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ANNUAL REPORT

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SEMESTER REPORT

(JULY 1, 2007 - JUNE 31, 2008)

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, 2007 – June 30, 2008 below. Additional details on achievements and activity implementation fund (AIF) expenditures are found in the annexes.

The ERI program in Antananarivo, Fianarantsoa, and Toamasina continued to advance well in implementing its annual work plan. The fifth year extension was successfully negotiated with the USAID Madagascar mission. The Antananarivo office continued to play a central role in representing ERI's interests in national forums. During the past year of considerable reform and new nominations within ministries, the national office has valiantly promoted key dossiers: the vision of the new protected areas in our respective forest corridors, the importance of renewing forest management agreements, the necessity to expand the agroecological approach to agricultural development... The Fianarantsoa and Toamasina regional programs have moved ahead well in strengthening its legacies, but these offices also confronted the consequences of considerable institutional instability and change resulting from the year-long electoral process.

The main thrust of the ERI's program activities during its last 10 months of field operations will be devoted to activities that directly contribute to our five legacies (See text box). Efforts will focus on assuring the sustainability of the KH and farmer-to-farmer movements, establishing a foundation for COBA federations, perpetuating a corridor-wide communication network, and securing the longevity of corridor governance structures. Both regional programs are taking measures to pull back from daily operational engagement in certain areas along the forest corridors in order to observe the reactions of our rural partners and then to take any mitigation measures.

The ERI program is monitoring extremely carefully its Activity Intervention Fund and its overall operational expenses not only because it is nearing the end of the five-year program, but also because of the propitious decline of the value of the US dollar. Our financial resources are increasingly limited because of the turbulent international economy. While the programmatic and administrative structure of the ERI program remains strong, some small management changes will occur as Fianarantsoa regional coordinator Mark Freudenberger takes on new employment in the United States as of mid-August, 2008.

5 ERI Program Legacies

Legacy 1: Consultative structures for improved governance of the forest corridors and adjacent lands

Legacy 2: Community resource management regimes within the new protected area management system

Legacy 3: Intensification and diversification of agriculture diffused by the farmer-to-farmer system

Legacy 4: A dynamic and durable Koloharena farmer's movement

Legacy 5: An efficient and durable rural communication system

List of Acronyms

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

1 ANTANANARIVO NATIONAL PROGRAM

1.1 Antananarivo 2007-2008 Progress, Summary of Results and Future Perspectives

1.1.1 Overview

The ERI Program National 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.

The ERI National Coordination was actively involved in different working groups and task forces, developing strategic frameworks and action plans, particularly in agriculture and natural resources management within the USAID Alliance as well as with ministry agencies and NGOs. Specific support and assistance were provided to the regional teams in the process of reinforcing and sustaining organizations at national and inter-regional levels, such as the CNKH-ARKH, the CMP and the PlaCAZ, and the Communal Support Centers in Ampasimadinika and Ikongo.

During this reporting period, we were confronted to a multiple changes in GOM composition at high level. Lack or complexity of leadership within key ministries led to a difficulty to maintain concerted agendas, and therefore to achieve real and palpable results in a certain number of dossiers. Therefore, main constraints still remain in building partnership and collaboration.

The Antananarivo office also continues to provide overall administrative and financial management to the ERI program, and ensures the coherence and conformity of the operations relative to USAID monitoring, reporting and budget procedures.

Effort will be concentrated to consolidation of the ERI legs for this last period of performance. Experiences, best practices and achievements will be shared at the end of the project.

1.1.2 Achievements

The ERI Tana team continued to lobby towards the dynamization of the “Réseau des Transferts de Gestion des Ressources Naturelles” with no real success, due mainly to a lack of will from the GOM side that ensures the leadership. However, reflections and exchanges with other partners are maintained in order to support and keep advancing field interventions, such as the preparation of contract assessments and renewal, the federations of COBAs setting up etc. Under the lead of the national coordination, ERI could actively participate in the international symposium on CBRNM organized by the Agronomy School of Antananarivo, by sharing its experiences and perspectives in an article entitled “The TGRN for the safeguard of the forest corridors: the ERI vision”. ERI and SAHA made a joint effort to ensure the participation of nine representatives of COBAs during this symposium, and who took part actively in a round-table after having presented their experience and points of view regarding the management transfer.

The ERI Tana team played a successful facilitation role between the Ambatovy project and stakeholders to solve some conflicting subjects, such as the situation of the COBA Telomira management transfer in the Ankeniheny-Zahamena that overlaps with the mining project boundaries, or the negotiation of the location of one track that the mining project was planning to build throughout the LADIA domain. ERI was always solicited by stakeholders to put in place coordination mechanisms and platforms that reinforce participating decision making processes, justifying its role of ecoregional Alliance coordinator.

The two Communal Support Centers in Ikongo (Fianarantsoa) and in Ampasimadinika (Toamasina) funded by ERI are now fully operational. As a member of the technical advisor group, the ERI Tana team participated actively in recruiting and training the “Conseillers Animateurs”, and in collaboration with the regional teams, assisting them in implementing their work plan. The ERI coordination team was particularly involved in assisting the MPRDAT in developing and implementing the monitoring system for CSC, and participated in the final evaluation workshop. At the national level, ERI is the one which insisted in the fact that these CSC should play a broad and

catalytic role for the Communes they serve, in public administration aspects in particular and in local development in general, valorizing local assets and resources.

The MPRDAT launched the process of the SRAT (Schéma Régional d'Aménagement du Territoire) in the Alaotra-Mangoro region. ERI Tana contributed to the launching workshop, and continued to provide technical assistance to the MPRDAT team in developing the methodology and following up the interventions of the consultant. Despite all the efforts provided by the ERI team to this dossier, not much has been delivered due to multiple constraints, in particular the complexity of the methodology proposed by the ministry and adopted by the consultant firm. The ERI team still believes that the SRAT products (maps, prospective documents, and land use charter) are the decisive missing piece for the Region to develop and implement a clear vision of its development.

The Ministry of Environment, Waters and Forests, and the Ministry of Agriculture put in place a working group that was supposed to define and support strategies to promote eco-agriculture approach. The ERI Tana team played a crucial role by capitalizing the regional teams' achievements and compiling the USAID Alliance Agriculture working group documents, providing an overview to and facilitating orientation of the Government representatives regarding the Green Revolution initiative. This effort was sustained within the working group that was put in place by the MAEP to elaborate the "Programme Sectoriel Agricole", which defines the orientations, strategies and intervention domains for this sector, as well as some instruments on how to implement this policy (coordination, estimate budget, monitoring etc.).

With regard to the "Centre de Service Agricole" (CSA) establishment, ERI is an active member of the task force which now tempts to set up 64 units all over the territory by the end of 2008. As a preliminary stage, ongoing action is now focused on the preparation of an inventory of "prestataires de service" that will work with the CSAs in the prioritized regions, including the Koloharena "Paysans Animateurs/Paysans Vulgarisateurs."

To promote sustainability of the Koloharena movement, ERI Tana office and BAMEX joined their force to implement an institutional development plan reinforcing the CNKH and the ARKH. A consultant was hired to revise the CNKH management tools (statutes, procedures manual etc.) in order to better decentralize this platform, and empower the regional and local components (ARKH, FKH, CKH) in the process of their organizational and financial sustainability. A two-day training session on these revised tools was carried out in July 2007 targeting members and representatives from Federations and Cooperatives. In June 2008, a two-day workshop was held in Antananarivo to develop a joint action plan for ARKH and CNKH, after the CNKH developed its business plan positioning it as a services provider towards the other structures.

In addition, the LADIA center has successfully undertaken its restructuration. The ERI Tana team was actively involved in providing support to develop its business plan, procedures manual and different management tools, and design and operationalize its new organogram as part of its organizational and financial sustainability strategy. The Executive Director is now hired and the executive team fully operational. The challenge would be for this new team to liaise with the COS (Comité d'Orientation et de Suivi) and develop a more aggressive partnership strategy.

As a response to various requests from the regions, the ERI program hired a consultant to put in place the jatropha platform which is supposed to cover and manage all initiatives related to this field. A draft version of the status is now being dispatched to the involved actors (ministry of energy, private sector, projects, farmers...) for feedbacks in order to better ensure the organization of the constitutive assembly to be held in September 2008. Biofuel in general and jatropha in particular show a rapid expansion in Madagascar, and such platform is becoming a real need for the actors, as an information exchange mechanism, as an interface between private sector and the GOM, as a lobbying force for the farmers...

ERI Tana team participated in two major and strategic workshops during this reporting period. One is the Presidential Dialog on MAP held in October 2007, where it played an effective role as part of the teams that facilitated the Commitment 4 (Rural Development) and Commitment 7

(Environment)¹ sessions. The participants had the opportunity to analyze in depth the obstacles and constraints to the rural development initiatives, and to commit to specific actions in order to achieve significant progress. The ERI Tana team was instrumental in designing and adapting the workshop format, in animating the working groups, and in elaborating the reports.

The second was the international Climate Change workshop that took place in January 2008, organized by Conservation International, WWF, MacArthur Foundation, USAID and the MEEFT. The ERI Tana team was also instrumental in integrating the livelihoods aspects within the agenda, in designing and animating working groups on the impacts, vulnerability, and adaptation on rural livelihoods regarding climate change.

A specific effort was made by the ERI National Coordination to conduct a planning process foreseeing the final phase of the programme. This included a review of the legacies and the “axes de concentration” with the entire team, defining the exit strategy and the focus of the programme during the fifth year extension, a consolidation of the M&E system of the programme in collaboration with USAID, integrating the recommendations from the recent USAID Programmatic audit.

During this reporting period, ERI was invited to contribute to the implementation of the USAID Poverty Assessment Tools for Madagascar, and prepared the Microenterprises Results Report. The ERI Tana team participated actively to the USAID SO6 Stocktaking working group also, and has been identified as lead/coordinator author for a couple of articles.

1.1.3 Constraints

Main constraints still remain in building partnership and collaboration. During this reporting period, we were confronted to a multiple changes in GOM composition at high level. Lack or complexity of leadership within key ministries led to a difficulty to maintain concerted agendas, and therefore to achieve real and palpable results in a certain number of dossiers. It is still the case for the natural resources management transfer, where more than 300 contracts are now waiting for their evaluation supposed to be conducted under the coordination of the Réseau TGRN, which is non-functional, and the DREEFTs. Another example is the SRAT Alaotra-Mangoro; no precise strategy has been established to follow-up and to ensure that expected products are delivered, in addition to (or due to) the fact that the Ministry structure has changed. Within the MAEP, the draft eco-agriculture strategies presented to the previous Minister didn't really turn out any echo from the actual team.

1.1.4 Recommendations

The ERI program is now at its terminal phase. The effort will be focused in consolidating the achievements regarding the legacies. The ERI team reviewed its framework to bring out these legacies as its main goals, and the “axes de concentration” as means to reach them. The ERI National Coordination will ensure that the program is actually heading to those goals, and work closely with regional coordinators in coaching the teams to this respect.

The National Coordination should continue to reinforce partnership with Alliance members to improve coordination and scale up impact of interventions. A better communication with state services and GOM, USAID and other financial partners should be carried out to maintain and improve the program visibility.

Interventions relative to critical dossiers, such as natural resources management transfer, Green Revolution, local governance... should be maintained, in collaboration with partners and ministries.

1.1.5 Perspectives

Some technical perspectives for the upcoming months are:

- Contribute actively to the coaching of the regional teams to the attainment of the legacies.

¹ The Madagascar Action Plan (MAP) is composed of eight Commitments with different Challenges for each Commitment.

- Consolidate the initiative to regroup the COBAs in plat-forms, networks or federations. Focus in Protected Areas management role of the COBAs and their economic viability. An exchange visit is planned this year for the FCOBA, which will be an opportunity for them to share with and gain experience from other communities in other regions.
- Consolidate the initiative to reinforce the Koloharena Movement, and specifically help the different levels of the structure (CNKH, ARKH) improve their collaboration, reinforce their capacity to deliver in support to the farmers, and develop a stronger strategy of partnership as key actors in rural development. This will contribute to their institutional sustainability.
- Prepare ERI exit by sharing and communicating experiences, best practices, and achievements by different means (documents, workshop etc.).

2 FIANARANTSOA REGIONAL PROGRAM

2.1 Fianarantsoa 2007-2008 Progress, Summary of Results and 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 fourth full year of carrying out over 90 discrete program activities. Implementation of the annual work plan is on schedule, financial burn-rates are on target though increasingly the propitious decline of the value of the US dollar is limiting availability of project funds. The 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 full details of these advancements are summarized in the accompanying table of activities.



Figure 1: Celebrating 10 Years of US-Madagascar Partnerships in Fianarantsoa

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*. These orientations have continued throughout the year and ERI Fianarantsoa staff have participated actively in various MAP monitoring and evaluation exercises. Institutional relations remain excellent with our government and non-governmental partners as we prepare for the fifth and final year of program implementation activities. The culmination of our successful year centered around the visit of the US Ambassador and an important delegation to Fianarantsoa in early June to celebrate 10 years of innovative partnerships between the United States and Madagascar.

The ERI Fianarantsoa program took the dramatic step in June, 2008 to pull back all of its 6 technical agents from the field and to base them at the Fianarantsoa headquarters office. This deliberate move was taken to send a clear signal to our rural partners – ERI Fianarantsoa is closing down by July, 2009 and that we take seriously our commitment to build strong but independent rural institutions. We have set up a system whereby our field staff become “coaches” to the Koloharena federations and other rural institutions and serve in this capacity to provide technical assistance on demand. At the same time, we continue to offer performance-based contracts with Koloharena and COBA federations as part of a strategy to increase the capacity of these institutions to implement rigorous results-oriented contracts. We anticipate that these measures will allow us to monitor the dynamics of rural realities while observing greater institutional self-reliance.

The regional coordinator, Mark S. Freudenberger, will leave employment with DAI in mid-August, 2008 after 10 years of service in Fianarantsoa to take on a new position in the United States. The management structure will evolve slightly with AIF Manager Haja Guy Randrianarisoa taking over the leadership role as Regional Representative for the ERI Fianarantsoa program. ERI awaits approval from USAID Madagascar and the regional contracting office of the new management structure.

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 ERI Fianarantsoa program continued to support very actively the creation of the new protected area Fandriana – Vondrozo through financing the preliminary public consultation in 12 communes in the central Ranomafana – Andringitra forest corridor. ERI engaged the NGO Haonasoa to carry out the extensive socioeconomic reviews and then an in-depth public dialogue with communities and communes along the edge of the forest corridor. The communes developed zoning maps in conformance with the legal requirements of the new protected area. This investment by ERI in launching the public consultation process broke a severe institutional log-jam and opened up the door for the expansion by the MIARO program of the consultative process in the remaining 54 communes along the Fandriana – Vondrozo forest corridor.

The ERI Fianarantsoa program continued to exercise strong leadership in the Ecoregional Alliance/USAID. Monthly meetings continued to be held with the coalition of USAID programs and projects. Regional coordinator Mark Freudenberger continued his active role of providing through email and telephone communications information to alliance members. Toward the end of the reporting period, the alliance shrunk with the closing down of the BAMEX and SantéNet projects. The investment of ERI leadership in the Ecoregional Alliance paid off on many occasions. Organization of major visits, such as Scott Radloff of USAID Washington on April 9-10, 2008 and two visits of the US Ambassador Neils Marquardt were easily organized because of the strong sense of teamwork between USAID project staff. The full details of the Ecoregional Alliance activities are noted below in section 2.1.10.

The ecoregional conservation and development vision encouraged by ERI Fianarantsoa and its Ecoregional Alliance partners remains a cornerstone of the Régions. This attachment to the ecoregional vision was strongly exemplified during a mission by the South African firm J&J Bioenergy to Manakara in April, 2008 when the regional authorities presented a film on the development and environmental priorities for the Région. The vision for the region corresponded closely with the views long espoused by ERI. Ecoregional conservation and development considerations continue to shape the rural development priorities of communities living along the Ranomafana – Andringitra forest corridor. Most of the communes are lobbying for the key cornerstones of the ecoregional vision – clear zoning of forest uses, investment in rural development (roads, FCE railway, agricultural extension, improved access to credit and agricultural inputs) and public health.

The fourth year of the ERI Fianarantsoa program was marked by the extensive use of the Appreciative Inquiry and Development Pathways planning tools in 12 communes along the Ranomafana – Andringitra forest corridor. Our partner Haonasoa used these tools as a follow-up to the initial public consultation around the creation of the new Fandriana – Vondrozo forest corridor. These tools are being used to help the communes revise their commune development plans and to identify development opportunities from the assets they presently possess. This approach has been strongly encouraged by the World Bank mission in Madagascar as well as senior advisors within the Ministry of Water, Environment, and Tourism.

2.1.2.2 Constraints

The future of the Fandriana – Vondrozo forest corridor is threatened by the dramatic expansion of irrigated rice production in the few remaining lowlands of the western side of the forest corridor, and to the east, the expansion of slash-and-burn annual rice cultivation higher and higher into the corridor itself (See Figure 2). This process of dramatic expansion is now well documented by the Institut de Recherche pour le Développement (IRD) study culminated in the newly published book, Transitions Agraires, dynamiques écologiques et conservation : Le « corridor » Ranomafana – Andringitra, Madagascar.² These processes of forest conversion are now being modeled by the IRD and Université de Fianarantsoa GEM project. The ERI Fianarantsoa program sponsored the public consultation in 12 communes along the forest corridor to learn more about why forest

² See Georges Serpantié ; Rasolofoharinoro ; Stéphanie Carrière. Transitions Agraires, dynamiques écologiques et conservation : Le « corridor » Ranomafana – Andringitra, Madagascar. Institute pour la Recherche pour le Développement et CITE. Antananarivo. 2007.

conservation is expanding. This analysis is extensively documented in various consultancy reports, and more importantly, in the USAID stocktaking exercise. The conquest of forest corridor is caused by a complex set of factors documented well over the past 10 years. The speed of advancement has suddenly increased due to the dynamics sparked by the implementation of the new protected area Fandriana – Vondrozo and the perception by local communities that the forestry service and regional authorities are no longer committed to enforcing forestry legislation restricting use and entry into these landscapes. ERI Fianarantsoa worked closely with the technical committee responsible for the creation of the new Fandriana – Vondrozo to communicate this information to various partners in Antananarivo but our studies are being met with disbelief. This highlights the enormous gap between policy makers within USAID projects and government based in Antananarivo and regional actors.

The major constraint to the implementation of the ecoregional approach continues to be the lack of investment in rural development along the forest corridor. The World Bank projects PSDR and FID invested very little in rural communes bordering the forest corridor. ACORD, the European Union project to finance commune development priorities, has encountered severe difficulties in making expenditures due to the weak administrative capacity of commune authorities. ERI Fianarantsoa continues to be one of the very few field-based programs active in communities along the corridor. No major infrastructural improvements in roads or irrigation systems occurred this year in the communes bordering the forest corridor.

The electoral process this past year in Madagascar continued to bring havoc to rural institutional relations. Mayoral elections in early 2008 brought about significant changes in the composition of the mayors. Much institutional memory was lost because departing mayors transferred very little information and knowledge to the new leadership. New mayors often lack the most basic understanding of the past 10 years of efforts to manage better resource management in and along the forest corridor. It is as if we start from scratch!

The constant political campaigning for commune mayors, deputies, and senators led to the politization of the rural countryside as well as administrative structures in the regional capitals. Mainline ministries similarly turned to politics. Key authorities were hamstrung over the past year since they had no assurances that they would remain at their post. For these reasons, it was very difficult to move forward important dossiers like the creation of the governance structures for the new protected area.

The future of the *Comité Multilocale de Planification* (CMP) becomes increasingly uncertain due to the growing ascendancy of the Secrétariat Technique responsible for the implementation of the new protected area Fandriana – Vondrozo. As in Toamasina, no donor wishes to support financially the recurrent costs of the CMP even though all actors recognize the necessity of having an interregional forum for “friends of the corridor” to exchange information and ideas. While the CMP has transformed itself into a non-governmental organization (Tandavalana), and wins contracts for various environmental communication activities, its interregional coordination role weakens.

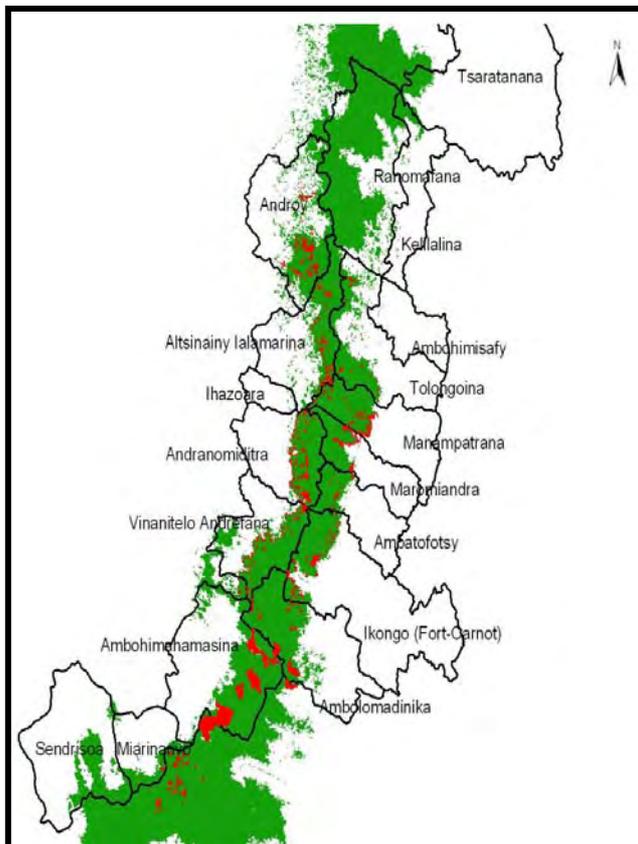


Figure 2: Expansion of cultivation into forest corridor. Red areas show recent extension of agricultural occupation. Information collected by Haonasoa under ERI contract.

2.1.2.3 Recommendations

The major priorities for this component are to: 1) Finalize the community planning process (Appreciative Inquiry and Development Pathways) for the 12 communes along the Ranomafana – Andringitra forest corridor. This entails leaving with each commune a complete set of written documentation, maps, and other supporting materials; 2) Support the Secrétariat Technique Nouvelle Aire Protégée Fandriana – Vondrozo to put in robust governance systems for the new protected area. Funding must be leveraged from the government of Madagascar and the World Bank to support the creation of the new governance structures – no easy task at a time when government enthusiasm for the NAP seems to be waning. While communes are enthusiastic about the community planning tools and processes; the major challenge is to work closely with the communes and the regional authorities to develop fund-raising strategies to help finance these plans. Otherwise, they will become simply expensive documents and maps hidden away in dusty drawers.

The ERI Fianarantsoa program recommends to USAID and its partners that more attention be devoted to communicating at the regional, and especially national level, the rapidly accelerating invasion of the forest corridor. We are finding that our partners in MIARO are not adequately transferring these concerns to the Ministry of Environment, Forests and Water, and Tourism. For these reasons, ERI Fianarantsoa and other members of the Ecoregional Alliance USAID are sponsoring various study tours, overflights, and strategic meetings to express these deepening worries.

2.1.2.4 Perspectives

The ERI Fianarantsoa program anticipates that its last year of program activities will be focused on bringing the new Fandriana – Vondrozo protected area to fruition. The USAID Madagascar mission can play a key role in working closely with the Ministry of Environment, Water, Forests and Tourism to keep the Durban Vision dream alive of creating 6 million hectares of new protected areas. Interest sometimes seems to be lagging. The major priority, however, will be to raise the question – how will protected area activities be financed in the years to come? How can new financial mechanisms, like carbon credits, be used to finance the management costs of this new protected area as well as the associated rural development activities so desperately needed along the corridor?

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

2.1.3.1 Achievements

The Module II component continues to be led ably by module coordinator Vololoniaina Raharinomenjanahary. The module activities of the past year centered primarily around three major initiatives: 1) Strengthening the COBA federations along the lines suggested by the Neal Hockely and Mijasoa Andriamarovololona consultancy; 2) Contributing to the creation of the new Fandriana – Vondrozo protected area; 3) Building up the economic valorization of the forest corridor through ecotourism.

The ERI Fianarantsoa program continued to invest considerable financial resources in strengthening the four COBA federations consisting of 60 member associations set up along the central Ranomafana – Andringitra forest corridor. Three non-government organizations were contracted by ERI Fianarantsoa to assist the COBA develop strong linkages with the *cantonnement* and regional DREEFT, provide immediate training in forestry legislation, and to assess and refine advancements in implementing the forest management plans of each COBA association. The COBA were assisted to present formal requests for renewal of their expired contracts to the regional forest authorities. The necessary legal requirements were set up to register officially the 4 COBA federations though this has not yet been approved by government because of the restructuring of regional and provincial administrative offices. This initiative complemented our on-going training to the KASTI forest fire management committees. ERI provided training to 20 forestry agents of the DREEFT of Vatovavy-Fitovinany to help them understand better the needs for evaluation of the GCF and the procedures required to renew the many contracts. Similar occasions were used by ERI in the Haute Matsiatra region to encourage renewals. We now believe that the respective DREEFT's

will indeed finance and participate actively in the evaluation of the 80+ expired resource management agreements.

The ERI Fianarantsoa module II coordinator has invested an enormous amount of time in helping the *Secrétariat Technique de Mise en Place du Corridor Forestier Fandriana – Vondrozo* carry out the legal requirements for setting up the new protected area. The coordinator worked with the many stakeholders to develop the terms of reference and contract for financing by ERI of Haonasoa to carry out the consultative process in 12 communes. She then participated in most of the 12 public consultations in the remote fokantany along the forest corridor (See figure 3). This helped ERI Fianarantsoa better understand the complex ecological and socio-economic dynamics now unfolding along the corridor. This field experience helps the ERI team to the development of new corridor forest zoning concepts and to resolve outstanding corridor governance issues. ERI Fianarantsoa participated actively in the training and missions offered by the World Bank on safeguard measures that must be put in place to assure long-term financing by government and donors.



Figure 3: Consultative process in Androy commune.

ERI Fianarantsoa participated actively in the training and missions offered by the World Bank on safeguard measures that must be put in place to assure long-term financing by government and donors.

The ERI Fianarantsoa program worked closely with several COBA to prepare proposals to the NODE “Fruits of the Forest” program to develop stronger ecotourism initiatives. NODE financing was obtained this past year for 6 COBA to set up ecotourism sites in Ambohimamasina, Andrambovato, and Namoly. ERI played a central part in linking up the dynamic *Maisons de Guides* in Fianarantsoa with these ecotourism sites. Thanks to these initiatives, the Fianarantsoa forest corridor now supports dynamic ecotourism ventures in the *Forêt de Zafimaniry*, the central forest corridor at the Andrambovato site on the FCE, the southern corridor through village trekking and hostels in Ambohimamasina, and camping at hiking around the eastern edge of Andringitra national park. These initiatives are creating a vibrant ecotourism industry in Fianarantsoa, though the economy is threatened by the fragility of the FCE railway and the degradation of the Ambalavao – Namoly road constructed by the CAP/USAID project in the late 1990s. ERI assisted the vibrant COBA AML of Anja to obtain a €23,000 grant from the EAZA funds generated by cooperation with European zoos. This fund is implemented with the collaboration of a Peace Corps volunteer seconded to the AML association of ANJA but mentored by ERI.

The ERI Fianarantsoa program continued to work closely with JariAla to implement the watershed management plan for Lac Antarambiby – the source of water for the city of Fianarantsoa. JariAla closely with the Haute Matsisatra DREEFT and the consulting firm SAVAIVO to revise the Lac Antarambiby management plan prepared with the help of the LDI program. After 10 years of consistent involvement in this dossier, we believe we are quite close to seeing implementation through the tender of a long-term management contract to the private sector. The tender for long-term management of the Mandaratsy pine plantations was launched in June and offers are to be adjudicated in August, 2008. At the micro-level, the small-scale watershed management approach continued to be implemented around the *Maisons*

**Ecotourism Field Research Evaluation
Bronwen Stanford**

“This thesis supports the findings by Hockley and Andriamarovololona (2007) that community management can place a burden on communities and that government is largely uninvolved once the management transfer is complete. However, this thesis also finds that communities see a benefit from community management, directly contradicting the suggestion by Blaikie (2006) that villagers do not see a real benefit from management transfers. Villagers describe improved forest protection and benefits to community management both with and without large revenue from ecotourism (Stanford, 76).

“This thesis suggests that ecotourism has the potential to bring benefit to communities through adding value to management transfers, as in Anja. However, the link between forest protect and ecotourism should be strengthened if ecotourism is intended to support forest protection (Stanford, 77).”

Koloharena. The most vivid example of this approach in Morafeno (near Ranomafana) was visited by the US Ambassador and his delegation in June, 2008 as part of the *Journée Mondiale de l'Environnement* and celebrations of 10 years of American-Malagasy partnerships.

The valorization of the forest corridor through better forest management continues with the water initiative launched by ERI and SantéNet consultant Jonathan Annis. Jonathan Annis ended his contract with ERI/SantéNet in August, 2008 but joined Vohary Salama to manage a new water infrastructure project. Through his work, consultations are being held with communes along the forest corridor to set up private managed companies to manage gravity fed water systems in villages like Ikongo, Tolongoina, Mamiandry, and others. Water for these communities often flows out of forests governed by the COBA community management agreements. The most vivid example of our approach was the financing and construction of a potable water system in the community of Ambendrana on the western side of the corridor – an initiative jointly financed by ANGAP Ranomafana and the NODE “Fruits of the Forest” program. This effort to valorize economically the water coming out of the forest corridor complements the rural micro-hydroelectrification initiative carried out with our partner GRET for Tolongoina, and at the regional level, with the PEPSE project.

The ERI Fianarantsoa program continued to support the innovative field research carried out by academics. A student from Stanford University carried out an evaluation of the ecotourism ventures in Andrambovato, Ambohimamasina and Anja.³ This central thesis summary is noted above. Currently, a graduate student from the University Wales is carrying out a three week study on the dynamics of the bamboo commodity stream and its linkages to local markets. This study by Natalie Jones is showing that farmers along the corridor are actively planting and managing various types of bamboo. Active bamboo markets exist and indeed the *Programme de Sauvegarde de la Vieille Ville de Fianarantsoa* is buying bamboo from Kolohoharena in Morafeno for reconstruction of the architectural heritage of the old city. The production of bamboo for urban markets may indeed be a much more profitable commodity stream than envisaged by regional development and environmental actors. A graduate student from the School of Natural Resources at the University of Michigan carried out a three week study in June and July, 2008 on the issue of whether or not *Jatropha curacas* is an invasive plant. Katie Pethan is finding that *Jatropha* is most likely not an invasive plant in the ecological and socioeconomic situation of Fianarantsoa and that there are many more other dangerous invasive plants and animals threatening to undermine the economic and ecological dynamics in and along the forest corridor. This research complements similar studies carried out by Stéphanie Carrière of the Institut de Recherche pour le Développement along the Ranomafana – Andringitra forest corridor with the blessings of the ERI Fianarantsoa program.⁴

2.1.3.2 Constraints

The Module II program is severely handicapped by the lack of strong support by the Ministry of Water, Forests, and Tourism to evaluate and renew the many expired community-based resource management contracts found along the forest corridor. The internal institutional restructuring of this ministry has not yet led to a strong commitment to review and renew the co-management agreements (GCF) so central to the work of the ERI Fianarantsoa program. Procedures manuals have not been officially approved even though ERI has taken the lead along with other donors to develop evaluation procedures. PE III funding has not been unblocked to allow the forestry service to carry out its mandate to renew the many expired GCF contracts. As a result, enforcement of restrictions to resource use is now declining because of this legal vacuum. Even if ERI Fianarantsoa expends its own precious financial resources to evaluate the approximately 70 expired GCF agreements, neither we nor the regional DREEF forestry service is sure that these evaluations would be legally recognized.

The co-management policy and program for the forests of the Ranomafana – Andringitra corridor are further undermined by the lack of forestry service enforcement of existing forest law. Local communities and COBA often inform the district and regional forestry services of blatant and illegal

³ Bronwen Stanford, “Searching for Sustainable Solutions to the People-Parks Conflicts: Ecotourism and Community Forest Management in Central Madagascar.” Thesis submitted to the Goldman Honors program of the Stanford University Environmental Science, Technology, and Policy program. May 19, 2008.

⁴ Carrière, Stéphanie M. ; Randrianasolo, Eric. ; Hennenfent, Julie. « Aires protégées et lutte contre les bioinvasions : Des objectifs antagonistes ? Le cas de *Psidium cattleianum* Sabine (Myrtaceae) au tour du parc national de Ranomafana à Madagascar. » *VertigO*. Vo. 8, no. 1. Avril 2008.

extraction of forest resources, but no action is taken. Deep corruption continues to hamper the implementation of the policy of managing the different zones of the forest corridor. Even in COBA managed community management zones, the forestry service is not able to help the community groups enforce the law against illicit uses of these landscapes. This collapse in the role of the enforcement “stick” simply kills the initiative of the COBA to protect their forest spaces. The ERI Fianarantsoa program recommends strongly that USAID Madagascar continue to encourage the Ministry of Environment, Forests, and Tourism to take a strong stance on supporting the community forest management policy.

The remaining nine months of active engagement of the ERI Fianarantsoa program requires us to continue to play a very central role in working jointly with the regional forestry services and the COBA forest management associations to consolidate advances in co-management of the Fandriana – Vondrozo forest corridor. We must work closely with JariAla and MIARO to do what we can to build up the power and legitimacy of the COBA as a counterforce to the power and influence of the forestry service. The future of the forest corridor rests on this creation of a balance of power. Neither one force nor the other can manage in a transparent and ecologically sound fashion the vast landscapes of the Fandriana – Vondrozo forest corridor.

2.1.3.3 Recommendations

The ERI Fianarantsoa program will continue to play a very active role in working with the DREEFT, ANGAP, local tourism operators, water users associations, the Koloharena federations, and the COBA federations to valorize economically the rich natural resources of the forest corridor. This will continue to take many forms as new opportunities arise. As always, our work will consist primarily of strengthening partnerships with the “friends of the corridor” who are committed to the sustainable and long-term management of this natural resource of incredible biodiversity and economic value. We rely on our partners in Antananarivo within the forestry service, USAID Madagascar, and other donors to continue to support the ecoregional vision of conservation and development as articulated so strongly in the Durban Vision. But, we question whether a full-hearted political will supports this vision and whether the institutional and financial commitment is being directed to implementation of the Fandriana – Vondrozo new protected area. For this reason, we recommend continued close collaboration between our regional office and the USAID NRO program to help encourage strong institutional commitments to our program.

2.1.3.4 Perspectives

The challenge of the remaining year of the ERI Fianarantsoa program is to keep alive the co-management spirit for the Fandriana – Vondrozo forest corridor in a period of deep institutional uncertainty within the Ministry of Environment, Forests and Water, and Tourism. The future of the GCF contracts led by the COBA is still very uncertain due to two central factors: 1) Institutional ambivalence about new governance structures for the new Fandriana – Vondrozo forest corridor; 2) Conceptual and programmatic uncertainties about how to integrate and adjust community resource management agreements into new governance modalities for the Fandriana – Vondrozo forest corridor.

The ERI Fianarantsoa program will continue to provide strong leadership and engagement with the DREEFT of Haute Matsiatra and Vatovavy-Fitovinany to support initiatives to renew the expired GCF agreements. We will continue to encourage full integration of the 4 existing federations of COBA into the new governance structures for the Fandriana – Vondrozo forest corridor. Even though time is running out, we will continue to support capacity building among the federations of COBA while recognizing that this requires long-term investment.

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

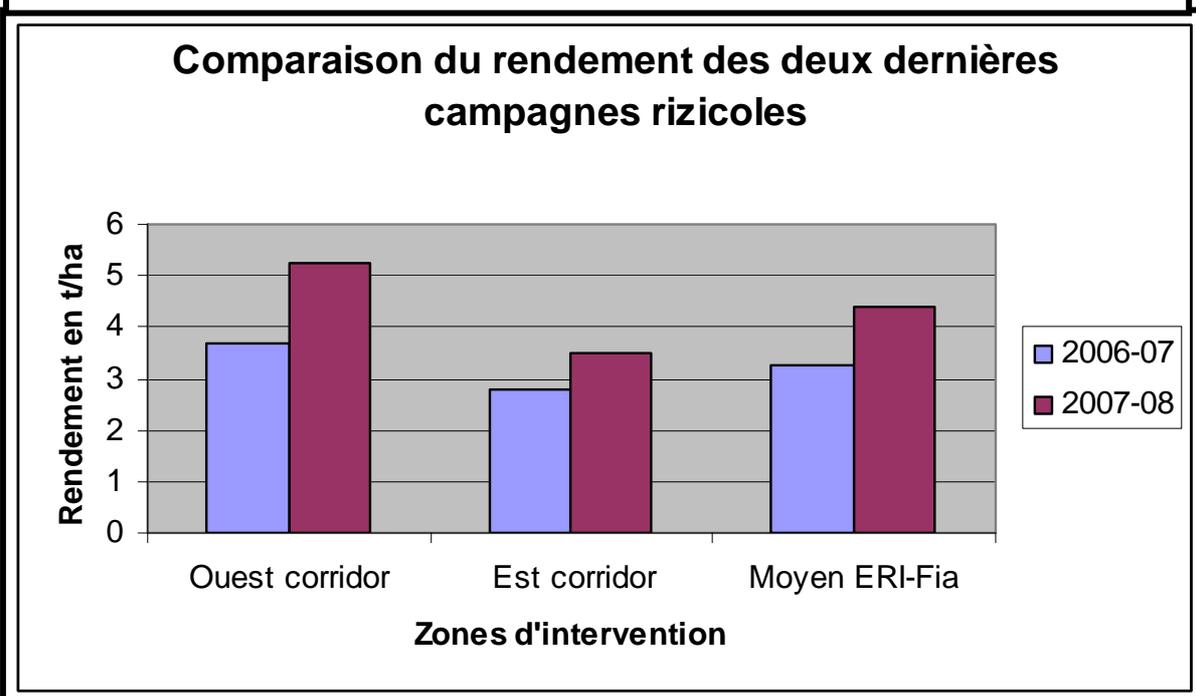
2.1.4.1 Achievements

The Module III component of introducing sound agricultural alternatives to slash-and-burn practices along the Ranomafana – Andringitra forest corridor continued well under the sound management of M. Anicet Ranaivoarison and Mme. Emilienne Voniarimalala. The component met most of its objectives of strengthening the farmer-to-farmer extension system, intensifying and diversifying

agricultural production with the Koloharena movement, and improving commercial and market linkages into the regional and international economy.

The foundation of the ERI Fianarantsoa approach to agricultural intensification and diversification along the forest corridor is to strengthen the capacity of the Koloharena movement to offer new practices and technologies to its membership base. Over the two agricultural seasons of the past year, ERI financed with each of the 11 Koloharena federations a workshop to assess the strengths and weaknesses of the farmer-to-farmer extension system and the roles of the *Paysans Animateurs* (PA) and *Paysans Vulgarisateurs* (PV). These workshops showed clearly that each federation is now capable of managing and using its system of PV and PA. The evidence is now clear that the farmer-to-farmer system works. The federations set up training and demonstration programs in their zones, the PV

Figure 4: Rice production in ERI Fianarantsoa zones of intervention



and PA are delegated to carry out training modules, the training program is supervised by the *Comité de Développement* (CODE), and training reports are sent to the leadership of the federations. Presently, there are 346 *Paysans Animateurs* and 127 *Paysans Vulgarisateurs* actively involved in carrying out a wide range of training and exchanges of experience in many different agricultural commodity streams.

The farmer-to-farmer training system is making a difference. The *Cahiers de Ménage* monitoring and evaluation systems show that 87% of the respondents believe that their livelihoods have improved in relation to the previous 2007 season. This is because most view favorably the fact that sources of on-farm and off-farm income are increasingly diversified away from high dependence on rice production. The major achievements on the eastern and western side of the forest corridor are the following:

- Eastern side Forest Corridor: The expansion of intensive SRA and/or SRI rice production



Figure 5: Jatropha CODEART press imported by ERI Fianarantsoa.

continues along the corridor. But, diversification continues with expansion of banana cultivation (and use of new varieties introduced by LDI and ERI), coffee, ginger, vanilla. Tuber crops are also seeing a resurgence through the introduction of the new varieties of sweet potatoes introduced by ERI as well as new varieties of ignames.

- Western side Forest Corridor: The trend in the increase of cultivation of rice by SRI and SRA techniques continues, but we see the expansion of dry-season gardening, investment in improving soil fertility on *tanety* hillsides, and the testing and adoption of tuber crops. The new varieties of FIFAMANOR sweet potatoes introduced by ERI draw great interest.

Despite the severe cyclones of the 2007-2008 rice season, rice production increased on both sides of the corridor as noted in 5. This attests to the fact that the Koloharena most likely planted early and their rice was able to withstand the force of the cyclones.



Figure 6: Koloharena agricultural exposition at Journée Mondiale de l'Environnement.

The diversification of the food production system away from single dependence on rice seems to be showing encouraging signs. The past year, our reporting system shows that the Koloharena produced a total of 9,400 metric tons of tuber crops. On average, every federation now produces about 4 metric tons of sweet potato vines used for replanting. Similarly, the expansion of igname production seems to be very rapid. This year, the Koloharena anticipate multiplying at least 5 metric tons of ignames from the original couple of hundred kilograms introduced by ERI and Saha Betsileo.

The ERI Fianarantsoa module III program has worked hard to link the Koloharena up to new technical partners. This strategy is showing signs of working. The jatropha commodity stream is expanding thanks to investment PSDR in working with several dozen Koloharena to expand the planting of jatropha in different agroecological zones. The CNCC continues to work closely with the Koloharena on the eastern side of the forest corridor to rejuvenate coffee production. This is paying off as coffee prices have risen this year and hence farm revenues. The French AFDI/PSA has developed innovative bean and tuber seed multiplication with Koloharena in Ialamarina and Lekomby federations. The Saha Betsileo program continues to work closely with the Koloharena to expand honey production and fish culture. The Ministry of Agriculture developed a new dairy intensification program with the Koloharena of Ambatovaky. All of these partnerships and new initiatives are the fruit of the 10 years of USAID investments in Fianarantsoa. The Koloharena are seen as viable and interested partners and for this reason these projects respond to requests for technical assistance, new market opportunities, and other contributions for the broader donor community.

The *Maisons Koloharena* established by ERI and the Koloharena are now beginning to show their worth. These sites have allowed the PV to work closely with our ANAE partners to experiment with various techniques of zero tillage (SCV) and other agroecological practices. The sites at the *Maisons Koloharena* are indeed turning out to be interesting spaces in the agricultural landscape where the farmer field school approach can indeed be carried out – an area of experimentation, testing, demonstration, and training by the Koloharena of new agricultural practices.

The extensive program of agricultural research sponsored by ERI Fianarantsoa continued over the past year. These initiatives consisted of the following:

- FOFIFA: Research on the growth dynamics of *Jatropha curcas* in different agroecological zones (western drylands with PLAE to high rainfall areas in Kianjavato and Keliliana) with particular emphasis on introducing fertility trials. Research is showing that initial soil fertility plays a key part in stimulating different growth rates in jatropha. Contrary to the popular literature, considerable attention needs to be placed on improving soil fertility in order to obtain good growth rates and probably yields. A case study was carried out in Tolongoina

by senior FOFIFA staff, a German volunteer Alfons Ullenberg, a University of Fianarantsoa law student to explore how jatropha production could be incorporated into the traditional agricultural systems without harm to food production. This study looked at the structure of the current Tanala agricultural system, land tenure issues, and market incentives.

- University of Michigan: The ERI Fianarantsoa program sponsored a three week applied research program in June by 6 graduate students from the University of Michigan and Yale University who were investigating the production, transformation, and commercialization incentives required to promote the expansion of biofuel production in Fianarantsoa. Case studies were carried out in Ampasamanoro at the AGROMAN farm and then at two villages near Manampatrana. The studies focused on how carbon credits could be generated through the production of *Jatropha curcas* for regional and international biofuel markets. One component of the study investigated the economic and technical feasibility of jatropha multiplatform presses. The full studies will be presented by December 2008. This research initiative led to the preparation of a summary by Marion Payet of the history of the USAID investments in the FCE and an up-date of the PAGE/USAID environmental assessment conducted in 2000.⁵ This document will be used in the USAID stocktaking exercises. Her husband, Doug Kolozsvari, will carry out over the next year a PhD thesis through the School of Urban Planning on the history of the FCE railway.
- ESSA: A young woman graduate student carried out an internship with the Koloharena of Sendrisoa to measure growth rates of *Jatropha curcas* planted in an experimental test plot. Fertility trials were started through this student research. Hopefully, her innovative research will continue with ERI Fianarantsoa this coming year.

The agricultural machinery initiative of ERI Fianarantsoa advanced this year with our concerted effort to introduce small-scale mechanized jatropha oil presses. Our experience is showing that the Bielenberg hand press is an excellent technology for household production of oil for domestic consumption, but it is not suitable for commercial scale production of oil. Despite numerous attempts to incite the MCA, the GTZ, and others to invest in introducing small diesel operated jatropha presses to Madagascar, we found that no donor at this moment is prepared to make a commitment to resolving the critical blockage. ERI Fianarantsoa explored many different options to promote the multifunctional jatropha platform (a jatropha oil powered diesel engine that runs a jatropha oil expeller as well as other machines like rice dehullers and electric generators). Cyrille Zebrowski of BIONEER was hired to prepare a technical and financial strategy for the multifunctional platform and this was further refined by a University of Michigan graduate student, Will Northrop. ERI Fianarantsoa then developed a partnership with the machinery firm, ACAMECA, to help it import a jatropha press and motor from the Belgian engineering non-government organization CODEART (See Figure 5). The strategy is to work with ACAMECA to produce in Madagascar this jatropha press specially designed for use in developing countries. ERI Fianarantsoa is importing the prototype press and it is expected to arrive in Madagascar in mid-August, 2008.

The rural infrastructure component of the ERI Fianarantsoa program

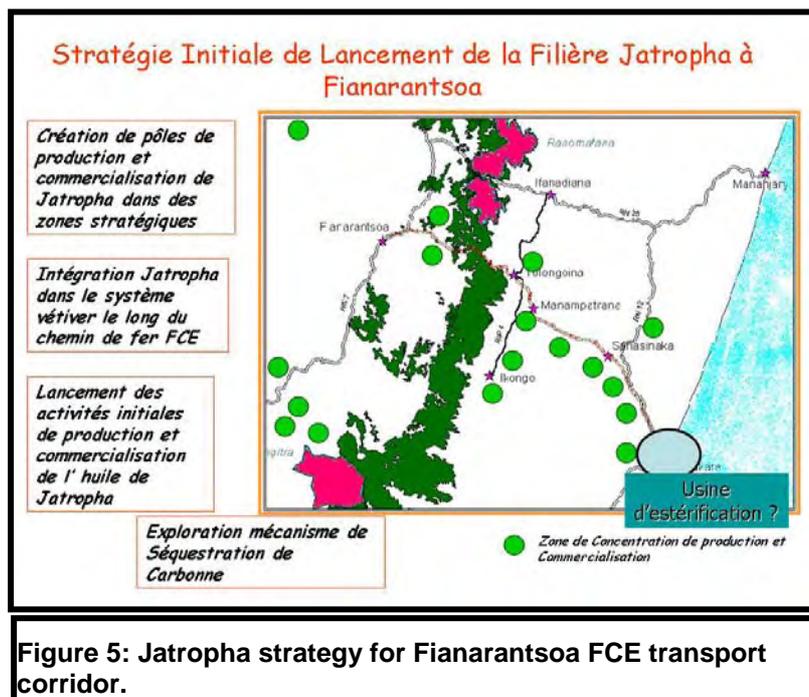


Figure 5: Jatropha strategy for Fianarantsoa FCE transport corridor.

⁵ Marion Payet, « Le Bilan de la FCE après 10 ans d'Investissements : Impacts Ecologiques et Socio-Economiques. » ERI Fianarantsoa. July, 2008.

advanced with the announcement by the European Union that our partner, GRET, has been awarded funding to set up 8 micro-hydroelectric plants in Madagascar. Four of these will be set up in the Haute Matsiatra and Vatovavy-Fitovinany Régions with Tolongoina scheduled as the first site. This is a major victory for ERI due to our four-year investment of time and financial resources to promote the concept of economic valorization of the forest corridor through the capturing of water to generate decentralized hydroelectric power. Jérôme Levet, the chief of party for GRET, had received financing from the “Fruits of the Forest” NODE program to do the initial feasibility studies on the Tolongoina site which were based on the earlier ITECO hydroelectric study financed by ERI. By the end of the ERI program in July, 2009, we are quite confident that Tolongoina will be the first commune town in Madagascar to receive hydroelectric power from water captured from the forest corridor and transformed into electric energy.

2.1.4.2 Constraints

The ERI Fianarantsoa program worked closely with the Economic Development Board of Madagascar (EDBM) and BAMEX to encourage the South African firm J&J Bioenergy to invest in the bioenergy sector in Madagascar. As noted in previous semi-annual ERI reports, ERI and BAMEX hoped that the investment of J&J in the biofuels sector would stimulate the broader economic situation in the Haute Matsiatra and Vatovavy-Fitovinany regions. J&J Bioenergy was initially highly enthused about the overall vision for biofuels launched by ERI and BAMEX. This scheme would have consisted of a business plan to produce biodiesel palm trees at the rehabilitated palm plantation at Ambila, *Jatropha curcas* grown along the FCE railway, the construction of a sea-pipeline to import fossil fuel through the Port of Manakara, and the construction of a transesterification plant in Manakara or Fianarantsoa. ERI engaged the volunteer services of the American biofuels specialist, Bob Weber, to assess the technical and economic merits of the proposal. Similarly, it investigated through the FOFIFA jatropha study the options for integrating jatropha into the farming systems adjacent to the FCE. In addition to investing in the biofuels production and marketing for the internal Madagascar fuels market, the J&J company was very interested in purchasing the FCE railway concession. The ERI and BAMEX programs worked very closely with the EDBM and the Régions to provide red-carpet treatment to three technical missions of the J&J team to Fianarantsoa and Manakara. The last mission in April, 2008 included not only the technical staff of J&J Bioenergy but also the president and chief technical advisor for Dreyfus Commodities in Africa. Despite the enthusiasm generated by these missions, in the end, the management board of the parent company of J&J Bioenergy decided to pull back from Madagascar and invest their resources in South Africa. This decision was a huge disappointment for all concerned.

The ERI Fianarantsoa program pinned much hope on the potentiality of investment in biofuel production along the FCE railway. Our hope was that ecological restoration of the vast *tanety* wastelands could occur through the creation of various types of production arrangements of *Jatropha curcas*. The dream of growing jatropha on wastelands, producing oil through small-scale mechanized presses run by Koloharena cooperatives situated at FCE railway stations, and then producing biodiesel fuel for sale to the FCE itself, JIRAMA, and other large users of biofuel was very attractive (See Figure 7). We hoped that rural employment would be generated through the rehabilitation of the Ambila palm plantation and the extensive planting of *Jatropha curcas* along the FCE railway. This vision would have met Kyoto Protocol requirements of which Madagascar is a signatory country. The J&J initiative failed because of deep structural flaws in Fianarantsoa. In the end, J&J was scared off as they learned that the Ministry of Transport at the time had no intention of subsidizing whatsoever the rehabilitation of the port of Manakara and the FCE railway. This, coupled with the realization that Air Madagascar would not re-start air service to distant Fianarantsoa and Manakara, further discouraged the investors. Finally, land tenure ambiguities at the Ambila palm plantations led to concerns about whether the company could acquire long-term rights to sufficient amounts of land. Finally, as one of the investors noted, “In Africa, one can not invest unless the fruit is already on the trees – this is not the situation in Madagascar.”

The saga of the J&J story illustrates the deep set of constraints confronted by the ERI Fianarantsoa program. Regional economic growth remains stagnant and indeed in regression. The best of efforts to attract international and national capital investment in the agricultural sector are not occurring and as a result, large-scale economic growth is not unfolding despite 10 years of USAID investment. While the achievements of the Koloharena federations and associations are laudable at the local and micro level, these advancements are primarily linked to the stimulus provided by the local and

regional agricultural markets. This market stimulus requires an efficient functioning of the FCE railway and rural roads. These transport infrastructures are weak and indeed, in regression. As noted extensively in previous reports, the FCE railway is nearly dead and the Port of Manakara no longer functions in spite of previous USAID investments. The reduction of poverty in the regions of Haute Matsiatra and Vatovavy-Fitovinany will not occur unless some major investments occur in the agricultural economy to substitute for the collapse of the coffee economy on the eastern side of the forest corridor. But, despite the best efforts of the EDBM and the regional actors in Fianarantsoa, it is thus far impossible to attract agribusiness investments. The tyranny of distance – the lack of air transport and fragility of regional transport networks- is a disincentive to economic growth. This is no surprise since these issues have been consistently raised, and many times addressed, by USAID programs over the past 10 years.

The lack of an economic “motor” in the Haute Matsiatra and Vatovavy-Fitovinany Régions thus undermines other private sector opportunities. With no new rural employment generated by the formal sector, financially strapped farmers are not able to afford to buy increasingly expensive fertilizers, high quality seeds, and agricultural implements. Seed companies like SDMad in Fianarantsoa thus confront difficulties selling their new varieties of high-yielding rice seeds. This, coupled with low and highly variable prices for rice at the farm-gate further reduce farmers’ incentives to produce agricultural surplus for the urban market.

2.1.4.3 Recommendations

The Module III component has sought to implement alternatives to slash-and-burn agriculture along the Ranomafana – Andringitra forest corridor. At the margins, we are succeeding. The Koloharena movement is strong and dynamic, though naturally confronted by internal challenges as reported in the Module IV section below. A wide array of new agroecological practices have been tested by Koloharena and in many cases, expanded outwards to an ever-wider set of farmers. Over the years, ERI has worked hard to turn opportunities to cash in on new commodity streams into viable and new income generating options for farming. Program indicators as reported in the annual performance and monitoring plan are excellent. The *Cahiers de Ménage* monitoring system shows impressive advancements at the local level. But despite all of the hard work, something right is not happening. Why is it that after 10 years the invasion of the forest corridor seems to have picked up speed? Why is it that the last remaining wetlands of the central corridor are being “captured” and converted into rice fields – a process so well described and documented 10 years by the LDI rapid rural appraisal case studies. Why does slash-and-burn agriculture continue to occur deep within the forest corridor? Why is it that dramatic economic and ecological transformation in the rural landscape did not occur? Does this represent in the end, a failure of approaches developed by USAID Madagascar, the Ecoregional Alliance/USAID, and the ERI Fianarantsoa program? What are future recommendations to USAID and our partners?

The ecoregional conservation and development approach allows us to answer these questions. The creation of the new protected area of Fandriana – Vondrozo is leading to a land-grab on the eastern and western side of the forest corridor itself induced by deep-seated pressures of demographic growth. The “pull” toward the forest corridor continues by those in search of land for food production. The “push” is from those youth who come from territories where agricultural production and rural employment is limited. Pressures on the forest corridor would diminish if urban and rural employment existed for young people and if agricultural production was sufficiently high in territories sometimes very far from the Ranomafana – Andringitra forest corridor. USAID Madagascar and ERI Fianarantsoa programs are contributing to the slow and arduous creation of alternatives to slash-and-burn agriculture at the forest fringes, but the requisite changes in the broader regional economy are not occurring at a fast enough rate to slow the advancement of rural populations into the forest corridor. The failure of the J&J initiative, the collapse of the FCE and Port of Manakara investments, and the inability to attract airline service to regional airports so necessary to attract foreign investors are but the signs of an inability to bring about broader structural changes in the regional economy. The coalition of Ecoregional Alliance USAID partners, regional authorities, and interest groups within rural civil society are simply not able to effectuate the incentive structures needed to create dynamic economic motors so necessary for the widespread stimulation of alternatives to slash-and-burn agriculture. What more can one recommend to our partners if commitment to fundamental structural changes is not forthcoming?

2.1.4.4 Perspectives

The agroecological approach to agricultural intensification and diversification must continue to shape our interventions in rural areas along the Ranomafana – Andringitra forest corridor. This is ever more necessary due to the reality that the global energy crisis is here to stay and that high-energy agricultural inputs like inorganic fertilizers will long remain unaffordable for the majority of our target farmers. Regional and local agricultural markets will likely become the major source of market opportunities for Koloharena – not the distant international economies where high costs of transport make Madagascar increasingly non-competitive. The Double Green Revolution for now will be based on low-energy inputs based on the array of technologies and practices already developed by the ERI program – intensive composting, biomass banks, zero tillage with leguminous cover crops, “écobouage” use of waste biomass, SRI and SRA rice cultivation with heavy organic manuring, tuber crop production, off-season production of vegetables and pulses... In effect, unless dramatic changes in the structure of the regional economies occur in the near future, the selective de-linking of the forest corridor economy will continue unabated. ERI Fianarantsoa must be prepared to accept the harsh consequences that will invariably surface if the FCE railway closes and key rural road arteries continue to degrade.

The ERI Fianarantsoa program has reached a critical juncture in the promotion of our agricultural extension and outreach program with the Koloharena movement. The establishment of the new Centre de Services Agricoles (CSA) in every district will change the way in which agricultural extension occurs. The ERI Fianarantsoa program will need to invest considerable time and financial resources in helping the Koloharena define an appropriate relation with the new CSA. Similarly, it will be critically important to link the Koloharena up with the new European Union and IFAD programs apparently setting up initiatives in Fianarantsoa.

The Module III staff will be participating actively in the preparation of the USAID stocktaking exercise scheduled for July and August, 2008. This will provide an excellent opportunity to flush out the lessons learned from our 10 years of investment in promoting alternatives to slash-and-burn agriculture. In addition, the ERI Fianarantsoa program will be documenting these lessons through the services of an intern from the University of Wisconsin-Madison who will provide three months of services to write up a series of “success stories.”

The ERI Fianarantsoa program must continue to use its remaining year to leave legacies of a strong Koloharena movement committed to the use of agroecological practices along the Ranomafana – Andringitra forest corridor. This will consist primarily of working with Koloharena to communicate lessons learned and the opportunities for scaling-up the approaches so successfully developed at the grassroots. Just as we promote intensification and diversification of agriculture along the forest corridor, we must continue to work with the Koloharena leadership to diversify their partnerships with new development actors and commercial agricultural opportunities.

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 complex and extensive Module IV continues to be led with great aplomb by the module coordinator Tsaloninarivo Rahajary and Suzanne Razanadravao. Through their skilled leadership of this module, the long-term legacies of the ERI Fianarantsoa program are well on their way – institutional strength of rural institutions to advocate for local concerns and to implement autonomous rural development initiatives.

The ERI Fianarantsoa program believes that rural institutional autonomy, especially of the Koloharena movement, is being progressively attained through the following significant achievements over the past reporting period:

- *Management Capacity and Financial Sustainability.* The Koloharena cooperatives improved their contractual obligations with various partners ranging from ERI Fianarantsoa (ie: performance based contracts to support agricultural extension through the farmer-to-farmer approach) to the AFDI/PSA program. Nine functional Centres d'Approvisionnement Agricole

are now in operation with the most recent one set up in Ranomafana through joint ANGAP – ERI cooperation. More could be open but because of procedural limitations applied by the MOBIS contract on ERI, we can not set up other new ones unless we receive joint funding from other institutions.

- *Improved Access to Credit:* This year the Koloharena members continued to advance with the obtention and repayment of rural credit. A total of 132 members representing 30 Koloharena associations obtained 103 million AR of credit (about \$81,250 of credit) for community rice banks, agricultural inputs, agricultural machinery, and income generating activities like food transformation from TIAVO and Entreprenre à Madagascar (EAM). The internal Koloharena cooperative credit system allocated this past year 66.6 million AR of credit to 59 members (about \$41,625). A protocol signed with the BNI bank in Fianarantsoa now allows the regional and local Koloharena federations to access funding through the FIEFE.
- *Advocacy and Negotiation Skills:* The Koloharena and COBA federations expanded considerably their partnerships with other development actors (French PSA/AFDI, ANGAP/DEAP funds, PSDR/World Bank, NODE/Conservation International, SDMad/private agricultural inputs company...). For instance, several collaborative agreements were signed up with the French PSA/AFDI program to finance agricultural intensification activities like the production of field bean seeds in the commune of Alaitsinany-lalamarina. The federations of Miarinarivo and Androy set up fairs to publicize the movement to local and regional authorities, but also to sell agricultural produce. Koloharena federations are increasingly active members of agricultural platforms like the *Association des Producteurs d'Alevins à Fianarantsoa* and the association of honey producers in the region of Vatovavy-Fitovinany. Koloharena members were actively involved in the implementation of the Kaominina Mendrika process in 18 communes and this led to strengthened relations between the associations and government services involved in the evaluations.

The long and drawn-out electoral process in 2007-2008 was felt throughout ERI's zones of intervention. Many of the Koloharena *Paysans Animateurs* became *presidents de fokontany* in recognition of their leadership skills in rural mobilization. Similarly, several Koloharena members have now become commune mayors (ie: commune of Tolongoina).

The ERI Fianarantsoa program encouraged the USAID Madagascar mission to partake in discussions with the Development Credit Authority (DCA) to establish a guarantee fund. We are pleased that our engagement in these negotiations contributed to the commitment by the USAID-funded DCA mechanism to set up an \$800,000 pilot guarantee scheme in collaboration with the African Development Bank. We hope that this fund will strengthen the TIAVO savings and loan institution that has so effectively serviced rural peoples in the ERI Fianarantsoa zones of intervention.

The ERI Fianarantsoa program continued to work with the road users associations (AUP) of the Ambalavao – Namoly and Betraka-Lekomby to try to acquire funding from the *Fonds d'Entretien Routière* (FER). Despite helping the communes and AUP of the Namoly road obtain the 10% contribution of cash (funds obtained through ANGAP and the German KfW), the FER for the second year in a row failed to generate the matching funds. Internal disorganization within FER has severely compromised this road maintenance program with the consequence that USAID built roads are now in very severely degraded. ERI Fianarantsoa continues its active support of communes and associations to leverage funding from FER, but time is running out. Unless administrative hurdles are very quickly resolved in the next few weeks of July and August, it is unlikely that road repairs can advance even if funds are unblocked. Road repairs must be undertaken in the dry season but administrative procedures are remarkably slow.

The ERI Fianarantsoa program strengthened considerably the *Centre d'Appuis aux Communes* (CAC) for the zone of Ranomafana – Ifanadiana – Ikongo. A contract passed through the *Comité Multilocale de Planification* (CMP) allowed the CAC technical agents to consolidate their contributions to improved management of internal commune planning and administrative functions. Thanks to the presence of the CAC technical team supported through a contract by ERI to the CMP, all of the communes now use the "Hetra" financial monitoring program for commune accounts. The

mayors go to the CAC in Ikongo and Ifanadiana to work with the agents and the Délégués d'Arrondissement to enter data into the CAC computers. Other changes are gradually being put in place. Almost all communes are now practicing much more transparent governance. Simple but important techniques are now being widely practiced: public postings of meeting minutes, advance preparation of meeting agendas, definition and posting of roles and responsibilities of commune leaders, greater participation of the public in open town meetings. All of these measures are now influencing the tax collection rates – the first to happen along the corridor communes in over 30 years! The successful implementation of the Kaominina Mendrika in 18 communes along the forest corridor is to a large degree the result of much better commune management.

2.1.5.2 Constraints

The Koloharena farmer's movement is expanding with a membership now at 7497 active members working through 11 federations and 9 cooperatives supported by 627 associations. This represents a growth rate over the past year of 21%. Even though the movement is expanding with quite minimal technical and financial support from ERI Fianarantsoa, internal dynamics within the movement give reason for concern. These on-going issues are:

- *Capturing of the Koloharena Movement by Rural Elites:* The Koloharena movement is not immune from the dangers of hi-jacking by rural elites. The inherent structure of the Koloharena based on association composition determined by family or clan affinities creates this danger. While the Koloharena seek to maintain transparent and democratic decision-making, powerful rural elites do manage to penetrate and dominate from time to time some associations and federations. Grassroots democracy leading to turnover of leadership does not always lead to populist leadership committed to egalitarian principles! ERI must continue to observe this process of leadership turnover and try to help the movement ward off the most pernicious forms of elite domination.
- *Re-creation of Institutional Dependency:* The ERI Fianarantsoa program has adopted various strategies to try to reduce the dependency of the Koloharena movement on our program. Contrary to our expectations, we are finding that the Koloharena are actively searching our new partnerships with FERT, PROSPER, and others that could indeed be perceived as opportunistic searches for the creation of new dependency relations. This tendency does highly the importance rural communities attach to maintaining strong relations with urban and international interests.
- *Weak Internal Communication:* The future of the Koloharena movement is compromised by internal communication difficulties. The lack of full cell phone coverage and the inherent limitations of BLU radio technologies contribute to the high transaction costs of communicating information from one remote area to another. With the pull-back of the ERI field agents, informal dissemination of information is further reduced.
- *Lack of Sufficient Access to Rural Credit:* The demand for rural credit far exceeds the supply. Rural credit institutions like TIAVO and EAM encounter many difficulties in raising additional capital but also in monitoring reimbursements. Experience in Fianarantsoa has time after time shown that careful use of rural credit sparks intensification and diversification of agricultural production. Examples abound such as the recent acquisition of credit by the Koloharena of Ambatovaky to purchase a second rice dehuller or a herd of dairy cows.
- *Questionable Internal Financial Management:* The ERI Fianarantsoa program has invested considerably in helping the Koloharena federations and cooperatives prepare procedural manuals and then to carry out the procedures. ERI launched a system of low-cost but effective financial audits between cooperatives. In spite of the recognition by the Koloharena leadership and ERI that transparent financial management determines the future viability of the movement, we continue to be deeply worried by the capacity of the movement to manage well its quite considerable capital assets. We are not yet at ease for we are concerned that once ERI departs from the rural scene, rural elites within the Koloharena movement will quickly move in to deplete the financial assets of the movement.
- *Nascent Kaominina Mendrika Process:* Rural interests view the Kaominina Mendrika process of planning and implementing Nature, Wealth, Health, and Power activities with considerable enthusiasm. However, community leaders continue to believe that the process is one in which the central state, especially the health ministry, sets indicators and

achievement targets. Many rural leaders perceive Kaominina Mendrika to be a USAID initiative. Only time will tell if this perception can be overcome.

2.1.5.3 Recommendations

The ERI Fianarantsoa program must continue to encourage the autonomy and self-sufficiency of rural institutions in its strategic zones of intervention. The future of the Koloharena will depend on several factors. Above all, benefits of membership must outweigh the transaction costs of maintaining the organization. The material and non-material returns from social organization must continue to flow into the organization and these benefits must continue to be shared in a somewhat equitable fashion. This will require the leadership of the Koloharena federation and regional confederation to continue to maintain excellent financial management of the movement. If the internal financial of the federations and cooperatives fails, so too will the Koloharena movement.

The ERI Fianarantsoa program must continue to monitor and respond to the constraints noted above in section 2.1.5.3. This will indeed consist of providing information to the Koloharena leadership so that they can set up partnerships with the new programs and projects being set up in Fianarantsoa (ie: PROSPERER/IFAD). Commercial links ought to be strengthened with the commercial sector such as the women's cooperative FY involved in the purchase and then drying of fruits and vegetables. As new opportunities for rural credit emerge within TIAVO, EAM, or CECAM the Koloharena should be informed of these opportunities. We recommend with enthusiasm that USAID Madagascar continues to support the implementation of the new Development Credit Authority credit guarantees with the African Development Bank.

Most importantly, ERI needs to contribute to the integration of the Koloharena farmer-to-farmer agricultural extension system into the services offered by the Centre de Services Agricoles being set up in every District in our zones of intervention. Hopefully, the new SantéNet II program will also provide stimulus to continue the Kaominina Mendrika process of which Koloharena were a central part. We recommend that USAID NRO program encourage the new SantéNet II program to work closely with ERI during the set-up phase.

2.1.5.4 Perspectives

The ERI Fianarantsoa program has taken the very deliberate action of pulling back our field staff one year before the end of the project so that we can observe the impact of our departure on the dynamics of the Koloharena movement. Senior staff learned from the experience of the LDI program that the departure of a program contributed to a downward spiral in social organization. For this reason, we are trying a different tack by reducing daily contacts with the Koloharena, but using our staff as "coaches" to monitor and counsel as demanded by the federations themselves. We hope that this will lead to greater autonomy – much like a parent "coaching" an adolescent as they increasingly launch themselves into a new and independent life. We hope that this redefinition of the partnership between ERI and USAID to the Koloharena movement will indeed help the federations and associations institute improved internal management measures.

The progressive pull-back of ERI Fianarantsoa presence from the field is filled with risks. But, there is no magic measure to guarantee the durability of the Koloharena movement. The ERI program will continue to provide training, encouragement, and counseling this next year to try to redress unfolding problems or contradictions. This will require our senior and field staff to monitor very carefully the internal dynamics of the Koloharena federations and associations.

The future of the Koloharena movement to a large degree depends on the leadership of the institution itself. Discussions at the end of June with the regional confederation of Koloharena suggests that leadership recognizes that a new era has been reached, an era in which the Koloharena must stand up to identify themselves the need for internal improvements and then seek out technical assistance from ERI and other partners. ERI Fianarantsoa is ready to provide technical assistance on-demand, but it awaits for the emergence of firm requests. For us, this is the critically important process of building a legacy of a strong farmer's movement capable itself of targeting problems and finding solutions.

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

2.1.6.1 Achievements

The ERI Fianarantsoa module V activities continued is ably implemented by module coordinator Sidonie Rasoarimalala. She has filled well the shoes left by the departure of Salohy xRazanajatovo for a new position as the director of the REPC. The major results for the year:

- *Rural Radio*: Continuation of active involvement in the Andrew Lees Trust “Projet Radio” oriented around strengthening the capacity of rural FM radios to broadcast emissions designed and created by rural communities themselves. The Koloharena rural radio listening groups have been involved in training and production of radio shows through the *Cycle de Production Participatif* (CCP) methodology. This training methodology was also extended to the agents of the *Centres d’Appuis aux Communes* (CAC) of Ikongo and Alakamisy Itenina with funding from ERI.
- *Maisons Koloharena*: Agricultural Demonstration and Training Sites: The Koloharena are now beginning to use well these small centers for agricultural demonstrations and experimentation. Agricultural innovations, like introduction of new varieties of tuber crops like orange sweet potatoes or experimentation with cover crops are tried at these sites often situated in micro-watersheds. The Module V coordinator provided many of these demonstration sites technical sheets, posters, and other training materials.
- *Films*: The Koloharena associations participated actively in developing new videos on agricultural techniques tried and tested for agroecological niches. Most of these films are now completed with our film production companies. The films have been widely viewed through our partnership with PSI Madagascar or with the Comité Multilocale de Planification. Similarly, the film festival organized in the city of Fianarantsoa for the World Environment Day and the week-long celebrations of 10 years of American partnerships allowed us show these films in neighborhoods and on local television.
- *Technical Posters and Fact-Sheets*: The module V coordinator worked closely with the technical staff to produce a wide variety of posters and fact sheets for various festivals such as the *Journée Mondiale de l’Environnement*, the *Journée Mondiale de la Biodiversité*, the 10th anniversary of Americo-Malagasy partnerships in Fianarantsoa, and many commune level festivities linked to the Kaomina Mendrika process. The ERI Fianarantsoa information machine was well mobilized for the visit of Scott Radloff of USAID Washington.
- *Koloharena Branding*: The Koloharena federations decided as a coalition to position themselves better at the local and regional level through use of many of the technical materials produced by ERI Fianarantsoa. Several federations held commune level conferences, expositions, and debates to promote better the technical and institutional innovations being carried out by the Koloharena movement.
- *Use of Internet*: The Koloharena in the Ranomafana area participate actively in the USAID implemented Last Mile Initiative. Association members from as far away as Keliliana have set up internet accounts at the Ranomafana telecentre and receive special internet hook up rates to facilitate the use of the Web. ERI Fianarantsoa continues to work actively with TELMA and CELTEL to try to expand cell phone and internet services to the remote Ikongo District, but this effort does not advance as fast as expected because of the lack of electricity provided by JIRAMA.

The ERI Fianarantsoa program worked closely with the Ecoregional Alliance/USAID partners to organize and finance the *Journée Mondiale de l’Environnement* on June 5th, 2008. This year, the USAID Madagascar mission and the US Embassy asked ERI to take the lead in organizing at the same time the “American Week” with the theme “Celebrating a Decade of US-Malagasy Partnerships.” Supplemental funding was obtained from USAID through DAI to finance the four days of visits by the US Ambassador Neils Marquardt and a delegation of government officials to field sites along the Ranomafana RN 25 road and the road to Ikalimavony, an environmental fair, a

neighborhood film festival, and children's theatre and kabary's. The highly successful days were well covered in the local and national media.

2.1.6.2 Constraints

The Koloharena movement has gained much autonomy in the use of environmental communication tools. This is going a long way toward extending information and ideas into remote rural areas. However, a tension continues to exist between those villagers living in various very remote areas along the forest corridor and those involved in the Koloharena movement more centrally located along major axes of transport and communication. Internal communication within the Koloharena movement continues to be a major problem. The COCOM communication committees do not function well because leadership lack incentives to invest time in improving internal communication within the federations. The Regional Koloharena Confederation is very cognizant of this fundamental structural problem.

Communication transaction costs continue to be very high within the movement. Internal lack of communication undermines the movement. The BLU radio network continues to be very effective, but the seasonal lack of radio coverage continues to bring great frustrations. For climatic and geographic reasons, ERI Fianarantsoa often can not call by radio several of our sites. Improving cell phone coverage in Fianarantsoa is dramatically changing the face of communication between urban and rural areas. Koloharena leadership use the new communication services opened up by better cell phone coverage by TELMA, CELTEL, and ORANGE. Most of the presidents of the federations now own cell phones and all know exactly what mountain top obtains cell phone coverage! ERI is pleased that CELTEL is providing cabin phones to TIAVO saving and loans offices in ERI's zones of intervention. This will improve dramatically communications up and down the forest corridor.

2.1.6.3 Recommendations

The final year of ERI Fianarantsoa environmental education and communication activities must be centered on the transfer of project documentation and information to our key partners. Since it is not at all clear that USAID Madagascar will invest in Fianarantsoa in the future, and if so, in what form, we seek viable ways to assure public access to information developed, collected, and used by ERI. We are presently transferring our project library to the CEDII in Fianarantsoa. At the same time, we continue to seek ways to assure the functionality of the BLU radio system and especially the payment of the expensive OMERT taxes. At this time, we think that the IFAD funded PROSPERER program may pick up a large part of these operational costs though some will also be covered by the Koloharena and the communes. We hope that cell phone coverage will continue into very remote areas of the forest corridor because ultimately, this will reduce the tyranny of isolation and lack of access to modern forms of communication. But, for this option to work, ERI must continue to lobby for provision by the private sector of decentralized energy, like portable cell phone solar battery chargers, to remote rural areas. Otherwise, the lack of battery recharging facilities could undermine the effort to expand the use of cell phone communication. We recommend that the LMI project thus continue to work closely with us as well as the communications program staff of USAID Madagascar.

2.1.6.4 Perspectives

The ERI Fianarantsoa looks towards its last year with hopes of consolidating the many achievements obtained over the last years. Even though the national environmental program has minimized support for environmental education and communication, the Fianarantsoa team has made great strides in using tools of rural radio, video, posters, and technical documentation to extend information to far-flung areas. When it became clear that the "Radio Corridor" idea could not be achieved because of technical reasons, the Fianarantsoa team adjusted its communication strategies to strengthen a wide range of communication tools.

The challenge for the future year is to strengthen as much as possible the Andrew Lee Trust Radio Rural program. This innovative program has enabled the Koloharena to develop for themselves rural radio spots and to diffuse this information through the network of rural radios increasingly touching the forest corridor. ERI Fianarantsoa will continue to link Koloharena federations directly with the private FM stations interested in broadcasting the spots produced by the Koloharena themselves.

The rapid expansion of cell phone coverage in Madagascar, especially of CELTEL, opens up new opportunities to use this modern communication technology. ERI Fianarantsoa is trying to develop new institutional mechanisms to extend agricultural price information and analysis through cell phone services. Interesting models exist in Africa and Afghanistan. Some type of system ought to be put in place that enables the private sector, like a cell phone company, to collect agricultural price information and then sell this information through dialed in requests from the general public. The present agricultural price and diffusion system put in place by BAMEX, ERI, FERT, and others is too donor dependent for funding operational expenses.

The ERI Fianarantsoa program has developed and collected a large mass of agricultural information. The major challenge is to continue to disseminate this information toward the *Maisons Koloharena* by the end of the ERI program. Efforts are presently underway to assure that all ERI technical sheets are properly branded with the USAID logos, photocopied, plastified, and put into binders that are disseminated to the various *Maisons Koloharena* and federations. Our extensive collection of books and technical information acquired from 10 years of USAID project implementation is being presently catalogued and turned over to the Fianarantsoa CEDII so that it can be properly managed and used by the general public.

2.1.7 Monitoring and Evaluation

2.1.7.1 Issues and Results

The ERI monitoring and evaluation system continues to provide a wide array of information to various partners ranging from USAID Madagascar to the regional authorities. The DAI TAMIS system provides the verifiable information on ERI Fianarantsoa advancements in implementing our annual work plan. The *Cahiers de Ménages* generates information on agricultural productivity and income diversification processes unfolding at the local level. These respective source of information feed into the annual ERI Performance and Monitoring Plan that will be submitted in November, 2009.

The monitoring and evaluation component was characterized this year by the issues raised through an auditor's evaluation of the entire USAID Madagascar monitoring and evaluation system. This audit has led to internal changes in how ERI collects information for a new set of variables not initially envisaged. The level of precision and verification of information presented for the PMP has been redefined through this exercise. The ERI workshop with PMP teams from Toamasina, Fianarantsoa, and Antananarivo in January 2008 allowed us to standardize better our methodologies in relation to new USAID Madagascar monitoring exigencies. While the USAID audit highlighted the many weaknesses in the monitoring and evaluation systems used by all USAID programs and projects in Madagascar, it did show that future projects must invest considerably more financial resources in data collection and analysis.

The collection of data on agricultural yields and diversification of household income attributable to the ERI program still causes much angst. In the absence of collection of agricultural information by the Malagasy government, ERI implements its own survey methods in the many geographically distinct areas along the forest corridor. We base our system on collecting information through in-depth interviews and questionnaires with members of Koloharena associations as well as non-Koloharena control groups carried out by independent consulting firms. Not only is the process quite expensive and time-consuming, but farmers in our zones of intervention still do not understand the rationale behind these investigations. The analysis of the data collected from the *Cahiers de Ménages* is reported back to the Koloharena federations and the communes, but this still does not satisfy rural communities who tend to feel harassed by the intrusive investigations of household data.

2.1.7.2 Recommendations and Perspectives

The ERI and USAID monitoring and evaluation system is becoming more robust thanks to the audit of the USAID Madagascar system. Mid-course corrections in the PMP are being carried out conscientiously. Unfortunately, these mid-course corrections undermine the utility of the validity of the four years of data collection and analysis that has gone into the PMP. Normally, one should not

alter the variables and data collection and analysis procedures in toward the end of a five year program!

The future USAID programs financing interventions in the domains of agricultural production must take much more account of the costs and difficulties of collecting information on yields and household incomes. Despite the professionalism of the sub-contractors used by ERI to carry out the collection and analysis of agricultural information, government of Madagascar institutions should be the primary collectors of this data. Even though ERI Fianarantsoa hires consultants familiar with the INSTAT and Ministry of Agriculture data collection and analysis procedures, we are not sure that our data is comparable with the protocols used by government. In the future, it may behoove USAID to simply sub-contract with INSTAT to carry out data collection and analysis; yet these procedures may not stand up to the methodology and rigor demanded of USAID. Resolution of this conundrum will not be facile nor inexpensive.

2.1.8 Activity Implementation Fund

2.1.8.1 Achievements

The extension of the ERI program until June, 2009 enabled our program to plan more strategically the uses of the Activity Intervention Fund (AIF). The program extension allowed us to extend outward several contracts with the Koloharena federations, the *Centres d'Appuis aux Communes* (CAC), and the COBA. Internal staff meetings were periodically held throughout the year to determine how are funds were being utilized in the most effective ways. During the past year, \$196,662 were engaged for AIF activities of which 62% of the funds were completely spent. This is our standard rate of engagement versus final payments. The table below summarizes the distribution of our engagements.

The ERI Fianarantsoa program over the past four years has engaged \$915,000. The table below summarizes our burn rates per year and distribution of expenditures.

SITUATION du Budget AIF (entre juillet 2007 - juin 2008)

TYPE	Total Approved	Total Disbursed	Remaining Award
IC	\$20 274,63	\$12 447,00	\$7 827,63
PO	\$141 208,56	\$77 452,22	\$63 756,34
PO-GOODS	\$132,88	\$132,88	\$0,00
PROT	\$35 046,11	\$32 565,15	\$2 480,96
Grand Total	\$196 662,18	\$122 597,25	\$74 064,93

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

The ERI Fianarantsoa program was able to carry out most all of the activities planned for during the annual work plan preparation process. About 84% of our budget was allocated to contracts for services to various institutions (Koloharena federations, non-governmental organizations, private sub-contractors...); 11% for protocols picking up primarily per diem and travel costs of partner organizations involved in trainings; 4% for consultant contracts; 2% for the purchase of goods and materials used in trainings and demonstrations.

The expenditures by module are summarized below:

- Module I: Our investment supported the Comité Multilocale de Planification to promote and reinforce the ecoregional approach and to promote the economic valorization of the forest corridor. The ERI program supported heavily the new Centre d'Appuis aux Communes (CAC). The majority of our funding went to sub-contractors helping the Secrétariat Technique of the SAPM/NAP to carry out the public consultations involved in the creation of the new protected area Fandriana – Vondrozo. Some funding was invested in monitoring and evaluation through the consecutive year preparation of the Cahiers de Ménage with Koloharena.
- Module II: AIF funds supported primarily strengthening of new federations of COBA – a central recommendation of our consultancy with Neal Hockely. Funding was also allocated to capacity building to the new GCF community transfer agreements we set up the previous year and to public education with the KASI forest fire fighting committees.

- Module III: The expenditures for this module centered primarily around providing training or technical assistance to various commodity streams – tuber crops, coffee, rice, fish culture, jatropha, apiculture, and expansion of the use of agricultural tools.
- Module IV: The AIF financing for this component consisted primarily of sub-contracts to Koloharena federations to carry out the farmer-to-farmer approach and to expand the Koloharena movement along the forest corridor into new communes. Sub-contracts were also given to the regional Koloharena federation to expand its activities of representing and defending the Koloharena movement in regional forums. Other sub-contracts supported the ERI engagement with the Kaominina Mendrika process.
- Module V: Expenditures for this component paid for a series of radio shows on local rural radio stations on themes like population, health, and the environment. Other funds supported the filming and production of videos on agricultural intensification, creation of the New Protected Area Fandriana – Vondrozo, forest-mining issues, and the future management of the forest corridor.

The ERI Fianarantsoa program Activity Intervention Fund envisages the use of about \$100,000 for the remaining program period of July, 2008-April, 2009. The majority of these funds must be expended by February 2009 while a small sum will be set aside for the close-out period. Funds will be used to assure the creation of the long-term legacies envisaged for each module. The primary focus for each module coordinator is to assure the longevity of the Koloharena movement, strengthen the COBA federations, assure the viability of the association of communes along the eastern side of the forest corridor, and strengthen the institutional relations between the new Centre de Services Agricoles with the Koloharena farmer-to-farmer extension system.

1.1.8.2 Constraints

The propitious decline in the value of the US dollar in relation to the Malagasy Ariary undermines the ability of the ERI program to carry out its many activities. Operational costs (ie: fuel and maintenance) are rising rapidly at the same time that the aggregate value of the AIF declines. This conjuncture of factors will require periodic readjustments of program activities and associated budgets.

1.1.8.3 Recommendations

The ERI Fianarantsoa program must continue to monitor extremely carefully our expenditure levels for the next year of AIF expenditures. We will need to reevaluate our program and budget availability much more frequently in the past.

1.1.8.4 Perspectives

The ERI Fianarantsoa program will not be able to do as much as it anticipated due to the falling value of the dollar. The dramatic loss of funds due to nothing more than international currency fluctuations represents a dramatic loss of options to fund creative initiatives with our partners. But, in order to have a “soft landing” at the end of the ERI program, we have no other option but to judiciously evaluate how to assure legacies but with much less funding.

2.1.9 « Fruits of the Forest » Grant Program

2.1.9.1 Achievements

The “Fruits of the Forest/NODE” grant making program continued to advance well in 2008. Thanks to the contract between Conservation International and Development Alternatives, Inc., the ERI Fianarantsoa program was able to expand its efforts to promote creative community based resource management



Figure 6: Ambendrana potable water system financed by NODE "Fruits of the Forest."

initiatives. These grants are summarized in the table below. During the past year 8 new projects were financed for a total of 50 347 350 AR of which 1 was in the Région Amoron'iMania, 3 in Haute Matsiatra, 2 in Vatovavy-Fitovinany, and 2 for the development of video films of use for all regions.

The "Fruits of the Forest" contract was amended this year to foster the extension of the contract for one more year until the end of March, 2009. The objective is to give more time to the sub-NODE partners, Ny Taninsika and Haonasoana, to gain more experience in implementing their sub-grants. The two sub-grants partners in turn will have more time, until January 2009, to build up the capacity of the COBA recipients of funding and technical assistance.

ERI Component	# of Projects Financed	Engaged Budget (AR)	%	Number of Beneficiaries
Component 1 – Ecoregional Conservation	3	16,975,680	4,91	1 410
Component 2: Community based Resource Management	19+4	116,629,778	33,71	18 386
Component 3 : Alternatives to slash-and-burn agriculture	10+11+6	130,638,559	37,76	34 987
Component 4 : Beneficiary Capacity building	4	22,122,600	6,39	457
Component 5 : Monitoring and Evaluation and Environmental Education	13	59,612,248	17,23	38 735
Total	70	345,978,865		93 975

The "Fruits of the Forest" grant program has engaged 93.27% of its funds. The majority of grant activities we completed by December 2007. In general, the grantees met between 75-100% of the expected results. The community-based grants have been extremely popular, like the potable water system implemented in Ambendrana near the western edge of the Ranomafana National Park (See Figure 8). An evaluation of the "Fruits of the Forest" NODE mechanisms by the non-governmental organization ANAE showed that community recipients of the small grants are indeed changing their behavior toward forest resources. The fund has allowed local communities to implement their own ideas about best resource management practices and alternatives to slash-and-burn agriculture. For many COBA and other community groups, the NODE financing was the first time they ever received funding. Therefore, the training provided by the "Fruits of the Forest" program has been invaluable.

2.1.9.2 Constraints

The "Fruits of the Forest" sub-NODE partners are confronted with many of the same contradictions encountered by ERI – how does one implement a small-grants program with very isolated communities of little experience in managing projects. Our sub-NODE partners must, like us, invest a considerable amount of time and resources to build the capacity of local community groups to better manage project funding. This capacity building could take years.

2.1.9.3 Recommendations

The ERI Fianarantsoa provides regular feedback to Conservation International in Fianarantsoa and Antananarivo. We recommend strongly that senior management from CI Antananarivo set up a study tour to Fianarantsoa to visit project activities. This may help to illustrate both the successes and setbacks encountered by this innovative program.



Figure 7: Inauguration of Old City Market - Part of Celebrating 10 Years of US-Malagasy Partnerships.

2.1.9.4 Perspectives

The ERI Fianarantsoa program hopes that Conservation International will continue to expand the program in Fianarantsoa with the sub-NODE managers trained by the “Fruits of the Forest” team. Conservation International plans to hold a conference in July, 2008 to review the progress of the entire NODE program in Madagascar and to plan next steps. During the rest of the contract, DAI will provide additional administrative training to beneficiaries, training in how to design better small projects, selected technical assistance to certain beneficiaries, and then final write-up of lessons learned. Development Alternatives Inc. and the ERI Fianarantsoa program are proud of the accomplishments thus far achieved and look forward to continuing our active support to this creative initiative.

2.1.10 Ecoregional Alliance

2.1.10.1 Achievements

The Ecoregional Alliance/USAID in Fianarantsoa continued to be a strong inter-project information exchange structure. Monthly meetings were generally well attended though on some occasions only a few members could show up due to scheduling constraints. The alliance maintains its role as one of exchanging information and ideas, though the strong spirit of conviviality between senior staff led to rapid mobilization of inter-project support at critical moments. For instance, the entire network of projects mobilized efficiently to organize complex field visits for dignitaries arriving from USAID Washington DC or Antananarivo. If there had not been this Ecoregional Alliance structure, it would have been nearly impossible to plan and implement the missions of Scott Radloff from USAID Washington, the two missions of the US Ambassador to Madagascar (November 27 and June 4-7, 2008), and the mission of the monitoring and evaluation auditors (November 26 – 29, 2008). The four-day event, “Celebrating 10 Years of US-Malagasy Partnerships” was indeed the symbolic confirmation of the strength of the Ecoregional Alliance/USAID (See figure 9 and Figure 1).

The Ecoregional Alliance began to see the fruits of its many initiatives to work with the Catholic Church to install an environmental ethos. The Catholic Church Diocese of Fianarantsoa has taken the lead in integrating environmental concepts into the Sunday morning liturgy; starting reforestation projects around rural churches; obliging families of newly born, baptized, or married couples to plant trees; and obtaining carbon credits from Italian NGO’s for starting forest restoration projects at the outskirts of Fianarantsoa. Similar advances were witnessed from our work with BIANCO. Thanks to the widespread publicity generated by the Ecoregional Alliance about the role of BIANCO, the Fianarantsoa office has generated the highest case load in the country.

The presence of the Ecoregional Alliance in Fianarantsoa greatly contributed to the USAID mandated stocktaking exercise. Thanks for the strong inter-personal relationships built over the years, it has been quite straight forward to launch the stocktaking process.

2.1.10.2 Constraints

The Ecoregional Alliance/USAID is not a substitute for the coordination role that the Régions and structures like the *Comité Multilocale de Planification*. Unfortunately, these later institutions have not stepped up to the plate to play their proper coordination role. At times, the Ecoregional Alliance substitutes as a coordination body at a time when the Régions should be in fact playing this role. The Ecoregional Alliance is but a mechanism of USAID to assure inter-project exchanges of information.

As noted previously in annual and semester reports, the fundamental flaw of the Ecoregional Alliance is that USAID contractors can not alter contracts or work plans to meet the overall goal of the Ecoregional Alliance – focused and well coordinated interventions along the Ranomafana – Andringitra forest corridor. Annual work plans continue to be designed and approved based on contractual agreements made between USAID and the contractor years ago. Regional based staff possess little leeway to readjust work plan priorities. USAID in Antananarivo has not succeeded in changing this compartmentalized way in which projects are implemented in Madagascar. The inter-sectoral support for the Ecoregional Alliance from USAID Madagascar seemed to wane over the past year. Very few visits of USAID Antananarivo staff were made to the Ecoregional Alliance members outside of the periodic and much appreciated visits of NRO staff. Internal cleavages and lack of senior staff within USAID Madagascar seemed to undermine the spirit of the

Ecoregional Alliance at the national level. It is not at all clear whether the health office of USAID Madagascar understands and supports the existence of this structure.

2.1.10.3 Recommendations

The Ecoregional Alliance USAID in Fianarantsoa is coming to a slow and inevitable end due to lack of strong support from USAID in Antananarivo. The close-down of the BAMEX and SantéNet offices has led to a much reduced size of the Ecoregional Alliance. Members are now only: ERI, MIARO, HIP, Title II/CRS and Jariala. While the coalition will continue to meet in Fianarantsoa for the months to come, questions remain – will USAID Madagascar encourage new projects, like SantéNet II, to associate actively with the Alliance? Will new health investments indeed try to design and focus interventions in the remote areas of the forest corridor? And, will new water and sanitation projects indeed focus on utilizing and better managing the water resources of the forest corridor. Will the new NRO leadership in the USAID mission indeed encourage and support the continuation of the Ecoregional Alliance?

The USAID stocktaking process will generate many new and innovative programmatic orientations. The major challenge will be to find the time to sit down as a team to prepare these articles in light of the many daily programmatic demands on time! But, the opportunity to reflect and write is rare. The Ecoregional Alliance members look forward to carving out these moments of internal reflection and research.

2.1.10.4 Perspectives

The Ecoregional Alliance USAID is a vital institutional innovation designed to encourage inter-project coordination and information exchanges. The USAID Madagascar mission should require all present and future contractors to participate actively in this structure. It has turned out to be an invaluable mechanism for building teamwork and inter-project exchanges of ideas and information. But, turf issues still exist. Senior leadership of the contractor companies and the USAID Madagascar mission need to send out the message on a periodic basis that active participation in Ecoregional Alliance activities is a central requirement of regional office staff. ERI Fianarantsoa hopes that the alliance will remain vibrant for years to come, but this will not happen unless the senior management of USAID Madagascar express strong support for the coalition.

3 TOAMASINA REGIONAL PROGRAM

3.1 Toamasina 2007-2008 Progress, Summary of Results and Future Perspectives

3.1.1 Overview

The positive impacts of the ERI Toamasina Program continued to increase as staff focused on assuring the Program's five legacies. As part of the perennial communication network, an FM radio station in the key forest commune of Didy recommenced broadcasts. Regional Kolohareana branches maintained their development trajectory and were successful in establishing a regional sales point in Toamasina. As a means to assuring a sound farmer-to-farmer movement, the reinforcement of 90 Farmer Field School groups occurred. Significant adoption of the promising technique of direct seeding into vegetative cover was noted. Co-management of the new Ankeniheny-Zahamena Protected area received a boost via the establishment of the first of six planned COBA federations. Seven rural communes met their environmental and economic growth objectives within the integrated, Kaominina Mendrika approach. Optimism for the longevity of the multi-stakeholder platform (PlaCAZ) for management of the Ankeniheny-Zahamena corridor increased as the platform developed encouraging links to several new technical and financial partners.

Despite these affirmative results, several obstacles hindered Program progress. A dispute with JIRAMA with regard to paying taxes led to a loss of power at the ERI Toamasina office, causing two weeks of lost productivity. Staff turnover continued to be high, especially at the field agent level; recruitment and training of new agents slowed the implementation of activities in several intervention zones. The size of the Activity Implementation Fund remains incongruent with the ambitions and scope of the ERI Toamasina Program and ultimately limits achievements. Working alone in several, key forest corridor communes constitutes an impediment to scaling up and realizing integrated, rural development. Lastly, a lack of adapted, rural credit options in many of the ERI Toamasina intervention zones translates to a lower-than-expected adoption rate of improved agricultural techniques which engender elevated implementation costs.

The main thrust of the Program's last 10 months of field operations will be devoted to activities that directly contribute to our five legacies. Efforts will focus on assuring the sustainability of the KH and farmer-to-farmer movements, establishing a foundation for COBA federations, perpetuating a corridor-wide communication network, and securing the longevity of corridor governance structures. An early withdrawal from intervention zones inherited from LDI is also planned in order to encourage the auto-development reflex.

Please note that, due to report length concerns, many details were omitted from the following narrative. Please refer to annex 1 tables for additional information related to ERI Toamasina results.

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 most notable results related to ensuring perennial governance structures for the greater Ankeniheny-Zahamena corridor occurred at the level of the new CAC association of 14 communes and the PlaCAZ. With respect to PlaCAZ, major efforts regarding reinforcement of a sustainable foundation occurred. Recently, the platform developed four funding proposals and a promotional brochure. These were presented and discussed with 13 potential technical and financial partners during the final week of May in Antananarivo. Positive responses from Tany Meva, Conservation International and WWF were received and are currently being pursued by PlaCAZ executive officers. Platform members also recently succeeded in organizing four, high-profile forest festivals in remote rural, corridor communes (Morarano, Maroseranana, Anjahamana, and Fito) and Fokontany in conjunction with World Environment Day. Conservation and sustainable NRM messages were delivered; the internalization and behavior change process were thus reinforced at

the level of nearly 800 participants. The PlaCAZ was also able to leverage funding and participation from the Atsinanana and Alaotra-Mangoro Regions, Projet Ambatovy and the regional branches of the Malagasy Forest Service for these events.

Program staff also worked with the PlaCAZ and other stakeholders on generating concepts for promotion of the Ankeniheny-Zahamana corridor. Notably, the trek from Didy to Fito, implicating new COBA federations and targeting the ecotourism sector, was discussed; a draft note on the idea was subsequently developed. Exchanges also occurred regarding a communication campaign on the vision for sustainable development of the greater CAZ. A range of tools and supporting topics are planned for this campaign which is slated for the second half of 2008. Plans were also developed for linking the PlaCAZ and the emerging COBA Federations in order to attain the green belt and the white, good governance belt around the corridor's core protected zone.

During the second semester of 2007, The PlaCAZ also organized a joint meeting in Antananarivo with the CMP of Fianarantsoa for potential technical and financial partners; interest for future financing from CI was detected during the meeting. The vision for sustainable development of the greater CAZ, including the concept of various belts surrounding the core protected zone, based on the Nature-Wealth-Power paradigm, was presented at the meeting and subsequently distributed during individual rendezvous with partners such as USAID and Tany Meva. Additional results included lobbying for recognition of the platform from the three *Régions* in which the CAZ falls and organizing a briefing meeting for key regional decision-makers on the illegal logging problem.

Creation of the new CAZ PA continued to be a hallmark activity under Module I. ERI Toamasina staff maintained participation in and provision of leadership during multi-stakeholder gatherings; this included communicating substantive ideas at six CAZ PA technical committee meetings and orientation at the two-day, consolidation workshop on the commune-level consultations in February that saw the participation of several key decision-makers from Antananarivo. Outcomes include the recent scheduling of actions needed to achieve definitive PA status by the end of 2008, and the establishment of three scopes of work for consultants who will provide resources to finalize the PA's management plan, governance structure and environmental impact assessment. Recently, an ERI Toamasina-led trip to forests in the Fito commune formed the basis of final negotiations and adjustments of boundaries and use rights related to the new PA in that commune.

During the first half of the reporting period, the Program's field agents fully participated in new PA actions, playing, among others, a local guide role, in the public consultations which occurred in the 20 rural communes surrounding and overlapping with the forest corridor. They also assured that the consultations embraced a holistic land use outlook by leading discussions on improved agricultural techniques and village territory planning and management outside of the forest. The outcomes of the consultations included 20 adjusted PA maps and minutes signed by the communal authorities and Fokontany representatives. A final contribution included evaluation and funding, via the leveraged, CI-financed Node, of over 30 local association activities in the domain of community conservation; these activities are considered as a key element of the safeguard strategy for the new PA.

Analysis of the ecoregional approach in practice was also a central activity. An extensive, draft paper was finalized and received positive feedback from a number of reviewers. The paper was subsequently revised and is expected to be the opening article in the book that will be produced via USAID's ongoing stocktaking exercise. It is also expected that major lessons and recommendations from the paper will form a key element of the communication campaign to promote the greater Ankeniheny-Zahamana corridor mentioned above.

With a view towards true internalization of the *Kaomina Mendrika* (KM) or meritorious commune approach by rural commune staff, quantitative objectives to be attained were increased and evaluation criteria became more stringent for the second, integrated cycle. The result was that only 7 (Amparihintsokatra, Antanandava, Manakambahiny Is, Anivorano Is, Ranomafana Is, Brickaville, Morarano Gara) of 10 participating communes fully achieved their goals and were awarded the green (environmental) and yellow (economic growth) stars. Selected yellow star results included the following: 24 ha of intensive rice culture (SRI) and 259 farmers trained in the technique, 658 ha of improved rice culture (SRA), 81 ha of maize cultivated and 45 farmers trained in the new technique,

80 tons of quality maize produced and sold, 7218 banana trees planted, 6660 litchi trees maintained according to new, commercial standards and 360 farmers trained in these techniques, 6429 coffee trees pruned, 482 compost piles installed, 54 tons and 740 carts produced, and 52 households trained in the technique, 2998 ha of improved watershed management (on slopes or hillsides), 5660 vaccinated, local race hens, 77 farmers trained in improved poultry husbandry, 14 operational village vaccinators, 13 improved cattle corrals, 35 bee-keepers trained, and 8 water use associations established. Green star results were similarly impressive: 39 reforestation plots planted covering 167 ha, 2500 *Jatropha* seedlings planted, 60,000 native forest seedlings planted (natural forest restoration), 150,000 seedlings produced in nurseries, 4 forest management transfer contracts signed, 86 forest surveillance committees formed, 21 fire management extension meetings conducted, 109 functional refuse pits established, 50% reduction of burned area, 1 communal fire management *dina* and 1 communal cattle herding *dina* signed, 8 forest patrols conducted, and 2.5 ha of land protected by contour line plantings.

Other ecoregional coordination activities included monitoring of the Ambatovy Project (partly in collaboration with ONE) and starting a dialog with them on a contract with the Koloharena movement to supply the cafeterias for their workers. ERI Toamasina staff also attempted to leverage synergies with PSDR and FID for micro-credit infrastructure (requested by OTIV) in some of the more isolated areas of the corridor. Staff participated in a planning workshop for the TAMS carbon project in Andasibe; an outcome of improved collaboration on livelihood activities was achieved. ERI Toamasina also participated in the visit of the Africa region representative for agricultural activities of the Bill and Melinda Gates Foundation; explanation of the Program's farmer-to-farmer approach and the LADIA center constituted key ingredients of the visit. Lastly, ERI Toamasina continued to provide leadership to the USAID Alliance, notably organizing a regional workshop on the stocktaking exercise.

Kaominina Mendrika (KM) in action

In the commune of Ranomafana Est, the Fokontany Presidents organized a warm welcome for members of the communal development committee who were traveling from Fokontany to Fokontany in order to raise awareness, monitor and collect data on progress with respect to their agreed KM objectives. Overall, the process went quite smoothly: committee members were able to increase understanding and internalization of the KM process and returned to the main commune village with all of the necessary information. The new Mayor, who is also a Koloharena member, demonstrated his commitment to the process by leading a training on litchi propagation via air layering in his Fokontany; plans were underway to repeat the training in the commune's remaining Fokontany.

3.1.2.2 Constraints

The following challenges stalled progress during the 12-month reporting period.

- A general difficulty that affected the entire ERI Toamasina Program was that we lost electricity for over a week due to a dispute with JIRAMA linked to the prohibition on paying taxes. Much time and energy was devoted to solving this problem which was complicated by the fact that it was linked to the bi-lateral aid agreement between the US and Malagasy government. Happily, the problem was resolved, but we estimate that the Program lost 2 weeks of productivity because of this incident.
- In general, it still seems that most donors are not interested in funding multi-stakeholder, coordination platforms such as the PlaCAZ, especially their operational costs. There also seems to be some doubt concerning the pertinence or utility of these types of structures. Based on this perceived tendency, we have oriented the PlaCAZ to a service provider direction in order to attract funding.
- Overall, the Program's insufficient implementation funds (AIF) limited our ability to carry out all envisioned activities as these funds must be shared among five results modules; as a result of this drawback, the planned corridor communication campaign was postponed.
- There seems to be a general disconnect between policies and laws promulgated by the central government in Antananarivo and messages communicated in remote areas, such as the fores corridor communes where penetration of these laws and policies seems to be lacking. For example Program staff noted that several mayoral candidates told the rural population that burning and *tavy* was permitted during the election campaign.
- The public consultation teams for the new CAZ PA detected several hamlets or enclaves in the center of the corridor. The teams were not able to visit all of these extremely difficult access

areas during the consultations. This presents a risk for the PA as the households living in these areas may not be aware of the new PA and may continue clearing forest to convert it into agricultural land.

- The 12-month calendar cycle for KM is adapted to blue star, health activities, but does not coincide with the farming calendars and environmental protection and economic growth activities associated with the green and yellow stars.
- Similarly, differences in approaches between SantéNet service providers and ERI Toamasina – essentially paying villagers and local authorities per diem to attend meetings and not requiring a local contribution – had a negative impact on the internalization of the KM tool/approach at the local level.

3.1.2.3 Recommendations

Implementation of the ensuing orientations should further Program impacts and attainment of our legacies.

- Lessons and recommendations pertaining to the ecoregional approach and stakeholder coordination derived from USAID’s stocktaking exercise should be incorporated into the promotional, corridor communication campaign.
- ERI Toamasina staff need to continue to participate in activities related to creation of the new CAZ PA. This is especially important in order to ensure that local community perspectives are voiced and considered. Staff also need to engage with the suite of consultants being hired via the Miaro project and need to start the process of implicating COBA federations in PA management.
- In a similar vein, visits need to be organized to the hamlets or enclaves in the center of the Ankeniheny-Zahamena corridor. This is especially true for the Andranoharongana enclave in the Anjahamana commune and the hamlet of Andasibe in the commune of Fito. During these visits, limits of the agricultural lands must be negotiated and it must be made clear that no further forest clearing will be tolerated. As a recompense, discussions on developing environmentally-friendly income generating activities (such as beekeeping), to be funded by the Indri Corridor Node, will commence.
- Program staff should continue to assist the PlaCAZ with development of service-oriented funding proposals. Potential themes could include co-management of the new CAZ PA and facilitating communication among rural associations and other stakeholders concerned by the management of the greater CAZ.
- In order to enhance KM results, technical overlap and synergy should be identified among the plans of the various, participating entities, such as KH cooperatives, COBA associations, Fokontany and the commune itself. The result should be common objectives and consolidated engagement by the rural population.

3.1.2.4 Perspectives

As ERI enters its last 10 months of field operations, extraneous or second-tier activities will receive less and less attention and efforts will be focused on activities that contribute directly to the Program’s first legacy: sustainable coordination and advocacy structures for improved corridor governance. In February and March, we defined and refined three activity clusters or concentration areas that will enhance attainment of the legacy: (a) organizational and institutional support to the multi-stakeholder platforms (e.g., PlaCAZ), (b) support inter-communal structures (e.g., the CAC), and (c) support actions that promote the corridors and empower the multi-stakeholder platforms for these actions.

Under these components, we plan on continuing our mentoring and facilitating role with the PlaCAZ, helping them to continue to identify financial and technical partners, and, similarly, aiding them with refining funding proposals and, hopefully, implementing new partnerships. A particular focus will comprise assisting the platform to become a perennial corridor good governance structure, with emphasis on supporting positioning for a major role in the management of the new CAZ PA. Promoting the corridor will also be accomplished via several vehicles. First among these will be the Didy-Fito trek that will empower COBA federations and hopefully attract the attention of journalists and ecotourism operators. A wide range of stakeholders, including researchers, will be invited to participate and significant resources will be utilized so that it becomes a high-profile event. Moreover, a general assembly of PlaCAZ members and traveling road shows (communication

campaign) that will publicize the ecoregional approach and holistic land use planning in key, local, corridor zones will be organized. The general assembly will be an occasion to validate the sustainable development vision for the greater Ankeniheny-Zahamena corridor, discuss financial stability and dues payment, and clarify several institutional aspects that are currently hindering development of the platform.

The third, integrated (green, yellow and white stars) KM cycle aims at engaging all Fokontany in each participating commune. Energy will be renewed in order to implicate the KH movement in the KM process, thus enhancing their recognition throughout a given commune as a springboard for development. Moreover, the geographical expansion of KM to all the communes in the Atsinanana Region is planned; Program staff will assist the Region in adapting the concept to this ambitious scope. Linked to this, we also foresee promotion of the KM approach or tool via mass media and in collaboration with Regional authorities; this activity should stimulate rural development throughout the Region.

Efforts will continue with respect to ecoregional coordination and networking. The USAID Alliance will be maintained as a focal group for this activity, but staff will also endeavor to go beyond the Alliance and explore other opportunities. Notable among these will be the Alaotra-Mangoro and Atsinanana Regions: it is anticipated that a dialog will be instituted with the Regional staff in order to see how ERI and other USAID partners can facilitate or enhance their coordination function. Coordination and networking will also continue with major conservation and development actors in the ERI Toamasina landscape such as Projet Ambatovy, GTDR, the TAMS project, PSDR and the FIDA-funded PPRR initiative. Links will also be maintained and strengthened with respect to the regional Malagasy Forest (DREEFT) and Agricultural (DRDR) Services.

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

3.1.3.1 Achievements

Despite limited resources, Module II actions have been aimed at establishing community-based forest management in the periphery of the entire, 400,000 ha Ankeniheny-Zahamena forest corridor. During the Program's final phase, efforts will be invested in new intervention zones which have received little to no development support for the past two decades; these tend to be remote, rural communes in the Brickaville and Toamasina II Districts. Above all, measures will be concentrated on achieving the Program's five, inter-dependent legacies, especially the one directly related to Module II "community based management regimes embedded in new protected areas."

Results from awareness-raising and education activities regarding the GELOSE/GCF policies and laws continued: 42 letters of interest from local communities were received during the Program's fourth year. Requests and selected details contained within these letters follow. Eleven letters emanated from the Moramanga intervention zone: 2 requested support for establishing forest management transfer contracts, while 9 expressed their interest in joining the proposed COBA Federation. Three letters originated in the Ambatondrazaka zone; one was a report describing active participation fighting bush fires and the other two expressing support for the establishment of the local COBA Federation. Twelve letters each were received from the Anjahamana – Andranobolaha and Brickaville zones, respectively. The majority expressed interest in joining the local COBA Federation while 3 others requested assistance for new forest management transfer contracts. Finally, 4 letters were received from Fito commune, supporting the founding of a local COBA Federation.

In order to attain the Program's second legacy, communication efforts will henceforth be focused on establishing COBA Federations and answering the various interest letters received from COBA associations. Additional awareness-raising activities will continue, but will be conducted by COBA members using visual supports (flip cards) developed by the Program, with monitoring and support provided by ERI field agents. Each COBA association completed their self-evaluation by about mid-January, focused on their 2007 work plans, operation of the associations' executive branches, and the overall status and development of the associations. The results of this evaluation formed the basis of their 2008 work plans which, in turn, were used to formulate a micro-project proposal that was subsequently submitted to the Indri Corridor Node for funding consideration.

With regard to technical assistance for management transfer contracts, training sessions were conducted for rural commune personnel by Malagasy Forest Service staff on community-based NRM. Targeted communes were those where ERI was supporting integrated Kaominina Mendrika initiatives: Andranobolaha, Ambodilazana, Brickaville, Anivorano Est, Ranomafana Est, Ampasimbe, Morarano Gara, Amparihitsokatra, Antanandava and Manankambahiny Est. In preparation for co-management of the new CAZ PA and other activities, a new COBA Federation named "Fitokisana" was established in the Ambatondrazaka District; over 20 COBA associations from four communes (Didy, Manankambahiny Est, Amparihintsoatra and Antanandava) were founding members. For the southeastern part of the Moramanga zone (Ampasimpotsy, Lakato, Andasibe, Ambatovola, Beforona and Ampasimbe communes), the preparatory committee for the COBA Federation has been put in place. It should be noted that the new CAZ PA technical committee has retained forest management transfer contracts as a criterion for the identification of a management unit within the PA; similarly, the COBA federative structure has been included in the proposed governance configuration.

A COBA association takes up the battle against illegal mining

The COBA association in Ambohangy village in the commune of Fito quickly demonstrated their empowerment shortly after signing a forest management transfer contract with the State. Members mounted an information and awareness raising campaign in the larger community regarding the importance of the forest and the degradation caused by illegal mining within it. A number of written complaints, alerting authorities to the presence of illegal miners within the transferred forest, were dispatched to the Fokontany President, the commune, and the regional Forest and Mining Services. COBA representatives also made the difficult 3-day journey to Toamasina to meet with the Mining Service and jointly plan for upcoming measures that will be implemented in order to expel the miners from the forest.

Relating to forest surveillance and increased implication of COBA associations in patrolling and monitoring the forest, three inter-communal workshops were conducted and three agreements were established between the Malagasy Forest Service, the Gendarmerie, rural communes and COBA associations to combat illegal logging. The current results linked to implementation of these agreements include: five reports and complaints coming from rural communes and COBA associations (Sahambala, Fito, Andranobolaha, Anjahamana and Fetraomby communes) addressed to the Forest Service and the JariAla project. In the Ambatondrazaka area, the Didy commune and the new COBA Federation broadcast information and educational messages on this subject approximately twice a week during the second quarter of 2008 via a local radio station. Finally, concerning the evaluation of the forest management transfer contracts that have completed their initial three-year term, a standard evaluation framework has been established and tested by the Alaotra Mangoro DREEFT. This

framework has been shared with regional support organizations (CI, FFEM, ERI and JariAla) and each entity is preparing comments and defining contributions with regard to contract evaluations.

Efforts to allocate resources in a strategic manner to the most needy or threatened areas of the Ankeniheny-Zahamena corridor continued during the Program's fourth year. Nine forest management contracts were signed with local community associations in the Andranobolaha-Anjahamana intervention zone covering, approximately, 12,000 ha: 3 contracts in the Anjahamana commune and 6 contracts in the Andranobolaha commune. For the 12 contracts being financed via the Indri Corridor Node, three new contracts were recently signed (two in Fito commune and one in Fetraomby) which envelop 7,818 ha. The 9 remaining contracts located in the Sahambala, Manakambahiny Est, Maroseranana, Ambodilazana, Antanandava, Morarano Gara, Andasibe and Beforona communes are slated to be signed in July and August. In addition, two ERI-facilitated contracts are nearing completion and will soon be ready for signature in the commune of Ambodilazana; these contracts were slowed by a land tenure conflict with the neighboring commune of Fito which has since been resolved. A final contract in the Ambohimbaray commune also witnessed significant progress during the past twelve months and will be signed shortly.

With regard to progress on management plan implementation, we note in general that the 33 signed contracts supported by ERI Toamasina are have reached the 75% mark as defined by realization of the following phases: 1) awareness-raising and training of COBA association members, 2) physical

demarcation and community monitoring of the transferred forests, 3) transect establishment, and 4) correct management of local use zones. In many cases, ERI Toamasina provided simple materials and technical support via Indri Corridor Node financing for the implementation of these management plans, the ultimate goal being perpetuation of these activities and contracts that are socially and economically viable.

Watershed management activities also experienced significant progress, mainly via reforestation and natural forest restoration activities. The most notable endeavor is collaboration with the Tany Meva Foundation within the framework of community-based natural forest restoration. The first micro-project in the communes of Ambodilazana, Sahambala, Fanandrahana and Amboditandroho is nearing completion of filling the various nurseries either by sowing seeds or by collecting wildlings (this last method is used for the majority of seedlings). Participating associations also prepared holes at planting sites and even commenced planting in some cases. The second micro-project in the Andranobolaha and Anjahamana communes also made significant advances: six nurseries containing a total of 42,000 seedlings of native trees are now in place. Moreover, participating associations began planting even though release of the second installment of funds was slightly delayed. Progress also occurred for the final two micro-projects in the Morarano and Beforona communes: after training sessions on project management, the two benefiting associations proceeded to establish nurseries. The objective is restoration of 25 ha, requiring approximately 40,000 seedlings per association. Similarly, ERI Toamasina leveraged financing, via the Indri Corridor Node, of 11 COBA or KH association proposals for natural forest restoration; approximately 60 ha will be restored via this initiative – about 5 ha per association – in the communes of Fetraomby, Manakambahiny Est and Didy. In addition, the 12 forest management transfers financed by the Node each include an engagement to restore 2 ha of natural forest.

Finally, concerning integrated village territory management, 6 plans have been completed: one each in the Sahambala and Maromitety communes and 4 in the Ambatondrazaka strategic zone. An additional 10 plans neared completion during the reporting period: one each in the Ambatondrazaka, Beforona, Brickaville, Maroseranana, Fito and Ambodilazana zones and two each in the Andranobolaha–Anjahamana and Lohariandava zones. In order to encourage clear results, each management plan is accompanied by an action plan targeting one activity which will be implemented with local resources.

3.1.3.2 Constraints

As usual, a number of obstacles hindered results and impacts; the majority of these is persistent and has been noted in past reports. These constraints – describe below – can be assigned to three different levels: local communities, rural communes and government departments. One more generalized problem is that only ERI, among members of the USAID Alliance, ensures a significant field presence in remote, inaccessible areas in and around the Ankeniheny-Zahamena forest corridor.

At the community level:

- In general, COBA association capacity is still limited as evidenced by low rates of annual dues payments, inadequate participation in meetings and impalpable *dina* application.
- Similarly, COBA capacity regarding formulating proposals and micro-project requests and negotiating positive outcomes remains deficient.
- Economic benefits accruing to COBA associations from forest management and conservation activities are virtually non-existent.
- Many forest management transfers are dominated by conservation zones and objectives.
- Recognition and empowerment of COBA associations are not yet tangible as evidenced by continuing illegal logging problems in and around transferred forests.
- Several management contracts have come to the end of their initial, 3-year period, thus obstructing further implementation of the contract.

At the rural commune level:

- The staffs of rural communes are largely composed of elected officials; there was a large overturn of these officials and limited transfer of information and skills between outgoing and incoming officials in ERI Toamasina intervention zones; the result is a lack of continuity of services and lack of familiarity with CBNRM activities.

- Overall, communes are understaffed and lack the human resources to make site visits in order to monitor COBA activities.
- In general, rural communes are neither empowered nor accountable with regard to illegal logging activities; many ignore complaints emanating from COBA associations on this activity.

At the level of government departments:

- Similarly, we note a lack of engagement by State actors (primarily the Forest Service and the Gendarmerie) compounded by corruption with respect to illegal logging and the illegal wood trade.
- In general, there is a lack of commitment and motivation among regional public services as demonstrated by the numerous unevaluated contracts which have reached the end of their initial, three-year period.
- Due to the current lack of resources and collaboration, it is difficult to affirm that there will be serious monitoring and support of forest management transfer contracts by the Forest Service in zones where there are no technical partners.
- During the reporting period, the slow application of the new Malagasy constitution delayed the majority of activities requiring collaboration with the Malagasy Forest Service as posts were vacant and the organizational structure was unclear for a prolonged period.

3.1.3.3 Recommendations

The following recommendations can be offered in order to improve Module II impacts and the attainment of the Program's second legacy. These recommendations are mainly internal and directed at ERI Tomasina staff, though the Malagasy Forest Service is also concerned.



Flip card series (*pagivolte*): an appropriate tool for rural extension.

- It is necessary to continue the public awareness campaign with respect to CBNRM in general and the GELOSE/GCF process in particular. Local communities, Fokontany, and rural communes should be targeted while verbal messages should be accompanied by visual supports that facilitate comprehension and assimilation. This activity needs to be monitored and supervised by ERI field agents, but actually carried out by COBA extension agents and local authorities; Forest Service agents should also participate in order to reinforce the messages and impact.
- Letters sent by COBA associations to communes or the Forest Service must be considered and acted upon in order to avoid discouragement and to maintain enthusiasm at the COBA level.
- Besides continued technical forestry training sessions which are highly recommended, agricultural activities are also extremely important as an alternative to conservation or protection activities; both of these components should support the implementation and valorization of transferred forest management plans.
- It is also recommended that support for establishment and implementation of integrated village territory management plans is continued as these plans are necessary for harmonizing alternative agricultural development activities with environmental conservation.
- At the Program level, use of leveraged Node funds should continue: they provide an opportunity to boost or reinforce field-level assets, especially implementation of transferred forest management plans and establishment of COBA federation structures.
- Exchange visits between COBA associations and other technical partners are also highly recommended.

3.1.3.4 Perspectives

An accent will be placed on the following activities during the final 10 months of ERI field implementation.

- Realization of the establishment and commencement of operations for six COBA federations around the Ankeniheny-Zahamena forest corridor. This will constitute a direct contribution to ERI's second legacy via integration of community-based forest management in the governance of the new CAZ PA: it is expected that the COBA federations will co-manage a green belt around the core protected zone of the forest corridor.
- Realization of the round table on forest surveillance and law enforcement in order to institute and implement a corridor-wide system of monitoring via a mixed inspection brigade composed of the Forest Service, the Gendarmerie, rural communes and COBA associations.
- Progressive implication of COBA and KH farmer technicians (PAs and PVs) in CBNRM information – education – communication activities, supported by ERI field agents and with an accent on the topic of the COBA federative structure.
- Reinforcement of COBA associations with respect to economic valorization of the resources in their transferred forest with the ultimate goal being socially and economically viable management transfer contracts via revenue generation; the first phase will consist of submission and funding of proposals via Node funds for economic valorization activities such as agroforestry, bee-keeping, medicinal plant collection and essential oil production contained in the management plans.
- Continued technical support and skills transfer in collaboration with the Forest Service and focused on implementation of transferred forest management plans.
- Reinforcement of collaboration between public services, rural communes, local communities and the USAID Alliance partners for forest surveillance and evaluation and renewal of expired forest management transfer contracts.

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

Within the framework of the Module's first component, six main activities saw various levels of realization. In the first place, efforts focused on promoting, developing and facilitating the adoption of environmentally-friendly and integrated agricultural techniques. As part of this orientation, actions were undertaken, in particular, to establish demonstrations with model farmers and *paysans vulgarisateurs*. In the Ambatondrazaka area, in the peripheral forest communes of Didy and Manakambahiny Est, 15 demonstration of direct seeding into vegetative cover were installed. Overall, the plots covered 2.5 ha managed by 6 model farmers. In the zones closer to Lac Alaotra, farmers set up 25 demonstrations of the technique using maize, rainfed rice and groundnut; the total area comprised 2.45 ha and was managed by 25 participating farmers. With regard to adoption, 31 Koloharena farmers tested the techniques themselves on a total of 37 plots covering 5.3 ha. Generally, the observed production using this technique exceeded traditional methods by more than 30%.

At the LADIA center in Beforona, five hillside demonstrations using the same technique, combined with contour hedgerows of leguminous shrubs, were established and maintained on 4 ha. Some of the cover crops, such as Dolique (*Dolichos lablab*) did not develop according to expectations, underscoring the need to respect agricultural calendars. However, two other species, *Mucuna (Stizolobium atterinum)* and *Stylosanthes guyanensis*, produced extremely well and are clearly adapted to Beforona's micro-climate and ecological conditions.

Complementing direct seeding techniques and with an aim of providing essential plant nutrients, a formal training and practice campaign on compost production was conducted in three intervention zones (Brickaville, Toamasina II and Fenerive Est) where elevated pressure on natural resources has been observed. Six KH cooperatives and 34 KH associations participated in the campaign. Overall, 31 farmer technicians (PAs and PVs), nearly half of whom were women, were trained. Moreover, 10 improved cattle corrals were initiated by 10 KH farmers in order to ease manure collection and support their system of composting. The impacts of the campaign saw the adoption of the technique by more than 120 KH families who established over 220 production units with the capacity of yielding 250 tons of compost per annum.

The LADIA agricultural intensification center is essential as a springboard for promoting improved, integrated and environmentally-friendly techniques among KH and other farmers in the Toamasina ecoregion. With this objective in mind, the reorganization of the center was deemed strategically and crucially important and the process was started in November 2007. By the end of 4 successive meetings, an orientation and monitoring committee was set up and operational. The organizational articulation between the center, the managing Tongalaza KH cooperative and the committee were detailed and precise terms of reference produced for each entity. At the end of the reporting period, the center's reorganization was complete: the business plan was finished and is now operational, the annual work plan was refined focusing on strategic activities outlined in the business plan, and the new director was recruited and immediately re-examined the composition of the operational team; at present, all priority activities are being implemented and initial results are encouraging.

To improve the effectiveness of PAs and PVs, the promotion of a package of improved agricultural techniques is of paramount importance. For this activity, 7 illustrated flip card series focused on identified, priority commodity or value chains were produced. More than 20 extension kits, composed of these flip cards, were dispatched to ERI Toamasina intervention zones, at the level of KH cooperatives. The use of these tools was the origin of some successes with regard to extension and adoption of improved techniques.

During the reporting period, 90 FFS groups were set up in 6 intervention zones and FFS facilitators received initial training (in many cases, a refresher course). Overall, 17 priority study topics were identified and subsequently examined. Based on results from the main 2007-2008 agricultural season, the following recommendations emerged and will be applied to the 2008 counter- or off-season:

- Encourage the farmers to resume the original study technique in order to intensify understanding,
- Organize an exchange between facilitators in order to reinforce their capacity,
- Take into account gender aspects and homogenize the groups as much as possible in order to augment internal debates and exchanges,
- Reinforce the assets of the FFS groups via the installation of model demonstration and training sites known as Koloharena Houses and consider a small prize for deserving groups,
- Support lateral diffusion of the groups' assets and findings via exchanges with other farmers,
- Organize refresher courses for facilitators especially with regards to communication techniques,
- Encourage all groups to produce compost as a means for fertilizing the focal field, and
- Continue FFS group monitoring, support and counsel in order to master the concept.

Taking into account these recommendations, 50 groups were estimated to be operational and will receive continued support. An additional forty were established in new ERI Toamasina intervention zones whose principal study topics are related to non-burning techniques (*tavy bôka*) combined with agroforestry.

Due to a limited budget with regard to the promotion and extension of farm equipment and machinery, the Program was reduced to the identification of small equipment which can help KH farmers apply improved techniques. Hand-held weeders, sowing canes, line seeders and small compost threshers are the most appropriate for direct seeding and irrigated rice techniques. Consequently, visits to farm machinery workshops occurred in order to establish eventual contracts for demonstrations of these tools.

Launching intensive production of promising commodity or value chains identified and analyzed jointly by members of the USAID Alliance, constitutes a strategic activity to obtain consequential market penetration for collaborating farmers. Ambatovy red rice and Amparafaravola pink rice are

Market links eased for a promising value chain

Koloharena farmers from the village of Sahendrana in Morarano commune have been collaborating with ERI Toamasina and Corridor Coffee and Spices for over two years in establishing a state-of-the-art center for Arabica coffee production. Access to the site and to local markets was a major concern, however. Within the framework of integrated rural development promoted by the USAID Alliance, ADRA agreed to help remedy this situation by collaborating with villagers and the Ambohibolakely Fokontany on the rehabilitation of a 5 km road that would link the center to the paved road (RN 44). Work began in mid-January, 2008, via the food-for-work system; over 3 km of the rehabilitated road have been completed. Local contributions included provision of wooden planks, sand and bungalows for storing materials and for housing the rehabilitation superintendent.

part of this group, as niche markets exist in the US, Italy and Switzerland. The revival of these chains falls within the promotion of SRI and SRA irrigated rich techniques, using only organic inputs. Exports of small quantities were carried out during the reporting period and an engagement for the export of approximately 30 tons of pink rice was concluded with Lotus Food for the 2007-2008 harvest in Amparafaravola.

Demonstrations of the production and domestic utilities of jatropha oil were organized twice in the Ambatondrazaka zone in order to encourage farmers who had previously planted this shrub to continue plantation maintenance in order to improve production. A Bielenberg press is now available for KH farmers to extract oil and was demonstrated at several sites during the reporting period. An exchange with Fianarantsoa KH farmers made it possible to expand understanding of the Jatropha value chain, especially regarding transformation, in September 2007. As a result of these operations, 12 PAs and 30 PVs received initial training and were then able to train an additional 60 KH farmers with regard to practical production and transformation techniques.

Negotiations continued with respect to collaboration with the Madagascar Bamboo company in order to include the maximum number of KH associations in production agreements. KH farmers in four ERI Toamasina intervention zones in the Toamasina II District (Andranobolaha, Ambodilazana, Fanandrahana, and Sahambala) were thus able to conclude bamboo production agreements. More than 12,700 seedlings were produced in several nurseries and the order was subsequently launched by the company encouraging participating farmers to use these seedlings to establish individual plantations.

Regarding the 2007 litchi campaign, efforts were made to facilitate agreements between KH cooperatives and exporters. Organized meetings succeeded in establishing contracts with Tropical Fruit, SCRIMAD and several others. Approximately 230 tons were subsequently delivered, valued at 39,000,000 Ar (approximately USD \$23,600 at the time of delivery). Three KH cooperatives (Tambatra of Ranomafana Est, Miramirindra of Anivorano Est and Fanevan' Analanjorofo of Fenerive Est) also engaged in achieving Europe GAP certification with regards to litchi production in collaboration with their private sector partners. On the whole, 24 PAs and 30 PVs were trained in the various requirements and the process of obtaining certification. Approximately 100 KH farmers, possessing 2,000 litchi trees and belonging to 30 KH associations subsequently obtained Europe GAP certification. Moreover, 30 KH farmers each with small litchi plantations totaling about 540 trees also obtained Global GAP certification.

Within the priority value chain orientation, Program staff devoted significant efforts to black pepper, which currently offers strong market potential. Training sessions were organized for farmer technicians with regard to vegetative reproduction, installing vegetative stock nurseries, and establishing best practice demonstrations. This activity focused on several difficult access zones such as Lohariandava, Andranobolaha and Ambodilazana; Ranomafana Est and Fenerive Est also benefited from the operation. In total, 5 intervention zones with 7 participating KH cooperatives were concerned; 41 PAs and PVs and 14 model farmers, belonging to 46 KH associations completed the training cycle. Six demonstration sites were created and 7 nurseries established. The final result comprised 29,738 outplanted seedlings and 2,600 well-developed pepper vines occupying approximately 18 ha.

Within the framework of collaboration with CCS on gourmet Arabica coffee production, promising results were obtained. The Center for Coffee Excellence site was identified, the management plan established and implemented and the irrigation system set up and functional. Linked to the center, participating farmers established 8 demonstrations spread out over 10 ha all with sufficient compost production units. Ten pilot farmers were also trained on improved techniques for producing quality coffee. Each farmer subsequently established a nursery with a 12,000 seedling capacity; each nursery now contains 7,000 potted seedlings of which 1,500 are planned for the extension of the central Sahendrana coffee excellence site and 5,500 for the demonstrations at the level of 22 participating farmers located in the two target watersheds. Each of these farmers prepared a demonstration site with compost production. Related tenure security operations are also underway with 12 participating farmers having provisionally demarcated their land and submitted the necessary paperwork at the local land tenure office; official marking and recognition are expected shortly.

Within the framework of Module III's third component, KH associations collaborating on improved poultry farming significantly increased and are present in the majority of ERI Toamasina's

intervention zones. Two sites (Andranobolaha and Ambodilazana) received significant technical and material support regarding production of table chickens. Four hundred hybrid chicks were delivered and maintained in 2 improved coops made principally of locally available materials. Subsequently, 366 table chickens, weighing on average 1.8 kg, were sold in Toamasina at an average rate of 4,400 Ar/kilo yielding gross earnings of 2,898,720 Ar. Resumption of the production cycle has commenced.

Within the framework of improved, local race chickens, efforts were made by KH farmers in the Atsinanana intervention zones: 13 demonstration sites focusing on improved habitat or environment, feed and disease prevention were established. Approximately 500 households engaged in the value chain with about 11 reproducers yielding 20 saleable chickens on average in 6 months; this translated into gross earnings of 158,400 Ar/family or 26,400 Ar per month and family. Progress on improved poultry production was also noted in the Alaotra Mangoro Region. Twenty-four improved coop demonstrations were established by 30 model KH farmers, each with a capacity of housing 300 chickens. Moreover, the Program facilitated a vaccination campaign which treated more than 5,000 chickens and geese.

Within the framework of collaboration with PSDR on selected PE3 sites, 3 out of 5 proposed micro-projects were retained: poultry farming for a KH association in Lohariandava, a bee-keeping activity for two COBA associations in Fito commune and a hydro-agricultural/irrigated rice project for KH farmers in the Morarano commune. At the time of report writing, the two animal husbandry projects are in the preparatory phase and PSDR service providers are on-site in order to strengthen the capacity of benefiting associations.

3.1.4.2 Constraints

A number of obstacles can be noted with respect to enhancing Program results, impacts and legacies. First of all, improvement is needed with regard to assimilation and appropriation or internalization of associative principles for KH associations in the Program's new intervention zones. A large number of members do not yet fully understand the need and the interests of uniting into

associations and cooperatives. Many clever members often join in the hopes of gaining easy money or materials as previous projects have made association creation a requirement for receiving assistance.

A large number of improved agricultural techniques require a minimal level and quality of infrastructure. Nevertheless, due to a limited budget and contractual obstacles, ERI Toamasina is unable to intervene in the domain of infrastructure. The Program is thus forced to continue research on



Vegetable gardening: a growing economic activity for local communities.

low-input crops and varieties that can adapt to these conditions. This research must be carried out with the farmers themselves

Access to appropriate credit remains a major stumbling block. Current loan options include a relatively high rate of the interest coupled with short durations and cumbersome procedures; in general, these options are unsuited to rural realities. Very few farmers can develop and fill out the

necessary paperwork; even if this hurdle is negotiated, the credit is often released late and cannot be used during the agricultural season for which it was intended. Modern, micro-finance networks are thus unable to compete with the traditional usurers and a major farmer problem remains unsolved.

Finally, it can be argued that an error that crept into ERI Program design and implementation has hindered its success. Since the reorientation of LDI during PTE, a new accent on conservation goals has been apparent. Yet the geographic reorientation did not follow: more resources should have been concentrated on rural communes adjacent to the forest corridor and zones not immediately adjacent should have been closed. The overall result has been a relatively thin dispersal of resources across a large landscape, much of it not directly concerned by the forest corridor.

3.1.4.3 Recommendations

The following recommendations are intended to reduce if not remove the constraints and handicaps noted above. First of all, the failure regarding the associative principle is a result of insufficient explanation and awareness-raising as well as inappropriate targeting. Much more time needs to be devoted to the base, i.e., the KH associations. Admittedly, this task is mainly the responsibility of the Program's field agents. Senior staff need to assist them in improving their communication techniques and need to subsequently augment monitoring, ensuring that the field agents spend the requisite time supporting associations.

The feeling of confusion or disorientation with respect to the adoption of new agricultural techniques is completely human, especially for farmers cut off from new information because of their isolation. The reinforcement of the participatory approach via organization of FFS groups is one of the solutions to be recommended. An adaptability test of any new technique should be the topic of at least one FFS group in a given zone. Indeed, within the groups, farmers have wide latitude to understand the new technique, while, at the same time using all of her/his traditional knowledge. Moreover, the whole range of adult education tools should be applied by the Program, such as demonstrations and discussions at the Koloharena Houses.

Since the infrastructure packet is missing from the Program design, a continual search for synergy with other rural development actors intervening in this domain is highly recommended. This openness to collaboration constitutes the key to the search for complementary partners. Indeed, for the same zone of action, the targets (rural population) are usually the same.

Scaling up requires varied resources, including material and financial. Yet isolation and difficult access remain the principal obstacle regarding access to credit. These two aspects oblige farmers in peripheral forest zones to be self-reliant, in particular by the means of valorization of mutual aid systems within groups or associations. This recommended mutual aid should be based on the pooling of scarce, available resources among participating households. The resource most available and appropriate for mutual aid seems to be labor. Secondly informational resources and ideas should be shared and exchanged within groups, associations and cooperatives. Moreover, as a result of discussions and exchanges, high value crops and products must be identified that can be easily transported out of the difficult access zones; similarly, highly valued products should be produced that will attract buyers to these zones, for example, essential oils.

3.1.4.4 Perspectives

The following orientations will be emphasized during the Program's final months in the field. First of all, a particular effort will be deployed to support field agents with respect to reinforcing and improving communication, planning and organization. Due to current time constraints, the internal training group will not be sufficient, especially for new agents; specific, field-level, focused support will need to be provided by senior staff.

For an improved social and economic base for the Koloharena movement, resources will be employed to ensure that rural leaders (presidents and officers of cooperatives, associations and Fokontany as well as rural commune staff) reinforce the farmer technician (PAs, PVs and model farmers) network with a view towards rendering it sustainable. It should be recognized that this is a common objective and benefit for all involved. The main vehicles or tools to be used in the

perpetuation of the farmer-to-farmer movement will be farmer technician certification, FFS, and Koloharena Houses.

Primarily for the new zones, actions targeting skills transfer to association and cooperative leaders will be a priority for all Program staff. Similarly, efforts will also be made to improve relations between rural communes and Fokontany and associations and cooperatives supported by ERI Toamasina. A first step will be ensuring coherence and harmonization of the respective work plans of these entities.

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

3.1.5.1 Achievements

A dynamic Koloharena association

Solid organization, mutual aid and sharing, adoption of improved agricultural techniques, and an entrepreneurial mindset: such are the factors contributing to the success of the Mijoro Koloharena association, member of the Alaotra Mirindra cooperative. Overall, this association seems well on the way to ensuring a sustainable destiny. Members are beginning to reap the harvest of hard work that began five years ago. During the past two agricultural seasons, they have been able to produce about 400 tons of onions. The 15 member households are proud of their achievements and have seen their standard of living increase. They plan on continuing their endeavors and hope to improve their small enterprise even more.

The period from July 2007 to June 2008 was devoted to continuing actions aimed at realizing the Program's fourth legacy: a perennial and dynamic Koloharena (KH) movement. An emphasis was placed on supporting organizational development for effective and democratic operations and also on raising management standards or rendering the structures more professional. Many results were noted within the KH movement. As in past reporting periods, there was notable expansion or gradual scaling up: 82 new associations and 3 new cooperatives were formalized and officially recognized. In all, there are now 712 associations with 9037 household members in the Toamasina ecoregion.

At present, the KH movement is entering into a decisive moment in its existence as the closing of support programs (BAMEX and ERI) approaches. Faced with this reality, the movement adopted a new

strategic orientation with respect to organization, operations and articulation between the various structures of which it is composed. It is within this framework that the CNKH produced a business plan which is a working tool that conveys the new vision and orientation and demonstrates concrete actions for perpetuating the KH movement. The establishment of a sales point in Toamasina is one of the priority actions in progress. The two regional KH branches (ARKH) in Atsinanana and Alaotra Mangoro pooled their resources for the implementation of this action. All the steps of obtaining a place in the Ankirihiry market have borne fruit as the Urban District of Toamasina issued a permit for occupying the location. Regarding construction of the stall and commencement of activities, an action plan was implemented by which the 20 KH cooperatives, members of the 2 ARKHs, each contributed 200,000 Ar for materials and other start-up costs. Moreover, the ARKHs were able to advance with other activities, in particular facilitating contacts and partnerships with economic operators (private sector clients). The Atsinanana ARKH also established a revolving fund of approximately 3 million Ar (about USD \$1,900); this sum will mainly be used for initiating sales point activities.

Within the framework of establishing a sustainable movement, efforts expended to reinforce organizational capacity of the cooperatives started to yield results. With the support of the Program's internal training group, the internal inter-cooperative audit system is now functional. A series of organizational and financial audits were carried out in the Ambatondrazaka zone. In addition, the range of cooperative partners continues to expand, providing a positive impact with regard to their quest for financial autonomy: as outlined below, several contracts were signed for various KH products.

With regard to marketing, a description of selected results for various value chains follow. **Litchi value chain:** 6 cooperatives of the Atsinanana ARKH exported 231 t in collaboration with their

private sector partners during the 2007 campaign. All cooperatives were trained with regard to delivering quality fruit as well as the process of traceability and Europe GAP and Global GAP certification. Partner companies of the cooperatives in this value chain are: SCRIMAD, SODIAT, COMEX, SAMA, SOMSAMYOCK, TROPICAL FRUIT, START FRUIT and GETCO. Moreover, the Fanevan' Analanjirofo cooperative received financing from PPRR for the construction of 4 modern hangars or collection points and the Tambatra cooperative of Ranomafana Est obtained financing from MCA for 2 hangars.

Animal husbandry value chain: the Dronga cooperative of Andranobolahy and the Aingavao cooperative of Ambodilazana sold 366 improved table chickens on the Toamasina market in January. In collaboration with PPRR, the Fanevan' Iazafo cooperative produced approximately 2400 improved, local race chickens; some of the member associations of this cooperative also produced 35 pigs and were able to construct 15 ares of fish (Tilapia) ponds via the same collaboration. Finally, 60 local race chickens were produced and sold by the Soingaly association, member of the Dronga cooperative.

Essential oil value chain: the Fanevan' Analanjirofo cooperative was able to produce and sell 330 liters of clove essential oil and 5 t of the cloves themselves. This same cooperative was also able to set up a second essential oil transformation unit with its own funds (1,140,000 Ar). The Tongalaza cooperative of Beforona has recently received funding for a distillation unit that will be used to produce ginger essential oil.

Banana value chain: the Tsarafenitra cooperative of Fetraomby signed a contract with STAR FRUIT for the delivery of green bananas while the KH cooperative in Lohariandava was able to collect and send 12 t of bananas via railroad to Moramanga.

Ginger value chain: 6 contracts for ginger production and sale were established with buyers by the Tongalaza cooperative. The contract with HOMEOPHARMA is long-term and stipulates delivery of 200 kg per month. A contract with the MAD SPICE company is for 2 t of quality, calibrated ginger for the export market. Another contract is with the SAF/FJKM NGO for delivery of 10 tons. Additional sales were also recorded with the NORMATRADE company and Randriamananjara Martin.

Fruit and vegetable value chain: The Fanevan' Analanjirofo cooperative produced and sold 2 t of fresh leaf vegetables (e.g., lettuce, tissam, bak choi) at the Fenerive Est market. One KH association belonging to the new Adidy Maitso cooperative sold 2 t of white beans and the Mijoro association of the Rindran' Alaotra cooperative sold 200 t of onions on the local market. Two associations of the Tongalaza cooperative were able to produce 15 t of a range of vegetables.

Rice value chain: The Ivolamiarina cooperative established an agreement with Lotus Foods – a US-based company – to produce and export pink rice produced organically and using SRI techniques. They recently signed a sales contract and are in the process of collecting and storing 30 t of paddy. Once the paddy is hulled and polished, they expect to export a container of pink rice to the US.

Medicinal plant value chain: The Hanitrinala cooperative of Morarano delivered medicinal plants to IMRA and the SOAMADINA company. Two plants, known locally as Aferontany and Jeanrobert were produced: 63 out of 100 kg ordered were delivered to IMRA at a price of 2800 Ar/kg. SOAMADINA has an agreement with one KH member (MBARA Marcel) to supply 300 kg/week or 1.2 t/month over 3 months at a price of 2600 Ar/kg.

A number of additional, promising KH realizations were noted during the reporting period and are detailed below. Several cooperatives began to develop the collection of agricultural products activity; these products are stored and eventually sold on the market when prices are favorable. The Fanevan' Analanjirofo cooperative was able to collect 4 t of paddy (hulled rice) with its own capital, while the Tambatra cooperative collected 5 t of coffee and 2.3 t of paddy and the Alaotra Mirindra cooperative of Tanambe was able to collect 200 t of paddy. Regarding the sale of phytosanitary products and other agricultural inputs, several contracts were signed in the zone of Ambatondrazaka. For the Fiavotana and Miray cooperatives, manure was sold to the DRDR of Alaotra Mangoro and rice seeds were sold to the CASTELLS Madagascar company. The Avotra

cooperative of Amparihitsokatra and the Rindran' Alaotra cooperative of Ambatosoratra established marketing and sales contracts with the SOALAC and AGRIVET companies. For the Ivolumiarina and Alaotra Mirindra cooperatives, sales contracts for various inputs were established with the AGRIVET, GUANOMAD, FIAVAMA, and TAROKA companies.

Progress was also noted with respect to agricultural supply centers managed by KH cooperatives. Two cooperatives on the eastern bank of Lac Alaotra were able to reopen supply centers using their own funds: 700,000 Ar for Avotra and 600,000 Ar for Rindran' Alaotra. Regarding production contracts, the Tambatra cooperative signed a Geranium production contract with the SIGMA company (2 ha have been planted) while KRA of Andasibe signed a 3-year contract with Hanitry Gasikara for the production of Tagète (Mavoadala) which includes the establishment of a 10 ha plantation. The Aingavao cooperative of Ambodilazana has a maize production contract with the NAPS association and a contract of seed ginger production with CTHT. Finally, an association of the Hanitrinala cooperative signed an agreement for Geranium production (8 ha have been planted) while 3 associations of the Fanilon' Izafo cooperative have an agreement with ODDIT/CRS for vegetable production (1 ha is under production).



Other service contracts were signed during the July 2007 – June 2008 period. Hanitrinala of Morarano obtained a new contract for production of BRF compost with Projet Ambatovy for 200 m³ per month at a price of 22,000 Ar/m³. The Tafita cooperative of Sahambala signed a delivery contract of for 1500 Volobe Mavo (bamboo) seedlings with the Madagascar Bamboo company. The KRA cooperative of Andasibe reached an unlimited agreement on rural tourism with FEKRITAMA and TAMADI: they will host French farmers (30 are slated to arrive in 2008) and gain supplemental revenue from this activity.

The birth of a new KH cooperative in the key, forest corridor commune of Didy.

Many cooperatives reinforced partnerships with a variety of supporting projects or organizations. The Fanilon' Izafo and Fanevan' Analanjirofo cooperatives continued collaboration with, and received support from PPRR on fish farming, essential oil production (2 distillation units), vegetable production, improved cattle corrals, and hangars or collection structures for litchis. The 3 cooperatives in the Analanjirofo region profited from support and assistance on marketing, the sale of grouped and certified fair trade products, and an export license from AVSF (veterinarians without borders). Finally, the Tambatra cooperative received financing for the planting and collection of maize from MCA.

Results of the facilitation of access to credit for the KH movement are promising. The number of KH farmers obtaining micro finance loans increased during the reporting period: 339 KH members – 314 with OTIV and 25 with CECAM – received credit for the development of their activities. A 100% reimbursement rate was attained in all participating cooperatives. Activities funded by OTIV included coffee collection (Tambatra cooperative), management of community grain storage units (Fanevan' Analanjirofo and Fanevan' Izafo) and clove essential oil production (Fanevan' Analanjirofo). Two cooperatives and 3 KH associations received loans from FIEFE, mainly for rice hulling and milling machines. Within the Fanevan' Analanjirofo cooperative, 2 associations (TLA and Ezaka) benefited from the cooperative's revolving fund for 1 M and 5 M Ar loans, respectively, for community grain storage units; individual members can receive 6-month loans for up to 100,000 Ar from this fund. Similar revolving fund successes were noted in the Amparihitsokatra cooperative which provided 4.5 M Ar credit to 45 members and within the Tambatra cooperative which loaned 4 M Ar to a member association composed of 12 households.

For the reporting period, 20 lobbying and advocacy actions were realized by KH cooperatives and associations with several producing tangible results. These actions included requests for release of credit aligned with the farming calendar, requests for pursuit of debtor members by appropriate authorities, and authorization requests for various actions in favor of KH structures (e.g., receipts for new associations at the District level).

The Amapsimadinika CAC realized numerous achievements during the reporting period: 13 of 14 communes served by the CAC (all except for Ambodilazana) were able to establish their land tax lists using the HETRA software; collection of these taxes has now reached about 11 M Ar. Concerning the tax on tradesmen, 11 communes developed lists as part of a Regional Rapid Result Initiative (RRI); post-collection projections total approximately 2 M Ar. As regards optimization of communal administration, 8 of the 14 communes acquired computer equipment and received orientation training from the CONANs. All decentralized, technical government services initiated contacts with the 14 CAC communes in order to communicate priority activities within the Atsinanana Region. A collaboration convention between BIANCO (independent anti-corruption office), the Toamasina II and Brickaville Districts, and the 14 communes was signed with respect to application of the code of ethics for elected officials and the fight against corruption.

Under the rural development and environment component, a collaboration convention between a graphite mining company and Andranobolaha commune was elaborated and appended to official documents in order to specify the payment of mining duties and accompanying social actions. A draft directory of potential technical and financial partners was conceived and 3 priority communal projects identified. The association of the 14 communes, baptized Ombalahy Vanga, obtained official recognition and began operations. Initial income generation activities such as resale of 160 tee-shirts and the organization of a ball (dance) were realized.

3.1.5.2 Constraints

The principal obstacle to achieving the Program's fourth legacy is the insufficiency of strong leadership within the KH movement. Indeed, if these rare leaders exist, they are often consumed by other responsibilities which prevent them from being fully implicated in the development of the cooperatives.

Another major handicap is the Program's inability (due to limited funds and contractual prohibitions) to provide small start-up materials and infrastructure. In general, the farmer-to-farmer extension system is already ingrained at the cooperative level: the majority of PAs and PVs are functional and adoption of improved techniques is on the rise. However, KH members often complain about the insufficiency of funds to start or extend their activities. Moreover, access to credit is limited, especially for remote, difficult access zones. The challenge of producing the necessary loan or financing paperwork, as well as periodic reports, continues to be a handicap for the cooperatives; this deficiency often causes other problems such as the inability to meet deadlines stipulated in collaboration or production contracts.

A final constraint comprises the lack of professionalism of private sector operators in their transactions with KH cooperatives. In general, there is insufficient transparency and, in particular, the absence of firm, written contracts allows these operators to take advantage of the cooperatives, especially when it comes to offering a fair price for their products. This situation discourages the KH farmers and sometimes leads to a certain level of laxity when it comes to respecting standards and quality. This situation was observed during the last litchi campaign.

The operational realization of CAC activities was slowed a bit due the discontinuity of contracts with the managing entity (PlaCAZ) which was due, in turn, to late deliverables from the PlaCAZ. The replacement of the CONAN for rural development and environment also perturbed the rhythm and operations of the CAC; this was further compounded by changes in the orientations from the supervisory Ministry. Support to remote and difficult access communes, among the 14 beneficiaries, was less than support provided to easier access communes; this situation must be remedied during the next reporting period.

3.1.5.3 Recommendations

In order to establish robust and perennial KH cooperatives, the continuation of current actions is essential, but new actions and orientations can improve the situation. In this spirit, we offer the following recommendations:

- Continue expanding partnerships and the range of commercial activities. Each cooperative should implement at least one lucrative and promising revenue generation activity with the support of the ERI Toamasina team.
- Reinforce the capacities of the cooperative leaders with respect to the entrepreneurial spirit, producing loan dossiers and financing and micro-project proposals, and improving overall management (especially for the new cooperatives) via support and training from ERI's internal training group.
- Linked to this, identify key personnel or human resources capable of directing the various cooperatives and train these people in leadership skills and management.
- Reinforce the lobbying and advocacy capacity of the CNKH so that it can carry out actions in favor of the KH movement at national and other high-level institutions.
- Continue to seek and develop strategies that will assist cooperatives in implementing profitable economic activities.
- With regard to the transfer of management of the CAC to the association of the 14 communes, the CONANs must prepare a procedural handbook adapted to technical, administrative, institutional, and financial realities. Similarly, in light of the absorption capacities of the association, a final internalization or empowerment scenario and vision must be conceived for the CAC. Finally, organizational support provided by the CONANs should be focused on supporting the new 14-commune institution (association).

3.1.5.4 Perspectives

Based on the positive achievements reported above and numerous, small success stories observed in the field, we can say that the KH movement is developing well and, in many cases, is a dynamic force. The situation seems especially promising in the older zones where ERI Toamasina is slated for withdrawal from day-to-day activities by the end of 2008. The range of the KH movement's partners continues to expand and the movement is well respected by all rural development actors. A great step has been taken during the last reporting period and we feel that we are well positioned to attain the Program's fourth legacy.

Nonetheless, in order to reinforce these encouraging results, the development, implication, empowerment and accountability of the CNKH and the ARKHs are essential. One of the key activities of Program staff from this point forward until the end of the Program will thus consist of supporting these structures in the implementation of their business and action plans. Also, the establishment of a contract with the ARKHs for the opening or reopening and rendering agricultural supply centers operational will be a key activity during the Program's final 10 months; development of sales outlets in Toamasina and Ambatondrazaka will also be incorporated into this contract.

With respect to the Ampasimadinika CAC, emphasis will be placed on an approach in the environmental and rural development domains that will aim to achieve synergies and complementary activities among the work plans of the 14 communes, KM objectives, and the work plans of local COBA and KH associations. An accent will also be placed on helping the new 14-commune association to conceive and implement a national-level communication plan in order to raise its profile and develop partnerships.

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

3.1.6.1 Achievements

Realizations during the July 2007 – June 2008 period were numerous and varied, yet the focus remained on achieving the Program's fifth legacy: a perennial rural communication system. With regard to listening groups, which prioritize KH farmers, we noted a small success story: the spontaneous emergence of 25 additional groups. This brings the total to 95 groups led by 135 trained animators or facilitators. At the level of equipment, 50 hand-crank radios and 20 radio-cassette players were distributed. Collaboration with National Malagasy Radio (RNM) enabled the

emission of 63 broadcasts on a variety of agricultural and natural resource management themes. A dialog regarding direct collaboration between RNM and the KH movement commenced, aiming at a sustainable process, i.e., the continuity of emissions and relations after the end of ERI. From the point of view of expanding the network of collaborators, contact was made with the Andrew Lees Trust (ALT) radio operator project; the next stage will consist of refining the type of collaboration. This initiative is an appropriate development as it promises to be an efficient partnership for the Toamasina KH and COBA movements thanks to the potential contributions that ALT radio can provide.

Another major achievement comprised equipping the Didy commune with an FM radio transmitter. This follows previous communication initiatives by the commune – some radio and television equipment was already in place – and the desire of the local population to recommence information – education – communication actions, due to the pressures on the nearby forests and the rich, local biodiversity that they shelter. The radio station is currently managed by a local NGO under the supervision of a multi-stakeholder committee formed by representative of the commune, local KH and COBA members and representatives of listener groups.



Listener groups can promote the sharing of information and the expansion of new techniques.

Results were also noted regarding a corridor communication system. Thirteen BLU radio stations are currently distributed in the Toamasina ecoregion, forming an exchange network between ERI Toamasina headquarters and its field agents, but also providing a means of contact and exchange among KH and COBA members. KH cooperatives are also poised to share their successes and raise their profiles: at present all the cooperatives in the ecoregion have a brochure explaining who they are, what they do, what products they offer, and how to contact them. This communication tool was designed by each cooperative and received editing and finalization assistance from ERI Toamasina.

The KH movement continues to communicate via participation in high-profile regional and local events. Eight KH cooperatives voluntarily took part in regional fairs, in particular the Miara-Mientana fair for Alaotra-Mangoro and the Iribehana fair for the Analanjirofo Region. Two other Koloharena co-operatives participated in communal fairs in Ambohibary and Fito. The Anivorano Est Koloharena cooperative organized its own fair, an occasion to make itself known and to attract interest and new members.

Regarding media coverage, two reports aiming at raising the profile of new, officially recognized cooperatives were broadcast on national television (TVM) and radio (RNM). Within the framework of special events, the celebration of World Environment Day was organized jointly with various partners, such as the Atsinanana Region, PlaCAZ and Miaro. Eight KH associations and five COBA associations played an active role in events at six different sites (Anjahamana, Maroseranana, Sakalava-Morarano Gara, Fito and Sahambala), raising awareness on a range of environmental and NRM subjects including results of the commune-level consultations on the establishment of the new CAZ PA. Finally, a film promoting the Kaomina Mendrika approach was produced. The contents aim at sharing information on KM achievements during previous implementation phases and, in general, to raise interest in the approach.

Regarding promotion of improved agricultural techniques and rendering farmer technicians (PAs and PVs) professional with respect to communication, we conducted training sessions for 438 technicians on basic communication techniques, an asset that will help them to improve self-expression and transmission of messages. Another training module comprised advocacy actions for

the same 438 technicians. With respect to the creation and use of visual, didactic tools, 7 illustrated flip card series on improved cultivation techniques for litchi, maize, coffee intercropped with flemingia, black pepper, banana, groundnuts, and rice were distributed to PAs and PVs in order to promote the new techniques and encourage adoption. Since the first cycle of distribution, requests for additional copies have not ceased, indicating that rural communities use and appreciate these tools adapted to their conditions and level of comprehension. The distribution was accompanied by a customized training session, thus, 758 farmer technicians (of which 126 were women) from 390 Koloharena associations were trained in the use of these tools. It should also be noted that a second set of 5 flip card series addressing agricultural themes and 2 other series on CBNRM topics are currently being printed.

Activities and results with respect to film diffusion, education, awareness raising, and reporting continued in the ERI Toamasina intervention zones. Fourteen educational films on CBNRM, KH cooperatives and their successes, KM, the LADIA center, Jatropha, SRI, fish farming, the KH movement, poultry farming, conservation, the NWP approach, and the Ankeniheny-Zahamena corridor were projected during approximately 540 education sessions with the local population in attendance. With regard to transmitting experiences, exchange visits were conducted among three COBA associations in the western zone of Lac Alaotra and the Didy commune.

The exploitation or use of new technologies was also the object of requests from the rural population in ERI Toamasina's intervention zones. Thanks to valuable collaboration with the Last Mile Initiative project implemented by PACT, members of 5 KH cooperatives in the Ambatondrazaka and Moramanga zones were trained on internet use. Various members of these cooperatives, including executive officers, now possess their own e-mail addresses. Within the framework of participation by local associations in communication of various aspects of Madagascar's new PA network, local individuals were identified and played the role of extension agents with respect to raising awareness on the establishment of the new CAZ PA.

As noted in previous reports, Module V is transversal. Additional communication results can thus be found in the narratives for the Program's other four Modules.

3.1.6.2 Constraints

The following difficulties were observed during the reporting period with respect to implementation of Module V activities.

- The numerous requests for new communication tools indicates the enthusiasm of the rural population for communication actions, yet we are handicapped by a lack of financial means necessary to augment our activities as well as to satisfy the needs of the local population while at the same time empowering them to become proactive with respect to information – education – communication (IEC) activities. The lack of funds is also present within rural associations, dampening their enthusiasm for a wide range of undertakings.
- Communication within rural associations and cooperatives is a crucial element that is necessary for success. It constitutes the start of good governance via sharing of information among members. Yet this communication reflex is not yet internalized among the majority of associations. It is necessary that the members speak to each other before they are able to communicate effectively with the exterior.
- The realizations and activities of rural associations depend on their functionality. If the association is not operational (sometimes the case), internal and other communication activities will remain on stand by.
- Insufficient (or absent) remuneration of PAs and PVs has limited their enthusiasm and their inclination to be proactive. In some of the ERI intervention zones, no action is undertaken voluntarily without some form of compensation.
- The BLU radio network is not always 100% functional due to technical problems. Nevertheless, we note that some KH cooperatives balk at the use of the BLU radios as a means of external communication, essentially forgetting this tool.
- The availability of hand-crank radios among the various suppliers is problematic (often not available).
- There is a large variation of education levels among the farmer technicians (PAs and PVs). The utilization and comprehension of the didactic tools (flip card series) is thus also highly variable and sometimes is unsatisfactory. Moreover, the comprehension of the listeners or audience

depends on the quality of the local extension agent (PA or PV). Unfortunately, the remaining time for the ERI Program and the pressure to implement activities quickly is a handicap for attaining quality results.

3.1.6.3 Recommendations

The following suggestions can be offered in order to improve the impact of Module V activities during the last 10 months of field-level interventions for the ERI Program.

- In the final phase of moving towards realization of the Program's fifth legacy, we should give as much latitude as possible to the local population so that they can continue their communication initiatives. This is in the spirit of identifying gaps and of providing adequate solutions as long as the Program is still present. This orientation will begin to accustom associations to operating without ERI.
- Efforts should continue on empowering and implicating the rural population in communication activities. We will thus put more emphasis on socio-organizational support within our approach.
- There is a need to adjust the training modules on the use of the flip card series so that the training is more effective and allows a circumvention of the barriers created by the level of literacy.
- Identification of suppliers or service providers who can conceive and/or furnish didactic tools is crucial and should continue. It is also necessary, however, to try to minimize the costs of production or acquisition in order to obtain the maximum scale of impact.

3.1.6.4 Perspectives

Overall, all Module V actions will be focused on attaining the Program's fifth legacy during the last phase of the program. Completion of the printing and multiplication of additional flip card series (coffee plantation regeneration, hillside agriculture w/o fire, integrated village territory management, and the forest management transfer process) will be completed shortly; these tools will subsequently be distributed and farmer technicians trained in their use during the third quarter of 2008 so that they can be used during the main farming season. Efforts will continue to consolidate FFS assets by collecting, multiplying and distributing technical briefs produced by the groups. It is anticipated that this initiative will help rural technicians (PAs and PVs) to improve their effectiveness. We will collaborate closely with the two ARKHs, aiming at empowering them so they play a central role regarding exchange of information and communication. Within the framework of identifying appropriate communication tools for timely exchanges within the KH network, a meeting with the ARKHs will be organized so that the KH cooperatives and the ARKHs choose the tool that suits them best. This will help to circumvent internal differences by establishing a consensus standard that is appropriate for all.

An emphasis will also be placed on collaboration with the regional and inter-communal entities (PlaCAZ, COBA Federations, ARKHs) on communication actions as these structures can sponsor wide-scale, positive change with respect to conservation and development of the corridor via links to the rural population. For the network of listening groups, a dialog will be established with National Malagasy Radio (RNM) in order to increase rural participation. The ultimate goal is to assure that rural voices are heard beyond the local scale, all within the framework of establishing a

Radio Didy on the air

The Didy commune in the Ambatondrazaka District received an FM radio transmitter after a request and dialog with ERI Toamasina. The contact followed a promise from the Misonga Program which had closed prematurely but whose objectives were closely aligned with those of ERI's Module V. The commune always maintained that radio would be an effective tool for raising awareness on forest conservation and, consequently, diminishing wildfire levels. This assumption was strengthened by the fact that 80% of the households in the Didy commune possess radios.

After the first week of broadcasts, the local population quickly mobilized and put a radio management structure, composed of KH, COBA, commune and listener representatives, in place. The KH and COBA movements requested slots in the broadcasting program devoted to news of their activities; this would be a means to raise awareness on natural resources management and improved agricultural techniques. Thanks to an emission radius of 35 km, messages and dedications are reaching the ears of many households. Money generated from dedications has continually grown, promising to help the station become autonomous and increase the duration of its daily emissions.

perennial, rural communication network. Finally, in order to share experience and lessons learned, a series of films (production, multiplication and broadcast) on KH and ERI assets is planned.

3.1.7 Monitoring and Evaluation

3.1.7.1 Issues and Results

Monitoring and Evaluation (M&E) remains a team effort for the ERI Toamasina technical staff: everyone is concerned. It is with this philosophy in mind that our system, especially monitoring tools, was conceived. During the reporting period, the Program's data base was revised; each results module has a separate data base that is administered by each module manager and is used as a monitoring tool or control panel via regular updates. The overall objective is to empower each module manager so that s/he is wholly responsible for her/his Program component. Within the framework of monitoring the evolution of household economies, a concept note was conceived. This note aims at instilling objectivity when collecting both qualitative and quantitative household data which will ultimately help the ERI Toamasina Program improve its approach, results and impact. Similarly, statistics on association results will be arriving shortly and will also help the Program to adjust and improve its operations.

The Program's positive impacts depend, to a large extent, on orienting actions towards attaining our five legacies. This is valid for the ERI Toamasina staff, but also for our rural partners. This message was thus passed on to collaborating farmers, villagers and local authorities who are now conscious of their roles and future after the departure of the Program. Another achievement comprised working jointly with USAID in order to refine various ERI M&E documents such as the Data Quality Assessment with regard to its indicators and incorporation of Operational Plan indicators into ERI's PMP.

The priority or urgency of certain Program activities led us to design a few thematic notes, for example, approaches in the rural milieu and the role of the facilitator within FFS groups. Moreover, a number of work and decision-making tools were distributed to field agents: commune natural resources and administrative maps, commune-level agricultural potential maps, a user's guide for utilizing maps as decision-making tools, a note on the self-evaluation steps or procedures for KH associations and cooperatives, a handbook on the use of BLU radios, a simple guide on ERI indicators and legacies, a reminder note on communication and mutual exchange techniques, a short document on advocacy actions, and an explanation on how to monitor household notebooks.

Within the framework of ensuring ERI's legacies, a short guide on setting quantitative engagements for each field agent was devised. This helped the Program to avoid poor results due to indecision or misunderstanding that had previously marked the performance of several field agents. In addition, the guide and the subsequent engagements that were set will help field agents to better manage their time, especially with respect to attaining the Program's legacies. Keeping the field agents in mind, efforts were made to assure that basic equipment and materials were at their disposal; this is in order to assure decent working conditions, necessary for achieving better results. Communication with these members of the staff is always a preoccupation: M&E personnel ensured that messages and directives arrived at their level in order to ensure prompt action.

3.1.7.2 Recommendations

The last year of a project is a crucial phase for the M&E component. It is the ultimate stage during which the final adjustments to approaches and activities can be made (if needed) and also a period during which lessons need to be captured. It is extremely important that each module manager uses this period to ground impacts and legacies. Program visions and efforts need to focus on sustainability and passing the reins and responsibility to our rural and regional partners. It should also be a phase of rigorous monitoring with respect to the achievements and responsibility of each association and cooperative. ERI Toamasina should strive to play the role of alert and informed observer, with interventions aimed at correcting gaps and insufficiencies noted with respect to management, commercial relations, socio-organization, management of PAs and PVs, and the community spirit at the level of cooperatives.

It will be very important to keep the data bases up to date and to exploit them for evaluation purposes and for capturing lessons. Frequent field visits are also recommended in order to

apprehend and react and adjust if needed. In addition, we recommend that the qualitative dimensions of our assets and impacts are recorded; this should generate new knowledge that can be exploited by successor projects, the government, local authorities and the rural population. A participatory and self-evaluation guide is a tool in the hands of our rural partners and should be used to help them in transforming their environment and behavior.

3.1.7.3 Perspectives

The following tasks are foreseen during the program's last phase with respect to M&E.

- Prepare for the final evaluation of the ERI Toamasina Program by implicating the module managers and the Program's partners.
- Assure that the reins of ERI activities are progressively passed to rural and regional partners while at the same time reinforcing the spirit of self-development, self-evaluation and sustainability.
- Ensure that the self-evaluation guide is in the hands of, and used by all collaborating associations and cooperatives.
- Encourage responsible associations that practice good governance and are ambitious with respect to the positive evolution of local development and the improvement of the standard of living of their members.
- Organize a participatory final Program evaluation in collaboration with rural partners.
- Collect qualitative information that will enrich Program knowledge and will provide analytical elements that will be a legacy for future development and NRM projects.

3.1.8 Activity Implementation Fund

3.1.8.1 Achievements

Overall, an equitable distribution – at least as far as possible – of the remaining AIF funds between the Program's five results Modules was agreed so that each module can reach its respective legacies. During the reporting period, the use of the funds was thus directed towards attaining the Program legacies via the defined activities and, more recently, concentration areas. Details of fund use, by Module and category, are described in the following text and tables.



Improved poultry farming: a potential source of increased revenue for rural households.

Module I (15% of AIF budget):

- *Support to ecoregional platforms regarding partnership development and fund raising:* via the establishment of service provider contracts and memorandums of understanding (MOUs) or *protocoles* with the PlaCAZ.
- *Continuation of support for Ampasimadinika CAC operations:* establishment of a service contract with PlaCAZ for continuation of the activities.
- *Facilitation of the use of the KM approach to promote auto- or self-development:* establishment of MOUs with various partners such as KH cooperatives and decentralized public services such as DRDR and DIREEF to develop the KM approach.

Module II (14% of AIF budget):

- *Reinforcement of COBA associations and the forest management transfer process:* establishment of a service contract with a group of consultants to put in place management transfer contracts in the communes of Andasibe and Fito.
- *COBA exchanges:* various MOUs to facilitate evaluation workshops and exchange visits between COBAs.

- *Forest demarcation and management plan preparation*: in collaboration with the Malagasy Forest Service via MOUs.
- *Commune-level support for forest surveillance and law enforcement*: by means of MOUs in collaboration with JariAla and CI/Miaro.

Module III (33% of AIF budget):

- *Reinforcement of the farmer-to-farmer agricultural extension system*: establishment of a service contract for the reorganization and rejuvenation of the LADIA center in order to ensure its sustainability.
- *Development of the FFS approach*: establishment of a service contract with each KH cooperative and the support of a consultant as an assistant to the Module III manager.
- *Promotion of diversified, ecological agriculture*: various MOUs with the Malagasy Agricultural Service (DRDR) in order to extend a range of techniques without fire.
- *Promotion of new agricultural techniques such as modern poultry and fish farming*: MOUs to support participation of KH farmers to attend the training and information sessions related to these techniques.

Module IV (27% of AIF budget):

- *Rendering KH partners more professional, with a view towards their sustainability*: establishment of programmatic service contracts with numerous KH cooperatives, but with an increased contribution from the cooperatives and with an orientation towards other financial partners.
- *Development of partnerships*: MOUs with the KH cooperatives to develop partnerships with members of the USAID Alliance such as BAMEX.
- *Effective integration of the KH movement in local governance*: establishment of MOUs to support and facilitate working sessions of the emerging ARKHs as well as the CNKH.
- *Support for commercialization*: by means of an expert consultant in SRI and rice export to support the Amparafaravola KH cooperative in their pink rice contract with Lotus Foods.
- *Institutionalization of new cooperatives (in new zones)*: via MOUs with new KH cooperatives in zones such as Fetraomby, Sahambala, and Didy.

Module V (11% of AIF budget):

- *Diffusion of ERI Program assets, successes and best practices*: via the establishment of MOUs with communication partners, especially radio and television stations.
- *Rejuvenation of a local FM radio station*: via a materials purchase order with specialized partners for needed equipment (and installation of the equipment).
- *Development of visual extension tools (flip card series)*: via a consultant for development of the illustrated flip cards to be used by farmer technicians (PAs and PVs).
- *Development of monitoring tools*: MOUs with researchers to develop household notebooks and poverty indicators, including methodologies for utilizing these tools.

In addition, several cross-cutting service provider contracts were established with KH cooperatives in close proximity to the Ankeniheny-Zahamena corridor. These contracts are mainly to provide much-needed field agents in these isolated areas. The agents support local coordination of commune, ERI Program and USAID Alliance activities, providing essential, permanent field presence. Moreover, these contracts reinforce the capacity of the local institutions (KH cooperatives) who provide administrative and management services.

AIF Budget Use (July 2007 - June 2008)

TYPE	Approved total	Disbursed total	Remaining Award
IC	\$22,895.36	\$2,642.76	\$20,252.60
PROT	\$10,205.18	\$8,652.88	\$1,552.30
PO GOODS	\$10,099.09	\$10,099.09	0
PO SERVICES	\$114,448.18	\$28,021.97	\$86,426.21
TOTAL	\$157,647.81	\$49,416.70	\$108,231.11

IC = Individual Consultant, PROT = Memorandum of Understanding (MOU), PO GOODS = Purchase Order for materials, PO Services = Purchase Order for Services

DISTRIBUTION BY MODULES (USD)

MODULE I	MODULE II	MODULE III	MODULE IV	MODULE V	TOTAL
\$23,952.47	\$21,312.28	\$51,372.01	\$43,078.74	\$17,932.32	\$157,647.81
15%	14%	33%	27%	11%	100%

3.1.8.2 Constraints

Two principal constraints can be cited with respect to AIF implementation and impact:

- overall, the funds are limited and thus insufficient for financing all of the planned activities needed to attain the Program legacies, and
- some service providers were unable to submit deliverables according to the calendars stipulated in their contracts; in order to encourage a more professional sector, we were obliged to apply penalties to some of these consultants or organizations.

3.1.8.3 Recommendations

Similarly, two main suggestions can be offered in order to improve AIF implementation during the last phase of the ERI Toamasina Program:

- rigorous monitoring of AIF contracts and MOUs must be performed by all members of the senior technical team and by all field agents in order to achieve Program goals and assure the legacies, and
- to render new KH cooperative partners more professional, they will need to receive management capacity reinforcement, especially for the establishment and monitoring implementation of their work and business plans.

3.1.8.4 Perspectives

For the last year of the Program, the use of the funds will be centered on attaining the legacies for each module. Happily, ERI Toamasina staff have already established priorities and detailed planning for the use of the AIF in order to assure that these legacies are in place by the end of the Program.

3.1.9 “Conserving the Indri Corridor” Small Grants Program

3.1.9.1 Achievements

The Indri Corridor Node or small conservation grants program continued to complement ERI Toamasina activities by financing various COBA and KH association activities. To date, the Node has received 149 proposals of which 122 came from local communities, 15 from NGOs and 12 from researchers or university students. For the second half of the reporting period, the Indri Corridor Node provided grants to 57 community associations, 20 of which were in-kind grants by providing a consultant to associations in the Sahambala and Fito communes to help them develop funding proposals, and 37 of which were direct grants to associations in 13 different, priority forest corridor communes. Many of these financed natural forest restoration and revenue generation activities associated with COBA transferred forest management plans. The value of these grants was approximately 182 M Ar or about USD \$112,000. In addition, 12 in-kind grants were provided to 12 COBA associations in key corridor communes for the establishment of forest management transfer contracts. At the level of the 3 sub-Nodes managed by ASOS Brickaville, MATEZA, and RINDRA, 26 grants provided funds to local communities for micro conservation projects.

Much effort was also devoted to providing support to the sub-Nodes and the local associations benefiting from the grants. For this latter group, assistance focused on simple accounting and reporting methods. ERI field agents played a major role, especially in the Didy and Manakambahiny Est communes. The Node assistant also provided significant support to ASOS Brickaville and associations in the Fetraomby and Maroseranana communes. Finally, we developed a cost extension proposal for CI during the last quarter of the reporting period. We recently received the

exciting news that the proposal was approved and will be funded; Indri Corridor Node activities will thus continue through March 2009.

3.1.9.2 Constraints

The three sub-nodes have not yet fully mastered the mechanism for issuing grants to community associations, though improvement was noted during the 2nd half of the reporting period. There is also limited comprehension of basic notions regarding biodiversity conservation for one of the sub-Nodes (ASOS Brickaville). In addition, considering the meager capacity of the majority of community associations, we were compelled to provide consultants to these groups in order to develop proposals that can be funded.

3.1.9.3 Recommendations

In order to insure better results, more emphasis should be placed on capacity building (technical, financial and organizational) for the three sub-nodes and especially for the grant recipients (community associations).

3.1.9.4 Perspectives

Capacity building, especially among the three Sub-Nodes, will be the focus until the end of ERI Toamasina/DAI management in March of 2009. A number of training sessions have been planned on a range of subjects – grants management, accounting, biodiversity conservation – for the final months (July – September) of the first period of Indri Corridor Node financing. This capacity building will continue during the October 2008 – March 2009 period. Significant efforts will be employed during August and September in order to close the grants allocated during the first period. Emphasis will also be placed on monitoring of associations that received grants during the first period and some limited capacity building on grant accounting and reporting will also occur at this level. It should be noted, however, that ERI Toamasina/DAI will only issue a few, additional direct grants during the second financing period as most of the grant budget has been allocated to the sub-Nodes. Most incoming proposals will thus be directed to the sub-Nodes. For the additional, direct grants, we will endeavor to prioritize proposals focused on economic valorization of forest resources.

3.1.10 Ecoregional Alliance

3.1.10.1 Achievements

The main achievement of the Toamasina ecoregional Alliance comprised informational exchange among the members during six plenary meetings. The four working groups – establishment of the new CAZ PA, rural commune support, agricultural production and commercialization, health and social issues – also met and exchanged information and, in some cases, attempted to plan joint, field-level activities. The new CAZ PA working groups appeared to be the most active: Alliance members (principally ERI and CI/Miaro) worked together to finish the commune-level consultation process, communicate results to other stakeholders (including the head of the PA department within the Malagasy Forest Service), and influence future orientations during a consolidation workshop in February. Subsequently, Alliance members were the driving force behind the new PA technical committee which met on 6 occasions during the months of March through June. Significant progress was made on planning final steps to achieve the definitive creation of the new CAZ PA, including identification of problem communes where limits need to be renegotiated, and on identifying management units for the PA.

Collaboration between ERI, JariAla and CI/Miaro also continued with respect to finding local solutions to the continuing illegal logging problem in the Ankeniheny-Zahamena corridor. Three inter-communal workshops were held in the communes of Fetraomby, Ambodilazana, and Didy. The workshops were highly participatory and much, previously unspoken, information was shared and debated. All workshops resulted in the signing of three-way MOUs (between the Forest Service, the Gendarmes and the different groups of communes, respectively) for improved forest surveillance and governance. Overall, more than 12 communes, including the COBA associations found in these communes, participated in these workshops and benefited from the exchanges.

The final, major Alliance activity during the semester was participation in the USAID stocktaking exercise for its environment and rural development (SO6) program. Representatives of all the Toamasina Alliance members attended a workshop for two days in May with USAID personnel, consultants and Antananrivo-based Alliance members. Attendees conducted a brainstorming session to identify key themes and questions. Six topics (USAID Alliance, Risk and Catastrophe Management, Tevyala and Agricultural Techniques, KM, the KH Movement, and Benefits to Communities from Conservation) were subsequently chosen and writing teams established to put experiences and lessons down on paper. These teams will attend a peer review workshop in August with representatives from the Fianarantsoa, Anosy and Antananarivo Alliances in order to refine the articles.

Some additional, specific activities, implemented jointly by several Alliance members, are noted below.

- ERI and JariAla collaborated on administering questionnaires on perceptions of the Malagasy Forest Service and activities in the wood sector in rural areas. Additionally, ERI Toamasina participated in discussions with JariAla on potential collaboration areas for JariAla's 5th-year extension. Three potential zones were identified where pilot, community forest logging activities could be combined with an improved forest surveillance, law enforcement and wood labeling system.
- Several members participated in the FIERMADA agricultural fair along with farmer producer groups that they support (e.g., Koloharena). Participating members included ERI, CARE, CRS, and BAMEX. The event was a success for the producer groups who were able to sell their products and make new contacts with potential buyers.
- The agricultural production and commercialization working group chose a focal area (Moramanga) and three key value chains (beans, ginger, red rice) that would be the hub for achieving field-level synergies. Three members were implicated in this activity (ERI, ADRA and BAMEX) and were jointly able to establish three demonstration sites for best cultivation practices for these crops.

3.1.10.2 Constraints

The constraints related to the ecoregional Alliance have not really changed for two years now. Most members see the Alliance as an informational exchange platform only. To move beyond this function and try to achieve field-level synergies remains the main constraint. In general, members do not appear willing to change, significantly, their programmatic or project design or their approaches in order to achieve these synergies. It should be recognized that the negotiations to achieve these synergies would engender significant transaction costs. In addition, Alliance activities are not a priority for most members. This is evidenced by the recent inability of two of the four working groups to adjust their calendars and agree on a meeting time (in order to develop their 12-month action or work plan, among other tasks).

3.1.10.3 Recommendations

The main recommendations with regard to the ecoregional Alliance are similar to those from ERI's last report; they are principally directed at USAID as improvements in the Alliance are not really possible without input from the members' common donor. First of all, we feel that increased participation by USAID with a view towards rejuvenation of the Toamasina Alliance would be beneficial. Secondly, written communication from USAID regarding expectations for the Alliance and offering suggestions or proposals for key orientations would be extremely helpful.

3.1.10.4 Perspectives

It is expected that the Toamasina ecoregional Alliance will continue to meet in plenary meetings every two months, mainly for information exchange purposes. It is hoped that the working groups will also continue to meet once every two months. The members of these groups will be encouraged to try and develop synergies at the field level so that they can achieve more together than they would alone. In addition, it is expected that the 2008-09 work plan will be finalized and reviewed during the upcoming reporting period.

Participation in the stocktaking exercise is also anticipated and could provide a new impetus for the Toamasina Alliance. Members will be encouraged to analyze the results of the exercise and use the

lessons to improve approaches and impacts. In particular, it is hoped that several members, including ERI, will organize and participate in a dialog with the Malagasy government's Regional staff in order to see how the Alliance coordination experience, lessons and structure can be transferred to or supported at their level.