

## AFRICA RISK CONSULTING

### Madagascar Monthly Briefing February 2025

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#### Madagascar Summary 26 February 2025

*The United States (US) government's decision to dramatically scale back on its official development assistance could result in Madagascar losing at least \$186m in foreign aid. The Banque Arabe pour le Développement Economique en Afrique (BADEA) (Arab bank for economic development in Africa) announces that it will provide funding for an important road infrastructure development. Local anti-corruption watchdog, the Safidy Observatory, releases its final report on last year's municipal election in which it raises concerns about several irregularities but does not dispute the overall election result. Former foreign minister Richard Randriamandrato – loses the African Union (AU) Commission chairperson agreement Bandits kill a local mayor in the Amoron'i Mania Region in a suspected targeted hit.*

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#### Madagascar to be negatively impacted by United States aid freeze

The **United States (US)** President **Donald Trump's** (2025-present) 26 January order to suspend all US foreign aid for 90 days pending review is expected to have a severely negative impact on **Madagascar**.<sup>1</sup> Trump's decision was motivated by the new US administration's sharp pivot away from internationalism and towards more isolationist policies as part of Trump's so-called 'America First' ideology. Although some international assistance, particularly programmes pertaining to HIV/AIDS remains active, most humanitarian and development aid has been disrupted.

This development is alarming for Madagascar as the US government provides the country with over \$190m in official development assistance (ODA) every year, of which \$186m of this is provided by the **US Agency for International Development (USAID)**.<sup>2</sup> USAID provides essential funding and support for multiple development programmes in Madagascar, primarily those focussed on healthcare and emergency food assistance. In fact, the US is the second largest provider of ODA to Madagascar after the **World Bank**.

Madagascar's dependence on USAID is also concerning given that the Trump administration is in the process of essentially dismantling the organisation. The current US government wants to fold the largely independent agency into the **US State Department** and dramatically reduce its budget and staff contingent from over 10,000 members to just 294 of which 12 will focus on **Africa**.<sup>3</sup> As such, this is a long-term policy change and US ODA to Madagascar is unlikely to ever return to its previous levels - even if the US experiences a change in government after its 2028 election, it is unlikely to be politically viable to restore the country's foreign aid levels.

Accordingly, programmes in Madagascar that have relied on USAID funding in the past do face an existential threat. Arguably the most concerning effect of the withdrawal of US aid is the likely collapse of several emergency feeding and nutrition schemes in southern Madagascar. The country has a persistent food insecurity challenge in its southern regions and thousands of people are dependent on externally-funded feeding schemes. The withdrawal of the several million US dollars of support historically provided by USAID will significantly increase the threat of famine in these regions.

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<sup>1</sup> L'Express, 30 Jan 2025

<sup>2</sup> US State Department, 24 Feb 2025

<sup>3</sup> CBA, 3 Feb 2025

Over the long term, Madagascar is expected to experience a decline in ODA and humanitarian aid across the board. Multiple nongovernmental organisations (NGOs) and international organisations that have projects in Madagascar rely on US funding for their operations. The most notable of these is the **World Health Organisation (WHO)** from which Trump withdrew the US on 20 January.<sup>4</sup> The withdrawal of the US from the WHO will precipitate a sharp decline in funding for the organisation which, in turn, will compromise the WHO's ability to maintain its current funding levels for its operations in Madagascar.

The negative impact of the cut in US ODA to Madagascar will be felt in the coming months, especially towards the end of Madagascar's dry (May to October) when rates of food insecurity spike. The government urgently needs to source additional funding and external support to offset some of the damage from this development. However, this will be challenging as the global withdrawal of US ODA has made securing humanitarian aid and development funding substantially more competitive.

This development has highlighted the dangers of Madagascar's dependence on external assistance and the need for the state to find a means to better finance its own developmental and humanitarian challenges.

### Development bank agrees to fund key highway project

The **Banque Arabe pour le Développement Economique en Afrique (BADEA)** (Arab bank for economic development in Africa) announced on 11 February that it would provide between \$250m and \$350m to fund the second phase of the construction of the **Antananarivo-Toamasina** highway.<sup>5</sup> The complete project is forecast to cost at least \$930m with BADEA's commitment providing a significant boost.

This 260km highway is currently being built by the **Egyptian** firm, **SAMCRETE**, and will connect Madagascar's capital to the country's main port. The construction of this highway is one of Madagascar's priority infrastructure development projects and is intended to bolster the country's logistical capacity and economy.

Notably, this is the second funding commitment by BADEA towards this project, the development bank already disbursed \$76m towards the project's first phase.<sup>6</sup> The fact that BADEA is willing to enter a second financing agreement is promising as it indicates that the bank is satisfied with the project's progress thus far.

### Local observer mission releases its final post-election report

**Antananarivo**-headquartered anti-corruption watchdog **Safidy Observatory** released its final post-election report on Madagascar's 11 December 2024 local government, sparking concern over the handling of the election in the public discourse.<sup>7</sup> Safidy Observatory described the 11 December election as marred by irregularities and lacked transparency. The organisations specifically noted with concern that authorities restricted the ability of observers to verify the vote counting and tabulation process. This included election officials refusing to provide minutes from 48.7% of voting stations.

The Safidy Observatory also raised concerns about officials' "*abusive interpretation of exceptions to the freezing of the electoral list, the late postponement of elections, the extension of the mandates of outgoing mayors without legal basis*".<sup>8</sup> In addition, Madagascar's media remained vulnerable to disinformation and state-owned media lacked impartiality.

However, despite these obvious shortcomings, the Safidy Observatory did not question the legitimacy of the result itself. As such, it appears that the watchdog believes that the election generally reflected

<sup>4</sup> White House, 20 Jan 2025

<sup>5</sup> Madagascar Tribune, 12 Feb 2025

<sup>6</sup> News Mada, 12 Feb 2025

<sup>7</sup> Madagascar Tribune, 8 Feb 2025

<sup>8</sup> Madagascar Tribune, 8 Feb 2025

the will of voters despite it falling well short of the standard to be considered truly fair and transparent.

### Madagascar's candidate loses African Union election.

Madagascar's candidate to be the next **African Union (AU) Commission** chairperson, former foreign minister **Richard Randriamandrato**, lost the election on 15 February.<sup>9</sup> **Djibouti's** foreign minister **Mahmoud Ali Youssouf** won the position after securing the requisite two-thirds of votes after five rounds of voting.

Randriamandrato was a distant third of the three candidates, trailing both Youssouf and **Kenya's Raila Odinga**.<sup>10</sup> The former Malagasy foreign minister only received ten votes in the first round, seven in the second, and 5 in the third after which he was eliminated from the election.

Randriamandrato's low vote tally also confirmed that foreign minister **Rafaravavitafika Rasata's** efforts to secure support from, **Southern Africa**, francophone Africa, and the continent's island nations were unsuccessful.<sup>11</sup>

This poor performance underscored Madagascar's persistent difficulty in building diplomatic influence in continental Africa. Randriamandrato's meagre first-round vote haul is particularly noteworthy given that the **Southern African Development Community (SADC)** secretariate released a statement on 13 February endorsing Randriamandrato and urging the bloc's members to support him.<sup>12</sup> However, this was insufficient to convince the bloc's 16 members to back him.

### Bandits kill local mayor in Amoron'i Mania Region in suspected hit

**Mangataboahangy** commune's (**Amoron'i Mania Region**) mayor **Ranivoarivony Narindraniaina** was killed in the suspected assassination on 21 February.<sup>13</sup> Narindraniaina was murdered after her vehicle was attacked by a group of bandits (known locally as dahalo) while travelling in the **Ambavalozakely** area of **Ambatofinandrahana** district.

Dahalo gangs frequently target vehicles travelling on Madagascar's rural roads, holding up travellers to steal valuables. However, this incident was noteworthy as the bandits opened fire on the vehicle before approaching the occupants and shooting Narindraniaina at close range. This deviation from the bandit's typical modus operandi has led local authorities to believe that the murder was, in fact, a targeted hit. Yet, it is unclear what the motivation for the assassination could have been.

Banditry has been Madagascar's leading rural security concern for several years. Dahalo gangs can number dozens of members and are often well-armed. Witness accounts indicate that Narindraniaina's assailants had automatic weapons and a hunting rifle. Historically, dahalo gangs have targeted local farmers and rural communities primarily raiding farms and villages to steal cattle and vanilla. However, in recent years these gangs have expanded their operations to include hijacking and kidnapping.

The attack on Narindraniaina is also alarming as it indicates that these groups are confident enough to intentionally target an elected official. Unsurprisingly, this incident resulted in an increased security deployment to the area as local law enforcement intensified their efforts to find and apprehend the perpetrators. According to local reports, police have already detained three suspects.<sup>14</sup>

However, it is evident that the government's repeated efforts to address the threat posed by dahalo gangs have failed. President **Andry Rajoelina** (2019-present) was elected in 2019 in part due to his campaign promise to address Madagascar's deteriorating crime problem but in the past six years, dahalo gangs have increased in strength and expanded into new activities such as kidnapping. The

<sup>9</sup> Business Day, 16 Feb 2025

<sup>10</sup> Citizen, 15 Feb 2025

<sup>11</sup> Midi Madagasikara, 6 Feb 2025

<sup>12</sup> SABC, 14 Feb 2025

<sup>13</sup> L'Express, 24 Feb 2025

<sup>14</sup> L'Express, 24 Feb 2025

country's rural security situation is expected to worsen in the coming months as the loss of US ODA leads to increased unemployment and hunger in rural Madagascar. This, in turn, will increase the ability of these gangs to recruit young men in the affected areas. As such, the state needs to intensify its efforts to combat these groups and address the underlying social causes that drive rural violent crime.

## Planner

26 Feb 2025 **Antananarivo (Madagascar) International Monetary Fund (IMF)** executive board to review Madagascar's **Extended Credit Facility (ECF)** arrangement;

## Chronology

24 Feb 2025 **Dar es Salaam (Tanzania) Midi Madagasikara**. Madagascar's military participates in the annual **United States (US)-led Exercise Cutlass Express** in the **Indian Ocean**;

22 Feb 2025 **Casablanca (Morocco) L'Express**. President **Andry Rajoelina** receives the **African Leadership Magazine's African Political Leader of the Year** award;

22 Feb 2025 **Antananarivo (Madagascar) L'Express**. At least three people are killed after their house collapsed due to flooding and landslides caused by inclement weather;

21 Feb 2025 **Antananarivo (Madagascar) Korea Herald**. Two **South Korean** nationals are killed in an armed robbery in **Moramanga (Alaotra-Mangoro Region)**;

20 Feb 2025 **Antananarivo (Madagascar) L'Express**. Madagascar signs a partnership agreement with the **World Food Programme (WFP)** under which the country will receive MGA 1.88 billion (\$400,000) to help combat food insecurity in the country;

20 Feb 2025 **Antananarivo (Madagascar) Madagascar Tribune**. The **Bureau Indépendant Anti-corruption** (independent anti-corruption bureau) reports that it has seized nearly MGA 26 billion (\$5.5m) as part of its investigation since the start of the year;

20 Feb 2025 **Antananarivo (Madagascar) L'Express**. Officials confirm that flooding caused by inclement weather across the country killed at least 13 people and negatively impacted 13,000;

15 Feb 2025 **Addis Ababa (Ethiopia) Madagascar Tribune**. President **Andry Rajoelina** attends the **African Union (AU) Heads of State and Government** meeting in Addis Ababa;

14 Feb 2025 **Antananarivo (Madagascar) Midi Madagasikara**. Prime Minister **Christian Ntsay** attends the inauguration of a new high-security prison in **Ihoso District (Ihorombe Region)** intended to house convicted bandits;

13 Feb 2025 **Antananarivo (Madagascar) Madagascar Tribune**. The **African Development Bank (AfDB)** grants Madagascar \$9.4m to strengthen climate resilience;

12 Feb 2025 **Antananarivo (Madagascar) RSF. Reporters sans frontières (RSF)** (reporters without borders) calls on Madagascar to release journalist **Fernand Cello** who was arbitrarily arrested on 30 January;

11 Feb 2025 **Dubai (United Arab Emirates) Madagascar Tribune**. President **Andry Rajoelina** attends the 12<sup>th</sup> **World Government Summit** in Dubai;

11 Feb 2025 **Antananarivo (Madagascar) Transparency International**. Madagascar improves one place on **Transparency International's Corruption Perceptions Index** to rank 140<sup>th</sup> out of 180 countries;

3 Feb 2025 **Antananarivo (Madagascar) L'Express**. The Malagasy government offers medical assistance to conflict victims in the **Democratic Republic of Congo (DRC)**;

31 Jan 2025 **Harare (Zimbabwe) L'Express**. President **Andry Rajoelina** attends an extraordinary summit of the **Southern African Development Community (SADC)** in Harare;

28 Jan 2025 **Antananarivo (Madagascar)** *Midi Madagasikara*. President **Andry Rajoelina** promotes 22 colonels to the rank of brigadier general;

27 Jan 2025 **Dar es Salaam (Tanzania)** *L'Express*. President **Andry Rajoelina** attends the **Africa Energy Summit** in Tanzania;

24 Jan 2025 **Antananarivo (Madagascar)** *L'Express*. The **World Bank** launches its \$97m **Digital and Energy Connectivity for Inclusion in Madagascar** fund to drive electricity access in the country.

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