

MADAGASCAR

COMMERCIAL AGRICULTURAL PROMOTION
APPUI AU SECTEUR AGRO-COMMERCIAL



*CONSISTENT STRONG PERFORMANCE:
CREATING PARTNERSHIPS FOR AGRICULTURAL GROWTH*

■ SECOND ANNUAL REPORT

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ACRONYMS

ACECA	Association Coopérative d'Epargne et de Crédit d'Afrique
AEI-CAP	Agence d'exécution Infrastructure GRM Infrastructure implementing Agency - CAP
AUP	Association des Usagers des Pistes Road Users Associations
BEST	Bureau d'Expertise Sociale et de Diffusion Technique
BNI-CL	Bankin'ny Industria -Crédit-Lyonnais
BTM	Banque Nationale pour le Developpement
BFV	Banque Nationale pour le Commerce
CAE/MFB	Cellule de suivi des aides extérieures Foreign Aid Tracking Unit - Ministry of Finance
CSP	Client Service Plan
CTS	Client Tracking System
CFD	Caisse Française de Développement French Development Bank
CTD	Collectivités Territoriales Décentralisées
DAO	Dossier d'Appel d'offres
DTS	Data Telecom Service
EJ	Expert Junior
EP II	Environmental Program II
ESF	Environment Screening Form
FCE	Fianarantsoa-Côte-Est Railroad
FENU	Fonds d'Equipement des Nations Unies
FITABE	Fikambanan'ny Tantsaha Bekobay
FIA	Regional Office - Fianarantsoa Bureau Régional - Fianarantsoa
FID	United Nations Development Fund Project Fonds d'Intervention pour le Développement
GRM	Government of Madagascar Gouvernement de Madagascar
GTZ	Coopération Technique Allemande
HPZ	High Potential Zone Zone à Haute Potentialité

HIMO	Haute Intensité de Main d'oeuvres
ISF	Input Supply Fund Fonds d'Approvisionnement en Intrants
LCF	Local Currency Fund Fond en Monnaie Locale
LOE	Level of Effort
LCB	Lutherian Cabinet for Development
MAELSP	Mad. Ag. Export Liberalization Support Project Projet de Soutien à la Libéralisation de l'Exportation Agricole de Madagascar
MADR	Ministry of Agriculture and Rural Development Ministère de l'Agriculture et du Développement Rural
MFB	Ministry of Finance and Budget Ministère des Finances et du Budget
MTPAT	Ministry of Public Works and Land Management Ministère des Travaux Pub./Aménagement du Territoire
MAH	Regional Office - Mahajanga Bureau Régional -Mahajanga
NGO	Non Government Organization
ODASE	Organisme de Developpement Agricole du Sud Est
ODR	Operation de Developpement Rural
PIL	Project Implementation Letter
PFGNR	Projet de Formation en Gestion des Ressources Naturelles
PMC	Project Management Committee
ProAG	Program Agreement
RIC	Regional Infra Committee
REG	Régisseur (Infrastructure)
RTL	Regional Technical Liasion (Infrastructure)
SIPEM	Société d'Investissement pour la Promotion des Entreprises à Mear
SOA.TEG	Société d'Assistance Technique et de Gestion
TOR	Term of Reference
WB	World Bank Banque Mondiale
WOCCU	World Council of Credit Unions.
WWF	World Wildlife Fund

SECTION I OVERVIEW OF RESULTS

CAP was designed to address the major constraints to agricultural growth in the high potential zones of Mahajanga and Fianarantsoa. In the last year, we have addressed shortages of technical and managerial know-how in over 50 agribusiness clients, provided importers with \$4.5 million in foreign exchange with a six-month deferred payment plan, rehabilitated 158 km of farm-to-market roads, and helped establish 25 road user associations. We have reinforced public-private partnerships and brought new activity to once abandoned regions.

As predicted, the pace of work became more intense during the second year of the project. The number of agribusiness clients increased by 50%, the number of road construction firms by 150%, and the total value of ISF transactions by tenfold.

CAP's progress has been due in large part to our customer focus and teamwork approach. By carefully listening to our clients, we have been able to engage them more effectively in the development process and make our assistance more responsive to their needs. By working creatively with European, Japanese, and international partners, we have leveraged our own efforts. And by collaborating with SAVEM, and KEPEM, we have begun to link efforts to increase economic growth and protect the environment.

Highlights of the Year. Examining the last year, we see several snapshots on the road to significant end results. These snapshots of intermediate results feature:

- Agribusiness entrepreneurs who are improving, expanding and diversifying their operations — thanks to a better sense of what it means to operate in a liberalized economy and thanks to linkages CAP has helped them develop with suppliers, lenders, and technical advisors.
- Importers who can more easily access equipment and materials needed for the expansion of businesses all over the country.
- Producer associations and agribusinesses who can obtain more easily short and long term financing for working capital and purchase of agricultural inputs.

By carefully listening to our clients, we have been able to engage them more effectively in the development process and make our assistance more responsive to their needs

USING PARTNERSHIPS TO ENHANCE PERFORMANCE

FOR ALMOST 20 YEARS, AGRICULTURAL PRODUCTION THROUGHOUT MADAGASCAR FELL DRAMATICALLY AS THE GOVERNMENT SOUGHT TO ELIMINATE INTERMEDIARIES IN THE AGRICULTURAL PRODUCTION CHAIN AND REPLACE THEM WITH STATE-RUN ORGANIZATIONS. MADAGASCAR WENT FROM A NET AGRICULTURAL EXPORTER IN 1967 TO A NET IMPORTER IN 1987; SUPPLIES OF AGRICULTURAL INPUTS DRIED UP; PRODUCTIVE SOILS BECAME BARREN; IRRIGATION AND OTHER AGRICULTURAL PRODUCTION SYSTEMS DECAYED; AND FARMERS, IN SEARCH OF MORE FERTILE LAND, MOVED FURTHER INTO THE HILLS AND FOREST TO PLANT IN LOW-FERTILITY SOILS.

CAP IS CATALYZING A REVERSAL OF THIS PROCESS. WORKING WITH AGRIBUSINESSES, GROWER ASSOCIATIONS, ROAD USER ASSOCIATIONS, LOCAL AND NATIONAL AUTHORITIES, A SERIES OF INTERNATIONAL AND LOCAL SPECIALISTS, AND USAID AND OTHER DONOR PARTNERS, WE HAVE BEGUN TO ALLEVIATE MANY CONSTRAINTS TO AGRICULTURAL SECTOR GROWTH AND ARE BEGINNING TO SEE A REVITALIZATION OF MANY AREAS WHERE WE WORK.

The level of activity of the ISF was 10 times higher this year than last

- State-owned enterprises being rapidly and efficiently privatized, following CAP's recommendations.
- More farm to market roads, which allow producers to get produce to market more easily and to lower transportation costs.
- An enhanced local capacity for road rehabilitation, including better technical standards, environmental guidelines, and more experienced local firms.
- An enhanced local capacity for road maintenance, involving local government, user associations, collectors and agribusinesses.
- Coalitions emerging as people's confidence increases and they join together to achieve common goals — goals ranging from improved port management to new ways of managing and funding road maintenance.

Each snapshot below represents a success story, in the sense that our efforts have catalyzed some tangible progress on the way to our end results. These successes have helped build our reputation as an effective and consistent agent of change at the enterprise and community level. CAP got broad media for its impact on agribusiness, the environment, transport, and in promoting neglected zones. CAP is a familiar subject of the newspaper, radio, television reports, as well as in speeches by government dignitaries, ministers and the prime minister.

106 clients (cumulative) receive assistance expected to yield \$4,6 million in increased sales over the next twelve months. Of the 54 clients (old and new) we have worked with in the last year, 35 have received more intensive assistance, either in the form of feasibility

studies, substantial financial and management advice, or provision of an *expert junior*. Some will experience increases in sales this year (a green bean canning plant, lychee exporter, manufacturer of edible oil). Other interventions, especially the ones involving feasibility studies for major investments, will take longer to make a difference in the bottom line. Assuming that 75% of these interventions are successful for the 54 clients, we expect \$2,7 million in increased sales one or two years from now. Clients receiving the most intensive CAP assistance include:

- A rice, oilseed, and soap processor in Mahajanga.
- A cashew processing plant in Mahajanga
- A manufacturer of agricultural equipment in Mahajanga
- A large shrimp-farm in Mahajanga
- Exporters of dried beans and onions in Mahajanga
- A hardware company wanting to expand into tomato and mango processing in Mahajanga
- A corn mill operation in Mahajanga
- An animal feed firm in Ambato Boeni and Mampikony
- A lychee exporter in Manakara
- Two major rice mills in Mahajanga
- A producer and distributor of tea in Sahambavy Fianarantsoa
- Manakara port users



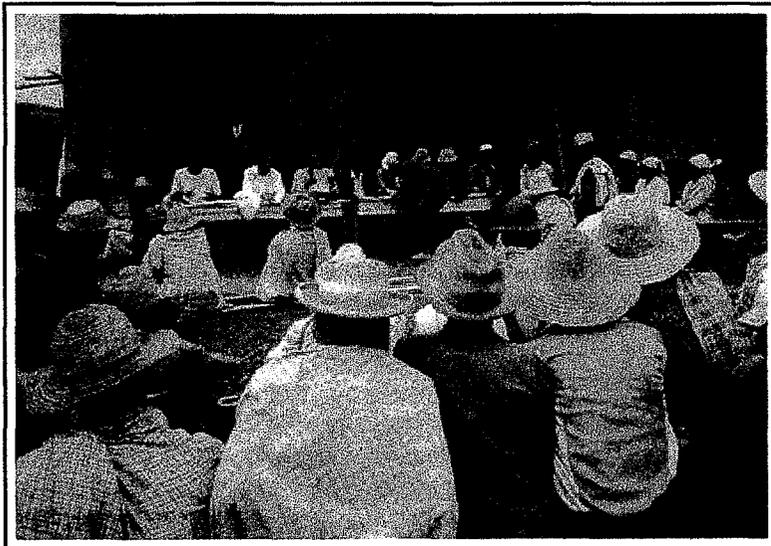
A SMALL EGG PRODUCER SUCCESSFULLY MOVED INTO THE FORMAL SECTOR THROUGH A CAP SUPPORTED LOAN APPLICATION TO THE BANK

- Agribusiness served by Fianarantsoa - Cote Est railroad
- A sesame producer in Manakara
- A rice/corn mill operation in Fianarantsoa
- Two producers of fresh vegetables in Fianarantsoa

Getting double bang for the buck with the ISF. The Input Supply Fund carried out 53 transactions and provided over \$5 million to importers who will pay the equivalent of that amount in local currency to be used by Malagasy construction firms for road rehabilitation. This level of activity was over ten times higher than during the project's first year, thanks to changes made by USAID in the fund guidelines allowing a six-month grace period for importers' payment in local currency. In addition, CAP was able to relax destination restrictions and allow imported goods purchased through the ISF to be sold throughout Madagascar rather than just the High Potential Zones.

Leveraging funds to rehabilitate roads. By the time the 1996 road program is completed, CAP will have rehabilitated 158 kms of roads. This was possible because of funds generated by the ISF, supplemented by funds provided by the European Union and the World Wildlife Fund. It involved supervising 23 construction companies and establishing approximately 25 new road user associations. As a result of this rehabilitation, an estimated 20,820 tons of additional agricultural production, valued at \$2.9 million will get to market next year.

Transferring authority for road maintenance. One of our most complex activities was the design and application of a framework to transfer authority for management of rural roads from the central government to regional and local governments and private associations. This management mandate includes responsibility for collecting user fees and performing both routine and periodic maintenance of rural roads. The CAP-designed procedures have been recognized by the Government of Madagascar as the first operational model for transferring authority to local governments and NGOs under its decentralization program. Donors and GRM entities including the European Union, the World Bank, the Ministry of the Interior, NGOs and other development projects are using the CAP process as a model to transfer management responsibility from a central authority to a decentralized entity.



THE ROAD USERS ASSOCIATIONS HAVE LARGE TURNOUTS TO THEIR REGULAR MEETINGS

Workin' on the regional railroad: The Fianarantsoa regional office of the National Railroad approached CAP to assist it in improving its management and performance. CAP decided to provide limited services to the line, known as the Fianarantsoa-Cote Est Railway (FCE). The FCE is one of the most important elements of transport infrastructure in the region as the line interconnects road transport with large agricultural production areas, the plateau with the coast, and the main coffee and litchi exporting port. The objectives of CAP assistance are to help the FCE develop a commercially-oriented management strategy and support the efforts of the company to privatize and regionalize its operations. CAP provided consultant services for the preparation of a comprehensive management assessment. An action plan for the physical rehabilitation of the railroad was submitted as part of this assessment.



THE FIANARANTSOA - COTE EST RAIL ROAD COULD ONCE AGAIN BECOME THE LIFE LINK TO MADAGASCAR'S PROSPEROUS COFFEE, RICE, FRUIT AND VEGETABLE GROWING REGIONS

The Malagasy government accepted this plan as the basis for the development of an autonomous management structure for the southern line. In conjunction with the report, the GRM drew up the decrees to separate the FCE from the rest of the national rail network. This move has permitted the railway to make key decisions regarding the rehabilitation of rolling stock and revisions in its fee structure. The most important impact to date has been agreement by SOLIMA, the state-owned oil company, to increase their rates by 100%. The rate increase was a condition to saving the railroad from bankruptcy since SOLIMA accounts for 70% of merchandise transported by the FCE and at the original highly subsidized rate, the railroad could not become profitable or be privatized. CAP's success to date has

been in its ability to work effectively with partners among whom are national and local authorities, the US embassy and other donors, and regional businesses.

**In Bekobay,
the private
sector, local
government
and small
farmers are
working
together
sharing the
same goals,
trusting each
other and
pooling
resources**

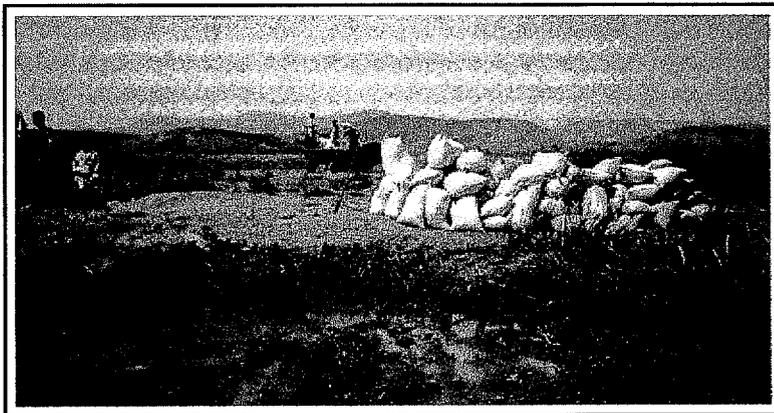
Creating synergies on the Bekobay Plain. Bekobay is a rural center located at 100 km from Mahajanga in an agricultural area that produces approximately 4,000 tons of rice per year. Given the important agricultural potential of the Bekobay plain, CAP decided to rehabilitate a major feeder road in order to evacuate commodities from this area and to establish a shorter physical link between Bekobay and the Mahajanga valley, one of the richest region in the Mahajanga province. While building the road, the CAP team helped to set up 14 user associations, and to create a union of those associations, with the participation and financial contributions of local authorities, collectors and agribusinesses. For the first time in that area, the private sector, local government, and small farmers were working together, sharing the same goals, trusting each other and putting resources in common. CAP was perceived as a reliable partner and as the catalyst which engineered this joint organization and helped to foster a new climate of fruitful dialogue among all stakeholders. In that conducive environment, the newly elected mayor, with CAP's assistance, convened in May 1996 a meeting of small farmers, members of the road user associations, to negotiate with collectors an increase of the farm gate price for the 1996 rice crop, which jumped from 400 Fmg/kg to 700 Fmg/Kg. Encouraged by this success but aware of the mediocre quality and the low yield of their rice, members of road user associations, representing more than 1000 farmers, decided to request CAP's technical assistance to obtain certified seeds and to improve crop protection against pests and parasites. At the same time, CAP was providing technical assistance and financial support, through the ISF, to the main collector in the Bekobay area, to set up a new compact rice mill, which will be inaugurated in November 1996 and will produce a higher grade rice, more efficiently. Finally, upon completion of the feeder road, scheduled for November 1996, truck transportation has already increased 20 fold and transport cost is expected to drop by 30 %. In summary, small farmers will be the great beneficiaries of synergies on the Bekobay plain, since their income will more than double, due to the combined effect of higher production, improved quality, lower transportation costs and better prices.

Transport costs drop, association accesses fertilizers to produce more rice. During the past year rates for trucking commodities on the newly rehabilitated roads in Mahasoabe dropped 50%, a benchmark in the reduction of transport costs for agricultural products. Our Fianarantsoa office is working with the road users association to assure the efficient organization of maintenance efforts. While getting organized to maintain the roads, the user association in Mahasoabe decided they also wanted CAP's help in accessing

fertilizers to produce more rice. The infrastructure staff forwarded the request to the agribusiness support unit which helped the association formulate their demand and present it to AFAFI, an agribusiness which also works with CAP. The Mahasoabe association will use the receipts from the increased production to help defray future maintenance costs of the road.

Collector gets loan to expand activities in area served by rehabilitated road. Mr. J. M. Ramamonjisoa is a grain buyer in the Befeta area. He was encouraged by the improved access to his area resulting from a CAP-financed road rehabilitation to request that CAP assist him in acquiring financing to expand his activities. CAP helped him to prepare and submit a loan request to the local branch of the National Commerce Bank (BFV). A loan for 30 million Fmg was granted, which permits the marketing of approximately 20 tons of additional agricultural products from this area. Because of reduced transportation costs, producers have benefited from increased market possibilities and consumers are benefitting from increased volume of products on the market.

Expert junior's extension services help cannery improves raw materials supply. The CAP regional office in Fianarantsoa placed an agribusiness apprentice (*expert junior*) with STRECOPA, a small cannery located in Ambohimahaso. The *expert junior* has organized the production of green beans among approximately 100 small farms in the area. The product will be purchased on contract by STRECOPA which processes and exports the beans. STRECOPA is benefitting from greatly improved access to its contract farmers by concentrating its extension resources for this project along three of the roads rehabilitated under the CAP infrastructure program.



CROPS ARE WAITING TO BE TRANSPORTED PRIOR TO THE REHABILITATION OF THE RURAL ROAD.

Public/private sector collaboration on the environment. CAP actively promotes the concept and practice of public/private sector partnerships. In Fianarantsoa, CAP is a member of *Operation Ville Verte*, a consortium organized by the Swiss Natural Resources Management Training Project (PFGRN) which works with the city's street department, a number of NGOs and neighborhood cleanup groups to rehabilitate three parks and promote the recycling of urban wastes. Part of the recycled urban wastes is used as compost for sustainable agriculture projects. CAP also is also helping the rural commune of Sahambavy and a homeowners' association there to prepare requests for self-help funds to rehabilitate a dam damaged by a

recent cyclone. CAP agreed to provide assistance as the area has tremendous eco-tourism potential, and was once a pole of economic and touristic opportunities.

Restructuring a state-owned enterprise in a major rice producing area. The region of Marovoay is particular in Madagascar because, being at the mouth of the island's largest river, it can produce 2 rice crops per year. This is made possible because of the large network of irrigation canals, which provides water to 15,000 small farmers and is managed by a state owned enterprise, the FIFABE. FIFABE has been supported by a German development agency, which decided in 1996 to phase out its financial assistance. In order to prevent the irrigation system from collapsing, CAP was requested to recommend the best legal and financial solution in order to gradually transform FIFABE into a private and sustainable entity. CAP provided a team of local and expatriate specialists who conducted in-depth evaluations of available options. FIFABE reviewed the options and decided to change its legal status to a private association officially accredited as a public service, authorized to receive public and private contributions, both domestic and international, and

to collect user fees for the irrigation system. CAP will need to make an evaluation in a year or two to determine whether the fee system, the legal status, and the management option adopted can assure long-term viability to FIFABE. The Malagasy Government has indicated that if this solution works as planned, it will become a model for privatizing other state-controlled entities in charge of management and maintenance of irrigation systems.

Privatizing a large rice parastatal. SORIMA is typical of the centralized rice processing plants that characterized state-owned assets; large, ineffective, paralyzed management, operating below capacity, and losing money. CAP brought to Madagascar a privatization specialist who worked closely with the CAP team and a local legal advisor. Together, and in close collaboration with the SORIMA board and the GRM, they developed a strategy to transform the huge plant into a private majority owned and managed operation. The negotiations, as all privatization work, were complicated and protracted. However, because of a well defined strategy to increase the capital base, thus permitting needed investment, and because of a minutely prepared financial analysis, the process ended in an agreement acceptable to shareholders, to the government, and to employees. In April 1996, SORIMA board officially acknowledged the transfer of majority shares to private groups and a new general manager was appointed. Unfortunately, last minute administrative problems have delayed the full implementation of the privatization process.

Helping a shipping company increase its transportation capacity. Al Mourtaza is a small shipping company that provides coastal transport services for the Northwest part of the island. The company approached CAP to help them obtain a landing barge that could access villages that have agricultural production, but neither harbor nor roads to transport goods to markets.

They originally inquired about a ready-made barge through CAP's ISF. However, through our sourcing service, we found that the imported barge would be rather expensive. The best solution would be to assemble the barge in Madagascar, if Al Mourtaza could import the components at a much lower price. USAID approved the revised application, and Al Mourtaza will be able to build in Mahajanga a barge at lower cost. The new vessel will increase the company's capacity to transport agricultural products from areas where no roads exist. An important CAP contribution was to help the company to qualify for a commercial bank guarantee, in order to open the letter of credit in favor of component suppliers.

Looking Ahead

CAP enters its third year with enthusiasm and high expectations. As it moves to assume a more collaborative role in the Mission and Madagascar's environmental programs, CAP sees that the value of its contribution lays in its for-profit enterprise focus and in its infrastructure rehabilitation strategies. It will continue to apply its resources to forging a public-private partnership for economic growth and promote the conditions to better manage natural resources. By identifying economic incentives, CAP will expand capacity of its clients to intensify crop production, adopt sustainable agriculture techniques, and practice sound, soil and forest management.

CAP is committed to expand in concert with specialized environmental projects to discuss, design and implement the regional focus of Madagascar's Environmental Program II. CAP has developed a very successful model for local maintenance of roads. The main elements of this model, organizing rural communities and producer association, and empowering local government around a specific task, are invaluable tools for implementing sustainable regional development activities under EP II.

SECTION II MANAGEMENT REPORT

Shared vision and values. A mainstay of our approach is to establish and maintain a shared vision with our customers and partners. We achieve this by both formal



ROAD USERS ASSOCIATION MEET WITH LOCAL AUTHORITIES TO DETERMINE ENFORCEMENTS NEEDED TO PROTECT THEIR ROADS DURING HEAVY RAINS

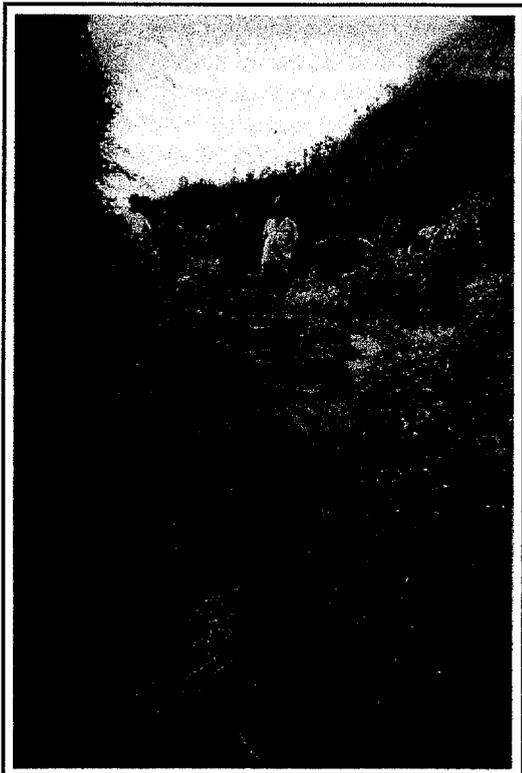
meetings and on-going dialogue. For example, we have held meetings with regional infrastructure committees about priorities for road rehabilitation, with groups along the Fianarantsoa-Cote Est railroad about how they might be served by the railroad, with businessmen in Manakara about how they can work together to solve joint problems such as the port. Even if the agenda of the meeting is to discuss a particular question such as allocation of road rehabilitation funds, the discussion often extends to broader issues such as priorities for regional development and how CAP's assistance can be made most relevant. In addition to these formal meetings, our socio-organiseateurs spend up to a month at a time in villages, and the rest of the team also spends time with clients in both the course of work and social gatherings. We have learned that it is important to devote time to an

on-going dialogue because we must have a nuanced understanding of our clients if our assistance is to be relevant and our intervention to result in sustainable change.

The project continues to be a credible agent for change due to its customer focus, cost consciousness and dynamic approach that incorporates lessons learned

Overall relationship with USAID. We have had a collaborative relationship with the mission from the beginning of the DAP process. During the last year, several key collaborators left the mission — Bill Hammink, Tom Herlehy, and David Osinski - but the values of the mission still emphasize teamwork which is essential to our success. Also key among our shared values is a commitment to excellence, respect for innovative ideas, belief in performance-based evaluation, and recognition of the importance of compliance to regulations. These will be all the more important as we move to establish a new, shared vision of our work under SO3. As CAP and USAID expand the integration of agribusiness and natural resource conservation, CAP has actively participated in meetings, planning sessions and document preparation. We believe continued collaboration on these strategic matters is crucial.

Dealing with USAID on operational issues. In the past year, we maintained weekly management meetings with USAID, using detailed agendas to exchange information and track progress on strategic issues and operational matters. E-mail connections were established between USAID and CAP/Chemonics, encouraging almost daily pooling of information between the project office and CAP. These tools will continue to be helpful in the future. At the same time, we recognize concerns held by some, at least in AID/W, about the mission's ability to maintain such a large program with its reduced staff. Increasing the responsibility given to FSNs and the appointment of a PSC project officer should eliminate these concerns. In addition, we believe that our project will require less intensive attention of mission staff regarding operational matters, now that the project is more mature and



THE 1997 REHABILITATION PROGRAM IN MANAKARA REGION

In 1996, we expanded our collaboration with other projects and donors - we obtained funding from EEC, leveraged funds from the Belgium Cooperation, in-kind contribution from KFW, and worked jointly on projects with GTZ, the Swiss Cooperation and the French Development Bank

since it has gained the trust of the mission. We are interested in working with the mission to find ways to streamline their contract management role, and streamline operations both on our side and theirs. One success this last year was that the mission obtained a delegation of authority from USAID/W to sign Form 11 "Application for Approval of Commodity Eligibility" for non-US suppliers. However, the authorization will expire in December and will need to be renewed for 1997.

Coordination with the GRM. During the past year, CAP's work with the GRM expanded beyond the three ministries involved in project design. We worked closely with the Ministry on improving the operation of Manakara port. Railroad was the impetus for collaboration with the Ministry of Transport on issues relating to the eventual privatization of the FCE. CAP worked closely with the Ministry of the Interior to develop draft legislation for transferring management responsibilities for infrastructure to local government entities and road user associations.

CAP's close collaboration continued with the Ministry of Public Works during the year. Procedures established during the first year to select, supervise and pay contractors greatly facilitated operations during the 1996. Despite constraints related to delay in payment transfer and performance, CAP and Ministry of Public Works maintained extremely close relations to ensure strong performance and prompt payments to the construction firms.

CAP continued to meet quarterly with the principal ministries represented in the Project Management Committee. We also worked effectively with the Ministry of Finance and Budget to assure accurate payment procedures under the ISF and the local currency fund.

The willingness of regional and local governments to participate in the management, financing, and maintenance of infrastructure rehabilitation is the result of time and energy devoted by the project staff to working with local officials in recognition of work done by the Regional Infrastructure Committees. The success and seriousness of the Regional Infrastructure Committees is also an indication of CAP's strong performance in conducting planning with the GRM.

Translating goals into action — coordination with other projects and donors. As part of our commitment to leverage CAP's resources, we expanded our collaboration with other projects and donors this year. The success of these efforts permitted to leverage funds from three different organizations, including the Belgium Cooperation Agency, the European Union and the in-kind assistance from World Wildlife Fund for Nature (WWF).

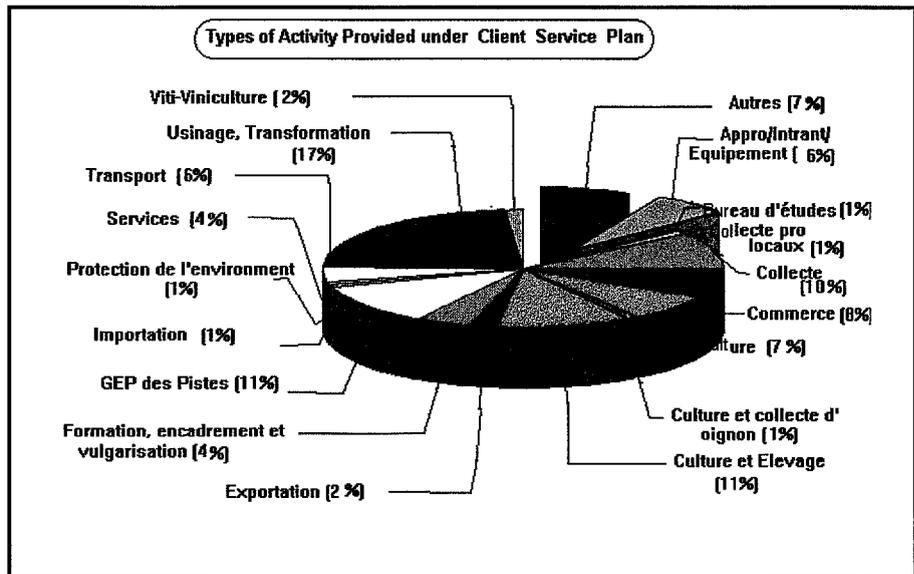
An agreement that will provide training in organic compost production was concluded with a Belgian PVO and will leverage funds in a 7:1 ratio. The European Union has agreed to contribute 1 million ECU (approximately US\$1.25 million) to CAP's road rehabilitation and maintenance program. WWF is participating in the rehabilitation of a road segment CAP included in our 1996 road program. The work will permit access to an eco-tourism site developed by WWF.

CAP's collaboration with International Rice Research Institute (IRRI) is helping to provide disease-resistant rice varieties in regions where CAP has rehabilitated roads. CAP collaborated with IRRI in providing technical and management assistance to a foundry that produces agricultural equipment.

CAP also worked with GTZ Germany in Mahajanga to assist in the privatization of a large rice irrigation entity, joined with USAID's KEPEM project to implement environmental assessment training workshop for key government and private leaders, and worked with a Swiss development project to improve the management of renewable forest products.

Comprehensive Client Tracking System. Because we deal with a large number and variety of clients, CAP developed a computerized system to manage and track services provided to client. The Client Tracking System (CTS) allows us to trace a client from the time a contact is initiated with the project to the time the enterprise is a CAP client and begins receiving services. The system is particularly useful for reviewing the progress of commitments and the status of a particular assignment. The system also tracks the complex set of procedure needed of ISF clients, CAP, USAID, Bank and the supplier to complete an ISF transaction.

The following is a sample of CAP's tracking system output:



CAP's Client Tracking System allows the 3 offices to coordinate client-support on virtual time shared network

Reinforcing Internal and External Communications Systems. Developing and maintaining communications among the 3 project offices remained a priority during the year. The project worked extensively with Data Telecom Services (DTS) on providing both e-mail and Internet services to the project offices.

The e-mail system used by the project is currently the only one capable of providing a data connection with Mahajanga. The system's reliability however has been mediocre and it cost high. With the improvements in equipment and service that are underway, both regional offices will be able to use standard telephone lines to dial in to the Antananarivo server which will distribute mail within the project and forward other mail via the local Internet provided by DTS.

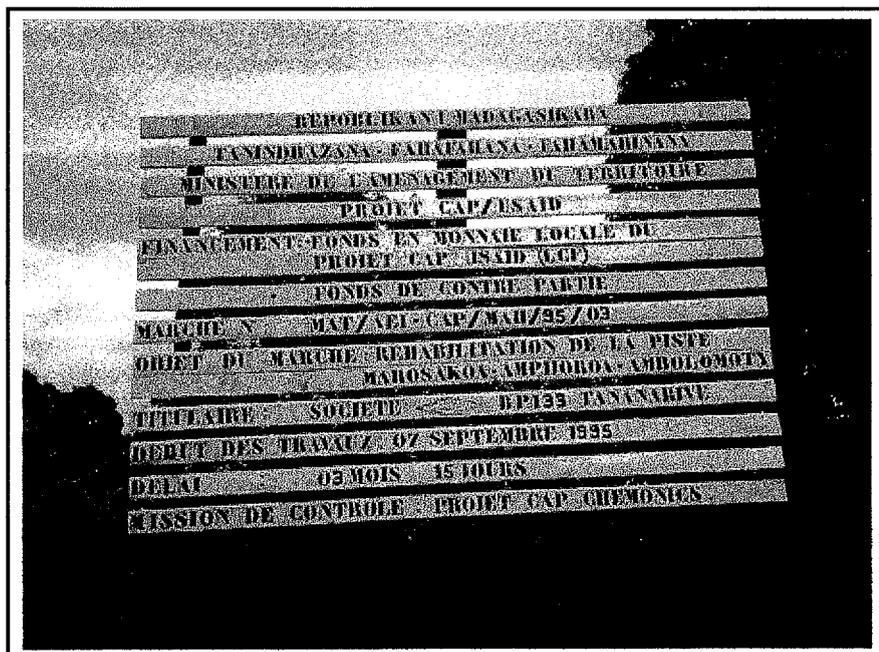
Staffing and Personnel. From September 1995, project staff size increased from 54 to 60 and the two year contract of the Commodity Import Specialist came to end. Staffing of a few key positions also were modified during the last 12 months, the MER position was turned over a full time specialist and we added additional drivers

for the 4 new vehicles assigned to the distant road rehabilitation program. To supervise the 1996 road program in which we contracted with 18 firms, we added 19 part-time site supervisors and engineers.

During year 2, the number of checks issued by CAP almost doubled from 1,234 to over 2,200. We processed reservations, ticket purchase and completed accounts for 190 airbound travel missions (almost 4 per week). This is a simple but telling indicator of the scale of the administrative support needed to manage the project.

In March, CAP conducted an internal staff development and team building exercise which brought together for the first time all personnel from the three offices. The successful retreat focused on meeting the project's challenges through consistent

reinforcement of team skills, exchanging information, and integration of project components.



A SIGN DESCRIBING THE ROAD REHABILITATION PROJECT IS ERECTED AT EACH ROAD SITE

Improving MER Systems. Our annual workplan for 1996 stressed the need to reinforce project monitoring systems. One area, the team has been successful in tracking the utilization of the Local currency fund. Monitoring the LCF combines ISF information from the project's Client Tracking System (CTS) with information provided by the commercial banks, the Central Bank, the Ministry of Finance and the Ministry of Public Works. Application of the monitoring system provides information on the amount of completed ISF transfers from the commercial banks to the Central Bank,

transfers/advances completed by the Central Bank to the regional infrastructure rehabilitation accounts and payments completed by the regional accounts broken down by rehabilitation contract.

Contract Deliverables. During this reporting period, the number of project deliverable to USAID diminished considerably. Only eight deliverables were required as compared to 28 the previous year. Deliverables are summarized in the following table:

Deliverables	Deadline	Status
1. Project Management		
. Third Annual Work plan	October 15, 1996	Postponed until after Strategic assessment and adjustment Review
. Inventory Reports	October 15, 1996	Completed
. Second Annual Reports	October 15, 1996	Completed
. Quarterly Reports	Dec 95, March 96, June 96	Completed
2. Input Supply Fund		
. ISF Annual Reports	October 15, 1996	Completed
. ISF Transaction Reports	Various	Completed and on-going
3. Infrastructure		
. LCF Annual Reports	October 15, 1996	Completed
. Rehabilitation Completion Reports	60 days after completion work	Submitted for the 10 completed 1995 roads
4. Monitoring, Evaluating and Reporting		
. Status of GRM Contributions to Project	September, 1996	Completed (part of annual report)
. Status of Malagasy Private Sector Contributions to LCF-funded activities	September, 1996	Completed (part of annual report)
. Annual Survey of Project Impact	March, 1997	Data collected on 4th quarter

Contract Status. The following tables summarize the status of the Chemonics contract for level of effort and budget utilization.

LOE Utilization

The number of CAP clients increased 50% this year, and the number of road contracts let rose 120%. Yet operating expenses rose only 12% over the same period

Category	LOE in contract	LOE Utilized		Cumulative LOE used	LOE remaining
		Year I	Year II		
LT expat	285	67.08	83.81	150.89	134.12
ST expat	49.5	20.54	5.44	25.97	23.53
LT local	1285	95.62	201.75	297.37	987.63
ST local	125	10.82	21.83	32.65	92.35
Ag apprentice	450	14	111	125	325
Support Svcs	1659	184.68	330.09	514.77	1144.23
Equipment/Veh household	N/A				
Total	3853.5	378.74	643.34	1022.07	2831.44

Budget Utilization

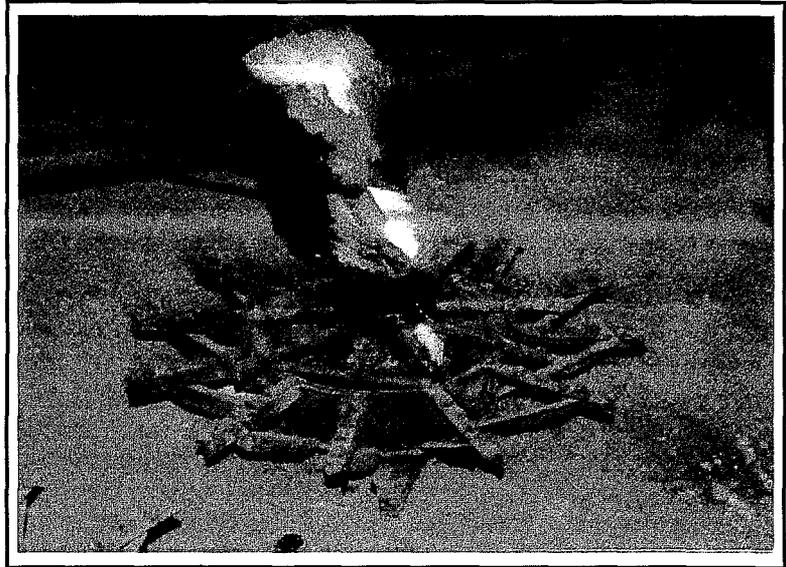
Category	Amount Budgeted US\$	Amount Utilized		Cumulative amt used	Budget remaining
		Year I	Year II		
LT expat	5,657,420	1,173,423.18	1,390,456.67	2,563,879.11	3,093,541
ST expat					
LT local	1,655,524	68,735.33	250,323.04	319,058.23	1,336,466
ST local					
Ag apprentice	4,077,026	834,955.20	879,357.95	1,873,929.57	2,203,131
Support Svcs					
Equipment/Veh household	1,004,407	873,321.64	211,221.61	1,024,946.93	(20,540)
Total	12,394,412	2,950,453.54	2,831,359.27	5,781,813.84	6,612,598

SECTION III AGRIBUSINESS SUPPORT

The Agribusiness Support Component delivers services to a broad range of agribusinesses and producer associations seeking technical assistance, business advice, management training and market identification.

Prospective clients begin by contacting one of CAP's regional offices. The regional staff get to know them and decide whether they are likely to benefit from CAP services. If so, a Client Service Plan is

prepared defining the nature of CAP's intervention, outlining what is expected of the client, and describing the expected impact of project support over a specific time frame. A network of in-house, local or expatriate specialists then provides the technical support and follow-up.



THE SMALL FOUNDRY FIF IN MAHAJANGA IS NOW PRODUCING SMALL FARM IMPLEMENTS THANKS TO TECHNICAL ASSISTANCE FROM IRRRI AND CAP

PRIORITIES FOR THE YEAR

CAP made significant progress this year in achieving concrete results. Four strategic challenges had to be met in order for CAP to reach its objective to re-dynamize the agribusiness sector. Below, we review each in turn.

Identify and work with those agribusinesses and producer associations that have the greatest potential to increase commercial agricultural production; maintain a balance between large and small firms, and associations.

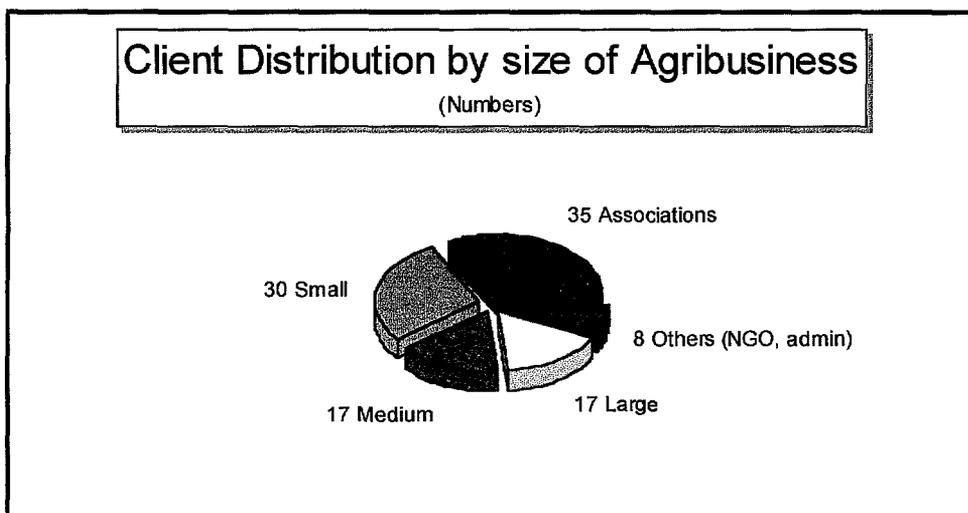
This first challenge had its origin in project design where CAP was to focus on picking winners. These winners, whether small, medium or large firms, would assume a leadership position in their sector and become catalysts for change. To attract winners, CAP had to demonstrate that by adopting modern, open management, accounting and planning techniques, these agribusinesses could diversify, expand and operate more successfully within a liberalized economic environment.

In fact, CAP has found that it is not so much a matter of *picking* winners, but working with high potential firms so that they can *become* winners. We have picked firms as carefully as possible, and over 80% are on their way to being successful, i.e., they are following through with what is outlined in the Client Service Plan. Approximately 18% are not able to implement recommendations considered essential to improving their operation. This is in line with expectations outlined in the Project Paper, however, which stated that we should

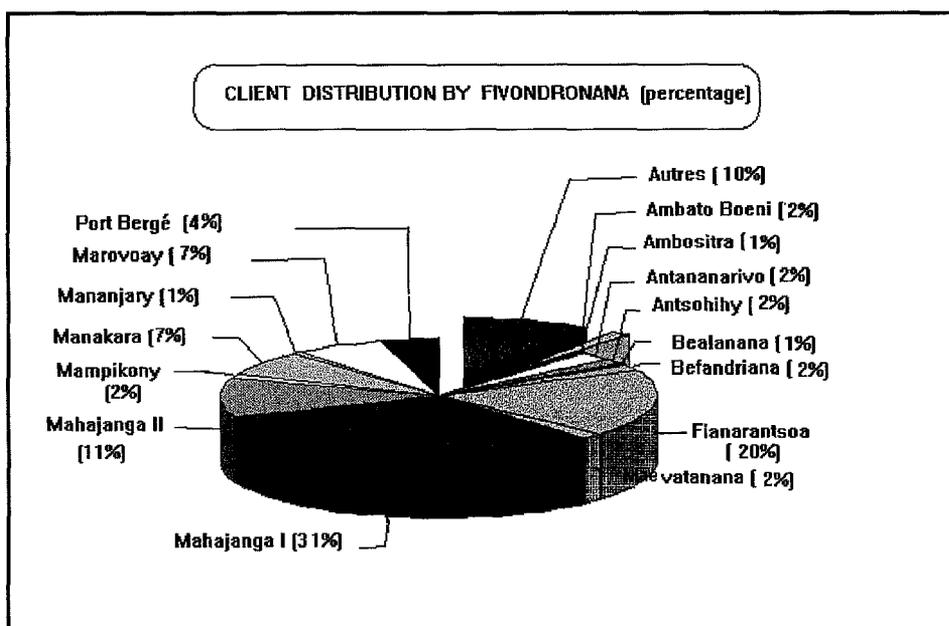
**CAP's success
with agri-
businesses lies
in its ability to
work with
high potential
firms so they
can become
winners.**

work with 144 clients, of whom 100 should experience increases in sales.

CAP maintained a good distribution between small, medium and large size agribusiness, as shown in the following graph. Of note is that 77% of CAP's clients are either small or medium business or associations



CAP also provided services to a geographically diverse set of clients in 15 regional communes, as shown in the following graph.



Deliver technical assistance and services in a manner that is most useful to project clients and offers a quality product responding to client demand.

The key to our success in meeting this challenge has been first, our ability to get to know our clients well enough so that they reveal their true situation, and second, to respond to their needs with high quality services. One indication of our reputation for relevant, high quality

An indicator of the high marks CAP receives from clients is the increased number of firms accepting to share costs for our technical support

work is found in the number of firms that have accepted sharing costs for CAP provided technical assistance. While last year, nearly all of our technical assistance was provided completely free to our client, this year, nearly one third of the clients participated in the cost of delivering business assistance. They did this either through contribution to travel, per diem, housing or actual salary costs of the technical support. Another indication is the growing number of requests from state-owned enterprises that want to be privatized with the support of CAP's technical assistance.

Establish long-lasting raw material supply arrangements between producers, collectors, and processors which will contribute to intensification of production, while increasing the marketed volume of selected agricultural commodities.

Long lasting raw material supply arrangements between agribusinesses and growers proved a more difficult challenge to meet. We were able to broker or encourage only six such arrangements for our clients, while the value of such commodity arrangements was high in dollar terms. A significant success was with a Road User Association in Mahasoabe which obtained a supplier credit from a supplier of fertilizer that was also a CAP client. The supplier advanced agricultural inputs to the association which in turn sold the products to its members, thereby providing extra income, and expanding market penetration to the supplier.

OF PARTICULAR NOTE: EFFORTS INVOLVING REGIONAL COLLABORATION

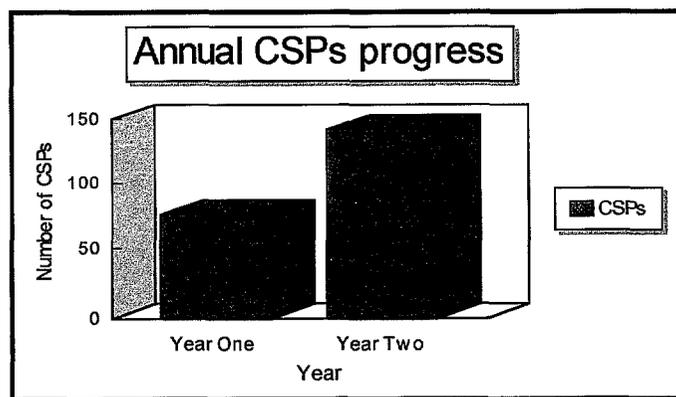
- * CAP FOCUSED LOCAL, NATIONAL, AND DONOR ATTENTION ON THE NEARLY ABANDONED SOUTHERN RAILWAY, ITS NEED FOR REHABILITATION AND A MORE EFFICIENT MANAGEMENT STRUCTURE. BROKERED AGREEMENT WITH SOLIMA TO INCREASE THE RATES IT PAYS BY 100%.
- * CAP FOCUSED MANAKARA PORT USERS' ATTENTION ON THE POSSIBILITY OF WORKING TOGETHER TO CATALYZE IMPROVEMENTS IN PORT SERVICES. INITIATED MAJOR IMPROVEMENTS.

Maximize synergy of project components.

CAP considerably increased the synergy among its components this year. Agribusiness clients, benefiting from CAP technical support were able to import equipment and material through the ISF facility. In turn the production zones from which they purchase raw agricultural products became more accessible because of better roads that had been part of CAP's road rehabilitation program. Two larger firms whose operations benefit better road transport now contribute to maintaining the rural road rehabilitated by CAP.

ACHIEVEMENTS

This last year has brought increased activity in the agribusiness sector. Clients are making improvements in their management, investing in expanded operations and facilities, handling greater volumes of agricultural products, and beginning to see increases in sales. CAP is now working with 106 clients, an increase of 51% over last year. The number of Client Service Plans nearly doubled in the second year, increasing from 76 Client Service Plans in 1995 to 142 in 1996.

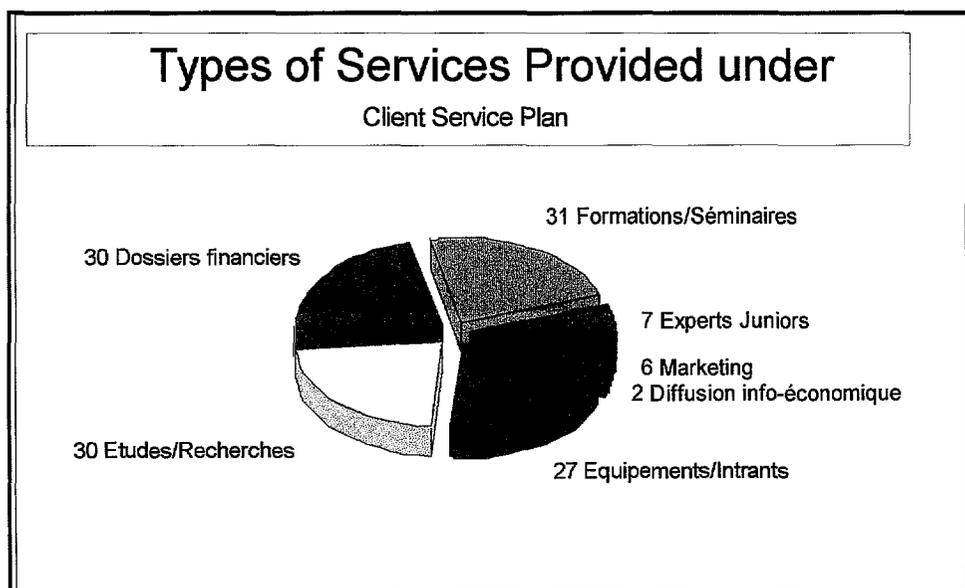


Our customers are small businesses, large agro-enterprises, road users groups, producer associations, NGOs, manufacturers, importers, railroad, shippers, exporters, port. We provide training, leading edge management support, modern financial analysis tools, accounting know-how

We describe below the progress we have made:

- Retooling clients' operations through managerial and technical support.
- Helping groups of clients find common solutions to problems.
- Helping clients get loans.
- Restructuring and privatizing enterprises.
- Rescheduling debt.
- Laying the groundwork for expanded financing.
- Providing market information.
- Providing agribusiness apprentices (*experts juniors*)
- Ensuring more reliable raw materials supply.
- Expanding into environmental activities.
- Training agribusiness entrepreneurs.

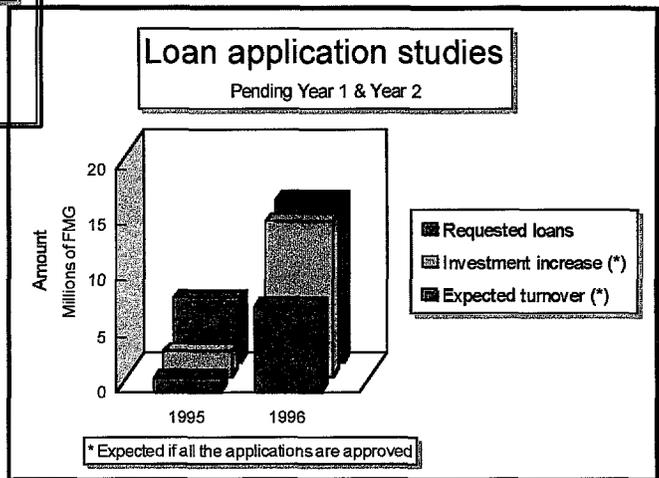
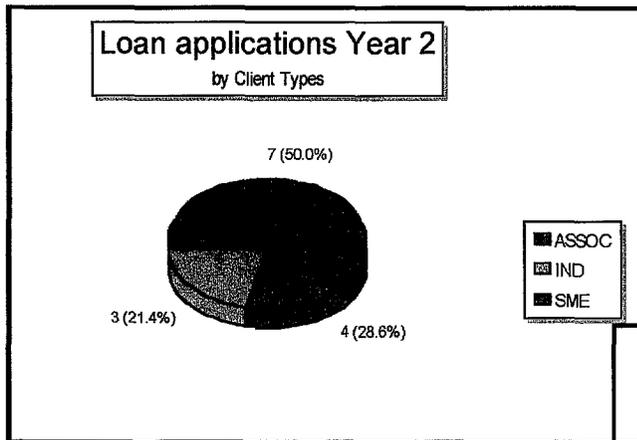
Retooling through managerial and technical support. CAP's technical support services contribute to improving clients' sales, access to new markets, strategic planning capacity, production efficiency, accounting, and expansion of its labor force. Our focus this year has been to promote the use of modern management and accounting tools, particularly new business planning, networking and accounting software. We have organized 3 business management seminars attended by 65 people, supplied 14 *experts juniors* to 10 CAP clients, and provided specialized assistance via 7 expatriate and 8 local consultants. The following graph shows the distribution of Client Service Plans by type of service provided.



Helping groups of clients find solutions to common problems. We expect our work in Manakara to help many enterprises, all with a common interest in getting better service from the port. Because of the strategic importance of the Manakara port, CAP placed a full-time expatriate intern in the town. After she had talked with many of the entrepreneurs, we decided to focus on restructuring the docker/stevedores entity, *Société de Batelage de Manakara (SBM)*, and helping the port authority, agribusinesses and customs work in a more coordinated fashion. By doing this, CAP became the catalyst for the creation of a professional agribusiness association which lobbied for improvements in the port operation. Through the intern's work, the Ministry of Transport supported CAP's recommendations for improving the port's operation, including plans to privatize of the SBM.

Helping clients get loans. Providing business and investment planning advice is one of CAP's most important services. In helping clients plan their investments, we are able to help them make wiser decisions and have a better chance of getting a loan. With its clients, CAP

prepared and submitted to lending institutions 14 new financing proposals this year. Of the 14 financial packages submitted, eight have already obtained approval from the banks, and to date six loans have been disbursed. We can trace the success of pushing through financing applications to the team work among our regional and Tana office staffs, as well as Chemonics' home office. The following four graphs present a break out of loan applications as well as a comparison between year one and two.



Loans for smaller clients. Of particular note was our success in preparing loan application for small producer associations and very small businesses who had previously been left out of traditional financing circuits. These successful small loans are for:

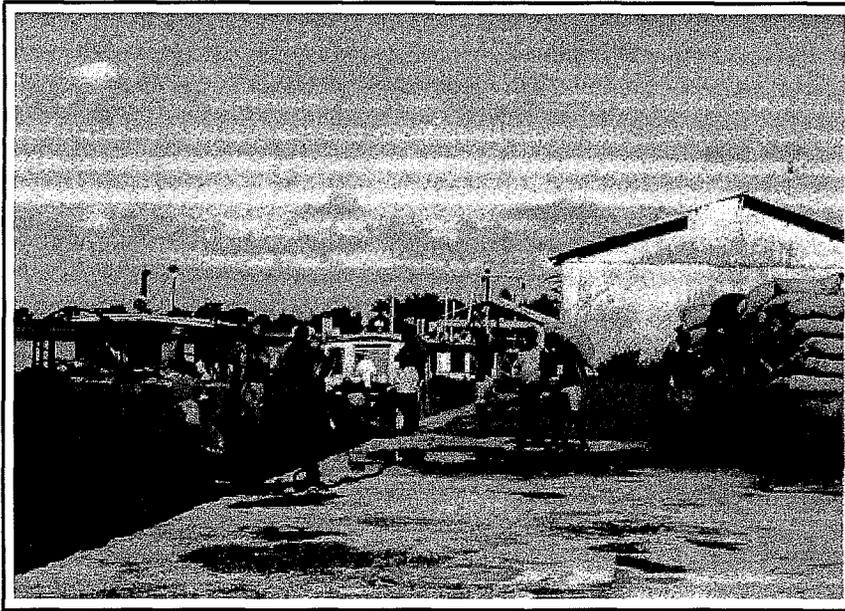
FAFED in MAH	6 million Fmg (\$1,500)
FITABE in MAH	6 million Fmg (\$1,500)
FMAB in MAH	3 million Fmg (\$750)
LOVASOA in MAH	62 million Fmg (\$15,500)
Femmes Célibataires Commerçantes	loan to be approved by FENU
JOSEPH 1 in FIA	25 million Fmg (\$6,250)
Rene Justin in FIA	30 million Fmg (\$7,500)
Marodinta in FIA	30 million Fmg (\$7,500)

Preparing major investments. On a larger scale, CAP developed a major financing package for a client in Mahajanga who is investing in a \$2-million fruit processing operation. CAP conducted the feasibility and financing study, bringing together national and international specialists, a commercial bank, the International Finance Corporation (IFC), a Malagasy venture capital firm (FIARO) and private investments.

The investment is a model for adding value to Madagascar's natural resources as it would involve the sustainable use of mango trees in a wide region of the Northwest stretching from Diégo-Suarez to Mahajanga. The specifications for the processing plant calls for equipment which will be imported through ISF (see Section IV).

We also prepared a preliminary business plan for a client interesting in developing a coffee roasting operation in Manakara. The project stalled temporarily, but the client is

now ready to move forward with a more detailed technical study of an instant coffee plant and issuing requests for bids in the next couple of months. The client has agreed to pay CAP the full salaries of the consultants who will carry out the next stage.



IMPROVING THE MANAGEMENT OF THE PORT OF MANAKARA WILL REINVIGORATE THE CENTRAL EAST COAST

Finally, the first loan of a larger scale, amounting to 700 millions Fmg, was disbursed in July 1996, on the basis of a feasibility study conducted by CAP. It was used to set up a new rice mill in Mahajanga, which was imported through the ISF and was designed with the technical support of the CAP team.

Restructuring/privatization. CAP completed proposals for restructuring/privatizing three state-owned enterprises whose operations have a tremendous economic impact on the region in which they operate. The CAP team won the recognition of the GRM for its plans to privatize SORIMA, a rice parastatal in Marovoay, and to transfer to a private company the

management of a state-owned cashew nut factory in Mahajanga.

"Intensive agriculture is essential to raise food production... and relieve pressures on other habitats..."
(World Bank)

CAP also supported efforts to revitalize the nearly abandoned southern railway, the Fianarantsoa-Cote Est line known as the FCE. CAP was able to focus national and donor attention to the rail line by adopting a broad vision of the railway's contribution to regional development. CAP's approach, which was significantly different from previous analyses, led the government to adopt a policy that places the line as an indispensable resource in Fianarantsoa's regional economic development. CAP's study showed that the rail line could be saved if it expanded its services, restructured its rates schedule, privatized its management, and initiated an immediate maintenance program. The Ministry of Transport largely supports CAP's detailed restructuring plan to split the FCE from the national railway system, and promote the autonomy of a regional operation through private management. The privatization program has been accepted by 93% of the railways' 200 employees.

On-going exploration of financing options. During the second half of 1996, the financial situation improved slightly in Madagascar as the inflation rate began to fall and the Central Bank reduced reserve requirements for commercial banks. In July, commercial lending rates dropped from a prohibitive 33% to 28%. Banks remained very cautious, but they began to accept loan applications. The loosening of credit restrictions came late for the growing season, but through persistent contacts with the BFV, BTM and BNI, CAP was able to profit from the credible relations it had established

OF PARTICULAR NOTE: HELPING CLIENTS GET FINANCING

- * CAP PREPARED A FEASIBILITY STUDY FOR A \$2 MILLION FRUIT PROCESSING PLANT. WE FOCUSED IFC ATTENTION ON THE PROJECT AND HELPED CLIENT MEET IFC STANDARDS FOR A \$1.1 MILLION LOAN.
- * CAP HELPED SIX SMALL CLIENTS AND PRODUCER ASSOCIATIONS GET LOANS AVERAGING \$6000-\$7000. THE PRODUCER ASSOCIATIONS WILL USE THE LOANS TO BUY EQUIPMENT AND GENERATE FUNDS FOR ROAD MAINTENANCE.

during the year and new loans were approved. On balance, it was clear that CAP needed to continue to explore ways to obtain financing for its clients through specialized financial products, these products include:

Debt rescheduling. We successfully proposed two major debt rescheduling for two important firms, a corn flour manufacturer and a dried beans exporter, avoiding bankruptcies and saving the jobs of approximately 250 small planters, as well as 350 seasonal and full-time employees. In addition, thanks to the CAP team, the corn flour manufacturer was able to double its sales, in less than six months, and to recuperate \$25,000 of financial fees unduly paid to the bank.

- *Specialized lines of credit:* Two new financial institutions became operational this year: UNDP's FENU line of credit and the World Bank's FID. Even before they were operational, CAP approached these institutions and discuss possible grounds for reinforcing each other's activity; CAP would identify good business client in the HPZs in return for careful review of the financing applications submitted by CAP. In part because of the good relations with the regional bureaus of these institutions, two loans approved by them were among the first credits granted by either institution. Both the FENU's and FID's line of credit fit well the needs of our producer/user associations and micro loans for small clients.

- *Rural credit unions:* CAP also worked with ACEC/WOCCU to identify associations in FIA interested in subscribing to a rural credit union. The rural credit union movement has found fertile ground in FIA, where among six applications CAP helped submit for credit, four were approved, one was rejected, and one is still under consideration. The credit unions offer an option for financing small, micro loans.

- *Venture capital:* CAP worked with FIARO, a capital participatory firm run by the major insurance company, to promote their services among our clients. We have adapted financing

plans for select clients to conform to FIARO's special investment structure but to date, we have submitted only one project to FIARO. We have learned that *Venture Capital* schemes do not lend themselves easily to agribusiness projects, and vice versa.

- *International financing institutions:* CAP collaborated this year for the first time with two international financing institutions. We submitted on the behalf of clients financing requests to the International Finance Corporation, and PROPARCO, the local French Development Bank. No decision had yet been reached on either loan, although that latter obtained a



WORKING WITH LITCHEE EXPORTERS IN THE MANAKARA REGION PROVIDES CASH AND INCOME TO SMALL LAND OWNERS

favorable decision from the local office, and must await a final decision from Paris.

- *Guarantees through solidarity:* The biggest challenge, small producer associations face in obtaining credit is their lack of bankable guarantees. CAP not only helped producer and road

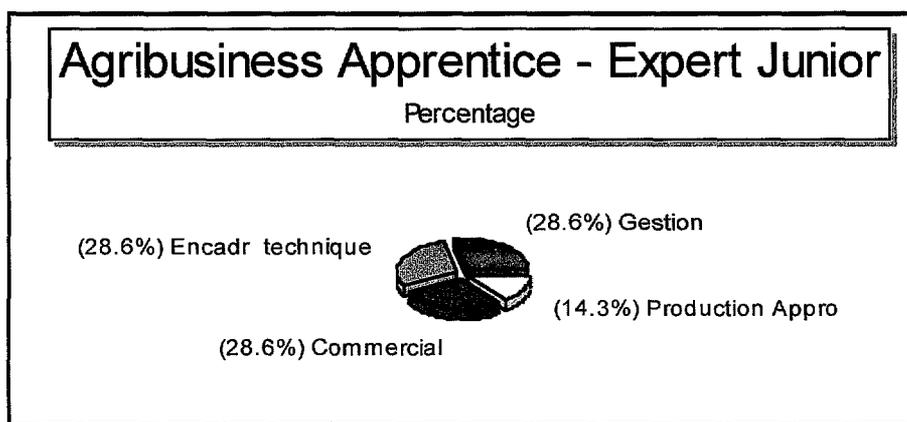
user associations set up a mutual solidarity guarantee, but provided managing and accounting tools to operate their commercial enterprises. CAP helped 14 associations prepare loan applications. Five have been approved by financing institutions; two others are pending a decision.

- *Guarantee fund*: CAP continued negotiating with two institutions for the establishment of a guarantee fund for small businesses. The French Development Fund (CFD) in tandem with the BNI/Crédit Lyonnais of Madagascar, offered to open a credit line for CAP clients if CAP would help establish a mechanism to protect these loans from currency fluctuations. CAP developed the operational procedures, sensitivity analysis and format for a currency guarantee fund, and obtained approval from the Project Management Committee and USAID for the use of up to \$100,000 of the CAP local currency to capitalize the fund. Final negotiations are to be concluded with the CFD which recently lowered the ceiling of their credit line so that only micro loans could qualify.

Providing market information. Both regional office generate on a regular basis domestic price information on basic commodity prices in local markets. Through Internet connections, CAP and its clients have been able to access export market information they need on a timely basis. This activity is expected to expand considerably in the next year.

Agribusiness apprenticeship program. Our goal this year was to recruit, train and place 8 agribusiness apprentices (*experts juniors*). We significantly surpassed that goal by placing 14 EJs. This was due to effective marketing, excellent partnership with the local firm that recruits the *experts juniors* (SOATEG), and through close supervision and technical support. We attribute the dramatic increase in program participation to the lessons learned from last year where the preparation and technical support was not as intensive.

Originally we thought that the program depended on our ability to recruit qualified candidates who fit the profile of the requesting firm. We found that the success of the *experts juniors* depended greatly on preparing the receiving firms to plan for integrating the *expert* into the operation. The success of the *experts juniors* also depends on our ability to help the firms define how the new employee will fit into the firm, define the line of command for supervising the expert, and manage their expectations of the *experts juniors'* contribution to the operation. By actually conducting "twin" training, that is training the *expert junior* as well as the receiving firm, we were able to reduce our drop-out/failure rates almost 90% over last year. The objective of the apprentice program is to encourage agribusinesses to expand into a new activity or a sub-sector. The distribution of specialities among the experts fall into four basic categories as demonstrated in the graph below:





AN EXPERT JUNIOR WORKING FOR SOPAGRI HELPED PROMOTE CORN PRODUCTION AMONG PLANTERS, GIVING THEM A CROP TO PLANT OFF SEASON

contracts were established through the help of a CAP recruited *expert junior*, who succeeded in increasing by 20% the source of corn to the mill.

Another client STRECOA tried to initiate a raw material supply contract with planters, but found it had underestimated the extent of logistical requirements to distribute inputs, assure on-time collection of the production, and finally to pay the producers in a timely manner.

Expansion into environmental activities. The World Bank's most recent document on Madagascar (*Poverty Assessment, Report 14044-MAG, June 1996*) established the link between agriculture and environment :

The reporting period was also marked by the completion of service of two *expert juniors* who completed their one year assignment with their respective new employer.

Unfortunately, even though the performance of the experts was excellent and innovative, neither firm was able to keep the young employee beyond the contract year because of cost constraints.

Ensuring more reliable raw material supply to agribusinesses: During its first year, CAP realized that the loss to agro-enterprises for not maintaining reliable sources of raw material for their processing plants was significant. During the second year, more and more clients became convinced of the necessity of integrating raw material sourcing into their operation. Several clients tried to establish sourcing contracts ; as a first time experience we learned about the complicated process that require planning and a human resource base.

In Mahajanga, PROVIMAD initiated a program with CAP to extend credit in the form of improved seeds to planters and producer associations. In return , the planters would sell their production to PROVIMAD for its animal feed mill. The firm advanced seeds worth 12 million Fmg to 46 planters in return for assurances to buy all of their production. CAP provided *three experts juniors* to assure the extension service and collection of the corn . While PROVIMAD had expected to reach 500 planters with the supply contracts, they only reached a fraction of that because of logistical difficulties in the corn growing region.

PROBO provided technical assistance to client growers who would provide them with corn for their mill. The supplier

OF PARTICULAR NOTE: STRENGTHENING THE ROLE OF THE PRIVATE SECTOR IN BIODIVERSITY CONSERVATION

"THE AFRICA BUREAU BELIEVES THERE IS AN IMPORTANT INTERRELATIONSHIP BETWEEN SUSTAINABLE AGRICULTURAL PRODUCTION THAT ENABLES INCREASED INCOMES AND THE PROTECTION AND PRESERVATION OF BIOLOGICAL DIVERSITY." USAID STRATEGY PAPER, 1994.

- * CAP DEVELOPED THE TECHNICAL AND MARKETING ANALYSIS FOR PROCESSED MANGOES AS PART OF THE \$2 MILLION FRUIT PROCESSING PLANT FEASIBILITY STUDY. THE STUDY LED THE ENTREPRENEUR TO RECOGNIZE MANGOES' COMMERCIAL POTENTIAL AND EXPAND HIS PLANS TO PROCESS MANGOES. MANGOES, LIKE OTHER TREE CROPS, ARE PARTICULARLY EFFECTIVE IN CONTROLLING SOIL EROSION.
- * CAP DEVELOPED A PRIVATIZATION PLAN FOR A CASHEW PROCESSING PLANT. IF THE GOVERNMENT FOLLOWS THROUGH WITH THE PLAN AND THE PLANT RESUMES PRODUCTION, CASHEW PRODUCTION SHOULD INCREASE. CASHEWS ARE ANOTHER ENVIRONMENTALLY-FRIENDLY TREE CROP.

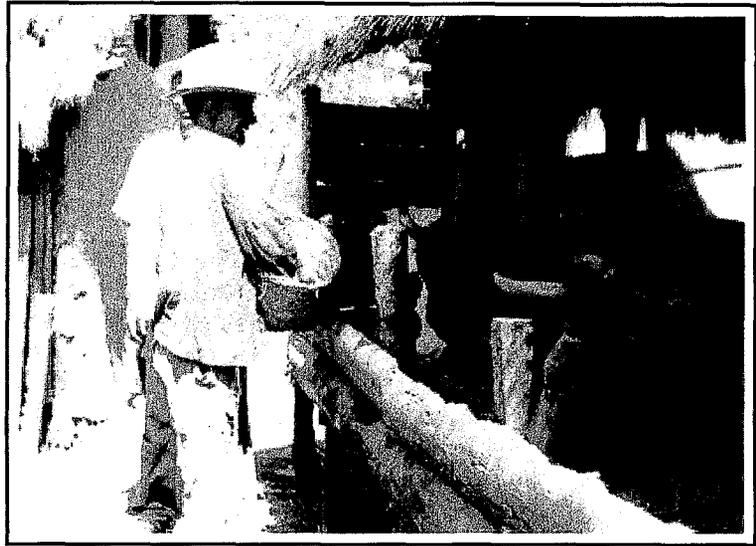
"The cost of environmental degradation principally from soil erosion, silting, declining soil fertility and loss of forests, is tremendous. Traditional forms of itinerant agriculture, which are relied on by poor farmers because they have no incentives to intensify production, result in the burning of the savanna and forest."

CAP is fully aware of the critical need to focus on intensifying production on the lands presently under cultivation; this is one of six project objectives. The importance of including environmental considerations in all of our interventions was stressed in last year's annual work plan where we stated we needed to include environmental considerations "in the design and implementation of work with our agribusiness clients."

Through its agribusiness support component, CAP has helped create incentives for crop intensification and crop diversification. A review of CAP's client service plans shows that much of our assistance leads to better soil, forest and grassland management. Sustainable agricultural techniques are emphasized to regenerate the organic composition of soils. The following are six on-going projects that enhance the natural

resource base.

1) Leveraging funds for organic composting. This year, CAP initiated collaborative ventures with other institutions working on reducing pressures on the natural resource base. We became partners with "*Tany Lonaka*", a local NGO which trains and propagates local-level use of organic composting and fertilizers. We are providing \$25,465 in grant funds to leverage \$127,000 of Belgian development assistance to the NGO. *Tany Lonaka* is also supplying a CAP client with technology, training and organic composting to produce organic tea from Madagascar's largest tea producer.



FELANA - A MILK PRODUCER ASSOCIATION IN FIANARANTSOA INCREASES PRODUCTION WHILE REDUCING PRESSURES ON GRAZING LAND

2) Finding environmentally sensitive solutions for crop protection. In response to requests from members of road user associations in the Bekobay plain, CAP has undertaken a major study, in cooperation with IRRI and FOFIFA, to identify the best environmentally sensitive solutions to defend rice crops against insects and fungi, in that area. Instead of recommending the utilization of a broad range of pesticides, CAP is focusing on resistant varieties and improved agricultural practices.

3) Involving sustainable forest management by the private sector. The Lam-Seck company of Fianarantsoa asked CAP to help them conduct a feasibility study for managing forests in the regions. The objective of the company is to put into place strategies to ensure sustainability of renewable wood products such as pine and eucalyptus. Swiss Cooperation will use the study to provide the basis for developing training modules for local management of renewable forest resources. The adoption of the recommendations illustrates the positive

links that can exist between commercial interests and ability to reduce pressures on the natural resource base. It was out of commercial interest that the client launched an initiative to manage the forest's resources in a sustainable manner. The strategy necessarily provides economic incentives for the producer and the consumer by way of better utilizing resources.

4) Finding commercial outlets for wild honey. CAP was asked by AINGASOA, a producer association in Fianarantsoa, and FAFED, a women association in Befandriana-Nord, to find commercial outlets for wild honey. After making contacts and networking with buyers, CAP identified and passed onto AINGASOA orders for 300 kg of honey from forested areas around Ambositra. As far as FAFED is concerned, ODAL, a German funded project in Port-Bergé, indicated that they will buy all the honey produced by the association. Those association are fervently against deforestation, forest fires, and the expansion of agricultural lands into the forest. So by finding new markets for their honey, CAP directly helps to reduce pressures to burn the forest.

OF PARTICULAR NOTE: ENCOURAGING MORE ENVIRONMENTALLY-FRIENDLY PRODUCTION

- * CAP ADVISED TEA PRODUCERS ON ORGANIC TEA PRODUCTION BOTH AT PLANTATION AND SMALL LAND HOLDER LEVEL
- * CAP PROMOTED NEW DISEASE AND INSECT RESISTANT RICE VARIETY TO RESOLVE PROBLEM OF INFESTED CROP, INSTEAD OF RESORTING TO PESTICIDES AND FUNGICIDES
- * CAP HELPED FIND A MARKET FOR WILD HONEY FROM FORESTED AREAS.

5) Helping business and environmental advocates work together. As CAP is a demand-driven project, our approach lends itself to facilitating the dialogue between the agribusiness client and an environmental advocacy agency whose priorities are to protect and better manage natural and human resources. The CAP approach also supports EP II's regional/local strategy for natural resource management. From the outset CAP worked from decentralized regional offices and developed during the reporting period a reputation of responding directly to regional rather than national needs.

6) Participating in the World Bank's Woodfuels Pilot Program in Mahajanga. A World Bank study, conducted in May 1994, "evaluated the environmental problems of

seven regions in Madagascar, and found two, Mahajanga and Toliary, where the exploitation of forest resources for fuel was the main cause of environmental degradation, severely threatening the sustainability of wood supply and forest ecosystems". "In the Mahajanga

region, more than half of woodfuel supply comes from the natural forest, which is disappearing at an annual rate of 10 percent." The World Bank intends to launch, in January 1997, a \$2.5 million Integrated Woodfuels Program in Mahajanga, which "will test, on a pilot basis, a mix of measures that the Government later could extend to the national level". The CAP team contacted the World Bank in Madagascar and in Washington, to determine how the CAP Project could efficiently participate in the implementation of this Pilot Program, given CAP's resources and successful experience in the region. CAP's intervention would include: i) promotion of tree planting and charcoal production by private entrepreneurs, on a sustainable and profitable basis; ii) transfer to local authorities and farmer associations of community responsibility for managing natural resources; CAP could profit from



A CORN FLOUR PRODUCER USES MODERN MARKETING TECHNIQUES TO REACH NEW CUSTOMERS

good relationships built with local authorities to induce them to play a more active role and to take more responsibilities in forest management at the community or regional level; iii) identification of sustainable alternative energy sources.

Training agribusiness entrepreneurs. Training has evolved as an important product within CAP's agribusiness support services. CAP conducted a series of targeted training workshops and seminars in accordance to our projections established in the work plan. Among the events were:

Training agribusiness executives from Mahajanga: One of our most successful training products this year was the CAP-organized interactive workshop on applications of management and accounting practices. Twenty-five executives from the MAH region participated in the workshop, representing a broad assortment of agribusinesses and related service firms. Bankers and venture capital representatives from Tana joined the workshop to provide the perspective of financing as seen from lending institutions. The workshop simulated practical experience as a way for participants to have a clear vision of accounting concepts, and the advantages of establishing a reliable accounting system — one of the sector's most serious deficiencies. Success was measured by the application of what the participants had learned during the workshop to their own enterprise.

Training entrepreneurs and producers association from Fianarantsoa: Within the context of a liberalized economy, agribusinesses in the HPZs have had to adapt their traditional practices of conducting business to more competitive and open procedures. Micro-enterprises and producer associations requested the FIA regional office to develop specialized training



CAP ORGANIZED PARTICIPATORY WORKSHOPS APPLYING MANAGEMENT TOOLS IN MAHAJANGA

modules that would focus on better management of micro agro-enterprises, and on techniques to access financing. Twenty four participants attended a CAP sponsored workshop on these themes, in collaboration with a regional training facility. The workshop gave participants the opportunity to practice developing their own business plans.

For associations, the workshop highlighted the concepts of sustainability and autonomy of a well-run association, and provided participants the opportunity to simulate restructuring the administration of their association.

The success of the workshop was measured by the approval of two medium-term loans by participants who had formulated loan applications based on their workshop training. Also, the regional office received

another request from agribusinesses and associations in Mananjary to conduct a similar workshop in that coastal town.

Training members of a Woman Association in Port-Bergé. The CAP team organized a three day seminar in the field, at Port-Bergé, for members of a woman association called "Femmes Célibataires Commerçantes". The purpose of this seminar was to teach basic accounting and marketing skills, and to help participants to improve relationships with banks and local administration. Members of this association are dynamic traders who sell agricultural commodities, such as rice or beans, produced in the Port-Bergé area, and buy consumer goods in Antananarivo.

Training of project staff on participatory approaches to training: In order to improve the quality of CAP services to clients, key technical staff of CAP attended in MAH a participatory - collaborative methodologies training seminar run by Coverdale International. The training coincided with another workshop provided by CAP thereby giving our staff the opportunity to apply directly participatory and interactive training methodology. As a result, all training activities organized by CAP project are performed according to the participatory and interactive approach.

A WINDOW ON THE ROAD

In April 1995, Ralaivao Marcel, a village elder, and Berthine Andraramila, a leader of a women's group, led a delegation of farmers from Mahasoabe village to the CAP in Fianarantsoa. Mr Marcel and Mrs Andraramila went to meet with CAP/Chemonics staff because they had heard that the project could fund the rehabilitation of rural roads, if villagers agreed to do routine road maintenance themselves.

Mahasoabe, explained Mrs Andraramila, has been virtually cut off from the main roads and main market centers for almost ten years because of the devastated state of the road. The villagers have been appealing to the local, regional and national government, to other donors and even praying to God, but - unfortunately - no one has come to help the village rehabilitate the 11 kilometer (7 mile) road which used to connect their village to the rest of the Fianarantsoa region. As a result, farmers have no means to sell surplus crops - such as rice, fruits and vegetables, parents are reluctant to make their children walk for 3 hours just to go to secondary school, and mothers and infants have no access to regular primary health care.

CAP's Regional Infrastructure Committee listened intently to the request being made by Mrs. Andraramila and Mr Marcel and the village representatives, but they indicated that the project the request would have to be put into the list of other roads under consideration.

After making several site visits, and analyzing the financial, commercial and social impact road rehabilitation could have on the village of Mahasoabe, the Regional Infrastructure Committee recommended that the Mahasoabe road be among the sites selected for rehabilitation in 1995.

After one of the contractors interested in bidding on the road work visited Mahasoabe village and saw the enthusiasm of the people for the road, he decided to work with the villagers, using them as laborers, to do much of the road work. As a result, Andriamorasata, a local small construction company, won the bid and within 3 months the road was finished.

Of the 300 laborers hired to do the road work, 264 (88 %) came from Mahasoabe village itself. 85 of the laborers were women and two of the eight crew leaders were women. Miss Rasolomalala Deranirina, one of the two women crew leaders, indicated that as a result of working on the road, the laborers had learned the skills they would need to perform routine maintenance. Because the road work was carried out during the dry season, labor was easily available, and the wages earned by the laborers supplemented their farming incomes. Ralaivao Marcel indicated that road workers who worked full time on the site almost doubled their annual incomes.

At the official road opening ceremony in December 1995, Mr Ralaivao Marcel told the US Ambassador, Vicki Huddleston, that "USAID has fixed the road and opened a window to the world for us. Now, we will be able to sell all the surplus rice that we can grow and we have the incentive to grow more vegetables and fruits for the market." Speaking next, Mrs Berthine Andraramila stated that "Here in this village, we women produce a lot of rice and a lot of children. Now that USAID has helped us by building the road, we will be able to sell our rice more easily. Now, perhaps, we can also get better family planning services so that we do not produce so many children and the women can have a rest."

SECTION IV INPUT SUPPLY FUND

The "ISF" stands for direct private sector contribution to Madagascar's rural development

The second year of project implementation was a very successful one for the Input Supply Fund. After a first year characterized by low demand for the fund, the project implemented adjustments to the ISF which dramatically increased private sector demand for and participation in the fund. The ISF is now widely recognized within Madagascar's importing community as an important means of facilitating import transactions. Facilitating access to agribusiness inputs and other imported goods is the primary mission of the ISF, and the second year of project implementation has seen the ISF make a significant impact in this area. Of equal importance is the fact that the ISF is now generating local currency at a sufficiently high rate to provide adequate financing for CAP's infrastructure rehabilitation activities.

The ISF is currently achieving its purpose within the CAP project and in support of the USAID program in Madagascar. To continue to build on this success, the project will need to continue to be flexible and to meet new challenges. These are discussed below. Before considering the current position of the ISF, it may be useful to review some of the challenges faced by the ISF during its first year.

YEAR ONE: OCTOBER 94 - SEPTEMBER 95

The overall objective for the ISF component during year one was to establish the ISF as a functioning entity, to be efficient, transparent, and reasonably secure against the possibility of fraud or misuse of ISF funds. Four specific priorities were identified: (a) to establish the fund and "open for business"; (b) to promote the ISF; (c) to conduct operations and test the system; and (d) to monitor, evaluate, and report on the level of demand for the ISF. The target for disbursements was \$3.6 million for the first year.

Rapid implementation. As a result of Chemonics' commitment to rapid implementation, and helped in great measure by the DAP process, the Chemonics team hit the ground running and immediately began implementation upon the team's arrival in-country in September 1994.



THESE TRACTORS WERE IMPORTED DISASSEMBLED UNDER ISF AND ASSEMBLED AT LOW COST BY IMPORTER, SAVING FARMERS 22% ON PURCHASE COST

The ISF in particular was rapidly established and ready to receive and process applications by February 1, 1995. Working in collaboration with USAID/Madagascar and the USAID Regional Commodity Management Officer, as well as with CAP clients, importers, and local banks, Chemonics developed all of the necessary guidelines, promotional materials, and applications forms and procedures, and all of the other operating procedures needed to receive and process ISF applications.

Once the financial and operation structure of the fund was established, the implementation team undertook an extensive marketing and promotional campaign. This included advertising in print and electronic media, creation and distribution of various publications, a targeted

mailing campaign, conducting 9 workshops in the HPZs and in the capital, and other "how

**The ISF
enables a
client to
effectively
manage his
cash flow.**

to” documents and studies. Forty three sourcing actions were performed on behalf of potential clients to identify potential U.S. goods and suppliers. During this period, ISF staff had substantive discussions with 169 potential clients of the fund. Local staff were recruited and hired, and a large catalog library and procurement information center was established within the project office in Antananarivo.

However, despite all of these efforts, demand for the fund remained low. During the entire first year of implementation, only six ISF transactions were executed, for a total value of only \$513,203. Furthermore, all six came from a single firm -- perhaps the largest importer of goods and equipment in Madagascar. The ISF and the CAP Project were failing to significantly facilitate the targeted beneficiaries’ access to imported goods, and insufficient revenues were being generated for the project’s infrastructure rehabilitation activities.

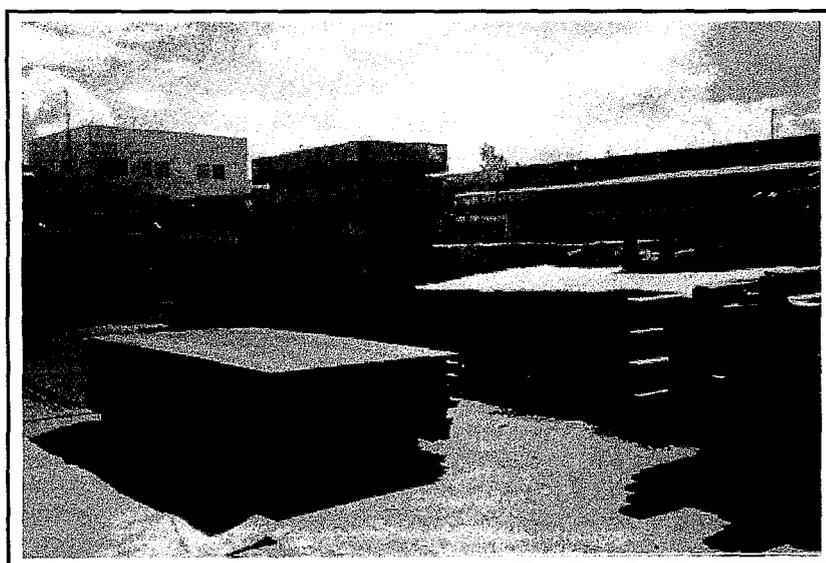
There were four main reasons for the low demand:

(a) **Devaluation of the Fmg.** The Malagasy Franc had lost roughly two-thirds (62%) of its foreign exchange value against the dollar since October 1993 when the design team made its original study. The cost of imported goods was therefore much more expensive in real terms, and the pool of buyers who could afford such goods had contracted dramatically.

(b) **Tight credit.** Extremely tight credit policies were making it (and continue to make it) difficult for private sector importers to finance major purchases.

(c) **Liberalization of foreign exchange regulations.** When the project was designed in 1993, the unavailability of foreign exchange was the biggest constraint to the importation of foreign goods. The ISF was originally designed to address this constraint. However in early 1994 the GRM legalized the holding of foreign exchange by private individuals and companies, and created an interbank market for foreign exchange. Importers were now able to readily obtain foreign exchange on the interbank market, whereas before they had had to wait months for an allocation. This removed the biggest single incentive for participation in the ISF.

(d) **Recession.** The Malagasy economy was in a serious and prolonged economic recession, which discouraged capital investment.



STEEL SHEET IMPORTED UNDER THE ISF FOR ROOFING AND STORAGE SHEDS

The liberalization of foreign exchange and the resultant devaluation of the Fmg in May 1994 had obvious implications for the ISF, and Chemonics made several attempts to adjust the ISF design between May and September of 1994. Upon the implementation team’s arrival in September 1994, Chemonics warned the mission that the ISF could not effectively function within the new, changed economic environment, unless certain adjustments were made. USAID/Madagascar and the GRM nonetheless instructed Chemonics/CAP to implement the ISF as originally conceived, with the promise to allow the adjustments if and when they were proven to be needed. The disappointing results of year one provided the required proof, and on September 8, 1995, Chemonics

recommended four specific adjustments to make the ISF more responsive to the changed needs of the importing community. These adjustments were approved at the beginning of implementation year two.

YEAR TWO: OCTOBER 95 - SEPTEMBER 96

The second year of implementation of the ISF was markedly different from the first year. Chemonics' recommended adjustments were approved and implemented. The response from the importing community was immediate and very positive.

Implementing adjustments. In December 1995, USAID/Madagascar and the GRM gave final approval of three of the four adjustments recommended by Chemonics (with slight modifications). These adjustments were:

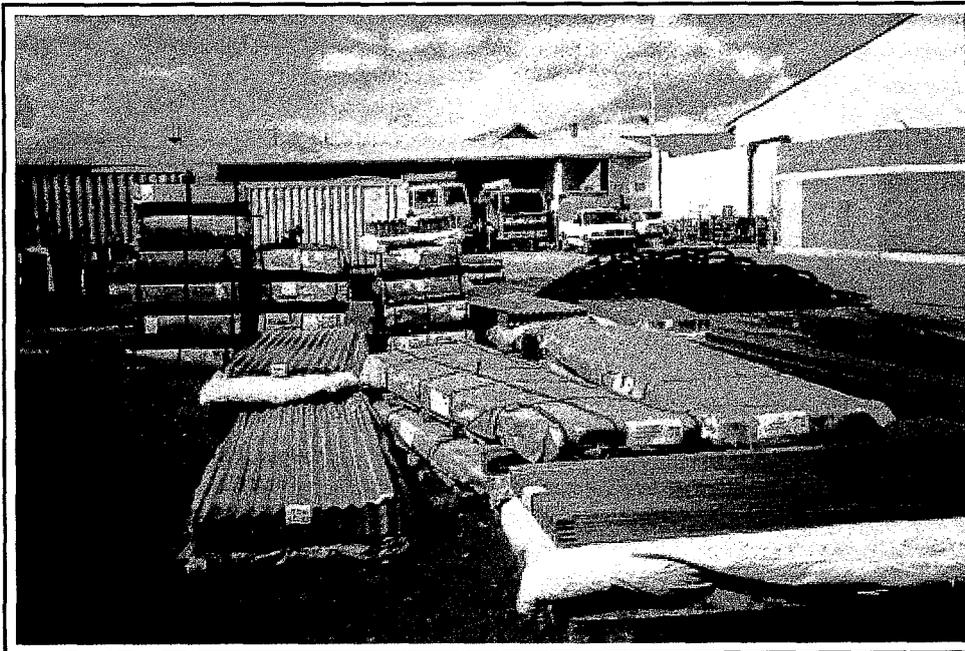
The ISF has generated 5.7 billion Fmg of local currency for rural infrastructure rehabilitation

- Revise ISF repayment terms to allow the importer to pay up to six months after the opening of the Letter of Credit.
- Widen the ISF commodity eligibility list from roughly two dozen commodity types to include the entire USAID commodity eligibility list (only for those imports which are destined for the HPZs.)
- Allow the importation of certain equipment for use outside of the HPZs. (Only the two dozen or so commodity types on the original CAP eligibility list.)

The CAP/Chemonics team had anticipated approval of these adjustments, and so was ready to implement them as soon as approval was received. All of the necessary application and agreement forms, commodity lists, operational handbooks, banking procedures, etc. had been modified ahead of time, and so the implementation team was ready to begin operations under the new system within 10 days of receiving formal approval.

In May 1996, in an effort to streamline ISF operations, CAP requested and obtained USAID/Washington approval to authorize USAID/Madagascar to sign AID's Form 11

"Application for Approval of Commodity Eligibility" for non-US suppliers in country. However, the authorization is valid only until December 1996 (cf. Amendment # 3 of the Letter of Commitment) and will need to be renewed for 1997.



CONSTRUCTION MATERIALS IMPORTED THROUGH ISF

In July 1996, another adjustment to streamline ISF was requested and approved by the Project Management Committee to increase the minimum threshold for non-HPZ ISF transactions from US\$ 10,000 to US\$ 50,000, reducing the amount of paperwork.

Product/Activity	Status
• Obtain approval of ISF adjustments by USAID and GRM	Done
• Revise banking procedures	Done
• Revise ISF operational guidelines and ISF documents: - Application/Agreement forms - List of Eligible Commodities	Done
• Obtain Amendment # 3 of the Letter of Commitment allowing USAID/Madagascar to approve AID 11 Form	Done
• Revise the minimum threshold for non-HPZ ISF transactions	Done

Implementation of the ISF adjustments was the first priority for the ISF component during the second year. Other priorities were:

- to advertise the adjustments and promote the fund through a continuing ISF promotion campaign;
- to recruit, hire, and train local CAU staff;
- to provide product sourcing services and other ISF technical assistance; and
- to conduct ISF operations, generating at least \$3 million for 1996 infrastructure activities.
- other activities are listed on the accompanying chart.

Launch promotional campaign. A second promotional campaign was conducted to educate the importing and banking communities about the new opportunities available under the revised ISF program. Most of the potential ISF clients were already aware of the ISF as a result of the first year's promotional campaign. The new aim was therefore to publicize the changes in the ISF and to demonstrate how the adjusted ISF could benefit importers. The new campaign included most of the components of the original campaign, including newspaper, magazine, and electronic media advertising, direct mail, workshops, and targeted marketing of high potential importers. Our job was made easier by the many referrals and favorable press articles that started to appear once we had conducted the first two dozen or so transactions.

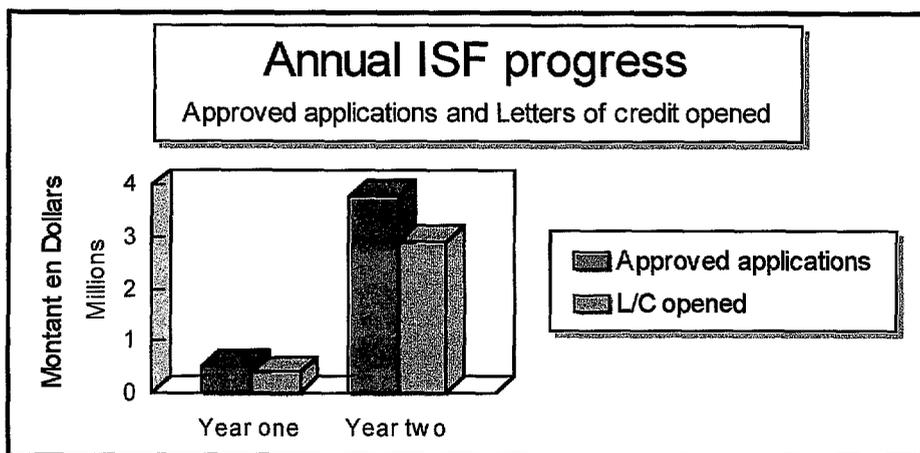
Staffing. At the end of the first year, the ISF lost its local-hire ISF expert to another donor activity. While the loss of this talented individual was initially a set-back for the ISF, it ultimately strengthened the project because as a result the decision was made to divide the ISF assistant position into two: a senior banking/trade expert, and a more junior ISF administrator. Two extremely capable locals were hired to fill these positions, and a comprehensive training program was put into place. With the departure of the team's expatriate Commodity Import Specialist at the end of year two, these two local hires have taken over management of the ISF.

Activity	Status
• Recruit and hire Commodity Import Team	Done
• Design and implement training program	Done
• Transfer ISF management to Commodity Import Assistant	Done

CAP identified US sourcing for clients resulting in obtaining orders for US firms in place of importer's traditional french or other suppliers

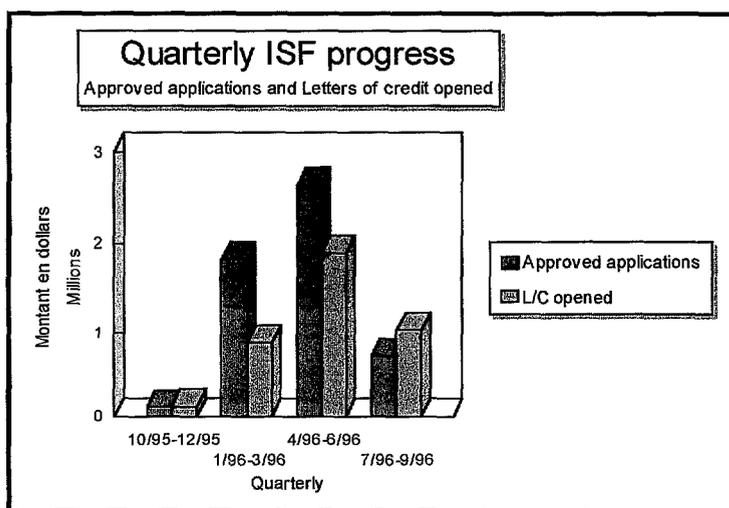
Sourcing Actions and Facilitation. The team continued to provide a high level of service in the area of product sourcing and transaction facilitation. The team performed 53 sourcing actions during the second year, bringing the total number of sourcing actions to 96. These actions help Malagasy importers identify U.S. products and suppliers, and in several cases have resulted in imports within and outside of the ISF. Some sourcing actions have even succeeded in obtaining orders for U.S. firms in place of the importer's traditional French or other suppliers (see Annex C1 for ISF sourcing action report).

ISF Transactions. The most important activity for the ISF during year two has been the actual execution of ISF transactions. We have had tremendous success in this area since the adjustments were put into place. In the nine months since the adjustments were implemented (January through September of this year), CAP has executed 55 ISF transactions. 53 of these applications amounting \$ 5,091,157.00 were approved by USAID. These transactions have covered different types of commodities, covering basic materials such as rebar, sheet steel, and roofing materials, agricultural machines such as rice mills, generators, and tractors. These commodities, many of them U.S. made, are making a difference by helping agribusinesses and producers in the HPZs, as well as throughout Madagascar (see Annex C2 for summary transaction report).



So far, the ISF has generated **5,750,465,389 Fmg** of local currency for use in the project's infrastructure rehabilitation efforts. The dramatic upsurge in demand for the ISF virtually assures that an adequate supply of local currency will be generated during the coming years.

The ISF will continue to promote use of the fund, in order to ensure a continued high demand, and to make it possible to choose between competing applications, and select those transactions which have the greatest development impact for the project (see Annex C3 for local currency generation report).



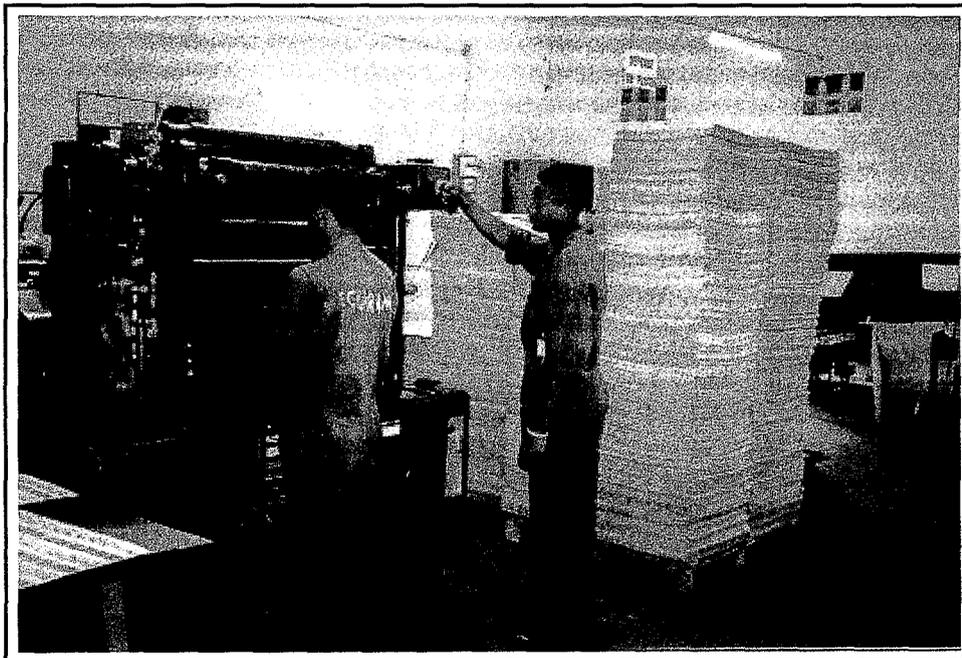
STRATEGIC CHALLENGES FOR THE COMING YEAR

At the outset of project implementation, the ISF was faced with two main strategic challenges:

- *To create a strong demand for the ISF.*
- *To select those transactions which have the most potential for increasing marketed agricultural production within the targeted zones, without the appearance of favoritism.*

With the adjustments that were put into place at the beginning of implementation year two, the ISF has largely met the challenge of creating a strong demand for the fund. Clearly, continued work needs to be done to promote the fund and to facilitate access and participation. (Access to credit is a particular problem for almost all local importers.) However, this battle has largely been won.

The second challenge -- to "pick winners," or in other words, to pick those transactions



PAPER FOR NEWSPAPERS IMPORTED THROUGH ISF PROMOTES THE FLOW OF ECONOMIC INFORMATION

with the greatest development potential -- is an on-going challenge which must continue to be addressed throughout project implementation. The essence of the challenge is to get the greatest possible impact for every ISF dollar. This challenge continues to be significant because current economic conditions (tight credit, high interest rates, political/economic uncertainty towards the future) make capital investment difficult, and only a limited number of players have sufficient resources to access the fund. In addition, with the recent integration of CAP into the new SO2,

the ISF needs to give greater consideration towards sustainable agriculture and environmental issues. The ISF can readily accomplish this, as discussed further below. In light of SO2 this strategic objective might be re-phrased as follows:

- To select those transactions which make the greatest contribution towards promoting sustainable agriculture, and/or which enable rational economic/commercial activities as alternatives to the consumption of non-renewable natural resources.

In addition, a third strategic challenge has become apparent during the period covered by this report. That is the continued ability of the ISF to either (a) facilitate access to inputs, or (b) generate local currency for infrastructure rehabilitation activities which is being threatened by declining budget allocations for the fund. As of this writing, the ISF has only \$7.6 million actually committed through the bank Letter of Commitment. This is roughly half of the total \$15 million envisioned in the project budget. (The \$15 million figure is already 25% less than the \$20 - \$21 million figure envisioned in the project

**The ISF could
be the next
generation
financial
support for
regional
environmental
programs**

design.) Most of this amount has already been allocated through ISF transactions. Failure to fully fund the ISF would not only impact on the project's ability to facilitate access to imports, but would translate into less money for infrastructure activities. Therefore, a third strategic challenge might be stated as follows:

- To assure allocation of sufficient financial resources to the ISF to continue to (a) facilitate access to inputs, and (b) generate enough local currency to finance the project's infrastructure rehabilitation activities.

SECTION V TRANSPORTATION INFRASTRUCTURE

The infrastructure component seeks to reduce transport constraints for agribusinesses and producers. Most of our efforts are concentrated on rehabilitating 700 kms of farm-to-market roads by the end of the project, and putting into place a sustainable maintenance capacity. Work with the port and railway are also geared at reducing transport constraints, although we have treated them under agribusiness.

PRIORITIES FOR THE YEAR

The infrastructure unit had a very active year. The bulk of the work was related to the 1996



IN BEKARARA, CAP FINANCED ROAD REHABILITATION AND USED SPECIAL GRASS PLANTINGS TO CONTROL SOIL EROSION

road program, but there was also unfinished work from the 1995 program to be done and considerable advance work for the 1997 program. Our work plan identified the following strategic challenges.

Convince our partners of the need for road maintenance and persuade users to participate in maintenance activities.

As a result of intensive efforts in outreach and organizational development, CAP was able to secure the participation of the beneficiaries of the rehabilitated roads: neighbors created associations to carry out maintenance; local authorities put in place tolls or increased fees/licenses to finance maintenance and transporters

accepted the concept of payment of tolls/access rights. The regional and local governments, as well as the regional representatives of the technical ministries (MAT, MTPAT, MinAgri) were also involved, in varying degrees, in the framework developed for infrastructure maintenance.

Choose rehabilitation projects that are economically viable and that have the most impact on increasing marketed agricultural production.

All of the roads in the 1996 program have estimated internal rates of return of at least 21% and some are as high as 53%. Evidence that these returns will be realized is beginning to come in. We have measured decreases in transport costs on two roads and mayors of several towns announced significant increases in the fees collected on market days. There are more collectors that come to markets, more trucks are now traveling on the roads where previously only carts or tractors were able to go and new bush taxi routes are appearing. Other indicators of success include a decrease in the price of inputs in Mahasoabe and the establishment of a new market in Ambondrona.

Pay construction firms in a timely manner.

The establishment of imprest funds and payment of all invoices resulted in CAP's developing a reputation for prompt payment. Nonetheless, the imprest fund limit of one billion FMG disrupted payment scheduling. In 1996, the imprest fund limit has been increased to two billion FMG by the Ministry of Finance and the Ministry of Public Works.

Create formal, legal road users associations.



REHABILITATION WORK IN MAROVOAY - MAHAJANGA

Twenty-five road user associations (AURs) were created during the last year. All have received the certificates needed from the regional government to be recognized as a legal association within the provisions of law #60-133. Negotiation of road management contracts is underway with local government authorities.

Adhere to strict environmental standards.

Environment concerns continue to be an important consideration in the selection process of the infrastructure component. Road selection takes into account the environmental impact of rehabilitating or not rehabilitating a road segment. All of the selected roads provide access to areas of

high agricultural production and result in a high volume of traffic. The failure to improve, rehabilitate or maintain these roads will cause or accentuate the effects of erosion- "*lavaka*."

The final selection of roads occurs after USAID's approval of the Environmental Screening Form prepared for each road segment. The technical design takes environmental concerns into account and minimizes erosion by:



ROAD CONDITION PRIOR TO REHABILITATION

- Using masonry, gabions and rocks to protect the outlets of all structures in environmentally sensitive areas.
- Reducing to a minimum the slope of crest ditches.
- Constructing masonry ditches with lateral protection.
- Planting grasses on all areas that are susceptible to erosion or on a slope.

Environmental concerns are also taken into account in the execution of rehabilitation activities. Additional clauses were included in rehabilitation contracts and CAP

engineers instructed the construction companies to:

- Reduce the number of trees cut to the absolute minimum.
- Reduce dust by spraying the road surface during construction.
- Install camp and work sites that limit environmental impacts.

CAP staff participated in a training on environmental impact assessment organized by the KEPEM project. One immediate result of the training was increased awareness among the CAP's partners in the field. The road users' associations included in their by-laws penalties for environmentally dangerous practices such as the use of brush fires for clearing land.

ACHIEVEMENTS

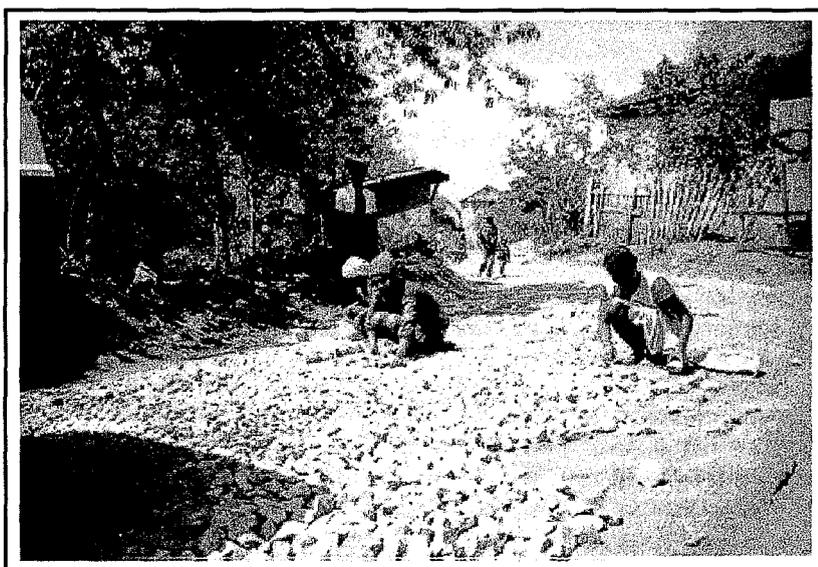
**"Perhaps the most important bottleneck for farmers to become part of the market economy and reduce their poverty is their difficult access to market"
(World Bank)**

Coordination with the GRM at the ministry level. Collaboration with the GRM became more routine as the roles of the three ministries involved in the infrastructure component were defined by the procedures established during the first year. The Ministry for National Development, which was once again detached from the Ministry of Public Works, prepares the budget submission for the PIP with the assistance of the Ministry of Plan, participates in the selection of construction firms, signs the contracts with the construction firms and tracks the execution of the rehabilitation (worksites meetings, provisional/final acceptance of construction work). The Ministry of Finance is involved in the management of the local currency account at the Central Bank and in the establishment and replenishment of the regional infrastructure imprest funds. As a result of CAP's request, and with the support and approval of USAID, the Ministry of Public Works and the Ministry of Finance increased the limit of the infrastructure imprest funds in both regions from 1 billion FMG to 2 billion FMG to enable more rapid payments for rehabilitation.

Other ministries have also worked with CAP during the past year. Departments within the Ministry of the Interior, Finance and Public Works which are responsible for decentralization assisted in the development of guidelines for the transfer of road maintenance responsibilities to the road user associations.

Collaboration with the GRM at the regional level. At the regional level, the Ministry of National Development participates in the selection of construction firms, tracks the execution of the rehabilitation (worksites meetings, *provisional/final acceptance of construction work technique*) and manages the payment of the construction firms using the regional

infrastructure imprest funds. The Regional Infrastructure Committees (RICs), which include regional representatives of the Ministry of Public Works, Ministry of National Development and the Ministry of Agriculture, have continued to meet regularly and participate in important aspects of the infrastructure component (provisional/final acceptance of construction work). The participation of local government at the regional, county and township levels should also be noted. Several townships included road maintenance in their budgets while others proposed grants to road user associations who had requested assistance.



WOMEN PARTICIPATE ON ROAD REHABILITATION WORK IN MAHASOABE-FIANARANTSOA

Maintenance of rehabilitated roads. One of our most important

**"Rural roads are degraded to the point that whole areas are cut off during most of the year and local markets have ceased to function."
(World Bank)**

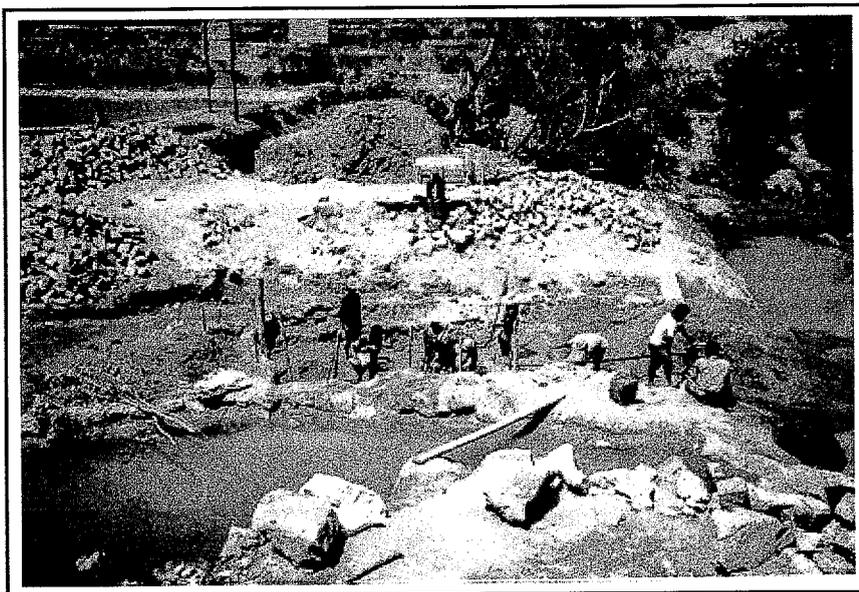
challenges is to develop procedures to institutionalize a viable system of maintenance. Associations were created to perform maintenance activities but no laws existed to enable them to manage public property or to collect tolls or user fees. As it would be impossible to write legislation applicable only to roads rehabilitated by the project, CAP identified procedures for transferring responsibility to the AURs based on elements of existing legislation—the Road Infrastructure Charter and the new laws on *Collectivites Territoriales Decentralisees*. CAP collaborated with the different GRM ministries and agencies working on decentralization as well as the Road Maintenance Initiative program of the Ministry of Public Works in developing the following procedures for the transfer of management responsibility to the AURs:

- Step 1 Transfer of authority from the *maitre d'ouvrage* who is responsible for the road according to the Road Infrastructure Charter to the commune which has jurisdiction over the road. This transfer is accomplished through the signature of a contract of *maitre d'ouvrage delegue*.
- Step 2 Establishment of a supervisory committee including representatives of the regional representatives of the technical ministries that will provide technical assistance to the commune.
- Step 3 Transfer of management responsibility from the *maitre d'ouvrage delegue* to the AUR. The transfer is accomplished through the signature of a management contract and is at the request of the association.

CAP's regional staff discussed these procedures with the various participants—AURs, regional and local governments and the regional representatives of the technical ministries. Each of the organizations understood and accepted the purpose of the procedures. The AURs have begun to contact the communes to prepare their requests for the transfer of management authority. The regional governments have proceeded with the transfer of authority to the RUAs and the first contracts with the RUAs for management.

Road rehabilitation procedures manual. The third edition of the Procedures Manual was completed. The changes included in this edition are primarily related to a better definition of the roles of the different institutions and individuals in the payment and imprest fund replenishment process.

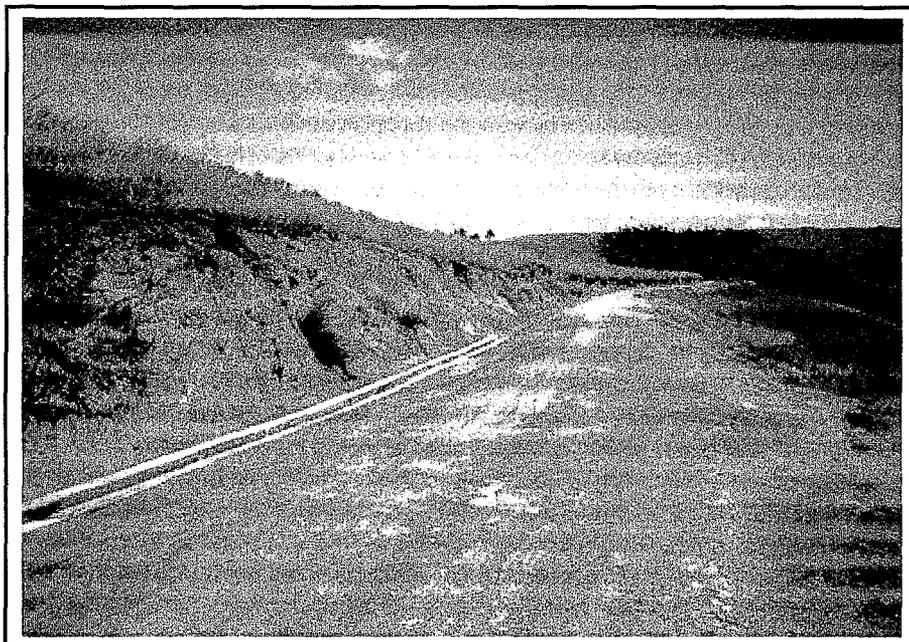
Workshop on requests for proposals. Workshops were organized in Antananarivo, Fianarantsoa and Mahajanga to inform the construction firms of the rules and procedures used by CAP for road rehabilitation RFPs.



CONSTRUCTION OF KALALAO BRIDGE - FIANARANTSOA

Technical specifications. The rehabilitation contracts were reviewed and standardized to improve both the technical specifications for rehabilitation and the supervision methodology. The primary modifications included:

- Changes to the layout and preparation of progress and administrative reports in order to streamline and improve the monitoring of both the technical and financial progress of rehabilitation activities.



MAHASOABE ROAD AFTER REHABILITATION

- Preparation and signature of a global contract for geotechnical services between the LNTPB, CAP and the construction firms that will reduce costs and the management burden on both CAP and the construction firms.
- Provision for a reduction in the unit price paid for concrete which does not meet the specifications in order to encourage the construction firms to ensure better quality control.
- Standard designs and technical drawings for *spillways*, cesspools and run-off channels.
- Provisions for different types of roadbed and materials in order to extend the life of the roads.

- Increases in the penalties for lateness in both starting and completing rehabilitation activities.
- Clarification of the definition of maintenance during the guarantee period and of the role of the AURs.

Alternative solutions were researched for zones which do not have access to appropriate construction materials. One area of research was a test of soil stabilization chemicals in the Mahajanga region. The initial results of this test appear positive but a final evaluation will be conducted after the 1996/97 rainy season.

Collaboration with other donors and projects. CAP established effective working relationships with a number of other projects and donors including ODAO, FIFABE, ABM, PPI in Mahajanga and ODASE, ODR, LOVASOA in Fianarantsoa. CAP collaborated with these projects in the pre-selection of roads for rehabilitation, the identification of zones with high agricultural production and for the establishment of AURs.

On the Bekobay road, traffic went from zero trucks to 30 per day, each carrying rice, fruits and vegetables

On the environmental side, CAP participated in activities organized by other projects such as the seminar on environmental impact assessment conducted by KEPEM.

CAP collaborates on a permanent basis with the other projects and donors that are involved in the infrastructure sector including attendance at the regular meetings of the donor group on infrastructure maintenance. CAP has also participated actively in a World Bank initiative to develop a strategy for intervention on rural roads.

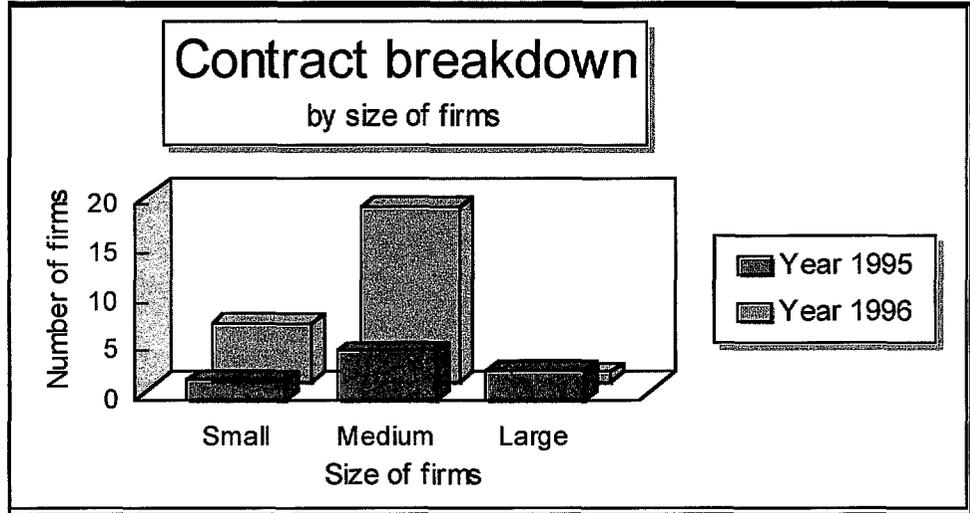
CAP also sought and received additional funding for rehabilitation activities from the EEC, WWF and the Japanese Government,

Concluding 1995 road rehabilitation activities. The 1995 rehabilitation program included 61 km in Fianarantsoa and 71 km in Mahajanga for a total of 132 km. As a result of the elimination of one bridge/causeway and the modification of another road plan, 6 additional kilometers of road were rehabilitated.

Of the 12 worksites started in September 1995, 8 received provisional acceptance before the start of the 1995/96 rainy season—2 of these worksites were completed on time while the

other 6 were completed with an average delay of 1 month. Work on the other sites was suspended in December 1995 and restarted in May 1996. Of these 4 remaining worksites, 2 received provisional acceptance in June 1996 and 2 are still in progress.

Construction Status. The 12 contracts for 1995 were awarded to 10 firms including 2 small, 5 medium and 3 large firms. Two of the medium-sized firms are headquartered in the regions.



On a technical level, the construction was completed without major difficulties. The 2 largest firms posed the biggest problems, in that they were not able to respect the timing called for in their contracts. In addition, two medium sized firms ran out of money and exhibited poor organization.

On the other hand, the small size firms presented the following advantages:

- Significantly lower prices.
- Use of local labor (HIMO or HIMO reinforced) directly impacting the communities surrounding the construction sites and improving future maintenance potential.
- More flexibility in adapting to the work requirements

As a result it was decided, within the limits of their technical capabilities, to maximize the number of contracts awarded to small firms in 1996.

Efficient rapid payment procedures. Under an interministerial agreement, regional imprest funds have been established in Fianarantsoa and Mahajanga for payments to construction firms. These funds, opened at the BFV in Mahajanga and Fianarantsoa, are double-signature accounts (REG and RTL). Because of the fund ceiling of 1 billion FMG, it has been necessary to frequently replenish the imprest funds resulting in some payment delays. However, due to the collaboration between CAP and the GRM under the auspices of CAE/MFBP and AEI-CAP/MTPAT the majority of construction firm payments have been completed.

The current financial situation is:

- 88% of payments have been made (96% in Fianarantsoa and 84% in Mahajanga).
- The value of construction completed and approved is 7.7 billion FMG, which represents an increase of 7.6% over the initial estimates.
- The final value of construction for all 12 sites will be 12.9 billion FMG, which represents an increase of 18.7% over the initial estimates and 7.1% over the budgeted amounts.



BEKOBAY ROAD BEFORE REHABILITATION

1996 road rehabilitation activities: site selection

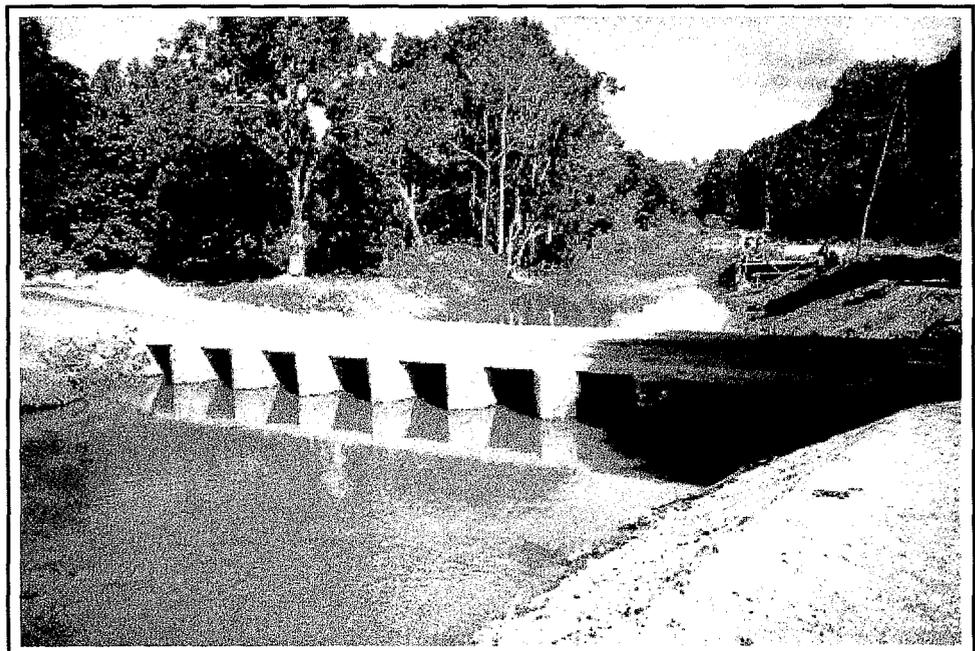
1996. Pre-Feasibility studies and socioeconomic analyses were completed in March 1996. The pre-feasibility studies covered 274 km of roads, of which 127 km are in the Region of Mahajanga and 147 km are in the Region of Fianarantsoa.

The 1996 plan was presented to the Project Management Committee on March 18, 1996. Based on available funds, the PMC opted to prioritize road rehabilitation in the

county of Bealanana and Manakara, followed by the fivondronana of Ambalavao.

Construction contract awards. RFPs were issued December 16, 1995 to short list firms. 72 firms responded. Of these, 52 firms were retained, 16 small firms, 29 medium sized firms and 7 large companies. A detailed analysis of the results shows:

- An overall improvement in the quality of bids received in 1996 with only 39% rejected as compared to 67% in 1995.
- An increase in the number of regional small and medium-sized firms retained (50 to 60%), except for Category 2 in Mahajanga.



SAME ROAD A FEW MONTHS LATER

- A decrease in the number of small firms from Antananarivo (-25%) but an increase in the medium-sized firms (70%).
- Pre-selection of one Category 3 firm from Mahajanga.
- An increase in the total number of firms retained (11%).

The short list was designed to ensure that firms would compete for the same projects: small and medium-sized firms for 51 sites and large firms for 14 sites which each regrouped several of the sites for the small and medium-sized firms. A comparative analysis of the bids showed that selecting large firms would increase the cost of the construction by 25 to 30%.

As a result of the budget available and the number of bids received, 160 km of roads will be completed in 1996, assuming additional funding is forthcoming from WWF. The projects are divided as follows:

Faritany	Fivondronana	Km	Number of parcels	Enterprise			Amount in billion of Fmg
				Small	Med.	Large	
Mahajanga	Bealanana	50	18	2	8	1	15,5
Fianar.	Manakara	65	9	4	5	0	3,8
	Ambalavao	45	5	0	5	0	3,9
Total		160	32	6	18	1	23,2

Progress of 1996 construction plan. Construction in Bealanana (Mahajanga) began July 25, 1996 and is expected to be completed by the end of November. Soil and input studies have been completed. Two field meetings have been held, and 8 of 11 firms have begun working.

The agreement among EU, GRM and USAID for the construction in Manakara is in the process of being signed. Work cannot begin until the initial transfer of funds is made to our central bank account.

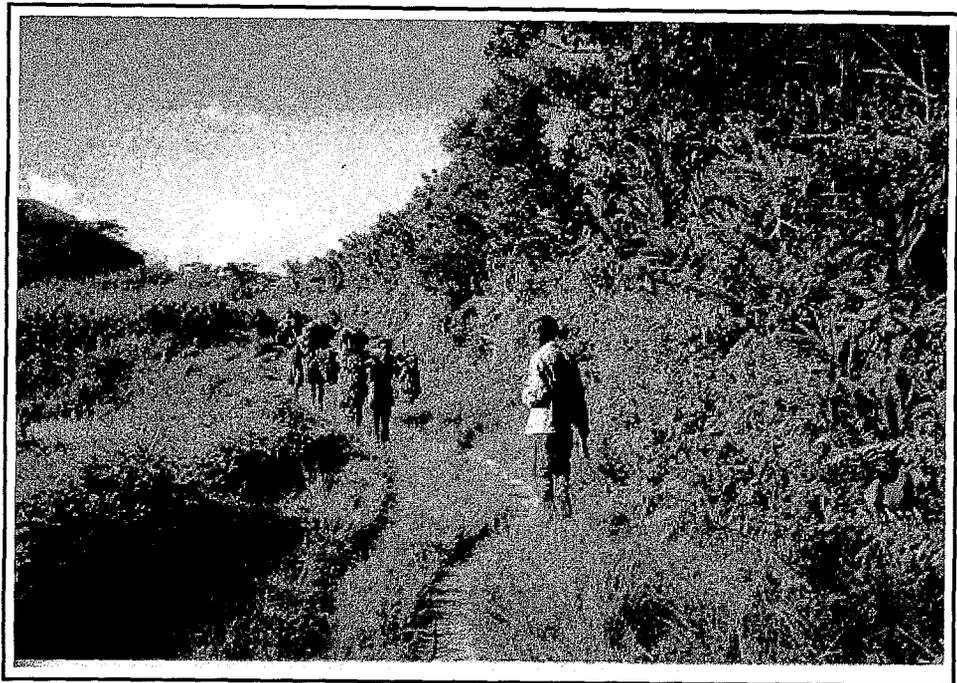
WWF-Andringitra is in the process of negotiating an agreement for the financing of construction in Ambalavao. This funding is essential in order for the work to be completed.

Construction payments 1996. The payment process was initiated following the Ministry of Plan's approval of the annual budget and upon signature of an interministerial agreement creating a 2 billion FMG fund in each region. The first 2 billion FMG disbursement to the Mahajanga fund was made September 6. The first payments were made September 16, and currently 1 billion FMG or 6% of the total owed has been paid.

1997 planned road rehabilitation activities. Road identification studies have been conducted in the fivondronana of Ambato Boeni, Mahajanga II, Mampikony and Port Berge for the faritany of Mahajanga, and in the fivondronana crossed by the FCE (Ikongo and Ifanadiana) for Fianarantsoa. May 29, 1996 the Mahajanga RIC chose 5 segments totalling 182 km in length, of which 3 segments are located in the fivondronana of Mampikony and Port Berge. They will be considered only if rehabilitation of RN6 is completed prior to the feasibility studies.

During its September 20, 1996 meeting to identify roads for 1997, the Fianarantsoa RIC hosted the mayors of all communes located within the identification zone. For any funds remaining after CAP's funding of FCE, the RIC prioritized one bridge and 165 km of

roads, including one primary regional road. As consequence of the current state of regional roads (regional services neglect rural roads in favor of national roads) and of previous CAP successes, the RICs now tend to prioritize primary roads, bridges and causeways as opposed to secondary, or more rural roads. The Mahajanga RIC has requested that CAP repair a causeway on a paved secondary road in the fivondronana of Ambato Boeni, while the RIC of Fianarantsoa unanimously requests the repair of a 110m bridge over the Ambinanitromby stream in the fivondronana of Ikongo. The identification study of 1997 was extremely participative with the result that CAP, Public Works, local administrations and beneficiaries have proposed to contribute equally in future rehabilitation, in order to maximize the impact of CAP interventions.



BANANAS ARE HANDCARRIED OUT OF PRODUCTIVE ZONES. THIS SITUATION CHANGES WHEN CAP COMPLETES THE REHABILITATION OF THE ROAD.

Good governance at the Regional level

From the beginning, CAP knew success with infrastructure rehabilitation projects -- both in their realization and ensuring that they had a long shelf life -- rested on its ability to engage the people whose lives the projects would touch. But how to do this, particularly in a country where there has been little experience with the concepts of citizen participation and responsibility?

CAP's approach was to spend a lot of initial time in constituting local level and regional committees that had a central focus -- transport infrastructure rehabilitation and maintenance. CAP insisted that the committees meet regularly, and ensured that members understood they were full partners with local authorities in deciding both what projects to do and how they were implicated in the sustainability of the rural roads.

CAP realized it had found the right track when they helped establish Regional Infrastructure Committees in each High Potential Zone. The latest meeting of the Fianarantsoa Regional Infrastructure Rehabilitation Committee (CRR1) is a sampling of how close they got to a definition of good democratic governance. Twenty very diverse people attended the meeting, representing all sectors involved in the local infrastructure decisions -- mayors, community and regional leaders, Ministry of Public Works, Ministry of Rural Development, the Ranomafana National Park, and private road user associations. Attending members put aside their vested interests in favor of difficult choices that most benefit the whole.

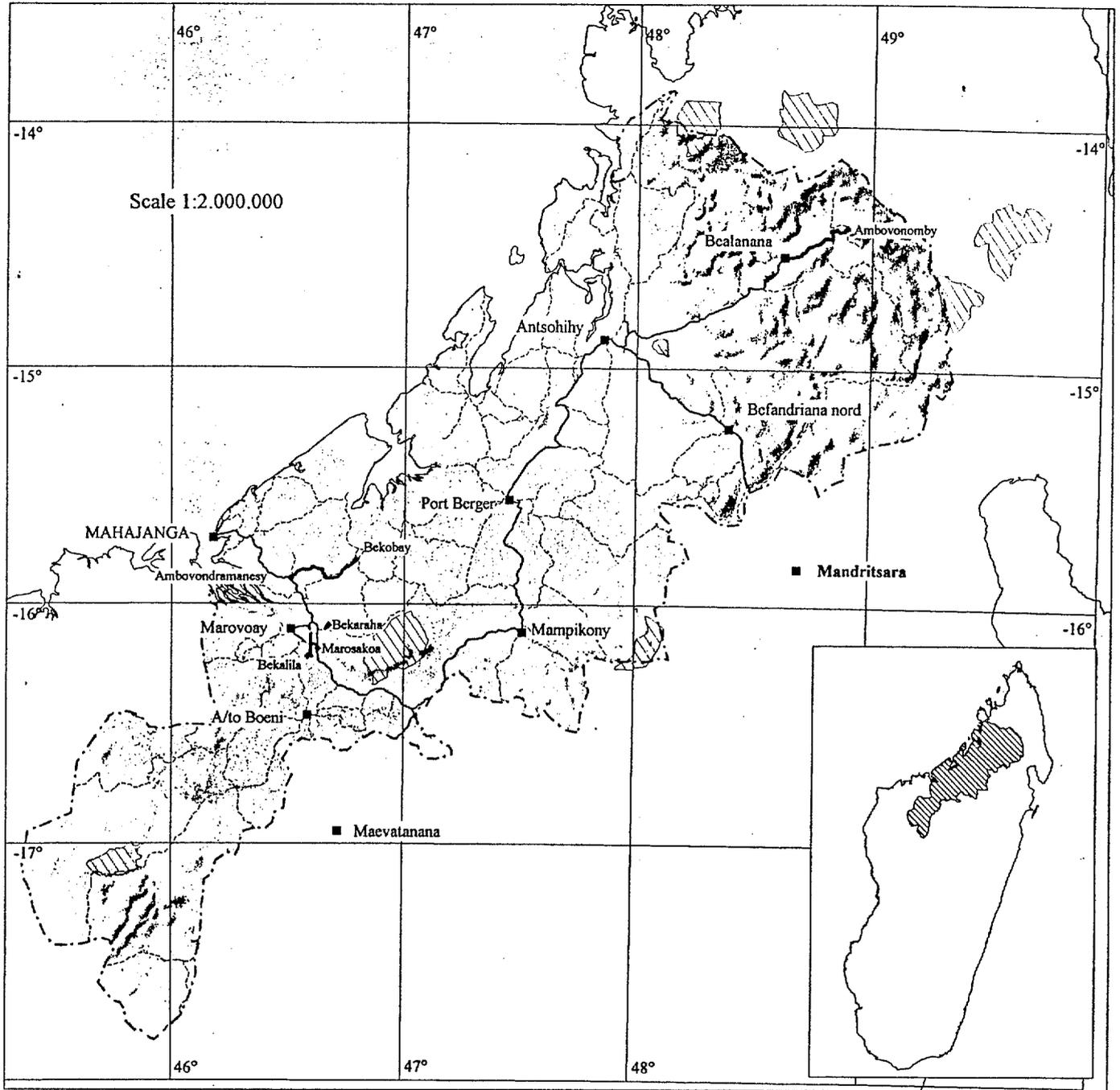
On arrival, committee members were given maps of the region, a list of potential projects, and an agenda to prioritize those projects according to well-defined criteria. The first priority, rehabilitation of 20 km of the Fianarantsoa/Manakara rail line, came without much discussion. The group unanimously agreed that the rail link is indispensable for getting agricultural products out of the region. The second priority proved more difficult. The bridge at Ambinanitromby had already been repaired several times in the past, but washed out each time as waters during rainy season rose to cover the level of the bridge bed. This time, the group wanted a permanent fix, even at the expense of not being able to rehabilitate one more kilometer of road in the region. CAP stressed that the bridge work would be technically difficult and costly, and if proposed would likely mean there will be no money left for other roads in the region.

Finally, the Committee distilled the 450 kilometers of roads proposed by all attending mayors down to 169 kilometers. One surprising and particularly pleasing aspect of the meeting was the attention paid to the environment. The CRR1 members dispelled the image of people not caring for environmental issues: with each project discussed, they not only insisted that work do no further harm to the environment, but also explored ways, such as erosion control, to improve the natural resource base.

CAP attributes the success of the process, which operates equally well in both High Potential Zones, to these factors:

- Time spent in constituting the CRR1 and ensuring that members understand they are partners with CAP from the choices made to actual rehabilitation to long-term maintenance.
- CAP's credibility and neutrality. It doesn't play favorites, works collaboratively with the public and private sectors, and follows up with decisions and agreements.
- Clear committee objectives and clear agendas.

HIGH POTENTIAL ZONE - CAP MAHAJANGA

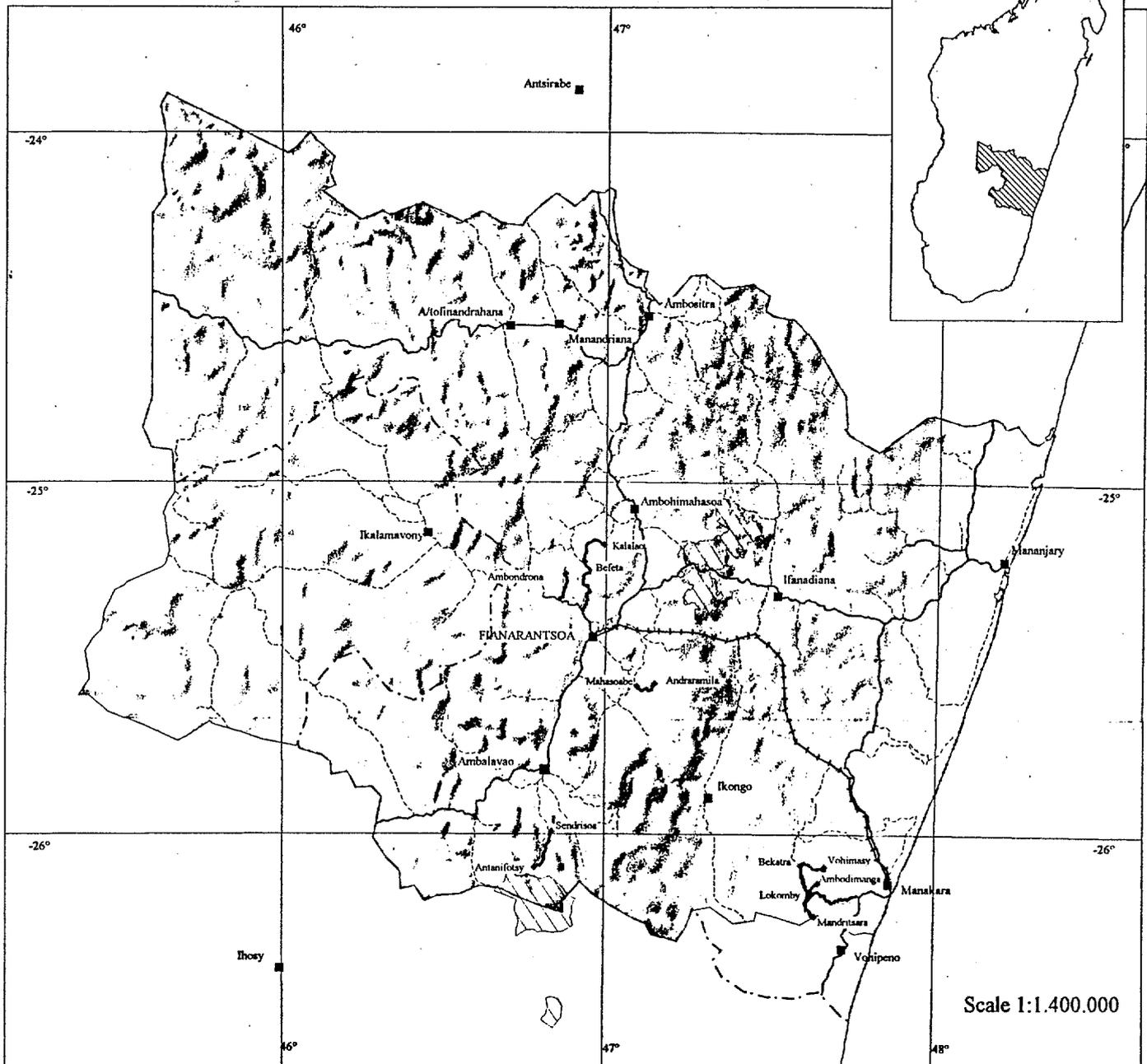


LEGEND		
HPZ Limits	Protected Areas	Rehabilitated roads
National Roads	Fivondronana	1995 Program
Secondary and tertiary Roads	Some villages concerned by the Project	1996 Program



Edition : ANGAP/DIVB - October 1996
 Data originators : Commercial Agricultural Promotion (CAP)
 Association Nationale pour la Gestion des Aires Protégées (ANGAP)

HIGH POTENTIAL ZONE - CAP FIANARANTSOA



LEGEND		
-----	HPZ Limits	
————	National Roads	
-----	Secondary and tertiary Roads	
+++++	Railways	
	Protected Areas	
■	Fivondronana	
◆	Some villages concerned by the Project	
————	Rehabilitated roads	1995 Program
————	Rehabilitated roads	1996 Program



Edition : ANGAP/DIVB - October 1996
 Data originators : Commercial Agricultural Promotion (CAP)
 Association Nationale pour la Gestion des Aires Protégées (ANGAP)

ANNEX A

SUMMARY TABLE OF STATUS AGRIBUSINESS APPRENTICES

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SUMMARY TABLE OF STATUS OF AGRIBUSINESS APPRENTICES

GOAL FOR YEAR II	REQUESTS RECEIVED	RECRUITMENT IN PROGRESS		RECRUITED/PLACED (1)				RECRUITED BUT NOT PLACED	END OF CONTRACT
		SELECTION IN PROGRESS	SELECTED (2)	IN THE FIELD	A.A. VOLUNTARILY WITHDREW	SUSPENDED	RELIEVED OF SERVICE		
8	32	0	0	14	0	1	0	3	2
				-Provimad 1, 2, 3 -Crif 1, 2, 3 -Probo 1, 2** -Lac Sacré 1 -Strecopa 1 -Afafi 2 -Cce 1 -Rovel 1 -Fif 1		-Sopagri *		-Soctam 1, 2 -Tsotso 1	-Isagri -Nouveau Style

(1) Selected by CAP/SOATEG, approved by client

(2) Selected by CAP/SOATEG, await client approval

* Suspended for termination of business of the client

** PROBO 1 is the replacement of the apprentice who was dismissed

of

ANNEX B

LIST OF INFRASTRUCTURE REHABILITATION PROJECTS APPROVED FOR 1995-1996

RÉHABILITATION DE PISTES POUR LE DÉSENCLAVEMENT DE ZONES A HAUT POTENTIEL AGRICOLE DANS LES FARITANY DE
FIANARANTSOA ET DE MAHAJANGA

Programme des travaux de 1996

<i>Piste concernée</i>	<i>Long. (km)</i>	<i>Montant HT des travaux (Fmg)</i>	<i>Entreprise réalisant les travaux</i>	<i>Début des travaux</i>	<i>Durée du chantier</i>
Faritany de Mahajanga, Fivondronana de Bealanana					
<p>M1.02 <i>Bealanana-Ambatoria</i> <u>Potentiel agricole</u> : 7900 ha cultivés dont 6000ha de rizière. Zone principalement rizicole, mais propice à des gammes très étendues de cultures vivrières en raison des aptitudes agroclimatiques. On y trouve également du manioc, du maïs, du haricot, de l'arachide, de la banane, du café et de la canne à sucre. Potentiel agricole mal exploité faute d'encadrement adéquat. <u>Situation actuelle</u> : Trafic de 38 véhicules / jour dont 23 d'une capacité supérieure à 2,5 tonnes. Piste circulaire pendant 150 jours par an. <u>Entretien</u> : Existence de groupements de producteurs favorisant la mise en place d'une structure d'entretien. Responsabilité ultérieure de la piste à bien définir puisque la piste est classée comme Route d'Intérêt Provincial (RIP). <u>Coût</u> : Investissement de 9.317 millions fmg, soit 291 millions fmg/km. TRI de 35%.</p>	<p>6 radiers aux PK 18.8 , 19.4 , 20.1 , 21.8 , 25.3 , 26.8</p>	<p>341,177,258</p>	<p>HAIVY</p>	<p>25 juillet 1996</p>	<p>4 mois</p>

M1.03	<p><i>Ambatoria-Ambovonomy</i></p> <p><u>Potentiel agricole</u> : 5600 ha cultivés dont 5000 ha de rizières. Zone principalement rizicole, mais propice à des gammes très étendues de cultures vivrières en raison des aptitudes agroclimatiques. On y trouve également du manioc, du maïs et du café. Problème important d'évacuation de la production.</p> <p><u>Situation actuelle</u> : Trafic de 4 véhicules / jour dont 3 d'une capacité supérieure à 2,5 tonnes. Piste circulaire seulement pendant 150 jours par an.</p> <p><u>Entretien</u> : Il existe une volonté de participer à l'entretien et les futures bénéficiaires ont déjà avancé des propositions de participation.</p> <p><u>Coût</u> : Investissement de 1.894 millions fmg, soit 210 millions fmg /km. TRI de 27%.</p>		229,931,433	HACHIMY		2 mois et 15 jours
M2.01	<i>Bealanana-Ambatoria</i> (du Pk 0 au PK 2.8) voir piste M1.02	2.8	1,056,633,734	ECOGEC		3 mois et 15 jours
M2.02	<i>Bealanana-Ambatoria</i> (du PK 2.8 au PK 5.2) voir piste M1.02	2.4	935,386,399	ECOGEC		3 mois et 15 jours
M2.03	<i>Bealanana-Ambatoria</i> (du PK 5.2 au PK 8) voir piste M1.02	2.8	539,346,278	TOLOTSOA		4 mois
M2.04	<i>Bealanana-Ambatoria</i> (du PK 8 au PK 10.8) voir piste M1.02	2.8	871,359,004	TOJO		3 mois et 15 jours
M2.05	<i>Bealanana-Ambatoria</i> (du PK 10.8 au PK 12.8) voir piste M1.02	2.0	835,221,631	FANO HARANA		3 mois et 10 jours
M2.06	<i>Bealanana-Ambatoria</i> (du PK 12.8 au PK 14.7) voir piste M1.02	1.9	742,969,201	IRAIR		4 mois
M2.07	<i>Bealanana-Ambatoria</i> (du PK 14.7 au PK 16.5) voir piste M1.02	1.8	812,776,337	IRAIR		4 mois
M2.08	<i>Bealanana-Ambatoria</i> (du PK 16.5 au PK 19.8, hors radier aux PK 18.8, 19.4) voir piste M1.02	3.3	771,149,169	IRAIR		4 mois

M2.09	<i>Bealanana-Ambatoria</i> (du PK 19.8 au PK 23.5, hors radier au x PK 20.1, 21.8.) voir piste M1.02	3.7	942,496,131	Andriamorasata		3 mois et 20 jours
M2.10	<i>Bealanana-Ambatoria</i> (du PK 23.5 au PK 26.3, hors radier au PK 25.3) voir piste M1.02	2.8	896,342,598	Andriamorasata		3 mois et 20 jours
M2.11	<i>Bealanana-Ambatoria</i> (du PK 26.3 au PK 28.5, hors radier au PK 26.8) voir piste M1.02	2.2	1,094,513,853	Andriamorasata		3 mois et 20 jours
M2.12	<i>Bealanana-Ambatoria</i> (du PK 28.5 au PK 31.4) voir piste M1.02	2.9	940,211,290	EBMA		3 mois et 15 jours
M2.13	<i>Ambatoria-Ambovonomby</i> (du PK 0 au PK 2.6) voir piste M1.03	2.6	793,181,802	EBMA		3 mois et 15 jours
M2.14	<i>Ambatoria-Ambovonomby</i> (du PK 2.6 au PK 5.2) voir piste M1.03	2.6	785,556,749	EBMA		3 mois et 15 jours
M2.15	<i>Ambatoria-Ambovonomby</i> (du PK 5.2 au PK 9.5) voir piste M1.03	4.3	835,443,242	Groupement VONJY		3 mois
M3.05	<i>Ambatoria-Ambovonomby</i> (du PK 9.5 au PK 18.6) voir piste M1.03	9.1	2,065,795,282	SOTRATEVO		4 mois
Total pour Mahajanga		50	15,489,491,391			

<i>Piste concernée</i>		<i>Long. (km)</i>	<i>Montant HT des travaux (Fmg)</i>	<i>Entreprise réalisant les travaux</i>	<i>Début des travaux</i>	<i>Durée du chantier</i>
Faritany de Fianarantsoa, Fivondronana de Manakara						
F1.01	RN12-Lokomby, piste traitée en points noirs desservant les axes : Lokomby-Ambodimanga Lokomby-Mandritsara Lokomby-Ambahive-Ambandrika Lokomby-Bekatra	6	179,052,701	SANTATRA		3 mois
F1.02	RN12-Lokomby, piste traitée en points noirs (du PK 6 au PK 10) voir piste F1.01	4	124,698,250	SICOTRAF		4 mois
F1.03	RN12-Lokomby, piste traitée en points noirs (du PK 10 au PK 20,8) voir piste F1.01	10.8	165,181,485	MANAMBINA		3 mois
F1.04	Lokomby-Bekatra, piste traitée en points noirs desservant l'axe: Bekatra-Vohimasy voir piste F2.04	12	147,139,150	ATLAS		3 mois et 7 jours
BAC	Bac desservant l'axe : Lokomby-Ambahive-Ambandrika voir piste F2.01	bac	110,334,737	GETHER		2 mois et 25 jours
F2.01	Lokomby-Ambahive-Ambandrika <u>Potentiel agricole</u> : 3600 ha cultivés de riz, de manioc et de café, plus les superficies de letchis et de banane. Problème important d'évacuation de la production agricole. <u>Situation actuelle</u> : Bac inexistant sur la rivière Ambahive, donc pas de circulation routière. <u>Entretien</u> : Sous la promesse de la mise en place d'un bac sur l'Ambahive, les bénéficiaires avaient construit une piste vers 1962. Précédent favorable pour la participation à des actions d'entretien. <u>Coût</u> : Investissement de 1.431 millions fmg y compris le bac, soit 122 millions fmg /km. TRI de 33%.	6	813,083,605	ERASTMA		3 mois et 7 jours

F2.02	<p>Lokomby-Ambodimanga <u>Potentiel agricole</u> : 1800 ha cultivés de riz et de café, plus les superficies de manioc, de letchis et de banane. Problème important d'évacuation de la production agricole. <u>Situation actuelle</u> : Piste inaccessible aux véhicules. <u>Entretien</u> : Bénéficiaires moins enthousiastes par rapport à ceux des autres pistes du fivondronana de Manakara. <u>Coût</u> : Investissement de 465 fmg, soit 52 millions / km. TRI de 29%.</p>	5	437,373,045	ERB		3 mois et 7 jours
F2.03	<p>Lokomby-Mandritsara <u>Potentiel agricole</u> : 1800 ha cultivés de riz et de café, plus les superficies de manioc, de letchis et de banane. Problème important d'évacuation de la production agricole. <u>Situation actuelle</u> : Piste inaccessible aux véhicules. <u>Entretien</u> : Bénéficiaires moins enthousiastes par rapport à ceux des autres pistes du fivondronana de Manakara. <u>Coût</u> : Investissement de 465 millions fmg, soit 52 millions fmg/km. TRI de 29%.</p>	8.5	462,288,241	EC/ACM		3 mois et 15 jours
F2.04	<p>Bekatra-Vohimasy <u>Potentiel agricole</u> : 1700 ha cultivés de riz, de manioc, de café, de letchis et de banane. Problème important d'évacuation de la production agricole. <u>Situation actuelle</u> : Piste inaccessible aux voitures. <u>Entretien</u> : Dès la phase d'enquête, les bénéficiaires ont déjà commencé à s'organiser pour répartir et faire des travaux d'entretien. <u>Coût</u> : Investissement de 1.546 millions fmg y compris le bac, soit 74 millions fmg/km. TRI de 22%</p>	5	715,954,837	EGECORAM		3 mois et 15 jours
F2.05	<p>Bekatra-Vohimasy (du PK 5 au PK 12) voir piste F2.04</p>	7	667,189,419	TAHIRY-SOA		3 mois et 15 jours

Fivondronana d'Ambalavao					
F2.06	Ambalavao-Antanifotsy <u>Potentialité agricole</u> : 1930 ha cultivés dont 1350 ha rizières. Zone principalement rizicole, mais on y trouve également du manioc, de la pomme de terre, de l'arachide et du maïs. Problème important d'évacuation de la production et d'approvisionnement en intrants agricoles. <u>Situation actuelle</u> : Trafic de 4 véhicules / jour dont 1 d'une capacité supérieure à 2.5 tonnes. <u>Coût</u> : Investissement de 406 millions fmg, soit 97 millions fmg/km. TRI de 27%.	10	757,940,027	EGECORAM	3 mois et 15 jours
F2.07	Ambalavao-Antanifotsy (du PK 10 au PK 20) voir piste F2.06	10	853,109,935	ERB	3 mois et 15 jours
F2.08	Ambalavao-Antanifotsy (du PK 20 au PK 25.5) voir piste F2.06	5.5	722,626,251	EGECOT	3 mois et 21 jours
F2.09	Ambalavao-Antanifotsy (du PK 25.5 au PK 30.5) voir piste F2.06	5	879,339,473	GECICOI	3 mois
F2.10	Ambalavao-Antanifotsy (du PK 30.5 au PK 43.1) voir piste F2.06	12.6	637,225,755	GROUPEMA	3 mois
Total pour Fianarantsoa		107.4	7,672,536,911		
TOTAL GENERAL		157.4	23,162,028,302		

ANNEX C

**ISF SOURCING ACTION UNDERTAKEN
ISF SUMMARY TRANSACTION REPORT
ISF LOCAL CURRENCY GENERATION REPORT
ISF POTENTIAL TRANSACTION LIST**

ISF > LOCAL CURRENCY PROJECTIONS

REPORT DATE : 30 - SEPTEMBER - 1996

ISF TRANSACTIONS APPROVED BY USAID				LETTER OF CREDIT OPENED				LOCAL CURRENCY GENERATED				
#		AMOUNT	#	CUMULATED AMOUNT	#		AMOUNT	#	CUMULATED AMOUNT		AMOUNT	CUMULATED AMOUNT
TOTAL 95	7	\$ US \$609,891.00	7	\$ US \$609,891.00	5	\$ US \$503,671.00	5	\$ US \$503,671.00	\$ US \$0.00	\$ US \$0.00	\$ US \$0.00	\$ US \$0.00
		FMG 2,770,896,281		FMG 2,770,896,281		FMG 2,255,230,611		FMG 2,255,230,611	FMG 0	FMG 0	FMG 0	FMG 0
JAN 96	3	\$ US \$363,288.00	10	\$ US \$973,179.00	0	\$ US \$0.00	5	\$ US \$503,671.00	\$ US \$96,294.27	\$ US \$96,294.27	\$ US \$96,294.27	\$ US \$96,294.27
		FMG 1,453,548,831		FMG 4,224,445,112		FMG 0		FMG 2,255,230,611	FMG 468,547,696	FMG 468,547,696	FMG 468,547,696	FMG 468,547,696
FEB 96	5	\$ US \$739,739.00	15	\$ US \$1,712,918.00	0	\$ US \$0.00	5	\$ US \$503,671.00	\$ US \$0.00	\$ US \$0.00	\$ US \$0.00	\$ US \$0.00
		FMG 2,919,429,915		FMG 7,143,875,027		FMG 0		FMG 2,255,230,611	FMG 0	FMG 0	FMG 0	FMG 0
MAR 96	7	\$ US \$355,878.00	22	\$ US \$2,068,796.00	6	\$ US \$885,254.00	11	\$ US \$1,388,925.00	\$ US \$0.00	\$ US \$0.00	\$ US \$0.00	\$ US \$0.00
		FMG 1,409,273,435		FMG 8,553,148,462		FMG 3,500,521,226		FMG 5,755,751,837	FMG 0	FMG 0	FMG 0	FMG 0
APR 96	12	\$ US \$1,589,070.00	34	\$ US \$3,657,866.00	6	\$ US \$358,843.00	17	\$ US \$1,747,768.00	\$ US \$230,635.44	\$ US \$326,929.71	\$ US \$326,929.71	\$ US \$326,929.71
		FMG 6,396,570,529		FMG 14,949,718,991		FMG 1,415,875,817		FMG 7,171,627,654	FMG 1,122,223,618	FMG 1,590,771,314	FMG 1,590,771,314	FMG 1,590,771,314
MAY 96	5	\$ US \$329,552.00	39	\$ US \$3,987,418.00	9	\$ US \$810,896.00	26	\$ US \$2,558,664.00	\$ US \$96,688.00	\$ US \$423,617.71	\$ US \$423,617.71	\$ US \$423,617.71
		FMG 1,332,304,311		FMG 16,282,023,302		FMG 3,233,869,671		FMG 10,405,497,325	FMG 393,131,958	FMG 1,983,903,272	FMG 1,983,903,272	FMG 1,983,903,272
JUN 96	6	\$ US \$728,308.00	45	\$ US \$4,715,726.00	4	\$ US \$715,240.73	30	\$ US \$3,273,904.73	\$ US \$58,612.21	\$ US \$482,229.92	\$ US \$482,229.92	\$ US \$482,229.92
		FMG 2,913,232,000		FMG 19,195,255,302		FMG 2,917,849,168		FMG 13,323,346,493	FMG 269,473,331	FMG 2,253,376,603	FMG 2,253,376,603	FMG 2,253,376,603
JUL 96	5	\$ US \$239,915.00	50	\$ US \$4,955,641.00	6	\$ US \$873,797.40	36	\$ US \$4,147,702.13	\$ US \$0.00	\$ US \$482,229.92	\$ US \$482,229.92	\$ US \$482,229.92
		FMG 959,660,000		FMG 20,154,915,302		FMG 3,541,991,926		FMG 16,865,338,419	FMG 0	FMG 2,253,376,603	FMG 2,253,376,603	FMG 2,253,376,603
AUG 96	6	\$ US \$469,849.00	56	\$ US \$5,425,490.00	1	\$ US \$12,096.00	37	\$ US \$4,159,798.13	\$ US \$0.00	\$ US \$482,229.92	\$ US \$482,229.92	\$ US \$482,229.92
		FMG 1,915,598,017		FMG 22,070,513,319		FMG 47,976,123		FMG 16,913,314,542	FMG 0	FMG 2,253,376,603	FMG 2,253,376,603	FMG 2,253,376,603
SEPT 96	6	\$ US \$617,116.00	62	\$ US \$6,042,606.00	5	\$ US \$427,783.00	42	\$ US \$4,587,581.13	\$ US \$883,337.97	\$ US \$1,365,567.89	\$ US \$1,365,567.89	\$ US \$1,365,567.89
		FMG 2,530,685,100		FMG 24,601,198,419		FMG 1,740,207,661		FMG 18,653,522,203	FMG 3,495,234,778	FMG 5,748,611,381	FMG 5,748,611,381	FMG 5,748,611,381
OCT 96		\$ US		\$ US		\$ US		\$ US	\$ US \$358,843.00	\$ US \$1,724,410.89	\$ US \$1,724,410.89	\$ US \$1,724,410.89
		FMG		FMG		FMG		FMG	FMG 1,415,875,817	FMG 7,164,487,198	FMG 7,164,487,198	FMG 7,164,487,198
NOV 96		\$ US		\$ US		\$ US		\$ US	\$ US \$810,896.00	\$ US \$2,535,306.89	\$ US \$2,535,306.89	\$ US \$2,535,306.89
		FMG		FMG		FMG		FMG	FMG 3,233,869,671	FMG 10,398,356,869	FMG 10,398,356,869	FMG 10,398,356,869
DEC 96		\$ US		\$ US		\$ US		\$ US	\$ US \$715,240.73	\$ US \$3,250,547.62	\$ US \$3,250,547.62	\$ US \$3,250,547.62
		FMG		FMG		FMG		FMG	FMG 2,917,849,168	FMG 13,316,206,037	FMG 13,316,206,037	FMG 13,316,206,037
JAN 97		\$ US		\$ US		\$ US		\$ US	\$ US \$873,797.40	\$ US \$4,124,345.02	\$ US \$4,124,345.02	\$ US \$4,124,345.02
		FMG		FMG		FMG		FMG	FMG 3,541,991,926	FMG 16,858,197,963	FMG 16,858,197,963	FMG 16,858,197,963
FEB 97		\$ US		\$ US		\$ US		\$ US	\$ US \$12,096.00	\$ US \$4,136,441.02	\$ US \$4,136,441.02	\$ US \$4,136,441.02
		FMG		FMG		FMG		FMG	FMG 47,976,123	FMG 16,906,174,086	FMG 16,906,174,086	FMG 16,906,174,086
MAR 97		\$ US		\$ US		\$ US		\$ US	\$ US \$427,783.00	\$ US \$4,564,224.02	\$ US \$4,564,224.02	\$ US \$4,564,224.02
		FMG		FMG		FMG		FMG	FMG 1,740,207,661	FMG 18,646,381,747	FMG 18,646,381,747	FMG 18,646,381,747

NOTES:

1. Figures shown in italics are projections - All other figures are actual
2. Local Currency Projections based on Payment 6 months after opening of Letter of Credit
3. FMG Local Currency transferred to the Central Bank

ISF CONTACT LIST

Year Two

ORGANISATION	NAME	TITLE	COMMENTS
ACM	Sancho	Directeur	Veterinary Products
AFAFI	Justin Michel Rakotoniana	Directeur	Diversified Ag, veterinary prods
AGRICO	Romuald Rakotondrazaka	Dir General	Diversified agribusiness
Agriculture Chimie de Madagascar	Raharinesy	Owner	Imp/dist ag products, vet products.....
AGRO-EXPORT	Naymesh Malde Kara	Dir General	Dried beans/ Mahajunga
AGROPOLE Melville	Frederick Etancelin	Directeur	Palm Oil
AINA	Rabary Andriamanohy	Manager	Imp/dist of merchandise in general
AIR MADAGASCAR	Richard Ramanantoanina	Directeur Industriel	Airline traffic
ALIVA S.A.	Bodo Ramanoelina	Directeur	Dairy products & fruit juice
Al-Mourtaza Shipping	Mr. Akyle	Directeur	Maritime transport -- landing ship
ALUBAT	Patricia	Directeur	Building Materials
Ambohimalaza "Mac & Keller"	Mac Ho Chan	Directeur	Produces wine and liquors
APMA	Eric Lepine	Unspecified	Imp/dist Office furnitures, supplies, ...
AQUALMA	Rao Vemulapalli	Unspecified	Shrimp farming
ARCO Groupe	Alphonsine Razanamialy	Unspecified	Exp local products, ...
Art.Pro.Mad Maison	Rakotomavo	Unspecified	Imp/dist fertilizers, insecticides, ...
ATW Consultants	Valery Ramonjavelo	Directeur Commercial	Consultancy
AUTO STOP	Hassanally Mohamed Razy	Gérant	imp/dist spare parts for trucks
AVITECH - PANAGORA M/CAR	Cliford De Roquefeuil Noel	Unspecified	imp/dist chick
Banque Centrale de Madagascar	Théodore Ramangalahy	Dir. Sce Etranger/Dette Ex.	Banking
BERRA Ets	Rabefaniraka	Unspecified	Imp/dist printing papers
BFV - Banque Comm Nationale	Annette Rabenja	Dir, Relations Internatl	Banking; check financial stability
BMOI	Michel Razafindramanana	Directeur Clientèle	Banking
BNI Credit Lyonnais	Aime Ravelojoaona	Directeur Rel. Extérieures	Banking
BOINA BEACH Hotel	Augustin Radona	Gérant	Hotel
BONNET & Fils	Dominique Bonnet	Manager	Imp/dist const equip, hardware, tools....
BTM	Jeannot Rajaona	Directeur Rel. International	Banking
Chamber of Commerce Antananarivo	Georges Real	General Secretary	Promotion of economic/commercial activities.
Chan Foui	Chan Foui	Owner	Imp/dist wine.
CHAN SEC WAI	Chan Sec Wai	Owner	Wine/spirits producer.
CHOCOLATERIE ROBERT	Marcel Ramanandraibe	Directeur Général	Chocolate
CHU KAM & TOUI TING S.A.	Georges Chu	Dir General	Imp/dist. general merchandises, exp leetchis
CICOTRAEX	Max Gersboth	Directeur	Imp/dist misc materials & equipments

CIMELTA-JEUMONT
CLOUTOMAD
COMACAT
COMETA
COMICOR
Côtes d'Isandra
CRIF
DANIS
DATA Import-Export
DELTA Informatique
DEUX FRERES/SABJALY
DIPCO
EAGLE
ECA-INFO
ECOPLANTS
EDELEC
FIAVAMA
FIBASOM
FIMAPILA
FITIM
GAMO
HASYMA
HAZOVATO
HENINTSOA Ets
Henri FRAISE Fils & Cie
HOECHST Madagascar
ICS
IMPEXMA
Imprimerie de Mahajanga
Jos. Hansen & Soehn
KANTO Entreprise
KARIMJY
KRAOMITA
LA HUTTE CANADIENNE
LANDIS Madagascar S.A.
Lazan'i Betsileo
Lee Ying & Fils
LOBMAD
MACOMA
MADAGASCAR AUTRUCHES

unspecified
Remtola
Rabemananjara
Rolland Ramaroson
Berthnès Andrianilaina
Chan Kam Hon
Jean Rakotoandriamihamina
Ramjee H. Danis
Mr. Randriamampandry
Mac Ho Chan
Hassanaly Sabjaly
Mme Blandine Andriamitondra
Gérard Andrialemirovason
Rafaralahy Pascal
unspecified
Patrick Razafindrakoto
Randriamanalina-Ralalason
Bouka Aliase
Charles Sauboua
Hassanaly Hatimaly
Madé Razafintsalama
Philibert Rakotomaro
Sylvia Ramiarisoa
Voahangy Andriambololona
John De Jager
J.C. Corrales
Alexandre Vion
Randrianarisoa
Sadikaly Y.C.
Oliver Junge
H. Razafindramanana
Karimjy
J. E. Andrianoherisoa
Roger Ratiarison
Dieter Kohl
Razanakolona Marius
Kae Nune
Charles Cotsoyannis
Benja Razakanaivo
Mrs R. Rakotondrabe

unspecified
Directeur
Directeur
Directeur General
Directeur Général
Manager
Ass't Director/ Fiana
Gérant
unspecified
Manager
Dir General
Directeur Général
Directeur Général
Directeur
unspecified
Unspecified
Directeur
P.D.G.
Dir General
Directeur Général
Président Décideur Gén.
Directeur
Directeur Général
Resp. Admin. & Financ.
Dir General
Directeur Général
Commercial Represent
Unspecified
Unspecified
Consultant
Manager
Unspecified
Chef Sce Appro
Adjoint au Directeur
Dir General
Manager
Directeur
Unspecified
Directeur
Gérant

Manufactures office furniture, dist telecom matl
Sheets
Dist tires, phytosanitary products.
Coffee processing machinery.
Rhum
Produces wine.
Rice collection/processing (FIA)
dist miscellaneous merchandises
Imp/Exp of ag inputs, products (MAH)
Imp/dist computer equipment and accessories.
Rice collector; rice mills, trucks, gens
Imp/dist cosmetic products, soap, etc...
Imp/dist fertilizers and veterinary products
Imp computer equipment and accessories.
Imp/dist. fertilizers
Imp/dist misc materials and equipments
Cyanimide Co., Pesticides/Herbicides.
Building Materials
Import/Dist of ag inputs, ag machinery
Jute Fibers
Paints, Miscellaneous Products
Cotton producer
Furniture (wood, marbles, ...)
Exp. coffee
Caterpillar, John Deere, Goodyear, etc.
Imp/dist chemicals for industrial use.
Importer/distributor of ag equip
Imp/dist misc items like fertilizers
Printing
Consultants w/Landis Madadagascar
Construction building, road,...
Imp/dist office furniture
Extract, treat & exp. ore
Farm
Ford trucks/tractors, SEA, Motorol, GMC, etc..
Produces wine and liquors.
Transporter/Collector of local ag products.
Collect lobsters
Building Materials
Ostrich farm

Madagascar TRIBUNE
MADAUTO
MADECASSE
MADEXTRA
MAGRI
MAHAJANGA PRESS
MAHAZATRA Ets
MALAISE Camille
MAPLASTIQUE
MARBOUR
MARGROS (AGRICO)
MATERAUTO S.A.
MECAGRI
MIDI Madagasikara
MINOSOA
NETWORK
NEW PRINT
NEWPACK
NEWTECH
PAPMAD
PECHE-EXPORT
PERFECT-ON
PROFILAGE DE MADAGASCAR
PROGEM
PROIMPEX
PROMAEX
RABERANTO
RAMANANDRAIBE EXPORT
RASOLOVOAHANGY
REFRIGEPECHE
ROMA
ROSELINE Laurence
ROYAL SPIRIT
SALONE
Savonnerie RAVANDISON
Savonnerie TROPICALE
SCEM
SCMC
SCRIMAD
SEPCM

Rahaga Ramaholimihaso
Stephane Bruno
Guy Ranjatoelina
Dramsy
Rajabaly
Unspecified
Ismael Moise
Sébastien Wu Chao Ying
Cassam Chenai Stephane
Patrick Guillon
Romuald Rakotondrazaka
Noel Raharijaona
Antoine Razafimandimby
Mamy Rakotoarivelo
Luc Razafimandimby
Younouss Pirbay
Mme Clara Ravoavy
Younouss Pirbay
Nassor Mamod
Patrick Rajaonary
C. Pagès
Nirina Raharijohn
Michel Fornari
Simon Lock Hoy
H.G.R. Andrianjafy
Lo Siw Tack
Francois Raberanto
Marcel Ramanandraibe
Rasolovoahangy
Yves Desfosset
Naly Andriamanandraitra
Laurence Roseline
Johnny Raharindranto
David Chan
Gaby Ravandison
André RAMAROSON
Cassam Chenai
Raveloson
Simon Rakotondrahona
D. Lanfroy

Directeur Général
General Manager
Dir Commercial
Unspecified
Président Directeur Gén.
Unspecified
Directeur
Directeur
Unspecified
Directeur Financier
Directeur Général
Chef Dept Mach Agricole
Unspecified
Directeur Général
Gérant
Directeur Général
Unspecified
Directeur
Directeur
P.D.G.
Directeur Général
Unspecified
Directeur Général
Directeur
Gérant
P.D.G.
Unspecified
Directeur Général
Unspecified
Directeur Pêche Artisanal
Chef de Bureau
Gérant
Unspecified
Directeur Général
Président Directeur Gén.
P.D.G.
Unspecified
Directeur
Directeur Général
Dir General

Newsprint & Printing Papers
Sale of cars and spare parts
Mining & industrial mchy, const equip
Loan agri-materials
Stores
Printing
Imp/dist misc. products
Exp leetchis
Product Plastic bottles
Diversified ag-bz holdings
Papers & Office Supplies
Ag equipment; Massey Ferguson
Maintenance of agribusiness materials
Newsprint
Printing papers
Computer
Print
Prod/Dist of cartons, box.....
Computer
Manufactures papers
Exp. sea products
Water treatment
Manufactures corrugated & galvanized steel
Collect & Export misc local products
Chemicals/essential oils
Exports misc. products (coffee, cloves, ...)
Rice
Exp of local ag products.
Imp/tools, hardware, ...
Fishing
Dairy products.
Dist General merchandises
Imp/dist rice
Pasta
Soap
Soap
Imp/dist food
Yarn
Coffee exports, imp/dist inputs, constr. equip.
Distributor of fertilizer, ag inputs / MAH

SETA EXPRESS	Benamina Ramanantsoa	P.D.G.	Buys & leases transport equipments
SFOI	Randriamananjara Rakotonirina	Directeur Admin. & Financ.	Packing Materials, Plastics, ...
SIB	Barday	Directeur Général	Soap, Edible Oils, Rice
SICA	Abdulla Goulamaly	Unspecified	Export local products, Imp Ag. machines
SICAM	Yves Rabetokotany	Responsable Marché	Imp/dist vehicles
SIDEMA	Emmanuel Randria-Ravel	Shareholder	Imp/dist. steel
SIDI Hotel	Alex	Gérant	Hotel
SILAC	Rasolofondraibe Alain	Manager	Collects rice, coffee,sugar,
SIM	Kourdje	Directeur	Paints
SIPROMAD	Mourad Abdirassoul	Directeur Général	Paints, Ropes, etc...
SITMA	Fayaz Taky	Directeur Commercial	Hardware
SMEF	Anne Laratte	Directeur Admin. & Financ.	Freezers, ...
SMTC	Pirbay Mohamed Raza	Owner	Imp tires, spare parts.
SOAVITA	Thonon & Verger	Owners	Wine production.
SOAVOANIO	Olivier ALLERA	Consultant (ACTINI)	Coconut
Société de Batelage / Manakara	Théophile Ramanankavana	Director	Loading and Unloading
Société de Fabrication des Meules	Lala Randrianalisoa	Unspecified	Lapidary
SOCIMEX	Kwan Kai Lion	Directeur Commercial	Imp/dist misc equipments, motorcycles, trucks
SOCOTEL	Andriamanalina	Unspecified	Imp/dist trucks
SOCTAM	Eveno	Directeur Général	Tobacco culture
SOGECO	Inaetaly Albaraly	Directeur Général	Imp/dist misc materials especially hardware
SOGEP	Francois Dubosq	Unspecified	Plantation (beans, coffee, ...)
SOMAPECHE	Ralison	Unspecified	Fishing
SORAFI	Bernard Manesor	Directeur Général	Sugar Roasting
STAR	De La Chaise	Directeur Général	Brasserie
STEDIC	José Rambalohery	Directeur Général Adjoint	Imp/Dist of ag equipments and cars.
Sucrerie de Bourbon	Henri de Villeneuve	Gerant	Financial engineering
SUNTHESIS	Thierry Labrosse	P.D.G.	Plastic
S.C.C.C.	Rasoanaivo	Unspecified	Rice Collect
TATSINANANA	Roger Rasafindrakoto	Gérant	Transport (Building and Forestry)
Tecmaco/Interauto	Razafindrakoto	Public Relations	Imp/Dist. Chrysler and AMG corp.
TIKO	Delphin Ratsimbazafy	Directeur Financier	Dairy products & fruit juice
TIVIAM	Walter Bordese	Unspecified	Slaughter House
TOYOTA SORAFILS	Lantomanana Andriamahery	Resp. Admin. & Financier	Japanese cars & spare parts
TRACS	Alex Rapenomanjato	Dir General	Imports/distribution
UCB - Union Comm Banque	Jocelyn Thomasse	Dir General	Banking; similar exp in Mauritius
UNICELL/Newpack	Mohib Pirbay	Directeur	Battery
VINTANA AGRO	Edmon Razafindimby	Directeur Général	Dist Agri. equipment
VY TAOBAYVY	Marcel Ramanantsialovana	P.D.G.	Iron workers, Ag. machinery producers
YING Lee	Lee Ying	Gérant	imp/dist general merchandises, farm

SOURCING ACTIONS UNDERTAKEN

Product sourcing actions undertaken by the Commodity Assistance Unit, Chemonics International, Madagascar CAP Project

See Client files for details.

No.	Client	Commodity Description	Req Date	Fill Date
001	Al Mourtaza Shipping	Ship Builders - - 250 ton, drop ramp, landing-type ship	06-Feb-95	14-Feb-95
002	Agri-Export	Dried bean calibrating, sorting, polishing, and bagging equipment	02-Feb-95	14-Feb-95
003	AFAFI	Veterinary products	09-Feb-95	10-Feb-95
004	Entreprise RMC	Caterpillar parts and equipment	06-Feb-95	08-Feb-95
005	Al Mourtaza Shipping	Diesel Marine Engines	14-Feb-95	07-Mar-95
006	ICOTRAD	Fertilizer (NPK and Urea)	06-Mar-95	10-Mar-95
007	Sté Raja	Vehicle maintenance equipment	13-Mar-95	13-Mar-95
008	DATA Import Export	Fertilizer	20-Mar-95	20-Mar-95
009	DATA Import Export	Towed Planters	24-Mar-95	24-Mar-95
010	DATA Import Export	Irrigation Equipment	24-Mar-95	24-Mar-95
011	DATA Import Export	Silos and Grain Storage Equip	24-Mar-95	24-Mar-95
012	SPCI	Fertilizer	27-Mar-95	27-Mar-95
013	SACOA	Fertilizer	03-Apr-95	03-Apr-95
014	SACOA	Seeds	03-Apr-95	05-Apr-95
015	DATA IMPORT/EXPORT	Electric generators	03-Apr-95	05-Apr-95
016	CAP FIANAR	Fertilizers	14-Apr-95	14-Apr-95
017	CAP FIANAR	Tires	14-Apr-95	18-Apr-95
018	AFAFI/CAP FIANAR	Veterinary Pharmaceuticals	18-Apr-95	19-Apr-95

019	FIBASOM	Fruit processing equipment	05-May-95	10-May-95
020	Smekens project	Rice mills	17-May-95	19-May-95
021	CHAN FOUI	Bottle making equipment	18-May-95	23-May-95
022	CHAN FOUI	Champagne/wine producing equipment	18-May-95	23-May-95
023	CHAN FOUI	Cave material & equipment	18-May-95	23-May-95
024	Consult International	Fertilizer	30-May-95	06-Jun-95
025	ProImpEx	Tires	31-May-95	06-Jun-95
026	ProImpEx	Pick- up trucks and spare parts	31-May-95	06-Jun-95
027	ProImpEx	Trucks and spare parts	31-May-95	06-Jun-95
028	ProImpEx	Tractors	31-May-95	06-Jun-95
029	ProImpEx	Disk harrows	31-May-95	06-Jun-95
030	Société AINA	Cargo Screening/X-Ray equipment	10-Jun-95	10-Jun-95
031	SIDEXMA	Fertilizers	27-Jun-95	27-Jun-95
032	Consult International	Computers and accessories	22-May-95	23-May-95
033	Ets RAHARIJAONA	Seeds/Fertilizers	13-Jul-95	17-Jul-95
034	Ets RAHARIJAONA	Computers and accessories	13-Jul-95	17-Jul-95
035	Ets RAHARIJAONA	Trucks and trailers	13-Jul-95	17-Jul-95
036	Ets RAHARIJAONA	Agricultural equipment and machinery	13-Jul-95	17-Jul-95
037	Ets RAHARIJAONA	Food processing equipment	13-Jul-95	17-Jul-95
038	Société AINA	Computers and controllers	17-Jul-95	17-Jul-95
039	Société AINA	Batteries	17-Jul-95	17-Jul-95
040	Lazan'i Betsileo	Bottles	20-Jun-95	22-Jun-95
041	Lazan'i Betsileo	Corks and capsules	20-Jun-95	22-Jun-95
042	SCRIMAD	Galvanized and corrugated iron	16-May-95	16-May-95
043	SAGIM	Seed sorting machinery & spare parts	01-Sep-95	22-Sep-95

044	LANDIS MADAGASCAR	Fertilizer, NPK 11-22-16	26-Sep-95	26-Sep-95
045	FIMAPILA	Logging saws/equipment	13-Nov-95	01-Dec-95
046	TRACS	Auto/Truck tires	04-Dec-95	05-Dec-95
047	DATA IMPORT EXPORT	Office Supplies	29-Dec-95	04-Jan-96
048	DATA IMPORT EXPORT	Computer and accesories	29-Dec-95	04-Jan-96
049	DATA IMPORT EXPORT	Packaging machines & accessories	29-Dec-95	04-Jan-96
050	CAP MAHAJANGA	Soil Testing Equipments	08-Jan-96	17-Jan-96
051	CAP MAHAJANGA	Computers	08-Jan-96	17-Jan-96
052	S O R A F A	Sugar machinery	12-Jan-96	17-Jan-96
053	CCE/MANAKARA	Wine colouring products	24-Jan-96	24-Jan-96
054	MADECASSE	Polyethylene High Density & Polyvinyl Cloride	24-Jan-96	25-Jan-96
055	HOECHST MADAGASCAR	Veterinary Products	25-Jan-96	25-Jan-96
056	TOYOTA SORAFILS	Tyres	25-Jan-96	25-Jan-96
057	RAJA	Tyres	30-Jan-96	01-Feb-96
058	TOYOTA SORAFILS	Dodge trucks	31-Jan-96	12-Feb-96
059	ART PRO MAD	Tractors & other Agri. machines	02-Feb-96	02-Feb-96
060	AINA	Refrigerators for hospital use	06-Feb-96	06-Feb-96
061	STEDIC	Trucks	06-Feb-96	08-Feb-96
062	STEDIC	Batteries for automotive	06-Feb-96	08-Feb-96
063	SCEM	Tires	14-Feb-96	15-Feb-96
064	SUNTHESIS	Raw materials for plastic	14-Feb-96	14-Feb-96
065	FIMAPILA	Industrial sewing machine	20-Feb-96	21-Feb-96
066	TSIRY	Ag. machines, fertilizers, seeds	29-Feb-96	29-Feb-96
067	TIKO	Soya oil & seeds	20-Feb-96	21-Feb-96
068	PERSPECT-ON	Water purification equipment, office supplies and computers	14-Feb-96	22-Feb-96

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069	MADECASSE	PVC Compound	01-Apr-96	01-Apr-96
070	MARBOUR	Packaging machines, Processing machines for corn	09-Apr-96	12-Apr-96
071	LOBMAD	Freezer equipments	09-Apr-96	12-Apr-96
072	MAHAZATRA	Batteries	21-May-96	22-May-96
073	MAHAZATRA	Lubricant for truck	21-May-96	22-May-96
074	SOGEP	Telecommunication equipment	17-May-96	22-May-96
075	SAVONNERIE TROPICALE	Tallow	28-May-96	30-May-96
076	ANAIS Ets	Continued Papers for computer	03-Jun-96	03-Jun-96
077	FIBASOM	Tires	31-May-96	04-Jun-96
078	FIBASOM	Lubricant for truck	31-May-96	04-Jun-96
079	FIBASOM	Computer & accessories	31-May-96	04-Jun-96
080	TABBAGH	Desalination Equipment	14-Jun-96	14-Jun-96
081	MAGRI	Refrigerators	25-Jun-96	01-Jul-96
082	MAGRI	Lubricant for truck	25-Jun-96	01-Jul-96
083	AFAFI	Sugar Grade A	11-Jul-96	18-Jul-96
084	BOINA BEACH HOTEL	Kitchen Materials	26-Jul-96	31-Jul-96
085	SIPROMAD	Raw Materials for Toilet Paper	09-Aug-96	13-Aug-96
086	SIPROMAD	Paraffin Wax	09-Aug-96	13-Aug-96
087	SIPROMAD	Polyethylene	09-Aug-96	13-Aug-96
088	SIPROMAD	Detergent Powder	09-Aug-96	13-Aug-96
089	SIPROMAD	Kraft Paper	09-Aug-96	13-Aug-96
090	NEWPACK	Black Carbon	29-Jul-96	14-Aug-96
091	NEWPACK	Manganese Dioxide	29-Jul-96	14-Aug-96
092	NEWPACK	Zinc	29-Jul-96	14-Aug-96
093	Cie CHU-KAM & TOUI TING	Packaging Material for Litchees	06-Jun-96	14-Aug-96

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094	ROMA	Milk Machinery	03-Sep-96	05-Sep-96
095	SMCM - Raveloson	Cotton and Synthetic Yarn	04-Sep-96	06-Sep-96
096	SAVONNERIE RAVANDISON	Tallow	04-Sep-96	06-Sep-96
097	AINA	Bank note and coin Counters	23-Sep-96	24-Sep-96
098	AINA	Detectors of False Note	23-Sep-96	24-Sep-96
099	RAJABALY	Air Conditioner	24-Sep-96	26-Sep-96

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ISF SUMMARY TRANSACTION REPORT

ISF Num	Date Received	Importer	Commodity Description.	Value	S/O or Nat'l *	Approved by CHX	Approved by USAID	Csh/ Guar	Accept Date	Bank	L/C Date	L/C Amount	L/C Ben.	EDA M'car	Est FMG Trn Date	Comments
01	29-Jun-95	H. Fraise Fils & Cie	Chevy 4X4 Pickup Trucks (4 ea)	\$97,154	000	30-Jun-95	05-Jul-95	GUAR	20-Jul-95	BNI	05-Sep-95	\$97,154	Genrl Motors ODC	22-Feb-96	26-Feb-96	Completed
02	29-Jun-95	H. Fraise Fils & Cie	CAT Diesel Marine Engines (2)	\$78,545	000	30-Jun-95	05-Jul-95	GUAR	20-Jul-95	BNI	05-Sep-95	\$0	N/A	N/A	N/A	Cancelled
03	29-Jun-95	H. Fraise Fils & Cie	CAT Forklift (1 ea)	\$27,450	000	30-Jun-95	05-Jul-95	GUAR	20-Jul-95	BNI	05-Sep-95	\$0	N/A	N/A	N/A	Cancelled
04	29-Jun-95	H. Fraise Fils & Cie	CAT spare parts (1 lot)	\$50,000	000	30-Jun-95	26-Jul-95	GUAR	30-Aug-95	BNI	01-Sep-95	\$50,000	Overseas Tractor	29-Feb-96	05-Jun-96	Completed
05	29-Jun-95	H. Fraise Fils & Cie	John Deere Ag Tractors (12 ea)	\$249,333	000	30-Jun-95	26-Jul-95	GUAR	25-Jul-95	BNI	25-Aug-95	\$249,333	John Deere Export	22-Feb-96	05-Apr-96	Completed
06	11-Jul-95	H. Fraise Fils & Cie	John Deere spare parts (1 lot)	\$10,721	000	12-Jul-95	07-Sep-95	GUAR	03-Nov-95	BNI	27-Dec-95	\$10,496	John Deere Export	29-Feb-96	13-Jun-96	Completed
07	03-Nov-95	Ste AINA	Linescan X-Ray Scanning Unit	\$96,688	000	07-Nov-95	14-Nov-95	GUAR	28-Nov-95	BFV	01-Dec-95	\$96,688	EG & G Instr	15-May-96	21-May-96	Completed
08	08-Jan-96	SIB	Caustic Soda - 312 MT	\$158,808	899	09-Jan-96	09-Jan-96	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Cancelled
09	25-Jan-96	STEDIC	Steel Sheets	\$116,280	899	29-Jan-96	31-Jan-96	GUAR	01-Mar-96	BNI	07-Mar-96	\$116,280	Merchant Int'l	15-Apr-96	03-Sep-96	
10	25-Jan-96	STEDIC	Steel Rebar	\$88,200	899	29-Jan-96	31-Jan-96	GUAR	01-Mar-96	BNI	07-Mar-96	\$88,200	Merchant Int'l	15-Apr-96	03-Sep-96	
11	25-Jan-96	STEDIC	Tires	\$83,216	899	29-Jan-96	Declined	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Declined by USAID
12	09-Feb-96	Fraise /Sabjally	Rice Mills (2 ea)	\$58,965	899	09-Feb-96	14-Feb-96	GUAR	18-Mar-96	BNI	04-Apr-96	\$58,965	Alvan, UK	01-Aug-96	01-Oct-96	
13	08-Feb-96	STEDIC	Newsprint (30 Tons)	\$30,600	899	09-Feb-96	14-Feb-96	GUAR	07-Mar-96	BNI	13-Mar-96	\$30,600	Merchant Int'l	15-Apr-96	12-Sep-96	
14	09-Feb-96	MATERAUTO	M.F. Ag. Tractors (13 ea)	\$237,159	000	09-Feb-96	20-Feb-96	GUAR	07-Mar-96	BNI	08-Mar-96	\$237,159	Massey Ferguson	20-Jul-96	04-Sep-96	
15	15-Feb-96	PROFILAGE DE M/CA	Steel Sheets (387 Tons)	\$310,686	899	22-Feb-96	26-Feb-96	GUAR	11-Mar-96	BFV	14-Mar-96	\$310,686	Pab-Est	15-May-96	10-Sep-96	
16	15-Feb-96	PROFILAGE DE M/CA	Steel Sheets (120 Tons)	\$102,329	899	22-Feb-96	26-Feb-96	GUAR	11-Mar-96	BFV	14-Mar-96	\$102,329	Profilage/Reunion	31-May-96	10-Sep-96	
17	27-Feb-96	TRACS	Tires	\$53,800	000	28-Feb-96	29-Feb-96	GUAR	30-Apr-96	BNI	02-May-96	\$53,800	Cooper Tire, USA	Jul-96	28-Oct-96	
18	28-Feb-96	F. BONNET Fils	Hand tools & equipement	\$45,252	899	29-Feb-96	05-Mar-96	GUAR	20-Mar-96	BMOI	18-Apr-96	\$45,252	Harth, France	06-Jun-96	15-Oct-96	
19	28-Feb-96	F. BONNET Fils	Forestry/wood equipement	\$28,440	899	29-Feb-96	07-Mar-96	GUAR	09-Apr-96	BNI	07-May-96	\$28,440	Harth, France	16-Jun-96	03-Nov-96	
20	05-Mar-96	AGRO EXPORT	Onion Seed & Planter	\$24,660	899	06-Mar-96	08-Mar-96	N/A	N/A	N/A	Client	unable to obtain Financing	N/A	N/A		Cancelled
21	06-Mar-96	SEPCM	Caustic SODA (58 Ton)	\$31,104	899	08-Mar-96	13-Mar-96	GUAR	16-Mar-96	BNI	19-Apr-96	\$31,104	Sivex, France	06-Aug-96	16-Oct-96	
22	08-Mar-96	MATERAUTO	M.F. Ag. Tractors (3 ea)	\$57,790	000	08-Mar-96	13-Mar-96	GUAR	09-Apr-96	BNI	10-Apr-96	\$57,790	Massey Ferg., UK	15-Jul-96	07-Oct-96	
23	22-Mar-96	AL MOURTAZA Shipp.	Steel & boat bldg mats	\$122,757	899	29-Mar-96	09-Apr-96	GUAR		BFV						Delayed pending Guar
24	13-Mar-96	LANDIS M/car	Rice Mills & related	\$114,832	899	13-Mar-96	18-Mar-96	GUAR	05-Apr-96	BNI	10-Apr-96	\$114,832	Jos Hansen, RFA	June-96	07-Oct-96	
25	12-Mar-96	SOCIMEX	Motorcycles (34 ea)	\$61,754	899	13-Mar-96	Declined	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Declined by USAID
26	25-Mar-96	MINOSOA	Photocopy paper	\$20,389	899	29-Mar-96	09-Apr-96	GUAR	09-May-96	BFV	28-May-96	\$20,389	Steven, Hollande	24-Jul-96	23-Nov-96	
27	25-Mar-96	STEDIC	Steel rebar (270 Tons)	\$125,700	899	29-Mar-96	09-Apr-96	GUAR	29-Aug-96	BTM	10-Sep-96	\$125,694	Manuchar, Belgium		09-Mar-97	
28	25-Mar-96	STEDIC	Corrugated steel (40 Tons)	\$47,325	899	29-Mar-96	09-Apr-96	GUAR	17-May-96	BNI	05-Jun-96	\$47,325	Merchant Int'l	Mar-96	02-Dec-96	
29	20-Mar-96	STEDIC	Newsprint (30 Tons)	\$30,600	899	29-Mar-96	09-Apr-96	GUAR	17-May-96	BNI	05-Jun-96	\$30,600	Merchant Int'l	July-96	02-Dec-96	
30	01-Apr-96	PAPMAD	Offset paper & Newsprint	\$315,200	899	01-Apr-96	09-Apr-96	GUAR	07-May-96	BNI	10-May-96	\$314,018	PNA 5, France	31-Jul-96	06-Nov-96	
31	05-Apr-96	H. FRAISE Fils & Cie	CAT Diesel Engines (2)	\$50,900	000	05-Apr-96	09-Apr-96	GUAR	12-Apr-96	BMOI	16-Apr-96	\$50,900	Overseas Tractor	July-96	13-Oct-96	
32	14-Apr-96	FIAVAMA	Cane Trailer Rigs (2)	\$39,898	899	15-Apr-96	19-Apr-96	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Cancelled
33	14-Apr-96	FIAVAMA	Link Beltchain	\$78,147	000	15-Apr-96	19-Apr-96	GUAR	09-Jul-96	BTM	18-Jul-96	\$78,147	LBA, USA		14-Jan-96	
34	15-Apr-96	STEDIC	Kraft Paper (45 Tons)	\$58,650	899	18-Apr-96	19-Apr-96	GUAR	09-May-96	BNI	21-May-96	\$58,650	Gothia Pulp	25-Jul-96	17-Nov-96	
35	16-Apr-96	FIBASOM,	Steel (920 Tons)	\$493,581	899	19-Apr-96	19-Apr-96	GUAR	29-May-96	BTM	12-Jun-96	\$493,580	Sagentra	10-Jun-96	09-Dec-96	

ISF Num	Date Received	Importer	Commodity Description.	Value	S/O or Nat'l *	Approved by CHX	Approved by USAID	Csh/ Guar	Accept Date	Bank	L/C Date	L/C Amount	L/C Ben.	EDA M'car	Est FMG Trn Date	Comments
036	24-Apr-96	HOECHST	Raw Polypropylene (170 tons)	\$205,925	000	26-Apr-96	30-Apr-96	GUAR	22-May-96	BMOI	24-May-96	\$205,925	Snetor Chimie	10-Jun-96	19-Nov-96	
037	29-Apr-96	STEDIC	Printing Press Parts	\$27,161	899	30-Apr-96	06-May-96	GUAR	21-May-96	BNI	05-Jun-96	\$27,161	GTE, France	15-Aug-96	02-Dec-96	
038	29-Apr-96	FRAISE	CAT Generator Set (1)	\$51,750	000	02-May-96	06-May-96	GUAR	13-May-96	BMOI	17-May-96	\$51,750	Overseas Tractor	31-July-96	08-Nov-96	
039	20-Apr-96	SORAFILS	TOYOTA Trucks Spare Parts	\$74,560	899	06-May-96	24-May-96	GUAR	31-May-96	BFV	05-Jun-96	\$74,560	Toyota, Japan	29-Aug-96	02-Dec-96	
040	19-Apr-96	SEPCM	Calcium Hypochlorite (13.7 tons)	\$34,952	000	06-May-96	06-May-96	GUAR	10-Jun-96	BNI	23-Jul-96	\$34,952	Sivex, France	22-Oct-96	19-Jan-96	
041	15-May-96	SOCTAM	Pumps & irrigation Equipment	\$141,129	899	17-May-96	24-May-96	GUAR	10-Jun-96	BNI	03-Jul-96	\$141,129	ICS, France		30-Dec-96	
042	15-May-96	PLASCOMA	PVC	\$112,860	000	24-May-96	05-Jun-96	GUAR		BFV						
043	17-May-96	PROFILAGE DE M/CA	Rolled Steel Sheetting	\$119,940	899	28-May-96	06-Jun-96	GUAR	12-Jun-96	BFV	13-Jun-96	\$119,940	Pab Est, France	Jul-96	10Dec-96	
044	24-May-96	STEDIC	Newsprint (30 tons)	\$30,600	899	28-May-96	06-Jun-96	GUAR	29-Aug-96	BTM	10-Sep-96	\$30,600	Merchant, UK		09-Mar-97	
045	30-May-96	MATERAUTO	Massey Ferg. Tractors (4ea)	\$85,254	000	13-Jun-96	17-Jun-96	GUAR	24-Sep-96	BNI						
046	31-May-96	PROFILAGE DE M/CA	Galvanized Sheets	\$96,134	899	13-Jun-96	18-Jun-96	GUAR	27-Jun-96	BFV	02-Jul-96	\$96,134	Pab Est, France	14-Sep-96	29-Dec-96	
047	31-May-96	PROFILAGE DE M/CA	Galvanized Sheets	\$283,520	899	13-Jun-96	18-Jun-96	GUAR	27-Jun-96	BFV	02-Jul-96	\$283,520	Pab Est, France	14-Sep-96	29-Dec-96	
048	30-May-96	LANDIS M/CAR	Coffee Process. Mach. Parts	\$41,900	899	28-Jun-96	03-Jul-96	GUAR	17-Jul-96	BNI	25-Jul-96	\$41,900	KAACK, RFA	Oct-96	21-Jan-96	
049	13-Jun-96	LANDIS M/CAR	Rice Mills Spare Parts	\$12,945	899	28-Jun-96	03-Jul-96	GUAR	17-Jul-96	BNI	25-Jul-96	\$12,945	Jos Hansen, RFA	Oct-96	21-Jan-96	
050	12-Jun-96	LANDIS M/CAR	Irrigated Pump & Cabling	\$13,860	899	28-Jun-96	03-Jul-96	GUAR	17-Jul-96	BNI	25-Jul-96	\$13,860	Jos Hansen, RFA	Oct-96	21-Jan-96	
051	20-Jun-96	FIBASOM	Building Mat. & Supplies	\$150,000	899	28-Jun-96	03-Jul-96	GUAR	05-Jul-96	BMOI	08-Jul-96	\$150,000	SB Export, France	02-Sep-96	04-Jan-97	
052	24-Jun-96	SEPCM	Caustic Soda (42 tons)	\$21,210	899	24-Jun-96	03-Jul-96	GUAR	08-Jul-96	BMOI	10-Jul-96	\$21,210	Sivex, France	Oct-96	06-Jan-97	
053	19-Jun-96	MIARI	Bakers' oven & related	\$80,760	899	29-Jul-96	07-Aug-96									
054	19-Jun-96	SEPCM	Hydrogen Peroxide	\$12,096	899	29-Jul-96	01-Aug-96	GUAR	09-Aug-96	BMOI	20-Aug-96	\$12,096	Alliance P., RSA		17-Feb-96	
055	11-Jul-96	SORAFILS	Lubricating Oil & related	\$27,019	000	29-Jul-96	01-Aug-96	GUAR	29-Aug-96	BFV	03-Sep-96	\$27,019	QMI, USA	04-Jan-96	02-Mar-97	
056	01-Aug-96	MARBOUR	Rice Bagging Equipment	\$96,434	899	12-Aug-96	20-Aug-96	GUAR		BNI						
057	29-Jul-96	AFOMA S.A.	Kraft Paper/Cartons	\$87,940	899	12-Aug-96	20-Aug-96	GUAR		BNI						
058	06-Aug-96	MIDI M/CAR	Newsprint	\$165,600	899	12-Aug-96	20-Aug-96	GUAR	29-Aug-96	BNI	05-Sep-96	\$165,600	Mavane, Belgium		04-Mar-97	
059	21-Aug-96	MATERAUTO	M.F. Tractors (4 ea)	\$78,870	000	29-Aug-96	10-Sep-96	GUAR	19-Sep-96	BTM	23-Sep-96	\$78,870	Massey Ferguson		22-Mar-97	
060	03-Sep-96	FIBASOM	Saw Blades	\$61,578	899	04-Sep-96	18-Sep-96	GUAR	25-Sep-96	BNI						Cancellation on process
061	03-Sep-96	FIBASOM	Lubricants & grease	\$38,421	899	04-Sep-96	10-Sep-96	GUAR	12-Sep-96	BNI						Cancellation on process
062	06-Sep-96	SALONE	Packing Machine	\$21,571	899	20-Sep-96	25-Sep-96	GUAR		BFV						
063	17-Sep-96	AGRICO/MARGROS	Newsprint & Paperboard	\$137,418	899	17-Sep-96	24-Sep-96	GUAR		BFV						
064	23-Sep-96	AKYS	Paints & related	\$279,258	899	23-Sep-96	25-Sep-96	GUAR		BTM						
065	24-Sep-96	GAMO	Raw Materials for Paints	\$21,239	899	26-Sep-96										
066	25-Sep-96	PROFILAGE DE M/CA	Galvanized Sheets	\$90,600	899											Awaiting Comp. offers

* EITHER Source/Origin OR supplier nationality

Total value of applications received: \$6,299,417
 Total value of approved applications: \$6,042,608

Total value approved applications, less cancellations: \$5,713,247 75%

Total value of Citibank L/COM \$7,600,000
 Citibank Expenses \$135
 Total available \$7,599,865

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ANNEX D

RESULTS MONITORING PLAN

RESULTS MONITORING PLAN

SO2: Increase market access for neglected regions

Indicators	Base Year 1992			Following Year 1993			Second Year 1994			Third Year 1995			Comments
	MAH	FIA	Total	MAH	FIA	Total	MAH	FIA	Total	MAH	FIA	Total	
1. Volume of production of key products in each HPZ. (in thousands of tons):													The results of Port Berge and Bealalana (MAH) and Ifanadiana are not included in the 1995 data. Off season production is not included as it is not yet available. The 1995 production for FIA is an estimation based on the 1994 average yields.
Rice	328.0	305.0	633.0	341.0	320.0	661.0	334.0	303.0	637.0	120.	454.0	574.0	
Cassava	57.5	729.5	787.0	63.0	752.0	815.0	59.0	755.0	814.0	0	581.0	616.0	
Corn	5.5	11.5	17.0	8.0	12.0	20.0	8.0	14.0	22.0	35.0	14.0	21.0	
Beans	1.0	23.0	24.0	1.0	23.0	24.0	1.0	18.0	19.0	7.0	9.0	9.9	
Peanuts	3.0	5.0	8.0	4.0	6.0	10.0	4.0	6.0	10.0	0.9	2.8	9.8	
Potatoes	0.5	24.0	24.5	0.5	24.5	25.0	0.4	25.8	26.2	7.0	8.6	8.6	
2. Total petroleum sales (millions of liters)	1993			1994			1995			1996 (first 3 months)			The 1996 data is only available for the first 3 months of the year.
	43	18	61	60	57	117	74	46	120	17	7	24	
3. Number of trucks registered annually	-			1350	1885	3235	1409	2004	3413	-			Registration figures for the year can only be obtained at the end of the calendar year.
4. Export of non-traditional products													The 1996 figures are temporary and could change. For litchees and cashews, exports only begin in october/november of every year.
Fresh pepper	2000			2066			1274			0.183			
Essential oil of cloves	1571			1029			1577			0.546			
Cashews	1276			3366			3142			0.015			
Litchees	4321			3180			4801			0.008			
Onions	1825			2396			1652			0.843			
Combined	10993			12037			12446			1.595			

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SO2.1 Increase and diversify agricultural production and sales

	1992	1993	1994	1995	Comments
1. Increase in percent of cultivated areas to off-season and secondary crops MAH FIA Combined	12.1% 38.9% 25.0%	13.0% 37.0% 25.5%	18.8% 105.6% 62.5%	29.6% 56.2% 50.4%	The data used to establish percentages for 1995 are only preliminary figures since not all figures are available. Cf indicator n°1. For 1994(???) we are awaiting SOATEG's survey for the potatoes.
2. Number of agricultural sector personnel involved in collection, processing, transportation and distribution of inputs by gender and size of firm					Data will be available beginning of 1997 upon completion of annual base line survey conducted at end of each calendar year.
3. Increase in geographic and end product markets served by producers					
4. Increase of diversification in the types of agricultural products sold from each HPZ					
5. Number of clients (firms and associations) receiving assistance Clients ----- Client service plans	Base Year 1994		1995	1996	
			Target: 43 clients Actual: 70 clients ----- Target: 43 CSPs Actual: 76 CSPs	Target: 48 clients Actual: 106 clients ----- Target: 42 CSPs Actual: 142 CSPs (cumulative)	
6. Number of clients (firms and associations) with increases in sales after assistance			Target: 30 Actual: 18	Target: 60 Actual: NA	Data is not available until the end of harvest season, 1st quarter 1997.
7. Average increase in value of sales by firms receiving assistance			Target: \$279,480 Actual: \$3.03 mil.	Target: \$408,000 Actual: NA	Data is not available until the end of harvest season, 1st quarter 1997
8. Value of imported material and equipment LOP target: \$15,000,000			Target: \$3.6 mil. Actual: \$2.0 mil.	Target: \$4.0 mil. Actual: \$4.5 mil.	Surpassed target.

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SO2.2: Reduce Farm-to-Market transport cost

	Baseline	Year I	Year II	Comments
1 Savings in farm to market transport cost (Fmg 125 per ton/Km x 60 tons/day x 300 days/year of road usage)	N/A	<p>Target: 60km for a total savings of: $125 \times 60 \times 60 \times 300 =$ Fmg 135,000,000</p> <p>Actual: 67km of completed roads for a total savings of: $125 \times 67 \times 60 \times 300 =$ Fmg 150,750,000</p>	<p>Target: 176km for a total savings of: $125 \times 176 \times 60 \times 300 =$ Fmg 396,000,000</p> <p>Actual: 80.1km of completed roads for a total savings of $125 \times 80.1 \times 60 \times 300 =$ Fmg 180,225,000</p>	<p>The two parcels of the Bekobay road still need to be finished (46.5km) in order to conclude the 1995 program.</p> <p>For 1996, only 6% of the budget for Bealalana has been disbursed to date.</p>
2. Kilometers of rural roads (or km equivalent for ports, bridges, Rrs, etc...) rehabilitated or upgraded.	N/A	<p>Target: 60km under the first annual workplan</p> <p>Actual: 67km</p>	<p>Target: 176km</p> <p>Actual: 80.1km</p>	<p>Actuals is the number of km completed. Actual km or equivalent in process is 157.4km.</p>

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ANNEX E

IMPACT OF CAP ASSISTANCE LOAN APPLICATIONS FOR CLIENTS

IMPACT OF CAP ASSISTED FOR LOAN APPLICATIONS CLIENTS

October 1995 - September 1996

CLIENTS	STATUS	TERM	INSTITUTION	Amount of the requested loan (Millions of Fmg)	OUTPUT						IMPACTS		
					Status of the study		status of bank loans applications				TOTAL	EXPECTED	Impacts at the Firm/assoc level
					ON-GOING	COMPLETED	PENDING	REJECTED	APPROVED	CAUSE OF REJECTION	INV INCREASE	YEAR 1	EXPECTED IMPACTS
1. In Fianarantsoa													
- SITAL	IND	L	FIARO	650				Y		Low IRR	900	1,200	Expansion in a new product
- RAKOTONANDRASANA	IND	M	BFV	25		Y			Y		25	800	Increased marketed production
- RAMAMONJISOA	IND	C	BFV	30		Y			Y		30	1,307	Increased marketed production
- Cellule Marodinta	ASSOC	C	FID	30		Y			Y				Increased production and revenue per member
- FITASA	ASSOC			ND	Y								Increased production and revenue per member
TOTAL FIA	5			735							955	3,307	
2. In Mahajanga													
- FAFED	ASSOC	M	FID	6		Y			Y		8	6	Increased honey production
- LOVASOA	ASSOC	C	BTM	62		Y			Y				Certified rice seeds production and distribution
- FITABE	ASSOC	C	FENU	6		Y			Y		11	48	Increased production and revenue per member
- FMAB	ASSOC	C	FENU	5		Y			Y		17	17	Increased production and revenue per member
- DEUX FRERES Jr	SME	C	BTM	150		Y			Y			1,216	Increased rice production
- FIBASOM	SME	L	SF/FIARO	5,900		Y	Y				11,000	5,900	Tomato production promotion and fruit juice export
- AGROEXPORT	SME	L	PROPARCO	819		Y		CANCELLED		Financial problem	1,870	3,926	
- FEMMES CELIBATAIRES	ASSOC	C	FENU	26		Y	Y				82	111	Improved Agricultural products distribution
TOTAL MAHAJANGA	8			6,974							12,988	11,224	
3. DEBT RESCHEDULING													
- AGROEXPORT	SME	L	BTM										
4. PENDING YEAR 1 APPLICATIONS													
- EGCM	SME	M	FID	18		Y	Y				23	64	Increased marketed production
- E/se individuelle	SME			4		Y							
- Lac sacre	IND	L	BTM	240		Y		Y		Credit restriction	359	242	Manioc and rice production increase
- Ma Bank	SME	L	FIARO	153		Y		Y		Insufficient contribution	243	562	Agriculture equipment local production
- Deux Freres Juniors	SME	L	BNI	700		Y			Y		1,245	4,400	Rice production and processing
- MAPRO	SME	M	BFV	162		Y		CANCELLED			487	506	Manioc production increase
TOTAL PENDING YEAR 1	7			1,277							2,357	5,774	
- PROBO debt rescheduling	SME	M	BTM	4,955		Y			Y				Corn production

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ANNEX F

PUBLIC AND PRIVATE SECTOR CONTRIBUTIONS

PUBLIC AND PRIVATE SECTOR CONTRIBUTION

As with all USAID projects, the host country beneficiary provides a contribution to project financing. This annexe explains the basis for calculating GRM contributions on national and local levels, as well as private sector contributions.

1. GRM Contributions

In accordance with the Project Agreement, GRM's contributions to CAP consist of types host country support :

- Payment of the VAT (Value Added Tax) for all transport rehabilitation contracts funded under LCF, and
- Operating expenses related to the management of the LCF accounts at the Central Bank and at the commercial banks in the HPZs.

Additional contributions were added to cover minor expenses associated with the time spent by two PMC members (Ministry of finance and the Ministry of industry representatives) on matters related to CAP.

As of septembre 30, rural roads had been completed of the 12 contractes under the 1995 program. Total cost to date is 10,830,988,405 fmg less TVA. The rate used to calculate GRM contribution is 20% of invoiced cost. To date, 70 million Fmg has been payed by the GRM during the reporting period, well below the 2 billion due.

2. Local government contributions

Local governments participate in the project at the three levels :

- ▶ Attend project meetings (RIC, Workshops, etc...) and take field trips with CAP personnel
- ▶ Participate in the improvement of access roads
- ▶ Participation in road maintenance. To date, the Mahajanga II set aside of its budget for road maintenance in Bekobay, which amounts to 10 million Fmg.

3. Private sector contributions

Private sector contribution is made at two levels :

- ▶ Road user groups' contribution for road maintenance, this is done through annual fees collected per person (500 fmg for all individuals over 18 in areas of Fianarantsoa, and 9000 fmg /year for the 1,500 members in Mahajanga. Collector's in Mahajanga also allocated 6 million Fmg for road maintenance for the region.
- ▶ Client contribution to cover expenses for the experts juniors. This is to cover transport, housing and social security costs to maintain experts juniors in the field.

The following table summarizes public and private contribution to project implementation.

Table 1. Public and Private Contributions as presented in the CAP Project Agreement

Contributor	Life of Project
USAID	\$29,000,000
GRM Contribution	\$2,960,000
Private Sector Contribution	\$320,000
Total Project Budget	\$32,280,000

Table 1a. Actual Contributions in US \$ by National, Local and Private Sources

Contributor	1995	1996
National Government	\$33	\$17,517
Local Government	\$3,239	\$3,317
Total GRM contribution (National & Local)	\$3,272	\$20,834
Private Sector Contribution	\$374	\$12,266
Total Public and Private Local Contribution	\$3,646	\$33,100

Table 1b. GRM Contributions

Items	1995		1996	
	Fmg amount	US\$ amount	Fmg amount	US\$ amount
Calculation base 1996				
1. VAT on completed rehabilitation work contracts			70,000,000	17,500
2. Management of LCF accounts : Salary of appointed officials Operating expenses	133,333	33	66,666	17
3. PMC meetings (on the bases of 2 meetings, 2 representatives, average salary of fmg 500,000/month)				
Total	133,333	33	70,066,666	17,517

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Table 2. Local government contribution

Items	Mahajanga				
	Calculation bases	1995		1996	
	1996	Amount fmg	Amount US\$	Amount fmg	Amount US\$
1. Fieldtrips	Duration : 28 days Number of officials : 2 Per diem : 15,000x2x28	900,000	225	840,000	210
2. RIC meetings	Salary : 400,000/30x28x2 Number of meeting : 1 Number of officials : 7	800,000	200	746,666	187
3. Preparation of access to roads to be rehabilitated	Salary :400,000/30x7x1	240,000	60	93,333	23
4. Road maintenance participation	4% du budget Mahajanga II	9,898,890	2,475	10,624,000	2,656
Fianarantsoa					
1. Fieldtrips	Duration : 5 days Number of officials : 6 Per diem :15000x6x5 Salary :400000/30x5x6	45,000	11	450,000	113
2. RIC meetings	Number of meeting : 1 Number of officials : 6 Salary : 400000/30x6x1	40,000	10	400,000	100
3. Preparation of access to roads to be rehabilitated	Duration : 1/2 day Nb of officials : 5 Salary : 400000/30x5x1/2	240,000	60	33,333	8
4. Road maintenance participation		790,000	198		
Total	Both regions	12,953,890	3,239	3,267,293	3,317

Table 3. Private Sector Contributions

Items	1995		1996	
	Amount fmg	Amount US\$	Amount fmg	Amount en \$US
1. Transportation costs of agribusiness apprentice from home to working place	340.500	85	184000	46
2. Agribusiness apprentice housing cost	325135			
3. Medical costs	130786	81	2215000	472
4. Motorcycle for agribusiness apprentices :	701300	33	324273	81
5. Others		175	1888600	472
6. Consultant reception			37500	9
7. Costs associated with the maintenance of rehabilitated roads :			17913000	4,478
Mahajanga : 1,500 members x 9,000fmg/an			13,500,000	3,375
Collectors :			6,000,000	1,500
Fianarantsoa : 500fmg/an x 14000			7,000,000	1,750
Total	1,497,720	374	49,062,373	12,265

Data from 6 clients who employ Expert Juniors and from 8 clients who received consultation (local or international)

PUBLICATIONS AND REPORTS LIST

I - AGRIBUSINESS SUPPORT COMPONENT STUDIES, SURVEYS AND REPORTS
 All documents available in the regional office where published and in Antananarivo
 October 1995 - September 1996

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
1	Appui à la collecte de litchi dans la région de Manakara - campagne 1995	Alain Pierre Randrianjohary	FIA	Jan 96	Organization of the 1995 campaign, characteristics of the activity, potentialities of the area.	French
2	Andrin'ny Fambolena sy ny Fiompiana (AFAFI)	Eddy Rasoanaivo Gabriel Harison	MAH	April 96	Study for the evaluation of the firm accounting and financial information system. Measures for improving the system to be adopted.	French
3	Rapport principal : Potentiel et Opportunités du Secteur Laitier de Fianarantsoa	Denis Guérard	FIA	May 96	Study of the best development possibilities in the dairy sector, of some commercialization alternatives and of the best organizational form to be put into place.	French
4	Restructuration de la Société FIF " Fampitaovana ny Industria sy ny Fambolena"	Team MAH Pamphile Sinha	MAH	May 96	Evaluate agricultural materials requests by Fivondronana. Use the operational data supposed to serve as a basis to the reinsertion of the FIF into the economic circuit.	French

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
5	Etude sur le Redémarrage de la FAMAMA " Famokarana Mahabibo Malagasy"	Itil Asmon Guy Shepherd Rally Ramaromanana Louis Rajaonera Simon Rakotomanga	MAH	July 1996	Suggest measures of technical recovery and present a realistic proposition for the effective take over, by the private sector, of the management of the firm and for its eventual privatization.	French
6	Cahier de Charges de l'Appel d'Offres FAMAMA	Itil Asmon	MAH	July 96	Hiring-management-development of the cashew nut processing plant in Mahajanga.	French
7	Etude de la modernisation des structures de la FIFABE	Itil Asmon Lala Rabenasolo Louis Rajaonera	MAH	July 96	Determination of the best juridical form. Determination of the financial measures of the new entity. Realistic calendar of the suggested measures to be implemented within 5 years. Recommendations/Solution to the litigation FIFABE/SOMIA	French
8	Etude de faisabilité pour la mise en place d'une usine de traitement de fruits à Mahajanga Tome I et Tome II	Robert Vilece Ricardo Frohmader SOATEG	MAH	Aug. 96	Setting up of a fruit processing plant (tomato purée and mango pulp for export).	French
9	Recommendations for the Revitalization of Agribusiness and the Port of Manakara	Lisa Orth	Manakara	Aug 96	Recommendations	English
10	Société Industrielle du Boina Nouveau système de gestion	Team MAH	MAH	April 1996	Survey the general situation of the company for improving its management information system. Recommendations and measures to be taken.	French

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
11	Réhabilitation de la fonderie FIF	Honoré Ravelomanantsoa	MAH	August 95	Improvement of the finished products quality.	French
12	Demande de rééchelonnement de dette à court terme pour la Société Produits du Boina (PROBO)	CAP MAH	MAH	September 95	Request for rescheduling	French
13	Dossier d'extension et de modernisation de la Société Agro-Export	Rabe Régis CAP MAH	MAH	December 95	Survey of the company.	French
14	Demande de financement en faveur de l'entreprise générale de construction de Mahajanga "EGCM"	CAP MAH	MAH	Dcember 95	Request for financing	French
15	Demande de financement en faveur de l'Association " Femmes et Développement"	CAP MAH	MAH	January 96	Request for financing	French
16	Dossier de financement pour l'acquisition de divers matériels agricoles (FITABE)	CAP MAH	MAH	March 96	Request for financing	French
17	Dossier de financement pour l'acquisition de divers matériels agricoles (FMAB)	CAP MAH	MAH	March 96	Request for financing	French
18	Dossier de financement pour l'Association des Producteurs de semences à Tsararano (LOVASOA)	CAP MAH	MAH	March 96	Request for financing	French

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
19	Demande de rééchelonnement du c/c et ASP auprès de BTM (Agro-Export)	CAP MAH	MAH	March 96	Request for rescheduling	French
20	Demande de financement en faveur de l'Association des Femmes Célibataires Commerçantes (ASFC)	CAP MAH	MAH	May 96	Request for financing	French

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II - INFRASTRUCTURE COMPONENT REPORTS, STUDIES, RFP'S AND CONTRACTS

All documents available in the regional office where published and in Antananarivo

Octobre 1995 - Septembre 1996

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
1	Manuel de procédures. 3ème version	CAP/ Infra	TNR	22 nov 95	Give a detailed presentation of the participants' papers as well as the procedures connected with the payments and the follow up of the works.	French
2	Atelier de travail préparatoire et méthodologie pour le démarrage des organisations des usagers de pistes à Mahajanga et à Fianarantsoa (03 et 04 janvier 1996 au Projet CAP d'Antananarivo)	BEST	TNR	january 96	Definition and setting up of infrastructure for rehabilitated roads maintenance in order to assure their durability.	French
3	Études d'Avant-Projet Sommaire des pistes du Faritany de Fianarantsoa	CAP/ Infra		march 96	Development principles, itinerary outline, rehabilitation cost estimates for each rural road, model plans.	French
4	Études d'Avant-Projet Sommaire des pistes du Faritany de Mahajanga	CAP/ Infra		march 96	Principes d'aménagement, schéma d'itinéraire, estimation du coût de réhabilitation pour chaque piste, plans type	French
5	Rapport d'évaluation socio-économique	CAP/ Infra		mars 96	Socio-economic evaluation of pre-selected roads to arrive at the final selection for the 1996 rehabilitation program.	Français

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
6	Programme de réhabilitation de pistes pour 1996 Faritany de Fianarantsoa	CAP/ Infra		march 96	Summary of the results of the rural roads surveys for the Faritany of Fianarantsoa. Includes a presentation note concerning the two fivondronana in question (Manakara and Ambalavao), a card per rural road and two localization maps.	French
7	Dossier d'Appel d'Offres pour les travaux de la <u>catégorie 1</u> dans le Faritany de Fianarantsoa, fivondronana de Manakara : Lot F1.01 RN 12 - Lokomby (PK 0 au PK 6) Lot F1.02 RN 12 - Lokomby (PK 6 au PK 10) Lot F1.03 RN 12 - Lokomby (PK10 au PK 20,8) Lot F1.04 Lokomby - Bekatra	CAP/ Infra		april 96	Account book, Particular Works Specifications, Special Prescriptions Book project, Assessment Detail-Note, model of submission. Calculation of the Coefficient "KI" of any increase in outlay, model of calculation of the Unitary Prices Under-detail, model of work program, list of staff allocated to the roadworks, list of land plots, description of works, calendar of visits to places, list of typical plans and corresponding plans, report on geotechnical surveys.	French
8	Dossier d'Appel d'Offres pour les travaux de la <u>catégorie 2</u> dans le Faritany de Fianarantsoa, fivondronana de Manakara : Lot F2.01 - Lot F2.02 - Lot F2.03 - Lot F2.04 Lot F2.05 - Lot F2.06 - Lot F2.07 - Lot F2.08 Lot F2.09 - Lot F2.10 - Lot F2.11 - Lot F2.12 Lot F2.13 - Lot F2.14 - Lot F2.15 - Lot F2.16	CAP/ Infra		april 96	Account book, Particular Works Specifications, Special Prescriptions Book project, Assessment Detail-Note, model of submission. Calculation of the Coefficient "KI" of any increase in outlay, model of calculation of the Unitary Prices Under-detail, model of work program, list of staff allocated to the roadworks, list of land plots, description of works, calendar of visits to places, list of typical plans and corresponding plans, report on geotechnical surveys.	French
9	Dossier d'Appel d'Offres pour la réalisation d'un <u>bac de 10 tonnes</u> à Lokomby dans le fivondronana de Manakara, Faritany de Fianarantsoa	CAP/ Infra		april 96	Account book, Particular Works Specifications,...	French

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
10	Dossier d'Appel d'Offres pour les travaux de la <u>catégorie 1</u> dans le Faritany de Mahajanga, fivondronana de Bealanana: Lot M1.01- Lot M1.02 - Lot M1.03 (construction d'un radier busé)- Lot M1.04 (construction d'un radier au PK 12,8 et d'un pont semi-définitif au PK 12,4)	CAP/ Infra		april 96	Account book, Particular Works Specifications, Special Prescriptions Book project, Assessment Detail-Note, model of submission. Calculation of the Coefficient "K1" of any increase in outlay, model of calculation of the Unitary Prices Under-detail, model of work program, list of staff allocated to the roadworks, list of land plots, description of works, calendar of visits to places, list of typical plans and corresponding plans, report on geotechnical surveys.	French
11	Dossier d'Appel d'Offres pour les travaux de la <u>catégorie 2</u> dans le Faritany de Mahajanga, fivondronana de Bealanana : Lot M2.01 - Lot M2.02 - Lot M2.03 - Lot M2.04 Lot M2.05 - Lot M2.06 - Lot M2.07 - Lot M2.08 Lot M2.09 - Lot M2.10 - Lot M2.11 - Lot M2.12 Lot M2.13 - Lot M2.14 - Lot M2.15 - Lot M2.16 Lot M2.17 - Lot M2.18 - Lot M2.19 - Lot M2.20 Lot M2.21 - Lot M2.22 - Lot M2.23 - Lot M2.24 Lot M2.25 - Lot M2.26 - Lot M2.27 - Lot M2.25 - Lot M2.26 - Lot M2.27	CAP/ Infra		april 96	Account book, Particular Works Specifications, Special Prescriptions Book project, Assessment Detail-Note, model of submission. Calculation of the Coefficient "K1" of any increase in outlay, model of calculation of the Unitary Prices Under-detail, model of work program, list of staff allocated to the roadworks, list of land plots, description of works, calendar of visits to places, list of typical plans and corresponding plans, report on geotechnical surveys.	French
12	Dossier d'Appel d'Offres pour les travaux de la <u>catégorie 3</u> dans les Faritany de Mahajanga, Fivondronana de Bealanana Lot M3.05 Ambatoria -Ambovonomby (PK 9,5 au PK 18,6)	CAP/ Infra		april 96	Account book, Particular Works Specifications,...	French

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
13	Rapport de fin de chantier des travaux de réhabilitation de la piste Marosakoa-Ampijoroa (lot M3) dans le fivondronana de Marovoay, Faritany de Mahajanga	CAP/ Infra		9 april 96	Résumé of the work undertaken for the rehabilitation of the rural road Marosakoa-Ampijoroa (Plot M3).	French
14	Rapport de fin de chantier des travaux de réhabilitation de la piste RN 8-Bevovoka (lot M6) , fivondronana de Marovoay, Faritany de Mahajanga	CAP/ Infra		11 april 96	Résumé of the work undertaken for the rehabilitation of the rural road RN8-Bevovoka (Plot M6).	French
15	Rapport de fin de chantier des travaux de réhabilitation de la piste RN 42-Ambondrona (lot F3), fivondronana de Fianarantsoa.II, Faritany de Fianarantsoa	CAP/ Infra		11 april 96	Résumé of the work undertaken for the rehabilitation of the rural road RN 42-Ambondrona (plot F3)	French
16	Rapport de fin de chantier des travaux de réhabilitation de la piste Mahasoabe-Andraramila (lot F4), fivondronana de Fianarantsoa II, Faritany de Fianarantsoa	CAP/ Infra		11 april 96	Résumé of the work undertaken for the rehabilitation of the rural road Mahasoabe-Andraramila (plot F4)	French
17	Rapport de fin de chantier des travaux de réhabilitation de la piste Kalalao-pont de Kalalao (lot F5), fivondronana d'Ambohimahaso, Faritany de Fianarantsoa	CAP/ Infra		28 may 96	Résumé of the work undertaken for the rehabilitation of the rural road Kalalao- Kalalao bridge (plot F5)	French
18	Rapport de fin de chantier des travaux de réhabilitation de la piste Nasandratrony-Bac de la Matsiatra (lot F6), fivondronana de Fianarantsoa II, Faritany de Fianarantsoa	CAP/ Infra		28 may 96	Résumé of the work undertaken for the rehabilitation of the rural road Nasandratrony-Matsiatra ferry (Plot F6).	French

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N°	Title	Authors	Region of study	Date of Publication	Subject	Language
19	Rapport de fin de chantier des travaux de réhabilitation de la piste Bac sur la Matsiatra - Befeta (lot F1), fivondronana d'Ambohimahaso, Faritany de Fianarantsoa	CAP/ Infra		28 may 96	Résumé of the work undertaken for the rehabilitation of the rural road-ferry (on the Matsiatra -Befeta)	French
20	Rapport de fin de chantier des travaux de réhabilitation de la piste Befeta-pont Kalalao (lot F2), fivondronana d'Ambohimahaso, Faritany de Fianarantsoa	CAP/ Infra		28 may 96	Résumé of the work undertaken for the rehabilitation of the rural road Befeta- Kalalao bridge (plot F2)	French
21	Transfert de gérance à l'Association des Usagers de la Piste (AUP) ou à l'Union des Associations des Usagers de la Piste (UAUP) DRAFT Atelier du 09 mai et du 04 juin 1996	CAP/ Infra		may 96	General presentation note concerning the management transfer to the Association or to the Union of the rural road users'Associations, project of a typical contract for overseeing the delegated work, setting up, role and functioning of the Advice and the Follow up Committee of the rural road management, recognition of the AUP eligibility as a maintenance structure, management to be entirely controlled by the UAUP.	French
22	Formulaire d'Investigation sur l'Environnement (ESF)	CAP/ Infra		may 96	For the environmental evaluation of the rehabilitation of the rural roads in Madagascar.	French

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
23	Transfert de gérance à l'Association des Usagers de la Piste (AUP) ou à l'Union des Associations des Usagers de la Piste (UAUP) Version finale Atelier du 09 mai et du 04 juin 1996	CAP/ Infra			General presentation note concerning the management transfer to the Association or to the Union of the rural road users'Associations, project of a typical contract for overseeing the delegated work, setting up, role and functioning of the Advice and the Follow up Committee of the rural road management, recognition of the AUP eligibility as a maintenance structure, management to be entirely controlled by the UAUP.	French
24	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M1.02) avec l'entreprise HAIVY. (Marché n° MTPAT/AEI-CAP/MAH/96/01)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, Assessment Detail-Note, lists of materials and staff allocated to the roadworks, work plans, payment schedules, itinerary and development outlines, and diverse plans.	French
25	Contrat de travaux pour la réhabilitation de la piste Ambatoria - Ambovononby (lot M1.03) avec l'entreprise HACHIMY. (Marché n° MTPAT/AEI-CAP/MAH/96/02)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
26	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.01) avec l'entreprise ECOGEC. (Marché n° MTPAT/AEI-CAP/MAH/96/03)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
27	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.02) avec l'entreprise ECOGEC. (Marché n° MTPAT/AEI-CAP/MAH/96/04)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French

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N°	Title	Authors	Region of study	Date of Publication	Subject	Language
28	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.03) avec l'entreprise TOLOTSOA. (Marché n° MTPAT/AEI-CAP/MAH/96/05)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
29	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.04) avec l'entreprise TOJO. (Marché n° MTPAT/AEI-CAP/MAH/96/06)	CAP/ Infra		juin 96	Special Prescriptions Book, Particular Specifications Book, ...	French
30	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.05) avec l'entreprise FANO HARANA (Marché n° MTPAT/AEI-CAP/MAH/96/07)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, Assessment Detail-Note, lists of materials and staff allocated to the roadworks, work plans, payment schedules, itinerary and development outlines, and diverse plans.	French
31	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.06) avec l'entreprise IRAIR. (Marché n° MTPAT/AEI-CAP/MAH/96/08)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
32	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.07) avec l'entreprise IRAIR. (Marché n° MTPAT/AEI-CAP/MAH/96/09)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
33	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.08) avec l'entreprise IRAIR. (Marché n° MTPAT/AEI-CAP/MAH/96/10)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French

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N°	Title	Authors	Region of study	Date of Publication	Subject	Language
34	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.09) avec l'entreprise ANDRIAMORASATA. (Marché n° MTPAT/AEI-CAP/MAH/96/11)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
35	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.10) avec l'entreprise ANDRIAMORASATA. (Marché n° MTPAT/AEI-CAP/MAH/96/12)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
36	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.11) avec l'entreprise ANDRIAMORASATA. (Marché n° MTPAT/AEI-CAP/MAH/96/13)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
37	Contrat de travaux pour la réhabilitation de la piste Bealanana - Ambatoria (lot M2.12) avec l'entreprise EBMA. (Marché n° MTPAT/AEI-CAP/MAH/96/14)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
38	Contrat de travaux pour la réhabilitation de la piste Ambatoria - Ambovonomby (lot M2.13) avec l'entreprise EBMA. (Marché n° MTPAT/AEI-CAP/MAH/96/15)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
39	Contrat de travaux pour la réhabilitation de la piste Ambatoria - Ambovonomby (lot M2.14) avec l'entreprise EBMA. (Marché n° MTPAT/AEI-CAP/MAH/96/16)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
40	Contrat de travaux pour la réhabilitation de la piste Ambatoria-Ambovonomby (lot M2.15) avec le groupement VONJY (Marché n° MAT/AEI-CAP/MAH/96/17)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French

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N°	Title	Authors	Region of study	Date of Publication	Subject	Language
41	Contrat de travaux pour la réhabilitation de la piste Ambatoria - Ambovonombly (lot M3.05) avec l'entreprise SOTRATEVO. (Marché n° MTPAT/AEI-CAP/MAH/96/18)	CAP/ Infra		june 1996	Special Prescriptions Book, Particular Specifications Book, Assessment Detail-Note, lists of materials and staff allocated to the roadworks, work plans, payment schedules, itinerary and development outlines, and diverse plans.	French
42	Contrat de travaux pour la réhabilitation de la piste RN 12 - Lokomby (lot F1.01) avec l'entreprise SANTATRA. (Marché n°MTPAT/AEI-CAP/FIA/96/19)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
43	Contrat de travaux pour la réhabilitation de la piste RN 12 - Lokomby (lot F1.02) avec l'entreprise SICOTRAF. (Marché n°MTPAT/AEI-CAP/FIA/96/20)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
44	Contrat de travaux pour la réhabilitation de la piste RN 12 - Lokomby (lot F1.03) avec l'entreprise MANAMBINA. (Marché n°MTPAT/AEI-CAP/FIA/96/21)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
45	Contrat de travaux pour la réhabilitation de la piste Lokomby - Bekatra (lot F1.04) avec l'entreprise ATLAS. (Marché n°MTPAT/AEI-CAP/FIA/96/22)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
46	Contrat de travaux pour la réhabilitation de la piste Lokomby -Ambahive - Ambandrika (lot F2.01) avec l'entreprise ERASTMA. (Marché n°MTPAT/AEI-CAP/FIA/96/23)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
47	Contrat de travaux pour la réhabilitation de la piste Lokomby - Ambodimanga (lot F2.02) avec l'entreprise ERB. (Marché n°MTPAT/AEI-CAP/FIA/96/24)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, Assessment Detail-Note, lists of materials and staff allocated to the roadworks, work plans, payment schedules, itinerary and development outlines, and diverse plans.	French
48	Contrat de travaux pour la réhabilitation de la piste Lokomby - Mandritsara (lot F2.03) avec l'entreprise EC/ACM. (Marché n°MTPAT/AEI-CAP/FIA/96/25)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
49	Contrat de travaux pour la réhabilitation de la piste Bekatra - Vohimasy (lot F2.04) avec l'entreprise EGECORAM. (Marché n°MTPAT/AEI-CAP/FIA/96/26)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
50	Contrat de travaux pour la réhabilitation de la piste Bekatra - Vohimasy (lot F2.05) avec l'entreprise Tahiry-Soa. (Marché n°MTPAT/AEI-CAP/FIA/96/27)	CAP/ Infra		june 96	Special Prescriptions Book, Particular Specifications Book, ...	French
51	Rapport de fin de chantier des travaux de réhabilitation de la piste Antafian'i Boanamaro-Bekarara (lot M4), fivondronana de Marovoay, Faritany de Mahajanga	CAP/ Infra		july 96	Résumé of the work undertaken for the rehabilitation of the rural road Antafian'i Boanamaro-Bekarara (plot M4)	French
52	Rapport de fin de chantier des travaux de réhabilitation de la piste RN 4 - Bekalila (lot M5), fivondronana Marovoay, Faritany de Mahajanga	CAP/ Infra		july 96	Résumé of the work undertaken for the rehabilitation of the rural road RN 4 - Bekalila (plot M5)	French

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N°	Title	Authors	Region of study	Date of Publication	Subject	Language
53	Toro-làlana : Fiofanan'ireo Tompon'andraikitra ny Fikambanan'ny Mpampiasa Làlana 17 au 19 juillet à Marovoay. Fascicule : Formation des responsables des Associations des Usagers de la piste (AUP) ou de l'Union des Associations des Usagers de la piste (UAUP)	BEST		july 96	General presentation note concerning the management transfer to the Association or to the Union of the rural road users' Associations, project of a typical contract for overseeing the delegated work, setting up, role and functioning of the Advice and the Follow up Committee of the rural road management, recognition of the AUP eligibility as a maintenance structure, management to be entirely controlled by the UAUP.	Malagasy & French
54	Rapport de formation des Associations des Usagers des pistes et de l'Union des Associations des Usagers des pistes Fianarantsoa et Mahajanga	BEST		july et aug. 96	Training context, training objectives, training process, training evaluation and diverse annexes.	French

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III - ISF REPORTS AND PUBLICATIONS

All documents available in the regional office where published and in Antananarivo
October 1995 - September 1996

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
1	ISF Transaction Report	CAU	TNR	Oct 1995	ISF Operations	English
2	ISF Client Contact Report	CAU	TNR	Oct 1995	List of all clients contacted	English
3	ISF Sourcing Action Report	CAU	TNR	Oct 1995	List of all sourcing action made	English
4	ISF Potential Transaction	CAU	TNR	Feb 1996	List of all potential client	English
5	Individual ISF Transaction Report	CAU	TNR	May 1996	States each transaction to monitor all necessary operations	English
6	ISF Local Currency Projection	CAU	TNR	June 1996	States projected FMG to be transered to CAP Project account in the Central Bank	English
7	ISF Annual Report September 95 - October 96	CAU	TNR	Sept 1996	Performance of ISF during the second Year of the Project	English

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VI - PROJECT MANAGEMENT REPORTS AND PUBLICATIONS
 All documents available in the regional office where published and in Antananarivo
 October 1995 - September 1996

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
1	First Annual Report Oct 1994-Sept 1995	CJ & Team	TNR	Oct. 95	First Year of Implementation	English
2	Second Annual Workplan Oct 1 - Sept 30, 1996	CJ & Team	TNR	Oct. 95	Description of the focus of the project activities for Year II of the implementation	English & French
3	First Quarterly Report (Year II) Oct - Dec 1995	CJ & Team	TNR	Dec 95	Statement of work	English
4	Business Plan	Lisa Orth	Manakara	Jan. 96	Study on Alibet	English
5	Second Quarterly Report (Year II) January - March 1996	CJ & Team	TNR	Mar. 96	Major activities - Performance - Statement of work	English & French
6	Results Review Year I	CJ & Team	TNR	Mar. 96	Project progress according to the Results Monitoring Plan	English
7	Revue des Aspects Stratégiques de la Section Sud du Réseau National de Chemin de Fer Malgache	Alain Godcau	FIA	Jun. 96	Quick evaluation of all the components at short term strategic range connected with the operating of the south line of the National Malagasy Railway System. Formulation of project strategies as well as a plan of action connected to the future operating of the line.	French

N°	Title	Authors	Region of study	Date of Publication	Subject	Language
8	Sommaire Exécutif : Revue des Aspects Stratégiques de la Section Sud du Réseau National de Chemin de Fer Malgache	Alain Godeau	FIA	June 96	Report. Recommendations. Suggestion for a plan of action.	French
9	Third Quarterly Report (Year II) April - June 1996	CJ & Team	TNR	July 10, 96	Major activities - Performance - Statement of work .	English
10	Rapport final bois	Christian Razafimbahiny	FIA	August 96	Pine tree and eucalyptus survey, from the operating to the first processing, follow up of different prices and costs, Fianarantsoa market expansion.	French

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