



MADAGASCAR

High-Priority Country Plan

GLOBAL WATER STRATEGY | 2022-2027

In 2022, Madagascar was re-designated as a High-Priority Country under the new U.S. government Global Water Strategy (the GWS or "Strategy"). Over the next five years of the Strategy period, USAID/Madagascar will continue to work with the Government of Madagascar (GOM) to develop systematic partnerships with water and sanitation institutions, communities, private sector actors, civil society organizations, and beneficiaries to strengthen the governance and monitoring of water and sanitation, improve access to water and sanitation services, and increase the sustained practice of healthy behaviors. USAID/Madagascar's investments over the next five years will lead to 225,000 people gaining access to at least basic drinking water services and 675,000 people gaining access to at least basic sanitation services; will mobilize roughly \$4 million for the water security, sanitation, and hygiene (WSSH) sector; and will train 375 water sector institutions.

CONTEXT

Globally, Madagascar ranks third from last in access to safe water and fourth from last in access to sanitation. Only 52 percent of the population has access to an improved water supply, and only 12 percent has improved sanitation facilities. Forty-four percent of Madagascar's population still practices open defecation, including 23 percent in urban areas. In rural areas, where 83 percent of Malagasy people live, only 35 percent of the population has improved water supply and only 9 percent has improved sanitation. In urban areas, only 18 percent of the population has access to safely managed sanitation facilities and 58 percent use unimproved toilets. Madagascar's population of roughly 29 million is also rapidly urbanizing, with the urban population increasing by 2.3 percent per year, putting increasing pressure on infrastructure and intensifying demand for services in cities and small towns.

Madagascar is the fourth-largest island in the world and has diverse hydroclimatic conditions, ranging from the moderate tropical climate in the high plateau, to tropical conditions with flooding and cyclones in the east, and extreme aridity in the south. The geographic and climatic variations mean that Madagascar's water resources are diverse, with water, sanitation, and hygiene (WASH) challenges varying dramatically from region to region and even from commune to commune. Climate change is affecting weather patterns, including increased severity of cyclones on the east coast, which has led to repeated disruptions of water services and destruction of infrastructure including latrines. In recent years, southern Madagascar has experienced recurrent droughts due to population growth, increasingly intense land use, annual cyclones, and erratic rainfall, among other factors, resulting in repeated emergency responses to address food and water insecurity.

The WSSH sector in Madagascar faces numerous challenges, including:

• Inadequate funding. Despite improvements in governance, inadequate funding for the WSSH sector continues to be a challenge. GOM funding only constitutes about 15 percent of the sector's financing, with the rest coming from donors and development partners like the World Bank, the European Union, UNICEF, and USAID. In 2022, the government invested \$67.5 million, an increase from \$16 million in 2021. However, it is estimated that the sector requires approximately \$173.3 million per year to achieve universal access.

- Poor sustainability of rural water services. This is primarily due to the lack of investment in professional service provision based on either sustained public investment or a private management model supported by a viable, customer-oriented business model. The lack of local capacity to manage, monitor, and regulate these services further contributes to this challenge.
- Weak enabling environment for private sector participation. Improving the enabling environment and stimulating the private sector, particularly for sanitation, continue to be challenging. While private actors are thriving within urban areas of Madagascar, private WASH actors are scarce. The market for low-cost sanitation solutions is underdeveloped, and there is a severe shortage of products and services.
- Recurring drought and water resources challenges in the arid south. Southern Madagascar faces numerous challenges, including population growth, land-use changes, and increasingly severe dry-season water shortages. These conditions drive water and food insecurity and recurrent humanitarian crises, in addition to internal migration to less-affected parts of the country.

Despite these challenges, there are opportunities for the WSSH sector. One such opportunity is the GOM"s support for a public-private partnership (PPP) approach to water service delivery. Under this approach, private sector actors can build and operate facilities, while municipal governments retain ownership of land and infrastructure. This model has been successful for rural water services and could be applied with sanitation service providers, who have had limited participation thus far. The Ministry of Water, Sanitation, and Hygiene (MoWASH) in Madagascar is currently developing Sewerage Master Plans for eight secondary cities and supporting regional and municipal governments in these cities to develop investment programs and tools for better management and coordination of interventions in the sanitation sector.

NATIONAL PRIORITIES

Established in July 2008, MoWASH is responsible for national water, sanitation, and hygiene priorities in Madagascar. The Ministry of Health oversees WASH in health care facilities, while the Ministry of Education is in charge of WASH in schools. These Ministries receive technical support from MoWASH. The National Authority for Water and Sanitation (ANDEA) is the executive agency responsible for developing integrated water resource management and sanitation strategies, planning, monitoring, and enforcement. The Water and Sanitation Regulatory Agency (SOREA) is responsible for setting standards, procurement, tariff structures, and conflict management for public water and sanitation services. OSOREA is not yet operational.

Limited access to clean water and poor sanitation and hygiene practices are of near universal concern in Madagascar. The National Development Plan 2015 established a set of broad, multisectoral objectives for the country. The GOM has committed to achieving the Sustainable Development Goal (SDG) of enabling 100 percent of the population to have access to safe drinking water and sanitation. As part of its commitment, the GOM established specific targets for the sector:

- By 2023: 60 percent of the population will have access to safe water (President's Directive, June 1, 2022); and,
- By 2030: 70 percent of the population will have access to basic drinking water, 90 percent of the population will be open defecation free and practicing handwashing with soap, and 55 percent of the population will be using basic latrines.

The Water Code in Madagascar establishes a universal right to water and provides guidelines for water and sanitation governance. It also defines the roles of various government actors responsible for the administration of WASH policy. MoWASH is in the process of developing a WASH sector policy that will align with the WASH sector plan. To encourage financing for the sector, the Ministry has completed costed plans for all 22 regions of Madagascar¹¹ with clear investment priorities to address inequities and ensure sustainability. In terms of monitoring, MoWASH has developed a revised national monitoring system that coordinates data collection at the regional level, enables decision-making at the national level, and facilitates knowledge management.

The new National Water, Sanitation, and Hygiene Policy confirms the designation of the National Authority for Water and Sanitation to coordinate integrated water resources management (IWRM) activities, including conservation projects, watershed and subwatershed protection, compliance monitoring, and collection of extraction and discharge fees. It includes national guidelines for decentralizing IWRM, optimizing technical knowledge and promotion of research for water resources conservation, and conciliatory management of water use conflicts.

USAID APPROACH AND RESULTS FRAMEWORK

The challenges presented above will be addressed through two projects, the USAID/Madagascar Urban Sanitation Activity (2023–2028) and the Rural WASH Activity (2023–2028), as well as targeted research to assess the availability of and demand for water resources in southern Madagascar (to be completed in late 2024). These Activities will work in select cities and select regions of Madagascar to maximize USAID's impact. Both the urban and rural Activities will address governance and finance; engage the private sector to deliver equitable access to safe, sustainable, and climate-resilient WASH services; increase demand for WASH products and services; and promote the sustained practice of healthy behaviors. All three Activities will address water resources management (WRM) to ensure the sustainability of service delivery and protect the environment. This will address Strategic Objectives (SOs) 1, 2, and 3 of the GWS. WASH activities implemented in southern Madagascar by the Bureau for Humanitarian Assistance (BHA) are detailed in SO 4.



STRATEGIC OBJECTIVE I

Strengthen Water and Sanitation Sector Governance, Financing, Institutions, and Markets

Improving water and sanitation governance in Madagascar focuses on (I) strengthening MoWASH's leadership of the sector; (2) reinforcing monitoring, analysis, and learning to influence policy; (3) improving tools, resources, and capacity at the regional and communal levels for planning, managing, monitoring and evaluating WASH service delivery; and (4) empowering communities and civil society organizations (CSOs) to advocate for their rights to safe, sufficient, and affordable WASH services.

Intermediate Results (IRs):

IR I.I Develop, strengthen, and implement inclusive laws, policies, and regulations

USAID/Madagascar, through the Rural WASH Activity, will continue to strengthen the legal and regulatory environment for WASH by supporting the development and finalization of the national WASH policy, development of the national WASH strategy, and finalization of the WASH sector plan, including assessing the costs of its implementation. The key themes in the national WASH strategy are: drinking water supply, sanitation, hygiene, integrated water resource management, risk and disaster management, private sector development, sector financing, multisectoral, institutional and legal arrangements and communication. The Urban Sanitation Activity will support the Regional Directorates for Water, Sanitation, and Hygiene and the Ministry of Decentralization and Territorial Management to develop sanitation master plans and to support selected cities and municipalities in developing citywide sanitation plans.

IR 1.2 Effectively mobilize and target public and private financing

Addressing challenges in Madagascar's WSSH sector will require closing the significant sector funding gap by mobilizing public financing to advocate for increased government expenditures for WSSH at the national, regional, and communal levels. Both USAID supported Activities, the Urban Sanitation Activity in particular, will work with banks and microfinance institutions to facilitate lending to the WASH sector, especially small service providers and sanitation enterprises. USAID/Madagascar will work with private WASH actors to professionalize, develop creditworthy business models, and finance small-scale performance improvement and infrastructure projects. To increase household affordability and willingness to pay, the Activities will support WASH enterprises to provide payment plans or engage village savings and loan associations (VLSAs) to help households save money.

IR 1.3 Improve the capacity and performance of national and subnational institutions

USAID/Madagascar's work with the MoWASH will continue to focus on improving national monitoring of regional government and private sector performance. The national monitoring and evaluation tool, *Suivi Eau et Assainissement de Madagascar*, is now being used by regional Ministry directorates to report to headquarters. At the subnational level, USAID/Madagascar supports the Regional Directorates of the MoWASH to plan and mobilize resources that incorporate the private sector and monitor the progress of their plans.

IR I.4 Advance transparency, accountability, equity, and efficiency through participatory, data-driven decision-making: Work in the WSSH sector balances the power delegated to public officials and water service providers with the power of CSOs, user groups, and consumer advocates. Activities will empower CSOs in water code roles and responsibilities and WASH rights, and strengthen regional CSO federations, giving local WASH needs and priorities influence at the national level. This work is supported by the national data collection and monitoring system.



STRATEGIC OBJECTIVE 2

Increase Equitable Access to Safe, Sustainable, and Climate-Resilient Drinking Water and Sanitation Services and Adoption of Key Behaviors

USAID/Madagascar will apply a market-based approach to increasing access to drinking water and sanitation products and services via private providers. The approach combines private sector supply of products and services with consumer demand, coordinated through communal government and supported by civil society.

Intermediate Results (IRs):

IR 2.1 Increase area-wide access to safe, equitable, and affordable sanitation services:

USAID/Madagascar's Activities will employ market-based approaches to increase area-wide access to inclusive, sustainable, and affordable sanitation services in both rural and urban areas. Demand activation through Community-Led Total Sanitation and behavior change initiatives, coupled with supply chain strengthening activities and a supportive enabling environment, will be critical to achieving area-wide coverage in rural areas. In cities and municipalities, the Urban Sanitation Activity will provide tailored technical assistance to supply chain actors such as masons, hardware stores, septic tank emptiers, and business associations, to increase the viability of their operations, expand their product offerings, and reach under- or unserved households.

- IR 2.2 Increase access to equitable, safe, reliable, and affordable drinking water services: USAID/ Madagascar will implement a PPP model that supports private sector water service providers to build and manage small drinking water systems in rural communes of Madagascar. These service providers enter into long-term contracts with the communal government, pay taxes, and collect fees for water use. Under this plan, USAID/ Madagascar will cultivate opportunities to expand beyond the populated parts of rural communes to meet the needs of more rural communities.
- **IR 2.3 Improve performance and climate resilience of water and sanitation service providers:** Under this plan, USAID/Madagascar will integrate climate resilience into all aspects of the Mission's water and sanitation Activities. Climate considerations will be taken into account from the design phase, ensuring that infrastructure is appropriately sized and designed to withstand changing temperature and precipitation patterns. Climate risk will be assessed throughout the portfolio, including in the siting of water systems, selection of construction sites, and design and placement of latrines.
- **IR 2.4 Increase adoption of key hygiene practices:** USAID/Madagascar will continue to support social and behavior change (SBC) initiatives to promote the uptake of water and sanitation products and services, as well as the sustained practice of improved sanitation and hygiene behaviors. The SBC activities will go beyond traditional communication approaches to include principles from human-centered design, behavioral economics, etc. USAID will support the MoWASH to develop a national strategy on menstrual hygiene management in support of young women and girls. Gender and social inclusion will be key aspects to address, including the responsibilities of men and women in decision-making around the uptake of sanitation products and services, and opportunities to increase men's participation in advocacy and women's decision-making power.



STRATEGIC OBJECTIVE 3

Improve Climate-Resilient Conservation and Management of Freshwater Resources and Associated Ecosystems

USAID/Madagascar's WSSH portfolio will work to improve climate-resilient management of freshwater resources in targeted regions of the country. Rural water and sanitation activities will work to develop groundwater and surface water resources for drinking water in rural communes. Additionally, the Mission will assess the opportunities and challenges in water resources development in Madagascar's arid south to address challenges related to climate change, population growth, and underdeveloped water infrastructure.

Intermediate Results (IRs):

- **IR 3.1 Allocate** and use water resources more equitably and efficiently: USAID/Madagascar's water interventions will focus on developing and allocating water resources in a safe, efficient, and equitable way. Future efforts will help safeguard water resources in intervention watersheds to ensure equitable and efficient downstream use of freshwater.
- **IR 3.2** Enhance reliability and quality of water resources through watershed management, including protection, restoration, and nature-based solutions: USAID/Madagascar's rural WASH Activities recognize that agriculture and development in upper watersheds reduce water quality in reservoirs and make treatment difficult. Efforts will be made to mitigate the effects of agricultural development in critical watersheds or to encourage communities to advance reforestation and sustainable forestry.
- **IR 3.3 Improve the climate resilience of water resources management:** Working in rural water supply and in Madagascar's arid south requires that climate resilience be a key consideration in Activity design and implementation. USAID/Madagascar will engage in a robust evaluation of water resources and precipitation patterns, in addition to demographics, to rightsize systems sufficiently for climate change scenarios and population growth. In the south, USAID/Madagascar is conducting a water assessment in the six most vulnerable, drought-prone districts to develop clear, actionable recommendations and best practices for improving access to water and sanitation there.



STRATEGIC OBJECTIVE 4

Anticipate and Reduce Conflict and Fragility Related to Water

Madagascar is highly susceptible to droughts, particularly in the arid south, and to flooding on the coast due to heavy rains and seasonal cyclonic activity. These shocks exacerbate the already poor reliability of water services, rendering many systems inoperable for extended periods. USAID/Madagascar's BHA-funded resilience and emergency activities will address WASH needs for vulnerable populations.

Intermediate Results (IRs):

- **IR 4.2 Address humanitarian water, sanitation, and hygiene needs:** In Madagascar's drought-prone south, USAID will support the construction and rehabilitation of boreholes to provide vulnerable communities with safe water. In addition, Water User Associations will be supported to develop water facility management and preventive maintenance plans. This work will also be accompanied by SBC efforts to promote the construction of handwashing facilities and use of pit latrines.
- **IR 4.4 Strengthen coherence across humanitarian, development, and peacebuilding approaches to water and sanitation programming:** Through the WASH cluster coordination structure, USAID/Madagascar and its partners will collaborate to identify opportunities for integrating interventions and share data to work across the continuum of humanitarian and development interventions. These partners will work in the arid south of Madagascar and proactively identify synergies to facilitate coherent WASH and health interventions and outcomes.

PRINCIPLES

USAID/Madagascar integrates the GWS Operating Principles throughout its programming. Its investments work to strengthen **national**, **regional**, **and local systems** that include the public and private sectors and communities. Interventions prioritize **marginalized and underserved** populations in urban areas and rural populations, including in the south. USAID/Madagascar also prioritizes **evidence**, **research**, **learning**, **and innovation** through assessments, including one in southern Madagascar, and Significant amounts of formative research, market assessments, and gender assessments are conducted to contextualize interventions in both urban and rural communities. The Mission also incorporates **resilience** across its programming to advance, sustain, and safeguard progress in water and sanitation. This is particularly important in the face of shocks and stressors, such as the recent drought in the south, increasing water stress induced by climate change, and recurrent destruction due to cyclones.

MISSION RESULTS FRAMEWORK

The approaches and objectives outlined in this plan advance USAID/Madagascar's existing priorities, which are laid out in its Country Development Cooperation Strategy (CDCS). Specifically:

Development Objectives (DOs):

DO I – Improved Human Capacity to Contribute to the Country's Journey to Self-Reliance: Both the Urban Sanitation and Rural WASH Activities will increase health and care-seeking behaviors, increase the availability of WASH products and services, leverage resources for WASH, and improve governance and leadership in the WASH sector.

DO 2 – Government Accountability and Effectiveness Improved in Order to Mitigate Cyclical Political Instability: Investments in rural WASH in particular will mobilize government resources at the commune level and address capacity gaps among key government personnel.

DO 3 – More Sustainable Economic Opportunities are Available for Poor Populations: WASH investments will support improvements in the enabling environment for the private sector by addressing weaknesses in markets and supply chains and increasing access to finance.

KEY RISKS AND MITIGATION STRATEGIES

Climate change in Madagascar is leading to variations in weather patterns that have significant potential to disrupt or require the redirection of activities. To support climate change adaptation, USAID/Madagascar is focused on prioritizing climate-resilient water and sanitation systems and infrastructure. Practically speaking, this means building redundancy in water service provision and identifying latrine designs that can work in areas that have high water tables or are vulnerable to floods and cyclones. Activities work with rural water service providers to improve water services. Professional management and maintenance of rural water systems will help ensure that water supply services remain operational.

Madagascar has experienced a series of **disease outbreaks** over the last several years. The country faces annual outbreaks of plague and has recently seen a resurgence of measles, both of which required funding redirection and a specific focus on those outbreaks. The COVID-I9 outbreak similarly required refocusing WASH activities on hygiene, schools, and health clinics as USAID WASH projects joined the broader donor community in responding to the pandemic. Persistent disease outbreaks are an indication of the continued WASH needs in-country and a reminder that Madagascar's needs are widespread in both urban and rural contexts. Strategies to mitigate these outbreaks include increasing surveillance, increasing vaccination coverage, and strengthening health and WASH systems.

BUDGET

This plan is costed based on prior year resources that are still available for programming, the FY 2022 estimated allocation of \$8.3 million, and the FY 2023 President's Budget Request of \$7.25 million.

EXPECTED RESULTS



225,000 people will gain new or improved access to water services, including 110,000 people gaining first-time access to at least basic services



675,000 people will gain new or improved access to sanitation services, including 70,000 people gaining first-time access to at least basic services



375 institutions strengthened



\$4 million of funding mobilized

Endnotes

- I UNICEF/MEAH, Madagascar WASH Investment Case, 2017.
- 2 WHO/UNICEF Joint Monitoring Programme (JMP), 2015.
- 3 Ibid.
- 4 UNICEF, Multiple Indicator Cluster Survey (MICS), 2018.
- 5 Ibid.
- 6 WHO and UNICEF, JMP Global Database, 2017.
- 7 Institut National de la Statistique (INSTAT) et ICF, Enquête Démographique et de Santé à Madagascar, 2021.
- 8 Recensement Général de la Population et de l'Habitation (RGPH3/INSTAT), 2020.
- 9 Government of Madagascar decree, N° 2003-192, 4 Mar 2003.
- 10 Government of Madagascar decree, N°2003-939, 9 Sept 2003.
- II Completed in 2017-2018 when Madagascar was organized in 22 regions.