

## AFRICA RISK CONSULTING

### Madagascar Monthly Briefing December 2022

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#### Madagascar Summary 13 December 2022

*Prime Minister Christian Ntsay faces his most significant political challenge in almost five years after 105 members of parliament (MPs) in the Assemblée Nationale (national assembly) sign a petition calling for his censure on 7 December. These legislators cite Ntsay's failure to enact the government's agenda and his general arrogant attitude towards the national assembly. However, reports that the president of the national assembly Christine Razanamahasoa might also soon face calls for her removal indicate a wider revolt against senior leaders in the national assembly. The national assembly passes the 2023 Finance Bill on 25 November and is expected to be passed by the Sénat (senate) before 16 December. The budget highlights Madagascar's weak financial state and the government's dependence on external financing. QIT Madagascar Minerals (QMM), owned by Australia-headquartered Rio Tinto, suspends operations at its mine in the Anosy region on 5 December after protesting community members block the road to the mine. The coming year is expected to be dominated by the build-up to the 2023 presidential election in December with anticipated elevated political tensions likely to fuel incidents of unrest and political violence.*

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#### MPs move to remove Christian Ntsay as prime minister

Prime Minister **Christian Ntsay** is facing his most significant political challenge in almost five years after 105 members of parliament (MPs) in the **Assemblée Nationale** (national assembly) signed a petition calling for his censure, citing his arrogant attitude towards the legislature and his failure to successfully implement the government's agenda.<sup>1</sup> Notably, dozens of members of the ruling **Isika rehetra mi- araka amin'i Andry Rajoelina (IRD)** are among the MPs who signed the petition.

The petition was submitted to **Christine Razanamahasoa**, president of the national assembly, on 7 December, and must be put forward to the national assembly by 15 December.<sup>2</sup> As yet, the matter has not been included in the legislature's schedule, but if the motion is adopted, it could lead to a vote of no confidence in Ntsay and his government. The likelihood of the vote of no confidence succeeding is high given the motion already has the requisite two-thirds support with 105 out of the national assembly's 150 MPs having already signed the petition.

The removal of Ntsay would alarm foreign investors and **Madagascar's** aid partners fearful of political instability in the country, as he is viewed as a stabilising force in Malagasy politics. Ntsay is the longest-serving prime minister in 15 years, serving for over four-and-a-half years, a change from the 11 prime ministers the government had in 15 years. Ntsay was appointed by former president **Hery Rajaonarimampianina** (2014-2018) in 2018 and following the December 2018 election, newly elected president **Andry Rajoelina** (2019-present) chose to reappoint Ntsay due to sustained pressure from Madagascar's international partners to retain the trusted and competent prime minister.

However, Rajoelina has thus far not come out to support Ntsay against this motion to censure, which combined with the fact that the motion to censure is backed by many IRD members, indicates that Rajoelina approves of the push to remove Ntsay. If Ntsay is removed, Rajoelina would be free to appoint a more pliant premier which would extend his power over the state ahead of the upcoming election.

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<sup>1</sup>Midi Madagasikara, 8 Dec 2022.

<sup>2</sup>Midi Madagasikara, 8 Dec 2022.

However, it is also possible that Rajoelina may be facing a wider revolt within the IRD caucus. Reports on 12 December, indicate that IRD MPs are agitating to also pass a motion of no confidence in Razanamahasoa as president of the national assembly.<sup>3</sup> Razanamahasoa is a long-time ally of Rajoelina, who served as justice minister and president of the national assembly during Rajoelina's first term (2009-2014). Razanamahasoa facing calls for her removal within the IRD caucus could indicate that Rajoelina no longer has absolute control over his parliamentary caucus.

It should be noted that Rajoelina himself has not faced any public criticism, but the IRD is generally very gushing in its praise of the president. The caucus is likely seeking to make Ntsay and Razanamahasoa the scapegoat for Rajoelina and the IRD's failure to secure any substantial successes since the 2018 elections. Ahead of the 2023 election, positioning within the IRD has also already begun and the potential for advancement ahead of and after the election will drive tensions and factionalism within the coalition.

The build-up to the 2023 election will test Rajoelina's support base and increase the challenges faced by the president. Indicative of this was the announcement by former regional planning and land services minister, **Hajo Andrianainarivelo**, on 20 November that he would contest the presidential election and that his party, **Malagasy Miara-Miainga (MMM)**, would contest the national assembly elections in early 2024.<sup>4</sup> Andrianainarivelo also confirmed that the MMM, which holds 20 seats in the national assembly, would no longer support the IRD in the national assembly, reducing Rajoelina's assumed majority in the national assembly, however, the IRD's majority will remain intact.

This act indicates that Andrianainarivelo believes he can strengthen his, and the MMM's, political position by operating outside of the ruling coalition. This is particularly noteworthy given that he has been allied to Rajoelina for years and even served as a minister during Rajoelina's first presidential term. If Rajoelina wins re-election, Andrianainarivelo could agree to support Rajoelina's coalition in return for a cabinet position. However, the fact that the president's long-time ally is seeking to keep his political oppositions open indicates that Rajoelina may be politically weaker a year out from the presidential election than initially thought.

### National Assembly passes the Finance Bill

The national assembly approved the **2023 Finance Bill** on 25 November without any amendments, an essential step towards approving the government's budget for the coming year.<sup>5</sup> The bill has been presented to the **Sénat** (senate) where it is also expected to be passed without major opposition before the end-year recess begins on 16 December.<sup>6</sup> The bill's easy transition is due to the IRD's majority in both legislative houses as well as the severe consequences for the country of not approving the annual budget such as missing essential debt repayments and paying public sector wages. Opposition parties are expected to criticise the bill but are unlikely to try and derail its progress.

Finance minister, **Rindra Hasimbelo Rabarinirinarison**'s budget is one largely defined by austerity despite Rajoelina's efforts to promote his development agenda, the **Plan Emergence de Madagascar (PEM)** (plan for the emergence of Madagascar). The country's budget deficit currently stands at 6.2% of gross domestic product (GDP) and is expected to only fall to 6% in 2023.<sup>7</sup> Efforts to reduce the deficit further are being hampered by a public sector wage bill that is expected to increase by 11.93% against a forecasted economic growth of 4.9% in 2023 (up from 4.2% in 2022).<sup>8</sup> Rabarinirinarison told the national assembly that this forecasted economic growth will be driven by growth in the

<sup>3</sup> Madagascar Tribune, 13 Dec 2022

<sup>4</sup> Midi Madagasikara, 21 Nov 2022

<sup>5</sup> L'Express, 26 Nov 2022.

<sup>6</sup> Midi Madagasikara, 9 Dec 2022

<sup>7</sup> L'Express, 17 Nov 2022.

<sup>8</sup> Madagascar Tribune, 22 Nov 2022.

mining sector, planned new infrastructure development, and improved tourism stemming from Madagascar's role as host to the **2023 Indian Ocean Island Games**.<sup>9</sup>

The budget again highlighted the extent to which Madagascar is dependent on external assistance to fund the government. In nominal terms, the budget deficit stands at around MGA 4.2 trillion (\$950m) which is largely filled by external funding through project loans and budgetary aid totalling MGA 3.8 trillion (\$860m).<sup>10</sup> The largest portions of this funding are committed by the **World Bank** (\$100m) and **Germany's Deutsche Bank** (\$211m) while the **International Monetary Fund (IMF)** is expected to provide around \$55m in financing via Madagascar's Extended Credit Facility (ECF).<sup>11</sup>

### Community protest in Anosy region forces mine to suspend operations

**QIT Madagascar Minerals (QMM)**, owned by **Australia**-headquartered **Rio Tinto** suspended operations at its ilmenite mine outside **Fort-Dauphin (Anosy)** on 5 December after protesting community members closed off access to the mine.<sup>12</sup> The local community members were protesting environmental damage caused by the mine, specifically to the subsistence fishing industry which local residents are dependent upon. Similar protests occurred in April, also resulting in the mine needing to suspend its operations for several days.<sup>13</sup>

QMM has been accused of failing to prevent toxic runoff from the mine from entering local fishing waters and in April authorities temporarily banned fishing in the area after hundreds of dead fish were found in the waterways near the mine, shortly after two tailings dam failures at the mine.<sup>14</sup> After the April protests, QMM agreed to compensate local fisherfolk for the losses incurred due to the fishing ban and pledged to introduce an independent adjudication process to handle community issues and disputes.<sup>15</sup> However, the protesters accused QMM of failing to implement these interventions.

These protests highlight the tense relationships between Malagasy mines and local communities. Mines are often approved by the government without the full backing and buy-in of local communities who are dependent on the communal land and water resources in the areas in which the mines are located. This fuels local resentment towards these mines, especially if the promises of plentiful and lucrative jobs are not realised. The lack of proper and effective channels for recourse leads these communities to stage violent protests, and even – as exemplified in this case – force the suspension of mining operations. Negotiations between community leaders, government officials, and QMM representatives are reportedly underway; however, as yet no agreement has been reached.

### Elections expected to dominate 2023 developments

The December 2023 presidential election is expected to dominate developments in the coming year. Malagasy presidential elections are typically marked by long informal campaign periods, partly due to the highly personalised nature of the country's politics. The upcoming presidential election is expected to once again be a two-horse race between Rajoelina and former president **Marc Ravalomanana** (2002-2009). The rivalry and personal enmity between the two men have defined Malagasy politics for the past 15 years and even fuelled the country's 2009 political crisis in which Ravalomanana was deposed by the military and Rajoelina was installed as president.

Ravalomanana is now 73 years old, and 2023 will likely be his last presidential run but will need to once again ensure that the majority of the opposition rallies behind him and his **Tiako i Madagasikara (TIM)** party.

<sup>9</sup> Madagascar Tribune, 17Nov 2022.

<sup>10</sup> L'Express, 17 Nov 2022.

<sup>11</sup> L'Express, 17 Nov 2022.

<sup>12</sup> Madagascar Tribune, 6 Dec 22

<sup>13</sup> Madagascar Tribune, 6 Dec 22

<sup>14</sup> The Ecologist, 2 Dec 22

The first half of the year will be marked by Rajoelina and Ravalomanana making an increased number of public appearances aimed at boosting their visibility. Rajoelina will use the office of the presidency to promote his candidacy and is expected to promote the PEM as his vision for the country.

The political tensions will also likely fuel unrest and political violence in the country. The build-up to elections in Madagascar is usually marked by demonstrations and clashes between protesters and security forces as well as between supporters of rival political groupings. In addition, the government is known to abuse its position and try to limit the opposition's ability to organise demonstrations, usually by not granting authorisation for such events. This, in turn, tends to lead to clashes between opposition demonstrators and security forces.

Political leaders, most notably Ravalomanana, are expected to criticise the country's **Commission Electorale Nationale Indépendante (CENI)** (independent electoral commission), which opposition leaders have already begun doing, alleging irregularities in CENI's ongoing registration efforts. These criticisms are levelled in an effort to undermine public faith in CENI and lay the foundation to dispute the election result.

The tensions surrounding the elections could also result in increased disruptions to the legislature, which would be concerning as the government has promised to pass the long-awaited new mining code in 2023. This would clarify the regulations in the industry and provide the necessary policy certainty to attract increased foreign investment in this valuable sector.

### Planner

Dec 2023 (**Madagascar**) Presidential elections;  
2024 (**Madagascar**) **Assemblée Nationale** (national assembly) elections;

### Chronology

12 Dec 2022 **Antananarivo (Madagascar)** *L'Express*. **Fisheries Transparency Initiative (FiTI)** announces that it has approved **Madagascar's** application and that it will need to submit its first report in December 2023;

7 Dec 2022 **Sahantona (Madagascar)** *L'Express*. Clashes between local villagers and migrant artisanal miners in the **Sahantona (Sofia)** injures at least six people;

6 Dec 2022 **Antananarivo (Madagascar)** *Orange*. President **Andry Rajoelina** hosts **Victoria Kwakwa**, the **World Bank's** vice president for **Eastern and Southern Africa**, discussing areas of potential future cooperation between the World Bank and **Madagascar**;

6 Dec 2022 **Antananarivo (Madagascar)** *L'Express*. Students from the **Ecole Normale Supérieure (ENS)** stage protests demanding that the civil service hire more graduates;

3 Dec 2022 **Antananarivo (Madagascar)** *L'Express*. Construction begins on the new highway connecting **Antananarivo** to the port city of **Toamasina**, a major component of President **Andry Rajoelina's** development plan;

2 Dec 2022 **Antananarivo (Madagascar)** *Madagascar Tribune*. Residents of **Antananarivo's Ampefiloha** area blockade streets protesting repeated power outages in the area;

1 Dec 2022 **Mahitsy (Madagascar)** *Afrik21*. President **Andry Rajoelina** inaugurates a new **Farahantsana** hydroelectric power station in the **Itasy** region;

23 Nov 2022 **Antananarivo (Madagascar)** *Amnesty International*. **Ketakandriana Rafitson** executive director of the **Madagascar** chapter of **United Kingdom-based** NGO **Amnesty International** is summoned by police for questioning over "*abusive and slanderous denunciations*";

22 Nov **Antananarivo (Madagascar)** *Madagascar Tribune*. The 2022 litchi export campaign begins, an important source of export revenue for the country and an essential contributor to the local economies of the **Atsinanana** and **Analajirofo** regions;

21 Nov **Antananarivo (Madagascar)** *Midi Madagasikara*. **Norbert Lala Ratsirahonana**, the leader of the **Asa Vita no Ifampitsarana (AVI)** political party, announces his retirement;

21 Nov **Antananarivo (Madagascar)** *Rfi*. Several political parties, notably the **Hery Vaovao ho an'i Madagasikara** party, call for the imposition of a spending cap on political parties ahead of the 2023 and 2024 elections;

18 Nov **Antananarivo (Madagascar)** *Madagascar Tribune*. National anti-corruption agency, **Bureau Indépendant Anti-Corruption**, announces it froze more that MGA 16 billion (\$3.61m) in accounts flagged for suspicious or illegal activities in 2021;

18 Nov 2022 **Antananarivo (Madagascar)** *Rfi*. **Ambatolampy** criminal court sentences eight individuals to a life sentence of hard labour for the murder of environmental activist **Henri Rakotoarisoa** in June 2022;

17 Nov **Toliara (Madagascar)** *Midi Madagasikara*. Opposition leader **Marc Ravalomanana** stages a 'walk-about' event in **Toliara**;

14 Nov 2022 **Antananarivo (Madagascar)** *Madagascar Tribune*. **Antananarivo** Mayor **Naina Andriantsitohaina** survives an armed attack on his convoy, believed to be a targeted assassination;

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