

AFRICA RISK CONSULTING

Madagascar Monthly Briefing June 2021

Madagascar Summary 17 June 2021

President Andry Rajoelina (2019-present) launches the regional conference for 'l'émergence du Grand Sud' in Fort-Dauphin. Government plans to construct a 700km water pipeline and provide several new solar power plants to improve access to water and energy in each of southern Madagascar's seven districts in the Anosy and Androy regions. Green Yellow Madagascar announces plans to double electricity generation at the Ambatolampy solar PV plant through expansion and installation of a 5MWh battery. The government's Off-Grid Market Development Fund (OMDF) backs 12 companies, aiming to distribute 900,000 solar lanterns and provide affordable access to home solar kits by 2024. The United States (US) donates \$40m through the US Agency for International Development (USAID) programme to help relieve famine in southern Madagascar. China seeks to pair Madagascar's revitalisation plan with its Belt and Road Initiative. Madagascar ruffles French feathers in failing to attend the Summit on the Financing of African Economies hosted by President Emmanuel Macron (2017-present) in Paris. Prime minister Christian Ntsay extends the health state of emergency and announces Madagascar's participation in the African Union vaccine acquisition programme.

Rajoelina launches projects to combat food and water insecurity in southern regions ...

Madagascar's drought-stricken and impoverished southern region is set to receive sorely needed attention and assistance. At a regional conference for "l'émergence du Grand Sud"¹ in **Fort-Dauphin** on 12 June, President **Andry Rajoelina** (2019-present) announced development projects in **Anosy** and **Androy** regions.² The plans include a 700-km pipeline to supply water to the drought vulnerable region.³ The project aims to establish a factory to produce potable water for distribution across the region, using 700 km of roads that will be rehabilitated. The government will establish health centres with food banks as well as new military bases.⁴ Rajoelina also committed to building a solar park in each of the seven districts of the Anosy and Androy regions (see below).⁵

The projects will be partially financed by state funds, leading Malagasy media to question the government's capacity to fund the project.⁶

*"[The] plan d'émergence du Grand Sud is only partially funded. And in the region, many promises of development have already been made over the years, without success. The South of the Big Island is also known to be a "cimetièrre de projets (cemetery of projects)."*⁷

Speaking at the launch of the conference in **Taolagnaro (Tôlanaro district)** on 11 June, Rajoelina called on the private sector and communities to contribute:

*"Malagasy-Malagasy solutions [...] It is a question of bringing a new vision, a new methodology in order to establish a strategy aimed at triggering the economic emergence of the South."*⁸

¹ Translation: The emergence of the Great South

² [Madagascar Tribune](#), 14 Jun 2021

³ [RFI](#), 15 Jun 2021

⁴ [RFI](#), 15 Jun 2021

⁵ [RFI](#), 15 Jun 2021

⁶ [Madagascar Tribune](#), 12 Jun 2021

⁷ [RFI](#), 15 Jun 2021

⁸ [Madagascar Tribune](#), 12 Jun 2021

A number of private sector actors are preparing to increase access to electricity in Madagascar, using methods that align with the plans the government announced on 11 June. The **World Bank** estimates access to electricity in 2019 at 79% in Madagascar's urban areas while 26.9% overall had access to electricity.⁹ Madagascar's energy capacity remains low, at 969MW, with an electrification rate of 25% and as low as 12% in some rural areas.¹⁰ State-owned energy generation company **JIRAMA** and green energy operator **Green Yellow Madagascar** (a joint-venture between France-based **Green Yellow** and Antananarivo-based **Axian Group**) on 15 June announced plans to double power generation at the **Ambatolampy** solar PV plant to 40MWp and install a 5MWh battery in June.¹¹ The power plant currently provides 50,000 households in **Antsirabé (Vakinankaratra region)** and Antananarivo.

The expansion of the clean energy generation plant came shortly after the government's **Off-Grid Market Development Fund (OMDF)** signed contracts with 12 unnamed solar distribution firms in May as part of a performance-based grant programme.¹² Each company is eligible for \$2.5m in upfront funding and tasked with improving rural uptake of solar technologies.¹³ The contracts aim to make good on a government promise to deliver 900,000 solar lanterns and entry-level solar home systems by June 2024.¹⁴

Growth in solar generation, distribution and technology innovation is a promising sign for Madagascar's economic and development prospects. Solar computer manufacturer **Jirogasy**, founded by **Yann** and **Lauric Kasay**, on 9 June, announced a further fundraising round. The company received a grant from the global **Efficiency for Access** coalition formed by the **IKEA Foundation**, the **United States Agency for International Development (USAID)** and **UK Aid** in 2020 and has been accepted into the **Seedstars** and **Shell Foundation** acceleration programme. Jirogasy aims to provide a solar-powered computer, for use by rural communities and those with no access to electricity. Yann Kasay confirmed that the company has recently reached a milestone, generating six-figure revenues:

*"We will look to expand past the seven-figure mark in the next 12 to 18 months."*¹⁵

China, US deepen relations with Madagascar ...

The **United States (US)** and its economic rival, **China**, are simultaneously courting Madagascar with aid and promises of bilateral cooperation respectively. Madagascar is of strategic importance, due to its geopolitical location in the **Indian Ocean** and its lithium reserves.¹⁶ Lithium is a key metal in battery technology and of increasing importance in the transition to renewable energy production and use.¹⁷

US ambassador to Madagascar **Michael Pelletier** announced on 14 June the donation of \$40m in additional emergency assistance funding through the USAID fund to relieve drought and food shortages in southern Madagascar.¹⁸ President Andry Rajoelina joined ambassador Pelletier for the announcement, describing Madagascar and the US as "*mpirahalahy mianala*" ("*retiring brothers*") in their response to famine and hunger in southern and south-east Madagascar.¹⁹ The funds will be deployed through existing projects in Madagascar, including the **World Food Programme (WFP)**, **United Nations (UN) Children's Emergency Fund (UNICEF)** and **Catholic Relief Services (CRS)**. Since 2015, the USAID programme has donated \$229m to respond to food security and healthcare challenges in Madagascar, of which \$133.5m was deployed in 2020.²⁰

⁹ [World Bank](#), accessed 16 Jun 2021

¹⁰ [Afrik21](#), 31 May 2021

¹¹ [Ecofin Agency](#), 15 Jun 2021

¹² [Microcapital](#), 27 May 2021

¹³ [Afrik21](#), 31 May 2021

¹⁴ [Microcapital](#), 27 May 2021

¹⁵ [Disrupt Africa](#), 9 Jun 2021

¹⁶ [PR Global](#), Accessed: 16 June

¹⁷ [BBC](#), 25 Nov 2020

¹⁸ [US Embassy in Madagascar & Comoros](#), 14 Jun 2021

¹⁹ [US Embassy in Madagascar & Comoros](#), 14 Jun 2021

²⁰ [US Embassy in Madagascar & Comoros](#), 14 Jun 2021

China has also made moves to strengthen its ties with Madagascar, home to the second-largest Chinese diaspora community in **Africa**. China's state-owned **China Nonferrous Metal Industry's Foreign Engineering and Construction Co Ltd** has engaged in rare earth projects in Madagascar, including the **Tantalus project** (500 km north of Antananarivo). China is the dominant producer of rare earths, a vital component in consumer electronics and a point of supply vulnerability for the US.²¹ However, the relationship between Chinese companies in Madagascar and local communities has not always been harmonious, with some Malagasy community members protesting ownership and expansion of Chinese businesses on the island.²²

Li Zhanshu, chairman of China's **National People's Congress** and third highest official in the **Politburo Standing Committee** of the **Chinese Communist Party**, engaged Madagascan parliamentary speaker **Christine Razanamahasoa** in talks on 19 May to improve bilateral cooperation.²³ Li stressed the opportunity for Madagascar to dovetail the **Madagascan Revitalisation Plan** with China's **Belt and Road Initiative**.²⁴ President Rajoelina also met with Chinese officials, including **Li Mingxiang**, assistant minister of the **International Department of the CPC Central Committee**, by video link on 27-28 April.²⁵

... as Rajoelina rebuffs French summit...

In what is being interpreted as a snub to its former colonial master, Madagascar failed to send a representative to the **Summit on the Financing of African Economies** that **France's** President **Emmanuel Macron** (2017-present) hosted in **Paris** on 18 May.²⁶ Madagascar did not attend virtually either.

The summit was attended by presidential and prime ministerial representatives from African nations including **Angola, Democratic Republic of the Congo (DRC), Mozambique, Rwanda, Cote d'Ivoire** and **Senegal**. The **African Union (AU), World Bank, International Monetary Fund (IMF), European Union (EU)** and **Agence française de développement (AFD)** (French development agency) also sent representatives.²⁷ The **Netherlands, Germany, Japan, World Trade Organisation (WTO)** and China attended through video conferencing facilities.²⁸

Malagasy media have speculated that Madagascar's failure to attend may be due to poor relations between France and Madagascar since the onset of the **Covid-19** pandemic. An official visit between the two countries took place in May 2019, when Macron received President Rajoelina in Paris to establish a joint commission to discuss the future of the **Îles Éparses** (scattered islands).²⁹ The scattered islands are a set of uninhabited islets in the Indian Ocean off Madagascar's west coast, attached by decree to France and claimed since 1973 by an independent Madagascar.³⁰ Discussions with the French government over the sovereignty of the Îles Éparses began in June 2019.³¹ President Macron reportedly offended Malagasy officials and citizens, stating "*Here is France*" when visiting one of the five islands, **Grande-Glorieuse**, in October 2019.³² The joint commission conducted its first meeting on 18 November 2019 in Antananarivo, acknowledging a dispute of sovereignty over the islands (see *Madagascar ARC Briefing December 2019*).³³ However, the Covid-19 pandemic halted joint commission activities in March 2020. President Andry Rajoelina on 11 May called for a "*quick solution*" to "*satisfy the demand for restitution*" as France simultaneously launched a public

²¹ Reuters, 24 Jun 2019

²² [The Straits Times](#), 19 Dec 2016

²³ [Xinhua](#), 19 May 2021

²⁴ [Xinhua](#), 19 May 2021

²⁵ [Xinhua](#), 29 Apr 2021

²⁶ [L'Express de Madagascar](#), 19 May 2021

²⁷ [L'Express de Madagascar](#), 19 May 2021

²⁸ [L'Express de Madagascar](#), 19 May 2021

²⁹ [TeleReport](#), 30 May 2020

³⁰ [TeleReport](#), 30 May 2020

³¹ [L'Express de Madagascar](#), 19 Jun 2019

³² [TeleReport](#), 30 May 2020

³³ [RFI](#), 18 Nov 2019

consultation process to gauge support for the creation of a nature preserve on the islands.³⁴ Despite Madagascar's protest, President Macron launched the "*réserve naturelle nationale de l'archipel Glorieux*" on 11 January.^{35,36}

France appears to have misjudged its foreign relations as the US and China focus attention on Madagascar. However, in failing to attend the Paris summit, Madagascar lost an opportunity to court foreign investment for development projects sorely needed to tackle climate-related insecurity in the south. Macron has also been a strong voice amongst **European** leaders advocating for Covid-19 vaccine equality (see below).³⁷

... and seeks AU support in Covid-19 vaccination drive

Prime minister **Christian Ntsay** announced on 16 May that Madagascar has joined the **African Union (AU) African Vaccine Acquisition Task Team (AVATT)** programme.³⁸ The government launched its Covid-19 vaccination drive on 10 May following President Rajoelina's 180-degree turn on Madagascar's vaccination policy in April (see *ARC Briefing Madagascar April, May 2021*). Access to Covid-19 vaccines has become increasingly difficult, with reports that **Ghana** and other nations are paying over the odds for vaccines acquired through middlemen (see *ARC Briefing Ghana June 2021*).³⁹ Madagascar hopes to improve its chances of acquiring sufficient doses to vaccinate its population of 26.97 million by joining the AU programme. Madagascar's primary wave of vaccination targets health workers, front-line law enforcement and social workers, along with those over the age of 70, and 3% of those in other high-risk groups.⁴⁰ Prime minister Ntsay confirmed the government target of vaccinating 18% of the population but did not confirm a timeframe within which the government hopes to achieve this.⁴¹

The health ministry is recording a declining number of new Covid-19 cases, with an average of 29 cases per week in the week ending 14 June.⁴² New cases of Covid-19 peaked on 20 April (404 in 24 hours) according to data collected by US-based **Johns Hopkins University (JHU)**.⁴³ As of 13 June, Madagascar had recorded 40,948 cases of Covid-19, with 40,264 recoveries and 889 Covid-19-related deaths.

A coalition between the Malagasy government, UNICEF and private sector actors (**Air Liquide, EO2LE and Industrial Gaz of Madagascar**), supported by the World Bank, successfully tested an oxygen supply solution to tackle shortages in Malagasy hospitals caused by the second wave of Covid-19 infections.⁴⁴ Four hospitals in Madagascar, including the largest, **Ravoahangy Andrianaivalona Hospital**, are now equipped with liquid oxygen storage, to increase resilience and reduce strain on public health infrastructure.⁴⁵

The government extended its national **Health State of Emergency** on 13 June for 15 days, now scheduled to expire on 28 June.⁴⁶ A curfew (11pm-4am) remains in place in Antananarivo and the regions of **Analamanga, Anosy, Haute Matsiatra and Vakinankaratra**.⁴⁷ Restaurants and bars reopened from 16 May but venues are restricted to 50% capacity. Schools reopened in non-curfew

³⁴ [TeleReport](#), 30 May 2020

³⁵ Translation: National Nature Reserve of the Glorious Archipelago

³⁶ [Ministre de la Transition écologique](#), 10 Jun 2021

³⁷ [Financial Times](#), 18 Feb 2021

³⁸ [Midi Madagasikara](#), 17 May 2021

³⁹ [Business Standard](#), 8 Jun 2021

⁴⁰ [UNICEF](#), 8 May 2021

⁴¹ [Midi Madagasikara](#), 17 May 2021

⁴² [Johns Hopkins University](#), 14 Jun 2021

⁴³ [Johns Hopkins University](#), 14 Apr 2021

⁴⁴ [Reliefweb](#), 3 Jun 2021

⁴⁵ [Reliefweb](#), 3 Jun 2021

⁴⁶ [UK Government](#), 13 Jun 2021

⁴⁷ [UK Government](#), 13 Jun 2021

regions from 19 May.⁴⁸ Children enrolled in curfew-restricted regions will only return to school if they are in examination classes.⁴⁹

Other measures to curb the spread of Covid-19 include:

- Mandatory wearing of face masks in all public spaces;
- A ban on gatherings of over 200 persons.

Planner

28 Jun 2021 **(Madagascar)** Health state of emergency scheduled to end

2023 **(Madagascar)** Potential presidential elections

Chronology

16 Jun 2021 **Antananarivo (Madagascar)** *Midi-Madagasikara*. Prime minister **Christian Ntsay** announces in a live broadcast that Madagascar has joined the **African Union (AU) African Vaccine Acquisition Task Team (AVATT)** programme;

15 Jun 2021 **Abatolampy (Madagascar)** *Ecofin Agency*. State-owned energy generation company **JIRAMA** and green energy operator **Green Yellow Madagascar**, a joint-venture between France-based **Green Yellow** and Madagascar-based **Axian Group**, announce plans to double power generation at the **Ambatolampy** solar PV plant to 40MWp and install a 5MWh battery in June;

15 Jun 2021 **Alaotra-Mangoro (Madagascar)** *Madagascar Tribune*. Mines and organic resources minister **Fidiniavo Ravokatra** visits the **Andilana Avaratra** beryl quarry in **Amparafaravola** district after violent clashes resulted in the death of two individuals;

14 Jun 2021 **Antananarivo (Madagascar)** *United States Embassy*. **United States (US)** ambassador to Madagascar **Michael Pelletier** delivers \$40m in emergency aid funding through the **United States Agency for International Development (USAID)** programme to Madagascar to tackle famine in southern Madagascar;

13 Jun 2021 **Antananarivo (Madagascar)** *LINFO*. Madagascar extends the national **Health State of Emergency** by 15 days until 28 June, due to ongoing **Covid-19** concerns;

11 Jun 2021 **Taolagnaro (Madagascar)** *Madagascar Tribune*. President **Andry Rajoelina** launches the regional congress for the southern region and announces development projects to tackle water access in the arid region;

9 Jun 2021 **Antananarivo (Madagascar)** *Disrupt Africa*. **Madagascar**-based solar computer manufacturer **Jirogasy** launches a new fundraising round following success in 2020;

19 May 2021 **Antananarivo (Madagascar)** *LINFO*. Madagascar re-opens schools to children in non-curfewed regions, and to children in examination classes in curfew regions;

19 May 2021 **Antananarivo (Madagascar)** *Xinhua*. **Li Zhanshu**, chairman of the **Chinese** government **National People's Congress (NPC) Standing Committee**, hosts talks with Madagascar's parliamentary speaker, **Christine Razanamahaso**, to discuss greater exchange and enhanced cooperation between the Chinese and Madagascan governments;

⁴⁸ [Linfo](#), 17 May 2021

⁴⁹ [Linfo](#), 17 May 2021

About Africa Risk Consulting:

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