strengthening of IT equipment</p> <p>MLA2 and Cornell study</p>	<p>Network installation initiated at central level</p> <p>- 5 infrastructures for Antananarivo</p> <p>- 2 for Toamasina and Antsiranana</p> <p>- 2 for Fianarantsoa, 3 for Mahajanga, and 1 for Toliara</p> <p>1<sup>st</sup> report available, survey in process</p> <p>110 IT equipment delivered</p>	
Have post-primary education	Improving post-primary education		<p>Equipping 110 public high schools with computers</p> <p>Two deposits of school cash for 58 secondary schools (1<sup>st</sup> cycle and 2<sup>nd</sup> cycle)</p> <p>Equipping with CIAM Math books and corresponding teachers' guides for G9</p> <p>Training of teachers and principals from private schools</p> <p>Building 709 classrooms in secondary schools</p> <p>Building and equipping new classrooms under FID EFA</p> <p>Equipping with school furniture for 57 schools</p> <p>Rehabilitation of high schools and vocational training centers</p>	<p>- 2 deposits for 44 schools</p> <p>- 1 deposit for 14 schools</p> <p>- 72,500 textbooks and</p> <p>- 2,500 teachers' guides</p> <p>1,590 agents trained in 21 sessions</p> <p>578 classrooms built in 162 schools</p> <p>Building and equipment of 200 classrooms in secondary school (1<sup>st</sup> cycle) initiated</p> <p>57 schools equipped with furniture</p> <p>Technical specifications developed:</p> <ul style="list-style-type: none"> <li>- 10 CBD published on the week of 01/26/04</li> <li>- 4 CBD published on the week of 02/09/04</li> <li>- 3 CBD published on the week of 02/14/04</li> </ul>	
			<p>Training of 150 primary and secondary (1<sup>st</sup> cycle) teachers by ICT and 8 mediators</p>	<p>- Training completed</p>	

Sub-program: Quality of teaching at all levels (continued)

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			<p>Setting up doctorate degree program in ICT based on the research-training-production model</p> <p>Training of 20 network and database managers</p> <p>Setting up 5 training and research infrastructures</p>	<p>Training curricula defined during mission at the Paul Sabatier University, Toulouse</p> <p>Training completed</p>	
			<p>Setting up LMD system at universities (1 LMD unit per university)</p> <p>Setting up 6 lodging units for 180 students</p>	<p>5 infrastructures set up: - Fianarantsoa: DEA in IT - Antananarivo: Physics of Atmosphere - Mahajanga (Miadana), Ambatondrazaka (CALA); - Vohijoro agronomy sector, Nosy Be (CNRO); - Vohijoro: fish farming In process</p>	
			<p>Rehabilitation of 6 residence halls</p>	<p>Lodging for students: - Antananarivo: 3 units for 72 students - Miadana: 2 units for 30 students - CALA: 2 units for 36 students - CNRO: 5 units for 44 students</p>	
<b>Disseminate research results to support development</b>	Research and development		<p>Producing 25,000 arborescent acacia plants in the Middle West</p>	<p>Technical specification being developed</p> <p>25,000 acacia plants of two species available at the Kianjasoa station</p>	
			<p>Producing 2,800,000 veterinary vaccine doses</p>	<p>Producing 1,848,140 doses according to demand from users</p>	
			<p>60% of rural communes covered by the CVP/TMV networks in the Antananarivo province to reduce aviary mortality rate from 80% to 5%.</p>	<p>80% of the objectives covered by the network</p>	
			<p>70% of the cattle of the Antsalova AEBBA members are immunized to reduce the clostridiosis prevalence rate from 70% to 40% among the immunized sentinel herds.</p>	<p>500 immunized cattle heads constitute the sentinel herds in the Antsalova region.</p>	

Sub-program: Quality of teaching at all levels (continued)

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			Producing 3 tons of improved rice species seeds that would allow a yield rate of 6 tons per hectare	Activities completed	
			Setting up 10 sustainable activities (commercial culture, farming and rice farming...) per 100 young people in the Beforona region under the supervision of researchers from the Agronomy School and 10 students completing their engineer degree.	Recruiting 100 young people Setting up the first two demo plots	
			Setting up a laboratory to treat 100ha per dose of $1.5 \times 10^{13}$ of bio pesticides	Laboratory set up	
			Pre-base and base seeds made available to multiplication centers or producers' groups: - Alaotra Lake: • Irrigated rice 3 tons (Makalioka 34), • Maize 1 ton (Volaso, Bakoly, IRAT 200), - Antsirabe: • - Beans: 100kg (Mahavatsy, Marohavana), • - Middle West: irrigated rice 3 tons (Mailaka)	Beans and maize seeds made available to multiplication centers in August 2003	

STRATEGIC FOCUS 3: FOSTER AND PROMOTE HUMAN AND MATERIAL SECURITY AND SOCIAL PROTECTION SYSTEMS  
**GLOBAL OBJECTIVE 1: Promote maternal and child health**

**PROGRAM: HEALTH**

Sub-program: Maternal and child health

Specific objective	Component	2003			Indicator	Observations
		Achievements		Action Plan		
		Priority Actions				
By 2006, promote maternal and child health	Expanded Program on Immunization	Strengthening activity of immunization against EPI target diseases (Tuberculosis, poliomyelitis, diphtheria, tetanus, pertussis, hepatitis B, etc.)	Availability of vaccines: equipping 111 SSD and CSB	Equipping 11 SSD and 6 provincial health directorates with EPI equipments	Tetanus toxoid: 1,350,820 doses/1,242,544; (108.7%) BCG: 1,394,340 doses/1,035,453 (134.6%) Hep B: 2,341,400 doses/2,067,800 (113%) Polio 2,821,230 doses/3,8355,011 (73.57%) Measles 1,085,900 doses / 1,035,453 (104.8%) 117/117 maintenance kits, spare parts for refrigerators, 37,202/70,885 incineration boxes; injection materials 1,613,120/autodisable syringes 0,05ml, 2,819,675 auto disable syringes	
			Equip SSD and CSB with vehicles	Equip SSD and CSB with vehicles	66 motorcycles and 331 bicycles	
			Training in: - Cold chain  - Acute Flaccid Paralysis surveillance  - EPI policy		111 EPI managers and 111 maintenance managers trained over 222 planned  6/6 provincial focal points, 111/111 district focal points, 370 heads of CSB2, 1,293 other health workers, and 89 community workers 776/1,073 health workers	
			Immunization coverage rate among children aged 0 to 11 months: BCG: 94,9%, DTP3: 77,28%, Measles: 83,4%; TT2 and over: 53,4% data from 28 SSD/111			

*Sub-program: Maternal and child health*

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	Safe Motherhood	Strengthening the safe motherhood strategy	Transforming 8 CHD1 into laparo-C-section units (ULC)  Training:	- 5ULC built and 3 already equipped  - 1, 035/1,087 health workers in SM - 40/336 health workers in community-based services - 42 community workers in reproductive health including SM and 71/84 ARH peer educators - 148/160 health workers in ARH, 365/900 health workers in FP, and 74/74 health workers in Norplant - 439/900 health workers in 16 SSD on Integrated Management of Childhood Illnesses (IMCI) - Making 18 ARH centers operational	
			Equipping 11SSD and 2,118 FP sites (public and private) with contraceptive commodities		
			Functionality of DHS sites in process (contraceptive prevalence 2003)	286/340 new FP sites operational and 27 Norplant sites	
			Equipping CSB	172/172 delivery kits, 250/250 sphygmomanometers, 208/250 stethoscopes and 30/80 examination tables	
			- Equipping Vatamandry CHD2 with emergency RH kits - Equipping traditional birth attendants in remote areas with 750 kits - Equipping 28 SSD with PNC kits Telemedicine: 5 referral maternities interconnected		

Global objective 4: Scale up malnutrition control  
 Program: Health  
 Sub-program: *Malnutrition Control*

<b>Specific objective</b>	<b>Component</b>	<b>2003</b>			<b>Observations</b>	
		<b>Priority Actions</b>	<b>Achievements</b>			<b>Indicator</b>
			<b>Action Plan</b>			
<b>Scale up malnutrition control</b>	Malnutrition control	Strengthening malnutrition control	<ul style="list-style-type: none"> <li>- Development of National Nutrition Policy</li> <li>- Intensive Nutritional Rehabilitation Centers (CRENI)</li> </ul>	<ul style="list-style-type: none"> <li>- Development of National Nutrition Policy</li> <li>- Intensive Nutritional Rehabilitation Centers (CRENI)</li> </ul>	36/36 operational with 3 rehabilitated	
			<ul style="list-style-type: none"> <li>Nutritional Rehabilitation Centers (CREN)</li> <li>- Equipping 36 CRENI and 37 day-CRNI with drugs, therapeutic food, and food for caretakers</li> <li>- Follow up and supervision of community-based nutrition sites</li> <li>- 651 community-based nutrition sites operational with 44/100 new sites and 165 nutrition community volunteers</li> <li>- 3,608 SEECALINE sites operational</li> <li>- 73% of women seen in PNC supplemented with iron folic acid (IFA)</li> <li>- 84% of children aged 6 to 59 months receiving vitamin A (April 2003) and October 2003: 90%</li> </ul>	<ul style="list-style-type: none"> <li>Nutritional Rehabilitation Centers (CREN)</li> <li>- Equipping 36 CRENI and 37 day-CRNI with drugs, therapeutic food, and food for caretakers</li> <li>- Follow up and supervision of community-based nutrition sites</li> <li>- 651 community-based nutrition sites operational with 44/100 new sites and 165 nutrition community volunteers</li> <li>- 3,608 SEECALINE sites operational</li> <li>- 73% of women seen in PNC supplemented with iron folic acid (IFA)</li> <li>- 84% of children aged 6 to 59 months receiving vitamin A (April 2003) and October 2003: 90%</li> </ul>	37/25 set up and equipped with therapeutic food at CSB2 level	
		Promoting exclusive breastfeeding	<ul style="list-style-type: none"> <li>- 5 baby friendly workplaces operational</li> <li>- 66/66 baby friendly hospitals supervised</li> <li>- 7/7 Baby Kangaroo referral hospitals set up</li> </ul>	<ul style="list-style-type: none"> <li>- 5 baby friendly workplaces operational</li> <li>- 66/66 baby friendly hospitals supervised</li> <li>- 7/7 Baby Kangaroo referral hospitals set up</li> </ul>		
		Strengthening nutritional education	<ul style="list-style-type: none"> <li>- 2/5 SSD with Women Team for Nutritional Education (EFEN)</li> </ul>	<ul style="list-style-type: none"> <li>- 2/5 SSD with Women Team for Nutritional Education (EFEN)</li> </ul>		

Global Objective 5: Strengthen infectious disease control  
 Program: Health  
 Sub-program: *Infectious diseases control*

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
<b>Reduce by 50% the socio-economic burden of the main infectious diseases, including emergent and reemerging diseases</b>	Malaria control	Strengthening the system to introduce social marketing promoting bed nets in collaboration with PSI and based on the strategy developed by the Ministry of health, especially as regards achieving objectives in accordance with action schedule from 2003 to 2005	<ul style="list-style-type: none"> <li>• Number of impregnated bed nets sold per sales point</li> <li>• Training of trainers on case management:</li> <li>• Number of people protected by home aspersions of DDT in the central highlands and in malaria instable areas:</li> <li>• Entomological surveys in malaria stable zones or coastal zones,</li> <li>• Malaria epidemiological surveillance sites</li> <li>• Launching of home treatment by chloroquine blisters and impregnated bed nets subsidized</li> <li>• Malaria rapid test.</li> </ul>	309,000/600,000 units  871,928/1,000,000 inhabitants (only 6t of insecticides over an order of 100t were delivered)  3/3 surveys completed  12/12 operational	
		Leper elimination	<ul style="list-style-type: none"> <li>• Equipping 6 provinces with PCT drugs</li> <li>• Information, Education, and Communication activities carried out in 12/15 hyper endemic SSD in collaboration with local NGOs</li> <li>• 11/111 members of the District Management Teams (EMAD) trained on case management and program management</li> <li>• Training of heads of CSB from 12/45 SSD on case management</li> <li>• 20/20 lab assistants from referral centers benefited from refresher training</li> <li>• 20 hyper endemic SSD equipped with motorcycles</li> <li>• Health units and SSD supervised</li> <li>• Survey launched to map SSDs according to their endemic level</li> </ul>		
		<b>Filariosis elimination</b>			

Specific objective	Component	2003		Indicator	Observations
		Priority Actions	Achievements Action Plan		
		Tuberculosis control	<ul style="list-style-type: none"> <li>- Setting up tuberculosis control support committees in 30/40 SSD</li> <li>- Procurement of 11,350/27,000 treatment kits and 6/6 DPS and 100% CDT equipped with drugs, reactants and management tools</li> <li>- Training of 34/180 EMAD members, 58/192 CDT managers, 6/6 RPTL trained on the national tuberculosis control policy Preparatory phase of anti-tuberculosis immunity research set up</li> </ul>		
		Bilharzias control	<ul style="list-style-type: none"> <li>- Target population of 25 SSD including 63/75 surveyed villages sensitized on prevention actions</li> <li>- 10,592/13,019 individuals from 63 villages treated</li> <li>- 32/32 hyper endemic SSD equipped with anti-bilharzias drugs and reactants</li> </ul>		
		Cysticercosis control	Development, validation, and dissemination of IEC materials with the Technical Horticultural Center of Antananarivo		
		Emergent and re-emergent diseases control Plague control	<ul style="list-style-type: none"> <li>- Strengthening of epidemiological surveillance: 120/180 community workers trained on preventive actions</li> <li>- 40 prison traps built and put in place in the towns of Antananarivo and Mahajanga</li> <li>- Procurement of 4,840kg/12,000kg of insecticide</li> <li>- 547/547 disinfection operations carried out pursuant to cases and 40 affected SSD equipped with drugs, materials, and equipment</li> </ul>		
		Cholera control	Equipping groups with vaccines and strengthening of hygiene education actions		

*Sub-program: Infectious diseases control*

Specific objective	Component	2003			Indicator	Observations
		Priority Actions	Achievements			
			Action Plan			
		Tungosis control	25/25 infested SSD and 4/4 concerned provinces equipped with insecticides, health workers and community workers trained on management and preventive actions			
		Epidemic diseases control	<ul style="list-style-type: none"> <li>- Epidemic Response Strategic Plan developed</li> <li>- Interventions and responses in cases of flu, conjunctivitis and rabies epidemics</li> <li>- Health control at borders and preventive measures strengthened to prevent Severe Acute Respiratory Syndrome (SARS)</li> </ul>			
		Improving clean water access rate	Studies conducted for clean water supply system for 311 CSB			
		Improving rate of access to excreta disposal infrastructures	<ul style="list-style-type: none"> <li>- 1,903 social and school latrines built</li> <li>- 4,601/5,100 family latrines and 56/55 school latrines built</li> </ul>			
	HIV/AIDS control	Pursuing national HIV/AIDS sensitization and prevention campaign and providing support and care to PLHA in order to reduce morbidity and mortality and improve their quality of life	<ul style="list-style-type: none"> <li>• National strategic plan on STI/HIV/AIDS control developed</li> <li>• National policy for the management of People Living with HIV/AIDS (PLHA) developed</li> <li>• National plan for the monitoring and evaluation of the National strategic plan developed</li> <li>• Country Coordination Mechanism set up for the monitoring and the management of the Global Fund for Malaria, Tuberculosis, and HIV/AIDS control</li> <li>• Preventive education and behavioral change communication (mass media, NGO, peer educators)</li> </ul>			

Specific objective	Component	2003		Indicator	Observations
		Priority Actions	Achievements Action Plan		
			<ul style="list-style-type: none"> <li>▪ Capacity building for 2 associations supporting PLHA</li> <li>▪ Guides for HIV/AIDS counseling, PLHA management, and voluntary counseling and tests developed and disseminated</li> <li>▪ Training curriculum on syndromic management of STIs validated</li> <li>▪ National strategy for condom planning defined</li> <li>▪ Guide and algorithm on clinical and therapeutic management of HIV infection developed</li> <li>▪ Guide on voluntary counseling and test</li> <li>▪ Guide and training module on MTCP developed</li> <li>▪ Blood banks in 6 provinces supplied with rapid transfusion HIV test for transfusion safety</li> <li>▪ One center for treatment of PLHA with antiretroviral drugs operational at the Raseta Befelatanana Hospital in Antananarivo</li> <li>▪ 77 health workers trained on clinical management of PLHA (4 referral physicians, 40 general physicians with basic knowledge, and 33 paramedics)</li> <li>▪ 25 counselors in psycho-social support trained</li> <li>▪ 3/6 VCT set up (+ Mahajanga)</li> <li>▪ 11/15 MTCP sites set up</li> <li>▪ Protocol for second generation STI/HIV/AIDS surveillance defined</li> <li>▪ 6 referral centers supplied with reactants for routine screening of syphilis among pregnant women</li> <li>• National survey on syphilis seroprevalence among pregnant women conducted</li> <li>• Blood transfusion centers in 3 teaching hospitals (CHU), 4 regional hospitals (CHR) and 32 level-2 district hospitals (CHD2) equipped with syphilis screening tests, and HIV rapid tests</li> </ul>		

Global objective: Strengthen non infectious disease control  
 Program: Health  
 Sub-program: Control of non infectious diseases

Specific objective	Component	2003		Indicator	Observations
		Priority Actions	Achievements		
			Action Plan		
Reduce by 20% the morbidity related to non infectious diseases		Management of blinding cataracts	<ul style="list-style-type: none"> <li>• 4,053/4,300 cataract surgeries performed</li> <li>• Rehabilitation and equipment of 1/6 ophthalmologic centers at CHD2</li> </ul>		
		Promotion of oral health	<ul style="list-style-type: none"> <li>• 69/69 existing dental clinics supplied with materials and consumables</li> <li>• Procurement of materials and equipments for 46/46 new dental structures (being built)</li> <li>• Iodized salt fluoridation strategy developed</li> <li>• 41/89 dentists recruited</li> <li>• 5 /5 surgeon dentists trained in public health</li> <li>• Feasibility study conducted and iodized salt fluoridation launched</li> </ul>		
		Drug addiction control	<ul style="list-style-type: none"> <li>▪ Ratification of convention on tobacco control</li> <li>▪ Tobacco control law submitted for ratification</li> <li>▪ IEC materials developed and advocacy conducted</li> <li>▪ National committee for tobacco control and provincial coordination structures set up</li> <li>▪ 100 animators from 3 NGOs trained in drug addiction control</li> <li>▪ Interministerial decree defining regulation on industrialization, importation, commercialization, and consumption of tobacco products in Madagascar</li> <li>▪ Evaluation of the current situation of drug addiction carried out in the provinces of Antsiranana, Mahajanga, and Toiara</li> <li>▪ Study on the social and health of drug addiction in Madagascar carried out</li> <li>▪ National policy and action plan on tobacco control</li> <li>▪ Regulations on alcohol</li> <li>▪ Drug addiction (drug, alcohol, and tobacco) control structures set up at province, district, and commune levels</li> </ul>		

*Sub-program: Non infectious diseases control*  
**2003**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		Mental health promotion	<ul style="list-style-type: none"> <li>Development and validation of mental health policy and dissemination of 500/500 copies, psychiatric emergency management document and 600 copies disseminated to the heads of CSB</li> </ul>		
		Management of disabled people	<ul style="list-style-type: none"> <li>6 prosthesis centers equipped with prosthesis production materials</li> <li>Development of a national plan for Community-based reeducation (GBR) and training modules for district level reeducators (DLR)</li> </ul>		
		Improvement of cancer and cardiovascular diseases management	<ul style="list-style-type: none"> <li>Training one specialist trained in radiotherapy,</li> <li>Development and validation of IEC materials on cancerology</li> <li>Putting in place cancer registers</li> <li>Development and validation of MCV brochures/guides</li> </ul>		

**COMPLEMENTARY ACTIONS (NOT SPECIFIED IN PRSP)**

<i>Specific objective</i>	<b>Component</b>	<b>2003</b>		<b>Indicator</b>	<b>Observations</b>
		<b>Priority Actions</b>	<b>Achievements</b> <b>Action Plan</b>		
<b>Improve the performances of the health system</b>		<ul style="list-style-type: none"> <li>- Decentralizing the management of community health care centers with training of paramedical staff and redispacting of existing medical staff.</li> <li>- Increasing basic drugs coverage as assessed by trends in the turnover of central purchase department SALAMA</li> </ul>	<ul style="list-style-type: none"> <li>- Management Committees grouping the health staff and representatives from the community 100% operational at 2,466 CSB</li> <li>- 345 paramedical graduates from the 6 paramedical schools recruited as well as 13 executive paramedics which graduated from the National Institute of Public and Community Health (INSPC), 28 social workers in training, 21 nurses specialized in anesthesia and intensive care in training, paramedical students in their 1<sup>st</sup> year of study recruited, in training 172 paramedical workers recruited in 2003 and dispatched in the 6 provinces</li> <li>- 220 physicians and 15 specialists recruited</li> <li>- Preparation of bill on the special status of civil workers physicians and submission to the Ministry of Civil Service</li> <li>- Training of 610/395 staff at the INSPC</li> <li>- National list of essential drugs revised</li> <li>- Drugs purchased in 2002: MGF12 billions to recapitalize the central purchase department Salama and MGF25 billions to purchase drugs and consumables for the public sector - 2003: MGF 29 billions to purchase drugs for the public sector and 18 4WD vehicles for provinces</li> </ul>		

Specific objective	Component	2003		Indicator	Observations
		Priority Actions	Achievements Action Plan		
		<p>Improvement of service provision (Supplying in drugs, reactants, and medical consumables by the central purchase department Salama)</p>	<ul style="list-style-type: none"> <li>▪ 2 CHU, 4 CHRP (provincial referral hospital) and 32 CHD2 equipped with reactants and consumables as part of ensuring blood transfusion security</li> <li>▪ 2 CHU, 4 CHRP, 29 CHD2 equipped with films and development products for medical imaging:</li> <li>▪ CHU, CHRP, CHD2, CHD equipped with lab reactants and medical consumables</li> <li>▪ Inspection: 45 food processing plants in 4 provinces (Antananarivo, Fianarantsoa, Toliara, Mahajanga) and 488/625 physico-chemical analyses conducted at the Food control laboratory</li> <li>▪ Agreement protocol between the Ministry of Health and Rotary Club: Technical materials purchased, staff trained on the production of massive solutes</li> <li>▪ Standardization of technical tray</li> <li>▪ Delivery of 601.746/601.746 bottles of massive solutes</li> <li>▪ Technical equipments provided, rehabilitated, and maintained, 40 health workers trained</li> <li>▪ Inventory of production units in provinces conducted in view of decentralization</li> <li>▪ Technical and legal evaluation of the production unit at Saint-Luc Clinique in Toliara</li> <li>▪ Bill on traditional pharmacopoeia promotion developed and validated</li> <li>▪ Proposal for an agreement on traditional pharmacopoeia with the Pierre Fabre foundation being developed</li> <li>▪ IEC on traditional pharmacopoeia: 29/111 field trips</li> <li>▪ 196 medicinal plants usually used by the population inventoried in 3 provinces (Antananarivo, Toamasina, Antsiranana)</li> <li>▪ 80 herbalists identified in the communal markets of Antananarivo</li> <li>▪ 5 626 traditional practitioners identified in 37 SSD</li> <li>▪ 100% of health units equipped with drugs from the central purchase department Salama and donations</li> </ul>		
		<p>Increase the population access to quality health care</p>	<ul style="list-style-type: none"> <li>• 1/1 CHU, 2/2 BSD, 9/9 CHD2, 4/4 CHD1 and 73/101 CSB damaged by cyclones and 172 CSB and 1 wholesale district pharmacy (Pha-G-Dis) rehabilitated or rebuilt</li> <li>• 114 CBS, 1/1 Pha-G-Dis and 28/ CSB rehabilitated</li> <li>• Equipment with 36 ambulances</li> <li>• 6/6 Mobile health teams set up at the Provincial Directorate</li> </ul>		

Specific objective	Component	2003		Indicator	Observations
		of Health (DPS) and 12/12 operational			
		Achievements			
		Priority Actions	Action Plan		
		Improving poor people access to the health system	<ul style="list-style-type: none"> <li>Equipping 72/72 CSB with school health kits and 5/5 health schools set up. 4 DPS and 72 SSD sensitized as regards the health school initiative</li> <li>Humanitarian actions carried out in 3/3 provinces hit by natural disasters (FARI, MANOU, ...)</li> <li>Mechanism to assist indigent people set up: "equity fund"</li> <li>All CSB apply the transition period measures included in FANOME</li> </ul>		
		Improving the health management information system to regularly monitor health indicators (immunization coverage rate...)	Application of the GESIS software MoH website in 6DPS and 36/56 SSD		
		Evaluation of the humanitarian cost recovery system	<ul style="list-style-type: none"> <li>Audit conducted in 11SSD and all public sector CSB before relaunching FANOME</li> <li>Evaluation of the Users' Financial Participation (older version of FANOME) conducted</li> <li>Revision of implementation guide</li> <li>Development of legal framework (decree, interministerial decree)</li> <li>Management tools developed, printed, and disseminated</li> <li>Setting up FANOME with a transition period (September – December 2003)</li> <li>Definitive resuming of FANOME</li> </ul>		

STRATEGIC FOCUS #3: FOSTER AND PROMOTE HUMAN AND MATERIAL SECURITY AND SOCIAL PROTECTION SYSTEMS

Global objective #3: Promote maternal and child health

Program: Health

Sub-program: Maternal and child health

Specific objective	Component	January to June 2004			
		Achievements		Observations	
		Priority Actions	Action Plan		
By 2006, promote maternal and child health	Expanded Program on Immunization	Strengthening activities of immunization against EPI target diseases (Tuberculosis, poliomyelitis, diphtheria, tetanus, pertussis, hepatitis B, etc.)	Vaccines availability: equipping 6DPS PPF, 11 SSD and private and public CSB with vaccines	<p>Indicator</p> <ul style="list-style-type: none"> <li>- Tetanus toxoid: 491,720/625,301 doses</li> <li>- BCG 28,100/1,108,912 doses</li> <li>-DTP/hepatitis B : 361,801/1,975,720 doses</li> <li>-Measles : 785,250/1,975,720 doses</li> <li>-Measles: 43 380/1549 015 doses</li> </ul>	
			<p>Action Plan</p> <ul style="list-style-type: none"> <li>-Cold chain availability at all levels: refrigerated room (immunization service)</li> <li>-Equipping with EPI materials</li> <li>-Equipping with vehicles (central and 6 DPS)</li> <li>-Supplying in fuel and spare parts for cold chain operation (refrigerator)</li> <li>-Training and refresher training:                             <ul style="list-style-type: none"> <li>• in EPI logistics</li> <li>• EPIMAP and EPI-INFO</li> <li>• EPI management</li> </ul> </li> </ul> <p>Indicator</p> <ul style="list-style-type: none"> <li>-1/1 refrigerated room (immunization service)</li> <li>-88/126 freezers</li> <li>-256/700 refrigerators</li> <li>-44/45 solar refrigerators</li> <li>-0/250 icebox</li> <li>-0/450 vaccine boxes</li> <li>-2, 121 batteries</li> <li>-3,560/26,032 incineration boxes</li> <li>-3,615,446/3,615,446 syringes (0.05ml)</li> <li>-370,200/3,941,034 syringes (0.05ml)</li> <li>-13,500/133,950 dilution syringes</li> <li>-0/3 trucks and 6 4WD vehicles</li> <li>111/111 SSD</li> <li>32/50 health workers</li> <li>22/22 central level managers and 6 DSPFF</li> <li>42/46 managers of 6 DPSPF and SSD</li> <li>0/250 health workers</li> </ul>		

		January to June 2004			Observations
		Component	Priority Actions	Achievements Action Plan	
Specific objective			<ul style="list-style-type: none"> <li>-Equipping 111 SSD with EPI management tools</li> <li>-Installing software for computerized management of EPI data</li> <li>-Equipping Immunization service with IT materials</li> <li>-Development of micro plans and implementation of immunization mobile and outreach strategy per district</li> <li>-Surveillance of Acute Flaccid Paralysis</li> <li>-Immunization campaign for measles eradication</li> <li>-Formative supervision of DPSPF and SSD</li> </ul>	<ul style="list-style-type: none"> <li>-0/111 SSD</li> <li>-0/1 EPI software</li> <li>-2/2 computers and related materials</li> <li>-111 SSD</li> <li>-54/80 AFP cases</li> <li>-9/21 sites supervised</li> <li>-0/111SSD</li> <li>-6/6 DPSPF and 50/111 SSD</li> </ul>	
	Integrated Management of Childhood Illnesses (IMCI)		<ul style="list-style-type: none"> <li>-Refresher training for Trainers in IMCI</li> <li>-Training in IMCI supervision – Supervision of IMCI in 30 districts – Evaluation of assisted self-learning in IMCI</li> <li>- Equipping 32 SSD with teaching and technical materials</li> <li>-National review and coordination for IMCI</li> </ul>	<ul style="list-style-type: none"> <li>-20/20 trainers in 6 DPSPF</li> <li>-18/18 managers trained</li> <li>-13/30 SSD supervised</li> <li>-Evaluation completed</li> <li>-8/32 SSD equipped with teaching and technical materials</li> <li>-National review and coordination meeting held</li> </ul>	

Sub-program: Maternal and child health

Objectives	Program	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	Safe Motherhood	Strengthening of the Safe Motherhood strategy	<ul style="list-style-type: none"> <li>-Laparo-C-section units operational</li> <li>-Training of 524 health workers in SM</li> <li>-Formative supervision of 9SSD in SM</li> <li>-Study on the evaluation of Emergency Obstetrical and Neonatal Care</li> <li>-Census of traditional birth attendants (TBA)- training of 80 TBAs</li> <li>- Multiplication and dissemination of reproductive health picture boxes</li> <li>-Formative supervision of 9SSD in Adolescent Reproductive Health (ARH)</li> <li>-Delivery of equipments and materials for youth centers in 20SSD</li> <li>-Supervision of contraceptive commodities management</li> <li>-Opening of new FP sites in 6 SSD</li> <li>-Setting up 72 new Community-based services sites</li> <li>-Opening 16 Norplant sites</li> <li>-Training in reproductive health for community partners</li> </ul>	<ul style="list-style-type: none"> <li>-8/8 laparo-C-section units operational</li> <li>-371/524 health workers trained in SM</li> <li>-0/9 SSD supervised</li> <li>-Result dissemination workshop organized on April 20<sup>th</sup> and 24<sup>th</sup>, 2004</li> <li>-SM monitoring indicators updated</li> <li>Workshop to update SM monitoring indicators organized on March 30<sup>th</sup>, 2004</li> <li>-0/460 TBA identified in 15 SSD</li> <li>-0/80 TBA</li> <li>-0/720 picture boxes</li> <li>-9/9 SSD supervised</li> <li>-9/20 youth centers</li> <li>-0/9 SSD supervised</li> <li>-0/120 new sites</li> <li>-3/72 sites created</li> <li>-2/16 sites created</li> <li>-0/105 community partners</li> <li>-1,000/2000 pairs of chaput gloves, 0/500 aprons</li> <li>-2/2 computers and related materials, 1/1 photocopier</li> <li>1/4 meetings</li> </ul>	

*Sub-program: Maternal and child health (continued)*

Objectives	Program	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			-Procurement of protection materials -Procurement of IT materials -SM coordination, monitoring and evaluation meeting		

**Global objective: Scale up malnutrition control**

**Program: Health**

Sub-program: Malnutrition control

<b>Specific objective</b>	<b>Component</b>	<b>Achievements</b>			<b>Indicator</b>	<b>Observations</b>
		<b>Priority Actions</b>	<b>Action Plan</b>			
<b>Scale up malnutrition control</b>	Malnutrition control	Strengthening malnutrition control	-Validation and dissemination of the national nutrition policy -Setting up day nutritional rehabilitation centers at CSB2 -Supplying operational CRENIIs and day CREN with food commodities	-Validation workshop organized in April 2004 and document disseminated -22 day CREN equipped with kits and management tools -Periodic supplying according to orders		
		Breastfeeding promotion	-Setting up 5 Baby Friendly Workplaces (BFW) -10 Baby Friendly Hospitals (BFH) in Antananarivo and Antsirabe and 5 Baby Friendly Communes (BFC) in Antananarivo Formative supervision of 20 BFH	2 BFW, 5 BFH, 2 BFC 2 BFH supervised		
		Micronutrients deficiencies control	Supplying 111 SSD with iron folic acid Equipping 111SSD with testing kits to check for iodized salt availability 02 vitamin A mass supplementation campaign for children aged 6 to 59 months	Procurement procedures in process 2 SSD and according to orders 01 campaign		

**Global objective #5: Strengthen infectious disease control**

**Program: Health**

Sub-program: Infectious diseases control

<b>Specific objective</b>	<b>Component</b>	<b>Achievements</b>			<b>Indicator</b>	<b>Observations</b>
		<b>Priority Actions</b>	<b>Action Plan</b>			
<b>Reduce by 50% the socio-economic burden of the main infectious diseases including emergent and re-emergent diseases</b>	Malaria control	Strengthening the system to introduce social marketing promoting bed nets in collaboration with PSI and based on the strategy developed by the Ministry of health, especially as regards achieving objectives in accordance with action schedule from 2003 to 2006	<ul style="list-style-type: none"> <li>-Procurement of insecticide impregnated bed nets (IIB)</li> <li>-Social mobilization during the Malaria African Day</li> <li>-Training of trainers at the central level</li> <li>-Refresher training in microscopy for lab assistants in CHD and CHRP</li> <li>-Training of Malaria managers at central and provincial levels</li> <li>-DDT home aspersion campaign in central highlands or in malaria instable zones</li> <li>-12 malaria epidemiological surveillance sites operational in the central highlands</li> <li>-Study on malaria baseline indicators in Madagascar, data analysis and dissemination</li> <li>-Analysis of "Roll Back Malaria" situation in 3 SSD</li> <li>-Study on alternative insecticides for DDT in the Tsiroanomandidy SSD and dissemination of results</li> <li>-Supervision of case management</li> </ul>	<ul style="list-style-type: none"> <li>-46,300 bed nets dispatched in 10 SSD</li> <li>-Celebration in six DPSPF</li> <li>-10 trainers trained</li> <li>-10 lab assistants trained</li> <li>-5 managers being trained</li> <li>- DDT home aspersion campaign in central highlands</li> <li>-12 malaria epidemiological surveillance sites operational</li> <li>-Data collected and results disseminated</li> <li>-Study completed in collaboration with Institut Pasteur de Madagascar</li> <li>- Study on antimalarials' therapeutic efficiency in process</li> <li>- Situation analysis before setting up sites (2SSSD)</li> <li>- 10 SSD and 2 CHRP supervised</li> </ul>		

**Sub-program: Infectious diseases control**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		<p>Leper elimination</p>	<ul style="list-style-type: none"> <li>-Supplying 6 provinces in Polychemotherapy (PCT) – delivery</li> <li>-Social mobilization during the Leper World Day and sensitization in hyper endemic SSDs.</li> <li>-Training on case management for members of the District Management Team (EMAD)</li> <li>-Refresher training on case management for health care providers in the public and private sector</li> <li>-Training in leperology for 1 national manager and 1 regional manager</li> <li>-Refresher training for provincial managers and members of the mobile health teams in clinical leper</li> <li>-Experience sharing on leper surgery between national surgeons from the 6 DPSPF and foreign surgeons</li> <li>-Procurement of vehicles, IT and communication equipments</li> <li>-Recruitment of national consultant for technical support to the leper elimination program</li> </ul>	<ul style="list-style-type: none"> <li>-6 DPSPF supplied and dispatching to SSD in process</li> <li>- Social mobilization during the Leper World Day in Manakavaly and in 3 hyper endemic SSD</li> <li>-45 EMAD members trained</li> <li>-148 health workers trained</li> <li>-1 national manager and 1 regional manager trained</li> <li>-12 provincial managers and 58 mobile health teams members trained in clinical leper</li> <li>-Experience sharing meetings on leper surgery</li> <li>-8 4WD cars, 32 motorcycles, 40 off-road bicycles, 6 computers</li> <li>-National consultant recruited</li> </ul>	
		<p>Filariasis elimination</p>	<ul style="list-style-type: none"> <li>- Mapping SSDs according to their endemic level: village-level survey</li> <li>- Supervision during survey</li> </ul>	<ul style="list-style-type: none"> <li>-145 villages surveyed and supervised</li> <li>-Supervision sessions completed</li> </ul>	

**Sub-program: Infectious diseases control**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		Tuberculosis control	<ul style="list-style-type: none"> <li>-Official launching of social mobilization campaign in 6 DPSPF</li> <li>-Purchasing of tuberculosis treatment kits and supplying regional tuberculosis control centers</li> <li>-Refresher training in national tuberculosis control policy for EMADs in 90 SSD</li> <li>- Refresher training for 16 managers of Diagnosis and Treatment Centers (DTC)</li> <li>-Formative supervision of 36 DTC and 2 Regional Reference Laboratory (RRL)</li> <li>-National monitoring and evaluation review of the tuberculosis control program</li> <li>-Training abroad for 02 RRL managers (Mahajanga and Toliara)</li> </ul>	<ul style="list-style-type: none"> <li>-Official launching of social mobilization campaign in 1 DPSPF (Antananarivo)</li> <li>-Purchasing procedures of 25,400 treatment kits initiated and operation stocks dispatched to 05 regional centers</li> <li>-38 EMAD members trained</li> <li>-14 DTC managers trained</li> <li>-3 DTC and 2 RRL supervised</li> <li>-01 national monitoring and evaluation review organized</li> <li>-02 RRL managers trained</li> </ul>	
		Bilharzias control	<ul style="list-style-type: none"> <li>-Identification of 100 hyper endemic villages, mass treatment and social mobilization on hygiene and sanitation</li> <li>-Equipping the service with IT materials and related</li> </ul>	<ul style="list-style-type: none"> <li>-33 hyper endemic villages identified, and 14,333 target people treated and sensitized on hygiene and sanitation in 5 SSD</li> <li>-Procurement procedures in process</li> </ul>	

**Sub-program: Infectious diseases (continued)**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		Cysticercosis control	Epidemiological survey on taeniasis and cysticercosis around the Mantasoa Lake in 5 schools – Manjakandriana SSD	Survey and social mobilization in 5 schools in Mantasoa	
		Emergent and re-emergent diseases control	Epidemiological investigation survey and results dissemination	30 epidemiological investigations in 8 SSD and case management (measles, diarrhea, and flu syndrome)	
		Plague control	Purchasing and supplying affected SSD with epidemics stocks (drugs and insecticides) Production and dissemination of IEC materials on plague control Follow up and supervision of the plague surveillance system in Antananarivo Strengthening surveillance at borders	Procurement of drugs and 6 affected SSD supplied according to their orders 4,000 guides “Ady amin’ny pesta” 2,000 posters and 12,000 brochures produced and disseminated to DPSPF Follow up of 5 surveillance sites in urban Antananarivo Information note for wide dissemination and application of preventive actions according to multisectoral approach	
		Cholera control	Immunization and prevention	65 international travelers immunized against cholera and 1,027 people from Comoros receiving doxycycline	
		Tungosis control	Procurement of insecticides and implementation of insects –control operations in infested SSD, social mobilization	Procurement procedures initiated	

**Sub-program: Infectious diseases control (continued)**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		Improving the rate of access to excreta disposal infrastructures	<ul style="list-style-type: none"> <li>-Building of 499 family latrines; hand washing infrastructures and latrines in 04 fundamental schools</li> <li>-Building of 91 movable metallic incineration boxes for CSB</li> </ul>	<p>499 family latrines built</p> <p>91 movable metallic incineration boxes built for CSB</p>	<p>Funds freeing procedures initiated for school hands washing infrastructures and latrines</p> <p>Funds freeing procedures initiated</p>
	HIV/AIDS control	<p>Pursuing national HIV/AIDS sensitization and prevention campaign and providing support and care to PLHA in order to reduce morbidity and mortality and improve their quality of life</p>	<ul style="list-style-type: none"> <li>-Setting up 2 VCT centers (Antiranana and Fianarantsoa)</li> <li>-Training service providers in 04VCT centers (Antiranana, Fianarantsoa, Mahajanga, and Toamasina)</li> <li>-Development, validation, and dissemination of the document on Mother-to-Child Transmission Prevention (MCTP)</li> <li>-Training of 17 lab assistants and supplying with reactants in 11 MCTP sites</li> <li>-Setting up 04 new MCTP sites</li> <li>-Refresher training for health workers in 11 SSD on IST management according to the syndromic approach (2,500 guides and 2,500 picture boxes)</li> </ul>	<ul style="list-style-type: none"> <li>-87 kits and 100 HIV capillus tests purchased</li> <li>-14 VCT service providers trained in Mahajanga</li> <li>-MCTP document developed</li> <li>-17 lab assistants trained and 11 MCTP sites supplied with reactants</li> <li>-Midwives' kits and antiretroviral drugs purchased</li> <li>-1,250 guides and 1,250 picture boxes dispatched</li> </ul>	

**Sub-program: Infectious diseases control (continued)**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			<p>Training of health workers in PLHA management</p> <p>Making 13 epidemiological surveillance sentinel sites operational</p> <p>Social mobilization on HIV/AIDS prevention</p> <p>(Celebration of Reproductive Health National Day and HIV/AIDS International Day)</p> <p>Survey on STI and HIV/AIDS transmission and results dissemination</p>	<p>40 physicians and 40 paramedics trained</p> <p>13 sites equipped with RPRO test</p> <p>Survey conducted in 3 SSD and results disseminated</p>	

Global objective #6: Strengthen non infectious diseases control

**Program: Health**

Sub-program: Non infectious diseases control

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
<i>Reduce by 20% the morbidity related to non infectious diseases</i>		<p>Management of blinding cataract cases</p>	<p>Active screening and surgery of cataract cases</p> <p>Development and validation of five-year plan on eye affections control</p> <p>Equipping 2 CHD 2 with materials and consumables for cataract screening and surgery</p>	<p>1,067 surgery</p> <p>Five-year plan developed and validated</p> <p>1 CHD2 equipped with materials and consumables (Sambava)</p>	
		<p>Oral health promotion</p>	<p>46 new operational dental structures built (10 infrastructures accepted, and 36 being built – works started in 2003)</p> <p>Opening of 2 new dental clinics in urban Antananarivo</p> <p>Production and dissemination of Assisted Self-Learning (ASL) modules on oral health</p>	<p>46 new dental structures built (10 infrastructures accepted, and 36 being built)</p> <p>2 new dental clinics operational</p> <p>800 ASL modules produced and dispatched to 21 SSD and 21 CISCO</p>	

**Sub-program: Non infectious diseases control**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			<ul style="list-style-type: none"> <li>-Formative supervision of health workers in 21 SSD and teachers in 21 CISCO</li> <li>-Iodized salt fluoridation project: supplying equipment, consumables, and reactants to 6 saltwork sites</li> <li>-Development, validation, and dissemination of enforcement and control decree on iodized salt fluoridation</li> </ul>	<p>21 SSD and 21 CISCO supervised</p> <p>Procurement procedures initiated</p> <p>Enforcement and control decree on iodized salt fluoridation</p>	
		Drug addiction control	<ul style="list-style-type: none"> <li>-Development, validation, and dissemination of 200 copies of the National Tobacco Control Policy</li> <li>-Celebration of the Tobacco-free World Day</li> <li>-Setting up tobacco control coordination structures at the provincial level (6 provinces)</li> <li>-Development, validation, and production of tobacco-control IEC materials</li> <li>-Development, validation, and production of the guide on drug addiction social and medical management</li> </ul>	<ul style="list-style-type: none"> <li>-National Tobacco Control Policy developed</li> <li>-Celebration of the tobacco-free day on May 28<sup>th</sup>, 2004</li> <li>-Funds freeing procedures initiated</li> <li>-Funds freeing procedures initiated</li> <li>-Funds freeing procedures initiated</li> </ul>	
		Mental health promotion	Procurement of anti-epileptic drugs	Order initiated	Utilization of security stocks

**Sub-program: Non infectious diseases control (continued)**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		<ul style="list-style-type: none"> <li>-Management of disabled people</li> <li>-Improving management of cancers and cardiovascular diseases</li> </ul>	<ul style="list-style-type: none"> <li>-Integrating orthopedic prosthesis materials supplying at central purchase department SALAMA</li> <li>-Equipping 8 laboratories with cervix cancer screening materials and equipment</li> </ul>	<ul style="list-style-type: none"> <li>-Order of orthopedic prosthesis materials at the Central Purchase Department SALAMA for the 6 regional prosthesis center</li> <li>-Procurement procedures launched</li> </ul>	

**COMPLEMENTARY ACTIONS (NOT SPECIFIED IN THE PRSP)**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
<p><b>Improve the performances of the health system</b></p>		<ul style="list-style-type: none"> <li>- Decentralizing the management of community health care centers with training of paramedical staff and redispensing of existing medical staff.</li> <li>-Increasing basic drugs coverage as assessed by trends in the turnover of central purchase department SALAMA</li> </ul>	<ul style="list-style-type: none"> <li>-Ratification and dissemination of regulations on setting up the new version of Users' Financial Participation or FANOME</li> <li>-Management committee at CSB level and guiding committee at CHD level operational</li> <li>-Updating and dissemination of the community activity package</li> <li>-Training of trainers and FANOME managers in 6 DPSFP and training of SSD managers</li> <li>Health District Development</li> <li>-Validation of District Development Plan (PDD) and Annual Working Plans (PTA) of CSB and CHD with decentralized financial management</li> </ul>	<ul style="list-style-type: none"> <li>-Management committees operational in 2,601 CSB and guiding committees in 100CHD</li> <li>-Community activity package updated</li> <li>-Trainers in FANOME trained in 6DPSFP</li> </ul>	
				<ul style="list-style-type: none"> <li>-111 PDD and 111 PTA developed and validated</li> </ul>	

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			<p>Human resources development</p> <ul style="list-style-type: none"> <li>-Staff recruitment through competitive procedures</li> <li>-Learners' recruitment through competitive procedures</li> <li>-Learners' recruitment through competitive procedures (continued)</li> <li>-Official graduation of 15 executive paramedics (1<sup>st</sup> group)</li> <li>-Training of 15 executive paramedics (2<sup>nd</sup> group)</li> <li>-Training and official graduation of 32 public health promotion (1<sup>st</sup> group)</li> <li>-Training in public health of 30 general physician (2<sup>nd</sup> group)</li> <li>-Training in hospital management for 16 administrative staff members (2<sup>nd</sup> group)</li> <li>-In-service training for health executives</li> <li>-Twining the paramedical schools of Antananarivo and Toamasina with the Nursing school of La Réunion</li> </ul>	<ul style="list-style-type: none"> <li>- 142 general physician</li> <li>-150 paramedics</li> <li>-193 administrative staff members</li> <li>-15 learners recruited at the executive paramedics training program</li> <li>-30 learners recruited for the public health specialization program</li> <li>-6 administrative staff members for the hospital management specialization program</li> <li>-Official graduation of 15 executive paramedics (1<sup>st</sup> group)</li> <li>-Training started on May 10, 2004</li> <li>-Training of 32 public health specialists (1<sup>st</sup> group) in process</li> <li>-30 general physician (2<sup>nd</sup> group) for public health program training (in process)</li> <li>-16 administrative staff members (2<sup>nd</sup> group) for hospital management program training (in process)</li> <li>-100 executive trained in 4 themes</li> <li>-Negotiation for partnership agreement completed (trip to La Réunion)</li> </ul>	

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		<p><b>Priority Actions</b></p> <p>Improving service delivery (supplying in drugs, reactants, and medical consumables by central purchase department SALAMA)</p>	<p><b>Action Plan</b></p> <p><b>Availability of essential drugs, medical consumables and lab reactants</b></p> <ul style="list-style-type: none"> <li>-Supplying in essential drugs and medical consumables for 11 SSD and in specific drugs for CHU, CHR (2 deliveries by central purchase department SALAMA)</li> <li>-Supplying of 2 CHU, 4 CHR, 100 CHD in films and commodities for medical imaging, lab reactants, and medical consumables</li> <li>-Updating flowcharts for CSB, CSB2, and CHD</li> <li>-Training of health workers in 46 SSD in drugs management</li> </ul> <p><b>Blood transfusion security</b></p> <ul style="list-style-type: none"> <li>-Supplying the Blood Transfusion Service, 5 regional centers, and 32 blood transfusion posts with reactants and consumables as part of the blood transfusion security</li> <li>-Promotion and maintaining regular blood givers</li> </ul>	<p><b>Indicator</b></p> <ul style="list-style-type: none"> <li>-Procurement procedures initiated (distribution, order and deliveries by SALAMA- in process)</li> <li>- Procurement procedures initiated (distribution and order)</li> <li>-Flowchart updated, duplicated, and disseminated to the 6 DPSPF and health workers in 23 SSD trained in drugs management</li> </ul>	
				<p><b>Indicator</b></p> <ul style="list-style-type: none"> <li>-Procurement procedures initiated (distribution, orders)</li> <li>-3,296 blood givers</li> </ul>	

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			<p>Drugs quality control</p> <ul style="list-style-type: none"> <li>- Inspection of 65 pharmaceutical enterprises</li> <li>- Procurement of lab materials, consumables and reactants for the Drugs Quality Control Laboratory (LCQM)</li> <li>- Analyses of the active principles of drugs at LCQM</li> <li>- Registering drugs newly-authorized on the market</li> </ul> <p>Food commodities quality control</p> <ul style="list-style-type: none"> <li>- Inspection of 60 food processing plants</li> <li>- Performing 1.000 physico-chemical, biological, and toxicological analyses on food commodities</li> <li>- Development, validation and dissemination of regulations on dairy products and the oil sector</li> </ul>	<ul style="list-style-type: none"> <li>-35 enterprises inspected</li> <li>-Lab materials, consumables and reactants purchased</li> <li>-10 analyses of drugs active principles at LCQM and 8 analyses sub-contracted</li> <li>-166 authorizations for sales on market delivered</li> </ul>	
				<ul style="list-style-type: none"> <li>-59 plants inspected</li> <li>-688 physico-chemical, biological, and toxicological analyses on food commodities</li> <li>-Regulations developed and validation in process</li> </ul>	

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			<ul style="list-style-type: none"> <li>Production of massive solutes</li> <li>-Quality control on 293,000 vials of massive solutes</li> <li>-Production of 320,000 vials of massive solutes in compliance to international standards</li> <li>-Maintenance and renovation of 50 massive-solutes production machines</li> <li>-Supplying health facilities with 322,000 vials of massive solutes</li> <li>-Procurement of raw materials and packaging materials for massive solutes</li> <li>-Training in massive solutes management and storage conditions</li> </ul>	<ul style="list-style-type: none"> <li>-173,231 massive solutes vials checked in compliance to international standards</li> <li>-136,362 massive solutes vials produced in compliance to international standards</li> <li>-38 massive solutes production machines with maintenance</li> <li>-97,597 massive solutes vials delivered to health facilities</li> <li>-Raw materials and packaging materials for massive solutes purchased</li> <li>-4 managers trained in massive solutes management and storage conditions</li> </ul>	
			<p><b>Promotion of traditional pharmacopoeia</b></p> <ul style="list-style-type: none"> <li>-Procurement of IT materials and related for the Traditional pharmacopoeia service</li> <li>-Planting 400 medicinal plants</li> <li>-Training of 15 traditional healers on medicinal plants conservation</li> </ul>	<ul style="list-style-type: none"> <li>-Procurement procedures in process</li> <li>-400 ravitsara plants and 200 Artemsia plants planted</li> <li>-15 traditional healers trained on medicinal plant conservation</li> </ul>	

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		Increasing the population access to quality services	<p><b>Improving the technical tray of referral hospitals</b></p> <ul style="list-style-type: none"> <li>-Rehabilitation and equipment of the surgical unit in CHRP (Antsiranana)</li> <li>-Building 5 laparo-C-section units</li> <li>-Rehabilitation of 2 CHD2</li> <li>-Supplying 7 CHD2 with technical equipment</li> <li>-Recruiting UN volunteers (11 surgeons, 22 anesthesia and resuscitation specialists)</li> <li>-Initial training of 20 surgeons and 20 nurses specialized in anesthesia</li> <li>-Development and validation of the Hospital Institution Project (PEH) in 4 CHR and 22 CHD2</li> <li>-Development, validation, and dissemination of 200 copies of the guides on universal precautions in infection prevention and standard nursing care</li> </ul>	<ul style="list-style-type: none"> <li>-Surgical unit in CHRP being finalized and equipment being purchased</li> <li>-Building being finalized and equipment purchased</li> <li>-01 CHD2 (Vatomandry) being rehabilitated</li> <li>-Procurement procedures in process</li> <li>-1 surgeon and 1 medical anesthesia specialist recruited</li> <li>-Procurement procedures initiated</li> <li>-PEH developed and validated</li> <li>- Guides on universal precautions in infection prevention and standard nursing care developed, validation in process</li> </ul>	
			<ul style="list-style-type: none"> <li>Quality basic care</li> <li>-Development, validation, and dissemination of the guide on the competencies of the District Management Team (EMAD)</li> </ul>	<ul style="list-style-type: none"> <li>-Guide on the competencies of the District Management Team (EMAD) developed and validated</li> </ul>	

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			<ul style="list-style-type: none"> <li>-Training of EMAD members in additional budget to solve bottleneck in 24 SSD</li> <li>-Rehabilitation of 100 CSB</li> <li>-Supplying 100 CSB with basic medical equipment</li> <li>-Equipping CSB with vehicles</li> <li>-Procurement of 323 BLU for CSB</li> <li>-Procurement of 323 solar panels for CSB</li> <li>-Regularization of land ownership transfer to MoHFP for the plots where CSB stand</li> </ul>	<ul style="list-style-type: none"> <li>-EMAD members in 05 SSD trained in additional budget to solve bottleneck</li> <li>-2 CSB rehabilitated</li> <li>-Procurement procedures initiated</li> <li>-408 off-road bicycles delivered in 25 SSD</li> <li>-Procurement procedures initiated</li> <li>-Procurement procedures initiated</li> <li>-9 properties transferred to MoHFP</li> </ul>	
			<p><b>Mobile Health Teams (ESM)</b></p> <ul style="list-style-type: none"> <li>-Equipping 23 mobile health teams with working tools</li> <li>-Equipping mobile health teams with vehicles</li> <li>-Carrying out field activities in remote areas of the 22 regions</li> <li>-Formative supervision of the 23 mobile health teams</li> <li>-Refresher training for members of 23 mobile health teams</li> </ul>	<ul style="list-style-type: none"> <li>-67 medical equipment kits procured</li> <li>-221 field visits by 22 ESM</li> <li>-67 field visits by 14 ESM</li> <li>-14 ESM supervised (30 sessions of formative supervision)</li> <li>-Refresher training conducted for members of 11 ESM</li> </ul>	

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			<p>School Health</p> <ul style="list-style-type: none"> <li>-Development, validation, and production of Assisted Self-Learning (ASL) modules on School Health for health workers, teachers and school communities</li> <li>-Refresher training for 6 focal points from 6 DPSPF on school health</li> </ul>	<ul style="list-style-type: none"> <li>- 3 ASL modules on health school developed, validated, and produced in 600 copies</li> <li>- 4 focal points from 6 DPSPF trained in school health</li> <li>- 76 SSD affected by cyclone Elita and Gafilo supplied with drugs, emergency kits, and food commodities</li> </ul>	
	Improving poor people access to the health system		<p>Natural disaster management</p> <ul style="list-style-type: none"> <li>-Supplying disaster-affected SSD with drugs, emergency kits, and food commodities</li> </ul> <p>FANOME</p> <ul style="list-style-type: none"> <li>-Ratification and dissemination of regulation on enforcing the new version of Users' Financial Participation of FANOME</li> <li>-Application of FANOME in all CSB</li> <li>-Availability of equity funds to pay for the indigents</li> <li>-Training of trainers for FANOME managers at the 6 DPSPF and 111 SSD</li> <li>-Updating and dissemination of the community activity package</li> </ul>	<ul style="list-style-type: none"> <li>-Regulation on FANOME ratified and disseminated</li> <li>-FANOME operational in all CSB</li> <li>-Equity funds to pay for indigents available from 3% of income (bank and sales)</li> <li>-FANOME managers at the 06 DPSPF trained – training in process for managers at 111 SSD</li> <li>-Community activity package updated and disseminated</li> </ul>	

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		Improving the health information management system for periodic monitoring of health indicators (immunization coverage rate...)	Health Information Management System -Publication of statistics yearbooks for 2002 and 2003 -Decentralization of health mapping to the 06 DPSPF	-2002 and 2003 Yearbooks being printed -Survey form for updating health map developed	
			Monitoring and evaluation system Development of a computerized monitoring and evaluation tool	-Service providers identified and development in process	
			<b>New Information and Communication Technologies</b> -Updating the MoHFP website -Installing computer network between 6 central sites	-MoHFP site updated -Procedures for firm recruitment (sub-contracting) initiated	
		Evaluation of the humanitarian cost recovery system	-Situation analysis, analysis and dissemination of results of the different experiences on mutual insurance and proximity partnership in the 111 SSD	-Forms dispatched to the 111SSD and analysis scheduled for July	

STRATEGIC FOCUS #3: FOSTER AND PROMOTE HUMAN AND MATERIAL SECURITY AND SOCIAL PROTECTION SYSTEMS

Global objective #3: Strengthen infectious disease control

Program: Health

Sub-program: HIV/AIDS control

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
1. Strengthen the institutional framework of HIV/AIDS control	1.1. Making decentralized structures operational	The annual work plan 2004 of the national HIV/AIDS control committee (CNLS) executive secretariat is developed and validated. Its component related to the Multisectoral Project for the Prevention of STI/HIV/AIDS (PMPS) received non objection by the World Bank.	-Annual work plan of CNLS' executive secretariat and PMPS -Recruitment of 05 directors for provincial HIV/AIDS control coordination office (BCP) in 5 provinces -Equipping and installing BCP in Toamasina -Setting up Local HIV/AIDS Control Committees (CLLS) -Setting up and launching operation of MCTP sites	Annual work plan developed and validated  Completed  6/6 BCP set up and equipped 90/200 CLLS set up and operational  -12 set up and 2 operational	
	1.2. Support to structures		19 TC operational and supporting CLLS  Equipping and launching operations of CT/UCL in 20 high-risk zones	19/20 TC set up and operational  3/20 TC equipped with vehicles and office furniture (IT materials)	

Sub-program: HIV/AIDS control

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	1.3. Implementing the process to develop local responses to HIV/AIDS		Self-evaluation of CLLS' skills	31/90 CLLS completed evaluation	
2. Improving strategic, policy, and legal environment at all levels	2.1. Supporting the promulgation and enforcement of laws related to HIV/AIDS	Bill on HIV/AIDS propagation and fight against stigmatization and discrimination	-Finalization of Bill on HIV/AIDS and law -Development of master plan for drugs -Development of guides on VCT, MCTP, PLHA management -Definition of the national strategy for condom planning	Bill available	
	2.2. Promoting the multisectoral approach		-Support to the development of 8 sectoral strategies, 4 consultants for development of the 4 other sectoral strategies (recruitment in process), health sector in process Finalization of the strategic framework for HIV/AIDS control in the security sector 20 CLLS developing and validating their local plans for HIV/AIDS control (PLLS)	-3/9 sectoral strategies available - Strategy for formal work published *  20/200 PLLS developed	

**Sub-program: HIV/AIDS control**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
3. Ensure planning, coordination, and monitoring of the national response	3.1. Facilitate information sharing		<ul style="list-style-type: none"> <li>-Organizing a partners' meeting</li> <li>-Drawing a synoptic file including characteristics in relationship to HIV/AIDS for each commune</li> <li>-Strengthening HIV/AIDS control monitoring and evaluation</li> </ul>	<ul style="list-style-type: none"> <li>-One meeting organized for the publication of 2003 annual activity report and 2004 action plan</li> <li>-Synoptic files available</li> <li>-Structures at provincial level and for 20 high-risk zones</li> <li>-Database operational</li> </ul>	
	3.2. Set up second generation surveillance		Preparing the behavioral survey	Behavioral surveillance survey started	
	3.3. Develop and disseminate quarterly activity reports on HIV/AIDS control at all levels		BCP made operational as regards the use of the monitoring and evaluation manual	3 reports developed, available and disseminated for 2003	Annual report Follow up report for the implementation of the Strategic National Plan Report of the National Forum For quarterly reports in 2004, a deadline to fill in the monitoring form will be set with partners
4. Improve operational capacity as regards IEC on HIV/AIDS control	4.1. Participatory approach		Finalization of the National Communication Strategy Document		
	4.2. Strengthening of national and local communication capacity		Setting up a mechanism for mass communication country-wide	4 cinemobile units available, 3,000 winding radios distributed in 6 pilot sites	

Sub-program: HIV/AIDS control

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	4.3. Encourage commitment of opinion leaders	Advocacy, partnership, and alliances	35 projects of Protestant Church (FJKM) – 17 projects of Lutheran Church (in process) Projects with Catholic and Anglican Churches being negotiated; Advocacy sessions for authorities, (PDS, Member of Parliament, Mayors, etc.); project proposal being developed, agreement protocols with owners of show rooms, theaters and stadiums. Agreement signed with Antsahamanitra, negotiation in process with Ministry of Youth and Sports (Palace of Sports and Culture), Witnessing by PLHA, circumstance-appropriated witnessing		
5. Increase Malagasy households' knowledge of HIV/AIDS	5.1. Mass information and sensitization campaign		-Terms of reference for the consortium in charge of implementing the "Communication Strengthening" project  -Monthly broadcasting of "Malagasy Matrika ny SIDA" (Malagasy facing AIDS)  -Organizing HIV/AIDS Forum	-10,823,057 condoms distributed -12 TV movies on different topics written and produced in Madagascar's 6 provinces -Four 504) TV spots (different topics)	

**Sub-program: HIV/AIDS control**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
6. Improve national and local responses to HIV/AIDS	6.1. Facilitate proximity actions as part of local responses		Build the capacity of NGOs and associations	407 NGOs funded by PMPS	
	6.2. Reduce mother-to-child transmission		Develop, validate, and disseminate the national policy for mother-to-child transmission prevention	National policy document available and widely disseminated	
7. Ensure availability and accessibility of health care and case management	7.1. Build staff capacity	Basic training in HIV/AIDS management	- Training of public and private service providers in medical management of HIV/AIDS	328 health facilities 381 physicians 93 health workers 4 physicians in antiretroviral drugs	
	7.2. Support the development of reference guides for service providers	Validation of the guide on universal precautions and the guide on standard care good practices	Validation workshop for the two guides on March 16 to 19, 2004	2 guides on universal precautions validated	
	7.3. Supplying health facilities with medical products and consumables	Therapeutic management of PLHA	Management of PLHA Counseling and psychosocial support for PLHA	-16 people treated in La Réunion thanks to the RIVE association, 15 being followed up in Antananarivo -2 associations set up -25 counselors trained -4 NGOs funded	
		Setting up Voluntary Counseling and Testing center and Voluntary and Anonymous Diagnostic Center (CDaV)	Supervision of VCT by Ministry of Health	3/6 VCT installed (Antananarivo, Toamasina, Mahajanga) 12 CDaV in 6 provinces 10 screening units set up (NGOs)	

**Sub-program: HIV/AIDS control**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
		Supplying with antiretroviral drugs	Contribution of UNICEF, RIVE Association, AXIOS initiative "affordable costs for drugs" Promotion of CURA7	500,000 CURA kits and 160,000 GENICURE	
		Experience sharing in the area of STI/HIV, identification of areas of partnership with Malagasy Government for case management	STI/HIV symposium with the Necker hospital, Ministry of Health, Medical School of Antananarivo, and Executive Secretariat/CNLS (April 6, 2004)		
<b>8. Ensure technical and financial resources mobilization</b>	8.1. Promotion of partnerships		USD 13 millions freed by Global Funds, available starting on September 2004 and covering 2 years  Credit agreement from 3 <sup>rd</sup> round of Global Fund	Funds available starting on September	SE/CNLS appointed by Government and approved by Global Fund to manage the USD13 millions fund for 2 years
		Blood transfusion security	Enforcement of the national blood transfusion policy as regards HIV/AIDS/syphilis/Hepatitis		
			Blood test	15,203 blood pockets tested	
	8.2. Funds mobilization for monitoring and evaluation		Implementation of 2 <sup>nd</sup> generation surveillance: behavioral component and biological component	Second generation surveillance protocol validated	

STRATEGIC FOCUS #3: FOSTER AND PROMOTE HUMAN AND MATERIAL SECURITY AND SOCIAL PROTECTION SYSTEMS  
 Global objective: Rapidly increase the proportion of the population having access to efficient and sustainable clean water and sanitation services  
**Program: Water and sanitation**  
**Sub-program: Water**

<i>Specific objective</i>	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
<i>Improving the rate of access to clean water</i>	Clean water supplying and sanitation in rural areas	Increasing the number of the population having access to clean water and sanitation	<ul style="list-style-type: none"> <li>-Building of positive drillings and gravity water supplying systems</li> <li>-Signing 11 contracts for clean water supplying</li> <li>-Call for bids document for building pipeline</li> <li>-Call for bids document for procurement of pumps</li> <li>-Increase the number of users from 300 to 350</li> </ul>	97 drillings completed, 23 water supplying system built In process  Published on May 14, 2004 At the CCM level	
	Ground water utilization project in the south western region	Improving the rate of access to clean water	-Building 11 drillings equipped with man-powered pumps in three villages	Taolagnaro (115%), Ambositra (134%) and Tsiroanomandidy (114%)  16/59 drillings	
	Pilot Project for Clean Water Supplying and Sanitation in rural areas		<ul style="list-style-type: none"> <li>-625 drillings</li> <li>-345 gravity water supplying systems</li> </ul>	-59 drillings, that is a total of 515 of positive drillings out of 625 scheduled  - 6 gravity water supplying systems, that is a total of 286 out of 345 scheduled	

**Sub-program: Water**

<i>Specific objective</i>	<b>Component</b>	<b>Achievements</b>		<b>Indicator</b>	<b>Observations</b>
		<b>Priority Actions</b>	<b>Action Plan</b>		
<i>Improving the rate of access to clean water</i>	Legal and institutional framework for water and sanitation	Setting up a new legal and institutional framework	-Development of sanitation policy - Development of regulations	Completed -Publication of 13 enforcement decrees for Water Code, including setting up ANDEA, clean water and sanitation policy for urban areas, and master plan for urban development WASH initiative declared and being disseminated to provinces -Decree on sector reform adopted -16/59 drillings	
	Ground water utilization project in the south western region	Improving the rate of access to clean water	- 11 drillings equipped with man-powered pumps in 3 villages		

Sub-program: Sanitation

<i>Specific objective</i>	<b>Component</b>	<b>Achievements</b>		<b>Indicator</b>	<b>Observations</b>
		<b>Priority Actions</b>	<b>Action Plan</b>		
<i>Increasing the rate of access to excreta disposal infrastructures</i>			-Building of social and school latrines	1,903 built	

STRATEGIC FOCUS #3: FOSTER AND PROMOTE HUMAN AND MATERIAL SECURITY AND SOCIAL PROTECTION SYSTEMS

Global objective: Reduce social exclusion in the rapid and sustainable development process

Program: **Reduce social exclusion in the rapid and sustainable development process**

Sub-program: *Illiteracy elimination*

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
<b>Scale up illiteracy elimination</b>	Education for All (non formal education, illiteracy elimination, adult education)		<p><u>In 2003</u></p> <ul style="list-style-type: none"> <li>-Development of National Non Formal Education Policy</li> <li>-Training in pre-school education (kindergarten)</li> <li>-Development of a teaching kit</li> <li>-Supervision of children as part of DiJE</li> <li>-Illiteracy elimination among adults</li> <li>-Dissemination of reading textbooks for adults</li> <li>-Training organized</li> </ul> <p><u>In 2004</u></p> <ul style="list-style-type: none"> <li>-Organizing an intensive functional illiteracy elimination campaign</li> <li>-Pursuing the training of literacy agents</li> <li>-Making illiteracy elimination sites operational</li> <li>-Building technical capacities of EFAMIS users</li> <li>-Mid-term evaluation</li> </ul>	<ul style="list-style-type: none"> <li>-Adopted and made concrete through decree in 2003</li> <li>-246 educators trained</li> <li>-1,000 children supervised in 14 sites</li> <li>-6,500/1,300 trained and 4,900 new learners identified in 140 sites</li> <li>-5,000/4,000 reading textbooks and 2,5000/4,000 math textbooks edited and disseminated</li> <li>-759 trainers and 870 polyvalent center managers trained</li> <li>-3/4 training sessions</li> </ul>	

Sub-program: Security net and social protection

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
<b>Set up a social protection system for vulnerable and marginalized groups</b>	Relocation and social integration of homeless and rural households		<ul style="list-style-type: none"> <li>-Relocation of homeless people</li> <li>-Training households on agricultural techniques</li> <li>-Psychological preparation of households</li> <li>-Social supervision</li> <li>-Housing for households</li> </ul>	<ul style="list-style-type: none"> <li>-1,000 households relocated and socially integrated in 5 new production zones in 2003</li> </ul>	
			<ul style="list-style-type: none"> <li>-Social integration of households</li> </ul>	<ul style="list-style-type: none"> <li>Prototype procured</li> <li>CBD in preparation</li> </ul>	
				<ul style="list-style-type: none"> <li>27 families representing 113 people relocated from the homeless of Ambohidratrimo to Ankarafeno in 2004</li> </ul>	

*Sub-program: Security net and social protection (continued)*

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	Strengthening of activities in drought-affected regions in the South and support to households affected by cyclones Elita and Gafilo		<p>Distribution of food commodities, blankets, and basic commodities</p> <p>Support in conducting Income Generating Activities (IGA)</p> <p>Follow up of the project supporting populations affected by famine (Kere)</p> <p>Distribution of food commodities</p>	<p>-1,000 households supported in conducting IGA in partnership with OTIV in 2003</p> <p>-3 resources centers and 10 bridging centers operational in 2003</p> <p>-3 support centers in 5 famine-affected sites (managed by 3 NGOs)</p> <p>-Follow up of the support project</p> <p>Tanadava and Antsovela</p> <p>-Sewing, vegetable gardens, 28 bags of rice, sales of basic commodities</p> <p>Amboanaivo</p> <p>-Brick making, turkey and local hen farming, sales of basic commodities, 38 bags of rice</p> <p>Imongo</p> <p>-Brick making, weaving, turkey and local hen farming, sales of basic commodities, 34 bags of rice</p> <p>Job sectors identified</p> <p>CBD in process for Toliara and plot identified for Antsiranana</p>	
	Program in Support of social and economic integration (PAISE)		<p>Identification of job sectors to be developed</p> <p>Building resource centers</p>		
	Institutional capacity building		<p>Building and rehabilitation</p>	<p>CBD preparation in process</p> <p>Feasibility and technical studies of SO restoration in process</p>	

*Sub-program: Security net and social protection (continued)*

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	Setting up a social protections system		-Development of national social protection strategy document	Setting up thematic groups Organizing regional workshops in Toliara and Antsirabe and National Enrichment Workshop for validation Presentation of the planned strategy in Helsinki	
	Child rights and protection		-EKA program  -Development of bills  -Refresher training of educators in training centers -Networking for social protection in view of protecting children against sexual abuse	-Implementation of the program in 7 big urban centers and Marovoay -Official start up of the project at lavoloha Palace for 2,500,000 children -5 bills related to international adoption, child refugees, and war orphans -40 educators trained  -20 interveners and 100 people in network -11 foster homes benefiting from funds transfer -200 trainers trained -7 documents disseminated -17,440 people sensitized	
	Senior people		-Setting up and disseminating the Green Card system  -Support to senior people	-62 agreements signed with civil society for 6,500 beneficiaries in 16 communes and 18 associations -13 groups in 13 communes benefiting from IGA -7 groups trained in management and IGA -2 meeting centers inaugurated	
	Disabled people		-Development of bills -Support to disabled people	-Finalization of bill in process -Ten-year action plan developed -209 children supported while remaining in their homes -3 sites operational in 2 communes -120 community-based re-adaptation agents -14 centers supported	
	Vulnerable women		-Sensitization and support	-5,000 brochures on the law against sexual abuse and 3,000 brochures on violence on women disseminated -2 refuge-counseling centers opened	

**Sub-program: Security net and social protection (continued)**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	Institutional support to interveners		<p>-Support and advice to intervention structures</p> <p>-Making operational the Center of Development Analysis and Prospective</p>	<p>-200 yearbooks of NGOs disseminated</p> <p>-12 regional NGO advisor operational</p> <p>-12 bipartite approval issuance committees operational</p> <p>-Approval procedures in process for 520 NGOs</p> <p>-195 NGO managers, 360 support officers, 161 development workers, 25 technicians trained in social development</p> <p>-30 presidents from hydraulic network users' associations sensitized under the ZDRI</p> <p>-1 social and economic promotion center equipped</p> <p>-40 researches trained and 5 quantitative studies completed</p>	

**Sub-program: Population and gender**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		

<p><b>Promote gender culture and integration of population for gender in programs and projects</b></p>	<p>Women empowerment and family life education</p>		<p>-Dissemination of the PANAGED document          -Sensitization on gender and local development          -Follow up and supervision of IGA groups</p>	<p><u>In 2003</u>          -Parental training module developed          -500 documents and 1,500 brochures on National Women Empowerment Policy disseminated (PNPF), 50 documents on PANAGED and 214 Miralenta documents          -6 action plans on gender and development disseminated          -6 advocacy workshop completed          -50 trainers benefiting from refresher training on family life education  <u>In 2004</u>          -265 documents and 1000 brochures disseminated          -52 female mayors, 4 journalists, and 10 female students          -43 groups targeted</p>	
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**Sub-program: Population and gender (continued)**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	<p>Strengthening of national consensus on PNP</p>		<p>Organizing awareness-raising workshops            Initiation on techniques to mainstream population/gender/AIDS in plans and programs</p>	<p>-2 studies on population and development completed            -National action plan on gender and development adjusted and validated            -500 mainstreaming manuals disseminated            -2,278 members of women associations and groups trained in gender in 2003            -49 trained in the pilot area of Alaoira in 2004            -120 communal and regional officials sensitized in mainstreaming techniques</p>	
<p><b>Promote and develop leisure for all</b></p>			<p>Rejuvenating mass leisure activities</p>	<p>250 participants to the biking promotion            Information sharing</p>	

STRATEGIC FOCUS 3: FOSTER AND PROMOTE HUMAN AND MATERIAL SECURITY AND SOCIAL PROTECTION SYSTEMS

Global objective: Reduce social exclusion in the rapid and sustainable development process

Program: **Social exclusion reduction and Social Protection**

Sub-program: **Security net and social protection (SEECALINE)**

Specific objective	Component	Achievements			Indicator	Observations
		Priority Actions	Action Plan			
<i>Improve the nutritional status of under 3 children, primary school students, and pregnant and breastfeeding women in the project target zones.</i>	Community-based nutrition project (CBNP)	Reduce by 30% the proportion of under-3 children with low-weight	-Number of Fivondronana reached  -Number of sites reached  -Number of children weighted -Supplementation with flour for malnourished children -Supplementation with flour for pregnant women -Vitamin A distribution		62/56  3,606/4,040 including 3,459 regular CBNP and 147 CBNP in urban areas 664,226 264,531 50,976  602,441 children aged 6 to 36 months 157,413 breastfeeding women	
		Reduce by 30% the proportion of children under 3 and breastfeeding women (within 8 weeks after delivery) with vitamin A deficiency	-Deworming of children aged 1 to 3 years and pregnant women -Welfare funds		421,100 children and 32,810 women 691	

**Sub-program: Security net and social protection (SEECALINE)**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	School Nutrition Program	Reduce by 25% the proportion of primary school students with iron-deficiency anemia Reduce by 25% the rate of helminthiasis among children in and out of school	-Deworming of children in and out of the school setting -Supplementation in iron folate  -Promotion of iodized salt consumption -Welfare funds	1,500,786 children in school and 1,061,251 children out of school 1,450,536 students  8,572 schools 433	
	Information, Education, Communication Security net		-Training of interveners on nutrition communication techniques  -Community work Cash and Food-for-Work (in average, one person receives MGF193,203 and 22kg of rice for 20 working days) -Support to social centers	203 NGO, 3,606 community-based nutrition workers, 253 GVC, 404 animators and 25,689 teachers 96,363/102,231 beneficiaries 1,904,751/1,934,330 jobs created 107 communes and 529 fokontany reached 527 centers supported 4,136,436/3,324,950 rations distributed 119,911/58,466 beneficiaries 1,153 tons of rice, 115 tons of beans, and 61,510 liters of oil distributed	

STRATEGIC FOCUS 3: FOSTER AND PROMOTE HUMAN AND MATERIAL SECURITY AND SOCIAL PROTECTION SYSTEMS

Global objective: Reduce social exclusion in the rapid and sustainable development process

Program: **Social exclusion reduction and Social Protection**

Sub-program: **Security net and social protection (CCPREAS)**

<i>Specific objective</i>	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
<b>Poverty reduction and improvement in vulnerable groups' living conditions</b>	Project co-managed with FID	Water supplying, rehabilitation of rural roads and irrigation systems	<ul style="list-style-type: none"> <li>-Sensitization and information campaign among churches</li> <li>-Visits and technical control of works sites</li> <li>-Implementation of 677 projects in 2003</li> </ul>	3 millions persons/day benefiting from additional income through the HLI system	July to December 2003
	Projects funded by HIPC		<ul style="list-style-type: none"> <li>-Injecting funds in vulnerable group households:</li> <li>-Creating complementary and income-generating activities in rural areas</li> <li>-Building and rehabilitating social buildings of churches</li> </ul>	MGF1.4/1.5 billions  Number of beneficiaries: 138,726/100,000 persons/day  15 rehabilitation including Vatomandy after cyclone Manou and faith-based training centers (Catholic, Protestant, Lutheran, and Evangelical)	July-December 2003  July-December 2003  July-December 2003

**Sub-program: Security net and social protection (CCPREAS)**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
			-Rehabilitation and restoration of basic infrastructures	<ul style="list-style-type: none"> <li>26/30 works sites using HLI system</li> <li>-57.575m of dirt road</li> <li>-02 washhouse</li> <li>-2,160m of alleys in stonework</li> <li>-1,405m of cobbled street</li> <li>-41,580m of dirt channels</li> <li>-1,975m of stonework channels</li> <li>-35 minor constructions</li> <li>-05 garbage cans</li> <li>-26 bridges</li> <li>-01 dam rehabilitated</li> </ul>	July-December 2003
			-Improving clean water supplying in rural areas	<ul style="list-style-type: none"> <li>-08 clarification pools</li> <li>-05 works around springs</li> <li>-3,550m of water supplying network</li> <li>-4,230m of water distribution network</li> <li>-03 reservoirs</li> <li>-21 fountains</li> </ul>	July-December 2003
			-Other actions	<ul style="list-style-type: none"> <li>Equipping nursery (urban Antananarivo)</li> <li>Equipping SP FJKM (Vatomandry) with 30 bicycles</li> <li>Participation to building the SHALOM ship (Lutheran church) in Mahajanga</li> </ul>	July-December 2003

STRATEGIC FOCUS 3: FOSTER AND PROMOTE HUMAN AND MATERIAL SECURITY AND SOCIAL PROTECTION SYSTEMS

Global objective: Reduce social exclusion in the rapid and sustainable development process

Program: **Social exclusion reduction and Social Protection**

Sub-program: **Security net and social protection (FID)**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
Satisfaction of beneficiaries and good use of social and economic services provided by sub-projects	Community projects	<ul style="list-style-type: none"> <li>-Completion of 450 projects per year</li> <li>-Community participatory contribution (5% for rural dirt roads, 10% and more for other infrastructures)</li> <li>-Implementation of priority components of Communal Development Plans (PCD) in at least 70% of communes and community</li> <li>-Maintenance and use of at least 80% of infrastructures one year after being operational</li> </ul>	<ul style="list-style-type: none"> <li>-Priorizing actions included in PCD</li> <li>-Mobilization of beneficiaries' contribution</li> <li>-Publishing calls for bids</li> <li>-Implementing works</li> <li>-Management, maintenance, and protection of infrastructures</li> </ul>	493 in 2003 and 341 in 2004 (Schools: 519; Health 138; AEP: 42; MPI: 8; Markets: 50; Rural roads and construction works: 77 and 1 abattoir)	
	Cyclone damages	<ul style="list-style-type: none"> <li>Intervention per priority Highly affected regions Affected regions</li> </ul>	<ul style="list-style-type: none"> <li>Rehabilitation and rebuilding of basic infrastructures</li> </ul>	1,499 works in process	
	Education For All (in partnership with MENRS)	<ul style="list-style-type: none"> <li>-Building 1,400 classrooms made up of modular and industrial components</li> <li>-Equipping with furniture and solar panels</li> <li>-Building of lodgings, offices, and water points</li> </ul>	<ul style="list-style-type: none"> <li>Priorization according to MENRS criteria</li> <li>Publication of international call for bids</li> <li>-Implementation of works</li> <li>-Management, maintenance, and protection of infrastructures</li> </ul>	<ul style="list-style-type: none"> <li>Classrooms equipped: 2/1,400</li> <li>Schools: 1/312</li> <li>Lodgings: 180 contracts in process</li> <li>SME trained: 243/300</li> <li>SME awarded a contract: 50/80</li> </ul>	

**Sub-program: Security net and social protection (continued)**

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
	Direct Funding of Communes (DFC)	<ul style="list-style-type: none"> <li>-Proposed list of 10 communes per province for DFC funding in 2004</li> <li>-2<sup>nd</sup> agreement for DFC in 2003</li> <li>-3<sup>rd</sup> agreement for DFC in 2002</li> </ul>	Funding of communes	117 communes funded in 2003, awaiting results of external evaluation of 2002 DFC for 2004	
	Capacity building	<ul style="list-style-type: none"> <li>-Setting up project units</li> <li>-Training of Communal Development Committee members</li> <li>-Training of partners (SME, consultant firms, relay partners)</li> </ul>	<p>Training and support</p> <p>IEC program</p> <p>Dispatching 2004 annual work plan according to cyclone damages (in process)</p> <p>Implement initiated works</p>	931 communes and associations implementing their PCD priority components; 20 training series for partners, 640 training for communes; 945 support to associations and project units 776 IEC	
	Social protection	<ul style="list-style-type: none"> <li>Initiate social protection work</li> <li>Signing agreements with implementing agencies</li> </ul>	Implement initiated works	685 in 2003 (4,066,847 persons/day of work) 928 agreements in 2004	

STRATEGIC FOCUS 3: FOSTER AND PROMOTE HUMAN AND MATERIAL SECURITY AND SOCIAL PROTECTION SYSTEMS

Global objective: Promote cultural diversity

Program: Cultural diversity

Sub-program: Youth and sports

Specific objective	Component	Achievements		Indicator	Observations
		Priority Actions	Action Plan		
<i>Healthy and efficient administrative management</i>			Staff redispaching Staff training	Finalization of staff listing Identification of training needs Restitution of audit results	
<i>Making of Madagascar a genuine sports' country</i>			Building/completion of sports infrastructures	Toliara: lawn for the Master Kira stadium Call for bids published for the Gymnasium Fianarantsoa: budget commitment and liquidation of the SARA enterprise Ambohidratrimo: at CCM level	
			Building/completion of sports infrastructures	Identification of sites and budget allocation Identification of works per site	
			Promotion of sports for the well-being of all	23 neighborhood sports animators trained 20 senior trainers at the national gendarmerie trained	
			Rejuvenating traditional sports activities	Organizing traditional sports festivals in Toliara, Antsiranana, Mahajanga	
			Preparation for the Olympic Games and the CSJOI games	Organizing Savika in Ambositra Qualifying athletes and teams Granting preparation indemnifications to athletes and supervisors Accreditation of participants	

*Sub-program: Youth and sports (continued)*

<b>Specific objective</b>	<b>Component</b>	<b>Achievements</b>		<b>Indicator</b>	<b>Observations</b>
		<b>Priority Actions</b>	<b>Action Plan</b>		
<b>Preparation of the Malagasy Youth to be educated, healthy, and productive</b>			<p>Strengthening reception and animation infrastructures for youth</p> <p>Equipping structures for youth</p> <p>Consolidating ARH activities</p> <p>Officializing the National Youth Policy</p> <p>Social and economic orientation of youth</p>	<p>Identification of works in 39 youth houses</p> <p>ARH sites in Manakara, Mananjary, Faratsiho and Ambatondrazaka equipped</p> <p>Managers of 6 new sites trained</p> <p>Grouping and training of physicians</p> <p>Finalization of bill with Government approval</p> <p>Regularization of administrative situation of FIJ projects (CONFES)</p>	
<b>Efficient use of ICT in administration</b>			<p>Setting up a modern information system</p>	<p>Maintaining the information system in the flowchart</p> <p>Identifying needs</p>	

STRATEGIC FOCUS 3: FOSTER AND PROMOTE HUMAN AND MATERIAL SECURITY AND SOCIAL PROTECTION SYSTEMS

Global objective: Promote cultural diversity

Program: Cultural diversity

Sub-program: Culture as one driving force of development

MAIN ACHIEVEMENTS FROM JULY TO DECEMBER 2003

Specific objective	Achievements	
	Priority Actions	Action Plan
Promote culture in the country and abroad	Improving human resources management and financial management	Training of high-level officers and managers
Promote cultural diversity	Organizing cultural events	<ul style="list-style-type: none"> <li>-Organizing regional festivals in Mahajanga, Toamasina, Antananarivo, Fianarantsoa, Toliara, Antsiranana and one international festival SANGA 3</li> <li>-Development of a National Cultural Policy document, a decree on the National Art and Culture Council, and the Code of Artists</li> <li>- Training for cultural operators, training for operators in the movie sector, and training of performing artists</li> </ul>
Encourage the development of arts and literature	<ul style="list-style-type: none"> <li>- Building</li> </ul>	<ul style="list-style-type: none"> <li>-Rehabilitation of the Ambohimanga Palace, rebuilding of Basakana, strengthening of the Manjakamiadana towers</li> <li>-Building 6 traditional huts specific to each of the 6 provinces in the courtyard of the Andafiavaratra Museum</li> <li>-Creation of 6 provincial museums and 2 national museums (Antananarivo and Anahidrano)</li> <li>-Creation of 6 libraries in provincial centers</li> <li>-Development of a brochure on learning Malagasy, inventory of cultural wealth in 12 fivondronana of Fianarantsoa, negotiation of to make the Zafimaniry know-how Humanity Heritage.</li> </ul>
	-Mass sensitization and education on cultural identity	

MAIN ACHIEVEMENTS FROM JANUARY TO JUNE 2004

Specific objective	Achievements 1 <sup>st</sup> semester 2004		Indicator	Observations
	Priority Actions	Action Plan		
Develop the Cultural policy framework		-Organizing a national meeting of cultural experts	-Report on the development of the national cultural policy	
Preserve and develop the Malagasy cultural heritage		<ul style="list-style-type: none"> <li>-Inclusion of the Ambohimanga Royal Hill Site in the World Heritage list</li> <li>-Inclusion of the Zafimaniry wood art know-how in the list of Humanity Oral Heritage</li> </ul>	<ul style="list-style-type: none"> <li>- Official acceptance</li> <li>- Official acceptance</li> </ul>	

