PROPOSAL FOR GEF FUNDING FOR NATIONAL CAPACITY NEEDS SELF-ASSESSMENT FOR GLOBAL ENVIRONMENTAL MANAGEMENT (NCSA)

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GEFSEC PROJECT ID: 2398
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PROJECT TITLE: National Capacity Self-Assessment for Global Environment Management
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NATIONAL EXECUTING AGENCY: Ministry of Environment, Waters and Forests
DURATION: 12 months
GEF FOCAL AREA:
GEF OPERATIONAL PROGRAM: Enabling Activities
GEF STRATEGIC PRIORITY: CB2
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GEF PROJECT/COMPONENT	
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Sub-Total GEF	225,000
CO-FINANCING	
GEF Agency	
Govt Contribution	20,000
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Total Project Financing:	245,000

RECORD OF ENDORSEMENT ON BEHALF OF THE GOVERNMENT (OPERTIONAL FOCAL POINT):
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Date*: August 2003*

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This proposal has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for NCSA approval.

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Abbreviations:

ADB	African Development Bank
AGEX	Agences d'exécution du Plan d'Action Environnemental
AND	Autorité Nationale Désignée
ANDEA	Agence Nationale de l'Eau et de l'Assainissement
ANGAP	Association Nationale pour la Gestion des Aires Protégées
ANAE	Association Nationale d'Actions Environnementales
BDC	Biological Diversity Convention
CCD	Convention to Combat Desertification
CDI	Capacity Development Initiative
CDM	Clearing Development Mechanism
CHM	Clearing House Mechanism
CITES	Convention on the International Trade of Endangered Species
CNRE	Centre National des Recherches Environnementales
CNRO	Centre National des Recherches Océanographiques
COAP	Code des Aires Protégées
DGE	Direction Générale de l'Environnement
EAP	Environmental Actions National Plan
EIE	Evaluation of the Impact on the Environment
EP	Environmental Programme
EU	European Union
FCCC	United Nations Frame Convention on Climate Change
HDI	Human Development Indicator
HIPCI	Heavily Indebted Poor Country Initiative
IGEC	Intergovernmental Group of Experts on Climate evolution
IMF	International Monetary Fund
MECIE	Mise en Compatibilité des Investissements avec l'Environnement (Accounting procedures of the investments related to environment)
MINENVEF	Ministry of Environment, of Water and Forests
NA PA	National Action Plan for Adaptation
NAP	National Action Plan
NCSA	National Capacity Self-Assessment
NEX	National Execution Procedures
NGO	Non Governmental Organisation
OCN	Organe de Coordination Nationale
ONE	Office National pour l'Environnement
PPO	Planning per Objective
PRSP	Poverty Reduction Strategy Paper
RCD	Regional Committee for Development
RDAP	Rural Development Action Plan
RDSP	Rural Development Support Project
RDWG	Rural Development Work Groups
RLI	Relative Land insurance
SAGE	Service d'Appui à la Gestion de l'Environnement
SLM	Safe Local Management
UNDP	United Nations Development Programme
WB	World Bank
GEF	Global Environment Facility

I. CONTEXT

I-1. Social, economic and political context

With a population of 14 millions inhabitants, of which 73% live in rural areas, Madagascar is one of the less developing countries in the world, with an annual income per head of 246 US$ in 2000. Only a little more than half of the adult population can read and write. The 2000 World Report on Human Development ranked Madagascar in the 141st place over 174 countries, with a Human Development Indicator of 0.469. Between 2003 and 2004, the economic situation was marked by a depreciation of the local currency, the rise in the price of rice, which led to a high inflation level. The price rise of fuel on the international level reinforced this inflation trend. The poverty ratio increased from 73,6% to 74,1% between 2003 and 2004. The income per person decreased by 40% between 1971 and 1991 (World Bank follow up data base). Several reference documents recognised that there is a great need to stop and to reverse the decreasing spiral of poverty and environment degradation in Madagascar. The rural regions are characterised by a large and extreme poverty and by a strong pressure on their unique biodiversity resources.

The strong dependence of human activities on natural resources explains threats on the environment. Eighty percent of country's energy resources come from wood. The earnings of most of rural households depend exclusively on agriculture and related activities. Food crops are still traditional and are characterised by a weak productivity. Income-earning cultivation for exports is happening extensively, and has resulted into soil degradation. A weak productivity and a population growth have led to the expansion of agriculture, conversion of primary forests into slash-and-burn cultivation systems, and marginal valuation of lands. All of these practices have posed a great threat on forest ecosystems. Frequent natural disasters such as hurricanes and flooding have caused food insecurity. Additionally, the country suffers from weak governance, lack of environmental technologies, lack of access to land, and worsening gender inequality. There is a loss of more than 80% of the country's original forest; the remaining forest may disappear in the next 25 years if this trend remains.

As a least developing country with less than $1 daily income per habitant, Madagascar is selected to the Heavily Indebted Poor Country Initiative Initiative (HIPCI). The country has already reached the achievement point, thanks to the implementation of the Poverty Reduction Strategy Paper (PRSP). Madagascar could also benefit from the promise of external debt cancellation, which stated recently by G8 countries. These promising dynamics are partially due to the recovery of confidence in Madagascar and its donors. The country regime changed in 2002, and improved processes of public affairs and governance.

In early 2005, the Madagascar Government elaborated a clear vision for the Malagasy Nation for 2015. Other important national policy documents related to the 2015 vision are under formulation.

I-2. Environmental context

Madagascar is the fourth largest island in the world. Situated in the Indian Ocean, its surface covers 586.760 km². Isolated from the African continent 200 millions years ago, the island biome subsequently gave birth to land ecosystems highly diversified and unique in the world in terms of biodiversity. Madagascar was considered as the most important conservation priority in the world, due to its mixture of a great diversity, of endemism and of threat degree. Madagascar is one of the 17 countries which have their mega diversity recognised and which represent as a whole 80% of the world biodiversity. About 80% of plant species identified are endemic as the percentage of endemism for animals is most of the time higher. The ecosystems of Madagascar include fragments of former large plains composed of humid tropical forests in the east, the still large humid tropical forest of a medium altitude, which extends to the oriental escarpment, the mountainous ecosystems of high altitude, the dry forest area strongly decreasing in the west and the thorn bush extremely unique in the southwest. The coastal area extends to more than 5,000 km, including the second reef barrier in the world, situated in the southwest. Mangoes forests are common in the west. The coastal ecosystem vestige can be found all along the east coast.

The main environmental problem in Madagascar is undoubtedly the original vegetation loss and, therefore, a loss of the unique biodiversity of the island. The phenomenon is mainly a result of the expansion of agricultural practices characterised by burning in order to clear new fields and to increase in an immediate way the soil productivity. Firewood gathering and commercial exploitation, as well as the extraction of other forest products also contribute to the impoverishment of some forest regions. On a larger scale, forest loss may lead to soil fertility decline, to erosion and, following the pre-existing local conditions, to arable soil loss. It decreases the productivity, contributing to food insecurity, increasing poverty characterised by soil degradation. Other environmental problems are linked with urban phenomena or with the coastal or sea resources use.

Despite a weak consumption of seafood – less than 10kg/year – some noble sea produces (tunas, shrimps), highly demanded on the international markets, are nowadays threatened with over exploitation. The exploitation method of industrial fishing usually damages marine biodiversity and environment, generates interest conflicts with other sectors like tourism or traditional fishing.

Transportation is the main source of greenhouse gas emissions in Madagascar. Emissions come mainly from urban centres. Industrial areas, including textile industries for exports, have been established in main cities. Technologies adopted take less care on the environment and often damages water resources.

Desertification and soil degradation affect Madagascar as well. A big part of land suitable to cultivation is subject to soil degradation, mainly in the regions with semi-arid and sub-humid dry climate. Desertification affects a surface of about 85.000 km² in Madagascar, and threatens a population of about one million. Desertification is often linked to non-sustainable forest and agricultural practices, resulting into a reduction in soil fertility and agricultural productivity. The population impoverishment, the migrations to other regions, the biological diversity loss are among other consequences of desertification in Madagascar.

Climate is an important natural resource for Madagascar. Agriculture, tourism and many other activities depend on it. Global warming and climatic change observed all over the world are also perceived in Madagascar. Surveys on the annual temperature trends reveal an average increase of 0.5°C for the past thirty years. According to scientific reports of the IGEC, the global warming effects can be noticed in many regions of the world and unexpected variations of extreme meteorological phenomena often appears. In Madagascar, during the 2003-2004 cyclonic seasons, several violent tropical cyclones occurred, causing casualty and severe damage. The 2004-2005 cyclonic seasons caused a number of floods, causing death and economic loss in at least 5 regions. The level of damages shows the country's vulnerability to climate change. Sea level elevation and costal area erosion are also observed in some regions.

I-3. State General Policy

Every policy of Madagascar reflects the concept of rapid and sustainable development. "Madagascar Naturally – A Vision for Madagascar and Its Regions", elaborated by the Presidency, defines a strategy for poverty reduction. This policy highlights the importance of: (i) strong growth of productivity through improved quality and quantity of products; (ii) development and enhancement of infrastructures; and (iii) improvement in the agro-industrial, tourist and mining sectors.

The main image of Madagascar is its natural heritage, biodiversity, tourism, and rich culture. The country aims to move from a subsistent, rural economy to an industrial, export-oriented market economy. This vision is also in line with the country's commitment in protecting the environment, including its plan to triple conservation areas (e.g., land and sea conservation).

Under the objectives of poverty reduction, good governance and the protection of the environment, the Vision promotes the protection and the nature, especially its biodiversity. The "Madagascar naturally" Vision stipulates clearly the reconciliation of rural development, poverty eradication, and the protection

of environment through good governance. The NCSA process will directly contribute to the objectives of the Vision.

In 2000, the government of Madagascar decided to initiate PRSP formulation process, based on needs to align sectoral policies towards a fight against poverty. The PRSP was completed in March 2003 and was updated in late 2005. The PRSP is expected to alleviate debt substantially and increase resources for poverty alleviation. The PRSP incorporates several issues closely related to the NCSA, such as the environment, education, agriculture, water, health system, and commerce issues. The PRSP was developed in a participatory manner with national, regional, and local representatives, and aims to achieve the following three goals:

i) Protect the environment and attain sustainable development while promoting economic growth. This will be achieved by improving, modernising and strengthening governance system including institutions. This policy also aims to restructure public administration and enhance awareness on responsibility.

ii) Promote a strong economic growth (8 to 10% per year) based on effective economic policy and a broader economic production.

iii) Ensure that every Malagasy can benefit from the growth.

The Decentralisation Policy is under implementation. The Policy has important implications on the management of the environment; it strengthens the capacity of environment management in local authorities. Many of technical and operational services have been decentralized to regional and provincial offices. Decentralised territorial communities (regions and communes) hold more and more responsibilities for environment management.

The Communal Development Plans and Regional Development Plan ensure the coherence of development programmes at the national, regional, and communal levels. These plans include environmental management and sustainable development. Currently, local authorities, including Regional Chiefs and Mayors, lack both technical and management capacities for environment management. Additionally, the responsibilities and works of local authorities are not transparent. The decentralisation processes present great opportunities to engage local population in environment management and strengthen local capacity to manage the environment effectively.

Madagascar advocates the Public-Private Partnership. The private sector is a major investor, provides employment opportunities, brings wealth to the people, and therefore contributes to poverty reduction. There is a high recognition of synergies between activities of the state and private sectors. Increasing demand in tourism requires the country to strengthen infrastructures such as accommodations, transportations, and eco-tourism. The government provides basic infrastructures such as roads and energy, while the private sector is increasingly involved in the areas using natural resources such as pharmaceutical and cosmetic products. Against such a background, it is becoming increasingly important that national and international private companies raise their awareness and capacity on environment management.

Fight against Corruption: Strategies to fight against corruption were formulated two years ago. Natural resources such as forest, water and mines have been exploited. As a result, Madagascar is losing its natural heritage, and the public have not been benefited. The commitment against corruption, in the context of environment, aims to prevent the overexploitation of resources and ensure equal distribution of environmental benefits.

Regional Cooperation and Integration: Madagascar adhered to many regional organisations in Southern and Eastern Africa and the Indian Ocean. The country can benefit from exchanges of lessons learned on environment management, in particular the management of coastal zones and marine resources from other countries in these regions.

The Mid-term Budget System: This budget approach harmonizes all national programmes and aims to avoid project failures due to lack of national budgets. This approach oversees both national and external funds, and allows the country and its key partners (e.g., WB, ADB, EU, IMF, and France) to coordinate activities. This approach has enabled countries to harmonize activities in diverse sectors and at different levels. Nevertheless, the system has placed low priority on environmental issues, and allocated limited financial resources to line ministries in charge of the environment. This is one of the main reasons that environment protection has not been effective. There is a need to review the system, promote decentralization, and introduce macro-economic management mechanism.

II-4. The Environmental Policy

Madagascar has been highly committed to environment protection for some decades already. The country has developed various environmental policies, action plans and programmes.

In 1990, Madagascar adopted the "Environment Chart", which defines the Environment National Policy. To operationalise the Environment Chart, the Environmental Actions National Plan (EAP) was development. EAP aims at achieving a balance between human development and ecological resources in a sustainable and harmonious manner. EAP presents five pillars: (i) develop human resources; (ii) promote a sustainable, fair and harmonious development by better managing natural resources; (iii) to rehabilitate, conserve and manage the Malagasy biodiversity heritage; (iv) improve the standard of living in rural and urban population; and (vi) maintain the balance between population growth and resources development. The Environment Chart was reviewed in July 2001, but the main ideas and concepts remain the same.

The National Environmental Policy takes into account the whole environmental, social, economic and cultural problems, and highlights the importance of the integration of environmental protection and development. The document emphasises this point all along the document, in particular, the urgent need to protect the unique biodiversity of the country. It also shows that the key for the implementation of National Environmental Policy is a dynamic institutional framework, which involves active participation of various stakeholders, including NGOs, the private sector, and the international community.

The Rural Development Policy advocates a better consideration of the environmental aspects. It has three objectives: (i) increase the rural productivity to significantly reduce the rural poverty, improve the food security and increase the producers incomes; (ii) promote rural diversification, value added products and exports; and (iii) develop rural industrialisation and promote non-agricultural rural activities. The Rural Development Policy promotes environmental conservation and protection.

Another document, the Rural Development Action Plan (RDAP) developed in 2000, reinforces the link between the rural development and the environment. RDAP presents the conceptual framework of long-term national efforts in rural development. The RDAP specifies relevant sectors for a holistic rural development. The sustainable management of natural resources and capacities reinforcement are presented as two of the five main intervention fields.

The Environmental Policy in Madagascar was considerably reinforced by the statement of the President of the Republic at the world summit for sustainable development of Durban in 2003. The president stated a plan to expand protected ecosystems in Madagascar from the current 1.8 millions hectares to 6 millions hectares in five years. This plan will promote the conservation of precious biodiversity in the country. Nonetheless, the plan will pose a considerable challenge for the country in terms of management and financial capacity. A possible solution to the challenge is to engage local organizations such as NGOs and community-based organizations in the management of protected areas.

Integration of environmental aspects into development projects: All national programmes and large-scale investment projects take into consideration environmental aspects, according to the decree on accounting/environment procedures (Mise en Compatibilité des Investissements avec l'Environnement – MECIE). The sectors that affect the environment to a great extent, such as fishing, aquaculture, tourism, mining, and infrastructure, are required to undertake an Environment Impact Assessment (EIA). Some

ministries have established an Environment Unit to ensure that their activities do not adversely affect the environment.

II-5. Implementation of Environmental Programmes

Madagascar environmental policy is primarily implemented through the Environmental Actions National Plan. It was initiated in 1991 and supported by a large group of multilateral, bilateral donors (including GEF), and NGOs. The Plan covers a period of 15 years, which is divided into 3 phases (5 years/phase). This investment programme identified six strategic objectives: (i) reverse environmental degradation; (ii) promote the sustainable management of natural resources; (iii) integrate the environmental aspects into social and economic projects; (iv) improve the standard of living of the population; (v) develop individual and institutional capacities; and (vi) maintain a balance between population growth and natural resources development. The EAP recognises the link between environmental, social and economic issues, and identifies many long-term problems which need to be resolved for better environment management. The need for capacity development at the systemic, institutional, and individual levels has been identified as a priority issue which cuts across various sectors. The EAP has a strong judicial and institutional support component, which promotes laws and regulations on environmental management as well as institutional development for environmental protection.

The EAP consists of three phases of 5 years. The first phase, called the *Environmental Programme I* (1991-1996), aimed to develop an adequate policy/regulatory framework for the implementation of priority environmental activities. It also focused on protecting endangered biodiversity and tackling with soil degradation in some regions.

The second phase of EAP – *Environmental Programme II* (1997-2002) – aimed at strengthening the programmes and activities initiated in the first phase and ensure the integration of environmental dimension in national development planning. Concerted efforts were made to ensure national ownership. Many important outcomes were acquired during the first two phases. First, the amount of information on environmental issues increased substantially. The institutional framework for coordination among programmes/projects was established. Capacities in the institutions for the environment and other institutions have been strengthened. A regulatory/judicial framework for environmental issues has been formulated, which made the Environmental Impact Assessment (EIA) mandatory for a range of investment projects. Moreover, a system to collect important environment data on a regular basis was established. Implementation of the system has been decentralised. The World Bank and UNDP jointly implemented the GEF support programme to the Environmental Programme II. It was coordinated closely with: the Regional Ecological Programme (UNDP); the Sustainable Management of Sea and Coastal Areas (UNDP); the Sustainable Inventory and Use of Biodiversity (UNDP); the Protected Areas Management (World Bank); and Forests Sustainable Management (World Bank) projects. In June 2000, an overall evaluation was undertaken on the activities of EAP. Although recognising significant achievements made by the project, the evaluation also identifies critical issues, such as complex institutional arrangement of the programme. Based on the evaluation, the institutional structure of the programme was streamlined; Programme components were reduced from 14 to 8, and executing agencies from 7 to 4.

The *Environmental Programme III* (2004-2009) is now under formulation, and negotiations for its funding are underway. This phase aims to integrate environmental issues with macroeconomic management and sectoral policies. Phase I and II focused primarily on biodiversity conservation issues. Phase III, however, adopted a more holistic approach, which covers biodiversity, land degradation, and climate change. Additionally, to align with ongoing decentralization policies, Phase III pays due attention to local environmental and governance issues and grassroots issues. A sustainable funding mechanism will also be established. Phase III is based on a "strategic exit" policy; the project will be phased out and exist the country after building sufficient capacity within the country. By so doing, Phase III ensures country's less dependence on aid. The proposed NCSA will collaborate closely with Phase III.

International Conventions
Madagascar has ratified many international conventions, including:

- United Nations Convention on Biological Diversity (CBD) (1996);
- Cartagina Protocol on Biosafety (2000);
- United Nations Convention to Combat Desertification (CCD) (1996);
- United Nations Framework Convention on Climate Change (FCCC) (1998);
- Ramsar Convention (on wetlands) (1998);
- Convention on the International Trade of Endangered Species - CITES (1975).

Implementation Status of UNCBD:
Because of its rich biodiversity and ecosystems, Madagascar has emphasised conservation and sustainable use of biodiversity and implementation of the Environmental Actions National Plan. Through a GEF funding, Madagascar developed a first national report and National Biodiversity Monograph in 1997. Madagascar also received biodiversity add-on from the GEF to establish a clearing house mechanism (CHM) and develop a second national report. CHM is established within the National Office of Environment (Office National pour l'Environnement – ONE). ONE developed a website to facilitate exchanges of information on biodiversity among stakeholders.

The Biodiversity Sustainable Management National Strategy was formulated in a participatory manner and adopted in 2002. They organized 5 technical workshops in 6 provinces, followed with a final validation workshop. The Strategy presents 3 key goals, including conservation, economic valuation, and mainstreaming of biodiversity into sectoral policies. Additionally, the Strategy presents an action plan in 6 provinces. There is a need to develop capacities to ensure the effective implementation of the Strategy, in particular a good mechanism to promote information exchanges. Madagascar received additional GEF funding to develop its third national report.

The Africa Regional Workshop for Capacity Development Initiative (CDI) organized in 2000 identified the following capacity constraints:

- Assessment and the monitoring of biodiversity activities, in particularly taxonomy
- Sustainable conservation and use of the agricultural genetic resources
- Preservation of traditional knowledge
- Methodology to evaluate threats to biodiversity

Current status of the implementation of the Convention to Combat Desertification
Madagascar ratified the Convention in 1997. Madagascar has undertaken some measures to fight against desertification and reduce the effects of drought in concerned regions. The convention focal point is the Ministry of Environment, of Water and Forests. The National Coordination Organism (Organe de Coordination Nationale – OCN) has been established in 2003 as the main operational entity of the Convention. OCN is responsible for coordination, implementation and monitoring and evaluation of the National Action Plan. OCN includes representatives from civil society organizations.

The National Action Plan to Fight Against Desertification was adopted by the government in March 2003, in consultations with multiple partners. The Action Plan identifies the following 6 objectives:

- Improvement of knowledge related to desertification process
- Prevention and management of disasters and risks related to desertification
- Improvement of productivity and the standard of living (mainly in rural areas)
- Improvement of agricultural production, availability/access to food products
- Sustainable management of natural resources and land security

The NAP also includes a resource mobilization plan.

Madagascar has submitted 3 national reports to the Secretariat of the Convention. These documents report the implementation status of the country for the Convention. Biophysical indicators of drought and desertification are also included in these national reports.

Projects have been undertaken to fight desertification. The Rural Population Stabilisation project aims to improve the life of rural population through the development of best sustainable management practices. A financial mechanism to support activities for the implementation of the NAP has not been established, and accordingly the country has suffered from limited financial resources to implement the NAP.

The National Reports and NAP have identified the following gaps:

- Identification of the areas affected by desertification and threatened by drought (cartography)
- Establishment of an early warning system and/or reinforcement of the existing systems
- Prevention and management of drought situations
- Impacts of demography on land
- Vulnerability assessment
- Sustainable management of natural resources
- Ecological agricultural practices
- Valuation of various energy sources
- Systematic observation and assessment of hydrological and meteorological services
- Public education

Current status of implementation for the United Nations Convention Framework on Climate Change

Madagascar received a funding from GEF for the preparation of the Initial National Communication (INC) in 2003. The convention focal point is the Ministry of Environment, of Water and Forests. A national committee for climate change has been established to multi-stakeholder participation. For the Clean Development Mechanism (CDM), the Nominated National Authority (Autorité Nationale Désignée – AND) is playing the leading role.

The INC has undertaken the following activities

- Formulation of national inventory of the greenhouse gas
- Survey on vulnerability and adaptation
- Analysis of mitigation options

Various training for experts and workshops to raise awareness among decision makers and the public were organised.

The INC identifies capacity gaps in the following fields:

- Inventory of greenhouse gases
- Analysis of vulnerability and adaptation
- Comprehension of problems related to climate changes
- Research on climatology
- Reduction of greenhouse gas emission and carbon confinement
- Use of technologies
- Communication skills (Language, Internet)
- Integration of climate change issue into development context

Madagascar started National Adaptation Programme of Action (NAPA) in May 2005 with a funding of GEF. The NAPA objectives are:

- Identification of priority actions for adaptation to climate change
- Strengthen country's capacities for adaptation to climate change
- Integrate adaptation measures into overall development policies
- Identification of impacts of climate change

There are other sectorial programmes which contribute to good environment management. Such programmes include: reforestation activities; sustainable use of renewable energy sources; and development of plans for forest zoning and funds. The Rural Development Support Project targets at local communities, and is closely related to the sustainable management of natural resources. The programme for Drainage Basins Irrigated Perimeters adopts a holistic approach, integrating agro-biodiversity and water issues into economic development context.

II- 6. The environmental judicial framework

Madagascar has established a judiciary framework for environmental management under EAP Phase I and II. Nonetheless, the implementation of such framework has remained problematic. The mechanisms to protect the environment established within the MECIE have not been operational; activities which adversely affect the environment are not penalized properly.

The Law on Safe Local Management, which was approved in 1996, promotes the management of natural resources by local communities. Awareness raising activities on the Law were undertaken extensively, and received positive feedbacks from local communities. The Law contains a text on land insurance to mitigate issues of land insecurity in rural areas.

A decree to require investors to undertake an Environment Impact Assessment (EIA) was established in 1997, amended in 2000 and 2004. In 2003, the COAP was approved; this text indicates various types of protected areas and their institutional arrangement. A bill on genetic and intellectual propriety rights and a fair share of benefits of biodiversity is under formulation. Other regulations for the environment include:

- Tourism Code, which established regulations on tourism-related investments
- Water Code, which established the National Agency of Water and Sanitation (Agence Nationale de l'Eau et de l'Assainissement – ANDEA). ANDEA developed an integrated strategy on management of water resources.

II- 7. Institutional framework

The Office of the Presidency and Prime Minister is responsible for developing environmental policies. The Ministry of Environment, Water and Forests implements the policies. In early 1990s, the General Commissary of Environment was responsible for environmental issues, and the responsibility was transferred to the State Secretariat of Environment in 1994. In 1996, the State Secretariat became the Ministry of Environment. In February 2003, the Ministry was merged with two other ministries, and became the Ministry of Environment, Water and Forests (MINENVEF).

Since the development and implementation of EAP Phase I, Madagascar has undertaken a number of institutional reforms to promote environmental protection. The Office National pour l'Environnement (ONE) was created during EAP Phase I to coordinate EAP and activities under the MINENVEF. Phase II was executed by the following 5 units: 1) the Environment General Direction (Direction Générale de l'Environnement – DGE); 2) ANGAP; 3) ANAE; 4) SAGE; and 5) ONE. The Coordination Cell was responsible for coordination among these units.

The MINENVEF consists of Regional Directions responsible for each autonomous province and circumscription (smaller entity of province). The Agences d'exécution du Plan d'Action Environnemental (AGEX) exists either under Regional Directions or units in five autonomous provinces. EAP assisted the ONE and AGEX to develop capacity of environmental management. Nonetheless, more efforts are needed to develop the capacity of the ONE and AGEX, as well as other institutions involved in environmental protection. The proposed NCSA will endure the participation of all stakeholders, including governmental organizations, the private sector, community-based organizations and NGOs.

Many ministries have an environmental cell within the ministries to ensure that environmental aspects are taken into consideration. In mid-1990s, 14 environmental cells were created. Their experiences have been mixed; majority of them faced lack of human resources, equipment, and technical know- how. Recently, a decree to establish a platform for environmental cells was approved.

Local organizations, such as regions and communes, assume an important role in environmental management. Regions develop their Regional Development Plan and make strategic decisions to promote sustainable development, in close consultations with RDWG and RDC. Similarly, Communes formulate a Development Communal Plan, which contains the management of environment. Local organizations play a key role in environmental protection; their capacity development is critical. The proposed NCSA will ensure the participation of these local organizations. Additionally, local policies, such as Rural

Development Regional Directions, RDWG, RDC and the Circumscription of Water and Forest, will be fully reflected on the NCSA processes.

Research institutions are key actors in environmental management. The National Environment Research Centre (CNRE-Antananarivo), Institut des Sciences Halieutiques et Marines (ISHM-Tuléar) and National Oceanographic Research Centre (CNRO-Nosy Be), produce important knowledge on the status of environment, conduct various environmental research, and train future environment managers. The Institute for Energy Mastering undertakes a study on renewable energy and energy efficiency.

The National and International NGOs play an important role in the implementation of environmental programs and mobilizing resources. The NCSA will involve national and international NGOs.

OBJECTIVES, AND LINKAGES TO ONGOING ACTIVITIES

OBJECTIVES

The **main objective** of the project is to accomplish a self-assessment of national capacities in environmental management in Madagascar. The NCSA will be conducted in a participatory manner, and cover primarily the issues of biodiversity, climate change, and land degradation. The self-assessment will review past and ongoing efforts for capacity development, assess the existing capacities at the systemic, institutional, and individual levels, and formulate a strategy/action plan to address the identified capacity gaps. The NCSA will assess not only thematic capacity constraints but also capacity gaps that cut across thematic areas.

The **specific objectives** of the NCSA are:

- Stock-take past and ongoing activities for biodiversity, climate change, and land degradation issues
- Assess and analyze capacity gaps to address the global environmental issues. Prioritize thematic capacity gaps
- Analyze cross-cutting capacity constraints. Prioritize the capacity constraints
- Formulate an action plan to address identified thematic and cross-cutting capacity gaps, based on the previous assessments. Actions need to be prioritized carefully
- Develop a monitoring and evaluation system to promote the implementation of the action plan

The NCSA will be conducted in a participatory manner. Consultations will be organized throughout the NCSA process to ensure that the views of different stakeholders are reflected on the NCSA properly.

Approaches and principles

The following principles will be adopted for the NCSA implementation:

Build on existing mechanisms
The NCSA will build on the existing coordination system and cells. The Ministry of Environment, Water and Forests, will lead the project steering committee of the NCSA. Other key stakeholders such as governmental organizations, and NGOs will be actively involved.

Build on past and ongoing activities
The NCSA will build on past and ongoing assessments on capacity building as much as possible to avoid redundancy. Such relevant activities include: 1) National Reports and NBSAP for biodiversity; 2) National Communications and NAPA for climate change; and 3) NAP for land degradation.

Adopt a long-term approach
The NCSA is considered as an important step in the long-term process to promote integration of Rio Convention issues into overall development policies. All activities, including GEF-funded activities,

constitute a long-term national strategy. Due attention will be paid to ensure that the NCSA complements with the existing Environmental Action Plan and the PRSP.

Employ a holistic approach
To be effective, the NCSA will apply a holistic approach that will assess capacity constraints at individual, institutional, and systemic levels:

- At the systemic level, capacity development focuses on creating an enabling environment in which every individual and institution can work effectively. This level includes policy/regulatory frameworks, institutional frameworks, monitoring and evaluation system at the national level.

- At the institutional level, capacity development focuses on organizational capacity, including clear mandates/responsibilities, structure, human resources, operational procedures/processes, communications methodologies and infrastructure.

- At the individual level, capacity development focuses on various aspects of individuals, such as performance, knowledge, behaviour, and motivation.

Multi-stakeholder participation
The NCSA will involve relevant stakeholders, such as ministries, local governmental organizations, research institutions, NGOs, community-based organizations, and the Private Sector. Consultations will be organized throughout the NCSA process to receive views of stakeholders on key NCSA outputs and reflect them on the inputs.

Coordination with other projects
The NCSA will coordinate closely with other ongoing projects, in particular Environmental Programme III.

PROJECT ACTIVITIES

The NCSA process methodology, which is detailed in this chapter, follows the general steps below:

Establish a Project Management Office/ Organize an Inception Workshop
Stock-take Exercise
Thematic assessments at national level
Cross-cutting assessment at national level
Consultation workshops at regional level
Preparation of National Strategy and Action Plan
National Validation Workshop

1. **1. Establishment of a Project Management Office/ Inception Workshop**

a) Project Steering Committee

A Project Steering Committee will be established. The Committee will be led by the MINENVEF, and includes the national focal points of the three conventions and the GEF operational focal point. The Committee will be primarily responsible for providing strategic guidance to the NCSA and mobilising the participation of relevant stakeholders.

b) Mobilisation of relevant stakeholders

The Project Steering Committee will mobilize a high-level support to the NCSA process.

- The Steering Committee will gain understanding of and mobilize support from governmental organizations, such as the Ministries of Environment, Water and Forest, Agriculture, Farming and Fishing, Scientific Research, Superior Education, Plan, Finance and Economy , Mines and Energy.
- The Steering Committee will mobilize support from local governmental organizations, which play a key role in environmental management under the decentralization plan. The Chiefs of regions or rural development directors, and the Regional Committee for Development, Rural Development Work Group and rural chambers will be also involved in the NCSA process.
- Additionally, the Steering Committee will mobilize the Units for technical services at the local level such as the water and forest environment circumscriptions, agriculture, farming and fishing.
- Other key stakeholders include: NGOs; National Associations; AGEX; research and training institutions; and relevant, ongoing Programmes and Projects.

c) Coordination among relevant stakeholders/activities

There is an existing coordinating committee to facilitate collaboration and generate synergies among various activities. The existing coordinating committee will act as a coordinating committee for the NCSA project. The coordination committee is led by the Ministry of Environment, of Water and Forests, and includes a representative from each of the following organizations:

- Environmental cells of different Ministries
- National Focal Points of the Rio Conventions
- National Commissions of the Rio Conventions
- Coordination unit of PEIII
- GEF national coordinator
- NGO
- Others

d) Establishment of a Project Management Office (PMO)

PMO will be established to manage day-to-day activities of the NCSA. PMO will include: (1) National Project Director to be nominated by the Government; (2) Project Coordination to be recruited competitively; and (3) Project Assistant to be recruited competitively. Additionally, the National Focal Points of UNCBD, UNFCCC, and UNCCD will provide technical backstopping to the PMO, as needed.

e) Development of NCSA Workplan and Stakeholder Analysis

- PMO will prepare a project workplan. The workplan will list:
- Steps of the NCSA and their timeline
- Institutions to be involved for each step, and the responsibilities of these institutions. An institutional analysis will be undertaken
- Determine methodologies to be employed for each NCSA process (SWOT analysis)

f) Inception Workshop

An inception workshop will be organized to raise awareness on the NCSA among relevant stakeholders. Key stakeholders, such as the governmental organizations at the central and local levels, NGOs, community-based organizations, the private sector, and training and research institutions will be invited to

the workshop. The workshop also gives stakeholders an opportunity to provide their views on the NCSA. Such feedback will be incorporated into the NCSA workplan and future processes, whenever appropriate.

2. Thematic Assessment

The first step is to establish three working groups (CBD, FCCC, and CCD). Each working group consists of the Convention National Focal Point, national consultants, members from the Convention National Commission, and other relevant stakeholders. PMO will oversee the activities of the working groups. Each working group will undertake a stock-take exercise and an in-depth thematic analysis, and identify priority thematic capacity constraints.

a) Stock-take exercise

A stock-take exercise reviews past and ongoing activities for the Rio Conventions and capacity development. This exercise aims to help Madagascar summarize past key policies and strategies for the Rio Conventions and capacity development issues, and identify existing gaps. The documents to be covered include, but not be limited to:

- National Environment Policies and Strategies (e.g., NBSAP, INC, NAP)
- National reports to the Rio Conventions (e.g., national reports to CBD, FCCC, and CCD)
- Reports produced by all relevant projects/programmes

b) Thematic Assessments

Based on the stock-take analysis, an in-depth thematic assessment will be undertaken to identify thematic capacity constraints. First, priority substantive environmental issues in each thematic area will be determined. Then, capacity constraints which are attributable to the priority substantive environmental issues will be identified. Capacity gaps will be analyzed at the systemic, institutional and individual levels. Additionally, the following capacity categories will be considered in assessing capacity gaps: (1) capacity to formulate plans/strategies; (2) capacity to implement plans/strategies; (3) capacity to use information/knowledge; (4) capacity to engage stakeholders; (5) capacity to monitor and evaluate; and (6) capacity to mobilize resources necessary to implement activities. The NCSA Guidelines introduce various methodologies for thematic assessment; appropriate methodologies for Madagascar will be identified and employed.

c) Prioritization of Capacity Gaps

The capacity constraints identified during the thematic assessment will be prioritized. The criteria for the prioritization will be developed, in close consultations with relevant stakeholders.

3. Cross-cutting Analysis

A cross-cutting analysis will be conducted based on the thematic assessments. During the cross-cutting exercise, substantive environmental issues and capacity gaps that cut across the issues of biodiversity, climate change, and land degradation will be identified. Additionally, due attention will be paid to promote synergies between the NCSA and other programmes/projects and to ensure that the NCSA complements with overall development policies of the country.

a) Cross-cutting Analysis

The cross-cutting analysis will assess substantive environmental issues and capacity gaps that cut across multiple thematic areas (biodiversity/climate change/land degradation). Following areas have been identified as country obligations that are common among UNCBD, UNFCCC and UNCCD. One methodology is to assess capacity gaps based on these obligations:

- Sensitisation and communication
- National policy, judicial and regulatory frameworks
- Institutional mandates and coordination
- Information management
- Scientific data
- Technology transfer
- Incentive mechanisms

- Negotiations
- Cooperation and network constitution with other regions
- Capacity development
- Monitoring and evaluation

b) Analysis of Complementarity between the NCSA and Overall Development Policies
A detailed analysis will be undertaken to ensure that the results of NCSA up to this point complement with key strategies and policies, in particular the Poverty Reduction Strategy Paper (PRSP), Environmental Programme Phase III, and Rural Development Support Project.

c) National Consultation Workshop
A national workshop will be organized to present the results of the NCSA processes (i.e., stock-take exercise, thematic assessments, and cross-cutting analysis). Key stakeholders will be invited to the workshop, including governmental organizations at the central level, training and research institutions, and NGOs. Views from different stakeholders will be collated and documented. These feedbacks will be reflected on the NCSA outputs, accordingly.

4. Consultations and Capacity Assessment at the Regional Level
PDF A exercise shows that there is a wide gap between the central and regional levels in terms of implementation of the Rio Conventions. At the national level, an institutional arrangement has been set up, including the National Focal Points and National Commissions. A policy/regulatory framework (e.g., national action plans) also exists at the central level, implementation of policies are reviewed and compiled in national reports to the Conventions. Awareness raising campaign was conducted at the central level. Conversely, very limited efforts have been undertaken at the local level to comply with the Rio Conventions.

Under the decentralization policy, the role of local organizations in environmental management is becoming increasingly important. Local organizations are responsible for implementing effective environmental management, based on their rural development plan. Despite growing expectations, local authorities are poorly equipped to undertake the responsibilities. Their understanding on the Rio issues is limited, their technical skills/knowledge minimal. The NCSA will assess capacity constraints at the local level in environmental management.

a) Regional Workshops
A 1-2 day regional workshop will be organized in the following 7 regions to identify their substantive environmental issues and capacity gaps. Both thematic and cross-cutting substantive issues and capacity constraints will be reviewed:
- East: Alaotra Mangoro – Atsinanana – Analanjirofo
- North: Diana – Sava
- North-West: Betsiboka – Boina – Sofia
- West: Bongolava – Melaky – Menabe
- Centre: Analamanga – Itasy –Vakinankaratra – Amoron'i Mania – Haute Matsiatra
- South-East: Vatovavy Fitovinany – Atsimo Atsinanana
- South: Ihorombe – Atsimo Andrefana – Androy – Anosy

Following stakeholders will be invited to the regional workshops:
- Chief of Region
- Rural Development Director
- Circumscription of Environment, Water and Forest
- Agricultural Circumscription
- Regional Committee for Development
- Rural Development Work Groups
- Rural chamber (Tranoben'ny Tantsaha)
- Others

Regional workshops will cover the following key topics:

- Identification of ecosystems in the region (primary forests, humid zones, coral reefs)
- Identification of areas affected by biodiversity loss, land degradation, and climate change. Identification of their root-causes
- Analysis of existing capacities at systemic, institutional, and individual levels. Additionally, the following capacity functions will be examined: (1) capacity to formulate policies/strategies; (2) capacity to implement policies/strategies; (3) capacity to use information/knowledge; (4) capacity to engage stakeholders; (5) capacity to monitor and evaluate; and (6) capacity to mobilize resources necessary to implement activities.
- Prioritization of substantive environmental issues and capacity constraints Preparation of workshop report
- Identification of priority actions needed to address identified capacity gaps

b) Synthesis

A synthesis report will be produced to summarize the 7 regional workshops. The report will identify substantive environmental issues and capacity constraints (both thematic and crosscutting) common among regions. The report will prioritize the substantive environmental issues and capacity gaps.

c) National Validation Workshop

A national workshop will be organized to discuss the results of the regional workshops and national consultation workshop to validate the outputs. Key stakeholders including governmental organizations, NGOs, research and training institutions will be invited. A workshop report will be developed, which summarizes the substantive environmental issues and capacity gaps (thematic and crosscutting) identified at the national and regional levels. These substantive environmental issues and capacity gaps will be prioritized, based on criteria to be developed in close consultations with stakeholders. Priority actions will be identified to address capacity gaps.

5. Preparation of the NCSA Document

An NCSA document will be developed. The NCSA document will: (1) summarize the processes and outputs of the NCSA; and (2) propose actions to address the capacity gaps identified during the NCSA. The document will serve as an important document to raise awareness among key decision-makers, and mobilize resources from partners for the implementation of the NCSA action plan. The NCSA document will include the following:

- NCSA context and processes
- Priority substantive environmental issues in the areas of Climate Change, Biodiversity, and Land Degradation (thematic and cross-cutting)
- Priority capacity gaps (thematic and cross-cutting)
- Strategy and action plan to address priority capacity gaps
- Monitoring and evaluation mechanism to measure the implementation of the action plan

To facilitate the effective implementation of the NCSA action plan, a robust monitoring and evaluation mechanism should be established, including the development of indicators and designation of reliable sources of vilification. Additionally, a responsible party for each action will be identified.

The Action Plan should be integrated into broader development context, such as the Environmental Actions National Programme and the future Rural Development National Programme.

6. National Workshop

A national workshop will be organized to present and verify the NCSA document. All the key stakeholders, including governmental organizations at the central and local levels, research and training institutions, NGOs, and the private sector will be invited to the workshop. It is key to have representatives from the donor community to raise their awareness on the NCSA and mobilize resources needed to implement the action plan.

INSTITUTIONAL FRAMEWORK AND PROJECT IMPLEMENTATION

The project will be under the National Execution Modality (NEX). The Ministry of Environment, Water and Forests will execute the project. A Project Steering Committee will be established and be responsible for providing strategic guidance to the NCSA project. The Project Steering Committee will be led by the Secretary General of the Ministry of Environment, Water and Forests, who also acts as the GEF Operational Focal Point, and consist of the National Focal Points of the Rio Conventions and the National Project Director.

A Project Management Office (PMO) will be established. The PMO will consist of: (1) National Project Director (part-time) to be nominated by the Government of Madagascar; (2) National Project Coordinator (full-time) to be recruited competitively; and (3) Project assistant (part-time) to be recruited competitively. The PMO will be responsible for day-to-day management of the NCSA, including the preparation of detailed work plan and progress reports.

A Coordination Committee, which has existed already, will facilitate collaboration between the NCSA and relevant programmes/projects. The Coordination Committee consists of representatives from:

- Environmental cells of different Ministries
- National Focal Points of the Rio Conventions
- National Commissions of the Rio Conventions
- Coordination unit of PEIII
- GEF national coordinator
- NGO
- Others

Three Working Groups (Climate Change; Biodiversity; and Land Degradation) will be established to conduct various thematic and cross-cutting analysis. The Working Groups will include the National Focal Points of the Rio Conventions.

An International Consultant will be hired to assist the national project team to undertake NCSA processes. The International Consultant will provide technical guidance to the project team and contribute to building capacity of the national team.

V. WORKPLAN AND CHRONOLOGY

ACTIVITIES	Months							
	1	2	3	4	5	6	7	8
1. Establishment and preparation of the NCSA process								
a) Preparation committee								
b) Mobilisation of the stakeholders								
c) Establishment of the coordination structures								
d) Preparation of the NCSA process and referential frame								
e) National planning workshop								
2. Sectorial assessment at the national level								
a) Establish an inventory of fixtures								
b) Identify the priority issues for each convention								
c) Define the capacity to reinforce for each priority issue								
d) Define concrete actions to reinforce the capacities identified								
3. Intersectorial assessment at the national level								
a) Horizontal analysis between the 3 conventions								
b) Analysis of coherence with national programmes								
c) Restitution workshop of the national assessment								
4. Capacities consultations and assessments at the regional level								
a) Regional self-evaluation workshops								
b) Synthesis								
c) Restitution workshop of the regional assessment								
5. Synthesis and preparation of the National Plan and Strategy								
a) Preparation of the NCSA document								
b) Elaboration of the capacity strengthening Strategy								
c) Elaboration of support projects and fund requirement								
6. National Validation Workshop								

BUDGET (US $)

Activity	Stocktaking	PROCESS: (Assessments, Consultations, Workshops, etc)	PRODUCT : Assessment reports/ strategy and action plan	TOTAL (US$)
Thematic Assessments				
▪ Biodiversity	4,500	17,500	1,000	23,000
▪ Climate Change	4,500	17,500	1,000	23,000
▪ Land Degradation	4,500	17,500	1,000	23,000
▪ other (list)	1,500	7,500	500	9,500
Thematic Assessments sub-total	**15,000**	**60,000**	**3,500**	**78,500**

Analysis of cross-cutting issues and synergies	**7,500**	**45,000**	**2,500**	**55,000**
Strategy and action plan development (optional)	**7,500**	**25,000**	**2,000**	**34,500**
Coordination, management and monitoring and evaluation	**5,000**	**25,000**	**2,000**	**32,000**
Total	**35,000**	**155,000**	**10,000**	**200, 000**

(A link to the Guide for Self-Assessment of Country Capacity Needs for Global Environmental Management is provided here for use at the discretion of the proponent)