

## AFRICA RISK CONSULTING

### Madagascar Monthly Briefing September 2017

#### Madagascar Summary 11 September 2017

*The ruling Hery Vaovao ho an'I Madagasikara (HVM) party reaffirms Madagascar's current president, Hery Rajaonarimampianina (2014-present), as its presidential candidate. The reappointment comes shortly after Rajaonarimampianina reshuffles his cabinet for the fourth time since assuming office. Madagascar's electoral committees, including the Projet de Soutien au Cycle Electoral à Madagascar (SACEM) (support project for the electoral cycle in Madagascar) and the Commission Eléctorale Nationale Indépendante (CENI) (national electoral commission) call for the date of the 2018 election to be fixed as soon as possible in order to remove uncertainty. The national selection committee and the president appoint members to the Conseil du Fampihavanana Malagasy (CFM) (national reconciliation council), which is tasked with fostering reconciliation after several political crises. The presidency minister in charge of mines and petroleum, Ying Vah Zafilahy, announces that the government will not launch an international road show for oil blocks this year. Madagascar and China sign an MoU under which China will fund the construction of a road for egg producers. United States (US)-based Symbion Power completes the rehabilitation of the 40 megawatt (MW) Mandroseza Power Plant in Antananarivo.*

#### Rajaonarimampianina and the HVM prepare for elections

The ruling **Hery Vaovao ho an'I Madagasikara (HVM)** party reaffirmed **Madagascar's** current president, **Hery Rajaonarimampianina** (2014-present), as its presidential candidate at a party meeting on 5 September.<sup>1</sup> HVM chairman and agriculture minister **Rivo Rakotovao** stated at the party meeting that Rajaonarimampianina will be the HVM candidate and will run in the presidential elections for his second term in 2018.<sup>2</sup> Rakotovao conceded that the current government's popularity has slipped, though he referenced the election of President **Donald Trump** (2017-present) in the **United States (US)** as proof that polls are not always accurate, stating that, "...we should not rely on polls and the voice of the press."<sup>3</sup> Rakotovao also stated that,

*"... the surveys done on the popularity of the HVM are not always true. It is true that there are still tasks to be done, but many will not pay attention to what has already been done."*<sup>4</sup>

The re-appointment comes shortly after Rajaonarimampianina reshuffled his cabinet on 25 August, the fourth time Rajaonarimampianina has done so since becoming president in 2014.<sup>5</sup> Rakotovao explained that the reason for the reshuffle was,

*"... in order to achieve better results ... For the HVM, reshuffling is not synonymous with punishment. We believe that this choice is a way to put everything in order and we [will] stick to it."*<sup>6</sup>

Rajaonarimampianina reappointed **Olivier Mahafaly** as the prime minister.<sup>7</sup> New appointments include **Henry Rabary Njaka**, who will replace **Beatrice Atallah** as the foreign minister.<sup>8</sup> Atallah was

<sup>1</sup> Madagascar Tribune, 6 Sep 2017.

<sup>2</sup> Madagascar Tribune, 6 Sep 2017.

<sup>3</sup> Madagascar Tribune, 6 Sep 2017.

<sup>4</sup> L'Express Mada, 6 Sep 2017.

<sup>5</sup> RFI Africa, 26 Aug 2017.

<sup>6</sup> L'Express Mada, 28 Aug 2017.

<sup>7</sup> RFI Africa, 26 Aug 2017.

reportedly dismissed due to the “*lack of advances on the diplomatic side*”.<sup>9</sup> Njaka was previously the chief of staff to Rajaonarimampianina and chairman of the board of state-owned **Air Madagascar** until July 2015 when he was dismissed from both positions due to the 40-day general strike at Air Madagascar.<sup>10</sup> Air Madagascar employees claimed mismanagement of the company left the national air carrier in financial difficulties.<sup>11</sup> Opposition members have criticised the appointment of previously dismissed ministers, such as Njaka and the new transport minister, **Ravala Beboarimiso**, who was also recently dismissed from a government position.<sup>12</sup> Beboarimiso was previously the environment minister and is best known for implementing a strict law against rosewood trafficking in 2015.<sup>13</sup>

Other appointments include:

- former transport minister **Benjamina Ramarcel Ramanantsoa** as presidency minister in charge of presidential projects, territorial development and equipment;
- **Elise Rasolo**, who replaces **Charles Andriamiseza** as justice minister;
- former trade and consumer affairs minister **Armand Tazafy** who replaces **Chabine Nouridine** as industry and public sector development minister; and
- Chabine Nouridine as trade and consumer affairs minister.<sup>14</sup>

The date of Madagascar’s 2018 election has yet to be determined, though the electoral commission is pushing for a date to be established as quickly as possible (see below). HVM, noting that it has lost popularity in the polls, will use the remaining time to increase its support in rural areas, such as in the northeast part of the island which was devastated by **Cyclone Enawo** in March.<sup>15</sup> The recent reshuffle may also be an attempt to show it is cracking down on corruption – a major complaint from Malagasy business leaders – by removing Andriamiseza as justice minister. Andriamiseza was criticised for his support of **Claudine Razaimamonjy**,<sup>16</sup> a businesswoman and special adviser to the present government who fled to **Mauritius** after the **Bureau Indépendant Anti-Corruption (BIANCO)** (Independent anti-corruption office) laid charges of corruption against her in early April (see *ARC Briefing Madagascar April and May 2017*). Once a close confidante of Rajaonarimampianina, Razaimamonjy may be used as an example of how the government will deal with those involved in corruption if her trial precedes the election.

Rajaonarimampianina and the HVM are likely to face greater competition than in the 2013 elections, particularly if former presidents **Andry Rajoelina** (2009-2014) and **Marc Ravalomanana** (2002-2009) stand. Both appear to be willing to run, and have appeared at their respective parties’ events. However, Ravalomanana, who was charged as responsible for the deaths of thirty Malagasy during the 2009 uprising, will have to wait until the **Conseil du Fampihavanana Malagasy (CFM)** (national reconciliation council) makes its decision regarding his eligibility for the presidential elections (see below for more information).

The current government may try to use its influence in the CFM to bar Ravalomanana from entering, though this is likely to make the HVM more unpopular. HVM has struggled to grow the party and the reaffirmation of Rajaonarimampianina as HVM’s presidential candidate is due less to his chances of beating either Rajoelina or Ravalomanana, but instead to a lack of another contender among the party ranks.

<sup>8</sup> RFI Africa, 26 Aug 2017.

<sup>9</sup> L’Express Mada, 28 Aug 2017.

<sup>10</sup> RFI Africa, 26 Aug 2017.

<sup>11</sup> RFI Africa, 26 Aug 2017.

<sup>12</sup> RFI Africa, 26 Aug 2017.

<sup>13</sup> RFI Africa, 2 Feb 2015.

<sup>14</sup> RFI Africa, 26 Aug 2017.

<sup>15</sup> News24, 11 Mar 2017.

<sup>16</sup> RFI Africa, 26 Aug 2017.

## Madagascar's electoral commission calls for fixed 2018 electoral dates

The steering committee of the **Projet de Soutien au Cycle Electoral à Madagascar (SACEM)** (support project for the electoral cycle in Madagascar) called on 5 September for the date of the 2018 election to be fixed as soon as possible in order to remove political uncertainty.<sup>17</sup> The Malagasy government, the **United Nations (UN)** and the **Commission Électorale Nationale Indépendante (CENI)** (national electoral commission) created and implemented SACEM in February to supervise and steer electoral assistance. CENI, which is responsible for organising and implementing the election, supports SACEM's call for a fixed election date.<sup>18</sup> CENI president **Hery Rakotomanana** stated that,

*"CENI wants to be fixed on the dates of the next elections in order to ensure the technical realisation of the electoral activities. We need a certain date in order to have more visibility in the preparations."*<sup>19</sup>

Rakotomanana stated that 363 days are needed to prepare for the elections while the annual electoral list revision begins on 1 December.<sup>20</sup> According to article 47 of the constitution, which outlines the electoral rules, presidential elections must be held no fewer than 30 days and no more than 60 days before the expiry of the incumbent president's term.<sup>21</sup> As President Rajaonarimampianina assumed office on 25 January 2014, the 2018 presidential election must take place between 26 November and 26 December. However, the current electoral code leaves little options for an election date, as it states that,

*"... the voting shall be held during the dry season of the year, between 30 April and 30 November, except in the cases of force majeure."*<sup>22</sup>

An inter-ministerial advisory committee is working on a draft electoral code which will extend the powers of CENI, though prime minister Mahafaly stated on 4 September that before the **Conseil des Ministres (CdM)** (council of ministers) adopts the new code, it first needs to be submitted to "*national debate*,"<sup>23</sup> making it unlikely to be passed before the 2018 elections.<sup>24</sup> Currently, the executive branch is responsible for defining the electoral calendar,<sup>25</sup> though the draft electoral code could give more power to CENI.<sup>26</sup> Mahafaly stated that the government,

*"... fully agree[s] with this principle. All are convinced of the need to give CENI its due place and that it has complete independence."*<sup>27</sup>

The current government has little to gain by postponing the 2018 elections, though it may be able to buy itself more campaign time, relative to other parties, if the electoral calendar is delayed, which would also delay any funding for opposition campaigns.

## National Reconciliation Council members appointed

The national selection committee appointed 33 members to the CFM on 25 August.<sup>28</sup> The CFM was established to foster reconciliation following several political crises, though the newly appointed members will also be key to preventing future political tensions as it will make decisions over who is able to run in the 2018 presidential elections. As noted above, the incumbent president,

<sup>17</sup> L'Express Mada, 6 Sep 2017.

<sup>18</sup> L'Express Mada, 6 Sep 2017.

<sup>19</sup> L'Express Mada, 6 Sep 2017.

<sup>20</sup> L'Express Mada, 6 Sep 2017.

<sup>21</sup> L'Express Mada, 6 Sep 2017.

<sup>22</sup> L'Express Mada, 6 Sep 2017.

<sup>23</sup> L'Express Mada, 6 Sep 2017.

<sup>24</sup> L'Express Mada, 5 Sep 2017.

<sup>25</sup> L'Express Mada, 6 Sep 2017.

<sup>26</sup> L'Express Mada, 5 Sep 2017.

<sup>27</sup> L'Express Mada, 5 Sep 2017.

<sup>28</sup> RFI Africa, 27 Aug 2017.

Rajaonarimampianina, has seen much of his popularity erode over the past four years, while former presidents Rajoelina and Ravalomanana have been able to increase their popularity. As the president selected 11 of the CFM members, Rajaonarimampianina and his party, the HVM, may hope to use their influence to sway the CFM to refuse Ravalomanana's eligibility as a candidate in 2018. However, to do so would also hurt the legitimacy and popularity of the HVM, opening the door to a potential Rajoelina presidential victory.

The 2011 negotiations that ended Madagascar's political crisis led to the establishment of the CFM, which is mandated to,

*"...heal the individual and collective injuries of the past and establish sound foundations for the future of Madagascar."*<sup>29</sup>

The council of ministers appointed the members of the national selection committee in May and these members then nominated 22 individuals after public hearings and investigations, representing different political parties and regions of Madagascar.<sup>30</sup> Rajaonarimampianina selected the remaining 11 members.<sup>31</sup> The CFM will address requests for compensation for damages caused by political crises since 2002 and decide on punishment for military and political figures involved.<sup>32</sup> The CFM will also decide whether to lift the charges against former president Ravalomanana, who was deemed responsible for the deaths of 30 demonstrators in 2009.<sup>33</sup> Ravalomanana would not be able to run for the presidency in 2018 unless the charges are lifted.<sup>34</sup>

The majority of the appointments are journalists and academics, though notable appointments include **Charles Rabemananjara**, the former prime minister under Ravalomanana, and **Eugene Regis Mangalaza**, the former prime minister under former president Rajoelina.<sup>35</sup> The new CFM appointments are as follows:

Presidential CFM appointments:

- **Perfect Zafimihary**
- **Honore Mahompson Faratina**
- **Louise Odette Rahaingoso**
- **Jean Jacques Rasolondraibe**
- **Olivier Landry Rabe**
- **Roger Randrianasolo**
- **Michel Botralahy**
- **Avonelina Ramidison**
- **Charles Rabemananjara**
- **Bente Salim Zalifa**
- **Fandrombaha**.<sup>36</sup>

Select committee CFM appointments:

- **Olivia Razaka**
- **Joseph Latimer Rangers Randrianasolo**
- **Ranaivoson**
- **Joseph Rakotoarison**
- **Rasaomaniry**
- **Jean Marcel Miandrisoa**

<sup>29</sup> RFI Africa, 27 Aug 2017.

<sup>30</sup> RFI Africa, 27 Aug 2017.

<sup>31</sup> RFI Africa, 27 Aug 2017.

<sup>32</sup> RFI Africa, 27 Aug 2017.

<sup>33</sup> RFI Africa, 27 Aug 2017.

<sup>34</sup> RFI Africa, 27 Aug 2017.

<sup>35</sup> RFI Africa, 27 Aug 2017.

<sup>36</sup> Madagate, 28 Aug 2017.

- **Alphonse Maka**
- **Sehenoarivelo**
- **Eugene Regis Mangalaza**
- **Randriamifehy (Khan Gallissan)**
- **Jean Zafilaza**
- **Valisoa Razafimahatratra**
- **Jeanne Virginie Razafindravola**
- **Serge Andrianjava**
- **Tcheck Julien Matsubara**
- **Sakra Mohamdy**
- **Victor Henri Boanoro**
- **Michel Mampisanjy**
- **Andriamaro Honore Raotosamy**
- **Gerard Noel Ramamimampionona**
- **Binty Mohamed Aly Nadjaty**.<sup>37</sup>

### Government cancels international oil road show

The presidency minister in charge of mines and petroleum, **Ying Vah Zafilahy**, announced on 1 September that the government will not launch an international road show for oil blocks this year, as previously announced in October 2016.<sup>38</sup> The cancellation comes as the revised mining and petroleum codes are also delayed, after reports in January (See *ARC Briefing Madagascar January 2017*) that they would be passed in the first session of parliament. The government appears now to prefer to meet individual investors one-on-one.<sup>39</sup> Rajaonarimampianina travelled to **London** (UK) on 4 September for meetings with UK-based **British Petroleum**.<sup>40</sup> The presidency stated afterwards that,

*"... although hydrocarbon production is dependent on fluctuations in the price of oil and current world prices are relatively low, BP has assured of its will to continue its projects in Madagascar."*<sup>41</sup>

There are currently 229 oil blocks available, though director general of the **Office des Mines Nationales et des Industries Stratégiques (OMNIS)** (national mines and strategic industries office) **Bonaventure Rasoavanaivo** stated in October that *"only 40 offshore blocks would be available."*<sup>42</sup> However, since then, OMNIS has granted only one exploration and operation licence, which was to **Belize**-registered **CB World Trade Natural Energy** in March for the **Belo Deep** block.<sup>43</sup>

### China agrees to build a road to help improve egg production & distribution

Madagascar and **China** signed an MoU on 18 August in terms of which China will fund the construction of a road for egg producers.<sup>44</sup> The project is one of six infrastructure projects agreed upon in March between Madagascar and China, through which Madagascar will become more integrated into China's **Belt and Road Initiative**. The Belt and Road Initiative will increase China's influence on the continent and, while the focus appears to be on more resource-rich **African** states,<sup>45</sup> China is extending its reach into smaller African states with strategic locations, such as Madagascar.<sup>46</sup>

<sup>37</sup> Madagate, 28 Aug 2017.

<sup>38</sup> L'Express Mada, 6 Sep 2017.

<sup>39</sup> Midi Madagasikara, 6 Sep 2017.

<sup>40</sup> Midi Madagasikara, 6 Sep 2017.

<sup>41</sup> L'Express Mada, 6 Sep 2017.

<sup>42</sup> L'Express Mada, 6 Sep 2017.

<sup>43</sup> L'Express Mada, 6 Sep 2017.

<sup>44</sup> Xinhua, 18 Aug 2017.

<sup>45</sup> Xinhua, 18 Aug 2017.

<sup>46</sup> Xinhua, 18 Aug 2017.

The public works minister, **Eric Razafimandimby**, signed the MoU with **Ai Yinfang**, a representative of China's **Agency for International Economic Cooperation (AIECO)**.<sup>47</sup> The road, which will span 20 kilometres and link the villages of **Ampanotokana** and **Mahazaza**, will serve the egg production area of **Mahitsy**, on the outskirts of **Antananarivo**.<sup>48</sup> Razafimandimby explained that,

*"... the idea to create this road project began when egg producers in the town of Mahitsy in the outskirts of Madagascar's capital Antananarivo complained to President Hery Rajaonarimampianina that most of their eggs are broken on the road because of poor road conditions."*<sup>49</sup>

The new road will be tarred and designed according to international standards and, once completed, will allow the transport of over 150,000 eggs per day.<sup>50</sup>

### **Symbion Power completes rehabilitation of Mandroseza power plant**

**United States (US)**-based **Symbion Power** completed the rehabilitation of the 40 megawatt (MW) **Mandroseza Power Plant** in Antananarivo on 16 August.<sup>51</sup> The government hopes that the rehabilitation will decrease, and ultimately end, the power crisis which has affected Antananarivo in the past several years, negatively impacting business and economic development. Rajaonarimampianina was present to inaugurate the rehabilitated plant.<sup>52</sup> Rajaonarimampianina's administration, through the state-owned utility company **Jiro sy rano Malagasy (Jirama)**, awarded the rehabilitation contract to Symbion in 2015 after years of neglect that reduced the power capacity of the seven-year old Mandroseza plant to only 2MW.<sup>53</sup> Symbion also has a 20-year concession to operate the plant, which uses heavy fuel oil to run four **Wärtsilä** (10MW) engines.<sup>54</sup>

Symbion partnered with Madagascar-based **Vision Madagascar** and Mauritius-based investment vehicle **Alpha Innovations Management Ltd**, to fund the project.<sup>55</sup> Symbion CEO, **Paul Hinks** says the new power plant is a positive development for Madagascar and that he is encouraged by a change in government policy.<sup>56</sup> Hinks said,

*"... it is very encouraging to see that the government is now focusing on switching to the use of much cheaper HFO coupled with a transmission system that will allow centralised power to be delivered to customers all over the country. Madagascar has its own oil resource at **Tsimororo** and we have already used this oil to run the power plant."*<sup>57</sup>

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<sup>47</sup> Xinhua, 18 Aug 2017.

<sup>48</sup> Xinhua, 18 Aug 2017.

<sup>49</sup> Xinhua, 18 Aug 2017.

<sup>50</sup> Xinhua, 18 Aug 2017.

<sup>51</sup> All Africa, 16 Aug 2017.

<sup>52</sup> All Africa, 16 Aug 2017.

<sup>53</sup> All Africa, 16 Aug 2017.

<sup>54</sup> All Africa, 16 Aug 2017.

<sup>55</sup> All Africa, 16 Aug 2017.

<sup>56</sup> All Africa, 16 Aug 2017.

<sup>57</sup> All Africa, 16 Aug 2017.

## Planner

May 2018 (**Madagascar**) Scheduled presidential and parliamentary elections;

## Chronology

5 Sept 2017 **Antananarivo (Madagascar)** *L'Express de Madagascar*. The steering committee of the **Projet de Soutien au Cycle Electoral à Madagascar** (electoral cycle support project) calls for the date of the 2018 election to be fixed as soon as possible;

5 Sept 2017 **Antananarivo (Madagascar)** *Madagascar Tribune*. The ruling **Hery Vaovao ho an'i Madagasikara (HVM)** party reaffirms President **Hery Rajaonarimampianina** (2014-present) as its presidential candidate;

4 Sept 2017 **Antananarivo (Madagascar)** *L'Express de Madagascar*. Prime minister Olivier Mahafaly states that before the **Conseil des Ministres** (council of ministers) can adopt the new electoral code, it must first be submitted to a national debate, further delaying its implementation;

1 Sept 2017 **Antananarivo (Madagascar)** *L'Express de Madagascar*. The presidency minister in charge of mines and petroleum, **Ying Vah Zafilahy**, announces that the government will not launch an international road show for oil blocks this year;

29 Aug 2017 **Antananarivo (Madagascar)** *L'Express de Madagascar*. A newly formed inter-ministerial council meets for the first time, ahead of its 60-day deadline to put forward a revised electoral code;

25 Aug 2017 **Antananarivo (Madagascar)** *RFI Africa*. President **Hery Rajaonarimampianina** (2014-present), reshuffles his cabinet for the fourth time since becoming president;

25 Aug 2017 **Antananarivo (Madagascar)** *RFI Africa*. The national selection committee appoints thirty-three members to the **Conseil du Fampihavanana Malagasy (CFM)** (national reconciliation council), responsible for fostering political reconciliation;

18 Aug 2017 (**Madagascar**) *Xinhua*. Madagascar and **China** sign an MoU under which China will fund the construction of a road on the outskirts of Antananarivo for egg producers;

16 Aug 2017 (**Madagascar**) *All Africa*. **United States** (US)-based **Symbion Power** completes the rehabilitation of the 40 megawatt (MW) **Mandroseza Power Plant** in Antananarivo

12 Aug 2017 **Tamatave (Madagascar)** *RFI Africa*. Government forces again ban an opposition event of **Tiako i Madagasikara (TIM)**;

12 Aug 2017 (**Madagascar**) *Madagascar Tribune*. Madagascar's **Conseil d'Etat** (state council) rejects **Light International School's** (LIS) application for a stay of execution on 12 August, which will force the school to close in September

8 July 2018 **Antananarivo (Madagascar)** *Africa News*. Government forces ban event of opposition party **Tiako i Madagasikara (TIM)**.