

ABCG MEETING MINUTES

USAID's Environmental Program in Madagascar: A 25-year Retrospective

Background

Madagascar is home to a striking collection of biodiversity, filled with species found nowhere else in the world. In 25 years of conservation investment and development work, an impressive network of national parks has been formed, the rate of deforestation has been slowed, and the knowledge and understanding of Madagascar's environment has greatly increased. However, much work remains. A 2009 coup has resulted in the withdrawal of U.S. Government support (and with it many international NGOs working there) and widespread humanitarian and economic decline. At the same time, environmental destruction has been on the rise, including unsustainable logging and bushmeat hunting. This meeting will feature the results of a 25-year review of USAID environmental work in Madagascar and the current situation, as well as exploring several scenarios for future interventions there.

Objectives

- Learn about the results of a 25-year review of USAID's environmental program in Madagascar
- Understand the challenges and successes of various conservation planning and actions
- Identify next steps for conservation strategies in Madagascar, given the current political context

Logistics

During this meeting, panelists and participants in Washington, DC and Antananarivo, Madagascar were linked via videoconference to launch the report to stakeholders in both locations. Conservation International provided meeting space in both locations, as well as the videoconference link.

Minutes of the Meeting

Olivier Langrand, Executive Vice President, Center for Conservation and Government, Conservation International, served as Chair of the meeting. Olivier welcomed everyone in both Washington DC and Antananarivo, Madagascar to the meeting. He noted that the long-term commitment of several institutions and aid agencies has made a huge difference in conservation in the country, particularly in setting up the extensive network of protected areas (PAs).

Conservation International's President, Dr. Russell Mittermeier, presented an overview of [Madagascar's Unique Biodiversity and Conservation Needs](#), including the early history of conservation support for Madagascar from USAID and other stakeholders, the global importance of Madagascar's biodiversity, the evolution of conservation strategies in the country and recommendations for ways forward.

Organized conservation in Madagascar began to come together following the Majunga cyclone of 1984, and with the 1984 conference on "Resource Conservation in the Service of Development," organized by USAID, the World Bank and World Wildlife Fund (WWF). Prince Philip of the United Kingdom at that time said that Madagascar was in the midst of committing "ecological suicide."

Madagascar is a country of superlatives, one of 18 of the biologically wealthiest nations on Earth (collectively home to 2/3 of all species) and a hotspot of endemic species under high threat. Globally, hotspots are 2.3% of the Earth's land surface that are home to extremely high levels of endemic species. In Madagascar, scientists have described approximately 15,000 species of plants, including 80% that are endemic. 92% of reptiles and amphibians are endemic, 260 species of birds are endemic, and 100% of

101 species of lemurs found in Madagascar are endemic. New species are still being discovered, even as habitat destruction continues.

Dr. Mittermeier also noted that Madagascar is superlative in its rate of forest destruction – only 10-16% of the original forests remain following decades of deforestation and tavy (slash and burn) agriculture. Illegal hunting – even of lemurs – is an increasingly big problem for biodiversity conservation. Radiated tortoises are suffering from habitat destruction as well as high levels of offtake for the pet trade and bushmeat.

Key conservation issues in Madagascar include the protected area system, development of payment for ecosystem services (PES) strategies and support of local communities. Under former President Marc Ravalomanana, Madagascar made a commitment to triple protected area coverage under the Durban Vision (now the System of Protected Areas of Madagascar, or SAPM). In 2003, the country requested a trust fund be established to help protect its biodiversity, and it has to date \$34 million in commitments and funding received. SAPM includes 47 protected areas managed by Madagascar National Parks, with many more under creation or expansion, for a total of approximately 10% of the land. The role of tourism is extremely important to Madagascar's economy and to protection of its biodiversity. Ecotourism was the second highest foreign exchange earner in recent years, but there is a great potential for growth of this sector, including the investment and benefit of local communities.

With the political crisis of 2009 and the military coup d'état whereby Andry Rajoelina, former mayor of Antananarivo, gained power, much is currently uncertain. Of the scenarios presented in Karen Freudenberger's report, Dr. Mittermeier advocates the "Go for It" scenario and a global commitment to Madagascar's biodiversity, given its truly unique role in global biodiversity. He acknowledged the important leadership role that USAID has played in the past and strongly recommended that it should have an even greater role in the future.

Results of 25-Year Review of USAID's Environmental Program in Madagascar

Karen Freudenberger, Consultant, International Resources Group (IRG)

IRG consultant Karen Freudenberger presented the results of the USAID-commissioned study on its 25 years of supporting an environmental program in Madagascar. Below is a brief summary of her presentation, but all are encouraged to read the [Executive Summary](#) and the [Full Report](#).

When USAID opened its doors in Madagascar in 1984, the country was coming out of a decade of serious economic stagnation and environmental decline, in which approximately 400,000 hectares (ha) of forest were lost each year. Madagascar's **National Environmental Action Plan (NEAP)** was developed as one of a three-part program to assist Madagascar's escape from poverty and environmental degradation. The other two components were structural adjustment to reform basic economic policies and a poverty reduction strategy (including population policies). In 1990, the Malagasy legislature adopted the NEAP, and numerous donors contributed over time approximately \$450 million (including roughly \$120 million from the US Government) to support the NEAP and the three Environmental Programs (EP) that were developed to enact the provisions of the NEAP.

EP I (1991-1996) focused on **developing institutions and financing mechanisms**, with a USAID focus on making protected areas work. EP II (1997-2002) included a focus on implementing the approach defined in EP I and sought to integrate the NEAP into the national development plan. Within this structure, USAID's role was to support an eco-regional approach and to reinforce policy and tools to implement them. In EP III (2003-2008), the primary focus was to "mainstream the environmental reflex" for Madagascar, and USAID continued its focus on eco-regions, with greater emphasis on partnerships. Due to the political coup in 2009, USAID suspended its support for Madagascar's environment programs.

Over the past 25 years of USAID investment, deforestation has slowed from 400,000 ha to less than 100,000 ha/year, but 2 million ha of forest were lost as rate was being slowed. The remaining forest is increasingly vulnerable. Up to 80% of forests are now located within 1km of non-forest edge. Deforestation rates have increased since the coup.

One of the greatest strengths of the program has been that it was vertically integrated from policy to the grassroots, and took a holistic approach to conservation. For example, in 2005, the USAID Mission adopted the Nature, Health, Wealth and Power framework, recommitting to an integrated, holistic approach. In addition, the program was always geographically strategic and focused around particular areas.

However great the vision for Madagascar's environment and people, **the program lacked in resources.** Due to Madagascar's refusal to meet the structural adjustment conditions of the World Bank, USAID funding for the program was narrowed, decreasing a USAID Mission with many direct hires down to a few. The U.S. Congressional biodiversity earmark, however, maintained the environment program and provided critical funds to keep efforts moving forward, albeit at a lower level. Funding for agriculture, economic growth, and governance activities did not fare as well. Health funding also was continued, however. Population, Health and Environment (PHE) programs have worked well in Madagascar, with a strategic decision to do family planning around priority conservation areas. Contraceptive prevalence rate rose from 5% in 1992 to 18% in 2003 (including 16% in rural areas). Despite this, population growth rate remains steady at close to 3% per year and the total population has doubled since the beginning of USAID involvement.

Major accomplishments of the environmental program in Madagascar include:

- An improved, environmentally friendly policy framework, which is largely complete. Tools to carry out that framework are developed and in place.
- Institutions for management are developed, including the national parks system and management (ANGAP, now Madagascar National Parks) and 2 foundations exist to facilitate sustainable financing of parks and protected areas
- Development and expansion of a national parks system, described as "an incredible jewel." The Durban Vision, announced by former President Ravalomanana, aimed to triple the area under protected status, but suffered a backlash from insufficient preparation and a failure to consider local perspectives.

The Durban Vision has been revised and is now known as the System of Protected Area Management (SAPM). Approximately half of SAPM areas will be national parks, but the other half are planned for co-management with communities and private operators. There has been a great revision in integrating human concerns into conservation, and much more needs to be done. In addition, current policies and institutions are incredibly vulnerable to not-good-enough governance and the problem of assuring sustainable funding for these institutions has not been solved.

Co-management poses its own set of challenges, including the recognition that while there has been success in local communities' control over local problems, there has been little success in controlling outside and powerful interests. Co-management is a lot of work for communities, and some have dropped out of the system when they feel that they have not gotten necessary benefits compared to level of effort.

Reducing local pressures on natural resources

Slash and burn agriculture is still the primary source of deforestation in Madagascar. Karen Freudenberger proposed that it can be reduced significantly if and only if agricultural commercialization is dramatically expanded through development of transport and marketing structures AND if there are effective enforcement mechanisms to ensure that increased revenues are not invested in clearing additional forest lands for expanded agriculture. Such a proposal will require a fundamental

transformation of the rural economy from throw-away use of natural resources in unsustainable production systems to more intensive, sustainable systems that maintain land in production. This would be very difficult due to Madagascar's current structural issues, including economic policies that favor urban development, and a general lack of rural infrastructure, especially transport and small-scale irrigation.

For much of the environmental program in Madagascar, there has been an implicit assumption of a fundamental convergence of interests around forest protection from both international biodiversity concerns and local resource users. The conservation side assumed that any differences could be remedied by awareness-raising. Projects used a "Forest-Water-Rice" framework to attempt to convince the poor that protection of forests helped to protect water resources, which assured continued production of rice, a primary staple crop. These arguments, however, are now viewed as insufficient to motivate conservation behavior among the poor. A better motivator for the poor to conserve forest resources is direct payments for ecosystem services (PES) rather than an indirect motivator such as the forest-water-rice argument.

While the intention of USAID projects was always to scale up in order to have a larger impact, this was nearly impossible due to the lack of economic development, infrastructures, and conducive policy measures. As a result, efforts were concentrated to smaller areas to the level where USAID staff and partners could effectively manage all the inputs (transport, credit, extension, agricultural inputs, enforcement services...) needed to get results. Larger scale efforts, where externalities were not controlled, tended to be unsuccessful. This significantly limited the overall effectiveness of projects in protecting vast environments.

What to do?

Time is running out, and slowing the rate of destruction is not good enough. Karen Freudenberger stated that the international community generally cares more about the intrinsic value of Madagascar's biodiversity than its rural populations has the luxury to do, given the level of poverty and lack of financial resources and human capacity. Local communities must focus far more on the functional value of Madagascar's natural resources in the day-to-day challenges of feeding their families. Madagascar is also extremely vulnerable to natural disasters, which increases the difficulty of even maintaining the development status quo. Additional concerns include climate change, international extractive industries, and USAID's ability to commit large sums for long term (another 25 years at least). Much larger and more sustained interventions are needed to improve the environmental and development situation in Madagascar.

Scenario 1: Do nothing. Forget it; it's already too late and nothing we can realistically do will be able to save the remaining resources. No one who has been working seriously on environmental issues in Madagascar over the past 25 years will come easily to the conclusion that it is too late and too impossible.

This scenario proposes that scarce resources be devoted to other countries and contexts where we have a better chance of success. The people who opt for this scenario would argue that even if we commit to substantial interventions, the ultimate results will be little different and would, at best, only insignificantly postpone the day of reckoning. Likely result: consequences for Madagascar's people and the Earth's precious biodiversity that are far too depressing to commit to paper.

Scenario 2: Keep on track, do more of the same, but better. Recognize again that successfully protecting biodiversity requires an integrated approach. Plan for longer term projects; continue to coordinate with others to increase coverage. Likely result: not great, but something. Cannot save it all with this one.

Scenario 3: The ends justify the means. Break all the rules and GO FOR IT. Develop a strategic international vision to save Madagascar's biodiversity, independent of the intrinsic value placed on it by Madagascar's political leadership and with a focus on payment for environmental services for local people. Would likely involve massive conservation payments to compensate individuals and/or communities that protect forest resources – this would be REDD writ large. Would anticipate continuing long into the future; continuity would be of the essence. Would set up systems able to function independent of efficacy of the government, but would take care not to crowd out positive government initiatives. Would involve not only conservation payments, but also associated interventions to improve the economic status of people, and allow them to move away from subsistence agriculture. This may cost upwards of \$500 million per year in perpetuity. The results of this scenario are uncertain, but it may be the only way to preserve Madagascar's unique biodiversity for the long-term.

DISCUSSION

Two primary topics were addressed in the initial discussion with Karen Freudenberger and Russ Mittermeier: advocacy for human needs and the probability of large-scale international investment. On the former issue, participants noted that the role of **civil society** in advocating for human needs and conservation interests has been perpetually weak, and that international NGOs have been occupying that niche instead of local NGOs and community-based organizations. The World Bank is currently preparing a report on the emergence of civil society in Madagascar. The speakers noted that those who dare speak out against leadership in Madagascar have been severely punished and, as such, international NGOs play a role in protecting more vulnerable local organizations. The schools were also noted as a place where there has been some work to develop a conservation ethic and build local advocacy, but as schools are government institutions, the failings of not-good-enough governance have also played out there.

Mark Freudenberger, formerly a USAID Chief of Party in Madagascar, asked Russ Mittermeier if he saw any evidence of growing support from the international realm for large-scale investment in Madagascar's biodiversity. Russ shared that some at the World Bank are beginning to consider addressing Madagascar from the perspective of a global public good rather than exclusively a local/national development and conservation need, and noted current investment and interest in Haiti as a potential model. Russ feels strongly that pulling out of Madagascar was a mistake and wants to do everything we can to renew support. Other potential avenues for investment include REDD mechanisms, among others.

PANEL DISCUSSION

Nanie Ratsifandrihamanana, Conservation Director, WWF Madagascar & West Indian Ocean Programme

Nanie Ratsifandrihamanana has worked within the Madagascar Environmental Programme for the last 19 years, including work for USAID SAVEM and MITA projects from 1995-1998 and joined WWF in 2000. She has actively taken part in the implementation of Madagascar's commitment to triple its protected area coverage and the establishment of the new Malagasy PA system. Nanie introduced other participants with her in the offices of Conservation International-Madagascar, including.

Jean-Chrysostome Rakotoary, Director General of the National Office for the Environment

Etienne Rasarely, Director of the National Forestry and Environment Observatory

Hilde Dahl, Norwegian Embassy

Julie Ranivo, Foundation for Biodiversity and Protected Areas of Madagascar

Heather D'Agnes, USAID

Tiana Razafimahatratra, USAID

Jean-Christophe Carret, World Bank

Ndranto Razakamanarina, President of Alliance Voahary Gasy

Nanie felt that the report was a good summary of the technical, financial and social issues facing Madagascar. While the current situation is not good for the environment and is full of uncertainty, work in the last 25 years has done a lot and the environment in Madagascar has come a long way. What is behind current rosewood and tortoise crises is critically important. This includes a breakdown of many partners' efforts over the past 25 years, and losses of government commitment, local communities' motivation, security in forests and in communities sacred places, economic losses, and of credibility and influence on environmental actors in Madagascar. Currently, there is close to no governance in rural areas, and the lack of funding for environment makes things even more difficult.

Regarding the divergence between international and local interests, Nanie did not feel that it was fair to place this burden on local communities when they cannot afford to have a vision beyond daily livelihoods. She stressed the importance of addressing governance not just by building government or civil society capacity but in a holistic way looking at roles, responsibilities, distribution of costs and benefits of conservation. For the future, the primary needs at this time include 1) recovery from the crisis and 2) rebuild the relationships between stakeholders. The future scenario for conservation can only be a mix of Scenario 2 and 3 as it is not possible to achieve conservation without involving the Malagasies.

James MacKinnon, Technical Director, Conservation International-Madagascar

He has lived in Madagascar for 11 years working on conservation and research projects for the University of Aberdeen, Wildlife Conservation Society (WCS) and Conservation International. He shared a few critiques of the paper, including a note that the current deforestation rate in Madagascar is 50,000 ha rather than 100,000 ha. James expressed more optimism than some others did about the state and promise of conservation in Madagascar, noting that the SAPM commission group continues to meet on a regular basis to continue to push it forward, even without donor funding. In addition, he feels that enormous efforts have been made in the field hand-in-hand with local communities as full participants in designing PAs. However, no new PAs have been created in the past seven years with full gazettelement because of the long, complex process required.

James also noted a few additional efforts to address the importance and needs of co-management plans, including additional benefits to communities. CI has gone beyond piloting PES strategies and co-management in USAID eco-regions to include other mechanisms to get benefits to communities such as CI small grants program (NODES). WWF and WCS have similar approaches, as do other NGOs (national and international).

Another reason for his optimism for the future is that no PA that USAID supported in 1989 has collapsed after the US government pulled out of Madagascar. Rather, national and other NGOs have mobilized funding to keep going.

Lisa Gaylord, Country Director, Madagascar, Wildlife Conservation Society

Lisa Gaylord, is transitioning from her current position as Country Director for Wildlife Conservation Society in Madagascar to a new position as WCS Director of Program Development, to be based in Washington, DC. Her involvement with the USAID Madagascar Environment Program dates back to 1987 and includes stints with Catholic Relief Services, World Wildlife Fund, USAID/Madagascar and WCS. She has had the privilege of participating actively in the Madagascar National Environment Action Plan (NEAP) since its beginning in 1990. Lisa noted the great importance of the network of partners collaborating in Madagascar, as it takes everyone coming together to make progress.

One major struggle over the last 20 years was to get development partners to work hand-in-hand with conservation. Rather, biodiversity funds were needed to address development needs. Lisa feels that conservation is hostage to development needs and economic development is hostage to bad governance. Orientation towards local communities' needs is extremely important as we move forward.

Need at least Scenario 2 and exploration “out of the box” in how to engage and support local communities in taking on more responsibilities. Successful resource conservation in Madagascar without the involvement of local population is impossible. We must do it differently through improved economic incentives AND governance.

Developing local civil society NGOs are the community associations and farmer associations. The international community must support their emergence and their ability to stand up to exploitation of natural resources. There is no silver bullet. Malagasies are stepping up to the plate and looking at solutions; this report is fundamental and key to determining what we can do now. Must have economic incentives and good governance – that’s what ultimately has brought us down.

Tim Resch, Environmental Officer, Bureau for Africa, Office of Sustainable Development, U.S. Agency for International Development

Tim Resch is Bureau Environmental Advisor for the USAID Bureau for Africa and works to strengthen critical links between biodiversity conservation, natural resources management, improved livelihoods and economic growth, and good governance throughout Africa. For many years, Tim has advocated for Madagascar, saying that “our last biodiversity dollar is going to be invested in Madagascar,” as he feels that those are the most important biodiversity dollars that we spend. He regrets that that is not possible at this time.

USAID was poised to start EP IV until the 2009 coup. This report is a good basis for beginning reflection and planning for when the time is right. He is especially pleased to be able to launch this report jointly in both DC and Madagascar and hopes to see this kind of cooperation and communication more frequently. The report is also being launched to the development community via the Society for International Development-Washington DC Chapter jointly with the Africa and Environment Working Groups.

This report is the latest in a series of reviews of USAID history that began late during the last administration in anticipation of setting the stage for a new administration. Reports in the series include [*Protecting Hard-Won Ground: USAID Experience and Prospects for Biodiversity Conservation in Africa*](#), [*USAID Support to the Community-Based Natural Resource Management Program in Namibia: LIFE Program Review*](#), and the [*Future of Biodiversity in Africa*](#) and [*Dar Vision*](#). These reports have shown that enabling conditions and achieving human development goals are critical components for conservation and biodiversity success.

Ashley Marcus, Country Desk Officer for Madagascar, Rwanda, Tanzania, Mauritius, Seychelles, the Comoros, Burundi, Central African Republic and Djibouti, Office of East African Affairs, U.S. Agency for International Development

As a country desk officer, Ashley Marcus serves as the primary liaison to USAID Missions in the field, and as the focal point for external relations with host country representatives, the World Bank, the IMF, the UN, the Department of State, other donors and international organizations, and other USG Agencies.

Ashley reviewed what has happened politically in the last 18 months, what is happening now and what would be required for the US Government to reengage in Madagascar. In March 2009, Madagascar’s President Marc Ravalomanana was ousted by a military coup. As a result, the country was suspended from both the African Union and from SADC. The U.S. Department of State determined that the U.S. Government must suspend all assistance to the Government of Madagascar due to a legal determination that it was military coup. The U.S. Department of State also enacted a policy requiring that all non-humanitarian assistance (defined as “non-essential, non-immediately lifesaving”) must be suspended. Though environmental programming is seen by some as humanitarian assistance in the long-term, it did not meet the immediacy requirement. Social services have been enormously affected.

According to the Department of State, a “legitimate return to full democracy” is required to reverse the decision to suspend all support to the Government of Madagascar. Initially this meant implementation of the Maputo accords, setting up a transitional government, establishing an electoral commission, and setting a clear course towards elections. However, the Maputo accords were ultimately not accepted by Rajoelina, and so there is a need for a new negotiations process.

Recently, SADC sent five representatives on a fact-finding mission to meet with civil society and political movements. Their main mission was to determine whether the SADC-appointed mediator, Joaquim Chissano, could return and it was determined that he should. The SADC mediator is now returning and has re-started negotiations, broadening his meetings to include general political actors and members of civil society. Civil society-led negotiations are also taking place.

Currently, the U.S. Government is in dialogue with the international community, including South Africa and France to develop a consensus on a way forward, with an aim at breaking the political deadlock. The U.S. Budget for FY2010 maintains funding for development assistance in Madagascar, should conditions arise that would enable USAID to restart programming.

DISCUSSION

Helen Crowley, former WCS Country Director for Madagascar, kicked off the discussion by noting the very important role of regular roundtable discussions of the conservation community to assure strong partnerships and collaboration. However, the partners were never able to **engage the development community** in those roundtable discussions. Reengaging in Madagascar must be done in collaboration with development organizations, locally and globally. Haiti is a now-classic example of a humanitarian crisis, but many do not understand that Madagascar is a similar situation in many ways.

Tim Resch noted that the development of the “Nature, Health, Wealth and Power” structure was a sort of forced marriage with the development community, and some forced marriages work. Together, we can facilitate achievement of diverse set of goals. In their work in Madagascar, the health community had to give up a few priorities, particularly the prioritization of health and population work near conservation areas rather than in areas of highest population density.

Lisa Gaylord shared that she had just returned from several days in the field with representatives of the World Bank and Norwegian government to discuss linkages between conservation and development. She recommended a “green pool” of development that would place development work under a conservation lens, including ecotourism, development, and agriculture. She cautioned that despite the role of the *de facto* Government of Madagascar, that there is little to no governmental presence in remote areas. Conservation organizations with a field presence are often the only actors in those areas and have very few resources to even maintain a minimum of support for local people.

Russ Mittermeier suggested a redefinition of humanitarian aid to more fully include the environment. He feels that there will not be a rapid return to democracy, calling President Andry Rajoelina “a survivor” who will not go away quietly. How can we work together to provide assistance directly to NGOs and civil society in the field? Ashley Marcus noted that definitions of humanitarian aid have already been broadened to include health programming and development food aid. The policy decision in 2009 for the U.S. Government’s suspension of non-humanitarian assistance was made by the then U.S. Assistant Secretary of State for African Affairs.

James Deutsch cautioned that we should not under-represent the successes of the past 25 years; it is amazing that the deforestation rate has been cut to 1/8th of what it once was.

Participants also discussed opportunities of working with the private sector and entrepreneurs, who must make ends meet regardless of the political situation. Entrepreneurs around protected areas are developing vanilla, cocoa and other products for sale; these are more promising than logging and timber

trade for preserving the forests. Other entrepreneurs are developing businesses for exporting organic t-shirts. There is also creativity in the eco-tourism sector, and it is not always connected to protected areas.

Recommendations for Next Steps

- Bring the report to a broader circle of stakeholders focused on Madagascar, similar to the donor council established by Lisa Gaylord when the NEAP was beginning. This may include the World Bank and the governments of Norway and France, among others.
- With no current possibility of working with the Government of Madagascar, NGOs may need to be an interim solution for supporting the environmental sector.
- Use the *Paradise Lost?* Report as a starting point to engage a broader community to assure that Madagascar stays high on the list of international priorities. The report is available online (www.tinyurl.com/ABCG-Madagascar and www.rmportal.net/library/paradise-lost-madagascar) and can be shared with partners and other communities.
- Continue to work with multi- and bi-lateral government donors and approach private sector donors, including the World Bank (which maintains an office in Madagascar).
- Environmental work has not stopped in Madagascar, where a group of people from the government and NGOs are working together on a new environmental charter. This report will be useful to the group.

Additional suggestions for next steps are welcome, and will be compiled in this document.

The meeting adjourned at 12:30 pm.

Please contact Natalie Bailey, ABCG Coordinator, for further information or to RSVP: nbailey@abcg.org