ANNUAL REPORT
(JULY 1, 2006 – JUNE 30, 2007)

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The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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Executive Summary

The Ecoregional Initiatives (ERI) program managed by Development Alternatives, Inc. (DAI) for USAID Madagascar is a natural resource management and rural development program with a strong field presence in Fianarantsoa and Toamasina provinces. The overall inter-regional coordination and administration is assured by a small unit in Antananarivo. The regional offices of Fianarantsoa and Toamasina and the national coordination unit present the annual report covering the period of July 1, 2006 – June 30, 2007 below. Additional details on achievements and activity implementation fund (AIF) expenditures are found in the 3 Annexes.

During the reporting period, the ERI program continued to generate significant results. Securing the program's five legacies constituted the primary focus for activities. Both the Fianarantsoa and Toamasina field offices noted thriving and expanding Koloharena farmer's movements in their respective ecoregions. Fianarantsoa also made great strides with respect to embedding community management within the new Protected Area, setting up four COBA association federations. In Toamasina, the ecoregional coordination platform (PlaCAZ) continued to develop, demonstrating a proactive reflex with regard to illegal mining and fundraising. The Antananarivo coordination unit made notable contributions to the multi-stakeholder group striving to advance ecoagricultural principles. Regarding future perspectives, in general, the accent on consolidation and sustainability will be ongoing during the ERI program's fourth and final year.

List of Acronyms

ADRA: Adventist Mission and Rural Development program
AGERAS: Appui à la Gestion des Ressources et l'Approche Spatiale
AIF: Activity Implementation Fund
AKH: Association Koloharena
ANAE: Association Nationale pour les Actions Environnementales
ANGAP: Association Nationale pour la Gestion des Aires Protégées
ARKK: Antenne Régional de Koloharena
ASC: Agricultural Supply Center
AUE: Association des Usagers de l'Eau
AZC: Ankeniheny-Zahamena Corridor
BAMEX: Business and Market Expansion
BCI: Business Center Ivoharena
BIANCO: Bureau Indépendant Anti-Corruption
CAC: Centre d'Appui aux Communes
CBNRM: Community-Based Natural Resources Management
CDC: Comité de Développement Communal
CDIA: Centre de Diffusion de l'Intensification Agricole
CEDII: Centre d'Echange, de Documentation et d'Information Interinstitutionnel
CI: Conservation International
CIREEF: Circonscription de l'Environnement et des Eaux et Forêts
CKH: Coopérative Koloharena
CMP: Comité Multilocale de Planification
CNKH: Confédération Nationale de Koloharena
COBA: Communauté de Base
COGE: Comité de Gestion
CRS: Catholic Relief Services
CSC: Commune Support Center
DAI: Development Alternatives, Inc.
DGEF: Direction Générale des Eaux et Forêts
DIREEF: Direction Inter-Régional de l'Environnement et des Eaux et Forêts
DREF: Direction Régional des Eaux et Forêts
DWCT: Durrell Wildlife Conservation Trust
EAM: Entreprendre à Madagascar
EP3: National Environmental Action Plan, Third phase
ERI: Ecoregional Initiatives
ESSA: Etablissement Supérieur des Sciences Agronomiques
FCE: Fianarantsoa-Côte Est
FER: Fonds d'Entretien Routier
FID: Fonds d'Interventions pour le Développement
FIFAMANOR: Fiompiana, Fambolena Malagasy Norveziana
FKH: Fédération Koloharena
GCF: Gestion Contractualisée des Forêts
GCV: Grenier Communautaire Villageois
GELOSE: Gestion Locale Sécurisée
GSDM: Groupement de Semis Direct Madagascar
GTDR: Groupe de Travail sur le Développement Rural
IMRA: Institut Malgache de la Recherche Appliqué
IRM: Innovative Resources Management
ITG: Internal Training Group
KASTI: Komitin'ny Ala sy ny Tontolo Iainana
KH: Koloharena
LADIA: Lapa Ara-Drafitra Ivoaran'ny Ambanivolo
LDI: Landscape Development Interventions
M&E: Monitoring and Evaluation
MAEP: Ministère de l'Agriculture, de l'Elevage et de la Pêche
MINENVEF: Minstère de l'Environnement et des Eaux et Forêts
MOU: Memorandum of Understanding
MPRDAT: Ministère auprès de la Présidence Chargé de Décentralisation et d'Aménagement de Territoire
NEAP: National Environmental Action Plan
NODE: "Fruits of the Forest Program"
NGO: Non-Governmental Organization
NR: Natural Resources
NRM: Natural Resource Management
NWPH: Nature, Wealth, Power, Health
ONE: Office National de l'Environnement
ONG: Organisation Non-Gouvernementale
OPCI: Organisme Public à Caractère Intercommunal
OTIV: Ombon-Tahiry Ifampisamborana Vola
PA: Paysan Animateur
PCD: Plan Communal de Développement
PlaCAZ: Plateforme pour la Gestion du Corridor Ankeniheny-Zahamena
PE3: Plan Environnemental, troisième phase
PMP: Performance Monitoring Plan
PNDR: Plan National de Développement Rural
PPRR: Projet pour la Promotion du Revenu Rural
PSDR: Programme de Soutien de Développement Rural
PTE: Programme de Transition Ecorégional
PV: Paysan Vulgarisateur
r-TGRN: Réseau de Transfert de Gestion des Ressources Naturelles
SAGE: Service d'Appui pour la Gestion de l'Environnement
SAHA: Sahan'Asa HAmpandrosoana
SAPM: Systeme d'Aires Protégées de Madagascar
SCV: Semis direct sous Coverture Végétale
SIZ: Strategic Intervention Zone
STTA: Short-Term Technical Assistance
TAMIS: Technical and Management Information System
TIAVO: Tahiry Ifamonjena Amin'ny Vola
USAID: United States Agency for International Development
USGA: United States Government Assistance
WWF: World Wide Fund for Nature

1 ANTANANARIVO NATIONAL PROGRAM

1.1 Antananarivo 2006-2007 Progress and Summary of Results; Future Perspectives

1.1.1 Overview

The ERI Program's National Coordination office continued its principal role during the reporting period, as a liaison between the sphere of policy debates and dialogue occurring at the national level and those at the regional and local level. During this period, Onimandimbisoa Andrianandrasana joined the ERI National Coordination team as a Program Assistant. He has extensive experience in natural resource management, and knows the ERI intervention zones very well.

Globally, the National Coordination unit focused its effort in two main directions: i) continuing to take part in various meetings and platforms of national scope, such as the EP3 joint steering committee and its different sub-committees and the USAID Ecoregional Alliance and its task forces, and ii) supporting specific themes that have direct links to field initiatives, ensuring the attainment of the ERI legacies.

The ERI National Coordination office has always positioned itself to support initiatives conceived and proposed by those platforms in order to advance the NEAP agenda. The mid-term assessment of the EP3 clearly demonstrated the urgent need of complementarity between environmental actions and rural development initiatives. The ERI Antananarivo team played a proactive role in developing strategic frameworks and action plans, integrating these domains as planning tools, and in mobilizing actors from different fields (e.g., agriculture, energy, decentralization), within the USAID Alliance as well as with ministry agencies and NGOs.

Decisive steps were made in the process of reinforcing and sustaining platforms at national and inter-regional levels, such as the CNKH-ARKH, the CMP and the PlaCAZ. The two Communal Support Centers (CSC) in Ampasimadinika and Ikongo are set up and operational, with continuous support and collaboration between the MPRDAT and the ERI National Coordination team. Technical assistance was provided to regional teams in developing and monitoring action plans in other domains such as agricultural production synergy in priority sites, partnership development on micro-credit, and Kaominina Mendrika tools development, ensuring linkages and cooperation, as well as close collaboration with other Alliance USAID members.

The Antananarivo office also continues to provide overall administrative and financial management to the ERI program. Although the regional offices possess autonomy in the day-to-day management of their programmatic interventions and regional finances, Theresa Miles, the Administrative and Financial Officer ensures the coherence and conformity of the operations relative to USAID monitoring, reporting and budget procedures.

1.1.2 Achievements

The section below provides a general overview (not by Result Module) of 2006-2007 achievements and advancement concerning interventions led by the National Coordination unit during the reporting period.

1.1.2.1 Technical aspects

The National Coordination office participated in the reinforcement of the PlaCAZ in Toamasina and the CMP in Fianarantsoa in collaboration with the regional teams, so that these structures are becoming empowered as key players in management of the corridors and the New Protected Areas (PA). Both organizations have taken steps to obtain support and recognition from national institutions, technical and financial partners, as well as other donors, key elements needed to achieve sustainability. Recently, a two-day workshop, focused on devising flexible sustainability strategies, was co-organized by CMP and PlaCAZ with minimal support from ERI national coordination. Taking into account the actual context of each region, these eco-regional structures will remain, for the time being, as simple platforms that will be in charge of coordinating and

managing any action or initiative to be implemented at the regional level with regard to corridor conservation and development.

During its third year, the ERI program hired Neal Hockley as a consultant to assess the socio-economic viability of forest management transfer contracts, and to explore and identify additional strategies and scenarios for economic valorization of the natural forest that can generate revenue for local communities. During the mid-term assessment of the EP3, his findings and recommendations were used by the Antananarivo team to emphasize and advocate for a needed paradigm shift regarding the role COBA associations in PA management, as well as the economic aspects of the NR management transfer concept.

With respect to agriculturally related domains, the ERI Antananarivo team developed a broader agro-ecological approach in collaboration with GSDM (Groupement Semis Direct de Madagascar) and USAID. This approach, that aims to promote innovative techniques of direct seeding in vegetal cover (SCV) on hillsides, will lead to agriculture yield and global production increases. The concept will involve the entire Koloharena (PV/PA, LADIA/CDIA, FKH, CKH) movement in training, promotion and extension mechanisms. As a first step, a demonstration site was installed by ANAE at the LADIA (ex-CDIA) center in Beforona to serve as a dissemination tool, ready for future propagation to the Koloharena movement. In addition, a specific effort was made to help the LADIA center develop its business plan as part of its organizational and financial sustainability strategy.

BAMEX and ERI programs joined forces and hired a consultant to revise the CNKH management tools (e.g., statutes, procedures manual) in order to better decentralize this platform, and empower the regional and local components (ARKH, FKH, CKH) in the process of attaining organizational and financial sustainability. A two-day training session on these revised tools was carried out especially for members and representatives from Koloharena Federations and Cooperatives.

Micro-credit has been identified by the Agricultural Production working group as one of the most important factors in improving agriculture in rural areas. The ERI National Coordination office facilitated the negotiation for ongoing credit contracts and new requests from Fianarantsoa and Toamasina KH associations. The MOU between Entreprendre à Madagascar (EAM), the CNKH and the BCIs was signed, which put in place a sustainable mechanism for the farmers to access, better manage, and reimburse loans.

With respect to decentralization, the two CSCs in Ikongo (Fianarantsoa) and in Ampasimadinika (Toamasina) are now operational. The ERI National Coordination unit has been ensuring coordination of the setup process of these CSCs in collaboration with the MPRDAT and the regional teams: organizing the initial reconnaissance missions and the training session for the technical advisors and facilitating the acquisition of the equipment and materials.

As an active member of the USAID Alliance, the ERI Antananarivo team participates effectively in different initiatives, valorizing synergies and collaboration: assistance to ADRA-ERI-BAMEX teams to develop an action plan on three value chains in Moramanga (red rice, beans, and ginger), organization and facilitation of the national workshop on bio-energy in October 2006 and the open house on alternative energy in June 2007 in collaboration with ministry agencies and technical partners, collaboration with other Alliance members to demonstrate USGA contributions to rural development during the FIERMADA 2007 event, contribution to the AAH (Appropriation, Alignment, Harmonization) initiative that demonstrated alignment of the USGA framework with the Madagascar Action Plan and the PNDR, contribution to the Alaotra-Mangoro Schéma Régional d'Aménagement du Territoire (SRAT) launching workshop, and recent active participation in the working group led by the MINENVEF and the MAEP which is supposed to define and support strategies to promote the ecoagriculture approach.

1.1.2.2 Administration and finance

Most of the achievements made by Administration/Finance team were made during the 6 months following the arrival of the DAF (2005). While we continue to produce small achievements, the bulk of time is now spent on the work of project management, since most systems are in place and fully functioning.

1.1.3 Constraints

The section below provides a general overview (not by Result Module) of 2006-2007 constraints concerning interventions led by the National Coordination unit during the reporting period.

1.1.3.1 Technical aspects

Many constraints still remain in building partnerships and collaboration. Examples include:

- Lack of leadership within the natural resources management transfer network: the ERI program has actively contributed to developing the M&E guide in collaboration with other partners (SAHA, FSP-GDRN), but the system is not officially set in place yet. Many of the transfer contracts are now awaiting evaluation and are under "unofficial" management that could be the source of misuse of the resources, not only from COBA associations but from outsiders.

- A complex leadership structure within key ministries that leads to difficulties in maintaining concerted agendas, and therefore to achieve real and palpable results. Communication and information sharing are not systematic. This is the case of the Alaotra-Mangoro SRAT, or the ecoagriculture strategies.

- Despite efforts to synergize, different design and approaches between Alliance partners, organizations, and projects, complicate coordination of operations in the field. Although a common action plan has been developed, it is very hard to implement since each organization tends to prioritize its own activities, with its own methodology and approach.

1.1.3.2 Administration and finance

The constraints mentioned in our previous semester report are still valid at this time. We did not face any major additional constraints during the reporting period.

- We continue to see both problems and improvements in our financial management due to new financial systems initiated by DAI. This will continue to be a challenge, but we have already seen marked improvements in some areas.

- Our budgetary issues continue to be a major constraint. Uncertainty regarding year 5, as well as the implementation of cost-cutting mechanisms over the last year have proved challenging.

- Equipment problems continue to be a major challenge, especially in our field offices. Most equipment inherited from prior projects will not be viable for future projects, as well as some equipment purchased by DAI under ERI.

1.1.4 Recommendations

The ERI program is now in its final phase. Efforts will be focused on consolidating the achievements with respect to the legacies.

The National Coordination office should continue to reinforce partnerships with Alliance members to improve coordination and scale up the impact of interventions. Enhanced communication with State services, GOM, USAID and other financial partners should be carried out to maintain and improve the program's visibility.

1.1.5 Perspectives

Some technical perspectives for the upcoming months are:

- Contribute actively to the consolidation of planning tools, such as land use planning, that involve multiple actors at regional or inter-regional levels.

- Develop and implement a new strategy to support the r-TGRN, in order to reinforce their management and coordination capacity.

- Support the initiative to regroup the COBA associations in platforms, networks or federations. Focus efforts on developing the PA management role of the COBAs as well as their economic viability.

- Continue to support the implementation and consolidation of watershed-based and value chain-based approaches in order to integrate agricultural domains needed to optimize synergy and scale up impact.

- Support the KH movement in their re-orientation phase, focusing on commercialization and marketing as a strategy to ensure their sustainability.

From an administrative perspective, we have two major issues to consider during the next year.

- The first issue being project closedown. In August we held a meeting with administrative staff to start closedown planning. A plan will be submitted to USAID for approval within the next few months.

- The second issue is potential Year 5 funding.

Both of these issues will have a huge impact on the ERI program. Because a decision has not been communicated on year 5, we must start planning for, and begin the closedown process. Budget use will continue to be a major challenge in year 4. We must ensure that we have sufficient funds to demobilize our expatriate staff and their families in July, 2008. These are costs that can not be used for implementation, thus we will be phasing out operations in each office in order to accommodate these costs in year 4. Budget review is ongoing and contingent on the year 4 obligation, which we still have not received. Provided we receive the full obligation, we will begin the phase down process in March 2008.

2 FIANARANTSOA REGIONAL PROGRAM

2.1 Fianarantsoa 2006-2007 Progress and Summary of Results; Future Perspectives

2.1.1 Overview

The mission of the ERI Fianarantsoa program is to implement through the ecoregional conservation and development approach sustainable management of the Ranomafana – Andringitra forest corridor while improving the livelihoods of rural populations living along these areas of exceptionally high biodiversity. The ERI Fianarantsoa program completes the third full year of carrying out over 90 discrete program activities. Implementation of the annual work plan is on schedule, financial burn-rates are good if not slightly ahead of projections, and administrative management of Activity Implementation Funds remains strong. The program has successfully managed the "Fruits of the Forest" NODE small grants program financed through Conservation International.

The ERI Fianarantsoa program contributes to the implementation of several components of the Madagascar Action Plan – especially Responsible Governance (commitment 1), Connected Infrastructure (commitment 2), and Cherish the Environment (commitment 7). ERI collaborates closely with the Régions of Haute Matsiatra and Vatovavy-Fitovinany to implement the *Plans Régionaux de Développement* and the 18 *Plans Communaux de Développement*.

With the end of the ERI program looming in August 2008 (unless an extension for Year 5 is obtained), the Fianarantsoa program is oriented toward wrapping up many activities but also recording the lessons learned from not only 4 years of project interventions but 10 years of USAID presence along the Ranomafana – Andringitra forest corridor. Our program looks forward to sharing these experiences in up-coming USAID stocktaking exercises.

2.1.2 Module I: Ecoregional Approach to Conservation and Development Adopted and Implemented by Multiple Actors in Priority Ecoregions

2.1.2.1 Achievements

The Fandriana – Vondrozo forest corridor is an integral part of the moist tropical forest ecoregion reaching from the far north to the far south of Madagascar. Recent comparative interpretation of satellite imagery by ERI partners Conservation International and JariAla show that forest conversion has dropped off dramatically since 2000. Annual forest conversion for the areas of intervention was 2.22% per year on the western side of the forest corridor the Haute Matsiatra Région and 1.50% per year on the eastern side of the corridor in the Région of Vatovavy-Fitovinany during the period 1990-2000; but for the period 2000-2005 annual rates of conversion are 0.07% for the Haute Matsiatra Région and 0.24% for the Vatovavy-Fitovinany Région. Placed in the context of the national overall rate of 0.55% per year from 2000-2005, the Ecoregional Alliance should be pleased that rates of conversion in the Fianarantsoa corridor are among the lowest in the country. Some of these positive results could be attributed to the hard work of ERI and its partner organizations along the forest corridor, but admittedly, it is difficult to assign causality to our interventions!

The implementation of the ecoregional conservation and development approach has focused over the past year on the issue of resource governance of the new protected area of Fandriana – Vondrozo. The USAID Ecoregional Alliance has worked closely with the *Comité Technique SAPM/NAP* to set up a new governance structure for the new, but temporary, protected area. The new governance structure will permit a participatory and multilevel governance of the new protected area through a multilevel inter-regional platform. This initiative is complemented by the use of a number of decision making tools ranging from high resolution satellite images of the corridor purchased by ERI to other planning tools like Appreciative Inquiry and Development Pathways. Thanks to the excellent teamwork among Ecoregional Alliance partners, governance has been improved through the use of the regional and national *Commission Mines-Forêts*. This commission has led to the removal of many mining permits in the forest corridor (see box below).

The creation of the new protected area of Fandriana – Vondrozo is generating a series of disquieting questions. Academic research conducted over the past year by the French *Institut de Recherche pour le Développement* (GEREM project) and various other academics continues to raise issues about the potential impact of the creation of the new protected areas on food and livelihood security of communities living along the forest corridor. New community protected areas may be contributing to greater resource use of secondary forests at the fringes of the corridor. As these secondary forests are converted to agricultural uses, a growing soil fertility crisis will emerge in the agricultural landscapes. As noted by Mark Freudenberger in an article written for the IRD/GEREM project, it is critically important that agroecological practices be adopted on a larger scale throughout the length of the forest corridor, but this will depend on the creation of stronger incentives at multiple scales.

2.1.2.2 Constraints

The devolution of power from central government to the regions continues to create an institutional confusion in the ex-Fianarantsoa *faritany*. The five Régions bordering the forest corridor are confronting difficulties setting up new administration and governance structures. Considerable efforts are expended in trying to assure the consolidation of inter-regional coordination bodies like the *Comité Multilocale de Planification* (CMP). The future functions of the CMP are not yet clear, though some common visions are emerging thanks to the many consultative meetings held in the various regions. The ERI program works closely with regional authorities to assure an interface between our program activities and the priorities of the Madagascar Action Plan. Sudden and unexpected invitations to key policy planning meetings sometimes disrupt the schedules and plans of our own teams. Presidential, referendum, legislative, and *fokontany* elections are also affecting our ability to implement program activities. The regular procession of political campaigns slows down considerably project implementation.

Suspension of Mining Permits in the Fandriana – Vondrozo Forest Corridor

The Ranomafana – Andringitra forest corridor is not only a rich reserve of biodiversity, but a lode of semi-precious stones. Following the creation of the New Protected Area of Fandriana – Vondrozo, mining permits totaling 166,600 hectares were issued by the Ministry of Mines covering 33% of the entire corridor. The Commission Mines-Forêts was convened with the support of the Ecoregional Alliance to resolve the policy conflict between mining and conservation interests. The joint commission decided to encourage the mining permit holders to renounce mining in the forest corridor. Following intense negotiations facilitated by JariAla with the help of ERI Fianarantsoa, 6% of the permit holders have renounced definitively the permits to 10,000 hectares and 77%, holding permits to 129,000 hectares, have agreed to suspend mining operations until the new protected area limits are definitively established. Once the limits are officially delineated, these remaining permit holders would desire priority approval of mining outside of the new protected area.

2.1.2.3 Recommendations

The ERI Fianarantsoa program must continue to work closely with the other Ecoregional Alliance partners to implement not only strong governance structures for the new Fandriana – Vondrozo protected area, but more importantly, implement a broader range of programs to valorize economically the conserved areas of biodiversity. While ERI has pioneered the approach to valorize the corridor through small-scale hydroelectric power installations (see Module II) in Tolongoina, these pilot efforts must be expanded considerably. Much more work must be done on setting up programs to capture carbon credits for “avoided deforestation” through new carbon credit markets. ERI expects to work much more with MIARO partners on this important question. Unless more economic value is generated from the forest corridor, local communities will not find it attractive to invest time and social capital in supporting community-based management of natural resources.

2.1.2.4 Perspectives

The completion of the third year of the ERI Fianarantsoa program brings with it a series of uncertainties. While we are advancing well to meet our commitment to leave a strong legacy of new ecoregional governance structures, it is not clear whether ERI will obtain fifth year funding to continue its many ecoregional conservation and development activities. This uncertainty is beginning to affect how we entertain new ideas and initiatives like the creation of new carbon credit mechanisms.

2.1.3 Module II: Community-based Natural Resource Management Improved and Expanded to Protect Forest Corridors

2.1.3.1 Achievements

The community-based natural resource management initiatives continue to expand dramatically along the forest corridor. Rural communities continue to be deeply interested in the creation of new community managed protected areas, though many economic and institutional factors are contributing to disillusionment among communities currently managing the 80 or so management agreements. ERI Fianarantsoa is trying to strengthen the network of community groups involved in resource management so that they may capture the financial returns from increased economic valorization of ecosystem services. But to assure that local communities benefit from conservation, the institutional power of the *Communautés de Base* (COBA) must be significantly expanded to play a key part in the management of the new protected area of Fandriana - Vondrozo.

The ERI Fianarantsoa program contributed over the past year to strengthening the *Gestion Contractualisée des Forêts* (GCF) agreements set up by the LDI/PTE programs but also worked with rural communities to establish new agreements. For instance, technical support was provided to 6 existing community-based resource management agreements to help implement resource management plans. At the same time, ERI Fianarantsoa assisted local communities to set up 4 new GCF with funding support by the NODE Fruits of the Forest grants. The official transfer of the forest station of Andrambovato on the FCE railway to a coalition of three COBA management groups and the establishment of ecotourism facilities at the site was the most vivid result of our work. Over 100 tourists visited the site along the FCE railway within the first three months of operations of which 50% were Malagasy.

As part of the on-going strategy of ERI Fianarantsoa to leave a lasting legacy, several initiatives were launched to strengthen the position of community resource management structures. Module II Supervisor Vololona Raharinomenjanahary worked closely with the CIREEF of Manakara, Mananjary, and the Haute Matsiatra to convene representatives of all COBAs along the Ranomafana – Andringitra forest corridor to discuss the opportunities and constraints for setting up federations of COBA capable of lobbying for the maintenance and support of community resource management agreements. The ERI Fianarantsoa program has invested considerable staff time and financial resources to set up four federations of COBA along the forest corridor. This initiative represents one specific response to the recommendations of the evaluation completed in June 2007 by Neal Hockley and Mijasoa Andriamarovolona entitled “The Economics of Forest Management in Madagascar: Is there a Free Lunch?” ERI worked closely with the Kaominina Mendrika initiative to incorporate the COBA into the “green star” community, results-oriented planning process. This complemented our joint efforts with JariAla and Conservation International to coordinate with the forestry service a better campaign against forest fires. Significant improvements in reaching KASTI and other forest fire committees were obtained with over 630 members receiving training in 2006-2007.

The economic valorization of the new protected area Fandriana-Vondrozo will depend to a large extent on capturing and utilizing the water flowing out of the primary forests. The pilot hydro electrification initiative in Tolongoina advances well. Through collaboration with the French NGO GRET, 1 million Euros were raised to cover the costs of building a 100 kW hydroelectric plant in Tolongoina and several others in other priority areas of Madagascar. ERI consultant Jonathan Annis has coordinated this innovative initiative.

2.1.3.2 Constraints

The ERI program contracted this past year an evaluation of the community-based resource management approach. Neal Hockley and Mijasoa Andriamarovololona clearly outlined the high hopes but growing disillusionment with the many GCF and GELOSE contracts set up along the forest corridor.

> Our field visits and analysis suggest that communities engaged enthusiastically with the *Transfert de Gestion* concept when it was first introduced, and that COBAs are providing some degree of forest protection. However, they will not do so indefinitely unless they receive more support and consideration from external agencies. Membership figures are falling as individuals find that

membership does not provide significant benefits. People are disillusioned with the implementation of the *Transfert de Gestion* and feel let down on the promises which accompanied the signing of the contract (p. 67).

The evaluation showed that the majority of resource management agreements put in place by LDI, ANAE, PSDR, and SAGE fail to generate sufficient use and exchange values to the local community to justify the high opportunity costs of community investments in management. Government forestry services and donor projects are failing miserably in providing sufficient technical and moral support, legal assistance, and financial incentives to the 80+ COBA situated along the forest corridor. Since financial returns to the COBA from valorization of the ecosystem services of the forests are so low, it is very difficult for these weak organizations to resolve internal conflicts over resource use. Government forestry services are not sufficiently endowed to enable support to the COBA to enforce adequately legal interdictions specified in the resource management plans. Free riders blatantly flaunt their ability to contravene resource use restrictions.

Contradictions are growing rapidly around the concept of community-based resource management agreements. On one hand, the state forestry service complains that local communities are incapable of managing natural resources because of low literacy rates, lack of internal organization, and pressures to expand slash-and-burn agriculture. Yet, on the other hand, the forestry service lacks the personnel and the financial means to provide adequate technical and legal back-stopping to the COBA. At this time, many 3-year GCF contracts are coming to an end, yet the forestry service lacks the personnel to evaluate the achievements of the COBA and thus decide whether to extend outward the contracts to 10 years. Co-management can not work unless both parties possess the means and incentives to work together to manage resources! The much hoped for contributions of the PE3 have not sufficiently strengthened the forestry service to carry out its mandate of support to the many communities struggling to manage rich niches of biodiversity.

2.1.3.3 Recommendations

The ERI Fianarantsoa program believes that one of the only ways to confront the constraints noted above is to increase the power of the COBA to protect their interests in local natural resources. For this reason, ERI will continue to invest financial and staff resources in helping the COBA federations become legal entities and to lobby for their interests. During the coming year, ERI will institute the same system set up for the Koloharena federations whereby technical agents are seconded to federations to provide technical support. Four COBA federations will be supported to hire forestry agents (ie: ex-APN agents) to provide the technical assistance to implement the resource management plans, training in legal affairs, and to help identify new income generation activities linked to sustainable use of the forest resources.

The Module II program will continue its efforts to incorporate the COBA into the governance structures of the new Fandriana – Vondrozo forest corridor. This will entail considerable financial investment by ERI Fianarantsoa to improve the ability of the COBA to articulate priorities during the public consultation process surrounding the establishment of the new protected area. ERI must similarly continue its efforts to link the COBA with the Koloharena federations to assure that the technical skills and knowledge held by the Koloharena reach the most distant communities along the forest corridor. While the regional Fianarantsoa confederation of Koloharena already incorporate many COBA in its management structure, ERI must encourage the Koloharena movement to expend more efforts to reach the most distant members situated far from markets, roads, and other public facilities. As Neal Hockely and Mijasoa Andriamarovololona conclude, "…we believe that, just like national parks, COBAs need significant external support, if they are to fulfill their potential…Supporting COBAs won't be free….and we believe that COBAs properly supported, offer a cost-effective way of achieving this aim"(p. 67). ERI must continue to work closely with the international donor community and the forestry service to put in place the mechanisms needed to evaluate the many expired GCFagreements. The future of the community-based resource management approach in Madagascar now hinges on evaluation of the initial wave of GCF and GELOSE agreements.

2.1.3.4 Perspectives

The Hockley and Andriamarovololona evaluation commissioned by ERI of the community resource management approach noted that local communities are generally failing to capture the financial

benefits derived from ecosystem services provided by the forest corridor. In order to generate greater financial benefits to local communities from valorization of the forest corridor, ERI Fianarantsoa must continue four key initiatives over the remainder of the project:

1. Carbon Credits for Avoided Deforestation: Work closely with MIARO partners to explore ways to obtain carbon credits for avoided deforestation in order to support COBA federations to manage forest corridor resources.
2. Economic Benefits from Micro-Hydroelectric Power Generation: Collaborate intensely with the French non-governmental organization GRET to assure that taxation of the pilot micro-hydroelectric power generation facility in Tolongoina generates direct financial benefits for the COBA managing the adjoining forests.
3. Economic Benefits from Secondary Forest Product Commercialization: Expand with JariAla and MIARO partners the development of secondary forest product markets and the creation of commercial forest production zones in some parts of the forest corridor.
4. Economic Benefits from community-based ecotourism: Strengthen the network of community-based ecotourism initiatives launched in the Forêt de Zafimaniry, Andrambovato, Ambohimamasina, and Anja. Link this to the emergence of the new cultural ecotourism initiatives launched by the Fondation Heritsilona in the city of Fianarantsoa.

2.1.4 Module III: Profitable and Environmentally Sound Farming Systems Replace "Slash-and-Burn" Agricultural Practices at the Landscape Level

2.1.4.1 Achievements

Module III directs technical assistance to the Koloharena movement to encourage the adoption of new agroecological practices contributing to the reduction of slash-and-burn agriculture along the Ranomafana-Andringitra forest corridor. The module, led capably by Anicet Ranaivoarison and Emilienne Voniarimalala, continues to generate a wide range of visible results documented in greater detail in the annexed tables and in the future Performance Monitoring Plan (PMP) report. The expansion of SRI/SRA rice cultivation, rice-fish culture (39 tonnes of fish produced in 2006-2007), beans (185 tonnes produced this year), and other traditional commodities increases progressively. These encouraging agronomic results certainly maintain the enthusiasm of the ERI technical staff. After 10 years of hard work along the forest corridor, we feel that agricultural intensification is indeed taking off in many exciting and sometimes unexpected ways! While the legacies left by the ERI Fianarantsoa program are many, it is clear that Module III will leave an innovative farmer-to-farmer agricultural extension system, new commodity streams, and a wide range of agroecological practices.

The farmer-to-farmer agricultural extension system has become over the past year highly visible because of the results obtained in expanding dramatically the adoption of new agricultural practices like jatropha, artemesia, and new varieties of sweet potatoes. The *Maisons Koloharena* are becoming the locus the Farmer-Field School approach where new varieties, agricultural practices, and tools are evaluated. The *Maisons Koloharena* situated in micro-watershed basins are the places where Koloharena members periodically meet to exchange experiences, observe the impact of new agricultural practices, and exchange seeds and other plant material. Many results are noted. As shown in greater detail in the tables (Annex 1) accompanying this report, the farmer led extension system now consists of a network of 80 private nurseries and 11 private seed producers. Koloharena produced over the past year 41 500 eucalyptus, cassia, and ravinsara that were out planted by 1 200 farmers. Meanwhile, collaboration with the CNCC/STABEX and the firm Coffee, Corridor, and Spices led to out planting of 30 000 arabica and robusta coffee plants and 3 300 pepper, cinnamon, and cloves. On their own, the Koloharena planted 14 000 fruit trees. The Koloharena movement continues to be one of Madagascar's largest private producers of perennial cash crops! Through collaboration with the FERT project, Koloharena in Ialatsinany-Ialamarina set up a cowpea seed multiplication center serving members of all 9 federations.

The expansion of new commodity streams continues steadily though rates of growth are largely determined by market incentives. The Koloharena now work closely with the French firm BIONEXX to plant artemesia during the past two agricultural seasons. Last year test plantings led to a crop of

689 kg of high quality artemesia produced by 141 farmers. Production is expected to expand considerably during the 2007-2008 season thanks to many valuable lessons learned by BIONEXX and ERI. Jatropha production continues to expand, though at a somewhat reduced rate. Last year 378 farmers planted 36 000 *Jatropha curcas* on 14.5 hectares of land. This represents a reduction in acreage planted over the previous year because farmers are not yet convinced that the market will absorb production. However, demand for jatropha oil continues to be high and the placement of 10 Bielenberg presses in agricultural supply centers is leading to a progressive expansion in oil production used for soap, lighting, and cosmetics. A yellow and orange fleshed sweet potato introduced through a contract with FIFAMANOR continues to generate spectacular results. Koloharena federations purchased with their own resources 2 700 kg of vines for distribution to 20 multiplication centers along the forest corridor. It is anticipated that this investment will generate over 12 000 kg of vines for sale.

The ERI Fianarantsoa program continues to encourage the rehabilitation of transportation systems. Senior staff work closely with the Régions of Haute Matsiatra and Vatovavy-Fitovinany to facilitate the leveraging of funds for road reconstruction financed initially by the CAP/USAID project. Over 2 billion Ar were leveraged from the *Fonds d'Entretien Routier* for the Namoly-Ambalavao road and efforts are currently underway to generate funds for the rehabilitation of the Bekatra-Lekomby road near Manakara. Senior staff similarly monitor very carefully the deteriorating condition of the FCE railway and the port of Manakara. Whenever possible, BAMEX and ERI staff try to inform government officials of the economic and ecological costs of possible collapse of these key transport infrastructures. Discussions have been held over the past year with the Ministry of Transport and Tourism and the Presidency to explore new options for putting in place concession agreements. These have not yet led to results.

The initiative launched by ERI Fianarantsoa to support the WASH consultative process and the Hygiene and Improvement Project (HIP) through the engagement of ex-Peace Corps volunteer Jonathan Annis has led to palpable results. Funds have been raised from Rotary Clubs in the United States to fund the construction of rain fed water cisterns in community health centers in the Haute Matsiatra. Jonathan has conducted engineering studies that have led to the construction of 4 gravity fed potable water systems capturing water coming out of the forest corridor. He contributes to various initiatives to provide improved potable water management for towns like Ambatafotsy, Ikongo and Tolongoina.

2.1.4.2 Constraints

The Koloharena movement is rapidly expanding the scope of its interventions along the forest corridor. The scaling-up of Koloharena presence is largely due to the technical and financial subsidies received from the ERI program. For the movement to expand further, the rural development climate along the forest corridor must become more favorable. As noted in the many previous ERI semester and annual reports, scaling-up depends directly upon the creation of an economic development corridor which itself relies upon such factors as efficient rural transport infrastructures, accessible rural credit, rehabilitation of irrigation systems, and various market incentives. Few of these key preconditions exist at this time despite numerous years of donor interventions. Donor investments are not yet coherent nor adequately coordinated by the State.

The Koloharena farmer's movement is gaining considerable experience in negotiating contracts with the private sector. To the consternation of some firms, the Koloharena federation and association members have become skilled negotiators demanding written contracts. Some companies express dismay that the Koloharena are so exigent.

The adoption of new rice cultivation techniques like SRI and SRA demand a considerable additional investment of labor in weeding and soil fertility improvement. The cost of simple agricultural tools like conical weeders or hand operated jatropha presses remains high. High prices are to a large degree stimulated by the growing demand from the Republic of China for steel and iron. Even scrap iron used for making many agricultural tools is in scarce supply. Terms of exchange between agriculture and the costs of inputs like tools and inorganic fertilizer constrain significantly rates of adoption.

2.1.4.3 Recommendations

The future of the Koloharena movement depends on the success of the regional confederation and federations to open up new markets for agricultural surplus. The farmer's movement must continue to generate financial benefits for the members in order to grow in numbers. Financial returns must cover the opportunity costs of collective action. The ERI, BAMEX, and Catholic Relief Services programs must continue to help the movement develop new markets but also meet quality exigencies.

The agroecological approach is certainly well rooted within the Koloharena movement. Yet, the rates of adoption of the wide range of agricultural practices vary greatly from place to place. The farmer-to-farmer approach must continue to be supported actively by ERI but recent discussions with the Ministry of Agriculture must continue to find appropriate ways for long-term state support for rural extension. Agricultural development depends on the existence of a vibrant agricultural extension system that channels new ideas, information, and tested techniques to small farmers. Government commitment to the farmer-to-farmer extension system is critically important to maintain the achievements ERI has obtained in introducing new crops, improved seeds, rural credit, new agricultural tools, and improved marketing arrangements for inputs and sales of agricultural commodities.

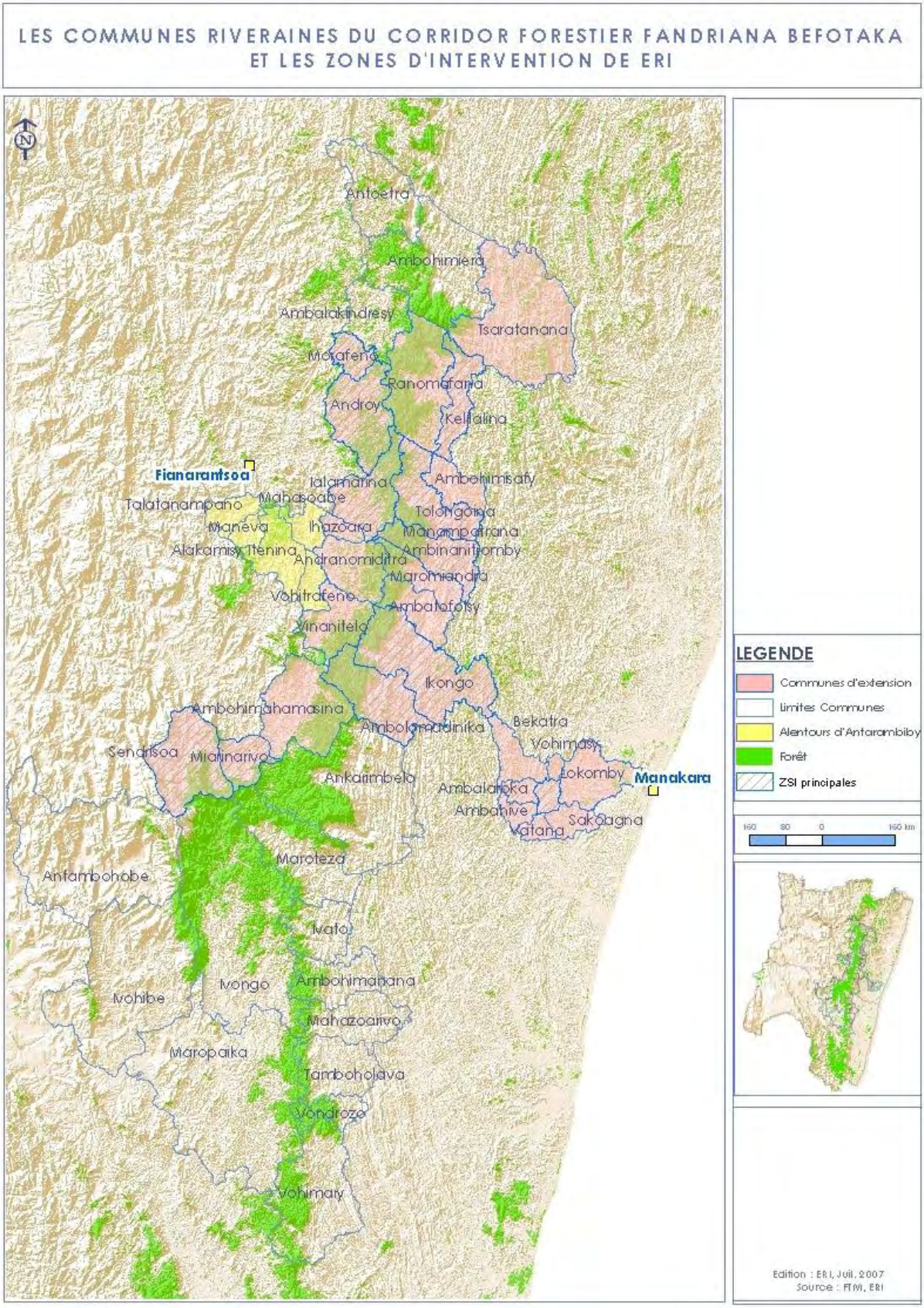
2.1.4.4 Perspectives

The ERI Fianarantsoa program will continue to reduce its operational presence in the project's strategic zones of intervention while transferring greater extension responsibilities to the Koloharena farmer-to-farmer system. But, the partnership will not be abruptly ended for we will continue to search out new investment opportunities for agricultural and rural development. At the time of writing of this report, ERI places high hopes in fostering the investment in Fianarantsoa by the South African J&J Bioenergy Group. This firm proposes a strategy to rehabilitate the FCE railway, manage abandoned palm oil plantations in Manakara, and develop an innovative program of biofuel production based on *Jatropha curcas*. ERI will continue to encourage the strengthening of relations between the Koloharena and companies like BIONEXX (artemesia), and Coffee Corridor and Spices (Arabica and Robusta coffee), SDMad and FIFAMANOR (seed production).

During the remaining months of the ERI program, our senior staff must continue to strive for the removal of key obstacles to agricultural development along the forest corridor. Key issues that must be resolved in the near future include, but are not limited to: introduction of a multiplatform mechanized jatropha press, expansion of sales of the conical rice weeder, credit for rice mills and hand operated water pumps… Above all, we hope to be responsive to the recent request made by the regional Koloharena confederation to support the creation of a sales point in the markets of Fianarantsoa and Manakara.

The successful negotiation of a concession agreement for the FCE railway and the Port of Manakara would be the greatest legacy ERI Fianarantsoa could leave to the people living along the Ranomafana – Andringitra forest corridor. This would assure the emergence of a transportation and economic development corridor along the forest corridor. Time is running out; it is not clear if public policy decisions will be made soon enough to avoid collapse of the FCE railway.

Strategic Zones of Intervention for ERI Fianarantsoa



2.1.5 Module IV: Rural Associations Achieve Financial and Organizational Sustainability and Become Effective Advocates for Local Concerns

2.1.5.1 Achievements

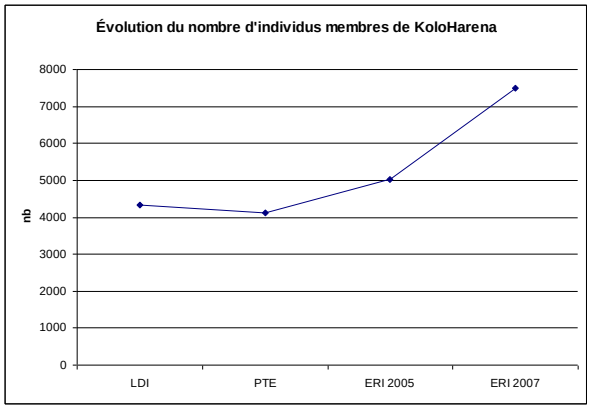
The national and regional visibility of the Koloharena movement has increased significantly over the past year thanks to the concerted leadership provided by Module IV coordinator Tsialoninarivo Rahajary and assistant Suzanne Razanadravao. The ERI Fianarantsoa program and the Koloharena federations devised at the beginning of the year a strategy to expand the national and regional presence of the movement. Today, the Koloharena movement is present in 18 communes along the Ranomafana – Andringitra forest corridor (see map above). The ERI Activity Implementation Fund has been used to increase the capacity of the Regional Confederation of Koloharena to offer outreach to the new areas of intervention. The Koloharena movement has continued to grow in numbers. Thanks to the Kaominina Mendrika initiative, the Koloharena are now well integrated into the "star" planning process coordinated at the commune level by the *Comité de Développment Communal*. In order to assure synergies between the Koloharena and the commune level planning process, the work plans of the Koloharena federations now are structured along the Nature, Health, Wealth, and Power (or four "stars") system used in Kaominina Mendrika.

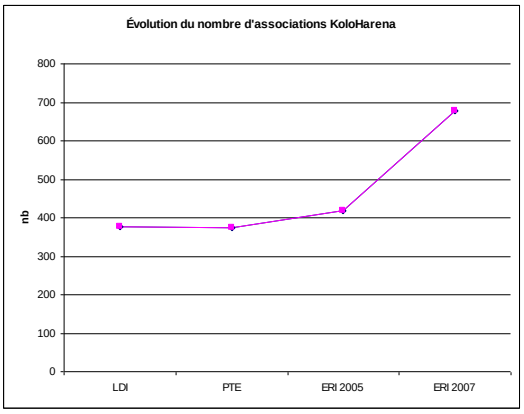
The Koloharena Movement in Fianarantsoa

The Koloharena movement in Fianarantsoa now consists of 7497 members and 679 associations.

- Région de Vatovavy Fitovinany :
  - 16 communes
  - 352 Koloharena associations
  - 4054 members
- Région de la Haute Matsiatra :
  - 04 communes
  - 327 Koloharena associations
  - 3443 members

Rates of Expansion of the Koloharena Movement





The Koloharena federations have invested considerable efforts to improve the transparency and financial management of the movement. Internal audits carried out in early 2007 noted weaknesses in management of cooperative and federation finances. New systems of more transparent financial management have been set up over the past year. Federations audit periodically each other's finances and provide a certificate of compliance with auditing practices.

The ERI Fianarantsoa program continued to contract directly with the 9 Koloharena federations to provide agricultural extension services to members. For the second year in a row, the Activity Implementation Fund was used to foster the hiring by the Koloharena themselves of two technical agents per federation. Jointly managed by the commune and the federation, these 19 technical agents provide a wide range of service to the Koloharena associations and cooperatives. Management by the federations of these contracts in compliance with USAID regulations has been a very successful capacity building exercise.

The USAID Madagascar mission provided additional funds to allow ERI to put in place the new *Centre d'Appuis aux Communes* (CAC) structure. This new initiative is now well in place with the

creation of a CAC office in Ikongo and Ifanadiana. Through the *Comité Multilocale de Planification*, four CAC staff members have been recruited and extensively trained in their new responsibilities. By August 2007, the structure should be fully functional. Support by the 25 communes managing the CAC process is excellent thus far. ERI hopes that the technical capacity provided by the CAC will lead to improved tax collection, responsible management of commune tax revenues, and effective commune level programe planning and implementation.

2.1.5.2 Constraints

The Koloharena movement continues to confront a series of internal constraints. Communication between the leadership and the membership at the base is not always effective. Members scattered widely over large areas confront considerable obstacles to meet together to exchange information and ideas. Information retention between the leadership structure and the isolated membership base is a constant problem. Part of this problem is due to the lack of effective radio and telephone coverage and limited presence of rural markets along the forest corridor– places where information can be rapidly exchanged. The movement invests considerable time in clarifying roles and responsibilities of various governance structures. This lack of sufficient communication between the base and the leadership results in distrust, rumors, and non-motivation.

The internal management of financial resources continues to be a major obstacle to the long-term viability of the Koloharena movement. Unless financial management is absolutely transparent, the membership base will refuse to invest time and financial resources in the movement. For this reason, ERI and the Koloharena leaders have set up training programs to facilitate internal audits, public transmission of financial information to members, and periodic gatherings of all federation members. All of these initiatives cost money – how will the Koloharena movement absorb these operational costs in the future?

The creation of the *Centre d'Appuis aux Communes* may contribute significantly to resolving one of the continuing difficulties – lack of coordination between donor projects at the local level. While the Ecoregional Alliance has been an effective mechanism to assure inter-project harmonization of approaches and activities in the field, the communes continue to confront difficulties of managing inter-donor and government interventions. The new Régions have not yet set up effective inter-donor coordination mechanisms.

The rural political economy has been considerably affected by the constant series of political campaigns – the presidential elections, the national constitutional referendum, the selection of new *fokontany* presidents, the national assembly elections, and soon the commune elections. Instituting new institutional mechanisms like the CAC has been slowed down because of the constant political campaigning. Within this context, it has been difficult to combat the perennial problem of expectation by rural communities of political payoffs and handouts. Despite widespread discussions of the Madagascar Action Plan, rural communities still expect handouts by the State, donors, and political parties of various goods and services.

2.1.5.3 Recommendations

The ERI Fianarantsoa program must continue to work closely with the Koloharena leadership at the commune, regional, and national level to assure good governance and strong financial transparency. As part of the strategy of reducing the presence of ERI but increasing the strength of the movement, ERI must continue to strengthen the capacity of the regional confederation of Koloharena (ARKH) to take the reins. This entails continued work to increase the political power of the Koloharena as a voice of rural interests.

The ERI Fianarantsoa program will continue to work with the Koloharena regional confederation and commune level federations to put in place procedures manuals, mechanisms to collect funds to pay OMERT fees for the BLU radios, and internal financial audits. We will continue to work closely with Ecoregional Alliance partners and the core of the Voahary Salama team in Fianarantsoa to strength the Kaominina Mendrika structure. Procedures manuals for the four stars must be revised to take account of experiences learned in the field and the structure must become rooted better within regional and local governance structures. The annual work plans of the CAC ought to incorporate the necessity to monitor the Kaominina Mendrika achievements and subsequent celebrations.

2.1.5.4 Perspectives

The ERI Fianarantsoa program is well on track to leaving a legacy of a dynamic and durable Koloharena farmer's movement. The ERI team will continue its efforts to mentor the leadership of the Koloharena movement and to prepare them for the imminent departure of USAID funding support. Our regional office staff will work with the Koloharena to develop new partnerships with the private sector. ERI Fianarantsoa believes that commercial contracts for production of agricultural products like artemesia, jatropha, fish, sweet potatoes, spices, and other cash crops must become the economic motor for long-term survival of the movement. Strengthening trustful relations with credit and savings institutions like TIAVO, CECAM, and Entreprendre à Madagascar must remain a central part of our strategy.

At the same time, ERI Fianarantsoa is cognizant that farmer's movements require some type of linkage with dynamic governmental technical services and non-governmental rural development organizations. ERI will continue to build bridges between the Koloharena movement and regional government agencies and services. We must continue to strengthen ties with other donor financed organizations like FERT, Saha Betsileo, PSDR, and FID.

The Kaominina Mendrika results-oriented planning tool is viewed as a successful way to facilitate community level planning, implantation, and monitoring. We must continue to support the consolidation of this tool during a time when USAID partners like SanténNet are closing down operations.

2.1.6 Module V: Strategic Communication, Education and Outreach Lead to Widespread Behavior Change

2.1.6.1 Achievements

The ERI Fianarantsoa communications program continues to advance at a fast pace thanks to the dynamic contributions of Module V coordinator Salohy Razanajatovo and assistant communications specialist Sidonie Rasoarimalala. As recommended by the consultant Jamil Simon of Spectrum Media, the communications program has emerged as a multimedia initiative using a wide array of communication processes and tools. These include:

Technical Sheets and Posters: Preparation and dissemination of technical information on micro-territorial watershed management, SRI rice cultivation, jatropha, moringa, and sweet potatoes. Posters have been designed for use in fairs on the Koloharena movement but also on technical initiatives like micro-hydroelectric power in Tolongoina.

Radio Programming: Contracts with radio stations and the Andrew Lees Trust (ALT) have led to the diffusion of a wide array of technical radio spots prepared almost exclusively by the Koloharena themselves. Through collaboration with BAMEX/BCI, the Fianarantsoa radio stations now run a monthly program of diffusion and analysis of agricultural prices and trends.

Documentary Films: At the instigation of the Koloharena communication committees, three contracts have been signed with film producers to prepare technical films with our partner organizations on Community Forest Management, Management of Home Gardens, and Management of Tanety Landscapes. ERI is experimenting with the use of solar powered DVD readers as a tool for disseminating its library of technical films.

Telecenters and Rural Internet Access: ERI technical staff have worked closely with the Last Mile Initiative (LMI) to set up the telecenter in Ranomafana. Negotiation is underway with TELMA and the LMI to bring internet services to Ikongo. Thanks to the considerable lobbying pressure exerted by the Ecoregional Alliance, TELMA now provides PackTelma services to Ifanadiana and public telephone access to Ranomafana and Ikongo. Cell phone coverage has also expanded tremendously in the Haute Matsiatra zones around Fianarantsoa. Isolated sites like Andrambovato on the FCE can now also receive cell phone service at certain locations on mountaintops.

These tools complement the other communication mechanisms put in place by the ERI program such as the *Maisons Koloharena*, the farmer-to-farmer extension approach, and the wide range of classical training programs extended to rural communities. For instance, ERI senior staff carried out 50 formal training programs over the past year totaling 964 days.

2.1.6.2 Constraints

The ERI Fianarantsoa communications initiative operates in somewhat of a vacuum due to the inability of the PE3 to develop a strong environmental education component. Various partners continue to minimize the importance of investing in various types of communication. Yet, the lack of two-way communication of information and ideas continues to be the major cause of underdevelopment in rural areas. While ERI continues to lobby for the expanded use of mass communication tools, the expansion of modern communication facilities continues to be exceedingly slow. Radio coverage along the Ranomafana – Andringitra forest corridor increases little by little, but government and NGO technical services have not yet captured the potentiality of this medium. ERI is one of the sole institutions investing in the use of rural radio to disseminate information of use to rural communities.

The ERI program and other members of the Ecoregional Alliance fail to invest sufficient financial support for the development of communication tools. The high cost of developing professional radio programs and films is certainly a detriment to our environmental education program, but other donor projects themselves do not invest sufficient funds in this sector.

At the grassroots, it is very clear that those who possess information capture power. Information retention by rural elites continues to be a major hindrance for rural development along the Ranomafana-Andringitra forest corridor. The challenge of disseminating information about the new protected area of Fandriana – Vondrozo to hundreds of thousands of people living in and along the corridor illustrates the complexities of getting messages out to rural constituencies.

2.1.6.3 Recommendations

The ERI Fianarantsoa program must continue to work with Andrew Lees Trust technical staff to increase the capacity of the Koloharena to produce professional radio programming. This must complement the continued dissemination of technical documentation and posters through the *Maisons Koloharena*. By the end of the ERI program, all technical fact sheets must be compiled and transmitted to the federations and the network of demonstration sites. The Koloharena themselves must be encouraged to continue developing technical fact sheets of experiences learned through field trials.

The Koloharena movement has built up strong relationships with some of the rural radios transmitting toward the forest corridor. These relationships ought to be consolidated through a contractual mechanism whereby the Koloharena submit regular programs for widespread diffusion. Costs of these emissions must be picked up through the budgets of the Koloharena federations.

2.1.6.4 Perspectives

The ERI Fianarantsoa program will continue to invest in strengthening the wide range of communication tools presently emerging in the regions. We will continue to support the expansion of the Last Mile Initiative dream by seeking to create a network of telephone and internet services along the forest corridor. But more importantly, we hope to increase the use of internet facilities by informing rural communities of how this tool can serve non literate users. Our energies will continue to be expended in helping the *Comité Multilocale de Planification* and the Technical Committee of the SAPM/NAP to extend information on the complex public consultation process for the establishment of the new Fandriana – Vondrozo protected area. We will continue to encourage the use of multimedia for public education on environment and development issues. Hopefully, our example will stimulate other projects and programs to invest more financial resources in mass communication.

2.1.7 Monitoring and Evaluation

2.1.7.1 Achievements

The monitoring and evaluation component of the ERI Fianarantsoa program continues to generate information and analysis required by a wide range of actors. Our information collection systems (Performance Monitoring Plan, TAMIS data management system, and *Cahiers de Ménage*) continue to generate information required by USAID, the Madagascar Action Plan, and regional authorities. The TAMIS data base tracks various types of information such as numbers of missions, contents of meetings, numbers of people trained, procurement, and Activity Implementation contractual information. National and regional authorities recognize that ERI generates viable information on project achievements and for this reason we are constantly solicited to share our progress reports and compiled data with our partners in government.

The collection of agricultural information through the *Cahiers de Ménage* was set up with two consultancy firms. Through close collaboration with the Koloharena federations information on agricultural yields and surfaces cultivated for the rainy season of 2006-2007 has been collected and analyzed. Information on dry season agricultural practices is currently being collected. This information will be presented in the PMP report scheduled for delivery to USAID in October, 2007. While the Koloharena leadership recognizes the importance of data collection and analysis, the membership at the base often view the questionnaires as intrusive and time-consuming.

The ERI Fianarantsoa program works very closely with the Régions of Haute Matsiatra and Vatovavy-Fitovinany to monitor the advancements of the Madagascar Action Plan. Our program provides needed information to the monitoring system being set up by the regions and we participate actively in consultative meetings. ERI Fianarantsoa has been delegated to monitor the advancement of the natural resource management component of the MAP for the Région Haute Matsiatra.

The Module V coordinator provides the leadership for documenting lessons learned from 10 years of USAID support to the rural communities living along the forest corridor. Through collaboration with the *Institut des Sciences de l'Environnement*, we launched with 21 students the customer satisfaction questionnaires at nine locations along the forest corridor. The data is currently being compiled. Initial analysis suggests that on the whole various rural constituencies are satisfied with the performance of ERI, yet they express grave concerns about the internal performance of the Koloharena movement. We will continue to seek out opportunities to record lessons learned from implementation of the LDI, PTE, and ERI programs.

2.1.7.2 Issues

The ERI Fianarantsoa program is often inundated with demands for information on project achievements. The Régions of Haute Matsiatra and Vatovavy-Fitovinany periodically request detailed presentations on our links to the Madagascar Action Plan. Central government requests information on progress made toward the achievement of ministerial objectives. USAID similarly requests information to feed its changing monitoring and evaluation obligations mandated by Congress. These requests for information often disrupt program implementation for senior staff must drop everything to rush around to compile and interpret data.

Collection of information on project achievements is relatively straight forward through the use of the TAMIS data base system. However, acquisition of information on various agricultural parameters such as yields and areas under cultivation requires considerably more investment of scarce project resources. ERI Toamasina and Fianarantsoa have continued to collect comparative statistics through the *Cahier de Ménage* but this tool is often viewed with suspicion by respondents. Some Koloharena farmers refuse to participate in collection of information on yields and areas cultivated because they view this as an intrusion on privacy. Compensation for investing time in responding to questionnaires is sometimes requested. Until the government of Madagascar re-institutes a rigorous system of collection of data on rural conditions, donor financed projects like ERI will continue to confront major methodological difficulties and high costs for collection of information on agricultural parameters. Unfortunately, the SIRSA data collection system only collects information in two of ERI's strategic zones of intervention. Yet our experience suggests that agrarian conditions vary greatly from place to place.

2.1.7.3 Recommendations

The ERI Performance and Monitoring Plan has been modified to meet new USAID requirements for information. Information collected for this requirement will be presented in October in order to meet mission needs. Meanwhile, the ERI Fianarantsoa senior staff will be working closely with the *Institut des Sciences de l'Environnement* to carry out a detailed participatory evaluation in late September and early October with the Koloharena federations on lessons learned from 10 years of USAID interventions in rural areas along the forest corridor. We hope that this analysis will generate a monograph of key information and analytical perspectives for each federation but at the same time contribute to the USAID Madagascar stock taking exercises.

2.1.7.4 Perspectives

The ERI Fianarantsoa program is committed to the principle of adaptive management. We believe that not only must our project staff constantly adapt project interventions to respond to new realities, but we must also encourage our principle partners to do the same. For this reason, ERI Fianarantsoa is investing considerable financial and staff resources in working with the Koloharena movement to assess itself lessons learned from setting up the farmer's movement. We hope that this process will be one more contribution to breaking down the information retention and lack of communication that hinders so much the growth of dynamic rural farmers' movements.

2.1.8 Activity Implementation Fund

2.1.8.1 Achievements

The Activity Implementation Fund (AIF) capably managed by Haja Guy Randrianarisoa continues to allocate efficiently the annual allocation of about $200,000. The table below indicates the type and sums of expenditures incurred between July 2006 and June 2007. From the time of its inception, the ERI Fianarantsoa program has engaged nearly $735,000 or about 83% of its total AIF budget. The remaining 17% of our AIF fund is destined for Year 4 expenditures. From July 2006-June 2007, ERI Fianarantsoa signed $315,501 of contracts and protocols of which 43% of the funds are now spent. Large contracts, like one of $58,000 with the CMP for the implementation of the CAC program was only signed in May 2007. About 86% of our expenditures are for service contracts with NGOs and associations, 10% for protocols covering travel and per diem of various partners, 1% for individual consultants, and 3% for the purchase of training supplies and materials.

AIF BUDGET EXPENDITURES FROM JULY 2006-JUNE

TYPE	Total Approved	Total Disbursed	Remaining Award
IC	$3 191,28	$3 191,28	$0,00
PO	$269 545,56	$94 181,33	$175 364,23
PO-GOODS	$12 281,56	$10 704,57	$1 576,99
PROT	$30 482,74	$27 401,03	$3 081,71
Grand Total	**$315 501,14**	**$135 478,21**	**$180 022,93**

IC=Individual consultant, PROT = Protocol (MOU), PO_GOODS = Purchase of demonstration materials, PO = Purchase Order for services

As the summary table in the annex shows, our AIF expenditures over the past year are for the following activities:

Module I: Service contracts to the *Comité Multilocale de Planification* to promote the ecoregional approach and support the creation of the *Centres d'Appuis aux Communes*. Contracts for implementation of the Cahiers de Ménage data collection system.

Module II: Service contracts to support training of COBA for better management of the community management agreements, establishment of new community management agreements, and support to community groups for training on forest fire management.

Module III: Service contracts and protocols to facilitate the emergence of new commodity streams like tuber crops, coffee, jatropha, rice-fish culture, beekeeping, SRI/SRA rice cultivation.

Module IV: Service contracts to the 9 Koloharena federations and the regional confederation to consolidate the farmer-to-farmer approach and to expand the presence of the movement in

new communes. Large contract with the CMP to establish the new Centre d'Appuis aux Communes.

Module V: Service contracts with NGOs to expand and consolidate the Kaominina Mendrika approach and to produce radio emissions. New contracts with film production companies to produce technical films.

2.1.8.2 Perspectives

The ERI Fianarantsoa program retains $140,000 for the period of July 2007 to April, 2008. Senior staff envisage expending the majority of this remaining sum by December 2007 but a small sum will be retained for close-out activities (synthesis workshops, lessons learned documentation) if Year 5 funding is not procured. The majority of the remaining funds will be used by the module coordinators to consolidate commune level planning, expand the use of improved agroecological techniques, consolidate the Centre d'Appuis aux Communes, and strengthen the Kaominina Mendrika initiative.

2.1.9 « Fruits of the Forest » Grant Program

2.1.9.1 Achievements

The ERI Fianarantsoa program implements the NODE "Fruits of the Forest" or "Haren'Ala" $200,000 small grants program put in place through collaboration with Conservation International. Launched in October, 2005 this innovative program has helped to target resources to non-Koloharena communities situated along the Fandriana-Vondrozo forest corridor.

The Fruits of the Forest administrator Eugénie Andriamahefa has received 199 requests for financial support from organizations and individuals located in the 5 Régions abutting the forest corridor. The NODE technical committees have approved 44 projects of which 42 are presently financed. These include 29 projects of grants between $500-$5000, 12 projects between $5000 - $15,000, and 1 project greater than $15,000. Approximately 90% of the total amount available for grants is now allocated (about 363 million Ariary). About 10% of the remaining fund will be used for documenting lessons learned from implementation of the grants.

The small grant program finances a wide range of activities. To give a sense of the range of these activities, the 9 completed projects include: a grant to GRET to cover the costs of feasibility studies for the pilot micro-hydroelectric facilities in Tolongoina; environmental education through rural radio programming and study tours for young people; creation of ecotourism facilities (paths and visitor's centers) in Amdrambovato and Andringitra; applied research through Valbio on economically useful forest plants threatened by extinction; and financing to SAF-FJKM to rehabilitate and expand the arboretum in Ranomafana founded by Dan Turk.

The "Fruits of the Forest" program obtained authorization from Conservation International to set up a "sub-NODE" program whereby two experienced NGO's based in Fianarantsoa were given grants of approximately $21,000 each to support local level conservation activities in their respective areas of intervention. The intention of this grant is to test the capacity of Haona Soa and Ny Taninsika to manage a future Conservation International NODE grant program.

2.1.9.2 Perspectives

The Fruits of the Forest NODE, small grant program implemented by ERI Fianarantsoa will come to a formal end in January, 2008. Discussions are underway with Conservation International to identify and then train the new NODE grant implementer. The identification of a new implementer is the central challenge facing ERI and Conservation International. The current sub-NODE granting facility is one way to determine the capacity of non-governmental partners to implement this innovative program.

Conservation International and ERI Fianarantsoa hope to put in place over the next few months a process to report in a creative and public way the results and innovations generated by this small grant program. In early 2008 the two programs will most likely facilitate a workshop of the 43 grant recipients to reflect on the way in which the Fruits of the Forest has contributed to conservation and rural development along the forest corridor. Hopefully, by this time, the new NODE grant administrator will be identified.

2.1.10 Ecoregional Alliance

2.1.10.1 Achievements

The Ecoregional Alliance has continued to function well in Fianarantsoa. The majority of the efforts of the alliance furthers the enactment of the new protected area of Fandriana – Vondrozo and promotes the expansion of rural development in new areas along the forest corridor. Constant consultations among the members of the alliance have led to a united front of recommendations on how to move forward the creation of new governance structures for the entire protected area. The frequent formal and informal meetings among members, and numerous collaborative efforts are carried out under the rubric of the Nature, Health, Wealth, and Power framework.

Thanks to the concerted efforts of various Ecoregional Alliance members, positive results have been obtained on many fronts. The joint efforts of the members have contributed to the listing of the humid forests of the Atsinanana ecoregion as a UNESCO World Heritage site. The joint Conservation International and JariAla analysis of forest data suggests that our collaborative efforts might be contributing to the reduction of primary forest conversion rates along the Fandriana-Vondrozo forest corridor. Intense collaboration between JariAla, ERI, and the Région de Haute Matsiatra has most likely led to the reduction of the threat of a dry season water crisis in the city of Fianarantsoa. Thanks to the consultative process set up by ERI, the Comité Ad Hoc de Crise de l'Eau led to JIRAMA investments in raising the height of the Lac Antarambiby dam and investment in up-grading emergency pumping stations. Interactions between ERI, JariAla, USFS, and Grand Lyon may be leading to improved long-term management of the Mandaratsy pine plantations through the enactment of new adjudication measures.

Along the Ranomafana – Andringitra forest corridor, the collaborative efforts among Alliance members is seen most vividly through the expansion of the Kaominina Mendrika initiative. The effort to conduct results oriented planning and implementation of simple yet measurable activities is the most dramatic expression of the strong synergies built up by alliance members.

2.1.10.2 Constraints

The Ecoregional Alliance in Fianarantsoa tries to keep a low profile in order to encourage the Régions to develop consultative planning processes. The alliance members do not want to eclipse the Régions in their coordination and planning roles. However, the decentralization process has not led to the creation of inter-regional planning and coordination bodies. While the Ecoregional Alliance tries to strengthen the *Comité Mulilocale de Planification* to play this role, the current restructuring of government of Madagascar institutions renders very complex this initiative. In the end, it is not yet clear what type of ecoregional planning structure will emerge in the years to come.

The Ecoregional Alliance members constitute a very dynamic and hard working team. Senior staff are constantly traveling in the field and for this reason it is sometimes hard to obtain a quorum for periodic alliance meetings. Sometimes monthly meetings must be cancelled because project exigencies forestall efforts to meet together to exchange information. Ecoregional Alliance coordinator Mark Freudenberger tries to keep abreast of new developments within the alliance in order to communicate this information by internet to members. But, information collection takes considerable time because project staff travel so extensively.

2.1.10.3 Recommendations

The Ecoregional Alliance members in Fianarantsoa ought to be incorporated into the up-coming stocktaking exercises planned by USAID Madagascar. Senior project staff have much information to share on the successes and setbacks encountered in implementing the ecoregional conservation and development approach.

2.1.10.4 Perspectives

The Ecoregional Alliance monitors periodically the advancement of its annual work plan. A formal review process will commence again in early September following the return of project staff from vacations. This review will help channel information into the up-coming USAID stocktaking exercise.

3 TOAMASINA REGIONAL PROGRAM

3.1 Toamasina 2006-2007 Progress and Summary of Results; Future Perspectives

3.1.1 Overview

The ERI Toamasina Program continued to produce numerous, significant results during its 3rd year. Since December of 2006, most efforts have focused on securing the Program's five legacies. A notable achievement is a thriving and dynamic Koloharena farmer's movement as demonstrated by the rapid emergence of many new associations and cooperatives. The Program also endeavored to focus its energy spatially as activities came to a close in zones not immediately adjacent to the Ankeniheny-Zahamena forest corridor: Fenerive Est and the western side of Lake Alaotra.

Despite the impressive results, several challenges should be noted. Staff turnover continued to hamper smooth and constant progress in some areas; this was most notable with regard to Module 3 (agricultural intensification) and the Indri Corridor small grants or Node program: new senior managers were recruited for both of these components during the Program's third year. Additionally, use of the Program's operational and AIF budgets was excessive and had to be curtailed. This resulted in fewer field trips by senior staff and monitoring of field-level activities that was, consequently, in many ways insufficient.

The following narrative attempts to focus on results and attempts to be succinct (not an easy task when considering the scope and ambitions of the ERI Program!). We are therefore unable to do justice to the substantial resources and time invested in the numerous process-oriented activities necessary to generate Program results and move, incrementally, towards the realization of our legacies.

3.1.2 Module I: Ecoregional Approach to Conservation and Development Adopted and Implemented by Multiple Actors in Priority Ecoregions

3.1.2.1 Achievements

The ecoregional or sustainable development vision for the greater Ankeniheny-Zahamena corridor – a vital stepping stone needed to attain Module 1 objectives – was finalized in March. Support provided by WWF and other partners as well as a validation workshop organized by PlaCAZ in February were key elements for this accomplishment. The vision will be a reference for years to come and lends legitimacy to the platform's actions.

Continued mentoring and PlaCAZ support efforts constituted a major focus during the ERI Program's third year. The sum result of these efforts will be nothing short of attaining one of the Program's five legacies: sustainable coordination and advocacy structures for improved corridor governance. To this end, discussions and actions aimed at implementing the PlaCAZ's sustainability plan occurred. This included clarifying options for raising funds and contacting potential financial partners such as UNDP, Madagascar's civil society platform, the World Bank, CI and WWF; ERI staff also shared the compendium compiled by ERI Fianarantsoa on donors and support organizations with PlaCAZ. Moreover, the platform's executive team devised plans with ERI staff to publicize the ecoregional vision and meet with potential donors in Antananarivo as well as to lobby the Regions on establishing an inter-regional decree that recognizes PlaCAZ's existence and public utility.

Along with Miaro and JariAla, ERI Toamasina staff continued to be instrumental in advancing the establishment of the new AZC PA. During the second semester of 2006, a multi-stakeholder team tested the methodology for the commune-level public consultations – a methodology that was significantly shaped by ERI input – regarding the boundaries and management of the new PA as well as discussions on agricultural development and land use planning for areas outside of the PA. Maps produced by ERI and PACT via a multi-criteria spatial analysis formed the basis of the

discussions on agricultural development. During the first half of 2007, the most significant results were achieved at a planning workshop in April: ERI's Regional Coordinator gave two presentations that crystallized thinking on the sustainable use of the PA's peripheral zone, co-management with local communities, and governance structures. The PlaCAZ leadership also played an important role during the workshop, solidifying their position as an important actor in the process and enhancing their chances for staying power beyond ERI. ERI also played an active role in leveraging World Bank development funds (via the PSDR project) for AZC communities; this resulted in the accord for three micro-projects. A similar effort was deployed in order to acquire Bank funds for the public, commune-level consultations for the PA's establishment; this was achieved primarily via a presentation to the Bank's task manager for Madagascar's 3rd environmental program (PE3).

Within the framework of promoting the ecoregional development and conservation approach, collaboration with, and support to the Alaotra-Mangoro and Atsinanana Regions was maintained. The major achievement during the Program's third year was working with multiple stakeholders to lay the foundation for a holistic, regional land use plan (*schéma régional d'aménagement de territoire*) for Alaotra-Mangoro. The elements of the draft plan were assembled during a workshop at which ERI Toamasina supplied spatial data on existing and future forest management transfer contracts. The Madagascar Action Plan or MAP embodied another major Regional focus during the first half of 2007. ERI Toamasina staff actively supported Alaotra-Mangoro and Atsinanana as the challenges for the MAP commitments were prioritized at the Regional level. Participation in the myriad working groups based on these priorities is ongoing.

Mainstreaming the environmental reflex is an integral element of the strategy to promote the ecoregional approach. ERI Toamasina maintained a focus on rural communes in pursuit of this goal. Ten integrated, commune development plans were completed and can now be used as examples for other corridor communes (please refer to Figure 3.9 in Annex 3 for the location of these communes). Environmental concerns are fully conveyed in these documents as well as an overarching inter-sectorial development vision and indications of activities that the communes can undertake themselves without outside assistance (auto-development).

PlaCAZ rising

Upon receiving reports from the Fito Mayor of an invasion of illegal miners, the PlaCAZ executive team jumped into action. News of the alarming threat to forest resources was immediately communicated to a wide range of stakeholders including donors and members of the PE3 management committee. The Platform's coordinator quickly provided advice to the Fito Mayor regarding how to mobilize police forces.

Shortly thereafter, the Fito Mayor traveled back to his isolated commune with *gendarmes*; a 2nd team composed of representatives from PlaCAZ, the Atsinanana Region and the government Mines and Forest Services swiftly followed. Meetings with local inhabitants and the mining permit holder promptly defused the situation. PlaCAZ subsequently organized a debriefing meeting for interested stakeholders in Toamasina. Thanks to their vigilance, the mining threat in Fito has disappeared.

ERI Toamasina encouraged the use of a number of tools to support the communes in their quest for commune-wide development and conservation. First and foremost is the *Kaomina Mendrika* (KM) tool which was used to generate significant impacts. During the last semester of 2006, along with the blue, health star, the green environmental star was awarded to five communes participating in integrated rural development efforts with the support of ERI and SanténNet. These communes met or surpassed targets for a variety of natural resource management activities including soil conservation, transfer of forest management responsibility, and wildfire reduction.

In February 2007, ERI expanded the use of the KM tool to ten communes[1], again in collaboration with health sector partners (please refer to Figure 3.8 in Annex 3 for the location of these 10 communes). Overall, these communes set 54 environmental and economic growth targets to be met in a 12-month period; most of these objectives were set during sessions at which Malagasy Forest and Rural Development government services provided advice and confirmed the choices. Thus far, there have been eight joint support trips to these communes. Results reported to date include the planting of 32,000 Jatropha seedlings as well as 4,000 other reforestation seedlings, the

[1] The original 5 communes plus Ampasimbe, Antanandava, Ranomafana Est, Anivorano Est, and Brickaville.

commencement of 13 forest management transfer contracts and the establishment of 80 village-based, forest surveillance committees. Over 170 farmers have been trained in a range of improved NRM and agricultural techniques such as wildfire control, compost production and improved poultry husbandry. Please refer to Table 3.1 in Annex 3 for additional details on 2nd cycle KM results.

The other principal commune-support tools comprised administrative and natural resource maps and appreciative inquiry surveys. During the second half of 2006, the Program finalized, and printed maps for 20 communes in its intervention zones; this work continued in the first half of 2007 with an additional 26 communes receiving these important planning tools. Previously, most of these communes did not even possess basic maps of their territories. A technical note in Malagasy on how to read and use maps accompanied these maps which should henceforth enhance the ability of these communes to plan for sustainable development.

Attractive appreciative inquiry reports were also finalized for 5 communes during the first half of the reporting period – these will be important tools for future sustainable development efforts while also serving as examples for neighboring communes. As a precursor to the revision of the commune development plans, these surveys, which identify local assets and best practices in addition to problems and solutions, were conducted in 7 communes. ERI field agents trained commune teams in the methodology and the survey results were incorporated into the new, comprehensive plans; it is expected that these surveys will also be formatted and distributed to the communes before the end of 2007.

3.1.2.2 Constraints

Despite the encouraging results and progress, obstacles remain. Some of the more notable include the following.

- Development and sustainability of PlaCAZ are hampered by three factors. First of all, coordination efforts are rendered difficult by the fact that many conservation and development stakeholders retain information. There also seems to be some unwillingness or lack of interest at the donor level to fund multi-stakeholder platforms. Finally there appears to be a certain lack of confidence in the PlaCAZ leadership due to past events and personal histories that pre-date ERI.
- Harmonizing approaches among development actors (including Alliance members) is problematic. Many do not share ERI's objectives nor our concern for sustainability. Examples include free distribution of agricultural inputs and paying farmers per diem farmers to attend meetings.
- Regional efforts regarding prioritizing MAP challenges suffered from an uneven understanding of sectorial issues and workshop participants that were uninformed. In some cases, chosen priorities did not correspond to expectations of more experienced participants. It also unclear whether funding for implementing actions linked to the priorities will be forthcoming.
- Transaction costs linked to leveraging partnerships for ERI's activities remain high. This fact, coupled with the need to focus on, and manage internal Program activities first and foremost, translates into a less than desirable partnership and coordination result. Coordination challenges are also exacerbated by the lack of regional decision-makers and the continued centralization of many organizations and projects in Antananarivo.

3.1.2.3 Recommendations

With respect to the constraints cited above, the following recommendations (mainly aimed at ERI staff) can be made.

- The era of withholding information seems to be coming to a close. With repeated requests as well as an inter-Regional decree recognizing the platform, PlaCAZ should be able to obtain the information needed to facilitate coordination and lobby decision-makers. Similarly, professional conduct and results should reassure PlaCAZ doubters and lead to increased confidence.
- The ideal way to harmonize approaches within the Alliance is to organize a series of frank discussions, moderated by USAID, on the subject. Decisions and/or an action plan should be the outcome of the discussions.
- The ERI Regional Coordinator should try to delegate as much responsibility as possible to his senior team with regard to implementation of internal, ERI activities. This should lead to increased time available to monitor and lobby potential development and conservation partners.

Efforts should also continue on lobbying Antananarivo-based organizations and projects to empower regional personnel to make decisions and implement necessary actions.

3.1.2.4 Perspectives

A focus on realizing the Program's legacies will continue during (perhaps) ERI's final year. For ERI Toamasina's Module 1, this translates into a sustainable PlaCAZ. Fundraising, networking and profile raising will be the watchwords for this effort. It is expected that ERI's Regional Coordinator will accompany the PlaCAZ leadership to meetings with potential donors in Antananarivo. Staff will also endeavor to put the platform in contact with other stakeholders that are implementing integrated conservation and development, and improved governance approaches elsewhere in Madagascar. Publicizing and refining the vision for the greater Ankeniheny-Zahamena corridor will also be emphasized.

It is anticipated that ERI will continue to play an instrumental role in establishing the new AZC Protected Area during the last six months of 2007. This will include facilitating commune-level consultations and contributing to clarification of co-management governance structures. Development of the PA's management plan, in collaboration with PlaCAZ, will be closely monitored in order to assure coherence with the ecoregional or sustainable development vision for the corridor.

With regard to the KM approach, renewed efforts will be made to implicate the Koloharena movement in the process. This should help consolidate the Program's sustainable and dynamic KH legacy as the movement will be viewed (and utilized) as a resource by rural communes. Koloharena implication in the KM initiative should also lead to enhanced results with regard to improved community-based forest management, contributing, in turn, to the legacy of CBNRM regimes embedded in Madagascar's expanded PA system.

3.1.3 Module II: Community-based Natural Resource Management Improved and Expanded to Protect Forest Corridors

3.1.3.1 Achievements

Module 2 aims at deploying community-based management throughout the peripheral zone of the Ankeniheny-Zahamena forest corridor. During ERI Toamasina's third year, the majority of resources were invested in efforts in the Program's new zones, principally located on the eastern side of the corridor. Within the framework of ERI's 2nd legacy – integration of community-based management within Madagascar's PA network – the Program started an initial awareness raising campaign among the COBA associations that it supports. During these meetings, Program staff furnished maps illustrating the distribution of all transferred forests in and around the new PA, a tool which was used to delineate geographical groupings of associations within a framework of a COBA federation. This effort was subsequently expanded to the identification of additional forest management associations supported by other organizations, but likely to be members of the federation.

The first component of Module 2 targets improved comprehension and implementation of the GELOSE/GCF process. Activities under this component resulted in 45 letters of interest addressed to the Program during its third year – 17 letters in the second half of 2006 and 28 in the first half of 2007. These letters asked for support for forest management transfer from communities in the communes of Sahambala, Ambodilazana, Anjahamana, Ambalarondra, Maroseranana and Lohariandava. The requests emerged following information and sensitization campaigns targeting villages or *fokontany* adjacent to the corridor. These campaigns were conducted by ERI field agents with the support and participation of rural commune staff as well as Koloharena PAs.

Additionally, 21 COBA associations carried out auto-evaluations, an initiative completed via the means of a general assembly. Results of the evaluations constituted a starting point for the formulation of their annual work plans. The majority of these associations included preparation of small project proposals for Node financing in the plans. The gathering was also used to launch and reinforce the idea of a COBA federation; all 21 COBAs embraced this new initiative.

Module two's second component focuses on improving technical assistance, administration, and strategic resource allocation in the natural resource management transfer process. Under this component, 22 rural communes benefited from training on the GELOSE and GCF policies, legislation and procedures; 55 people (commune Mayors, advisers, *Tangalamena* and *Ray Aman-dreny*) from these localities participated. In order to satisfy the myriad requests of support for forest management transfer, the Program collaborated very closely with the Malagasy Forest Service, channeling some of the letters to regional Forest Service departments who will, in turn, finance these activities via contributions from the World Bank for the third phase (PE3) of Madagascar's environmental action program. This initiative received enthusiastic support from the Toamasina CIREEF or DREF.

Native trees for local needs and the future

The Tsilaitra Koloharena Federation organized a highly successful natural forest restoration effort for the Andranobolaha and Anjahamana communes. Observers noted massive participation from a wide range of local actors: communal authorities, ANGAP, local COBA association members, villagers from nearly all of the *fokontany* in the two communes, and KH members. Thus, in a single working day in each commune, 3,000 native tree seedlings were planted, covering an area of 3 ha. Another remarkable aspect of the initiative is that it comprises one of the first collaborative efforts between the Tany Meva environmental foundation and isolated, local communities on the eastern side of the Ankeniheny-Zahamena forest corridor. The overall objective of the initiative is to plant 42,000 native seedlings in order to aid regeneration of adjacent natural forests.

The application of strategic resources for community-based forest management is the focus of the 3rd component of Module 2. The main achievement was the signing and implementation of four forest management transfer contracts: two were located in the Morarano commune (Moramanga) for the Sakalava and Sahasoa forests, one was for the Bevoalavo forest in the Anjahamana commune (Brickaville), and the final contract was located in Antanandava commune (Ambatondrazaka) for the Ambongabe forest. The Program also realized significant progress for additional contracts: 9 are simply awaiting signature – 3 contracts in Anjahamana commune and 6 in Andranobolaha. Four sites also began the technical study phase – 3 of these sites completed demarcation and have begun forest inventories, 2 in Ambodilazana commune and another in Antanandava. Please refer to Table 3.2 and Figure 3.1 in Annex 3 for additional details on COBA associations and NR management contracts supported by ERI Toamasina.

With regard to implementation of management plans, COBA associations supported by ERI Toamasina have reached the 75% benchmark on average. Implementation is evaluated via the realization of the following phases: 1) awareness raising and training of COBA members, 2) demarcation and community surveillance of zones within the transferred area, 3) establishment of transects and trails, and 4) use and respect of accompanying rules for the various zones. The 17 older contracts (signed during the LDI and MIRAY projects) supported by ERI Toamasina have all attained the 4th phase and are now in the 3rd year of management plan implementation.

For the new sites slated for management transfer, 12 are likely to be funded by the Indri Corridor Node (leveraged from CI by ERI) in the second half of 2007. Nearly three quarters of these sites are in ERI Toamasina expansion zones: Fito, Sahambala, Fetraomby, Manakambahiny Est, Maroseranana, and Ambodilazana communes. Communities from these areas sent letters of interest to the Program (thus among the 45 letters received during year 3). All of these forests are adjacent to the corridor and are rich in biodiversity, but are also threatened by illegal logging, hunting, and, most seriously, *teviala* or slash and burn agriculture in the forest. Finally, a study was undertaken to assess the socio-economic viability of forest management contracts. Besides feasibility, the report also determined economic and social potentialities for the contracts, examining activities likely to generate economic benefits for COBA associations. ERI Toamasina is currently devising a strategy to execute the study's recommendations.

The overarching objective of component 4 is improved watershed management to ensure adequate water quantity and quality for all uses. The outstanding activity under this component is collaboration with the Tany Meva Fondation (using leveraged Tany Meva funds) for community restoration of natural forest and other reforestation actions at four sites around the corridor. At the first and largest of the projects, in the communes of Ambodilazana, Sahambala, Fanandrahana and

Amboditandroho, tree nurseries were established. In order to counter nursery equipment procurement problems (Tany Meva's responsibility), ERI Toamasina negotiated collaboration and contributions from additional partners: Eucalyptus seedlings were furnished by the Toamasina CIREEF, bamboo cuttings were produced via a partnership with Madagascar Bamboo, and cooperation with CTHT occurred for the plantation of Noni (*Morinda citrifolia*), a medicinal shrub. Consequently, each commune was able to reforest 5 ha. Significant progress was accomplished at the second project site in Andranobolaha and Anjahamana communes: six nurseries containing 42,000 native tree seedlings were established. The last two project sites are located in Morarano and Beforona communes: the Telomira COBA association (Morarano) finally received the first installment of funding, amounting to $ 4,000 (approximately) and the Fandrefiala COBA (Beforona) also received the first installment of funding amounting to about $ 1,700. These two recipients are now in the phase of nursery installation.

With regard to integrated, village territory management plans, two plans have now been completed: the territory of Ambalatenina in the Sahambala commune and the territory of Andakandrano in Maromitety. Fourteen additional plans have been drafted and are being finalized (5 territories in the Ambatondrazaka intervention zone, one in Beforona commune, one in the Brickaville area, two in Lohariandava, one in Maroseranana, two in Andranobolaha – Anjahamana, one in Fito, and one in Ambodilazana).

3.1.3.2 Constraints

Results cited above were however hampered by the following obstacles.

At the COBA association level:

- Overall, COBA capacity is still limited with regard to surveillance and *Dina* application as well as with regard to formulating small project proposals and negotiation.
- To date, COBA associations gain little financial benefit from conservation or forest management activities. This is partly due to the facts that many management transfer contracts are dominated by conservation objectives, there is an absence of significant markets for non-timber forest products, and there is unfair competition for woody products from illegal logging.
- Several COBA associations in ERI Toamasina intervention zones are dormant due to the swift departure of technical partners who were instrumental in facilitating contract establishment.

At the Malagasy Forest Service, Rural Commune, and partner level:

- The application of the new Malagasy constitution has delayed many activities that depend on collaboration with the Forest Service as the organizational structure (organigram) is in flux and the nomination of key personnel has been protracted.
- Within the USAID Alliance, only ERI has significant field presence around the corridor, most significantly in isolated rural communes that are critical for the conservation and management of the forest.
- There is a notable lack of engagement and motivation of regional (and sometimes even national) public services with respect to the new State vision or policies; it is thus difficult to affirm that there will be serious monitoring of, and support for management transfer contracts by the Malagasy Forest Service, especially in areas where technical partners are absent.

3.1.3.3 Recommendations

The following recommendations, aimed mainly at ERI Program staff, can be advanced in order to enhance Module 2 results.

- It is necessary to continue the awareness raising campaign on CBNRM and the GELOSE/GCF processes at the *fokontany*, community and rural commune levels. This campaign should be accompanied by clear and convincing messages that will facilitate understanding and assimilation and should implicate village-level PAs and PVs as well as local authorities all working in synergy with the ERI field agents.
- For implementation of management plans, besides technical forestry training sessions which are highly recommended, complementary agricultural activities need to be promoted as an alternative to conservation/protection; this could be realized via the formulation and execution of integrated village territory plans.

- It is necessary to develop and clarify the management mode of natural resources within new PAs by COBA associations; similarly, the establishment of a COBA federation is needed to raise the profile of community management and to give these associations a stronger voice.
- Exchange visits between COBAs and technical partners are also highly recommended.

3.1.3.4 Perspectives

An emphasis will be placed on the following activities during ERI's fourth year.

- Integration of the community-based management mode will be promoted within the proposed AZC PA in order to ensure a green belt around the core protected zone. This will include an informational campaign, aimed at COBA associations, regarding the new PA. This is directly linked to ERI's second legacy: the emergence of COBA federations around the corridor that will manage part of the new AZC PA.
- Progressive implication of COBA and Koloharena PAs and PVs for information, education and communication activities on CBNRM will occur so that these tasks will continue to be carried out beyond the life of the Program.
- An accent will be placed on strengthening COBA skills with regard to economic valorization of natural resources in order to generate revenue and render management transfer contracts sustainable (socially and economically viable). Program staff will work with these associations to formulate and submit proposals (essentially to the Indri Corridor Node) for economic activities such as agroforestery, bee-keeping, and medicinal plant and essential oil production; these proposals will be based on management and annual work plans.
- The geographical distribution (essentially maps) for the federative structure at the District level will be available towards the end of 2007. The grouping of associations based on geography will constitute the true beginning of the COBA federation and will demonstrate the existence of a "green belt" of management transfers around the corridor. The maps and proposed federation structure will then be endorsed by the Malagasy Forest Service and, subsequently, the federation is expected to be officially established.

Sahendrena village territory: one of the targets for an integrated management plan.

- Collaboration between the Forest Service, rural communes, COBA associations and USAID Alliance members will be reinforced with regard to forest surveillance and monitoring. The organization of a round table for all stakeholders in order to discuss and find solutions for the illegal logging problem is planned.
- Initiation of collaboration with the natural resource management transfer network (r-TGRN) and the regional Forestry Commission is expected in order to move forward with respect to evaluation of management transfer contracts which have arrived at the end of their initial 3-year period.

3.1.4 Module III: Profitable and Environmentally Sound Farming Systems Replace "Slash-and-Burn" Agricultural Practices at the Landscape Level

3.1.4.1 Achievements

ERI Tomasina's agricultural intensification program attained numerous results during its third year. As with the other result modules, an emphasis was placed on securing one of ERI's legacies: in this case, agricultural diversification and intensification powered by a farmer-to-farmer extension system. Many activities and achievements thus revolved around supporting and consolidating farmer field schools, the LADIA demonstration center in Beforona, and KH extension agents.

Under component 1, six activities were initiated with various levels of realization. In Didy commune, demonstrations of 10 different direct seeding into vegetative cover techniques were established on a 1 ha plot. Yields obtained are encouraging both at the per hectare and economic output levels. Similarly, at the LADIA center in Beforona, 5 direct seeding technique demonstrations, totaling 40 ares, were installed on hillsides. A report detailing the development of the principal staple crops, cover crops and live fence species at the end of March 2007 is available.

Complementing direct seeding techniques and aiming at providing key plant nutrients, a formal compost training and practical production campaign transpired in 3 ERI Toamasina intervention zones: Brickaville, Toamasina II and Fénérive Est. Six CKH encompassing 34 AKH participated and 31 PVs were trained; it is important to note that nearly half of these PVs were women.

Preoccupied with efficient budget use, ERI Toamasina staff conceived a training strategy using internal resources. Field agents were grouped by affinity and technical specialty in order to reinforce the skills of PAs and PVs. Four internal training groups (ITG) were established for the following themes: agroforestery and cash crops, animal husbandry, direct seeding in vegetative cover, and socio-organization. A 3-day workshop at the LADIA center in Beforona resulted in updating training curriculums as well as identification of visual extension supports needed for priority value chains in each intervention zone. Additionally, a 2-day training and refresher course workshop in Ambatondrazaka led by field agents buttressed the technical capabilities of 85 PAs and PVs for a range of improved agricultural and animal husbandry topics.

The reorganization and rejuvenation of the LADIA center constituted another key activity during the Program's third year. The final result of a process started in November is that the Monitoring and Orientation Committee, which includes FOFIFA and the Director of Rural Development for the Alaotra-Mangoro Region, is established and functional. Moreover, the roles and responsibilities of the 3 managing entities – the Tongalaza CKH, the Center's executive unit, and the Committee are now clear and precise, based on written scopes of work.

In order to improve the efficacy of PVs and PAs, the promotion of a package of improved techniques is of paramount importance. To this end, production actions for 7 priority value chains and techniques[2] were translated into visual images for flip card series. Subsequently, over 20 extension kits (containing the flip card series) were distributed to CKH PAs and PVs. The use of these kits was the origin of several extension campaign successes. Please refer to Table 3.3 in Annex 3 for additional details on the farmer-to-farmer agricultural extension system supported by ERI Toamasina.

In addition to the promotion of LADIA, the reinforcement and multiplication of FFS groups will contribute to a dynamic farmer-to-farmer system. During the year, 113 FFS were operational, scattered among 6 ERI Toamasina intervention zones. A facilitator for each of these groups received initial training and 16 priority themes[3] were identified and observed. For the upcoming agricultural season, recommendations based on the first two cycles will be applied, namely: encourage the groups to resume observations and enhance their knowledge on the initially selected technique, crop and value chain; plan for an exchange between FFS facilitators in order to reinforce their capacity; reinforce farmer assets via the establishment of model sites and explore the possibility of allotting a premium or prize to deserving groups; organize a refresher training course for facilitators; and encourage all groups to produce compost as a source of organic fertilizer. Based on these recommendations, approximately 100 groups were confirmed as operational and maintained for the upcoming agricultural season. Approximately 50 additional groups were established in ERI Toamasina's new intervention zones; most of the themes chosen by these new groups are linked to agroforestery techniques.

Under the second component of Module 3, five additional activities were undertaken. Mud and line seeders and small shredders for compost production were identified as the top priorities for farm equipment, appropriate for the KH movement. Negotiations and planning are ongoing for the procurement and demonstration of this machinery. Moreover, the first six months of 2007 witnessed visits to four rice hullers and two shredders operated by 5 CKH in total. Technical advice, such as

[2] Maize, litchi, black pepper, banana, Arabica coffee, crop protection, and integrated pest management.
[3] SRI, SRA, SCV (for maize, groundnuts, and rice), vegetable farming (cucumber, cabbage, tomato, onion, garlic, and beans), groundnut, potato, Bambara groundnut, improved poultry husbandry, and improved pork husbandry.

respecting the maintenance manual and better logistical organization were advanced in order to improve operations and augment output.

Collaboration with the D1 Oils company on a Jatropha outgrower scheme continued. Despite routine maintenance efforts for the 400,000 seedlings planted by 300 AKH in the Ambtondrazaka area, fertilization is essential because of the relatively poor quality of the land allocated to these plantations. Demonstrations of improved oil extraction and domestic use are necessary and are planned in order to encourage increased planting and production. After demonstrations, a high-quality, semi-industrial press will be offered to a CKH that has planted and maintained a large number of seedlings.

Collaboration also continued with the new, Madagascar Bamboo Company; negotiations are ongoing in order to include the maximum number of Koloharena associations in giant bamboo production. To this end, 12,450 rooted culm segments or cuttings were produced in the Toamasina II District and participating farmers were subsequently instructed by the Company to use the plants to establish their own plantations. Concerning the upcoming Litchi campaign, the process of obtaining EUREPGAP certification began within 3 CKH (Ranomafana Est, Anivorano Est and Fanevan'Analanjirofo of Fenerive Est). Overall, 14 PAs and 20 PVs participated in training on the requirements and procedures for obtaining certification; 130 KH farmers from 20 AKH who possess 2,400 Litchi trees are engaged in the initiative.

Staff noted significant results with respect to the revival of black pepper production. Several training sessions were organized (in collaboration with CTHT) for PVs in the Brickaville and Toamasina II Districts as well as in the Fenerive Est area on vegetative reproduction, establishment of a vegetative material orchard, and demonstration monitoring. Overall, 7 CKH were targeted, 46 AKH participated, and 41 PAs/PVs and 14 model farmers were trained. Subsequently, farmers installed 6 demonstration sites and 7 temporary nurseries. As a final result, 29,738 seedlings were planted in an area totaling, approximately, 18 ha.

Litchis for Europe

Within the framework of the 2007-08 litchi export program, a collaboration agreement was signed between SCRIMAD (private sector company) and the Miaramirindra CKH based in Anivorano Est with the goal of obtaining EUREPGAP certification. In order to be certified, certain conditions must be respected by the producers, from tree maintenance and hygiene during harvest to pre-conditioning. To attain this objective, SCRIMAD hired a specialist in standards and quality, who then trained the cooperative's extension agents in the various certification requirements. These agents will, in turn, be in charge of monitoring tree maintenance, harvest and pre-conditioning for the producers. They will also receive payments from SCRIMAD for their efforts. For their part, these certified KH farmers will only deliver their products SCRIMAD. It is important to mention that this significant achievement, signed "CKH Miaramirindra," occurred without any support from ERI, thus demonstrating that this cooperative is well on the road to autonomy.

Excellent results were also registered with respect to collaboration with Corridor Coffee & Spices in the Morarano commune. The site for the Center for Coffee Excellence was identified and the irrigation system was installed and is now functional. Eight demonstration plots with accompanying compost production were established. Ten participating farmers were trained on the new techniques for producing quality Arabica coffee; each farmer subsequently initiated installation of 0.25 ha demonstration plots on their land.

Two successive meetings were organized with IMRA and KH farmers regarding the identification of aromatic and medicinal plant value chains. A contract was signed with the Ambatovy CKH for the collection of 100 kg per month of dried "Jean Robert"[4]; similarly, a contract for the delivery of 100 kg/month of quality ginger was signed with the Tongalaza CKH (Beforona) in collaboration with the LADIA Center. Additionally, 300 kg of red rice were exported by the Hanitrin' ny Ala CKH to the Restoration Center at the Zurich Zoo.

Regarding component 3, staff noted high interest in improved poultry farming among KH women; letters of interest were received from most of ERI Toamasina's intervention zones. Two localities (Andranobolaha and Ambodilazana) received direct support; after revision of the contract with the service provider, construction of the improved coops was nearly completed, including provision of 80% of local contributions.

[4] Reddish, annual, medicinal plant with anti-diarrheal properties.

3.1.4.2 Constraints

Comprehension of the associative principle

Assimilation of the associative principle is inadequate among ERI's target population. A large number of KH members do not yet understand the benefits of forming associations and even less so regarding cooperatives. Some clever members join with the hopes of receiving money; others simply sign up after being told that it is a donor requirement.

Insufficient infrastructure

Most new agricultural techniques require a minimal level of quality infrastructure. Yet, without significant financial means at the farmer and rural commune level, the required minimal infrastructure cannot be built or acquired. The challenge of identifying profitable value chains adapted to this context remains. Farmers must provide the leadership for this search, in collaboration with technical and financial partners.

Inadequate micro-credit system at the local level

Overall, relatively high rates of interest, short duration loans, and labyrinthine procedures of micro-credit systems are unsuitable for remote rural areas. Farmers who can satisfactorily complete credit applications are extremely rare. Moreover, tardy disbursement and diversions are the origin of many micro-credit failures. Existing micro-credit systems are thus unable to compete with traditional money-lenders in most of the Program's intervention zones.

3.1.4.3 Recommendations

With the aim of augmenting Program results, the following recommendations can be made.

Reinforce field agent monitoring: Senior Program staff should improve monitoring of the field agents under their supervision. Better communication must be established considering the significant distances involved as well as the isolation of some intervention zones. If needed, interchanging some agents should be considered.

Field trip cycles and depth: Complementing ERI Toamasina's policy of intervening closer to the corridor, frequency of field visits should be increased, especially to the new zones. For the older zones, visits and support must be more concentrated and in-depth in order to confirm and analyze information from the field agent reports.

Training strategy: Training using adult learning techniques should be the norm; training methodology is thus of the utmost importance. Each session should include hands on practice and trainees should supply or furnish their own materials and tools. At the end of the training, participants should present reports which are subsequently used as elements for their evaluations.

3.1.4.4 Perspectives

An accent will be placed on the following activities during the Program's fourth year.

Reinforcing FFS groups and the farmer-to-farmer system: A new strategy for enhancing FFS results has been devised. Actions must be directed towards improving the operations of established groups, in particular by reinforcing the capacity of soon-to-be-recruited FFS agents and refresher courses for facilitators. The sustainability of the farmer-to-farmer system is conditioned in part by the capacity of the CKHs to generate revenue. Consequently, an accent will be placed on supporting CKH efforts to increase production, sales and profits. ERI staff will continue to facilitate collaboration between the CKHs and strategic partners who can help develop the capacity of PVs and PAs. Similarly, efforts will continue to promote the use of PVs and PAs at the commune level (for commune-wide development). All of these elements will insure that ERI's third legacy is attained: agricultural intensification and diversification powered by the farmer-to-farmer extension system.

Continuation of ITG activities: In addition to strengthening the capacity of PAs/PVs, especially in the new zones, an accent will also be placed on harmonizing and raising the effectiveness of ERI field agents. Including younger agents in the same internal training group as more experienced agents will abet this process. Nevertheless, an efficient training program must be established in order to avoid overspending and the absence of field agents from their primary intervention zones.

Strengthening LADIA and establishing KH houses: The reorganization of the LADIA Center is well on its way. Actions for the Program's fourth year must target the Center's sustainability via improvement of its business plan and management and monitoring systems as well as solidifying links with other development partners. In the image of LADIA, a KH house and demonstration site will be established within each CKH's zone as an additional element that reinforces the farmer-to-farmer system. The process will include maximum participation of KH members in the design and installation of the site.

3.1.5 Module IV: Rural Associations Achieve Financial and Organizational Sustainability and Become Effective Advocates for Local Concerns

3.1.5.1 Achievements

Staff noted many results during the 3rd year of the ERI Toamasina Program with respect to the KH movement. The majority of these results contribute directly to the 4th legacy of the Program: a perennial and dynamic KH movement. Tangible realizations occurred in ERI Toamasina's new zones: 4 new CKH were officially established and 4 others completed most of the official creation steps. In addition, 47 new KH associations (AKH) emerged, the majority in zones close to the forest corridor such as Fito, Didy, Manakambahiny Est, and Maroseranana; many of them are already formalized (officially recognized) and have formulated and begun implementation of their AWPs. Overall, we note that the KH movement in the Toamasina ecoregion is vigorous: numbers and geographical coverage are expanding and the overall quality of the structures is improving. In sum, we currently collaborate with 15 cooperatives that encompass 654 AKH, 88 COBA associations, and 8,127 member households. (Please refer to Table 3.4 and Figures 3.2, 3.4, 3.5, and 3.6 in Annex 3 for additional details on the KH movement in the Toamasina ecoregion.)

Improvements in organizational capacity were demonstrated. Eleven out of the 13 older CKH were able to conduct their annual general assemblies in order to renew members of the board of directors and to share information on cooperative progress and activities. Moreover, all elements of the KH structure possess an AWP. Self-evaluations were also carried out at the CKH level with the aim of assessing results with respect to AWP implementation.

With respect to events such as official ceremonies, general assemblies and fairs, we note a significant behavioral and organizational change among CKH executives. Requests for support are now accompanied by details regarding the CKH contributions, which was not the case in the past (certain CKHs do not even ask for financial support anymore). One can say that responsibility, professionalism and the spirit of auto-development have become the watchwords for the KH movement.

Improved capacity goes hand-in-hand with training: 11 sessions on communication, advocacy, and negotiation were organized during the Program's 3rd year with 438 people trained. This is in addition to basic training in organization and management (roles and responsibilities) conducted by ERI field agents and CKH executives. Overall, this support is the origin of the positive changes noted at the CKH level. Similarly, staff noted improved transparency in the management of the CKH; this was demonstrated by numerous public posting regarding activities and financial standing by CKH executives. This resulted in a climate of improved confidence between CKH leaders and members.

Great strides were also made with respect to financial autonomy; one indicator is the ability of the CKH to pay part of the salaries of the PAs and PVs that they employ on a part-time basis. Eight of twelve of the older cooperatives were able to pay the entire salaries of these farmer technicians during the months when a programmatic contract with ERI was not in effect. Overall there were 68 PAs and PVs with an average monthly salary or *prime* of $ 11; the 8 CKHs were thus able to pay roughly $ 735 per month. In the graduation or withdrawal zones (Fenerive Est and the west side of Lake Alaotra), 3 of 4 CKHs are now 100% autonomous. The best example is the Tanambe CKH: during 6 months of operations, their rice thresher produced $ 1,745 of gross profit, even though operations were frequently stopped due to electricity outages; gross revenue from their agricultural supply center reached $ 6,380 with a 20% net profit. Using their revenue, the cooperative was able to buy a diesel generator (in order to solve the problem of electricity outages) valued at $ 3,545 and built an edifice serving as a training center and office.

Significant impact was noted due to ongoing efforts to support the KH movement in the process of transformation and marketing of agricultural produce. The 12 cooperatives that have formulated their 3-year business plans are now commencing implementation; for example, the Amparafaravola CKH purchased a rice thresher, the Ambatovy CKH procured a new shredder for compost production and the Amparihitsokatra cooperative purchased 6 cows. Progress was also noted regarding partnership development between the CKHs and the private sector. For example, 4 cooperatives in ERI Toamasina's eastern intevention zones signed contracts with Litchi exporters and other CKHs succeeded in selling their produce to local collectors: the Tongalaza CKH sold 400

t of green bananas, 750 t of ginger, 20 t of curcuma, and 2 t of beans while Hanitriniala noted the sale of 1 t of beans.

Other cooperatives made strides in the business of collecting and selling rice. The Tanambe CKH had already collected 20 t by the end of June (2007); similarly, Fanevan' Analanjirofo collected 6 t using their own revolving funds and the Fanilon' Iazafo collected 5 t via a loan from OTIV. An additional small business example is provided by the Hanitriniala cooperative in the Moramanga area: using their two shredders, they were able to deliver 200 t of compost to the Dynatec company during the first six months of 2007; the base price for compost is $17/t with a profit margin of 25%. Overall, since the beginning of 2007, the CKHs supported by ERI Toamasina have been able to sign 45 contracts.

Activities targeting the facilitation of access to credit also generated outstanding results. Globally, 127 KH members obtained micro-credit for agricultural activities from OTIV, FIEFE and EAM and approximately 30 credit dossiers were submitted and are currently being negotiated with FIEFE. Two additional dossiers were approved for the Ambatondrazaka area: the Ivolamiarina cooperative received a loan to buy a rice thresher and a women's AKH (member of the Tanambe CKH) received funds for a small, mechanized plow. Moreover, a credit committee was set up within each cooperative in order to improve management and planning of credit activities. Some CKH even began to loan money to their members; for example, the Avotra CKH of Amparihitsokatra furnished credit to members for small animal husbandry and seed multiplication projects.

Advocacy actions noted during the Program's third year demonstrate the increasing efficacy of the KH movement regarding local, rural development. The Aingavao CKH of Ambodilazana lobbied the commune in order to obtain land for the Ala Meva reforestation project as well as a plot for the CKH office; they also successfully appealed for 8,000 tree seedlings from the Toamasina CIREEF for reforestation purposes. The community of Ambohibary addressed regional authorities regarding the construction of a bridge at the village entry and the Amparihitsokatra CKH contacted PSDR several times to accelerate the release of funds for a Jatropha plantation project.

ERI Toamasina also facilitated the establishment of a Commune Support Center (CSC) during its third year. The Ampasimadinika CSC serves 14 communes (Anjahamana, Andranobolaha, Ambodilazana, Ampasimadinika, Fanandrana, Ambalarondra, Ambinaninony, Ambohimanana, Fito, Maroseranana, Sahambala, Ambodiriana, Fetraomby, and Anivorano-Est) in the Districts of Toamasina II and Brickaville (please refer to Figure 3.7 in Annex 3 for the location of these communes). The center witnessed six months of intense administrative and technical activities – all in collaboration with PlaCAZ, current manager of the CSC. Three technical advisors were recruited and the office that will house the center was built. Various equipment and furniture necessary for operations were procured. In order to optimize start-up activities, a national consultant, expert in local governance, began work with the communes and technical advisors.

The three technical advisors received training in a variety of subjects grouped under 12 modules[5]. These training sessions were led by experts from the Ministry of Decentralization and Regional Planning (MPRDAT), the Swiss-funded SAHA project, the French-funded CIDR project, the World Bank-funded FID program and members of the USAID Ecoregional Alliance. At the pragmatic level, an exchange visit to the CSC in Ambohimalaza commune and to the public, inter-communal organization (OPCI) FIFTAMA of Tanjombato occurred; the visit focused on operational and local taxation questions. A workshop for developing the CSC's AWP took place with the participation of the 14 beneficiary communes. Following these training sessions, visits and workshops, diagnostic surveys focused on administration, communal development, local taxation, and environment were conducted in 9 of the 14 communes. At the regional and strategic level, this CSC benefits from the recognition and support of the Atsinanana Region. Finally, two strategic orientation meetings were held with representatives of the MPRDAT (who also participated in the recruitment of the 3 technical advisors).

[5](1) Decentralization, (2) CSC goals, mission, interventions, attributions & responsibilities, (3) local governance, (4) Institutional landscape, roles & attributions of rural communes, (5) Legal control & monitoring, (6) Communal project monitoring, (7) Participatory diagnosis & awareness raising, (8) M&E, (9) Budget & treasury management & planning, asset management, & accounting, (10) Facilitation & support, (11) KM, & (12) Inter-communal structures & relations.

3.1.5.2 Constraints

Despite the impressive results obtained to date, significant efforts must be deployed to confront the various problems and obstacles that can hinder the development and sustainability of the KH movement. Communication between the various structures within the movement leaves something to be desired. Although the CNKH attempted to fulfill its role of interface between the CKHs, AKHs, partners, and local authorities, the majority of KH members were unable to detect the impact of these actions. In order to fill this gap, an intermediate structure called the ARKH, or regional KH branch, was established. Two ARKHs are now in place for the Toamasina ecoregion: the first intervenes in the Ambatondrazaka zone and the second covers Moramanga and the eastern and southern parts of the ecoregion. (Please refer to Figure 3.3 in Annex 3 for the location and distribution of the two ARKHs.)

The Amparihintsokatra Koloharena Cooperative finds new life

During most of 2006, the Amparihitsokatra CKH was among those categorized as problematic: they were unable to complete and submit programmatic contract deliverables. Achieving results with this cooperative was an improbable goal as its members had lost confidence in the Avotra cooperative and among themselves. Yet efforts deployed by ERI field agents bore fruits: after a few months of intense collaboration and support, the CKH began showing signs of dynamism. Despite being temporarily deprived of a programmatic contract, the life of the cooperative continued to evolve and agricultural extension activities were carried out as normal. In order to revive the climate of confidence, the cooperative granted credit to 22 members in the form of 5 *vata* of groundnut seeds. The CKH also purchased 6 cows for 6 other members. An extraordinary result was subsequently noted: the groundnut seeds were entirely reimbursed with an additional, surplus *vata* rendered to the CKH by each borrower. The cooperative members are regaining confidence and are increasingly motivated: a happy story to share with others in the KH movement!

Financial autonomy constitutes one of the key factors of success for the movement and is one of the major challenges to be met before the end of ERI Program. In order to achieve this objective, it is necessary to reinforce the management capacity and entrepreneurial spirit throughout the KH movement, but especially at the level of CKH leaders. Moreover, agricultural supply centers represent an auxiliary, yet potentially profitable activity for the CKHs, yet some older and all of the newer CKHs are unable to acquire the start-up funds necessary for building the infrastructure and purchasing the initial supply stock.

Regarding facilitating access to credit, many obstacles remain. The KH movement has actually been able to complete numerous credit applications, but only a fraction have been approved. The process of evaluating the applications is excruciatingly slow (e.g., at the level of BAMEX's junior expert and EAM) and not at all streamlined: applications go through four different approval steps – from the junior expert to the Toamasina EAM office to the Antananarivo EAM office and finally to the EAM/BAMEX/CEM committee!

Regarding the CSC, an administrative and logistical obstacle exists in that the CSC concept originated with the MPRDAT and the Ministry insists on respecting certain procedures and on maintaining its label. Yet there are no MPRDAT representatives in Toamasina meaning that implementation is slowed due to much back and forth communication with MPRDAT in Antananarivo. We also note that the MPRDAT favors a geographical approach without taking environmental dynamics (a key concern for ERI and PlaCAZ) into consideration. Finally, convoluted procurement and administrative procedures have slowed down CSC start-up: basic materials such as motorcycles and computers were not immediately available.

3.1.5.3 Recommendations

In order to establish robust and sustainable CKHs, efforts should be concentrated on the following elements.

- Extend the range of partnerships and commercial activities: each CKH should implement at least one lucrative activity with a high probability of success via the support of the ERI/BAMEX team.
- Reinforce the capacities of CKH leaders with respect to the entrepreneurial spirit, business skills and credit and finance applications and management; these efforts should be implemented through the support of ERI Toamasina's ITG.
- In collaboration with BAMEX, devise and implement a strategy to resolve the problems related to slow approval of FIEFE credit applications.

- Regarding the CSC, in order to alleviate administrative constraints, an MOU with the MPRDAT could facilitate overall implementation and operations as opposed to negotiating discrete and disparate aspects. Procurement procedures should be streamlined in order to facilitate and not penalize field-level activities.

3.1.5.4 Perspectives

In order to insure the legacy of a dynamic and sustainable KH movement, several pragmatic actions are planned for ERI's fourth year. Support will be provided so that each cooperative establishes a sales point or outlet and pursues at least one lucrative or revenue-generating activity; moreover, assistance will be provided for the procurement of small equipment and machinery necessary for improved production and transformation. These actions will be accompanied by strengthening and internalization of associative principles and the entrepreneurial spirit. In addition, an emphasis on the following actions is foreseen:
- Formalization of 4 new CKH;
- Supporting the Atsinanana ARKH in the organization of an open house for the KH movement in Toamasina;
- Organizing a round table between the CKH and potential private sector partners and facilitating direct contact between these entities;
- Implementing programmatic contracts that will benefit all CKHs in the ERI Toamasina intervention zones;
- Supporting efforts to establish a KH house and demonstration site for each CKH; and
- Facilitate empowerment and responsibility at the CNKH and ARKH levels for consolidation of the KH movement.

Regarding the Ampasimadinika CSC, besides generic interventions aimed at strengthening the capacity of communal officials, an accent will be placed on devising and carrying out a strategy implicating the KH movement and COBA associations in communal development. It is expected that this will facilitate implementation of the ecoregional vision as well as contributing to the realization of the first and fourth legacies of the ERI Program. Setting up the inter-communal structure that will eventually manage the CSC will be another focus for the 4th year of ERI. Finally, improved land tenure will be jointly addressed by the CSC and the land tenure center currently being set up to serve many of the same communes served by the CSC.

3.1.6 Module V: Strategic Communication, Education and Outreach Lead to Widespread Behavior Change

3.1.6.1 Achievements

In many ways, ERI's fifth results module is cross-cutting, acting as a support for the other four modules; consequently, some results reported above were implemented primarily by Module 5 staff (please refer to Table 3.5 in Annex 3 for cross-cutting results generated by Module 5). During ERI Toamasina's third year, over a dozen concrete realizations were noted. First of all, within the framework of promoting rural communication by and for the local population, KH members continued to be convinced of the importance of communication and included this rubric in their AWPs. Nine of 15 CKH have already completed the planned communication activities.

The recognition of KH members as key actors for conservation of the greater AZC was demonstrated through participation in a communication campaign among rural communities in the corridor communes. Eighty-nine PAs and PVs of the KH movement –51 in the Alaotra Mangoro Region and 38 in the Atsinanana Region – attended training sessions regarding communication of messages related to the establishment of the new AZC PA; the campaign was then implemented in close cooperation with members of the USAID Alliance (Miaro, PlaCAZ, DIREEF) in the *fokontany* of 30 corridor communes. For this activity, ERI's collaboration was notable as many of our communication tools were shared with Alliance members, such as: a Malagasy brochure summarizing the basic elements needed to be an effective communicator, the technical flyer regarding how to formulate persuasive messages, and the poster emphasizing the importance of the forest and its everyday uses for rural households. The underlying theme of these media and tools was improved management of natural resources, with an emphasis on improved natural forest management. Linked to this, 46 administrative and 46 natural resource maps were distributed to

rural communes in ERI Toamasina's intervention zones; these are communes that have a direct (the majority) or indirect influence on the Ankeniheny-Zahamena forest corridor. These maps were presented as decision-making and planning tools with examples provided of how they could be used to frame or modify local initiatives, especially those that will influence communal land use.

In support of the farmer-to-farmer extension system, efforts continued on the design of tools and techniques to be used by farmer technicians (PAs and PVs). Another series of 7 technical flyers and illustrated flip cards commenced; the topics included hillside production techniques without fire for a variety of crops (rice, maize, beans and ginger), production in mulch (based on a traditional, but widely forgotten technique known as *tavy boka*), rejuvenation of coffee plantations (including inter-cropping), improved poultry production, bee-keeping, and fish culture. Moreover, seventeen KH technicians were trained in the use of illustrated flip cards.

Regarding support for Module 2, production of illustrated flip card series began on the themes of integrated village territory management and the process of management transfer of natural resources. It is expected that these tools will improve comprehension among a wide swath of the rural population including illiterate people. Additionally, exchanges between 3 COBA associations were organized: members of an experienced and successful COBA from Andasibe (Mitsinjo) visited and exchanged ideas with two very young COBA associatioins in the Ambatondrazaka area.

Work also commenced on broadening the array of communication tools for the KM approach. In close collaboration with SanténNet, development of a series of illustrations introducing green and yellow star activities began. Moreover, within the framework of improving knowledge of the KM and NWPH tools or concepts, 36 CDs on this topic were distributed to AKHs via ERI field agents for local emissions organized by KH members. As a result of these screenings, over 1,000 farmers were sensitized on the links between improved agricultural techniques, natural resource management, KH assets, and rural development in general.

With regard to capacity building, cumulatively, more than 500 inhabitants of ERI Toamasina intervention zones were trained in communication techniques. Linked to this initiative, nearly 1,000 written and illustrated supports on the concept of a good communicator and the formulation of persuasive messages were distributed as teaching aids. In addition, nearly 120 villagers were trained in development of advocacy actions and materials as well as on the role of rural communities with respect to advocacy and lobbying for local concerns. In order to raise their profiles and promote themselves, 15 CKHs now have an illustrated, glossy brochure outlining their activities and goals and providing contact information. Some of the more dynamic CKHs (Ranomafana Est, Andranobolaha, Sahambala) have already distributed the brochures to local economic operators and trade partners resulting in the initiation of contract negotiations for the sale of KH products.

Three CKH benefited from the presence of the LMI (Last Mile Initiative) project in Moramanga. Ten members of the Andasibe, Beforona and Ambatovy cooperatives participated in a free training session provided by GASI'PRO, the local LMI service provider. The objective was initiation on the use of information technology and it is expected that these CKH can now utilize these tools (mainly the internet and e-mail) within the framework of enlarging their economic partnership base via the identification of new business opportunities. This tool (LMI communication center) is an important component of the emerging rural communication network.

Approximately 120 listening groups were established in ERI Toamasina intervention zones with the goal of improving exchanges and information sharing among the rural population. Twenty emission themes[6], based on field-level realities and surveys, were developed and are now available; they will comprise the principal tools for the listening group exchanges and discussions. The emissions will be recorded and distributed on cassettes (for groups in areas not served by radio) and also broadcast on radio stations and networks such as Radio Voanio, RNM, RTA and MBS. These emissions are of broad interest to all local rural communities as well as ERI's NGO and project partners such as PPRR and MCA (who have already asked for copies of these messages and emissions for their rural clients).

[6] E.g., slash & burn agriculture (*tavy*), forest & pasture wildfires, improved agricultural techniques (compost, rainfed rice, SRI, off-season agriculture, vegetable gardening), marketing, associative principles, cooperatives, health & the environment, child vaccines, rural migration, prostitution, the zetra habitat, natural resources, management transfer, illegal logging, and mining.

The local radio station, Akon' ny Ala in Didy is being revived and ERI has made plans to support them via the acquisition of a transmitter. It should be noted that the radio possesses enormous potential for improving education and information sharing with the local population on subjects such as forest conservation and illegal logging. The acquisition of two new BLU radios and accompanying solar power kits for the Maroseranana and Manakambahiny Est intervention zones will increase the network of existing BLU radios in the Toamasina ecoregion; 13 CKHs and/or rural communes now possess this device which allows for exchange and communication in real time (please refer to Figure 3.10 in Annex 3 for the location of these BLU radios). Finally, ERI Toamasina staff supported KH movement participation in fairs, expositions and other promotional events. Overall, eight CKHs raised their profiles via involvement in these occasions. Moreover, ERI facilitated publicity for the KH movement throughout the year by means of radio and television broadcasts. In particular, coverage of the emergence of three new cooperatives (Fetraomby, Sahambala and Andasibe) boosted the image of the movement.

All of these results and assets converge towards the Program's fifth legacy: a sustainable rural communication system. Indeed, the existence of tools and infrastructure such as the BLU radio network and the internet, the knowledge for using and exploiting illustrated flip cards, and established relations with television and radio stations augur well for the continuation of communication actions beyond the life of the ERI Program. Other examples such as daily use of the BLU radios, which reinforces associative principles, practice regarding promotion and public relations acquired through participation in fairs and expositions, and discussions via listener groups will all contribute to an active and addictive communication reflex within the KH movement and beyond.

3.1.6.2 Constraints

- In many cases, there is only modest interest in communication activities at the level of rural associations; perhaps this is due to the reality of a grueling existence that forces people to focus on livelihoods (agricultural production) and other income generation opportunities.
- Many field-level communication initiatives occur without the knowledge of ERI senior staff based in Toamasina; often, these actions do not appear in field agent nor CKH reports.
- From December through March, inclement weather is not an ally, rendering access even more difficult for many of ERI Toamasina's isolated intervention zones. This reality underscores the undeniable utility of communication tools such as BLU radios.
- However, poor assembly of the original BLU radio network in the Toamasina ecoregion requires a review and repair of the whole system in order to improve ERI-KH communication and information sharing between other rural partners and the outside world.

3.1.6.3 Recommendations

For improved implication of ERI stakeholders and partners, it is necessary to cultivate the reflex of communicating and diffusing any and all information (including simple interactions and feedback on activities and initiatives), using available tools and opportunities, namely verbal exchanges, e-mail, the BLU radio network, and briefings. Support aimed at rural farmers and villagers for the use and exploitation of these tools and opportunities is necessary; otherwise, if the tools are not utilized, they become ineffective.

- The rural communication system needs to be based on what already exists (channels, tools, etc.) while at the same time targeting easy to use and inexpensive methods and instruments.
- The communication reflex at the farmer and villager level needs to be nurtured via regular and determined practice and continuous training.
- Communication tools and supports must be made available to commune mayors and other local authorities in order to augment utilization and improve decision-making.
- ERI staff should facilitate the establishment of relationships between the rural population and those living outside of these zones via demonstrations, meetings, the internet and e-mail. Our support should converge towards this objective, but should also decrease over time (the rural population should become increasingly responsible for establishing relations and partnerships with the exterior).

3.1.6.4 Perspectives

The following priority actions are planned for the 4th year of the ERI Program. It should be noted that all these activities contribute directly to attaining the 5th legacy of the Program – a perennial rural communication system.

- An accent will be placed on establishing a functional communication and partnership network between the CNKH, the emerging ARKHs, the private sector and the PlaCAZ which will play a dominate role in coordinating improved natural resources management. Network operations will be facilitated via existing channels and tools (e.g., local radio stations, visits and exchanges, and BLU radios) as well as the distribution (which has already commenced) of 80 hand-crank radios to listener groups.
- The communication reflex will become internalized through insistence on the need to include these activities in AWPs as well as including them in programmatic contracts between the CKHs and ERI.
- All PVs, PAs and CKHs will be equipped with communication toolkits (e.g., technical flyers on priority value chains, and illustrated flip cards). Training sessions will be organized in order to insure optimum use of the tools and an effort will be made to produce similar tools based on FFS results and local expertise.
- Increase support to rural associations on how to sell themselves and create opportunities (via meetings, workshops, fairs, *tsenabe*, etc.).
- Finally, support will be provided to the KH movement so that it becomes a pillar of local development, through active participation in the KM approach, facilitating commune-wide achievement of green and yellow star objectives.

Antenina: upward communication and action by decision makers

The commune of Antenina is bordered to the south by Sahambala, to the north by Miarinarivo to the east by Amporoforo and to the west by the Ankeniheny-Zahamena forest corridor. A training in communication was held for farmers in Sahambala and some neighbors from Antenina (though not formally invited) attended. Overall, about 120 villagers from these two communes actively participated. This was a first, as these communication training sessions usually don't attract more than fifteen people.

Having heard through the trained farmers that Sahambala commune has been an ERI intervention zone for almost two years, the Mayor of Antenina visited the ERI regional office in Toamasina as soon as he was able. He lobbied ardently for collaboration with the Program, about which he'd heard good things, while stressing that slash and burn agriculture and illegal logging continued to be major problems in his commune. The extension message from the trained farmers had been clearly communicated, especially their concern for the precarious future of the natural forest and their conviction regarding the importance of natural resources for future generations.

3.1.7 Monitoring and Evaluation

3.1.7.1 Issues

The M&E component contributed to an improved vision of the ERI Toamasina Program, especially the steps needed to attain its objectives. A renewed accent on palpable and perennial results, subsequently translated into the Program's five legacies, was an important development during the Program's third year.

Gatherings of senior and field-level staff every four months continued. These meetings constitute an important M&E tool as results, success stories, constraints, and support requirements are all placed under a magnifying glass and shared and discussed among the whole team. These assemblies have enhanced the global vision of the Program while also providing an opportunity for mutual assistance. In addition, M&E tasks and activities are always on the agenda with senior staff reminding everyone that this Program component is everyone's responsibility.

With regard to field-level activities, map utilization was reinforced and taught to field agents with an overarching goal of assisting rural communes to spatially plan activities, taking into account existing natural resources, especially the pressures on these resources. The improvement of the standard of living of rural community partners remains a central concern of the Program; to this end, the use of the household notebook to track agricultural production and income constituted a M&E focus during the reporting period. Results collected from the notebooks will be shared with AKHs and CKHs as information, but more importantly for evaluation purposes that will subsequently inform future orientations. Finally, field agents submitted monthly plans to their senior staff supervisors who used

the plans to monitor activities and insure that important aspects of the Program were not overlooked.

At the national level, M&E staff collaborated closely with Fianarantsoa colleagues and the Antananarivo coordination unit in order to formulate client satisfaction questionnaires – part of the Program's PMP. A test phase was carried out in order to confirm or modify (if needed) the questions and achieve the objective of obtaining reliable information that can be used by the team within the framework of adaptive management.

3.1.7.2 Recommendations

- Field staff are an essential component for attaining the ambitions and legacies of the Program; it is thus necessary to continue internal communication, information sharing and periodic exchanges with field agents in order to rejuvenate those who may be lagging and to motivate those who perform at or above expectations.
- Farmer participation also remains essential (and must continue) as nothing will be achieved if the Program's primary clients are not enthusiastic with regard to collaboration and success.
- M&E activities are not only indispensable to the ERI Program, but must also be shared with the rural population. In the spirit of sustainability and good governance, periodic meetings must be organized for each association so that they can conduct self-evaluations.
- In order to gather reliable information regarding perceptions of Program clients and partners, and for reasons of objectivity, the customer satisfaction questionnaire should be administered by persons external to the Program.

3.1.7.3 Perspectives

- The M&E component will continue to function as an analytic, planning and orientation tool in order to improve the implementation of future actions and assure the attainment of the Program's legacies.
- The data collection system will be reinforced in order to improve the reliability of the information, to enhance progress measurement, and to capture lessons so that Program orientations are adjusted if necessary.
- Similarly, Program staff will continue to work jointly with rural associations, stressing the importance of M&E actions. Their capacities in this realm will be strengthened, especially with regard to analysis and the determination of actions, so that they will be able to adjust their initiatives themselves thus boosting their status as important, local development actors.
- Within the ERI team, the M&E component will continue to be a tool for reflection, analysis, and orientation. Moreover, it is hoped that M&E actions will be useful for ecoregional development ambitions, especially safeguarding natural resources and the forest corridor.

3.1.8 Activity Intervention Fund

3.1.8.1 Achievements

Utilization of the AIF during the Program's third year is summarized below.

Module 1 (36%):

- *Support for ecoregional coordination and advocacy platforms (i.e., PlaCAZ)*: service contracts for developing and implementing the ecoregional or sustainable development vision for the Ankeniheny-Zahamena corridor.
- *Establishment and start-up of the AZC commune support center (CSC):* service contract with PlaCAZ for the Ampasimadinika commune support center.
- *Facilitation of the use of improved planning and decision-making tools:* revision of 10 communal development plans (contracts with 4 service providers); funding of numerous, small MOUs (*protocoles*) with various public services (e.g., DRDR, DIREEF) and CKHs for the implementation of the KM approach, always in collaboration with SanténNet.

Module 2 (13%):

- *Reinforcement of the forest management transfer process*: contract with a service provider for 9 forest management transfer contracts (with 9 COBA associations) in the Anjahamana and Andranobolaha communes; a second contract with another service provider for a series of training sessions for corridor commune authorities (Mayors and their teams) on the management transfer process.
- *Information sharing and planning among COBA associations:* annual assembly among COBA associations supported by ERI Toamasina in order to exchange experiences, conduct self-evaluations and formulate annual work plans.

Module 3 (31%):
- *Reinforcement of the farmer-to-farmer agricultural extension system*: contracts with the LADIA center in Beforona for operations and restructuring; the establishment of contracts with each CKH for reinforcement and implementation of the FFS approach.
- *Promotion of agriculture intensification and diversification:* contract with a service provider for testing and extending a range of composting techniques; contract with CCS to establish a coffee excellence center and associated demonstrations for quality Arabica coffee production in Morarano commune.

Module 4 (11%):
- *Professionalization of farmer cooperatives:* programmatic contracts with CKHs, but with an insistence on increased monetary contributions from the cooperatives and an orientation towards other financial partners; various MOUs with CKHs to develop partnerships with other USAID Alliance members such as BAMEX.
- *Support for the KH movement:* various MOUs with CKHs to support and facilitate coordination and meetings with the CNKH as well as the emergence of the two ARKHs.

Module 5 (9%):
- *Establishment of listener groups:* contract with service provider for setting up and providing hand crank radio/cassette players for listener groups.
- *Improved communication with isolated corridor communes:* procuring two BLU radios and solar power kits for Maroseranana and Manakambahiny Est communes.
- *Publicizing KH assets:* establishment of MOUs with local radio and television stations for the communication of KH results.

In addition, it should be noted that, in order to support rural development in corridor communes, the AIF is used (equal contributions from all 5 Modules) to establish contracts with CKHs for the management of field agents. There are two principal reasons for this strategy: it reinforces the management capacity of the CKHs and also insures the coordination of, and support for local development via permanent field presence. It should also be noted that, not only do these agents facilitate the implementation of ERI activities, but they also facilitate the realization of initiatives of other USAID Alliance members.

The following tables summarize AIF use during the 3rd year of the ERI Toamasina Program.

AIF Budget Use (July 2006 - June 2007)

TYPE	Total Approved	Total Disbursed	Remaining Award
IC	$4,871.22	$4,871.22	0
PROT	$12,370.16	$9,467.27	$2,902.89
PO_GOODS	$8,330.00	$8,330.00	0
PO SERVICES	$227,979.84	$81,261.43	$146,718.41
TOTAL	**$253,551.22**	**$103,929.92**	**$149,621.30**

IC = Individual Consultant, PROT = Protocol (MOU), PO_GOODS = Purchase of demonstration materials, PO Services = Purchase Order for Services

DISTRIBUTION BY MODULE

MODULE 1	MODULE 2	MODULE 3	MODULE 4	MODULE 5	**TOTAL**
$91,278.44	$32,961.66	$78,600.88	$27,890.63	$22,819.61	$253,551.22
36%	13%	31%	11%	9%	100%

3.1.8.2 Constraints

- At present, only $43,000 of unobligated funds remain for ERI Toamasina's AIF during the 4th year of the Program. This constitutes a major obstacle as several activities needed to consolidate the Program's results and secure its legacies cannot be implemented. For example, Module 1 has no funds left and cannot support the PlaCAZ for the organization of a much needed general assembly to discuss and refine the ecoregional vision; similarly, very little funds are available to support start-up activities of new CKHs.
- With the goal of professionalizing service providers, we were forced to apply numerous penalties during the Program's 3rd year, principally due to significant delays in the submission of contract deliverables.

Members of the new Koloharena Cooperative in Fetraomby: future beneficiaries of AIF funds.

3.1.8.3 Recommendations

- Rigorous monitoring of AIF contracts and MOUs must occur at all levels of the Program: by senior staff and field agents; this is needed to achieve the goal of realizing the Program's legacies.
- Continued support should be provided to the CKHs so that they can master their management skills, monitor their AWPs and implement their business plans; this will contribute to the overarching goal of professionalizing the movement.

3.1.8.4. Perspectives

Current use (and use during the Program's 4th year) of the AIF is directed towards assuring the realization of the ERI Program's legacies. Each module has established an AIF utilization plan aimed at, and prioritizing this goal.

3.1.9 "Conserving the Indri Corridor" Small Grants Program

After a series of discussions and negotiations, ERI Toamasina successfully leveraged $250,000 from Conservation International. The funds are managed by Development Alternatives, Inc. (DAI), and are considered as matching funds to the ERI Toamasina Program. They will be used to capitalize a small grants or Node program, entitled "Conserving the Indri Corridor," for community biodiversity conservation in and around the Ankeniheny-Zahamena corridor. The objectives of the Indri Corridor Node are:

- To make a significant and long-term contribution to preserving the corridor's biodiversity;
- To nurture and establish a biodiversity conservation ethic among the local population living adjacent to the forest corridor; and
- To establish a functional conservation funding hub for the Indri Corridor, capable of disbursing funds and marketing the biodiversity value of the corridor.

The small grants program targets local partners, notably COBA and other rural associations based in the greater AZC. Local NGOs and students are also eligible for the grants. In addition, three Sub-Nodes have been established with local NGOs (ASOS-Brickaville, MATEZA and Rindra); it is anticipated that these Sub-Nodes will take over management of the Indri Corridor Node once the initial contract with DAI comes to a close.

3.1.9.1 Achievements

A small grants program manager began work in late November 2006; unfortunately, this manager resigned in May, slowing implementation of the Node. ERI Toamasina's AIF manager also began managing the Indri Corridor Node in June; an assistant was hired to help him manage both the AIF and the Node.

Overall, 7 grants were awarded during the reporting period. Three grants were awarded to the Sub-Node NGOs mentioned above, 3 were awarded to students and one grant was awarded to a local NGO. Details regarding these grants can be found in the table below. In addition, over 25 grants are currently being negotiated, principally with COBA and other rural associations.

Contract/ Grant #	Grant Title	Organiza-tion	Total Ap-proved USD	Total Dis-bursed USD	Remain-ing Award USD
RESEARCH GRANTS (for students):					
G-LMBO-stud/Node Toa/02	Evaluation of community management of forest resources in proximity to the AZC: the example of Anjahamana Commune	UNIVERSITY OF TOAMASINA: GRENE	$776	$307	$469
G-LMBO-stud/Node Toa/04	Community conservation of the natural forest habitat of the AZC	Department of GEOGRAPHY, UNIVERSITY OF TANANARIVE	$1,031	$0	$1,031
G-LMBO-stud/Node Toa/01	A Community approach to conservation of forest resources. The case of the Analamazaotra forest, Andasibe Commune	UNIVERSITY OF TOAMASINA: GRENE	$816	$466	$349
GRANTS TO LOCAL NGOs:					
G-Grants Toa/03	Restoration of forests and habitats in the forests of Tsinjo, Mamisoa, Fanomezana in Antanandava Commune	ONG Tanimaitso	$8,389	$3,941	$4,448
SUB-NODE GRANTS:					
G-SUB-NODE BKV/Node-TOA/05	The Indri Forest Corridor of Indri: riches to preserve	ONG ASOS-Bricaville	$9,906	$3,406	$6,500
G-SUB-NODE FEN EAST/Node TOA/06	South Onibe: The Indri Forests	ONG MATEZA	$11,500	$3,415	$8,085
G-SUB-NODE MRG/Node TOA/07	Funds for local initiatives for the conservation of the Ankeniheny-Zahamena Corridor	ASSOCIATION RINDRA	$11,497	$3,414	$8,083
TOTAL:			**$43,915**	**$14,949**	**$28,966**

3.1.9.2 Constraints

Much dialog was required with the local NGOs in order to reach a common understanding of the goals and purpose of the Sub-Nodes. Initially, their proposals were oriented towards classic project implementation, with little said about managing funds or strategies to encourage and receive solid proposals from local communities. Moreover, these NGOs do not have much experience in managing funds nor in administering grants.

Overall, there has been a weak response to the Indri Corridor Node from rural associations. This is probably partly due to the difficulty of communicating information on the Node to isolated communities. Additionally, most of these associations have little capacity to formulate adequate proposals that meet evaluation criteria and that can be subsequently funded. Finally, most proposal budgets submitted by rural associations to date are exorbitant and inappropriate given that most of these associations have never benefited from outside financing and therefore lack experience in managing funds.

3.1.9.3 Perspectives

Several activities and strategies related to the Indri Corridor Note are planned for the 4th year of the ERI Toamasina Program.
Sub-Nodes: Produce a standard management tool for all Sub-Nodes. Training on grants management and monitoring and evaluation of small community projects is also envisaged.
Grants: Translate the Node brochure into Malagasy. Conduct a training on basic Node principles and proposal requirements for representatives of rural associations and for field agents. Encourage proposals for activities based on the AWPs of COBA associations, AKHs, CKHs, or other rural associations. Establish a budget ceiling of 7.000.000 Ar (about $3,800) for rural associations with little or no experience in project and funds management. Prioritize support to rural associations for the formulation of fundable proposals. Set up a simplified grant monitoring and evaluation system. Put an accent on communication and awareness raising with the goal of receiving a greater number of proposals, especially from local communities.

3.1.10 Ecoregional Alliance

3.1.10.1 Achievements

The Toamasina USAID Ecoregional Alliance continued to be an excellent forum for exchanging and sharing information during the 3rd year of the ERI Program. Members met on a bi-monthly basis using a rotating chair system. A reorganization of the Toamasina Alliance comprised, perhaps, the most significant result. Members gathered themselves into four working groups: establishment of the new AZC PA, rural commune support, agricultural production and commercialization, and health and social issues. A lead was designated for each group and they also began to meet on a bi-monthly basis. Each group also produced an action or work plan; these plans then became the basis for the overall Alliance work plan for 2007. Another notable result was a frank discussion on per diem policies for rural partners; wide alignment was detected during this discussion and a Toamasina Alliance policy is currently being drafted.

Collaboration between Miaro/CI, JariAla and ERI with regard to the communal consultation process for the new CAZ PA constituted a major result for the Toamasina USAID Ecoregional Alliance during the reporting period. Similarly, collaboration between ERI and SanténNet on the integrated KM tool was a significant achievement. Progress also was noted regarding realizing synergies and increased impact on agricultural production and commercialization in the Moramanga area. BAMEX, ADRA and ERI produced an action plan focused on three value or commodity chains (red rice, ginger and white beans) as a framework for scaling up in this domain. Numerous meetings were held to review implementation and eliminate barriers to achieving wider results with regard to these value chains.

The ERI Toamasina Regional Coordinator also maintained a leadership and focal role for the USAID Alliance in Toamasina. National programs often met with him regarding implementation of various USAID initiatives in the Toamasina ecoregion; subsequently, information and implementation issues were duly communicated to Alliance members. Meetings and interactions with the JariAla project on a forest certification consultancy and with the Hygiene Improvement Program constituted two examples.

3.1.10.2 Constraints

- Most members do not seem to view the Alliance as a priority. This was evidenced by the fact that numerous requests and over four months were required before the working groups were able to complete and submit their work plans (which were in turn needed to complete the overarching Alliance work plan).

- Significant differences in approaches exist between ERI and the Title II programs with regard to agricultural production. Although attempts at harmonization were made, it is unclear whether the Program designs are sufficiently compatible for achieving field-level synergies. Linked to this problem, the lack of seeds for the targeted commodity chains (especially beans) constituted a major obstacle to increasing production.
- There remains a lack of significant spatial overlap as well as a lack of field presence in the Toamasina ecoregion. Among the Alliance members with field presence (ADRA, CARE, CRS and ERI), there are very few AZC or corridor communes where these members can collaborate. While the lack of spatial overlap does not necessarily limit scaling up efforts (in theory a larger number of communes or *fokontany* can be covered if a given territory is divided up), it does limit opportunities for bona fide synergy and increased impact. This limitation is even more apparent when considering the overall lack of field presence.
- The transaction costs of collaboration and synergy, especially at the field level, remain high. Significant time and energy must be spent in order to achieve joint understanding of approaches and structure, not to mention joint planning and monitoring. Moreover, these costs are often above and beyond those associated with the programs and activities of each individual member.

3.1.10.3 Recommendations

- It would be useful if USAID could reiterate the importance of the Alliance to the national and regional leadership of the various members. Without this emphasis, the Alliance is likely to continue to be a secondary priority.
- Alliance members should continue attempts at achieving field-level synergy and enhanced impact, especially with regard to the principal livelihood of the population of the ecoregion: agriculture. The example of the Moramanga initiative is promising; a second area, for example Brickaville or Toamasina II, where ERI overlaps with CRS, should also be the target of this scaling up effort.
- Each Alliance member should name one person (preferably someone who is well informed, has a regional or broad-scale vision, and has some decision-making power) who systematically attends Alliance meetings and who acts as a focal point for Alliance activities and queries. This would avoid the problem of communication breakdowns due to new people from each organization attending the bi-monthly meetings.

3.1.10.4 Perspectives

- Efforts will continue to be made to harmonize approaches and decrease transaction costs so that real synergies and results can be generated at the field level. Issues linked to harmonization and field-level implementation will be raised and openly discussed at bi-monthly plenary meetings. The Alliance Coordinator will strive to find and carry out solutions to any obstacles; upward communication to USAID will also continue.
- There are several orientations that the Toamasina USAID Alliance should consider as the cycles of many of its project-based members begin to come to an end. First and foremost is the vision for facilitating coordination among rural development and conservation actors. Members will need to begin to think about how this coordination function can be expanded to non-USAID organizations and projects and who could or should fulfill this role. The Regions and inter-regional platforms (PlaCAZ) immediately leap to mind.
- One final perspective on the horizon is that of regrouping farmer or villager associations into one or two regional or national coalitions or federations. It has been suggested, for example, that all farmer groups supported by Alliance members should become members of the Koloharena movement. The advantages and disadvantages of this proposal should be considered. Perhaps the Koloharena movement should become an Alliance member and attend the bi-monthly meetings.