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Summary of the evaluation-report ""Priority area: Environment Policy and Sustainable use of Natural Resources -Madagaskar"

on behalf of

German Ministry for Economic Cooperation and Development

- Evaluationdivision -

This report entirely reflects the observations of the consultants and does not commit any of the institutions involved in the cooperation partnership.

German development cooperation with Madagascar Evaluation Abstract "Priority area: Environment Policy and Sustainable use of Natural Resources"

Summary

At the government negotiations in October 2001 the Federal Ministry for Economic Cooperation and Development (BMZ) and the Government of Madagascar identified "Environment Policy and Sustainable Use of Natural Resources" as a priority area for their development cooperation. The aim of the evaluation was to analyse and assess the recently launched process of defining the priority area and to examine the prospects for development and consolidation with a view to creating a programme.

The study looked at selected projects, each of them priorities under technical or financial cooperation in the environment field. Considered individually, the projects are having a positive impact on the environment and people's living conditions within the projects' sphere of influence. Beyond the scope of the projects, however, the impacts and synergies achieved are fairly limited. The establishment of "Environment policy, protection and sustainable use of natural resources" as a priority area has not so far had a significant influence on German development cooperation in Madagascar. While it has given rise to more intensive communication among the projects and between the TC and FC personnel, only in isolated cases have coordination and cooperation led to greater concentration and coherence of resource deployment and better integration of development cooperation into national strategies and programmes, as foreseen in the strategy document.

The impact of development cooperation could be reinforced if the individual projects were interlinked, with a common objective and common strategy, in the framework of a programme. However, the creation of a programme in priority sector "Environment policy, protection and sustainable use of natural resources" should not consist in converting ongoing projects into a programme. Rather, it should introduce a new quality to development cooperation in Madagascar, and it should encompass the following elements: (1) a coherent programme objective to which the instruments of development cooperation are subordinated, (2) programme management charged with steering and monitoring and with representing the programme at the political level; (3) regional focuses with stronger concentration and coherence of resource use; (4) treatment of cross-cutting themes on a cross-sector basis.

Findings

Current situation

After the upheavals surrounding the presidential elections at the beginning of 2003 Madagascar is now in a phase of reconstruction with positive economic growth. Agriculture, in which three quarters of the population work, has so far derived little benefit from this. The reasons are to be found in structural shortcomings such as unequal land distribution, lack of market access, lack of capital, irrational forms of land use, the decline in soil fertility and dwindling land areas available to agriculture. The poor yields in agriculture combined with rapid demographic growth are leading to serious environmental problems.

The Government of Madagascar regards the protection and sustainable use of natural resources together with poverty reduction as key tasks for the future. The two pillars of the new policy are the environmental action plan (PE III) and the poverty reduction strategy (PRSP). The programme is based on the general hypothesis that an intact environment is a vital precondition for developing agriculture and that protection of the environment and the sustainable use of natural resources cannot be decoupled from economic development.

These objectives are in keeping with the development-policy objectives of the German government. The joint strategy for the priority area "Environment policy and the protection and sustainable management of natural resources" agreed with Madagascar at the government negotiations in October 2001 remains topical and appropriate today as a general guideline.

Status of definition of the priority area

The TC and FC projects covered in the study have a common overall objective: the protection and sustainable use of natural resources and the improvement of living conditions for the population. But there are significant differences in the project objectives derived from this overall objective. The TC projects are clearly focused on combining resource protection with forms of sustainable resource management, while the priority for FC is on managing protected areas. Though the sustainable development of buffer zones is an integral part of the concept, the approach is based on a narrow definition of buffer zones and offers only a limited spectrum of measures for developing them.

The projects studied are quite clearly having positive impacts on the environment and the living conditions of the local population. Planning and management instruments have been successfully developed and deployed, enabling natural resources to be used in a sustainable manner. The projects have also been successful, albeit TC and FC to differing degrees, in promoting institution-building at grass-roots level and in strengthening local self-government.

Even though procedures, instruments and techniques have been developed that are efficient and appropriate to the situation, the impact of the projects remains locally or regionally limited and restricted to the operational area concerned in each case. The projects are facing similar problems, yet there is little coordination or cooperation between them. There are no mandatory, formal exchange structures and no effective networks for disseminating success stories. However, there are signs of a change taking place here since the priority area was defined. Cooperation is taking place within technical cooperation, and there are examples of cooperation between technical cooperation and financial cooperation. This "new trend" should not be left to chance or individual initiative, but should lead systematically to a programme approach.

Recommendations

It is recommended that the strategy document of October 2001 on German-Madagascan partnership should be revised and adapted to the changed political framework in Madagascar as a framework of orientation for the process of programme creation. The priority issues here are: (1) upgrading policy advice to the Madagascan forestry administration to policy advice to the entire environmental field; (2) coherent, efficient deployment of the instruments of German development cooperation; (3) greater regard for poverty alleviation; (4) close coordination of German development cooperation activities with those of other donors; (5) renewable energies; (6) cross-cutting themes; (7) regionalisation.

Programme development should take place in an intensive dialogue and in close coordination between partners. On the basis of the results of the impact analysis the following recommendations can be made in this regard:

Resource protection and conservation are closely connected with efforts to reduce poverty. The lack of job opportunities elsewhere means that agriculture is the only means of subsistence for the vast majority of the rural population, which in turn means that protecting natural resources on a sustained basis has clear social and poverty-oriented significance.

The organisation of the programme should include the following elements: (1) the programme management should undertake steering and monitoring, and represent the programme externally; (2) fields of responsibility as operational areas in which development cooperation has comparative advantages; (3) cross-cutting themes as operational fields that are rooted in the sector but have very close links to cross-sector themes and help to improve the political

and social frameworks; (5) regional operational units for pooling implementation of development cooperation activities.

Basic information

<u>POLFOR – Assistance to the Madagascan forestry authority in implementing the new forestry</u>

policy

Project start: 1997
Project end: 2006

Amount authorised in DM million: 2.2 (Follow-on phase from 2003)

Implementing organization: GTZ
Responsible division in BMZ: 322

PDFIV – Integrated forestry development in the Vakinankaratra Region Irrigation Systems

Project start: 1989
Project end: 2007
Amount authorised in DM million: 26.8
Implementing organization: GTZ
Responsible division in BMZ: 322

GREEN-MAD – Environmentally-friendly energy supply in the Antsiranana Region Irrigation

<u>Systems</u>

Project start: 1997
Project end: 2010
Amount authorised in DM million: 18.4
Implementing organization: GTZ
Responsible division in BMZ: 322

<u>Erosion protection in Betsiboka – Programme de Lutte Anti-Erosive (PLAE)</u>

Project start: 1998
Project end: 2007
Amount authorised in DM million: 6.8

Implementing organization: KfW / AHT

Responsible division in BMZ: 322

Andringitra and Mayojejy National Parks - Environmental Action Plan I a (UAP I a)

Project start: 1998
Project end: 2005
Amount authorised in DM million: 6.1

Implementing organization: KfW / WWF Madagascar

Responsible division in BMZ: 322

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