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SEMESTER REPORT (JULY 1 – DECEMBER 31, 2007)

February 2008

This publication was produced for review by the United States Agency for International Development. It was prepared by Development Alternatives, Inc under Madagascar Eco-Regional Initiatives to Promote Alternatives to Slash-and-Burn Practices (ERI) Program, Contract No. GS-10F-0359M, Task Order 687-M-00-04-00177-00

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(JULY 1 – DECEMBER 31, 2007)

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 conservation and 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 in one unified document the semester report covering the period of July 1 - December 31, 2007. This report consists of regional office chapters and annexes of tables noting detailed achievements, expenditures of the Activity Implementation Fund, and a list of programmatic legacies.

The ERI program in general has advanced well over the six month reporting period despite the complex influences of elections for national assembly deputies and mayors. Project activities sometimes slowed down due to the regulations interdicting gatherings during the last month of the campaign period. While the local and district level elections were generally uneventful, it is clear that ERI must continue to invest considerable staff time in educating the new representatives on the environmental and development activities carried out by our program. The unintended consequences of the democratic process are nevertheless emerging at the field level in both regions. National and local level enforcement of regulations governing the use of natural resources has slipped considerably over the past six months. Illegal logging and mining as well as a rapid expansion of deleterious uses of forested landscapes with the forest corridors of the respective regions appear to be increasingly prevalent. In the Fianarantsoa forest corridor, a process of land grabbing may be occurring due to the twin influences of lack of forest law enforcement and a societal response to the creation of the new protected area Fandriana – Vondrozo.

The ERI program continues to gain the trust and confidence of local communities, the Koloharena movement, federations of COBA forest manager groups, and various commercial enterprises. The results of the USAID investment of 10 or more years in the Toamasina and Fianarantsoa areas are now rapidly emerging. As part of the Ecoregional Alliance network, ERI is playing a central part in furthering the creation of the new protected areas – a key part of the Durban Vision. Investment continues in building strong regional consultative bodies like the PlaCAZ and the CMP, though other donors and government as of now fail to support these structures with similar aplomb. Community resource management regimes are gaining strength. Adoption of new agricultural practices and institutional innovations is growing rapidly. New commercial contracts between the private sector and the Koloharena are being signed, though not without some difficulties. The Koloharena movement is maturing significantly, but with some internal growing pains. Rural communication on environmental and development issues is indeed expanding.

The ERI national and regional offices are now turning more attention to the close-out phase. At the time of preparation of this report, ERI is now certain to close down by the end of July, 2009. Thus, our priority is to leave a strong legacy of ERI, and USAID, achievements in the respective regions and on the national policy landscape. Future months will consist of internal planning sessions between the ERI regional offices and active participation in USAID organized evaluations and stock-taking exercises. A new 2008-2009 Work Plan will be prepared.

The following sections summarize in greater detail the many achievements, challenges, and aspirations for the national and regional ERI program offices.

List of Acronyms

ADRA: Adventist Mission and Rural Development program
AGERAS: Appui à la Gestion des Ressources et l'Approche Spatiale
AIF: Activity Implementation Fund
ANAE: Association Nationale pour les Actions Environnementales
ANGAP: Association Nationale pour la Gestion des Aires Protégées
ASC: Agricultural Supply Center
AUE: Association des Usagers de l'Eau
BAMEX: Business and Market Expansion
BCI: Business Center Ivoharena
BIANCO: Bureau Indépendant Anti-Corruption
CBNRM: Community-Based Natural Resources Management
CDIA: Centre de Diffusion de l'Intensification Agricole
CEDII : Centre d'Echange, de Documentation et d'Information Interinstitutionnel
CI: Conservation International
CIREEF: Circonscription de l'Environnement et des Eaux et Forêts
CKH : Coopérative Koloharena
CMP : Comité Multilocale de Planification
CNKH : Confédération Nationale de Koloharena
COBA: Communauté de Base
COGE : Comité de Gestion
CRS: Catholic Relief Services
DAI: Development Alternatives, Inc.
DGEF : Direction Générale des Eaux et Forêts
DIREEF: Direction Inter-Régional de l'Environnement et des Eaux et Forêts
DWCT : Durrell Wildlife Conservation Trust
EAM: Entreprendre à Madagascar
EP3: National Environmental Action Plan, Third phase
ERI: Ecoregional Initiatives
ESSA : Etablissement Supérieur des Sciences Agronomiques
FCE: Fianarantsoa-Côte Est
FER : Fonds d'Entretien Routier
FID: Fonds Interventions pour le Développement
FIFAMANOR : Fiompiana, Fambolena Malagasy Norveziana

GCF: Gestion Contractualisée des Forêts
GCV : Grenier Communautaire Villageois
GELOSE: Gestion Locale Sécurisée
GTDR : Groupe de Travail sur le Développement Rural
IRM: Innovative Resources Management
KASTI : Komitin'ny Ala sy ny Tontolo Iainana
KH: Koloharena
LDI: Landscape Development Interventions
MAEP: Ministère de l'Agriculture, de l'Elevage et de la Pêche
M&E: Monitoring and Evaluation
NEAP: National Environmental Action Plan
NODE: "Fruits of the Forest Program"
NGO: Non-Governmental Organization
NWPH : Nature, Wealth, Power, Health
ONE: Office National de l'Environnement
ONG : Organisation Non-Gouvernementale
OPCI : Organisme Public à Caractère Intercommunal
OTIV : Ombon-Tahiry Ifampisamborana Vola
PA: Paysan animateur
PCD : Plan Communal de Développement
PMP: Performance Monitoring Plan
PPRR : Projet pour la Promotion du Revenu Rural
PSDR: Programme de Soutien de Développement Rural
PTE: Programme de Transition Ecorégional
PV: Paysan Vulgarisateur
SAGE : Service d'Appui pour la Gestion de l'Environnement
SAHA : Sahan'Asa HAmpanandrosoana
SAPM: Systeme d'Aires Protégées de Madagascar
SEFEM: Sustainable Environment and Forest Ecosystems Management
SIZ: Strategic Intervention Zone
STTA: Short-Term Technical Assistance
TAMIS: Technical and Management Information System
TIAVO: Tahiry Ifamonjena Amin'ny Vola
USAID: United States Agency for International Development
WWF: World Wide Fund for Nature

1 ANTANANARIVO NATIONAL PROGRAM

1.1 Antananarivo 2006 Progress and Summary of Results; Antananarivo 2007 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 National Coordination focused its effort towards two main directions: i) continuing to take part in various meetings and platforms of national scope, and ii) supporting specific themes that have direct links to field initiatives, ensuring the achievements of the ERI legacies.

The ERI National Coordination was actively involved in different working groups and task forces, developing strategic frameworks and action plans, particularly in agriculture, natural resources management, decentralization..., 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.

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.

1.1.2 Achievements

The section below provides a general overview (not by Result Module) of 2007 achievements and advancement concerning interventions led by the National Coordination during the reporting period, as well as future 2008 perspectives.

1.1.2.1 Technical aspects

The National Coordination continued in participating in the reinforcement of the inter-regional platforms (PlaCAZ, CMP) in collaboration with the regional teams. Taking into account the actual context of each region, these eco-regional structures will remain, for the time being, as platforms that would orient and consolidate actions or initiatives to be implemented at regional level regarding corridors safeguard. Advises and recommendations were provided to these platforms in the process of developing new vision and strategies in the advent of New Protected Areas.

The ERI Tana team ensures also the liaison between regional team and Ambatovy project regarding some conflicting subjects, such as the situation of the Telomira management transfer in the Ankeniheny-Zahamena that overlaps with the mining project boundaries, the negotiation of the location of one track that the mining project was planning to build throughout the LADIA domain.

The two Communal Support Centers in Ikongo (Fianarantsoa) and in Ampasimadinika (Toamasina) are now operational. The ERI Tana team has been ensuring coordination between the MPRDAT and the regional teams during the CONAN recruitment and training, and the process of setting up inter-communal structures. The ERI Tana team was actively involved in assisting the MPRDAT in developing and implementing the monitoring system for CSC, and participated in the final evaluation workshop.

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.

On agricultural related domains, the ERI Tana team continued to oversee ANAE's interventions on direct sowing on vegetal cover (SCV) within the LADIA center, to serve as a dissemination basis, ready for future propagation to the Koloharena movement. The agro-ecological approach that aims to promote the innovative techniques on hillsides, will lead to agriculture yields and global production increases. In addition, the restructuration of the LADIA is still ongoing; the ERI Tana team is actively involved in providing support to develop its business plan, procedures manual and different management tools as part of its organizational and financial sustainability strategy. The ERI Tana team ensure a dynamic communication between the center and the COS (Comité d'Orientation et de Suivi) members.

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.

During the Presidential Dialog on MAP, ERI Tana team 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.

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.

1.1.3 Constraints

The section below provides a general overview (not by Result Module) of 2007 constraints concerning interventions led by the National Coordination during the reporting period, as well as future 2008 perspectives.

1.1.3.1 Technical aspects

Main constraints still remain in building partnership and collaboration. Lack or complexity of leadership within key ministries that leads to a difficulty to maintain concerted agendas, and therefore to achieve real and palpable results. This 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 and the CIREEFs. The Réseau is non-functional, and the recent restructuration within the Ministry of Environment, Waters and Forests at the central level is expected to happen at the regional level, too.

Communication and information sharing are not systematic, especially on planning and programming. It is therefore very difficult to follow up agreed actions and initiatives. This is the case of the SRAT Alaotra-Mangoro, where no update on consultant's work and achievements is shared by the MPRDAT to the technical partners. Another example is the eco-agriculture strategies presented to the MAEP, where no information on its uses was known after several months.

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 is in the process of reviewing its framework to bring out these legacies as its main goals, and the "axes de concentration" as means to reach them.

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

The ERI National Coordination should ensure that the program is actually heading to those goals, and work closely with Regional Coordination in coaching the teams to this respect.

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

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.

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.
- 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.
- Consolidate the implementation of watershed based and value chain based approaches integration in agricultural domains to optimize synergy and scale up impact. Specific effort will be given to agro-ecological approach.
- Consolidate the initiative to reinforce the Koloharena Movement, within an adapted and concerted exit strategy.
- Consolidate the CSCs system as a central mechanism to local governance and development.

2 FIANARANTSOA REGIONAL PROGRAM

2.1 Fianarantsoa 2007 Progress and Summary of Results; Fianarantsoa 2008 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. Over the past six months, the ERI Fianarantsoa program has advanced very well in implementing the vast majority of the 90+ activities. The major programmatic components of the regional program are being implemented on schedule with many activities surpassing initially anticipated deliverables. This is a sign of the growing ability of our central clients – the Koloharena farmer’s movement and the COBA community forest management groups – to take advantage of the presence of USAID technical assistance.

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 Module I coordinated by regional coordinator Mark Freudenberger focuses on facilitating the development and strengthening of a wide array of partnerships supporting the ecoregional conservation and development paradigm. While the ecoregional paradigm remains the underlying conceptual paradigm for conservation and development in and along the Fandriana – Vondrozo forest corridor, this approach is gradually being eclipsed by the sectoral priorities of the Madagascar Action Plan (MAP). Coordination and consultative bodies like the *Comité Multilocale de Planification*, the *Centre d’Appui aux Communes*, and the Ecoregional Alliance USAID are increasingly investing resources in implementing the MAP at the regional, district, and commune levels. However justified this government priority, it remains necessary to view the Fandriana – Vondrozo forest corridor through the lens of an ecoregional approach that supersedes regional and sectoral boundaries.

The ecological and social monitoring of the Fandriana – Vondrozo corridor advanced considerably through the strong partnership with the French Institut de Recherche pour le Développement (IRD) and the Malagasy Centre National de Recherche Scientifique (CNRE). Following the publication of the new book, “*Transitions Agraire, Dynamiques Ecologiques et Conservation: Le “corridor” forestier Ranomafana – Andringitra*” the ERI program and the IRD sponsored a conference in Fianarantsoa on November, 2007 to publicize the central findings of the GEREM applied research program. The edited chapters, of which ERI Fianarantsoa staff members Mark S. Freudenberger and Salohy Razanajatovo wrote the concluding section, raises a number of disquieting remarks about the unfolding social and ecological realities of the central forest corridor. At the conference, the new IRD/Université de Fianarantsoa social and ecological modeling program was announced by the new project director Dominique Hervé. This three year interdisciplinary program will work with regional partners to model various parameters such as the rate of expansion

The State of the Fandriana – Vondrozo Forest Corridor

The SAPM/NAP consultative process and applied research by the IRD/CNRE raises disquieting questions about the future of the Fandriana – Vondrozo forest corridor. The creation of the new temporary protected area status may have halted for the time being mining within the corridor, but it is not slowing down the conversion of ecologically sensitive lowland *bas-fonds* into irrigated rice fields in the Betsileo parts of the forest corridor. The historical pressures of Betsileo expansion into the forest corridor are continuing, perhaps at an accelerated rate, due to the breakdown of state enforcement of forestry regulations and the unleashing of a land-grabbing process linked to the creation of the new protected area. Despite the reduction of forest conversion rates from an average of 2.0% in the 1990s to about 0.5% per year for the period 2000 – 2005, the last semester of 2007 was a bad period for the corridor. The Ecoregional Alliance USAID suspects that forest fragmentation is expanding rapidly and largely unchecked.

of agriculture in to the lowland “*basfonds*” or highly prized swamp lands deep within the forest corridor.

The ERI Fianarantsoa program continued to provide active leadership for the Ecoregional Alliance USAID. The regional director organized monthly meetings to facilitate the exchange of information and ideas and organized several key events like the visit of the US Ambassador and a USAID evaluation mission in November, 2007. Considerable time is always invested in assuring the exchange of information through email and telephone communications. Further details are noted in the section 2.1.10 below.

2.1.2.2 Constraints

The conservation and development agenda took a back seat to politics for the second half of 2007. Ministry, Regional, and local authorities were totally engrossed in carrying out the electoral process for the hotly contested national assembly and mayoral elections. For the month before each election, national campaign law forbids the holding of meetings and conferences so this constrained some of ERI’s ability to carry out training programs and coordination meetings. More seriously, the campaigning process contributed to the reduction in the ability of regional and local authorities to carry out their normal governance functions. Distracted Chefs de Régions and mayors were not able to focus on working closely with ERI and the Ecoregional Alliance to carry out the wide range of normal program activities. More seriously, it appears that enforcement of forestry regulations lapsed considerably with a probably increase observed of many illegal activities within the forest corridor.

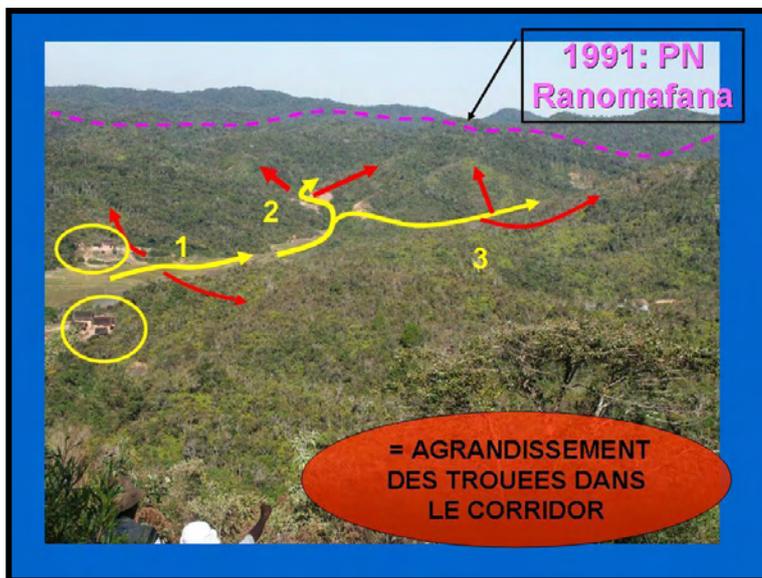


Figure : IRD/CNRE field research sponsored by ERI Fianarantsoa documents in considerable detail the on-going pressures of agricultural expansion along the western and eastern side of the forest corridor with a particular focus on the zone south of the Ranomafana National Park. The race for the last remaining lowland *bas-fonds* may be accelerating as a societal response to the creation of the new Fandriana – Vondrozo protected area. Diagram by IRD/CNRE.

2.1.2.3 Recommendations

The ERI Fianarantsoa program will need to invest considerable resources in early 2008 to educate the new deputies and mayors of the environment and development problematics in and along the Fandriana – Vondrozo forest corridor. Similar educational campaigns must be addressed toward the two new *Chefs de Régions* have been selected for the Haute Matsiatra and Vatovavy-Fitovinany Regions. Even though ERI knows well these leaders, it will be important to work closely with the new authorities to bring them up-to-date on our program activities and priorities.

2.1.2.4 Perspectives

The Fandriana – Vondrozo forest corridor is confronting unprecedented anthropogenic pressures linked to a large degree to the on-going electoral process as well as an institutional vacuum within the Ministry of Water and Forests. The ERI program must work through the Ecoregional Alliance USAID, the *Comité Multilocale de Planification*, and other regional bodies to raise the awareness around the reality that rates of illegal forest extraction and slash and burn agriculture is most likely rising rapidly within our zones of intervention. This must entail systematic visits to all the 5 Chefs de Région in early 2008 to present the Ecoregional Alliance plus the major conservation and development issues of the particular region. ERI must continue to monitor very carefully the implementation of the new NAP/SAPM protected area because we suspect that the consultative process may be setting the scene for a rapid expansion of slash-and-burn agriculture in 2008. Our

program hypothesizes that a land-grabbing dynamic has been unleashed among the wealthy land-owning classes of the forest corridor and that this will lead to a massive invasion of the prime agricultural lands in the forest corridor. The data and perspectives garnered from the initial consultative process financed by the ERI and MIARO program must be used to educate and inform policy makers on the current dangers facing the future of the Fandriana – Vondrozo forest corridor.

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

2.1.3.1 Achievements

Following the central recommendations of the ERI Community Forestry Management study conducted by Neal Hockley and Mijasoa Andriamarivololona, ERI Module II supervisor Mme. Vololoniaina Raharinomenjanahary provided strong leadership to build working relations with NGO's specializing in forest management to set up 4 COBA federations between the Ranomafana and Andringitra national parks (see Figure 2). 54 community management transfers received technical assistance from ERI and the forestry services. The COBA/VOI user groups are trying valiantly to put in place up-dated *dina* agreements and implementation of the management plan. Active engagement with these community groups is demonstrating clearly the fact that the forestry service is unable to meet its obligations to provide technical assistance and enforcement requested by the communities.

The creation of the new federations of COBA is building the foundation for rural communities to participate actively in the creation of the new protected area (NAP) between Fandriana and Vondrozo (COFAV). ERI developed a joint agreement with MIARO to carry out the required public consultations in 18 communes where our program has a strong institutional presence. Our NGO partner Haonasoa is engaged by ERI to carry out the many difficult steps of the consultation process. The strategy for ERI is to not only develop commune monographs and note the results of the public discussions with the communities about the pro's and con's of creating the new protected area, but more importantly, to use the exercise to launch the use of the Development Pathways and Appreciative Inquiry tools. Commune wide territorial planning is the central part of the process of public consultation. The Kaominina Mendrika planning process is being used with local authorities to help stakeholders plan and implement various mitigation measures. The public consultation process broke a vicious cycle within the Ecoregional Alliance – consultative processes are now started and the fruits of the process are now emerging. Harsh realities are confronting all involved in the public dialogues. "Secrets" are unfolding about the sources and causes of a rapid growth of slash-and-burn agriculture, a rapid land grabbing of all lowland areas suitable for rice production, an expansion of illegal mining and logging, and a deep level of corruption and institutional ineptitude of state agencies.

The environmental ethos within local communities living along the forest corridor expanded these past six months despite considerable set-backs suffered in overall rates of forest conversion. Membership increased in COBA's with signed contracts. For instance, the VOI Tamia increased its

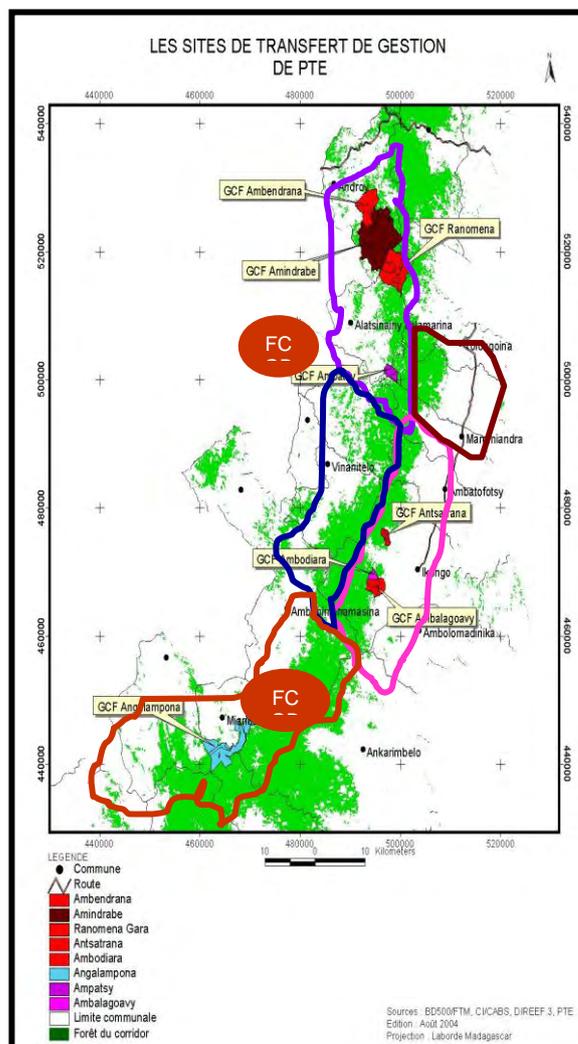


Figure : Five new federations of COBA have been created along the central forest corridor by the ERI Fianarantsoa in association with the CIREEF of Haute Matsiatra and Vatovavy-Fitovinany.

membership from 30 to 80 members following focused technical training from ERI. 8 new communes joined the *Commune Verte* program oriented around reducing forest fires. The majority of the 56 COBA monitored by ERI indeed carried out their obligations to the forestry service by providing periodic reports. Yet, deep concerns surface. Forestry service agents are confronting severe difficulties in responding to community requests to halt illegal logging, mining, or clearing of lowland swamps by external interests.

The rural electrification program based on the valorization of the forest corridor water resources continues on schedule. The French NGO GRET won a 2 million Euro contract of which a part of the fund will be invested in building the micro-hydroelectric power plant for Tolongoina. The ERI/SantéNet consultant Jonathan Annis and the Peace Corps volunteer Max Gordon completed detailed water flow measurements at the future site. Using the plans developed by the French Energie Assistance of Tahiti, GRET hopes to launch the construction of the system in mid-2009. ERI continues to lobby the European Union PEPSE program to support rural electrification investments in ERI's zones of intervention.

The ERI Fianarantsoa program continues to support strongly the emergence of community ecotourism initiatives. Despite the reality that the USAID programs MIARO and BAMEX are not assisting this sector, the investment of NODE and ERI financing in the ecotourism ventures of Andrambovato, Anja, Ambohimasina, and Andringitra are bearing fruit. The new community managed ecotourism site on the FCE at the Andrambovato site garnered over 200 visitors in its first six months of operations. Through our institutional presence, the community reserve of Anja won an €18,000 grant from the EAZA coalition of European zoos to expand publicity (brochures, posters, postcards, tee-shirts, DVD films, website) around the reserve. This reserve now receives about 8000 tourists per year. The new funding will be used as well to develop a website highlighting the attractions of all the new community ecotourism facilities along the forest corridor.

2.1.3.2 Constraints

T

he period of July – December coincided with elections for deputies and mayors. The hotly contested elections contributed directly to a collapse of state enforcement of forestry legislation. Forestry agents failed to respond to urgent community requests to stop illegal mining and logging in community forests. In some cases, politicians from the main political parties urged relaxation of interdictions against slash-and-burn (*tavy*) agriculture. Within this institutional context, the COBA/VOI resource management groups are finding it difficult to remain legitimate protectors of natural resources. For this reason, membership fees are falling within many COBA. Despite valiant efforts by the local leadership, members at the base are increasingly scoffing at the pronouncements of COBA leadership and associated partners. The lack of graduated enforcement structures undermines severely the *dina* resource management agreements. To compound this crisis, forestry service policy regarding renewal of the *Gestion Contractualisée* (GCF) remains ambiguous. Enforcement of forestry service policies against slash-and-burn agriculture, logging, and mining in the forest corridor largely collapsed during the election period of the last six months. Unless the state becomes a true partner in the co-management concept, the current structure of 80+ community management agreements will flop.

2.1.3.3 Recommendations

The ERI Fianarantsoa program recommends to our partners within the Ecoregional Alliance USAID and USAID Madagascar the following measures to strengthen community management of natural resources along the Fandriana – Vondrozo forest corridor:

- Policy and Programmatic Development around Carbon Credits: Develop in collaboration with the MIARO program (Conservation International) and Centre Valbio in Ranomafana a coherent program of policy research and development on mechanisms to gain carbon payments for avoided deforestation, forest regeneration, and reforestation.

- Evaluation and Renewal of Community Resource Management Agreements: Work closely with JariAla and the DGEEF to advance the evaluation and assessments of the expired community forest agreements (GCF).
- NAP/SAPM Continuation of Public Consultation: Facilitate the continuation of the creation of the new Fandriana – Vondrozo protected area through the Secrétariat Technique SAPM and in collaboration with MIARO. Work together to resolve the institutional confusions around the World Bank environmental mitigation requirements associated with the creation of new protected areas.
- Enforcement of Existing Forestry Regulations: Collaborate closely with the CIREEF of Haute Matsiatra, Vavovavy-Fitovinany, and Farafangana and JariAla to expand forestry control measures. Cooperate with BIANCO to expand public and forestry service education about adherence to forestry regulations.
- Resolution of Forest-Mining Conflicts: Continue to encourage the resolution of the mining-forest legal conflicts associated with the presence of numerous mining permits found with the new protected area.
- Community Monitoring of Forest Resources: Encourage the establishment of new community forest monitoring systems in the central Ranomafana – Andringitra forest corridor based upon the successful initiatives launched by Conservation International and Centre Valbio in Vondrozo.

2.1.3.4 Perspectives

The ERI Fianarantsoa program seeks to solidify its programmatic legacies during the remaining months of our project. Despite the considerable institutional constraints currently present in Madagascar, the ERI Fianarantsoa program must continue to focus on the following priorities:

- Institutional Strengthening of COBA Federations and Associations: Invest further financial and technical resources in developing the institutional capacity of community resource management groups to protect and defend their rights to manage local resources. Our experience from building up the Koloharena movement suggests that this must remain a top priority until the end of the ERI program.
- Renewal of Community Resource Management Agreements: Invest financial and technical resources to evaluate and renew GCF agreements in collaboration with the CIREEF and DGEEF.
- Forestry and Commune Zoning: Continue to implement the SAPM/NAP consultative process but promote community level discussions of land use zoning using the tools of Appreciative Inquiry and Development Pathways.
- Economic Valorization of Forest Corridor Resources: Continue to work through partnerships at multiple levels to valorize economically the natural resources of the forest corridor in environmentally responsible fashions. Provide leadership to put in place new carbon credit mechanisms and carbon payments for local communities.
- Climate Change and Forest Corridor: Promote broader public and state understanding of the impact of climate change on the natural resources and farming systems in and along the forest corridor.

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 ERI Fianarantsoa program profited over the past six months of the long-term investments made by USAID programs in Fianarantsoa during the past 10 years. Agricultural intensification and diversification has flourished during the past reporting period because of the dynamism growing out of the maturity of the Koloharena farmer’s movement. Similarly, the range of institutional

partnerships built up over the years helped the ERI program lure significant agribusiness international investors to the Régions of Vatovavy-Fitovinany and the Haute Matsiatra. This coupled with the innovative investment of SantéNet and ERI financial resources in the engagement of the water engineer, Jonathan Annis, led to significant improvements in potable water in several villages along the Ranomafana – Andringitra forest corridor.

Agricultural Intensification and Diversification in Agroecological Niches

The Module III program coordinated by Anicet Ranaivoarison worked closely with the Koloharena federations and cooperatives to solidify the farmer-to-farmer agricultural extension system. This system now relies upon introducing and testing various new alternatives to slash-and-burn agriculture through a network of *Maisons Koloharena*, or small farmer field demonstration sites run by the associations themselves. We are finding that this system effectively motivates Koloharena to test and sometimes even discard options proposed by the ERI technical team. But, when the innovations are indeed viewed favorably by the Koloharena, adoption rates turn out to be very high and at a widespread scale thanks to the communication systems encouraging inter-federation exchanges of information. ERI senior agronomists and field agents target a wide range of trainings to the Koloharena *Paysans Vulgarisateurs* and the agricultural technicians hired by the Koloharena federations. These trainings are often carried out through the network of *Maisons Koloharena* built along the forest corridor communes.



Figure : Maison Koloharena in Keliliana. 12 similar buildings and demonstration fields are operated by the Koloharena federations. Agricultural innovations are tested and disseminated from these locations.

Each Koloharena federation made significant improvements in agricultural production as reported in the *Cahiers de Ménage* and the ERI Performance and Monitoring Report submitted in November, 2007. Various innovations emerged over the past six months. For instance, the lalamarina federation prepared and disseminated their own technical fact sheets on how to use biological pest control to fight insects ravaging tomatoes. Other technical sheets were prepared on new techniques of planting taro roots, ginger, and beans. Inter-federation trainings were held on improved honey production techniques with technical assistance from the Finnish NGO DODO. Grafting new varieties of manioc onto local root stock continued. Koloharena farmers in Tolongoina continued to expand the planting of peanuts in dry season rice fields – a technique studied with great interest by a Japanese doctoral student Yasuhiro Tsujimoto. Jatropha oil extraction and commercialization was launched this past dry season with great aplomb. ERI Fianarantsoa continued to introduce jatropha lamps and soap. ERI Fianarantsoa won a Tany Meva technology prize for its innovative jatropha lamp. ERI Fianarantsoa worked closely with the Swiss Intercoopération Projet Saha Betsileo to introduce new varieties and planting techniques for indigenous and West African ignites. Saha Betsileo provided free of charge over 700 in-vitro West African ingames for testing by the Koloharena and about 1 metric ton of a highly prized, but now nearly extinct, indigenous variety. This very popular program complements ERI's initiative to introduce orange fleshed sweet potatoes – now a well adopted new agricultural crop. Our effort to expand production of tuber crops reflects the recognition by Koloharena that improved production of rice will not necessarily resolve the hungry season. Through a contract with the ANAE, ERI Fianarantsoa launched demonstrations through the *Maisons*



Figure : Koloharena cover crop (*Semi-Directe sur Couverture Végétale*) demonstrations and trials introduced with ANAE in Sendrisoa.

Koloharena of new techniques of “Semi-Directe sur Couverture Végétale” – a package of government approved approaches to soil fertility regeneration suited to *tanety* agricultural landscapes. Through a collaborative agreement with the World Bank financed *Projet Sectoriel de Développement Rurale* (PSDR) project , 66 *Koloharena* associations earned grants to plant *Jatropha curcas* in various parts of the Haute Matsiatra and Vatovavy-Fitovinany regions. ERI’s sub-contractor AIDE completed a detailed inventory of *jatropha* plantings and growth dynamics. This study shows that at least 600 hectares of *Jatropha curcas* has been planted over the past two years by *Koloharena* in a wide range of agroecologies. Plant growth rates are highest in the humid eastern reaches of the Vatovavy-Fitovinany region and growth rates can be stimulated greatly through additions of small amounts of organic or inorganic fertilizers.

International Agribusiness Investment

The ERI Fianarantsoa program and the BAMEX project invested significant staff time to attract the South African investor, J&J Group, to a biofuel energy initiative. ERI and BAMEX worked closely with the Régions of Vatovavy-Fitovinany and Haute Matsiatra as well as the Economic Development Board of Madagascar (EDBM) to encourage the company to invest in the rehabilitation of Ambila/Manakara palm oil plantations for use in biofuel production. The company is deeply interested in acquiring as well the concession to the FCE railway and Port of Manakara. Over time, the company hopes, it would expand biofuel production through the promotion of *Jatropha curcas* plantings on degraded *tanety* hillsides. Thanks to concerted cooperation between BAMEX and ERI in hosting field visits by J&J, it appears that the company may indeed invest \$40-\$50 million in developing a biofuel production program.



Figure : Introduction of in-vitro West African igname varieties in Keliliana through farmer field school testing at *Maison Koloharena* site.

The ERI Fianarantsoa program developed new institutional linkages with a wide range of international expertise familiar with biofuels program. Dr. Bob Weber, an international expert in biofuels, contributes valuable pro-bono work to the *jatropha*-palm oil initiative. M. Alfons Ullenberg worked closely with FOFIFA Fianarantsoa and some graduate students to carry out a socio-economic study of incentives and disincentives to *jatropha* production in Tolongoina. The University of Michigan Graduate School of Urban Planning designed and won a competitive grant to work with ERI Fianarantsoa in June, 2008 to explore ways to acquire carbon sequestration funds for *jatropha* planting in traditional agricultural systems. Engineers will also help ERI design and monitor a *jatropha* multiplatform press.

Water and Sanitation through USAID Hygiene and Improvement Project

Former Peace Corps volunteer Jonathan Annis completed an ambitious one year assignment co-financed by ERI and SantéNet. Thanks to his highly dedicated work, the WASH committee was set up for the Haute Matsiatra Région. Annis raised funds from Rotary Clubs in the United States to build rainfall water catchments for all CSB rural dispensaries in the Haute Matsiatra Région. Through innovative collaboration with ANGAP Ranomafana, DEAP funds combined with a grant from the ERI/NODE program contributed to the construction of a gravity fed potable water system in the village of Ambendrena. Villagers along the forest corridor are now firmly convinced of the importance of protecting micro watersheds for the provision of clean water to rural communities. Over 33 potable water systems now capture water coming out of the forest corridor! The collaborative SantéNet/ERI contribution to Annis’ salary also led to the installation of the British BushProof NGO involved in introducing inexpensive but efficient water pumps. Ny Taninsika and the ERI supported Peace Corps volunteer Luke Barrett are now introducing this pump for capped wells – a much cheaper way to provide clean water to rural communities. Annis also introduced the SandPlast latrine mold to Fianarantsoa. This mold is being used to build strong latrine caps in

various places ranging from the historic Old City of Fianarantsoa to the ecotourism site at Andrambovato.

2.1.4.2 Constraints

The Koloharena movement continues to experience a wide range of difficulties in consolidating commercial relations with regional and international markets. Despite enormous investment by ERI and BAMEX to structure better the litchi eco-certified market, the litchi campaign in Manakara once again failed. Strict contractual clauses were abused by the litchi exporters and once again the Koloharena producers earned relatively small profits from their considerable investments in producing eco-certified fruits. Despite extensive training and discussions with the BIONEXX company involved in the development of the artemesia sector, this commodity stream has not yet taken off. However, BIONEXX and the Koloharena federations remain interested in trying to make the sector work especially since BIONEXX plans to purchase the ENDENA factory in Fianarantsoa. This could open up new markets not only for artemesia but also other essential oils.

The small-scale agricultural mechanization program launched by the LDI, PTE, and ERI program continues to encounter difficulties in scaling-up use and adoption of proffered labor saving machines. The labor efficient conical weeders introduced by ERI from a model developed by IRRI in the Philippines continued to prove popular, but the high cost of \$50 per weeder continues to be a major handicap. The Bielenberg ram press used to extract jatropha oil is very popular, but again, the \$325 price tag requires the Koloharena to obtain agricultural credits from TIAVO or Entreprendre à Madagascar – never an easy venture! As a result of the high capital costs of acquisition, the Koloharena cooperatives continue to rent out conical weeders and other equipment through the Agricultural Supply Centers.

The rural credit system run through TIAVO and Entreprendre à Madagascar (EAM) remains one of the most problematic though essential initiatives. While the TIAVO savings and loan offices set up thanks to financial incentives supported by ERI Fianarantsoa (i.e.: Ikongo, Tolongoina, Ifanadiana, Lekomby) continue to expand, credit liquidity limits severely constrain investment by the Koloharena. TIAVO encounters considerable difficulty in raising capital from commercial banks. Entreprendre à Madagascar finally unblocked loans to allow Koloharena federations in Miananarivo and lalamarina to purchase rice dehullers, but this initiative took an enormous amount of lobbying on the part of ERI and BAMEX. In light of the extensive delays and complexities encountered in obtaining rural credit, the Koloharena cooperatives are increasingly using their own internal systems to lend interest bearing funds to its own members. So far, reimbursement rates remain high.

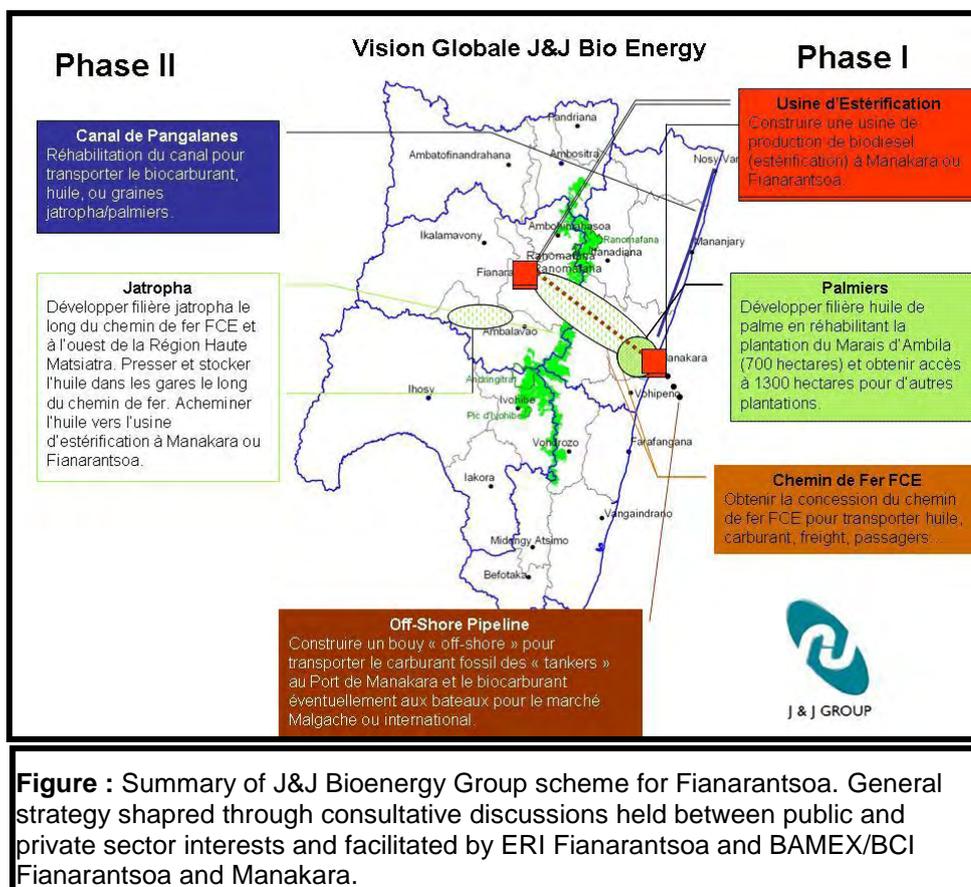


Figure : Summary of J&J Bioenergy Group scheme for Fianarantsoa. General strategy shaped through consultative discussions held between public and private sector interests and facilitated by ERI Fianarantsoa and BAMEX/BCI Fianarantsoa and Manakara.

2.1.4.3 Recommendations

The ERI Fianarantsoa program remains deeply concerned about the rapid expansion of irrigated and rain fed rice production deep into the forest corridor. Government and donor institutions must continue to expand rapidly intensification of agricultural systems in landscapes adjacent to the forest corridor. The current government priority placed on the creation of a new Green Revolution is laudable, but this ought to be informed by the lessons learned from the 10 years of active involvement of USAID in agricultural and rural development in Fianarantsoa. Agricultural production can be increased dramatically, but it requires coordinated and integrated investments in rural transport, price incentives, efficient rural credit, secure land tenure, and rural security. Present and past USAID programs demonstrate clearly that integrated rural development leads to secure livelihoods and greater food security.

The ERI Fianarantsoa program believes that future economic growth could be assured in Fianarantsoa if the J&J Bioenergy division invests in the purchase of the FCE railway and Port of Manakara as part of a biofuel investment strategy focused near Manakara and along the FCE railway. The two regions of Haute Matsiatra and Vatovavy-Fitovinany desperately need a cornerstone company to spur economic growth and development. ERI believes that the J&J Group biofuel scheme is indeed innovative and socially and ecologically responsible. ERI recommends that USAID and the US Embassy work closely with BAMEX and ERI to encourage the investment of this firm in the two regions. If J&J were to set up a biofuel and integrated transport initiative, this would stimulate greatly economic growth and hence demand for agricultural commodities ranging from rice to jatropha. Reliable railway transport and assured markets would contribute to the consolidation of alternatives to slash-and-burn agriculture along the forest corridor.

ERI Fianarantsoa must also continue to encourage the *Fonds d'Entretien Routier* to invest the promised funds for the rehabilitation of the Ambalvao-Namoly and Lekomby roads built by the CAP project. KfW funds were deposited in the FER account in 2007 in order to generate matching funds for the Namoly road, but as of now, no construction has started. ERI's experience in working with the FER and the NGO Lalana must be used in 2008 to help assure the reconstruction of these two roads.

2.1.4.4 Perspectives

The ERI Fianarantsoa program looks forward to the 2008 year because the government of Madagascar is launching the Green Revolution as an integral element of the Madagascar Action Plan. ERI believes that the Koloharena movement has been engaged in increasing agricultural production and commercialization over the years and that this new initiative opens up the door to communicate its many achievements. The ERI program is well on the way to leaving a wide range of legacies. But, it must focus on the following programmatic priorities:

- Agricultural Commercialization: Continue to work closely with the BAMEX project and the BCI centers in Manakara and Fianarantsoa to promote the expansion of agricultural commodity chains suited to the particular agroecologies of communes along the forest corridor. Continue to develop markets for agricultural products produced through environmentally sensitive agroecological practices.
- Farmer-to-Farmer Extension System: Strengthen the *Masons Koloharena* field demonstration and training sites in parallel with the expansion of the farmer-to-farmer agricultural extension system. Continue to build linkages between the new *Centre de Services Agricoles* (CSA), the Tranoben'ny Tantsaha (*Chambre d'Agriculture*), and the Koloharena agricultural technicians. Explore ways to use the future *Fonds de Développement Locale* (FDL) to pick up the recurrent costs of the Koloharena agricultural extension system.
- Agricultural Mechanization: Consolidate the Koloharena agricultural tool rental system operated through the Agricultural Supply Centers but search ways to facilitate agricultural credit for labor saving and low cost tools.

- Rural Credit: Collaborate closely with TIAVO and Entreprendre à Madagascar to acquire investment capital to expand rural credit and loan opportunities. Explore USAID Development Credit Authority loan guarantee opportunities.
- Bioenergy and FCE Railway Transport: Continue investment of staff time and project resources to attract J&J and other operators to invest in biofuel energy production based on palm stand rehabilitation in Ambila/Manakara, jatropha production on degraded *tanety* hillsides, and investment in the FCE/Port of Manakara concessioning process. This will complement ERI's micro-hydroelectric initiative in Tolongoina with GRET.

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 Module IV coordinator Tsialoninarivo Rahajary and assistant Suzanne Razanadravao completed an exciting semester of support to rural institutions, most notably the Koloharena federations. ERI Fianarantsoa is starting to reap the benefits of the last 10 years of investment in building up the Koloharena federations and associations. Thanks to our consistent support of the Koloharena movement, the new Regional Confederation of Koloharena (ARKH) have developed a firm institutional footing and they are now playing a central role in catalyzing the expansion of the movement in all of the communes the length of the Ranomafana – Andringitra forest corridor. The Kaominina Mendrika planning tools have become important instruments for helping the Koloharena and communes work together to plan and implement a wide range of activities around the concepts of Nature, Health, Wealth, and Power. Evaluations of the Kaominina Mendrika process by Ecoregional Alliance partners suggest that the methodology is being adapted with considerable enthusiasm.

The Koloharena farmer's movement has shown many signs of growing maturity. The ARKH used wisely a contract from ERI Fianarantsoa to help cover the operational costs of visiting 9 new communes in order to help set up new Koloharena associations. Most importantly, many new *foukantany* leaders and some mayors are Koloharena members. Others are members of the *Comité de Développement Communale* (CDC) or municipality representatives. These Koloharena represent participate actively in the SAPM/NAP consultative process but also in the design and implementation of the district and commune level Madagascar Action Plan. With great relief, it seems that the Koloharena federations managed to weave around the pitfalls of the past months of political campaigns.

Over the past six months, ERI Fianarantsoa has observed a remarkable diversification of Koloharena partnerships. FIEFE funds channeled through Entreprendre à Madagascar have been used by Koloharena federations to purchase on credit rice dehullers in Miarinarivo, Lokomby, and Ialamarina. PSDR Fianarantsoa signed 39 contracts totaling 10 million AR to subsidize the costs of jatropha planting for the 2007/2008 reforestation campaign. Another contract was signed to expand a women's weaving project. PSDR financed a new fisheries program in Keliliana. Koloharena worked closely with ANGAP to develop the proposal for the joint funding with the ERI/NODE program to cover the costs of a gravity fed potable water system. The new Agricultural Supply Center in Ranomafana (built by ANGAP with ERI technical assistance) is flourishing. Most importantly, inter-cooperative commercial exchanges have been developed between Koloharena federations. For example, the cooperative of Ambatovaky now sells farm implements produced by the iron workers of this village to other cooperatives in Tolongoina and Ikongo. The Keliliana

Diversification of Koloharena Partnerships

The Koloharena federations of the Haute Matsiatra and Vatovavy-Fitovinany Régions are developing new partnerships with the French AFDI and FERT projects. An AFDI grant to the federation of Ialamararina has helped it to develop a commercial venture to produce high quality bean seed stock. 15 producers produced at the time of this report 3 metric tons of high yielding seeds. Markets have already been identified with other projects and nearby farmers. The federation received a nationally recognized seed producer certificate. The collaboration with AFDI led to the participation of one of the members of the Ambatovaky federation to a study tour to France. FERT works closely with the new Koloharena associations in Ishourna to strengthen the commercial relations with the American firm Coffee, Corridor, and Spices. These new partnerships are enthusiastically encouraged by the ERI Fianarantsoa program.

cooperative sells orange sweet potato cuttings to cooperatives on both the eastern and western side of the forest corridor. Most cooperatives are now granting short-term credit to trusted members in lieu of going through the lengthy and difficult formal credit structures. Federations are selling the services of the *Paysans Vulgarisateurs* and *Paysans Animateurs* to interested parties. PV and PA sold their services for trainings in manioc, SRA rice production, fish culture, and beekeeping to neighboring communes. Another group of PV provided training in jatropha production to Koloharena in Moramanga. In some cases, as with the federations of Ialamarina and Ambatovaky, the PV and PA are being compensated for their efforts through internal financial services.

The USAID Madagascar investment in the new *Centre d'Appuis aux Communes* (CAC) continues to generate advancements despite the highly charged political situation of the last reporting period. The new CAC is now officially inaugurated thanks to the active support by the Minister of Decentralization. The procedures manual and annual work plan were prepared before the commune elections of November, 2007. This consolidates the CAC mission and activities of the coalition of mayors – both the old and the newly elected mayors. The work plan preparation processes unleashed the identification of a wide variety of creative ideas for promoting economic development and sound natural resource management for the eastern side of the forest corridor. A CAC sponsored conference on private management of community water systems was held with the HIP project in November, 2007. A proposal was prepared for donor funding for a school construction project in Ikongo. Several inter-communal coordination meetings with donors (ERI, CRS, SOFASPAN, ACORD) were held. The CAC estimate that donor and government funding will most likely finance 90% of its work plan! The four CAC staff members have indeed gained the confidence of local authorities.

2.1.5.2 Constraints

The Koloharena movement is encountering standard growth pains. A gap is growing between the membership base and the leadership. The increasingly confident and skilled Koloharena leaders focus their efforts on developing strong working relations with national and regional government, donors, and commercial enterprises. But, the leadership elite are confronting difficulties in transmitting the information, skills, and contacts to the grassroots. While the leadership is cognizant of this growing distance, the transaction costs of communication with a growing membership are proving to be quite high. The BLU radios are used heavily by the Koloharena to communicate between federations, but the transmission of information to the base remains slow and costly. Cell phone coverage is growing rapidly along the forest corridor, but not all areas are covered. The Koloharena regional confederation has requested urgent technical and financial assistance from ERI to help them reduce this growing gap.

The internal financial management of the Koloharena cooperatives and federations continues to be a central concern to ERI Fianarantsoa. It is not easy to create internal financial transparency. Small-scale graft and corruption continues to be a problem in some cooperatives. Federations have set up on the advice of ERI a mechanism to carry inter-federation audits and financial reviews, but this system is still at its early stages of development. While the financial accounts of the federations and cooperatives are growing thanks to the presence of TIAVO savings and loan offices in many of ERI's intervention sites, the funds are not always being used effectively to generate further benefits. Koloharena federations and cooperatives now confront the same problems as banks – what are relatively risk-free ways to invest in rural areas?

The leadership of the new regional confederation of Koloharena is valiantly trying to confront the complexities of negotiating contracts with commercial agricultural enterprises, developing new credit arrangements, expanding agricultural mechanization, setting up a sales booth in the Fianarantsoa market, and maintaining networks with other farmer's movements. The low level of formal education many times inhibits the brave leadership core. Linkages between the national confederation and the regional and local federations remain quite strained. It is not clear how the national confederation will attain financial and institutional autonomy once the support from BAMEX and ERI is removed at the end of our respective projects.

The Koloharena regional and commune level federations have entered into contractual relations with the ERI Fianarantsoa program. Performance based contracts are now in place with 9 federations and the regional confederation. Implementation of these contracts is not easy because

of the clash between two institutional cultures – the highly regulated USAID corpus of contractual obligations versus the traditional moral authority of Malagasy rural institutions. At times, Koloharena complain that the performance based contracts serve more the needs of ERI than the federations. Both parties are learning how to use these contracts to serve better the needs of each.

The ERI Fianarantsoa program has tended to focus much of its energies on strengthening the Koloharena and COBA federations and associations to the detriment of other rural institutions. The Road User's Associations (AUP) are encountering major institutional crises because of lack of government support and respect for the toll-road system. Water users associations (AUE) similarly complain that they are not receiving as much attention from ERI as they would like. Desperate calls for rehabilitation of irrigation systems constantly come to the attention of ERI. But, the USAID MOBIS regulations prohibit investment of Activity Intervention Funds in infrastructure rehabilitation. The most ERI can do is provide training to road and water users associations on *how* to rehabilitate infrastructures, though unfortunately, not a dime can be spent on covering capital costs. Lack of donor and government for rehabilitating roads and irrigation systems damaged by cyclones is a severe constraint to agricultural and rural development.

2.1.5.3 Recommendations

The ERI Fianarantsoa program is keenly attentive to our challenge to leave as a legacy a strong network of rural institutions. Over the next months, ERI must continue to invest leadership in strengthening the successful Kaominina Mendrika program. But, this can not be done alone. In the face of the departure of the SantéNet program, ERI must situate itself in the immediate future to provide leadership to continue the process. Unfortunately, neither USAID nor SantéNet are providing clear signals of future support for this important initiative. ERI looks forward to working closely with the *Fonds d'Entretien Routier* to unblock funding for the CAP rehabilitated roads. If the Lekomby and Ambalavao-Namoly roads can be fully rehabilitated in 2008, a strong ERI legacy will be left in these respective regions.

The ERI Fianarantsoa program is delighted that USAID has provided funds to Title II partner Catholic Relief Services to launch the new *Centre d'Appui aux Communes* in the Mananjary District. The priority for the next six months must be placed on assuring tight synergies between the CAC in Ikongo/Ifanadiana and the CAC's being set up by Catholic Relief Services and the World Bank FID project. ERI and the CMP are considering various ways to share the staff of the Ikongo CAC as part of the start-up process for the new Mananjary CAC program. Similarly, ERI recommends that USAID Madagascar work closely with the European Union and others to encourage close cooperation in the establishment of the new *Centre de Services Agricoles*. Considerable mutual education is needed to design tight linkages between the Koloharena farmer-to-farmer extension system and the new agricultural services structure.

2.1.5.4 Perspectives

The ERI Fianarantsoa program will be focusing its efforts in the following domains over the next reporting period:

- Koloharena Federations: Monitoring the current contracts between ERI and the Koloharena and preparation of a new series of modified contracts until the end of our program. Programmatic efforts will be directed to helping the Koloharena expand transparent financial management systems. The ERI field agents will leave definitively their sites in June, 2008 to show symbolically our departure. But, regular visits and trainings will be set up to continue close partnerships.
- Other Rural Associations: ERI Fianarantsoa will continue to work closely with water user associations, road user associations, and the COBA community forest management committees. Activating the *Fonds d'Entretien Routier* for the use by the road users associations will be one of our major challenges. ERI will work closely with the regional public works department and ONG Lalana to try to unblock this institutional obstacle.
- Kaominina Mendrika: ERI Fianarantsoa and SantéNet must continue to work closely with the Voahary Salama structure to come to firm decisions on how to move ahead with the Kaominina Mendrika system for Cycle III.

- Rural Credit: The ERI program will be working closely with TIAVO to prepare a Development Credit Authority proposal for loan guarantees. If successful, this may enable TIAVO to extend on a wide scale its rural credit program to rural associations like the Koloharena.
- Centre d'Appuis aux Communes (CAC): Our investment of senior staff time and financial resources will continue throughout the rest of the project. ERI hopes to show that the CAC will lead to increased commune tax collection, new commune sponsored development projects, and the creation of the Fonds *Locale de Développement* (FDL).
- Centre de Services Agricoles (CSA): The new CSA will be introduced into Fianarantsoa by a newly created project financed through the French AFDI non-governmental association. ERI Fianarantsoa will be working closely with this technical team to negotiate collaborative working relations between us.

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

2.1.6.1 Achievements

The Module V coordinator Salohy Razanajatovo has been replaced with assistant module coordinator Sidonie Rasoarimalala – a specialist in rural communications. Ms. Razanajatovo accepted in December, 2007 a position as the director of the WCS/REPC network in Antananarivo. While sorry to see this departure, ERI Fianarantsoa is fully confident in the abilities of Ms. Rasoarimalala!

The rural communication and environmental education program flourished over the past six months. The strong partnership with the European Union funded Andrew Lees Trust (ALT) project led to the expansion of Koloharena produced radio shows. Several radio stations have now signed protocols with the Koloharena communication committees (COCOM) to broadcast on a regular basis technical shows describing new Koloharena achievements. The wide range of environmental education activities continued. For instance, ERI worked with 89 forest fire KASTI to continue to strengthen these important community groups. Koloharena training through the communication tool of the *Maisons Koloharena* continued. 71 training sessions (235 hours of training sessions) were provided by ERI staff with many of them carried out at demonstration sites. This touched directly 1400 targeted recipients of which about 34% were women.

The Koloharena federations are now producing their own technical fact sheets based on lessons learned in agricultural production. For instance, training sheets have been produced through the farmer field school experience on uses of conical weeders, pedal pumps, pest control, and experiences gained from implementing the project to construct an irrigation system in Keliliana.

The ERI investments in the preparation of four new films on agricultural intensification in agroecological niches are advancing. The contracts were signed with film producers and draft films were presented in November and December. Tragically, the dynamic director of OPTIMA was killed in a car accident on her way to take images for ERI. This loss deeply touched our team but with great courage the OPTIMA team continued its filming. A film on community management of forest resources was produced by the CMP. This and other DVDs have been extensively used in the SAPM/NAP public consultative process. Similarly, the repertoire held by ERI is used frequently in farmer-to-farmer training sessions.

The Last Mile Initiative program is now in place in Ranomafana. PACT and the private operator of the internet café have trained Koloharena from Ranomafana and Keliliana in internet usage. These farmers now have email accounts and skills to use the internet. ERI Fianarantsoa has supported actively the capacity building initiatives of this telecenter that received about 10,000 visitors in September! The success in Ranomafana is catalyzing ERI to work with the CAC to set up a telecenter in Ikongo through the new satellite telephone line installed by TELMA.

The Koloharena federations are very aware of the need to communicate their achievements to a broader audience. The Koloharena participated actively in the Fier-Mada agricultural exposition in Antananarivo in August, 2007. The stand distributed over 200 informational sheets on the federations, sold 75% of its agricultural products (vetiver products, jatropa oil, sweet potatoes, red

rice...). The Revue d'Océan Indien interviewed COBA members in Andrambovato and published an article on this ecotourism site. The national television ran an in-depth documentary on the new CAC in Ikongo and the links with the Koloharena movement.

The Module V component worked very closely with the Institut des Sciences de l'Environnement to carry out a participatory review of the achievements of the 9 Koloharena federations. About 40 students participated in various study tours and field visits to the Koloharena federations to help them prepare a ten-year history of the achievements of the movement. Students reported back to the Koloharena and the ERI program on the assessment. ERI financed a study tour on the FCE railway to Andrambovato and Tolongoina to expose over 100 students to the work of the Koloharena and the COBA. This investment has gone a long way toward educating the new generation of young intellectuals about the roles and functions of rural associations and federations.

2.1.6.2 Constraints

The costs of communication in remote rural areas continue to be very high despite the efforts of ERI and partners in the Ecoregional Alliance to improve radio, internet, and cell phone coverage. Our respective lobbying efforts to encourage CELTEL, Orange, and TELMA to build telecommunication investments that reach the forest corridor communities have led to some improvements. For instance, thanks to the installation of the LMI internet facilities in Ranomafana, CELTEL quickly installed cell phone service. Both TELMA and CELTEL have now invested so much that cell phone coverage is obtained by many Koloharena. Mountain tops have all been identified where cell phone coverage is available. Even on the top of the Andrambovato Mountain, cell phone service is now available! But, costs of maintenance of cell phone are high! Outside of cell phone coverage, rapid communication remains very slow. BLU radio service only touches commune centers and reception is often poor due to weather conditions. FM radio service is improving gradually as private investors expand investments in ever more powerful radios. Yet, shadow areas exist in many sites along the corridor and radio studios are far from the Koloharena themselves.

ERI Fianarantsoa has invested heavily in setting up 25 *Maisons Koloharena* at various sites. Some federations are using these buildings and hangers effectively for training centers when they are situated next to demonstration sites. About 15 sites are truly effective as of this time. Providing each of the 25 sites with a complete set of technical training documents, DVD's and other instructional material continues to be slow and involves considerable investments in project resources.

The diffusion of agricultural prices by BAMEX and the Koloharena continued through December, 2007. But, the system is very fragile. Prices are reported for commodities in Manakara and Fianarantsoa and at some commune level markets. Collection of price information continues to be expensive and time consuming. The FERT project is also trying to disseminate price information, but they too are encountering difficulties. It is hard to know yet whether the general public appreciates and uses price information. For this reason, ERI supports participatory monitoring of rural listening groups by the Andrew Lees Trust project.

2.1.6.3 Recommendations

The rural environmental communication program must continue on through the end of the ERI program in 2009. Many of the communication activities will be increasingly carried out by the Koloharena themselves. ERI should continue to provide performance based contracts to the federations to help them institute their own training and outreach programs. It will be important to link other donor financed programs into our on-going rural communication programs. Our partnerships with rural radio stations should continue in order to develop new alliances between the Koloharena COCOM communication committees and the network of private radio stations. We must continue our efforts to help the leadership of the Koloharena movement to better communicate with the membership at the base. Module V plays a key role at this juncture of our project at working with the institutions of the COBA, road user associations, water user associations, and other rural networks to strengthen methods of two-way exchanges of information.

2.1.6.4 Perspectives

The module V will focus on the following key orientations in 2008 and 2009:

- Dissemination of Technical Information to *Maisons Koloharena*: Compile and distribute the mass of technical training information developed over the years by the ERI, PTE, and LDI projects.
- Reinforcement of the *Maisons Koloharena* and Farmer Field School System: Work with the ERI Fianarantsoa technical team to strengthen the farmer-to-farmer extension system.
- Expand cooperation with rural radio stations: Continue to build strong working relations between the Koloharena communication committees and the 19 rural radio stations presently operating in Fianarantsoa. Work with Andrew Lees Trust to conduct participatory evaluations of the impact of rural radio programming on behavior patterns of rural listeners.
- Support Koloharena movement internal communication: Facilitate the development of communication tools within the Koloharena movement to strengthen exchanges of information and ideas between the membership base and the leadership.

2.1.7 Monitoring and Evaluation

2.1.7.1 Issues

The Monitoring and Evaluation component was ably coordinated by Salohy Razanajatovo over the past six months. With her departure, the component is now managed by AIF Manager Haja Guy Radrianarisoa. ERI Fianarantsoa prefers not to engage a new monitoring and evaluation specialist because of the lag time it takes to train a new staff person. While we will miss the GIS capabilities of Ms. Razanajatovo, we will sub-contract these occasional mapping services to our Fianarantsoa partner organization Haonaso.

The *Cahiers de Ménage* system of participatory monitoring of ERI impacts at the local level are beginning to bear fruit. Despite some initial hesitations on the part of the Koloharena, acceptance of the monitoring system is growing because the data is useful to the movement itself. ERI is learning much valuable information such as the gratifying trend in acceptance of proffered agricultural techniques. The field studies showed that 85% of the households interviewed in 2007 adopted two or more new agricultural practices. The statistics are showing that Koloharena farmers are continuing to diversify household economies. While rice production remains the predominant agricultural activity, only about 1/3 of all agricultural land is now being used for rice production. About an average of 34 ares are being used for other agricultural speculations. The data shows that most Koloharena are NOT expanding agricultural lands into the forest corridor. This confirms other sources of data that communities living along the forest corridor are not necessarily those expanding agricultural lands into mature forests.

The rural income of Koloharena members increased an impressive average of 26.7% in 2007. Agriculture continues to generate about 89% of total household revenue, but 10% is generated from small-scale livestock production. The rest of the income is generated by fishing and forest product extraction.

The ERI Fianarantsoa program tries to respond to the many changes in the USAID Performance and Monitoring Plan and the periodic demands for supplemental information. The regional office participated very actively in organizing and facilitating USAID Environment/Rural Development Strategic Objective (SO6) evaluation conducted by the Regional Inspector General of USAID/Pretoria in December. The regional staff look forward to implementing the recommendations of this assessment focusing primarily on the tools used to collect and analyze program activities.

2.1.7.2 Recommendations

The USAID Madagascar environmental program possesses many complex and difficult to measure indicators. Measurement of agricultural yields and incomes continues to be a very problematic endeavor. Methodological questions continue to trouble regional staff and consultants attempting to gather data on the wide spectrum of agricultural activities of rural communities. Costs of data collection are high. ERI must pay for all raw data collection and interpretation. Government of Madagascar data collection systems like SIRSA observatories are not situated in our zones of intervention and for this reason we can not compare the validity of our data with other sources.

The USAID Performance and Monitoring Plan (PMP) is constantly evolving due to new exigencies required by the agency. Considerable regional office staff time is lost because of the complexities encountered in trying to figure out how to collect information to respond to new indicators. Hopefully, 2008 will bring some clarity to the PMP debate! Yet, we fear that some important data trends will be lost as some indicators may be dropped from our monitoring activities.

2.1.7.3 Perspectives

The ERI Fianarantsoa program plans to continue the process launched through Module V of conducting participatory evaluations of Koloharena achievements. Our regional program plans to host a graduate student from the University of Wisconsin to write up, in French, a series of case studies of achievements obtained by the Koloharena in various commodity streams. ERI will continue to work with the Institut des Sciences de l'Environnement to contribute to the internal monitoring and evaluation processes launched in 2007.

The regional office is ready to enter into new discussions with the USAID Madagascar mission to implement recent recommendations on how to improve mission monitoring and evaluation protocols.

2.1.8 Activity Implementation Fund

2.1.8.1 Achievements

The Activity Intervention Fund finances the large majority of ERI's field activities. As planned at the outset of the year, the second half of 2007 was primarily devoted to finishing up expenditures for year IV. From the outset of the ERI Fianarantsoa program to the end of 2007, our program has engaged \$836 433 or 97.5% of the total allocated amount for the AIF fund (See Figure xxx). Our burn rate is exactly on schedule. Between July and December, 2007, ERI Fianarantsoa engaged \$119,500 of contracts and protocols. By the end of 2007, \$35 % of these funds were spent with the remaining sums scheduled to be completely expended by the first quarter of 2008.

AIF BUDGET EXPENDITURES FROM JULY – DECEMBER 2007

TYPE	Total Approved	Total Disbursed	Remaining Award
IC	\$11 912	\$5 140	\$6 772
PO	\$82 992	\$8 286	\$74 706
PO-GOODS	\$130	\$0	\$130
PROT	\$24 458	\$24 443	\$15
Grand Total	\$119 492	\$37 869	\$81 623

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

The AIF expenditures by module have been for the following activities:

Module I: Contracts with the *Comité Multilocale de Planification* to cover the costs of setting up the new *Centre d'Appuis aux Communes (CAC)*; sub-contracts to cover the costs of implementing the *Cahiers de Ménages* required for the USAID Performance and Monitoring Plan; sub-contracts to cover the costs of launching the consultative process for creating the Fandriana – Vondrozo protected area.

Module II: Contracts with service providers to set up the new federations of COBA; training programs for local resource user groups in community management of natural resources.

Module III: Contracts with the 9 Koloharena federations to support the farmer-to-farmer extension system; costs of technical training modules for Koloharena field agents and *Paysans Vulgarisateurs* and *Paysans Animateurs*, support for agricultural processing and commercialization initiatives.

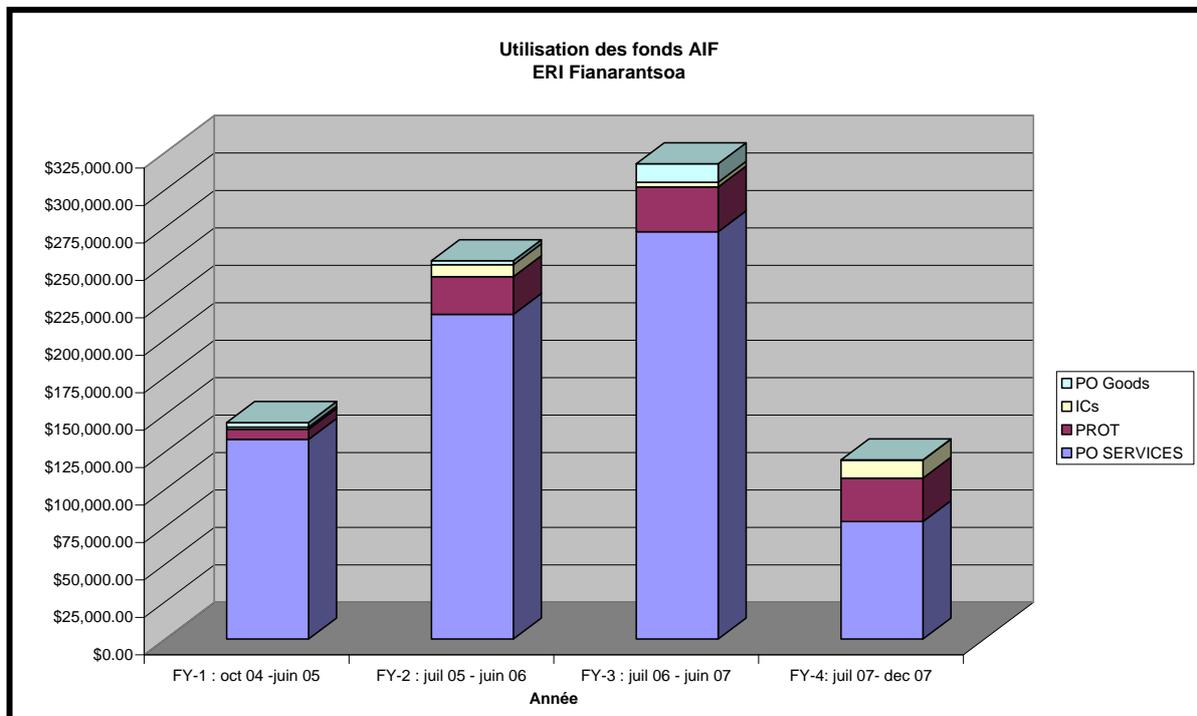


Figure : The four year summary of expenditures for the AIF fund reflects the careful financial planning carried out by the ERI Fianarantsoa program. Anticipated funding for year V will continue the trend of reduced expenditures for the final year.

Module IV: Contracts with Koloharena federations and the regional federation of Koloharena to promote the expansion of the farmer’s movement in new areas of intervention and to reinforce the farmer-to-farmer extension system.

Module V: Contracts with 3 sub-contractees to carry out the Kaominina Mendrika program; sub-contracts to cover costs of rural radio programming; contracts to produce technical training films meeting training needs of Koloharena federations.

2.1.8.2 Perspectives

The ERI Fianarantsoa program will continue to plan carefully for the utilization of the Year 5 funding allocations. The majority of new funds will be directed to consolidating the ERI legacies and most particularly to strengthening the capacity of the Koloharena federations to stand on their own feet once ERI comes to an end in July, 2009. Capacity building contracts will thus target key institutions – the Koloharena federations, the regional Koloharena confederation, the federation of COBA, the new *Centres d’Appuis aux Communes*, and the consultative process for the establishment of the new Fandriana – Vondrozo protected area.

2.1.9 « Fruits of the Forest » Grant Program

2.1.9.1 Achievements

The Conservation International financed “Fruits of the Forest” program continues to generate a multiplicity of indirect benefits for the ERI Fianarantsoa program. At the end of 2007, the DAI implemented NODE program had received 206 requests for financing of which a total of 46 projects have been selected and financed. By the end of the year, approximately 88% of the NODE funds had been spent for this two year program.

NODE Financed Projects

- 19 projects in Région Haute Matsiatra
- 16 projects in Région Vatovavy-Fitovinany
- 4 projects in Région Atsimo Atsinanana
- 3 projects in Région Amoron'i'Mania
- 2 projects in Région Ihorombe
- 2 Sub-NODE partners carrying out small projects in the Régions of Haute Matisatra, Vatovavy-Fitovinany, Atsimono Atsinanana, and Amoron'i'Mania

Following internal discussions with Conservation International, DAI set up a “Sub-NODE” grant mechanism to two sub-grantees – Ny Taninsika and Haonasoia – to carry out very small-scale grants at the local level. The intention of the “sub-NODE” is finance directly over a year long period the COBA that are situated the length of the Fandriana – Vondrozo forest corridor. This will enable our grantee partners to also learn grant management skills and, hopefully, replace DAI as the new managers of the CI financed “Fruits of the Forest” program.

The full range of program activities is reported on a semester basis to Conservation International. But, in summary, some of the highlights are:

- Creation of the ecotourism site near the Andrambovato FCE railway station managed by the COBA Soamiray and associated paths and tourist infrastructures
- Development of women’s weaving group in Ambohimamasina that also gained a contract with Hazomanga
- Establishment of 2 community granaries near Vondrozo that led to a significant reduction in illegal hunting of lemurs because people acquired a sufficient stock of rice during the hungry season.
- Reforestation of indigenous varieties of trees (i.e.: 5000 trees by the VOI Ifoitry Mivoitry of *Varongy*, *Ramy*, *Disaky*, *Rehiaka* species)
- Construction of village potable water system co-financed with ANGAP Ranomafana in the village of Ambendrana. Nearby community managed forest protects water supply.
- Expansion of beekeeping by the COBA Fandantenana Madiorano

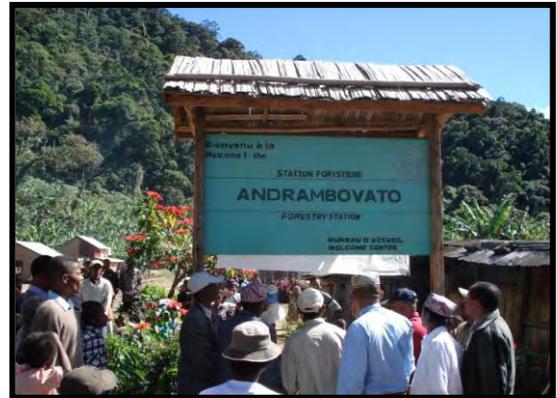


Figure : The new ecotourist site at Andrambovato on the FCE railway.

These investments in small-scale community projects have led to significant changes in community behavior. Our village level partners report significant declines in forest fires, improved participation of villagers in reforestation activities, a decline in illegal bush meat consumption, and more dynamic involvement of the community in commune level events. The sub-NODE to our Ny Taninsika and Haonasoia partners has led to new partnerships between these NGO’s and local communities. This expands institutional collaboration beyond the boundaries of the traditional ERI relationships.

2.1.9.2 Constraints

The majority of the “Fruits of the Forest” small grants have been leading to successful results. But, some technical problems are emerging. Some NGO partners are encountering difficulties in providing high quality technical services to their rural clients. In other cases, the heavy rains at the beginning of the 2007/2008 rainy season have drowned out the young tree seedlings. Heavy rains have particularly disrupted implementation of community projects in the regions of Vavovavy-Fitovinany and Atsimono Atsinanana. Three contracts were halted by joint accord because of difficulties in respecting project implementation calendars.



Figure : New beehives established by the COBA Fanantenana Madiorano.

2.1.9.3 Recommendations

The “Fruits of the Forest” program is implemented by DAI but with the technical assistance of the ERI Fianarantsoa program. Following our experience in the field, we recommend the continuation of the “Fruits of the Forest” program. This highly successful small grants program has encountered communities living in remote areas along the forest corridor

to receive very small sums of financing to carry out activities designed and conceived themselves. The new sub-NODE program is similarly an innovative way to train our partners in the opportunities and complexities of managing grants obtained from major international donors.

2.1.9.4 Perspectives

The “Fruits of the Forest” program will come to an end in late 2008. Over the next months, DAI will work closely with our partner organizations to carry out an evaluation of the program in order to measure the impact that the grants have had in reducing pressures on the forest corridor. After the evaluation, the NODE program will organize some targeted trainings to strengthen some of the partner organizations in beekeeping, weaving, fish culture, and reforestation. Similarly, during these last phases of the grant program, various lessons learned workshops will be held to inform Conservation International of the lessons learned in implementing the program. This should help DAI and Conservation International to determine the future directions of the “Fruits of the Forest” program.

2.1.10 Ecoregional Alliance

2.1.10.1 Achievements

The Ecoregional Alliance USAID in Fianarantsoa continues to be a very effective instrument of inter-project communication. The structure has broken down the project territoriality that haunted previous USAID programs. Through the utilization of the Nature, Health, Wealth, and Power organizational principles, the team of USAID projects continues to implement a vast array of activities in a coherent fashion. The alliance continues to build a strong sense of teamwork and conviviality. Trust and respect among the staff of the ERI, MIARO (CI and WWF), PACT, JariAla, BAMEX, CRS/Title II, and SantéNet teams remains very strong. Mobilization of the team remains efficient in the face of visits by evaluators, donor missions, consultants, Ambassadors, and USAID management teams. ERI regional coordinator Mark Freudenberger continues to invest a considerable amount of time in massaging the inter-project exchanges of information, ideas, and new perspectives.

The Ecoregional Alliance meets regularly on a monthly basis. Sometimes meetings are formal exchanges of information between projects, but at other times meetings are on specific topics or events. Generally, each month there is at least one encounter where all members meet face to face to network. The alliance members have met together with the Chefs de Régions of Haute Matsiatra and Vatovavy-Fitovinany on several occasions over the reporting period. The BCI Manakara serves as the representational arm of ERI as well as the Ecoregional Alliance. This function has been extremely useful for advancing our programs with this region.

The coalition of USAID projects continues to be devoted to common agendas such as: saving the FCE and Port of Manakara, expanding the irrigation and agricultural commercialization “vitrine” at Keliliana, expanding the functions of the BCI, promoting Kaominina Mendrika, investing in the creation of the new protected area of Fandriana – Vondrozo.... These agendas have not changed over time.

2.1.10.2 Constraints

The Ecoregional Alliance USAID must constantly communicate with 5 Régions in order to maintain strong working relations. Communication is difficult and expensive because many Régions lack regular access to internet and even fixed telephones. The cost of traveling to meet on a regular basis the Chefs de Régions and their staff is very high. Ecoregional Alliance teams rely on each other to represent the activities of one project or another, but in the end, communication is not fluid with the regions. Région staff were totally preoccupied with the politics and elections of 2007 so technical interchanges were relatively few.

2.1.10.3 Recommendations

The Ecoregional Alliance USAID Fianarantsoa is alive and strong. We do suspect that the alliance will weaken over the next months as the SantéNet and BAMEX projects come to an end. But, we

will keep on including the BCI of Manakara and Fianarantsoa in our communications. Meanwhile, we keep on trying to strengthen the coordination roles of the CMP.

2.1.10.4 Perspectives

The ERI Fianarantsoa program and Catholic Relief Services will continue to provide leadership to the Eco-regional Alliance until the end of our program in July, 2009. We will periodically review and up-date the annual work plan in order to assess how our dreams and visions are unfolding. These reviews will be reported to USAID Madagascar as part of the overall stock-taking process unfolding in the next months. The Eco-regional Alliance will continue to participate in the many programmatic evaluations that will take place during the next reporting period.

3 TOAMASINA REGIONAL PROGRAM

3.1 Part I: Toamasina 2007 Progress and Summary of Results; Toamasina 2008 Perspectives

3.1.1 Overview

ERI Toamasina continues to make significant strides towards assuring the Program's five legacies. Notable results during the semester included continued expansion and maturation of the Koloharena movement, new forest management transfer contracts in key areas of the corridor, and facilitation and participation in the now completed public consultation process for the new CAZ PA.

The reporting period was not, however, devoid of challenges. Two, major national elections translated to difficulties in working with government partners, especially local officials. A lack of harmonized approaches with regard to collaboration with farmers and villagers also slowed progress in some areas. Viable, agreed options for economic valorization of forest resources are generally absent and this continues to hamper the development of many COBA associations.

The ERI Program is now entering into its final phase. Staff will henceforth be concentrating on assuring sustainability of activities and especially focusing efforts on attaining the legacies. A new logical framework – centered on the legacies – has been produced for the Program and will begin to be implemented during the second quarter of 2008. N.B. Attempts have been made to limit the length of the following narrative; please refer to Annex 1 for additional details on Program 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

ERI Toamasina played a major role in securing the establishment of the new CAZ PA during the semester. The Program's field agents fully participated, acting, among other roles, as local guides, 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. In addition to the consultations, ERI Toamasina staff participated in various CAZ PA coordination meetings including a regional workshop of the inter-ministerial mine-forest committee. A final contribution included evaluation and funding, via the leveraged, CI-financed Node, of various 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.

The PlaCAZ continued on its positive development trajectory with facilitation and mentoring from ERI Toamasina staff. This included several fundraising strategy meetings and planning and budgeting for the platform's next general assembly. The outcomes of these activities included a list of potential donors and outlines for funding concepts. 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, based on the Nature-Wealth-Power paradigm, surrounding the core protected zone, 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.

Progress was noted in 10 communes regarding environmental and economic growth activity via continued application of the KM tool. Selected results, following targets set by the participating communes, included 68 *Fokontany* presidents and 63 farmer extension agents trained in improved

The start of improved governance for the CAZ?

Elected officials from the 14 communes supported by the Ampasimadinika CAC – the majority of which are key communes for the CAZ – have requested a meeting with the three counselors or extension agents that work for the CAC. The objectives of the meeting are to assure the technical briefing and summary by officials that are leaving office, for the benefit of new officials. The communes also want to discuss and compare results of initiatives to increase communal revenue via improved fiscal measures with a view towards optimizing strategies. This is a positive sign that the communes are beginning to internalize improved governance principles and bodes well for the future of an inter-communal association capable of managing the CAC.

rice cultivation and compost production techniques as well as 8 training sessions on fire management, benefiting over 130 villagers. With regard to reforestation, 17,000 eucalyptus seedlings were produced in nurseries and a total of 50 ha were planted (please refer to Annex 1 for additional results).

ERI Toamasina was instrumental in facilitating discussions on the illegal logging problem in the CAZ in collaboration with Miaro, JariAla and the Malagasy Forest Service. This led to the joint organization of an inter-communal workshop in Fetraomby aimed at improved, local forest governance. A three-way agreement between the Forest Service, the participating communes and the Gendarmes on forest surveillance was signed as a result of this workshop. A high profile, regional round table is anticipated as the end result, after two additional inter-communal workshops occur during the first semester of 2008.

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. A final significant result produced during the semester was a first draft of a paper analyzing application of the ecoregional approach; it is anticipated that the paper will be used during the upcoming stock-taking exercise being organized by USAID.

3.1.2.2 Constraints

The following obstacles were encountered during the semester.

- 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.
- In general, it seems that most donors are not interested in funding multi-stakeholder, coordination platforms such as the PlaCAZ. This does not bode well for the sustainability of the PlaCAZ; based on this perceived tendency, it may be preferable to orient PlaCAZ to a service provider direction in order to attract funding.
- Despite the progress made on applying the KM tool, there are still some concerns with regard to its sustainability. Communes, *Fokontany* and villagers continue to request trainings and equipment to implement various targeted activities. It is unclear how these costs can be supported after the departure of ERI. Linked to this, the spirit of auto-development does not yet seem ingrained at the rural commune level.
- 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.
- A general obstacle that affected nearly all Program modules and activities during the semester was the elections for *Deputés* and commune Mayors and the associated campaigns. Local officials were not available for meetings, work planning sessions and discussions for nearly three months because of these events.

3.1.2.3 Recommendations

The following recommendations, mainly targeting ERI Toamasina staff, can be made in order to augment Program results and impacts.

- 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.
- The PlaCAZ should develop service-oriented funding proposals for donors. 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.
- Efforts should continue to promote an auto-development mindset among rural communes and villagers. More emphasis could be placed on promoting the “small, doable actions” approach. Another avenue to support this mindset could be improving commune fiscal measures (e.g., tax collection) and subsequent use of these funds to cover training sessions and small materials required for implementation of the KM approach/tool. Linked to this, a strategic review of the KM approach should occur, focusing on how to best facilitate appropriation and render it sustainable.

3.1.2.4 Perspectives

As ERI enters its last 15 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. We have recently defined three activity clusters or components 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 development of funding proposals. The major effort concerning the CAC at Ampasimadinika will be ensuring the establishment of the inter-communal association slated to manage the center and then supporting the association so that it becomes operational. We also foresee promotion of the KM approach or tool via mass media and in collaboration with regional authorities as a potential activity that will stimulate rural development in the CAC communes and in other communes adjacent to the forest corridor. Promoting the corridor will be accomplished via general assemblies of the PlaCAZ members and also via traveling road shows that will publicize the ecoregional approach and holistic land use planning in key, local, corridor zones.

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

3.1.3.1 Achievements

The first component of module II targets improved comprehension and implementation of CBNRM via the GELOSE/GCF process. Keen



Figure 10: Establishing agreed plans is an important element of a successful rural association

interest in CBNRM continued, as evidenced by letters from local communities requesting support from ERI Toamasina: 17 of these letters were received during the second semester of 2007. Eleven letters came from the Moramanga intervention zone, 2 of which appealed for assistance with forest management transfer, while the other 9 sought help for the establishment of a COBA association federation. In addition, 3 letters from the Ambatondrazaka area sought aid regarding wildfire control and another 2 demonstrated interest in establishing a COBA federation; the final three letters, seeking forest management transfer aid, came from the Anjahamana commune. In collaboration with module V, the themes of integrated village territory management and the GELOSE/GCF process were translated into illustrated flip card series for extension purposes. It is anticipated that COBA sensitization agents can use these tools during communication campaigns, thus augmenting the sustainability of CBNRM while also empowering these new community associations.

Improved strategic allocation of resources within Malagasy state institutions for natural resources management transfer is the aim of Module II's second component. During the semester, 22 communes in ERI Toamasina's intervention zones benefited from activities under this component: 55 people from these communes received training on the management transfer process. Subsequent training sessions at the *Fokontany* and local community levels were planned, but due to the various elections that occurred during the semester, only 10 communes were able to complete this task.

Efforts continued regarding integrating community management regimes into Madagascar's expanded PA system. In this regard, ERI Toamasina staff prepared a draft concept paper on the design and implementation of a COBA federation slated to play a role in the co-management of the new CAZ PA; once finalized, the paper will be shared with partners in order to harmonize activities in this domain. With a view towards increasing implication of COBA associations in forest surveillance, a three-way agreement was signed between the Brickaville representative of the Malagasy Forest Service, the Brickaville Gendarmerie, and the rural communes of Fetraomby and Maroseranana. The agreement, resulting from an inter-communal workshop organized jointly by the Forest Service, JariAla, ERI and Miaro, demonstrated increased consideration of COBA associations. Lastly, with regard to the evaluation of management transfer contracts that are candidates for renewal, the Ambatondrazaka branch of the Forest Service contacted ERI Toamasina regarding plans to finance this activity with World Bank funds – matched by ERI contributions -- for 8 contracts in the commune of Didy.

Component 3 encourages the strategic allocation of resources for CBNRM to protect the most threatened areas of the forest corridor. To this end, 9 forest management transfer contracts were signed during the reporting period in the communes of Andranobolaha and Anjahamana, covering approximately 12,000 ha. Moreover, two transfers in the Ambodilazana commune are being finalized after having resolved a demarcation conflict with the neighboring commune of Fito; the establishment of another contract in the commune of Amparihitsokatra has also progressed and entered into its final phase. Twelve additional forest management transfers financed by CI Node funds (leveraged by ERI Toamasina) also commenced during the semester; 70% of these sites are in the new zones of ERI Toamasina: Fito, Sahambala, Fetraomby, Manakambahiny Est, Maroseranana and Ambodilazana. Community associations were established and socio-economic and technical studies (demarcation and inventory) occurred; it is anticipated that the contracts will be signed in April or May.

Improved watershed management is the overarching goal of component 4. The most significant activity that transpired during the reporting period was collaboration with the Tany

Campaign promises contradicted

During the last campaign for the election of *Députés* for Madagascar's National Assembly, a candidate arrived in Andranobolaha. Before a crowd that included KH and COBA association members, he proclaimed that each citizen should vote for him because he will always allow *tavy* and fires for renewing pastureland. Following these remarks, many KH and COBA members spoke up saying, in effect, that today, much has changed and that, "we risk imprisonment for such acts because the State has become strict in this regard and we don't dare burn anymore and, moreover, management of these lands has been transferred to us now and we oppose such practices." The candidate was not elected for the Toamasina II District. But, without looking at this result, this story demonstrates that the KH and COBA members are starting to take their roles seriously: standing up and lobbying for the conservation and sound management of their natural resources.

Meva and community associations supported by ERI Toamasina for the restoration of natural forests. The first project that received financing for associations in the communes of Ambodilazana, Sahambala, Fanandrahana and Amboditandroho finished nursery seedling stocking either by direct seeding or the transplantation of wildings. These associations also began digging holes and planting in the designated restoration sites. Program staff also noted significant progress for the second Tany Meva project in the Andranobolaha and Anjahamana communes: six nurseries containing 42,000 native tree seedlings are in place. The final two projects are located in the communes of Morarano and Beforona: the two collaborating associations received training in project management and are currently establishing their nurseries – the objective is restoration of 25 ha which will require approximately 40,000 seedlings per association. In addition, 11 proposals from COBA and KH associations received financing from the leveraged Node funds for natural forest restoration of approximately 60 ha (on average, 5 ha will be restored by each association); 6 of the sites are in Fetraomby commune, while 2 are in Manakambahiny Est and the final 3 in Didy. Lastly, with regard to integrated management of village territories, 6 plans were finalized – one each in the communes of Sahambala and Maromitety, and 4 others in the Ambatondrazaka area. Ten additional plans, in the zones of Ambatondrazaka, Beforona, Brickaville, Lohariandava, Maroseranana, Andranobolaha/Anjahamana, Fito and Ambodilazana, progressed and are nearing finalization.

3.1.3.2 Constraints

Nonetheless, these results encountered obstacles on two levels. Firstly, at the community association level:

- The organizational capacity of COBA associations is still feeble: low dues payment rates, meager participation in meetings, and imperceptible application of *Dina* are inherent.
- In general, associations do not receive financial benefits from their activities which are oriented towards conservation.
- Recognition of the COBA associations is insignificant as demonstrated by continued illegal logging problems despite attempts by numerous associations to put a stop to it.

Secondly, at the level of Malagasy state institutions:

- The lack of commitment and corruption of certain actors (e.g., rural communes, the Forest Service) in natural forest management continues as evidenced by ongoing illegal logging.
- The absence of significant progress on evaluation of transfer contracts due to be renewed points to a lack of engagement and motivation of the regional public services (e.g., the Forest Service).

3.1.3.3 Recommendations

The ERI Toamasina program makes the following recommendations:

- In order to make progress on implementation of forest management plans at the community association level, in addition to training in technical forest components, support for increased agricultural production is a necessity, constituting a counter-balance to conservation or protection activities.
- Similarly, it is recommended to reinforce support for the implementation of integrated village territory management in order to harmonize agricultural development activities with environmental protection.
- In order to develop co-management of the new CAZ PA, a federation of COBA associations is needed.
- Exchange visits between COBA associations and technical partners would undoubtedly prove beneficial and is also recommended.

3.1.3.4 Perspectives

The ERI Toamasina program will focus on the following elements in order to achieve long-term legacies:

- We will continue to augment capacity building efforts for COBA associations with respect to economic valorization of transferred natural resources with a view towards solidifying the social (i.e., organizational capacity) and economic viability of these contracts. Associations will be encouraged to submit funding proposals (to the Node) for valorization activities in the domains of, for example, agroforestry, bee-keeping, medicinal plant and essential oil production, with the overarching goal of augmenting implementation of their management plans.
- An accent will be placed on establishing and supporting a COBA federative structure, the goal being the integration of community management regimes in the new CAZ PA via a co-managed green belt around the core protected zone.
- We will also place an emphasis on supporting the Malagasy Forest Service in efforts to evaluate and renew natural resources management transfer contracts.
- Efforts on improved local forest governance via forest surveillance



Figure 11: *Tavy bôka*: a promising technique for maintaining soil fertility and an alternative to shifting, slash and burn agriculture

agreements will continue. It is anticipated that this will be achieved via ongoing collaboration between the Forest Service and USAID ecoregional Alliance members. Furthermore, the organization of a high profile round table to discuss the illegal logging problem and the associated local agreements is expected.

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

The last six-month period was rich in experience with regard to awareness raising and actions undertaken on alternatives to slash and burn agriculture (*tavy*). On the eastern side of the corridor (e.g., Andranobolaha, Ambodilazana, Fito) activities were carried out in partnership with technicians of the Regional Agricultural Service (DRDR). Popularizing a farming system without fire constitutes, without a doubt, a long-term and unquestionable solution to problems faced by many small farmers, starting with the practice of *tavy bôka*² to direct seeding in vegetative cover. In the Atsinanana Region, within the framework of *tavy bôka* demonstrations, 95 farmer technicians (PAs and PVs) and model farmers participated in demonstrations with support from the Program: 489 ares of demonstration plots, owned by 27 model farmers and incorporating 14,430 meters of planted, contour line hedges (Vetiver and Gliricidia for the most part) and five different crops (corn, cassava, rainfed rice, sweet potato, and sorghum) were created. Concerning application of direct seeding in

² Traditional term meaning, literally, wet *tavy* (or *tavy* without fire).

vegetative cover (SCV) techniques, some of the same farmers set up and maintained 3 demonstrations in fields owned by 3 model farmers, totaling 91 ares. These demonstrations also contain 2,366 m of planted, contour hedges. Regarding biological fertilizer production, 40 KH members established 74 compost production units with an output of 50 tons (approximately) per annum.

In the eastern parts of the corridor, litchi and banana constitute the top two cash crops which can become even more lucrative via the adoption of improved techniques making it possible to raise the quality of production to the standards of the international markets. Concerning litchi, the Miaramirindra CKH contracted with the SCRIMAD company, whereas the Tambatra cooperative of Ranomafana ended up signing a partnership convention with Tropical Fruits. The Fetraomby cooperative, despite its relative inaccessibility and young age, was able to contract with Mada Fruits for the national market. For this value chain, approximately 20 farmer technicians (PA/PV) were trained by experts engaged by the exporting companies with regard to EUREPGAP standards. Monitoring of the application of the standards was entrusted to these technicians who received a small payment based on the number of maintained trees. In Ambodilazana, 12 Koloharena associations took part in rehabilitating the road from Fanandrahana to Ambodimanga Volobe in order to allow the *Savonnerie Tropical* company to collect the cooperative's litchis. As for bananas, collaboration with CTHT to rejuvenate export by 2009 is underway; the Ranomafana cooperative is one of the target partners. Overall, approximately 12 farmer technicians were trained in the culture of the *Batavia tsy ambo tsy hiva* and *Batavia ambo* varieties.

In the Moramanga District within the Alaotra Mangoro Region, Beforona commune constitutes the historical stronghold of ginger and banana production. With a view towards scaling up improved techniques, 30 PAs and PVs received refresher training regarding the production of ecological ginger; at this point in time, approximately 350 Koloharena families produce only biological ginger. In the Morarano commune, the production of red rice and white beans is a priority activity. Indeed, 15 farmer technicians received refresher training regarding biological production of irrigated rice within the framework of the USAID Alliance's agricultural working group, and 75 Koloharena families planted rice according to the SRI technique constituting 10% of their cultivable surface for irrigated rice. Moreover, white bean production in the area has begun to draw the attention of private enterprises such as CORA and BETA. In the Andasibe area, the Kintan' ny Rindran'Ala cooperative is becoming noteworthy for its vegetable production, in particular potatoes and kidney beans, despite its young age. Within the framework of improved production, 6 cooperative technicians received refresher training on hillside agricultural production and 30 Koloharena families established fields employing these improved practices, totaling approximately 1000 ares for potato and 1000 ares for kidney bean.

Among the commodity chains able to provide high nutritional values and generate income appears improved poultry farming: production of local race chickens and improved varieties of meat chickens. The production of improved local race chickens is the most common in the ERI Toamasina intervention zones. In the Atsinanana Region, approximately 500 Koloharena families maintain flocks of 11 birds (on average), resulting in periodic sale of 20 chickens every 6 months. In the Alaotra Mangoro Region, 65 cooperative technicians received refresher training in disease prevention and improved habitat, resulting in the support of approximately 700 Koloharena families, improving the husbandry of 11 heads (chickens per family) in their flocks. In addition, a test of improved meat chicken production occurred in the Andranobolaha and Ambodilazana CKHs. To start, 30 farmer technicians were trained in disease prevention and improved habitat. The theoretical training sessions were reinforced by practical actions consisting of building two improved coops (48 m² each) which can accommodate up to 500 chickens. The first cycle produced, on average, 190 chickens weighing 1.8 kg, garnering gross earnings by site of 1,539,000 Ariary.

3.1.4.2 Constraints

Within the framework of the development and adoption of improved agricultural techniques, the scope of adoption is limited due to the lack of vegetative materials, primarily vetiver clumps, seeds of leguminous cover crops and cuttings of leguminous shrubs (*Gliricidia*). In the zones experiencing economic crises – the majority of Toamasina II – labor needed to carry out much of the work associated with improved techniques is insufficient and tries the patience of all involved. Moreover,

daily survival problems exclude medium- and long-term thinking and planning. In certain zones where the traditional *tavy* practice is ingrained, the lack of small farm tools necessary for implementing improved techniques, such as spades, shovels and pitchforks, creates a particular handicap in the popularization of *tavy bôka*; in addition, cooperatives with agricultural input centers do not yet exist in these areas. Finally, even in easier access zones, the difficulty of obtaining micro-finance or credit, continues to constitute a major handicap to scaling up improved agricultural practices.

3.1.4.3 Recommendations

With regard to the lack of vegetative material, two solutions are possible:

- On one hand, support actions must concentrate on establishing the Koloharena houses planned for each cooperative. These will become the sources for the vegetative material necessary for widespread adoption. The cooperatives will subsequently need to organize themselves and find the means for transferring the material and continuing the adoption process. To guarantee qualitative and quantitative aspects, the ERI Toamasina Program must devote much more of its budget to the establishment of KH houses and the extension of hillside agriculture without fire techniques.
- On the other, it is up to each field agent, as a proximal source of technical support, to work closely with the cooperative farmer technicians (PAs and PVs) to identify local sources of vegetative material (including local species), in collaboration with older associations, and to initiate locally appropriate multiplication strategies.
- With respect to the mentality of local farmers and the scaling up dilemma, these farmers should be encouraged to use traditional, mutual aid systems; we feel this is one of the best solutions that we can propose. Among the most advanced Koloharena, such experience exists and should be the object of reflection. Low-cost exchanges between nascent and experienced KH associations are thus recommended. Regarding the lack of small farm equipment, the opening or reopening of the agricultural input centers is a reasonable solution. Cooperatives could then establish procedures of deferred payment for these tools for members. For the zones with neither cooperatives nor input centers, it is suggested that ERI Toamasina reserve a certain sum within its budget to be allocated to the KH houses; implements could then be loaned to members via a certain deposit at the level of the KH house manager.

3.1.4.4 Perspectives

Future actions must aim at achieving the best possible results during the remainder of the Program. For improved consolidation of demonstration activities, emphasis and budgeting will be centered on establishing KH houses at the level of each cooperative. The case of Fito will be studied apart, taking into account specificities in terms of isolation, its proximity to the forest corridor and the economic difficulties currently encountered by the population in spite of the zone's potential. Strategizing and subsequent implementation will also be directed to the development of KH houses as training centers. Detailed attention will be allotted to the redeployment of the FFS network by reorganizing supervisory zones and the monitoring framework, taking into account recent evolution of the Program. A particular emphasis will be placed on rapid, family, income-generating activities

An affordable local credit mechanism that works

The TLA Koloharena association, member of the Fanevan'Analanjifofo cooperative, has developed an exemplary self-managed credit scheme for its members. They originally received credit for a rice thresher in 1999 from *Entreprendre à Madagascar*. At present, the machine is still functioning at an optimal level and the association has approximately 1,000,000 Ariary (about \$USD 550 at present exchange rates) in the bank. By selling secondary products (rice hulls) from the operation, TLA was able to constitute a revolving fund for its members. Each person can borrow up to 100,000 Ariary during a 6-month cycle. The system works very well, with no interest and a repayment rate of 100%. In addition, the association was able to put in place a community granary for members' use during the hungry season. Each member can borrow 80 kapoka (customary measuring unit) of rice to be reimbursed by 100 kapoka during the following harvest. TLA members also practice the improved rice cultivation system with each farmer cultivating, approximately, a half hectare. The internal by-laws of the association are scrupulously followed, with the president, the local farmer extension agent, and the cooperative assuring close monitoring.

that require limited or no financing, such as poultry husbandry and fish farming. In the same spirit, bee-keeping will be developed in the zones adjacent to the forest where COBA associations exist. Overall monitoring of these activities will be done in partnership with the agricultural service (DRDR) of the Atsinanana and Alaotra Mangoro *Régions*, whose technicians will also undertake necessary actions for certification of the most assiduous PAs and PVs.

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

3.1.5.1 Achievements

The actions of Module 4 during the second semester of 2007 were concentrated on contributions to the fourth legacy of the ERI Program: dynamic and sustainable rural associations. More specifically, an accent was placed on supporting the organizational development of the associations and cooperatives for effective and democratic operations with a view towards professionalizing their management. Overall, the Koloharena movement achieved numerous positive results (please refer to annex 1 for details). The movement continued to expand with the number of associations and cooperatives increasing: 41 new associations and 2 new cooperatives were formalized and officially recognized during the reporting period. Overall, there are now 695 associations representing 9,027 household members in the Toamasina region.

Another significant result during the semester is that the two regional KH branches (ARKH) became operational. These structures were able to carry out various actions, for example facilitating relations between KH cooperatives and private enterprises (Alaotra Mangoro ARKH) and lobbying for obtaining a market stall in Ankirihiry, Toamasina for a KH sales outlet (Antsinanana ARKH). Within the framework of establishing a perennial movement, efforts made to reinforce the organizational capacity of the cooperatives began to bear fruit. With the support of the internal training group of the ERI Toamasina field agents, an internal audit system among cooperatives was founded and is currently functional. Consequently, a series of organizational and financial audits occurred among the KH cooperatives in the Ambatondrazaka intervention zone.

With regard to marketing and commercialization, the following results (inter alia) for selected value chains can be cited. **Litchi value chain:** 6 cooperatives of the Atsinanana ARKH exported 230,691 tons during the 2007 campaign. All of these cooperatives were trained with respect to quality, chain of custody and other certification requirements of the Europe GAP/Global GAP standards. The private sector partners of the cooperatives included SCRIMAD, SODIAT, COMEX, SAMA, SAMSOMYOCK, TROPICAL FRUIT, START FRUIT and GETCO. **Ginger value chain:** the Tongalaza cooperative of Beforona was able to sign 3 contracts. Firstly, they established a long-term contract with HOMEOPHARMA to supply 200 kg per month. Another contract was signed with the MAD SPICE company, targeting the export of 2 t of calibrated ginger. A final contract was signed with the SAF/FJKM NGO, for the delivery of 10 t.



Figure 12: Marketing produce can attract buyers and raise the living standards of cooperative members

Several cooperatives made significant progress in the realm of agricultural produce collection. Rice was collected by the Fanevan' Analanjirifo (4 t), Tambahra (2.3 t), and Alaotra Mirindra (200 t) cooperatives; the Fanevan' Analanjirifo cooperative was also able to collect 5 tons of coffee. Regarding phytosanitary products and other agricultural inputs, several contracts were signed in the Ambatondrazaka area. For the Fiaivotana and Miray cooperatives, the sale of manure was contracted with the Alaotra Mangoro DRDR. The Miray KH cooperative also signed an agreement to supply rice seeds to the Madagascar Manor's House company. Moreover, the Avotra and

Rindran'Alaoatra cooperatives were able to sign contracts with SOALAC and AGRIVET for the marketing and sale of various products. Additional conventions were agreed for agricultural production. In Ranomafana, the Tambatra cooperative contracted to produce geranium for the SIGMA company, while the KRA cooperative in Andasibe signed an accord to produce 10 ha of tagète (mavoadala) for the Hanitry Gasikara company over a period of 3 years. In Ambodilazana, the Aingavao cooperative began two contracts: one with the NAPS association for maize production and a second one with CTHT for ginger seed tubers. Finally, the Hanitriniala cooperative obtained a new contract for the production of BRF compost with the Ambatovy project while the Tafita cooperative of Sahambala signed a contract to deliver 1500 rooted giant bamboo cuttings to the Madagascar Bamboo company.

Results regarding facilitation of micro-credit access for the Koloharena movement are promising. Overall, 296 KH members received credit during the semester: 271 with OTIV and 25 with CECAM. Moreover, repayment rates of nearly 100% were noted in participating cooperatives. In addition, the Ranomafana Est cooperative obtained credit with OTIV for coffee collection while the Ivolumiarina Amparafaravola cooperative received funding from FIEFE for a rice threshing unit. Finally, some cooperatives successfully initiated self-managed credit systems for their members. For example, the Amparihitsokatra cooperative advanced 4,500,000 Ariary in credit for 45 members.

During the reporting period, 20 advocacy actions were noted, the majority of which attained their aims in favor of various Koloharena structures and members. These actions included requests for releasing credit in accordance with the agricultural calendar, pursuit of debtor members by local authorities, and authorization requests to carry out various advantageous actions for the KH movement. Concerning support for rural communes, the inter-communal association comprising the 14 communes served by the Ampasimadinika CAC was officially established. The 14 beneficiary communes also finalized their tax censuses which target the mobilization of local resources and financial autonomy.

3.1.5.2 Constraints

The principal constraint to the attainment of the sustainable KH movement legacy is the insufficiency of leadership within the movement. Indeed, if these rare leaders exist, they are often overloaded with various responsibilities which prevent them from being fully implicated in the development of the cooperatives. In addition, accompanying start-up constitutes a major handicap: KH members often complain about the insufficiency of funds to start or expand their activities. Similarly, support for the creation or revitalization of agricultural input centers is lacking. Another constraint is that the ethic of the agricultural profession is not respected with regards to private sector partners of the KH movement. The absence of specific, detailed contracts provides wide latitude to exporters, usually to the detriment of the KH producer groups. This situation is discouraging and may lead to a negative impact regarding the assiduity of respect for quality standards (e.g., in the litchi value chain). Regarding the CAC activities, the various elections during the reporting period had a negative impact on results as communal authorities were often not available or were unable to focus on CAC-related work.

3.1.5.3 Recommendations

In order to put robust and perennial cooperatives in place, continuation of ongoing activities is essential, but new actions are also needed:

- Expand the range of commercial activities and partnerships: each cooperative should develop and implement at least one lucrative activity with the support of the module IV and BAMEX team.
- Reinforce the capacities of the cooperative leaders as regards entrepreneurial spirit and establishing and managing funding or credit dossiers.
- Identify key resource people capable of directing and managing the cooperatives, and train them in leadership and the basics of management.

- For sound implementation of the CAC, an evaluation system for the performance of the counselors/extension agents needs to be instituted. The system should be based on measurable indicators drawn from the objectives established by the beneficiary communes.

3.1.5.4 Perspectives

An intervention strategy change is essential for module IV in order to better contribute to the attainment of the Program's fourth legacy. Thus, the traditional mode of support via programmatic contracts will be substituted by concrete assistance for successful implementation of activities linked to the priority value chain of each cooperative. This approach will be reinforced by efforts to facilitate the internalization of the associative and entrepreneurial spirit. Emphasis will also be placed on construction of sales outlets for each ARKH. Finally, we envisage support via the following activities during the remainder of the life of the ERI Toamasina Program:

- Reopening and/or opening of the agricultural input centers.
- Continuation of the activities necessary to establish the KH houses.
- Empower and foster internalization at the CNKH and ARKH levels for the consolidation of the KH movement.
- Create a collaborative partnership between the communes supported by the CAC and the COBA associations with the aim of establishing a good governance belt around the Ankeniheny-Zahamena forest corridor.
- Foster internalization of the KM approach or tool in the interventions of the CAC counselors/extension agents.

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

Election saved via improved means of communication

During November, the commune of Maroseranana received a BLU radio powered by a solar panel from the Program. This equipment aims at propelling Maroseranana from its isolation. Just before the communal elections, commune officials noticed that there was only one ballot sheet, despite the fact that two elections were planned: one for the Mayor and one for the communal counselors. Two voting ballots were thus required. Using the new radio, the commune was able to contact a neighboring, more accessible commune who was then able to transmit the message to the District. The problem was thus resolved in a few hours which would not have been the case without this new equipment. Thanks to these means of communication and the solid relations between the commune, the KH movement and ERI, the elections were able to occur without incident.

3.1.6.1 Achievements

Within the framework of establishing and improving the rural communication network, we expanded the BLU radio system: ERI Toamasina purchased and installed two new units – powered by solar panels – in the key corridor communes of Maroseranana and Manakambahiny Est. These tools will have a positive impact on the fluidity of exchanges between Koloharena members.

In the domain of exchange and emission of messages related to rural development and natural resources management, ERI Toamasina staff trained 135 listening group facilitators distributed throughout the Program's intervention zones. At present, 50 hand-crank radios and 20 radio/cassette players are used by 120 listening groups. Starting in December, ERI began a 4-month collaboration with the national radio network (RNM) for the emission of relevant themes, targeting the ERI groups. Topics slated for broadcast include: wildfire, *tavy*, improved

agricultural techniques, compost, vegetable gardens, health, natural resources management, and illegal logging and mining.

Program staff began to distribute the 10 illustrated flip card (or *pagivolte*) series to farmer extension agents (*paysans vulgarisateurs* and *animateurs*) during the semester; distribution is accompanied by training in how to use the cards. Module V staff also supported various farmer communication efforts such as Koloharena demonstrations, ceremonies for the emergence of new cooperatives,

and participation of the new ARKHs and the cooperatives in fairs and exchanges, all with a view towards assuring their autonomy. In Moramanga, 20 members of the Morarano, Fénériver-Est, Andasibe, Beforona, and Andranobolaha cooperatives benefited from the services (principally training) of the communication center that is the local hub of the Last Mile Initiative. As a result, these cooperatives now possess an e-mail address and are ready to use the internet to obtain market information and to contact potential buyers of their produce.

In the Fénériver-Est zone, the 3 KH cooperatives profited from the presence of the CELTEL telephone operator. Inter-zone exchanges and contact with the exterior is now straightforward and connections can be made at any time. In addition, in isolated zones, local Koloharena associations and cooperatives use bush taxis and the postal system for their correspondence.

Finally, 40 Koloharena members were selected as local communicators during the commune-level consultation process within the framework of the creation of the new CAZ PA. The actions also benefited from the support of 18 ERI Toamasina staff (principally field agents) for the communication phase. In the Ambatondrazaka zone, ERI field agents and Koloharena members became the conservation voice, distributing the film “Madagascar: New Vision” to the local television station (TVM) with the objective of raising the awareness of the local population and drawing attention to the importance of the forest corridor and lake resources.

3.1.6.2 Constraints

Communication within rural associations – among their members – is a crucial element for rural development. It is the starting point for good governance and for sharing information within the groups. This characteristic is not however evident within the majority of associations supported by ERI Toamasina. It is necessary that the members speak to each other before they attempt communication initiatives with the exterior.

The literacy level of farmer technicians differs from one person to another. The effectiveness of distributed tools is however dependant on a minimal level of literacy. Another obstacle is that the number of hand-crank radios for the listening groups is not sufficient: requests for additional radios continue to be received. This situation is frustrating for the rural population which has a thirst for knowledge and news.

The demand for communication materials is high, yet the Module V budget is limited. A potential solution is recourse to another means of financing (e.g., Node) or to technical support for farmer initiatives (many groups have shown great interest in communication activities after having received the hand-crank radios). Finally, we continue to encounter difficulties with regard to a harmonized community approach: many other actors pay farmers for an action or to attend a meeting. The spirit of self-development is thus compromised by the allure of easily gained money and collaboration is to some extent bought. The attitude created by this approach is likely to upset future collaboration between development actors and villagers throughout the ERI Toamasina intervention zones.

3.1.6.3 Recommendations

- ERI Toamasina staff should search for other means of financing which can contribute at the same time to the development of the rural communication network and to supporting the information–education–communication reflex among the rural population.
- The use of appropriate training materials for farmer technicians needs to be augmented in order to circumvent barriers created by illiteracy.
- Awareness raising efforts among Alliance members should be reinforced with respect to the disastrous effects of direct payment to farmers for actions or meeting attendance. Stress should be placed on the need to instill the spirit of auto-development during the final phases of many of the Alliance programs.
- During the final 15 months of field-level operations, we should give ample latitude to the farmers so that they continue their communication initiatives in their own manner. This will allow us to detect gaps and furnish adequate corrections as long as the program is

still operational. This will also provide some experience to rural associations of working without support from ERI – a situation that will soon become reality.

3.1.6.4 Perspectives

We will continue to finalize and distribute didactic tools – principally illustrated flip card series or *pagivoltes*. Four themes are currently being finalized: regeneration of coffee plantations, hillside agriculture without fire (using mulch), integrated village territory management, and the natural resources management transfer process. At the level of the farmer field schools, we plan on capitalizing rural knowledge by revising technical flyers describing initial results and then distributing them to group members so that the farmers themselves can share them with their peers in the vicinity of each group. This will, in turn, help rural technicians in implementing their work and will deservedly raise their profiles within their respective villages.

The reflex of tool use will also be reinforced. A particular accent will be placed on the two ARKHs which will occupy a dominant role for exchanges, information and communication with the various KH cooperatives. Moreover, each association, in particular Koloharena and COBA, will be trained in the use of BLU radio network, a tool currently at their disposal and which will be managed by them after the end of the ERI program. We also plan on collaborating with regional environmental entities and inter-communal structures (e.g., PlaCAZ, CAC commune association) regarding communication activities as these organizations will play a relay role, sponsoring the conservation and the protection of the corridor and transmitting opinions, points of view and information from the rural population.

We will endeavor to use the Node funds for the acquisition of materials for the expanding number of listener groups, within the framework of community conservation. Similarly, we plan on reinforcing relations with the national radio network, the means by which the voices of isolated rural regions can be heard; this represents a decisive step towards the establishment of a perennial rural communication network. At the level of the associations, members will be encouraged to speak with each other and share information, an indicator of a functional system of communication. Finally, with regard to lessons learned and in order to be able to share experience, we plan on producing films on the assets and impacts of the ERI Toamasina Program and the regional Koloharena movement.

3.1.7 Monitoring and Evaluation

3.1.7.1 Issues & Achievements

In addition to a high level of activity during August and September in order to prepare the Program's PMP report, the M&E component carried out an analysis of the questionnaire results regarding the "satisfaction" of the Program's customers or clients. This data was consolidated into several indicators which were included in the report. M&E staff also organized the collection of data for the Poverty Assessment Tool: 200 households were surveyed in order to obtain the necessary information. In addition, in order to improve harmonization of approaches within the Program's intervention zones and to guide the Program's personnel, a few reference documents were produced including approaches in rural areas, and the role of the FFS facilitator. These tools support field-level work and were specifically requested by the Program's field agents.

In addition to the tools mentioned above, M&E staff have also been instrumental in providing several other references and methodologies to Program field agents. These include commune administrative, natural resource, and agricultural potentiality maps, a guide regarding map use as a decision-making tool, an outline of the steps for evaluating AKH and CKH, a user's guide for BLU radios, 7 illustrated flip card series, a reference on communication techniques, an explanation on how to formulate and implement advocacy actions, and a guide on monitoring rural household notebooks. Within the framework of attaining ERI's legacies, M&E staff contributed to formulating a guide on setting field agent targets with respect to their interventions. These targets prescribe specific orientations for each agent, facilitating direct inputs to the legacies.

Finally, the M&E component facilitated conception of spreadsheets for the compilation of indicator data for each results module. These tools constitute a sort of control panel, aiding module managers in monitoring the progress of their activities.

3.1.7.2 Recommendations

The last year and a half of the ERI Program is a crucial phase for the M&E component. The next six months constitute a final period to adjust Program methods and approaches. The final six to nine months will be a time to capture and document lessons learned. Each module manager should use this period to assure that impacts and legacies are attained. Program staff should also use this phase to monitor the achievements of, and empower each association and cooperative. Staff should also strive to remind all Program partners that ERI is soon coming to a close; this should motivate them to act on their own and will enable staff to help rural leaders rectify deviations and observed insufficiencies.

3.1.7.3 Perspectives

- Reinforce the spirit of self-evaluation at the association level: implement the guide in order to inspire the evaluation reflex within the Koloharena movement.
- Furnish support to associations so that they are responsible and functional, becoming models of good governance and local development and also accountable to their members and self critical.
- Integrate and implicate the field agents in the key activities necessary to attain the Program's legacies and support them in passing the rural development baton to the Koloharena movement.
- Facilitate communication of experience and assets among Koloharena members in order to share best practices within the framework of self-evaluation.

3.1.8 Activity Intervention Fund

3.1.8.1 Achievements

The use of the activity implementation fund during the reporting period was directed towards activities that advance attainment of the Program legacies and especially towards support for the emergence of new Koloharena cooperatives zones closer to the forest corridor. Details on selected activities that were financed follow.

- **Module 1** (2% of allocated funds)
 1. *Implementation of the 2nd cycle of the KM process in ten corridor communes*: Funds were used to implement MOUs with regional public services (forest and agricultural services) in collaboration with SantéNet.
- **Module 2** (5% of allocated funds)
 1. *Reinforcement of COBA capacity in nursery management*: MOUs with regional partners in the Moramanga and Ambatondrazaka areas in collaboration with Jariala.
 2. *Inter-communal workshop on local forest surveillance in Fetraomby*: MOU with the local CKH in partnership with Jariala.
 3. *Implementation of forest inventories in the Ambatondrazaka area and in Ambodilazana commune*: MOU with the Malagasy Forest Service for elements of the forest management transfer process.
- **Module 3** (24% of allocated funds)
 1. *Reinforcement of Koloharena Association capacity*: organization of, and exchange workshop and demonstration by Fianarantsoa KH for the benefit of Ambatondrazaka area KH with regard to the extraction and use of Jatropha oil.

2. *Reinforcement of the farmer-to-farmer system*: two contracts targeting the reorganization of the LADIA center to ensure its sustainability as well as an MOU to support the center's monitoring and orientation committee.
 3. *Promotion of diversified, agro-ecological techniques*: MOU with the Atsinanana Agricultural Service in order to establish a demonstration of hillside agriculture using mulch and without fire (*tavy bôka*).
- **Module 4** (64% of allocated funds)
 1. *Initiation of professionalization of farmer structures*: establishment of programmatic contracts with KH cooperatives in the Sahambala, Fetraomby and Andasibe intervention zones.
 2. *Ensure the sustainability of the KH movement*: establishment of MOUs to support and facilitate meetings of ARKH members.
 - **Module 5** (5% of allocated funds)
 1. *Poverty Assessment Tool*: establishment of MOUs with university students in order to carry out the required household surveys.
 2. *Broadcast of listener group and impact messages*: establishment of MOUs with communication, radio and TV partners for the diffusion of messages and results of the ERI Program.

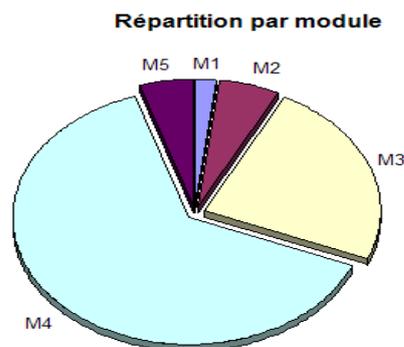
Please refer to the following tables and diagrams for additional details regarding the use of the AIF during the six-month period.

**AIF Budget Use (July 2007 – December 2007)
New contracts and MOUs**

TYPE	Total Approved	Total Disbursed	Remaining Award
IC			
43 MOUs	\$6,976.83	\$4,376.43	\$2,600.40
1 PO GOODS	\$258.58	\$258.58	0
7 PO SERVICES	\$17,282.68	\$3,545.26	\$13,737.42
TOTAL	\$24,518.09	\$8,180.27	\$16,337.82

IC = Individual Contract, MOU = Memorandum of Understanding or Protocol, PO GOODS = Purchase of demonstration materials, PO Services = Purchase Order for services

Contract	M1	M2	M3	M4	M5	TOTAL
PO SERVICE			\$ 2,506.01	\$ 14,776.67		
MOU	\$ 507.32	\$ 1,342.41	\$ 3,041.31	\$ 870.25	\$ 1,215.55	
PO GOODS			\$ 258.58			
IC						
TOTAL	\$ 507.32	\$ 1,342.41	\$ 5,805.90	\$ 15,646.92	\$ 1,215.55	\$ 24,518.09
%	2%	5%	24%	64%	5%	100%



3.1.8.2 Constraints

- The AIF is limited and probably not able to finance all the activities required to ensure full attainment of the legacies by the end of the Program.
- In general, in order to professionalize the service provider sector, we are obliged to penalize contractors for submitting deliverables after contractual deadlines.

3.1.8.3 Recommendations

- Rigorous monitoring needs to be practiced by all team members (senior staff and field agents) during the final 15 months of AIF use in order to achieve the goal of leaving behind the five Program legacies.
- Program staff should dispense significant efforts in order to reinforce the capacity of KH cooperative partners with respect to management, monitoring and analysis of their AWP, and implementation of business plans with a view towards rendering them professional and avoiding delays in deliverable submission.

3.1.8.4. Perspectives

For the first semester of 2008, use of the AIF will be focused on attaining the 5 Program legacies. Specific activities to be financed include the following.

- Evaluation of the KM process.
- Support for implementation of the FFS network and, similarly, support for implementation of the LADIA center business plan.
- Reinforcement of COBA capacity with a view towards the emergence of a COBA federation and support for forest management transfer contracts.
- Installation of the radio emitter in the Didy commune.

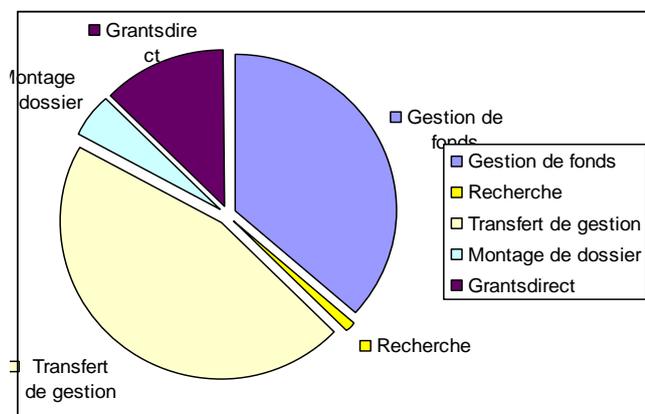
Moreover, each module manager will finalize planning of priority activities to fund in order to ensure the Program legacies.

3.1.9 “Conserving the Indri Corridor” Small Grants Program

The emphasis during the six-month reporting period was placed on finalizing grants for community associations and local NGOs as well as reinforcing the capacity of three sub-nodes. To date, the Indri Corridor Node has received 86 proposals including 68 requests coming from local communities, 11 requests coming from NGOs, and 7 requests emanating from research organizations or university students.

Funding Summary:

TYPE OF SUBSIDY	Number	Amount allocated (Ar)	Amount disbursed (Ar)
Management of Funds (sub-nodes)	3	68, 933,000.00	20, 679,900.00
Research	1	1, 929,000.00	1, 614,700.00
In-kind grant: management transfer	12	89, 077,420.00	29, 783,000.00
In-kind grant: proposal development	10	9, 455,900.00	9, 452,010.00
Grants to community associations	11	52, 037,650.00	10, 109,500.00
TOTAL		221, 432,570.00	71,639,110.00



Sub-node funding

SUBNODE	Numbers of contracts	Amount of Contracts (Ar)
ASOS	6	6,647,800
RINDRA	5	4,908,000
MATEZA	8	3,880,000
TOTAL		15,435,800

Additional activities

- Commencement of forest management transfer work (community conservation) in 10 key corridor communes.
- Finalization of 10 proposals for community associations in the Andranobolaha and Anjahamana communes.
- Finalization of the 6 direct grant contracts for associations in the Didy and Manakambahiny Est communes.
- Negotiation and revision of the proposal for multiple community conservation activities in the commune of Andasibe (Mitsinjo NGO).
- Finalization of the first direct grants for 5 associations in the Fetraomby and Maroseranana communes.

3.1.9.1 Constraints

The three sub-nodes have not mastered the mechanism for issuing grants to community associations. Moreover, the duration of the initial contract with CI appears to be insufficient to transfer the necessary capacity to these Sub-nodes. 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.

3.1.9.2 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).

3.1.9.3 Perspectives

During the first two months of 2008, we plan on subsidizing (issuing grants) projects linked to management plan implementation for the 12 COBA associations which received in-kind grants for forest management transfer. We also plan on finalizing grants to the Mitsinjo NGO and two associations in Andasibe commune (Andranolava and Andasifahatelo communities) for sustainable forest garden grants.

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 the three 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. Some specific activities, implemented jointly by several members, are noted below.

- 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 new CAZ PA working group – essentially CI/Miaro, ERI, Jariala, ANGAP and PlaCAZ – collaborated on nearly all steps with regard to PA creation. The most significant result comprised the completion of the public consultation process in 20 communes surrounding and overlapping with the PA. Other collaboration occurred with regard to the communication campaign, training and joint planning.
- This same group worked closely together to discuss, plan and implement activities with regard to the illegal logging problem. The main achievement was an inter-communal workshop in the Fetraomby commune that resulted in the signing of two three-way MOUs (between the Forest Service, the Gendarmes and the Maroseranana and Fetraomby communes, respectively) for improved forest surveillance and governance in two communes.
- 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.

3.1.10.3 Recommendations

The main recommendations with regard to the ecoregional Alliance are directed at USAID. First of all, we feel that increased participation by USAID with a view towards rejuvenation of the Toamasina

Alliance is needed. 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

The Toamasina ecoregional Alliance will continue to meet in plenary meetings every two months, mainly for information exchange purposes. It is expected that the working groups will also continue to meet once every two months. The members of these groups will be expected to try and develop synergies at the field level so that they can achieve more together than they would alone. In addition, the 2007-08 work plan will be reviewed during March and a new work plan, based on working group activities, will be devised.