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President Hery Rajaonarimampianina (2014-present) and Rivo Rakotovoao, the chairman of the ruling Hery vaovao ho an'I Madagasikara (HVM), separately confirm that elections will take place as scheduled between 25 November and 25 December 2018. Opposition to proposed constitutional changes results in delays to electoral law reform. Former president Marc Ravalomanana (2002-2009) announces that he may run in the 2018 presidential elections. Justice minister Elise Alexandrine Rasolo announces at the same time that Ravalomanana is likely to be arrested soon to serve his sentence following his murder conviction in absentia relating to the 2009 coup. Madagascar's mining authorities close the gold mining site of China-based Mac Lai Sime Gianna after continuing protests over alleged environmental and labour exploitation. Australia-based Base Resources acquires an 85% interest in the Toliara Sands project in Madagascar. President Rajaonarimampianina inaugurates two solar hybrid power stations in Mahaboboka and Saint Augustine that will both provide 15-kilowatt peak (the peak power produced by the plant) from solar energy. United Kingdom (UK)-based Aggreko Plc announces that its heavy fuel oil power plant, NOOR 2, has started to supply 28 megawatts (MW) of stable power to Madagascar.

HVM denies election date change and Ravalomanana announces candidacy

President **Hery Rajaonarimampianina** (2014-present) and **Rivo Rakotovoao**, the chairman of the ruling **Hery vaovao ho an'I Madagasikara (HVM)** party, separately confirmed in December that elections will take place as scheduled between 25 November and 25 December 2018.¹ The confirmation that the election dates will not be altered will add political stability until the elections. Media and opposition parties had speculated that the ruling party was attempting to use electoral reform as an excuse to delay the elections, but the statements by the two top HVM officials should allay fears that the election will not take place at the end of 2018 as constitutionally required.

Rajaonarimampianina stated on 18 December, during a meeting with the **European Union** ambassador, that the election would not be delayed:

*"We cannot pretend not to see the coming year, the year 2018. It is an election year. That is why I say that we will proceed to these elections. They will not be pushed back. We will move forward to put them in place. The debate is open so that they are carried out in the best possible way, because it is the interest of the nation that matters to us."*²

Despite the pledge that the election will go ahead as scheduled, according to media reports on 23 December, Rakotovoao said the government is likely to hold a referendum to change the constitution's electoral provisions.³ Rajaonarimampianina has previously argued that constitutional amendments are needed to correct electoral flaws, namely the article that dictates that the incumbent president must resign from office 60 days before the election.⁴ Rakotovoao stated that,

*"... we cannot ignore the constitution even if it is fraught with difficulties. And to revise it, it goes without saying that there will be a referendum."*⁵

¹ L'Express Madagascar, 23 Dec 2017.

² RFI, 19 Dec 2017.

³ L'Express Madagascar, 23 Dec 2017.

⁴ Madagascar Tribune, 15 Dec 2017.

⁵ L'Express Madagascar, 23 Dec 2017.

The national assembly had planned to pass an amended electoral law in 2017, but was unable to do so before the second ordinary session of 2017 ended on 15 December.⁶ Parliament may adopt the changes that will regulate the 2018 presidential and legislative elections in a special session in late January or early February.⁷ However, while lawmakers were able to debate the changes to the electoral law on 14 December, the subject turned from the planned topic of participatory government in the electoral laws to the government's proposed constitutional changes.⁸ Opposition members of parliament (MPs) immediately disagreed with the proposed constitutional revisions.⁹ **Hanitra Razafimanantsoa**, an MP from the opposition **Tiako I Madagasikara (TIM)** party, argued that the revisions should not be a priority as it is too close to the 2018 elections to consider amendments.¹⁰ Other opposition members from the **Miaraka amin'ny Prezidà Andry Rajoelina (MAPAR)** party stated that the government is looking to change the constitution in order to exclude potential opponents in the 2018 elections.¹¹ While the government has said it plans to submit any amendments to the electoral law or constitution to the national assembly, opposition MPs are concerned that Rajaonarimampianina plans to adopt the changes by decree, which would prevent the members of the national assembly and senate from debating the proposed amendments.¹²

Rajaonarimampianina's government needs to pass some sort of electoral law reform to deal with campaign financing, voting procedures, etc. before the elections to allow for a smooth electoral campaign, which is a major factor in future aid payments from the **European Union** and other donors. However, continued opposition to the proposed changes to the constitution – which presently requires that the president must step down 60 days before the election and determines when elections should take place – may prevent the needed legislative reforms from occurring. Madagascar needs its elections to be seen as legitimate for the continued political stability that is necessary for investment and economic growth.

Former president Marc Ravalomanana announces willingness to run for president

With the election set for the end of 2018, former president **Marc Ravalomanana** (2002-2009) announced on 9 January that he is “willing” to run in the 2018 presidential elections.¹³ Ravalomanana still holds a large urban support base and would provide a challenge to Rajaonarimampianina. Despite the announcement, Ravalomanana must still overcome his conviction in absentia for the killing of protestors on 7 February 2009 when presidential guards shot into a crowd.¹⁴ The **Antananarivo** criminal court sentenced Ravalomanana on 28 August 2010 to forced labour in perpetuity.¹⁵ However, Ravalomanana states that the charges are not valid:

“You know very well that in politics you should not accept all convictions, all accusations.... The judgement was not legitimate and only the high court of justice can judge the president of the republic.”¹⁶

With regard to the impediment to his candidacy, Ravalomanana stated that,

“...if they block my candidacy, you can imagine the situation. That's all. It's not a threat.”¹⁷

Ravalomanana said he is not opposed to working as part of a coalition, including with former president **Andry Rajoelina** (2009-2014) who overthrew Ravalomanana in 2009:

⁶ Madagascar Tribune, 11 Dec 2017.

⁷ Madagascar Tribune, 11 Dec 2017.

⁸ Madagascar Tribune, “15 Dec 2017.

⁹ Madagascar Tribune, 15 Dec 2017.

¹⁰ Madagascar Tribune, 15 Dec 2017.

¹¹ Madagascar Tribune, 15 Dec 2017.

¹² Madagascar Tribune, 11 Dec 2017.

¹³ RFI Africa, 10 Jan 2018.

¹⁴ RFI Africa, 10 Jan 2018.

¹⁵ RFI Africa, 10 Jan 2018.

¹⁶ RFI Africa, 10 Jan 2018.

¹⁷ RFI Africa, 10 Jan 2018.

“If Rajoelina came to see me and made an agreement with me, I’m ready, no problem. I’ve known him for a long time. He is a businessman, too.”¹⁸

Ravalomanana’s comments came shortly after justice minister **Elise Alexandrine Rasolo** stated on 9 January that Ravalomanana will be arrested “soon” to serve his sentence.¹⁹ Ravalomanana returned to Madagascar from exile in **South Africa** in 2014. It is unclear why the government has not yet arrested him and when it plans to do so. As Ravalomanana stated, his arrest, and impediment to his presidential candidacy, would be likely to result in civil society protests and increased criticism of the government of attempting to sabotage the elections, which may also result in the perception of illegitimate elections.

Mining authorities close gold mine due to labour, environmental protests

Madagascar’s mining authorities have closed the gold mining site of **China**-based **Mac Lai Sime Gianna** after continuing protests over alleged environmental and labour exploitation, according to reports on 5 January.²⁰ Authorities had temporarily closed the gold mine, located in **Vatovavy-Fitovinany** region in south-eastern Madagascar, in August 2016 due to protests.²¹ The **Centre de recherches et d’appui pour les alternatives de développement – Océan Indien (CRAAD-OI)** (research and support centre for development alternatives – Indian Ocean), one of the protest organisers, stated that they,

“... consider that this measure represents a first step towards the end of impunity that has been granted too long to this company, to the detriment of taking into account the legitimate demands expressed by the riparian communities and their rights.”²²

The **Tany Collective**, which partnered with CRAAD-OI to organise the protests, added that

“...[we] are determined to make our contribution so that this victory against the destructive exploitation of our natural resources, injustice, and corruption opens the way towards the restoration of the companies of the extractive sector, starting by taking the measures of sanction which [are] imposed on the company Mac Lai Sime Gianna.”²³

The closure may signal to other foreign mining companies that the government takes domestic protests seriously and that foreign mining companies need to increase their corporate social responsibility. While this may not bode well for future investments by junior mining companies, it may help to appease local protestors and future discussions might help to bridge the divide between the desire to use mining to help the economy and the need to ensure that local communities see the benefits of the mining sector.

Base Resources acquires 85% in Toliara Sands project

Australia-based **Base Resources** has acquired an 85% interest in the **Toliara Sands** project in Madagascar, according to media reports on 21 December.²⁴ Base Resources’ acquisition should result in the mine becoming operational, which will provide increased revenue for the government. Base Resources acquired the 85% stake from the previous 100% owner, **Mauritius**-based **World Titane**, for \$75m.²⁵ Base Resources needed to raise \$61.3m in equity before the acquisition was finalised,²⁶ and was able to raise the capital through a partially-underwritten share placement and accelerated

¹⁸ RFI Africa, 10 Jan 2018.

¹⁹ Madagascar Tribune, 15 Jan 2018.

²⁰ Madagascar Tribune, 5 Jan 2018.

²¹ Madagascar Tribune, 5 Jan 2018.

²² Madagascar Tribune, 5 Jan 2018.

²³ Madagascar Tribune, 5 Jan 2018.

²⁴ Mining Technology, 21 Dec 2017.

²⁵ Mining Technology, 21 Dec 2017.

²⁶ Mining Technology, 21 Dec 2017.

pro-rata renounceable entitlements offer.²⁷ Base Resources announced on 21 December that its share offers were fully subscribed and it had raised the necessary capital.²⁸ Base Resources can also acquire the remaining 15% interest in exchange for \$17m on achievement of certain milestones during mine development.²⁹

The Toliara Sands project contains the **Ranobe** deposit, which has a reported 857 million tonnes of iron ore.³⁰ Key permits are already in place, including mining lease and environmental approval, while an established legislated land acquisition process is underway and scheduled for completion in mid-2018.³¹ Base Resources plans to begin construction in the second half of 2019 with an expected production date of mid-2021.³²

Rajaonarimampianina inaugurates two solar hybrid power plants

President Rajaonarimampianina inaugurated two solar hybrid power stations on 15 December.³³ The solar hybrid power stations in **Mahaboboka** and **Saint Augustine** will both provide 15-kilowatt peak (the peak power produced by the plant) from solar. Construction company, **Henri Fraise Fils & Cie**, plans to duplicate Mahaboboka's power station, which also provides 22 kVA from thermal energy and cost 473m ariary (\$146,630), across Madagascar.³⁴ Henri Fraise Fils & Cie has built several solar hybrid power stations in Madagascar already.

Rajaonarimampianina, along with prime minister **Olivier Solonandrasana** and the water, energy and hydrocarbons minister, **Lantoniaina Rasoloelison**, also attended the launch of a heavy fuel oil power plant that will supply 28 megawatts (MW) of stable power to Madagascar.³⁵ **United Kingdom (UK)**-based **Aggreko Plc** announced that its heavy fuel oil power plant, **NOOR 2**, started to supply power on 15 January.³⁶ The extra power capabilities will improve Madagascar's power supply and prevent the long power cuts that have caused business disruptions. Aggreko partnered with Madagascar-based **Jovena** to supply a total of 50MW to state-owned utility company, **Jiro sy rano Malagasy (Jirama)**.³⁷ Aggreko managing director for Africa **James Shepherd** noted that Aggreko has been active on the continent for a number of years:

"Installing this new heavy fuel oil plant was a natural extension to our existing site. We know that providing stable and reliable power enables people, communities and businesses to thrive. It is an exciting time for us, Jovena, and the entire island of Madagascar and we are delighted to be here today to officially celebrate our partnership."³⁸

Rajaonarimampianina has made access to energy a policy priority for his government and aims for 75% of Madagascar to have access to energy by 2032 (see previous *ARC Briefing Madagascar* reports).

²⁷ Mining Technology, 21 Dec 2017.

²⁸ Mining Review, 21 Dec 2017.

²⁹ Mining Technology, 21 Dec 2017.

³⁰ Mining Technology, 21 Dec 2017.

³¹ Proactive Investors, 19 Dec 2017.

³² Mining Technology, 21 Dec 2017.

³³ L'Express Madagascar, 18 Dec 2017.

³⁴ L'Express Madagascar, 18 Dec 2017.

³⁵ ESI Africa, 15 Jan 2018.

³⁶ ESI Africa, 15 Jan 2018.

³⁷ Engineering News, 12 Jan 2018.

³⁸ Engineering News, 12 Jan 2018.

Planner

Nov-Dec 2018 (**Madagascar**) Scheduled presidential and parliamentary elections;
 5-8 Feb 2018 (**South Africa**) Mines and petroleum minister **Ying Vah Zafilahy** to attend **Mining Indaba** in Cape Town.

Chronology

16 Jan 2018 **Antananarivo (Madagascar)** *Mining Review*. **Aggreko** installs heavy fuel oil generators in joint project with Madagascar-based **Jovena**;

16 Jan 2018 **Antananarivo (Madagascar)** *Airport Technology*. Madagascar-based **Ravinala Airports** begins construction work on **Ivato International Airport** and **Fascene Airport**;

13 Jan 2018 **Antananarivo (Madagascar)** *ReliefWeb*. Madagascar signs \$53m agreement with **International Fund for Agricultural Development** to boost nutritional security and resilience to climate change;

11 Jan 2018 **Antananarivo (Madagascar)** *News24*. Cyclone Ava death toll reaches 33 while 22 people are still missing after the cyclone hit Madagascar on 6 January;

5 Jan 2018 **Antananarivo (Madagascar)** *Xinhau*. President **Hery Rajaonarimampianina** (2014-present) announces that the poverty rate dropped to 70% from 92% in 2013;

19 Dec 2017 **Antananarivo (Madagascar)** *MiningMX*. Australia-based **Base Resources** raises \$100m Australian dollars (\$80m) for **Toliara Sands** project;