

AFRICA RISK CONSULTING

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Former president Marc Ravalomanana (2002-2009) formally announces his candidacy for the upcoming 9 November presidential election. This sets a repeat of the 2018 election showdown between Ravalomanana and President Andry Rajoelina (2009-2014, 2019-present). Rajoelina is facing a potentially damaging political scandal after official French documents leaked online revealed that he is a dual national of Madagascar and France, which could have serious political and legal consequences. The government affirms the election schedule, but concerns remain over funding shortfalls. The International Monetary Fund (IMF) board approves the disbursement of the latest tranche of funding from the Extended Credit Facility (ECF). Community protests once again impact the Anosy region operations of QIT Madagascar Minerals (QMM), a subsidiary of Australia and United Kingdom-headquartered Rio Tinto.

Ravalomanana declares his candidacy ...

Opposition **Tiako I Madagasikara (TIM)** party leader and former president **Marc Ravalomanana** (2002-2009) announced his candidacy for the 9 November presidential election on 1 July.¹ Ravalomanana made the announcement at the TIM national congress held on 30 June and 1 July in the **Tanjombato** area of **Antananarivo**. Ravalomanana's announcement had been widely anticipated as the former president had made little secret of his intention to contest the upcoming election. This will be the fourth presidential election contested by Ravalomanana after his successful bids in 2001 and 2006 and his unsuccessful effort in 2018. The former president notably did not contest the 2013 vote as both he and President **Andry Rajoelina** (2009-2014, 2019-present) were banned from that election as part of the agreement resolving Madagascar's 2009 political crisis in which Ravalomanana was ousted in a military-backed putsch that installed Rajoelina in power.²

Ravalomanana has been set on regaining power ever since he was ousted in 2009. As such, he is expected to fiercely contest the ballot and is likely to commit his considerable wealth to his campaign. Ravalomanana's decision to announce his candidacy clearly indicates that he intends to contest the election regardless of ongoing talks to find a consensus opposition candidate. Opposition alliance platforms such as the **Rassemblement des Opposants a Madagascar pour la Democratie (RMDM)** and **C'Lera** have advocated for a single opposition presidential candidate to best challenge Rajoelina in November. However, none of the main opposition candidates appears to be willing to step aside to make this happen. The RMDM and C'Lera are likely to try to secure an agreement that each party will support the candidate who makes it to a run-off election (should there be one).

The TIM conference was attended by an estimated 20,000 delegates and concluded without major incidents. This is important as the TIM's regional conferences building up to the 1 July congress were marked by incidents of unrest as police enforced the ban on outdoor political gatherings.³ This unrest was particularly severe ahead of the TIM regional conference in **Antsirabe (Vakinankaratra region)** on 17 June when several people were injured after police used tear gas and other heavy-handed tactics to disperse attendees, despite the conference being held at an indoor venue. Police argued that the venue's proximity to the town's outdoor market made it a disruptive event.

¹ Midi Madagasikara, 3 Jul 2023

² Al Jazeera, 20 Nov 2010

³ L'Express, 19 Jun 2023

These incidents of unrest and Ravalomanana's intensity ahead of the election are the latest signs that the electoral campaign period will be particularly tense and marked by incidents of politically motivated violence.

... as Rajoelina is embroiled in dual citizenship scandal

Further escalating these political tensions is the developing controversy around President Rajoelina's alleged dual nationality. Official **French** documents leaked online on 21 June appeared to reveal that Rajoelina naturalised as a French national in 2014 while he was living in that country.⁴ Under Malagasy law, attaining a second nationality results in the loss of Madagascar citizenship. Opposition leaders argue that Rajoelina was thus not eligible to contest the 2018 election and should resign from office.⁵ Rajoelina has no intention of resigning from the presidency – especially given that he must step down in August ahead of the November presidential election. There is sufficient opacity around Madagascar's citizenship laws that the president's team is able to claim he is a French citizen by birth on his maternal side. If necessary, Rajoelina has sufficient control over the legislature to amend the country's citizenship laws.

Rajoelina's failure to reveal his dual nationality ahead of the 2018 election has left him open to political attacks. The fact that he is a citizen of France and thus subject to the rule of Madagascar's former colonial power raises questions about the sovereignty of the presidency. This matter will provide an opportunity for opposition parties over the next few months to criticise Rajoelina and claim he has been dishonest with the electorate and is a potential threat to Madagascar's sovereignty.

Government affirms election date while funding questions remain

The scandal around Rajoelina's dual citizenship briefly renewed fears that the government may seek to delay the elections. However, prime minister **Christian Ntsay**'s affirmation of the **Commission Electorale Nationale Indépendante (CENI)** (election commission) timetable on 11 July put these fears to rest.⁶ The election is confirmed for 9 November with 20 December earmarked for a second-round run-off election if no candidate secures a majority of votes in the first round.

Concerns remain over CENI's lack of funding. The electoral commission estimates that it needs at least MGA 143 billion (\$31.4m) to successfully hold the country-wide election but has agreed to downscale its budget to MGA 80 billion (\$17.6m).⁷ Such a reduced budget will strain the commission's human and material resources needed for the election preparations. Yet even this reduced budget has not been met; CENI has received only MGA 40 billion (\$8.8m) from the state to organise the election. This has been augmented by external funding support, most notably, a €2m (\$2.21m) donation from the **European Union (EU)**.⁸ However, it is estimated that CENI will still be short MGA 30 billion (\$6.6m) of its reduced to MGA 80 billion (\$17.6m) budget. Some of this will be addressed by candidate registration fees, which are expected to be as high as MGA 200m (\$43,885) per candidate.⁹ Regardless, CENI remains in urgent need of additional donor funding. Insufficient CENI funds increase the likelihood of errors during the election, which will undermine faith in the process and increase the chance that losing candidates will contest the election result.

IMF releases another tranche of funding

Underscoring Madagascar's dependence on external financial assistance, the **International Monetary Fund (IMF)** board approved the disbursement of a further \$32.7m under its **Extended Credit Facility (ECF)** arrangement with Madagascar.¹⁰ This follows the conclusion of a staff-level agreement in May after the IMF's in-country review of the ECF agreement (see *ARC Briefing*

⁴ RFI, 21 Jun 2023

⁵ Midi Madagasikara, 22 Jun 2023

⁶ Africa News, 12 Jul 2023

⁷ Midi Madagasikara, 7 Jul 2023

⁸ L'Express, 7 Jul 2023

⁹ Orange, 12 Jul 2023

¹⁰ IMF, 22 Jun 2023

Madagascar June 2023). The IMF board was generally satisfied with Madagascar's progress in implementing its reform programme; however, it approved waivers of non-observance for two performance criteria for the period ending 31 December 2022. Namely, Madagascar missed the floor on its domestic primary balance due to the non-payment of customs by distributors, and the **Banky Foiben'i Madagasikara** (central bank) missed its net foreign asset target largely due to rapid currency depreciation.

The IMF is forecasting a challenging environment for Madagascar marked by high inflation and slower growth while remaining vulnerable to multiple climate shocks. The organisation's outlook for the country is negative over the short term due to the anticipated political instability ahead of the November election. However, the IMF believes that the country has sufficiently strong reform momentum, although it advocated for the acceleration of anti-money laundering, monetary policy, and public financial and debt management reforms.

Although the IMF board's review had several caveats and points of concern, it seems to be satisfied with Madagascar's progress. The \$32.7m tranche payment from the ECF will go a long way to helping the state finance further reforms and other much-needed operations over the coming months.

Renewed protests target foreign-owned mine

Protestors have once again targeted the **Australia** and **United Kingdom**-headquartered **Rio Tinto's QIT Madagascar Minerals (QMM)**, disrupting its operations in **Fort Dauphin (Anosy region)**.¹¹ Community demonstrators have protested outside the mine's operations since 26 June, accusing QMM of causing environmental damage and claiming that the mine owes the community further compensation. This is despite the company reaching an agreement in March with the government and community leaders over compensation for land use and the mine's environmental impact. The March agreement concluded protracted unrest outside the mine which began on 5 December, resulting in a prolonged shutdown of operations (see *ARC Briefing Madagascar Dec 2022*). The prolonged shutdown resulted in major power disruptions in Fort Dauphin (also known as **Taolagnaro**) as QMM supplies some power to the town.

The current protests could become similarly contentious. This was illustrated by the 4 July clashes between security forces and protesters in which 10 people were injured and 80 demonstrators arrested.¹² The situation could deteriorate further, as QMM and the government have little interest in reopening the March settlement and the matter is likely to fall to security forces to resolve.

These protests highlight the tense relationships between Malagasy mines and local communities. The government often approves mines without the full backing and buy-in of local communities who are dependent on the communal land and water resources where 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 shown in this case – force the suspension of mining operations. This is further complicated when local communities do not universally support community leaders with whom the mine and government negotiate and who are then unable to ensure acceptance of the negotiated settlement, as appears to be the case in this instance.

¹¹ L'Express, 4 Jul 2023

¹² Madagascar Tribune, 4 Jul 2023

Planner

25 Aug-30 Sep 2023 **(Madagascar)** Indian Ocean Island Games.

9 Nov 2023 **(Madagascar)** Presidential election (first round);

20 Dec 2023 **(Madagascar)** Presidential election (second round);

Chronology

11 Jul 2023 **Antananarivo (Madagascar)** *Madagascar Tribune*. President **Andry Rajoelina** announces that he will hold a televised national address on 16 July in which he is expected to address several issues including the upcoming election and the controversy around his dual nationality;

11 Jul 2023 **Antananarivo (Madagascar)** *L'Express*. **Japanese** and **South Korean** joint venture nickel and cobalt mining company **Ambatovy** reveals that it paid nearly \$44m in taxes, duties and royalties to the Malagasy state in 2022;

7 Jul 2023 **Antananarivo (Madagascar)** *Midi Madagasikara*. Officials reveal that Madagascar received over \$141m in funding from the **United Nations** in 2022;

25 Jun 2023 **Johannesburg (South Africa)** *2424*. **South African** airline **Airlink** resumes flights between Johannesburg and **Malagasy** tourist resort **Nosy Be**;

23 Jun 2023 **Paris (France)** *Midi Madagasikara*. President **Andry Rajoelina** meets with **Japan's** foreign minister, **Yoshimasa Hayashi**, and discusses areas for increased trade and cooperation;

22 Jun 2023 **Paris (France)** *L'Express*. President **Andry Rajoelina** calls for increased financial support for developing countries to address climate change during the **Summit for a New Global Financing Pact**;

21 Jun 2023 **Antananarivo (Madagascar)** *L'Express*. President **Andry Rajoelina** plans to participate in the summit for a new global financial pact kicking off in **Paris (France)**, alongside several heads of state and government, and representatives of more than 100 countries, international organisations and civil society organisations;

20 Jun 2023 **Antananarivo (Madagascar)** *L'Express*. The **National Assembly** adopts the economic partnership bill boosting trade ties between the **United Kingdom** and five **Eastern and Southern African states (ESA5)**, namely, Madagascar, **Comoros, Mauritius, Seychelles** and **Zimbabwe**;

20 Jun 2023 **Antananarivo (Madagascar)** *L'Express*. **Banky Foiben'i Madagasikara** (central bank) announces plans to further bolster its gold reserves by at least four tonnes a year;

19 Jun 2023 **Antananarivo (Madagascar)** *L'Express*. Three people are killed in clashes between security forces and bandits (known locally as dahalo) in **Imolo-Vasiana (Vakinankaratra region)**;

17 Jun 2023 **Antananarivo (Madagascar)** *L'Express*. Ministry of digital development launches the **Miary** digital project, financed by the **World Bank** as a support process for young start-ups;

15 Jun 2023 **Geneva (Switzerland)** *Madagascar Tribune*. President **Andry Rajoelina** and **South Africa's** President **Cyril Ramaphosa** commit to increased cooperation in combatting trafficking during a meeting on the sidelines of the **International Labour Organisation (ILO)** summit;

14 Jun 2023 **Antananarivo (Madagascar)** *L'Express*. Four suspected bandits (dahalo) are killed in a shootout with security forces in **Ambohidratrimo** district (**Analamanga region**);

13 Jun 2023 **Antananarivo (Madagascar)** *Madagascar Tribune*. The **African Development Bank (AfDB)** pledges \$1.3m to support Madagascar's integration into the **African Continental Free Trade Area (ACFTA)**;

5 Jun 2023 **Antananarivo (Madagascar)** *RFI*. **Transparency International** voices concern that local officials are embezzling humanitarian aid intended to provide famine relief in southern Madagascar.

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