SOUTHERN MADAGASCAR WATER ASSESSMENT

Management opportunities Report

23 July 2024

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Aquaya contacts:

Ranjiv Khush, Project Director
ranjiv@aquaya.org

Jeff Albert, Deputy Project Director
jeff@aquaya.org

Dayna Hansberger, Senior Program and Operations Manager
dayna@aquaya.org

ABOUT USAID/REAL-WATER

USAID Rural Evidence and Learning for Water (REAL-Water) is a five-year partnership that develops and evaluates strategies for expanding access to safe, equitable, and sustainable rural water services. REAL-Water supports policy makers, development partners, and service providers to make strategic decisions and implement best practices for water management through implementation research. It also ensures coordination with USAID programs contributing to the water, sanitation, and hygiene (WASH) and water resources management (WRM) knowledge base, in alignment with the USAID Water for the World Implementation Research Agenda. For further information about this and other aspects of the project, as well as to access our knowledge products, please visit globalwaters.org/realwater.

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List of abbreviations and acronyms

AES	Alimentation en Eau dans le Sud
AfDB	African Development Bank
BDEA-SESAM	Base de données sur l'eau, l'hygiène et l'assainissement
BNGRC	National Office of Risk and Disaster Management
CCR	Regional Consultative Committee
COPIL	The Project Mionjo Steering Committee
CTD	Collectivités territoriales décentralisées
DEC	Development Experience Clearinghouse
DREAH	Direction Regionale de l'Eau, Assainissement et Hygiène
EU	European Union
FDL	Local Development Fund
FGD	Focus Group Discussions
GIS	Geographical Information System
GoM	Government of Madagascar
IDA	International Development Association
IRWM	Integrated Resources Water Management
KII	Key Informant Interview
MDAT	Ministry of Decentralization
MEAH	Ministère de l'Eau, de l'Assainissement et de l'Hygiène
MEF	Ministry of Finance
MINAE	Ministry of Agriculture
MOD	Maitre d'Ouvrage Déléguée
MUS	Multi Uses Services
PAAEP	Projet d'amélioration de l'accès à l'eau potable
PICAS I	Programme de Pôles intégrés de croissance agricole et agro-industriel au Sud de Madagascar
PID	Project Information Document
PLDII	Local Development Plans
PMH	Pompe à motricité humaine
PMU	Project Management Unit
PPP	Public-Private Partnership

PPP-C	Public-Private Partnership - Community
NGO	Non-Governmental Organization
SEED	Sustainable Environment and Economic Development
SLC	Local Consultation Structures
SOP	Standard Operating Procedure
SOREA	Organisme Régulateur du Service Public de l'Eau Potable et de l'Assainissement
STEAH	Services Techniques de l'Eau, Assainissement et Hygiène
USAID BHA	USAID Bureau for Humanitarian Assistance
USAID HPN	USAID Health, Population and Nutrition
WASH	Water Sanitation and Hygiene

EXECUTIVE SUMMARY

This Management Opportunities report results from the Southern Madagascar Water Assessment Buy-In. It presents strategic and actionable recommendations to enhance water supply management systems across rural, water-stressed regions of southern Madagascar. We have prepared this set of illustrative recommendations in part to inform the new USAID Rano Maharitra project launched in May 2024, which seeks to improve rural households' access to drinking water, sanitation, and hygiene in target areas that include the Anosy and Androy.

KEY FINDINGS

Although surface and groundwater availability challenges remain across the Grand Sud, the most pressing challenges we identified are weak rural water supply management systems. In parallel, widespread and rapid infrastructure rehabilitation works currently underway are overwhelming the limited local institutional capacities. Specific problems include:

1. systemically dysfunctional village-level water supply infrastructure, including those rehabilitated within the last few years;
2. a lack of technical and management capacity on the part of communes and communities to manage and maintain their own small-scale village supplies (boreholes installed with manual pumps); We note an absence of O&M from World Bank's water infrastructure plans, which could represent a programming gap for USAID to consider filling for and impact.
3. a lack of administrative, financial, and technical capacity in communes and the Direction Régionale en Eau, Assainissement et Hygiène (DREAH)s to manage and effectively regulate affermage contracts;
4. underperforming private operator technical and management services, in large part due to inadequate tariff recovery;
5. widespread lack of commune and community readiness to transition from informal water supply system management to formal management (with rigid payment requirements);
6. a lack of effective operational coordination mechanisms among donors and implementers within the sector; and
7. BHA's recently rehabilitated water points across Beloha and Tsihombe districts (Androy Region) are now non-functional. There are opportunities for collaboration between the USAID/HPN and USAID/BHA teams that reinforce integrated humanitarian / development NEXUS programming;

PARTNER AND STRATEGY ALIGNMENT

The World Bank-financed Project Mionjo includes rehabilitating approximately 700 rural boreholes equipped with manual pumps, including conversion to solar-powered pumps. This significant multi-sectorial project continues to shape the rural water supply system management dynamics across the area of interest in the Grand Sud.

We have held detailed consultations with project personnel, who have confirmed gaps in programming related to water supply institutional capacity building and community and private sector support that can be addressed by USAID Madagascar, potentially via Rano Maharitra if Mission and activity personnel are

amenable. The project Mionjo team has indicated interest in actively collaborating with USAID, and we note that close coordination will be required with other major project stakeholders, including the World Bank Projet d'amélioration de l'accès à l'eau potable (PAAEP), the European Union's (EU) Green Deal, and the African Bank for Development (AfDB) Programme de Pôles intégrés de croissance agricole et agro-industriel au Sud de Madagascar (PICAS 1).

RECOMMENDATIONS

We have developed illustrative recommendations in Table 1, designed around three strategic themes, to improve community- and privately operated water supply management system performance and overall infrastructure sustainability. Successful implementation will offer broader benefits across agricultural productivity and improved opportunities for women. These illustrative recommendations include potential programming opportunities to address the identified challenges and Project Mionjo gaps via technical and management support to 1) communes, to manage water supply local investment planning and affermage contracts in collaboration with private operators and the DREAH; 2) small villages (nominally less than 500 individuals) through Public-Private Partnership - Community (PPP-C) arrangements and private operators.

Table 1 Recommendations overview

Theme	Programming opportunity areas
Theme 1: Set up private water supply providers for success	• design and deliver management and business administrative support to private sector water supply operators • develop modalities for smart subsidies to assist private operators to improve technical maintenance services (by improving the value proposition of rural scheme service delivery) • develop maintenance and repair mechanisms for community-managed (PPP-C) water points • support measures for the adoption of consolidated (regional) affermage contracts • community engagement to increase willingness-to-pay for water supply services
Theme 2: Local and national institutional capacity reinforcement	• advocate with the MEAH to advance institutional actions to improve the private operator environment • establish a centralized mechanism for monitoring and reporting functionality and other performance parameters in a regularly updated public database • fund an extended senior WASH officer secondment to the Ministère de l'Eau, de l'Assainissement et de l'Hygiène (MEAH) • support local-level capacity development across the DREAH and communes
Theme 3: Improve operational and coordination	• reinforce USAID Madagascar Mission USAID/ Health, Population and Nutrition (HPN) and USAID/ USAID Bureau for Humanitarian Assistance (BHA) operational cooperation • encourage USAID/BHA and USAID/HPN to explore opportunities to integrate the private sector into humanitarian interventions more effectively • support national- and local-level operational coordination platforms • Collaborate with the World bank on O&M aspects to complement their projects and improve impact

Solving the identified challenges, such as underperforming and failing water supply infrastructure as well as , inadequate institutional arrangements are likely to improve water supply across the study. However, uncertainties remain regarding the capacity of local aquifers to meet long-term water demand across the Grand Sud under different population and development scenarios (particularly with respect to localized saline and brackish groundwater across the shallow coastal sedimentary aquifers). Further hydrogeological exploration will offer a better understanding of the sustainable yields of these aquifers.

The imperative for addressing groundwater yield uncertainties and broader integrated water resource management goals will depend in part on the progress of ongoing World Bank surface water development projects on the Mandrare and Efaho rivers. In the meantime, all involved stakeholders should be exploring opportunities for unified water supply and water resource planning.

NEXT STEPS

A review workshop with the USAID team is planned for mid-July to discuss the recommendations and develop a project roadmap, the review of which by USAID could lead to activity design and refinement, whether via Rano Maharitra or otherwise.

INTRODUCTION

MANAGEMENT OPPORTUNITIES REPORT OBJECTIVES

This report presents strategic and actionable recommendations to "meet the needs of rural people living in water and food-stressed parts of the arid south that includes key Mission priorities by working through the private sector, considering scalability and sustainability, and exploring appropriate use and targeting of subsidies" (per the Buy-In Scope of Work). Raw data collected through the project, including GIS data, will be shared with USAID and uploaded to the DEC and DDL as appropriate.

COMPLETED BUY-IN ACTIVITIES

1. In December 2023, **a desk study was completed**, including a literature review of water resources and a gap analysis.
2. A two-**week technical team field visit** across the Area of Interest (AOI) occurred in January - February 2024, followed by **72 Focus Group Discussions (FGD**) in February 2024.
3. **61 Key Informant Interviews (KII)** were completed throughout the Buy-in period. **Additional meetings with USAID, Project Mionjo, and CARE** representatives were held in early July to discuss recommendations and future coordination opportunities.
4. A "**Grand Sud water security donor discussion" workshop** was convened on 25 April 2024 to discuss coordination and programming opportunities with major donors and the MEAH.
5. A **Technical Report** (May 2024) was completed detailing the technical field visit, FGDs, KIIs, gap analysis, and the presentation of preliminary strategy recommendations.

REPORT STRUCTURE AND NEXT STEPS

This report presents a contextual overview and recommendations across three strategic themes, including possible programming opportunities. We also present an implementation framework, a risk assessment, and a list of priority recommendations. The preceding Desk Study and Technical Assessment reports should be referred to for study technical details and analysis.

A final Buy-In review workshop is scheduled for 19 July 2024 at Antananarivo to present and discuss these strategic recommendations with the USAID team. The review workshop is the final scheduled study activity.

OVERVIEW

SUSTAINABLE WATER SUPPLY DEVELOPMENT ACROSS THE GRAND SUD: THE CHALLENGES

Although surface and groundwater availability challenges remain across the Grand Sud, the most pressing challenges we identified are weak rural water supply management systems. In parallel, widespread and rapid infrastructure rehabilitation works currently underway are overwhelming the limited local institutional capacities. Specific problems include:

1. systemically dysfunctional village-level water supply infrastructure, including those rehabilitated within the last few years;
2. a lack of technical and management capacity on the part of communes and communities to manage and maintain their own small-scale village supplies (boreholes installed with manual pumps);
3. a lack of administrative, financial, and technical capacity in communes and the DREAH to manage and effectively regulate affermage contracts;
4. underperforming private operator technical and management services, in large part due to inadequate tariff recovery;
5. widespread lack of commune and community readiness to transition from informal water supply system management to formal management (with rigid payment requirements); and
6. a lack of effective operational coordination mechanisms among donors and implementers within the sector.

The risks of transitioning from community to private operator-managed water supply are presented in Annex A.

ALIGNMENT WITH RANO MAHARITRA - THE NEW USAID PROJECT IN THE GRAND SUD

Our assessment was undertaken in parallel with the development of the new USAID-funded Rano Maharitra project. The five-year project (launched at the end of May 2024 with a national budget of $35 million) aims to improve rural households' access to drinking water, sanitation, and hygiene across Madagascar, including the Anosy and Androy regions. It is in the preliminary planning phase and includes:

- **Institutional capacity** development and intersectoral coordination across all levels.
- An **improved offer of WASH products** to respond to local population needs.
- **Increased financing** to support the WASH sector.
- **Increasing the access and use of WASH** products and services.

CARE leads the Rano Maharitra consortium, which includes BUSHPROOF, iDE, MIARAKAP, SANDANRANO, and WaterAid. We have held detailed discussions with CARE to ensure that the recommendations presented in this report inform and align with the operationalization of Rano Maharitra, particularly with respect to market structure and capacity building of local operators.

STRATEGIC AND OPERATIONAL COORDINATION – THE WORLD BANK / PROJECT MIONJO AND OTHER INTERNATIONAL ACTORS

Significant ongoing and planned investments by the World Bank (PAAEP and Mionjo), the EU (Green Deal), and the AfDB (PICAS 1 – Water transfer from the Efaho river to the Ambovombe area) will continue to shape the water supply sector across the Androy, Anosy and Atsimo Andrefana regions.

The Mionjo project is of particular relevance to USAID planning because it includes the rehabilitation of over 700 rural boreholes in 235 communes (with Phase 1 scheduled to finish in 2025 and Phase 2 through to 2029) across the area of interest, with long-term system management to occur through PPP and PPP-C arrangements (for systems that are too small and/or isolated to warrant private operator involvement).

Since 2020, Project Mionjo has worked at the regional governorate level, establishing new institutional approaches to improving local decision-making mechanisms and local authority financing channels. This includes establishing the Local Development Fund (FDL), enabling Mionjo to directly finance communes rather than having financing pass via the ministries' offices. The project works closely with the Regional Consultative Committee (CCR) and the Local Consultation Structures (SLC) set up across all targeted communes to help improve activity continuity despite local political and staff changes. Communes are selected for interventions via the commune investment requirements documented in Local Development Plans (PLDII). These institutional arrangements will benefit future local USAID programming, necessitating close coordination with the Mionjo team and local stakeholders.

The Project Mionjo team has confirmed interest in actively collaborating with future USAID programming across the study area to complement ongoing activities. The Mionjo team pointed to the following opportunities for USAID programming that are not covered within the Mionjo remit:

- provision of maintenance, monitoring, and management support to communes to manage water supply local investment planning and affermage contracts in collaboration with private operators and the DREAH;
- provision of water point management support to small villages (nominally less than 500 individuals) through PPP-C arrangements; and
- provision of technical and management support to private water supply operators.

We suggest that USAID build on the Buy-in team's recent discussions with Project Mionjo and other key actors, including the MEAH, to ensure that programming is well-coordinated and aligned to complement but not duplicate other actor activities, notably related to commune, Services Techniques de l'Eau, Assainissement et Hygiène (STEAH), and commune capacity-building. Annex B presents an overview of Project Mionjo to help inform USAID planning and future collaboration discussions.

RECOMMENDATIONS OVERVIEW

The strategic recommendations presented herein address the above-listed challenges while following USAID's requirements to focus on 1) rural geographical target zones across the Grand Sud and 2) institution and capacity-building water supply programming elements.

Our recommendations are intended to help build robust community and privately operated water supply management systems that improve infrastructure sustainability, and should offer broader benefits in agricultural productivity and improved opportunities for women.

As presented in Figure 1, we have grouped our recommendations into three themes: 1) Private operator and community support, 2) Institutional capacity development, and 3) Improved coordination. In practice, overlaps exist between these recommendations, creating significant opportunities for integrated programming. USAID will need to prioritize the programming opportunities and recommendations for incorporation into the Rano Maharitra planning process.

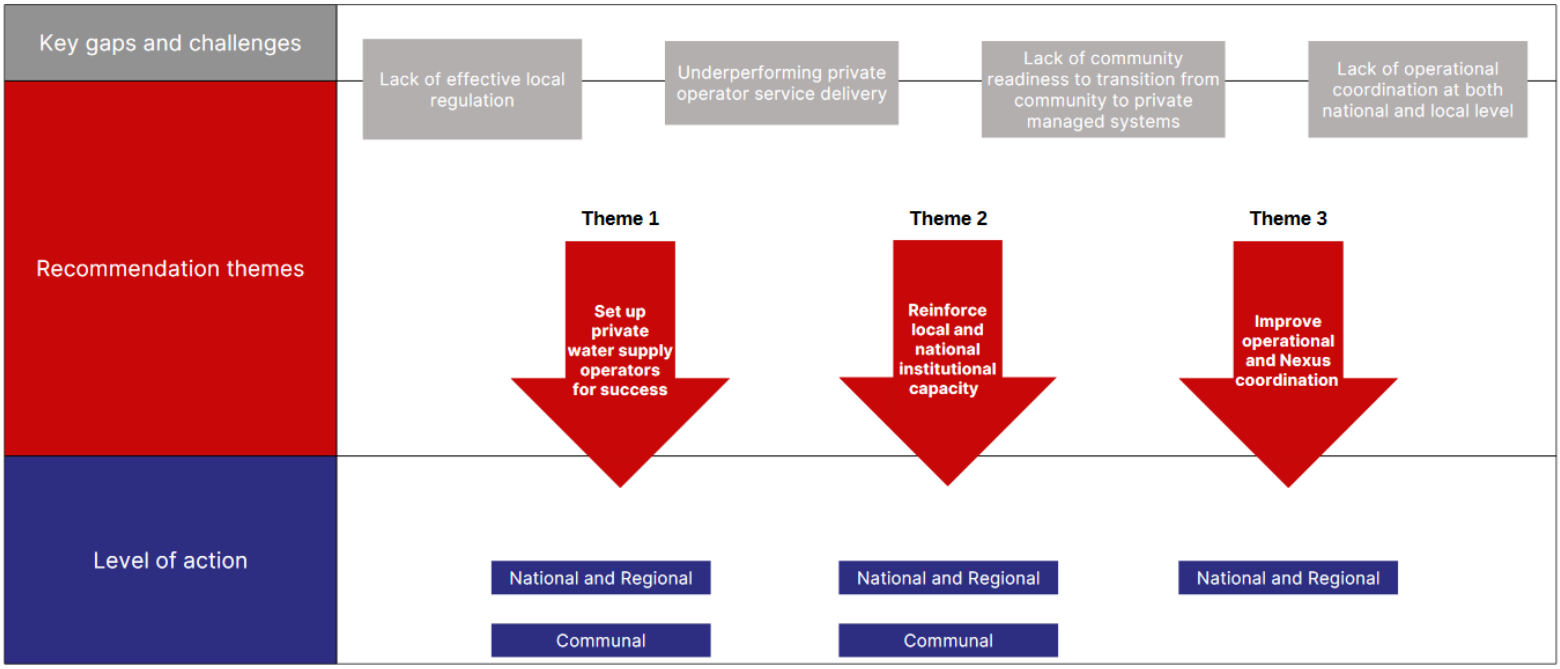

Figure 1 Strategic recommendations overview

THEME 1: SET UP PRIVATE WATER SUPPLY OPERATORS (VIA PRIVATE-PUBLIC PARTNERSHIPS (PPP)) AND COMMUNITY-MANAGED SYSTEMS (PPP-C) FOR SUCCESS

PROGRAMMING OPPORTUNITIES

DESIGN AND DELIVER MANAGEMENT AND BUSINESS ADMINISTRATIVE SUPPORT TO PRIVATE WATER SUPPLY OPERATORS

Long-term capacity-building can help private operators improve their management practices, efficiency, and service delivery, contributing to improved water supply infrastructure sustainability. Such activities could include:

1. **Defining private operators' specific needs:** working with local private operators through capacity mapping and workshop exercises to define existing service capacities, financing, and geographical coverage.
2. Using needs analysis outputs to:
    - **design and implement professional training** in business plan development, infrastructure maintenance, asset management planning, borehole upgrades from manual to solar-powered pumps, monitoring, billing, financial planning and strategies, management, taxation, and community engagement, among others
    - **organize peer-to-peer experience-sharing workshops** involving private operators (such as Sandandrano) from other regions in Madagascar that operate successful businesses.
    - elevate **data collection, reporting, and management systems** to track water quality, supply, and usage patterns. This could involve smart meters and using Geographical Information Systems (GIS) to map and monitor the distribution network.

DEVELOP MODALITIES FOR SMART SUBSIDIES TO ASSIST PRIVATE OPERATORS TO IMPROVE TECHNICAL MAINTENANCE SERVICES (BY IMPROVING THE VALUE PROPOSITION OF RURAL SCHEME SERVICE DELIVERY, IN PARTICULAR FOR HAND-PUMP SYSTEMS (PMH))

The economics of rural water supply are usually challenging, and the Grand Sud of Madagascar represents a particularly difficult operating environment. Intelligently designed subsidies for private operators could increase financial viability. **Performance / results-based subsidies** condition subsidies on pre-defined outputs, such as functionality and breakdown response time. Revenue matching is also an option to further incentivize tariff recovery. All performance-based subsidies require verification, which can be time and resource-intensive, so they must be designed thoughtfully, with attention and resources directed at doing verification sensibly and reliably, which could include investments in monitoring technology (such as automated loggers in operating boreholes to measure long-term groundwater levels, automated flow monitoring, etc.). Given that women are primarily responsible for water collection across the rural zones of the study area, grants that encourage female participation in monitoring activities and the reporting process could be included.

DEVELOP MAINTENANCE AND REPAIR MECHANISMS FOR COMMUNITY-MANAGED (PPP-C) WATER POINTS

Despite the widespread upgrade of boreholes across the area of interest, a significant proportion of village-level water supplies will continue to rely on community-managed boreholes equipped with manual pumps. Although Mionjo has adopted PPP-C as the long-term management strategy for small-

scale, isolated supplies, no coherent regional programming exists to support communities or communes in operating and maintaining these supplies. To address this gap, we highlight the following programming opportunities:

1. collaboration with the Project Mionjo team to **map small-scale supplies expected to fall within the PPP-C management category**;
2. **support of existing local institutions** (e.g. the professionalization of FIFARAFIA, a grassroots organization that specializes in manual pump repair and offers community and commune reach, but lacks the management and technical capacity); and

SUPPORT MEASURES FOR THE ADOPTION OF GROUPED (REGIONAL) AFFERMAGE CONTRACTS

Our analysis suggests that populations of at least approximately 2000 inhabitants are necessary for a private operator to be able to manage a financially viable, geographically isolated water supply system due to low revenue generation, high operating costs, and weak consumers' purchase power. Consolidating numerous small-scale water systems can lead to economies of scale and operational efficiencies in the Grand Sud (where individual water systems may serve less than 500 people). Although such consolidation can offer these advantages, the MEAH does not currently engage in regional affermage contracts.

The following are illustrative activities for generating evidence to support the formalization of regional affermage and the implementation of appropriate regulations with the MEAH:

1. organizing private operator workshops or individual work sessions facilitated by business professionals to **analyze current business models** and to **confirm the critical mass of water users necessary to achieve profitable, professional service delivery**;
2. using workshop outputs to **develop a robust business plan model** that includes realistic operating costs, a fair water tariff system, and the number of water users required to ensure profitable operations;
3. organizing **technical workshops with other implementing partners** (Mionjo, UNICEF, AfDB) to critically evaluate the potential for grouped affermage contacts across the Grand Sud to establish a common position, including examples of successful consolidation efforts elsewhere; and
4. exploring the possibility of financing **MEAH staff on exchange missions** to countries that have employed regional affermage, such as Benin or Cambodia.

COMMUNITY ENGAGEMENT TO INCREASE WILLINGNESS-TO-PAY FOR WATER SUPPLY SERVICES

Improving communities' understanding of the need to pay for professional clean water provision is essential to improve the enabling environment for private operators. To achieve this, well-designed, targeted awareness and education campaigns are worth considering. These could include **community forums**, **participatory decision-making processes**, and **feedback mechanisms** to ensure that the water supply solutions align with the community's needs and requirements, **regional awareness campaigning** through radio, social media, and other local media (developed in local languages), **communicating the importance of sustainable water use, payment for water**, and the **health implications of water quality**. Community awareness programs should highlight the importance of gender equality in water management.

THEME 2: LOCAL, REGIONAL AND NATIONAL INSTITUTIONAL CAPACITY REINFORCEMENT

PROGRAMMING OPPORTUNITIES

ADVOCATE WITH THE MEAH TO ADVANCE INSTITUTIONAL ACTIONS TO IMPROVE THE PRIVATE OPERATOR ENVIRONMENT

Changes in MEAH policies will occur against a political backdrop and will take time. For example, in Benin, the government adoption of regional affermage contract awards took approximately 15 years. The following illustrative recommendations, therefore, assume a long-term approach requiring sustained advocacy, dialogue, and stakeholder coordination:

1. development of an **updated Grand Sud Water Supply Master Plan** to provide a clear objective basis for partner coordination and investment (refer to Theme 3);
2. establishment of an effective **MEAH-managed water point data management system** (see recommendations below);
3. advocacy for the implementation of the water code and the effective creation of the regulatory body for the water sector (Organisme Régulateur du Service Public de l'Eau Potable et de l'Assainissement) (SOREA)).
4. development of updated **fit-for-purpose affermage contracts** for the Grand Sud;
5. development of a **trial water supply system monitoring framework** for private operators, including a toolbox with clear guidelines, policies, and procedures for reporting and evaluating water systems; and

   encouragement of **integrated programming** via workshops between the Ministries of Agriculture (MINAE), Decentralization (MDAT), and Finance (MEF) to improve institutional arrangements and program co-building, recognizing the central role of water in Grand Sud's resilience.

ESTABLISH A CENTRALIZED MECHANISM FOR MONITORING AND REPORTING FUNCTIONALITY AND OTHER PERFORMANCE PARAMETERS IN A REGULARLY UPDATED PUBLIC DATABASE

The lack of an *operational* water point database is a limitation for actors involved in water supply programming and infrastructure management across Madagascar. USAID could consider **financial and technical support for modernizing and operationalizing a centralized MEAH database** to help inform partner coordination. This activity would entail close collaboration with the MEAH to:

1. critically analyze existing water data management systems (e.g. BDEA-SESAM) and define future database(s) requirements, including via consultation with sector stakeholders;
2. consolidate historic WASH data and develop a technical database solution in partnership with the MEAH to meet stakeholder needs;
3. establish standard operating procedures (SOPs) to develop sound processes for collecting and centralizing field data;
4. undertake a capacity and technical review to define MEAH capacity support needs, which will inform training, hardware, and staff recruitment requirements to ensure long-term in-house capacity to manage the database; and
5. awareness campaigns across the Madagascar WASH sector to advertise and roll out the final data management resource.

Successful implementation should improve water supply coordination across the Grand Sud and help develop a close working relationship between MEAH, USAID, and its implementing partners.

Fund an extended senior WASH officer secondment to the MEAH at Antananarivo

Supporting a **long-term senior technical WASH officer secondment to the MEAH** (based in the MEAH Antananarivo office) will provide:

1. an internal MEAH focal point to advocate for institutional change (as detailed above);
2. technical support to operationalize the national water point database as a tool to inform actor coordination and decision-making; and
3. an opportunity to facilitate operational working relationships between USAID, the Rano Maharitra consortium, and the MEAH.

Support local-level capacity development across the DREAH and communes

The communes across the Anosy and Androy regions involved in the Mionjo project have all drawn up an integrated and inclusive Communal Development Plan (PDCII), including investments in water supply systems. Project Mionjo has confirmed that its project does not include capacity development activities specifically to affermage contract management or the associated infrastructure monitoring and management. The Mionjo team has confirmed strong interest in including these elements in USAID programming to complement the wider sectorial Mionjo capacity building.

The local-level capacity-building activities will require establishing close working relationships with each targeted region's CCR (whose chairman is the region's governor). Widescale implementation could support water system grouping for private operators, which could be supported politically at the regional level. Specific capacity-building activities could include:

1. A series of workshops with traditional leaders, communes, Structures Locales de Concertation (SLC), the DREAH, the CCR, and private operators to facilitate **critical and constructive gap analysis of operational water supply collaboration**.
2. Using the gap analysis findings, tailor **regular training sessions and workshops** for DREAH and commune staff (STEAH if it exists) across technical and administrative skills, leadership development, and project management. Topics would likely include:
    a. Advocating for an increase in DREAH budgets.
    b. Roles and responsibilities definition for each water supply system stakeholder.
    c. Water assets management and planning.
    d. Supervise and monitor private operator contracts.
    e. Solar pump diagnostics and maintenance.
    f. Enforcement of municipal tax payments to establish a reliable long-term STEAH funding stream.
3. **Financing external technical assistance and mentoring** to provide ad-hoc technical support to the DREAH and commune's team to address specific technical challenges.

We note that the optimal administrative level for oversight of PPPs for water service delivery remains an open question. There are reasonable arguments that can be made either in favor of or against commune-level, district-level, or region-level oversight arrangements, respectively, and we encourage any follow-on USAID water programming to carefully explore the relative advantages of each with government counterparts.

THEME 3: IMPROVE OPERATIONAL AND NEXUS COORDINATION

PROGRAMMING OPPORTUNITIES

REINFORCE USAID MADAGASCAR MISSION USAID/HPN AND USAID/BHA OPERATIONAL COOPERATION

The launch of Rano Maharitra across Anosy and Androy presents a new geographical overlap between USAID/HPN and USAID/BHA activities in the Grand Sud, creating collaboration opportunities, including:

1. **incorporating USAID/BHA's recently rehabilitated rural water supply infrastructure** (which is understood to be now non-functional) into Rano Maharitra Theme 1 and/or Theme 2 activities;
2. **establishing regular, formal bilateral USAID/BHA / USAID/HPN meetings for operational and data sharing** (the frequency of which can be determined based on the type and extent of humanitarian intervention at a given time; and
3. **utilization by the USAID/HPN team of available water infrastructure data** (infrastructure type, location, condition, etc.; although the existing water datasets are of mixed quality, they would be valuable to inform ongoing HPA intervention planning, including the MEAH WASH database slated to be updated).

ENCOURAGE USAID/BHA AND USAID/HPN TO EXPLORE OPPORTUNITIES TO INTEGRATE THE PRIVATE SECTOR INTO HUMANITARIAN INTERVENTIONS MORE EFFECTIVELY

Significant opportunity exists to **adapt conventional humanitarian drought responses (e.g., emergency water trucking,** and the provision of free water to affected communities) to minimize negative impacts on private water supply operations. For example, existing intervention mechanisms, such as voucher-based humanitarian agricultural interventions, could be replicated to subsidize water provision during crises via private operators.

Private sector collaboration via USAID/HPN partners and Rano Maharitra could enable such innovative approaches to be operationalized. As with other identified opportunities, such an approach would require coordination from partners across the Grand Sud.

SUPPORT NATIONAL- AND LOCAL-LEVEL OPERATIONAL COORDINATION PLATFORMS

All actors recognize the need to improve operational WASH coordination, including water supply activities. Programming opportunities at the national level include:

1. exploring the potential for USAID **to directly fund an Antananarivo, Grand Sud NEXUS coordination platform** (recognizing that Non-Governmental Organizations (NGOs) funded the previous DIORANO WASH coordination platform (disbanded in 2017)) via the Rano Maharitra consortium. Specific activities could include support of facilities and staff to host/facilitate monthly meetings, and awareness-raising campaigns with the MEAH and the National Office of Risk and Disaster Management (BNGRC) actively participating and advocating;
2. organizing **workshops that bring together the WASH and Food Security** cluster members to identify how the WASH sector can improve its operational coordination by learning from successful Food Security coordination mechanisms and institutional relationships; and

3. developing an **internal USAID advocacy plan** (per Theme 1) to encourage the MEAH to increase involvement in national and local-level operational WASH coordination (e.g. encouraging the MEAH to publish the planned Grand Sud Water Supply Master Plan).

The Rano Maharitra project rollout in the Grand Sud also presents an opportunity for USAID (via an implementing partner) to spearhead much-needed local operational WASH coordination through monthly meetings. For example, establishing a project office in Ambovombe could provide a sensible local platform for USAID-funded activities to facilitate such meetings, including DREAH. Such a platform could enable:

- frequent operations coordination among key actors;
- workshops that map technical capacities, develop capacities, and identify the need for the sector to invest in addressing capacity gaps;
- standardization of technical approaches for both soft and hard support;
- concrete mechanisms for actors to engage with the DREAH;
- a focal point for data consolidation and data sharing (in conjunction with the operationalization of the MEAH BDEA-SESAM WASH database (see above); and
- an opportunity for engagement with the UNICEF WASH cluster around humanitarian infrastructure interventions across the Grand Sud.

IMPLEMENTATION FRAMEWORK

IMPLEMENTATION CHALLENGES

Table 2 lists the strategic risks of water supply programming across the Grand Sud. The "high" risk allocation is consistent with the high past project failure rate across the study area.

Table 2 Strategy-level project risk identification

Theme	Risk	Likelihood	Mitigation
Theme 1: Set up private water supply providers for success	The existing community, PPP, and stakeholder ecosystem is evolving too rapidly to be able to implement meaningful and measurable programming.	High	Predefined manageable geographic zones as pilot project areas. Implementation of pilots before expanding programming at scale. Aligning the Government of Madagascar (GoM) (via the MEAH) and local stakeholders' understanding and expectations.
	A subsidy program cannot be cost-effectively executed because of the verification costs and complexity.	High	Detailed local-level research to inform subsidy program design. Program implementation and exit costs must be included in the program budget
	Performance-based subsidies require verification mechanisms that can be costly and time-consuming	High	Study existing performance-based subsidy programs from other geographies, including both documented benefits and costs
Theme 2: Local and national institutional capacity reinforcement	MEAH inertia inhibits tangible progress.	High	Proactive actions are required to ensure GoM, MEAH, and DREAH strategy buy-in.
	Nongovernmental actors and broader GoM inertia could result in a lack of tangible coordination.	High	Proactive leadership to establish and operationalize national and local coordination structures.
	Development of institutional and subsidy dependency	High	Establish a clear exit strategy
	Reluctance of other implementing actors to engage in operational coordination meaningfully	High	Proactive local coordination leadership via CARE or other Rano Maharitra implementing partners.
All	Project implementation disrupted by drought, famine, tropical cyclones, and other events necessitating humanitarian interventions.	High	Integrate programming with USAID/BHA and other humanitarian actors. Strengthening the management system will contribute to community resilience and the ability to respond to crises.

The following sections outline an implementation framework to help mitigate these risks.

TIMESCALE, PILOT TESTING, AND PROJECT UPSCALING

The high project implementation risks and high past project failure rate across the study area mean that future programming activities should be developed within a stable and long-term project culture, ideally within a five—to ten-year timeframe. This would help establish genuine stakeholder relationships and confidence to facilitate local programming while minimizing staff turnover.

An initial, relatively small-scale, pilot testing approach for the commune and district-level activities is recommended to provide an opportunity to refine programming methodologies and learn from successes and failures before wider project upscaling.

Versatility must be built into the project implementation to allow programming flexibility to rapidly adapt to famine and droughts, working through the Nexus in partnership with the WASH Cluster and other humanitarian actors.

EXAMPLES OF POTENTIAL IMPLEMENTATION LOCATIONS

This buy-in involved detailed discussions with MEAH, CARE, Project Mionjo, the EU, and the World Bank teams, including a half-day workshop in May 2024 to discuss ongoing project implementation, future planning, and partners' willingness to improve coordination. The confirmed Project Mionjo interest to coordinate activities targeting communes already included in Mionjo is encouraging. This process will require reviewing the existing PDLII to identify, group, and prioritize activities with all stakeholders.

Additional considerations in Table 3 should help refine USAID and implement geographic targeting.

Table 3 Geographical selection considerations

Consideration	Comments
Pilot testing and project upscaling	An initial targeted commune level pilot approach to be upscaled to district level subject to pilot outcome and findings.
Population size	Our preliminary analysis indicates that a community population size of at least 2,000 individuals is necessary for a financially viable solar-powered borehole operation.
Socio economic status	Communities actively involved in income-generating activities and/or near market centers and roads should have greater capacity and willingness-to-pay for water.
Infrastructure type	Individual boreholes installed with manual pumps and/or mini networks connected to solar-powered boreholes serve target locations.
Alignment with current Rano Maharitra planning	Rano Maharitra is in an early planning phase, and targeted geographic areas across the Androy and Anosy regions remain under review by the project team.
Avoid geographical and thematic overlap with other actor investments and interventions without dedicated coordination.	Significant World Bank, AfBD, and EU investments are planned across the Anosy and Androy regions in the medium to long term. These projects all either include or will include similar themes. Therefore, detailed operational coordination is essential with all actors to avoid duplication.
Past USAID USAID/BHA humanitarian water point rehabilitation investments across the Grand Sud	USAID, through implementing partners, has previously rehabilitated water supply boreholes across the study area (notably by Catholic Relief Services in 2021, including the rapid rehabilitation of at least 12 boreholes installed with manual and solar pumps across Beloha district (Tranoroa commune) and Tsihombe district (Antaritarika commune, Behazomanga commune). Targeting such locations would allow building on past USAID USAID/BHA humanitarian water point rehabilitation investments.
Commune and district-level authority buy-in	The final location selection process should include detailed discussions with district and commune-level authorities to ensure their willingness and ability to accept the proposed study recommendations.

Two potential areas for initial trials based on the above conditions are illustrated in Figure 2:

1. The first area would align recommendations with the 2021 infrastructure rehabilitation works completed by the USAID/BHA team (via CRS as the implementing partner) across Beloha and Tsihombe districts (Androy Region), offering the following benefits:
    - significant operational collaboration opportunities between the USAID/HPN and USAID/BHA teams while reinforcing integrated humanitarian / development NEXUS programming;
    - capitalizing on existing data and local stakeholder relationships established through works already completed by USAID implementing partners; and

- maintaining a focus on remote rural locations that rely on borehole supplies equipped with manual and solar-powered pumps.

2. The second is the commune of Tanandava Sud (Androy Region), visited by the technical team, which offers the following programming opportunities:
    - a rural, isolated population of approximately 5,000 inhabitants with access to local agricultural activities and income-generating opportunities on the adjacent sisal plantation;
    - two boreholes with operational but problematic solar-powered pumps;
    - a relatively proactive mayor with a STEAH team in place, albeit of limited capacity;
    - the contracted private operator has cut the water systems of a school and a health center in the village due to non-payment; and
    - operational challenges related to flow meter accuracy.

Confirmation of the commune support requirements would be required through consultation with the Local Development Plans, but running parallel pilots across these two areas offers the opportunity to implement and compare programming results across two different contexts in both the Androy and Anosy Regions.

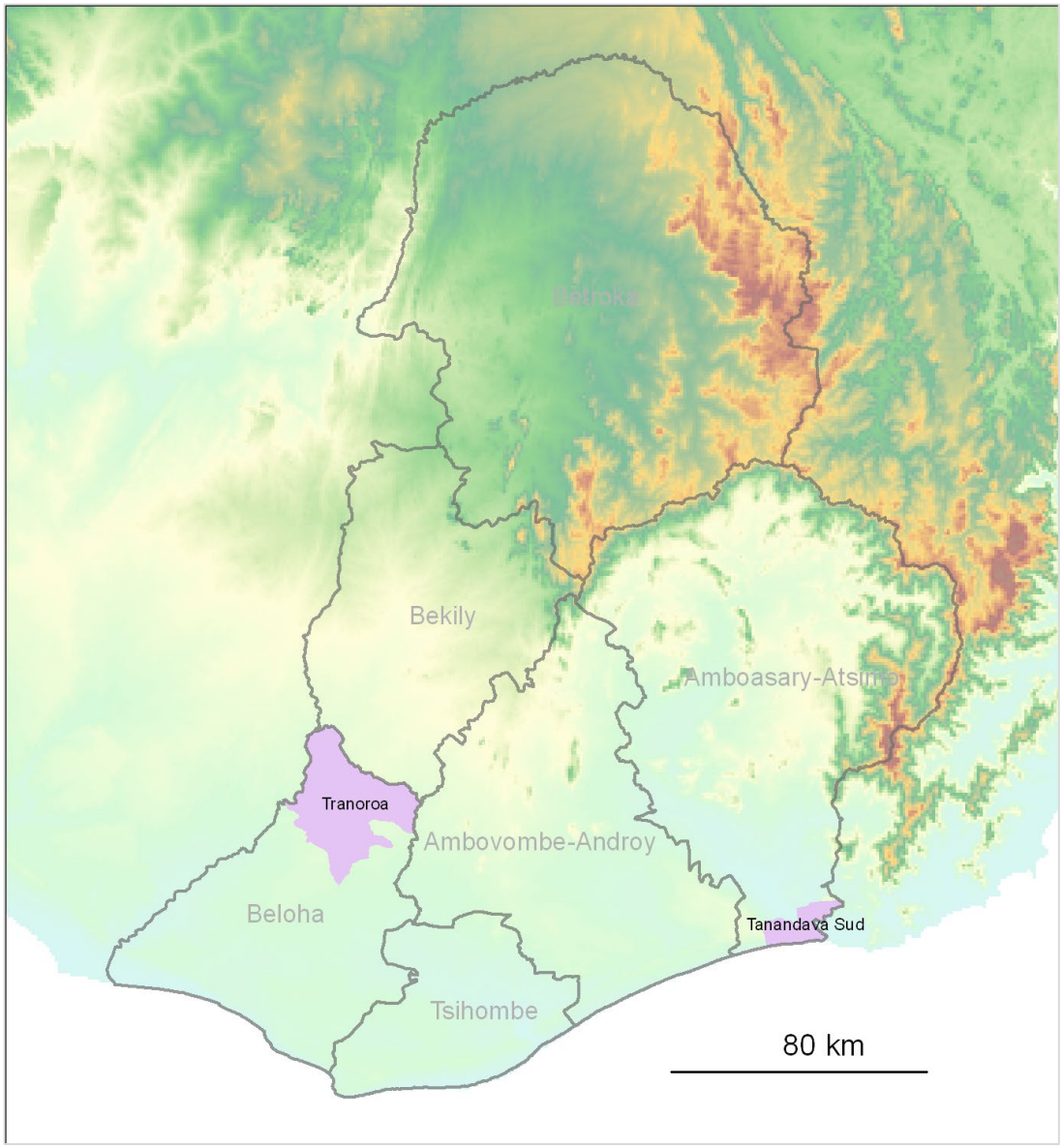

Figure 2 Potential local activity trial target locations

STAKEHOLDER ROLES AND RESPONSIBILITIES

Table 4 presents a summary list of key stakeholders for project implementation. USAID stakeholder engagement across the study area can benefit from the lessons learned, current working practices, and the existing stakeholder relationships established through the Mionjo Project activities.

Table 4 Key stakeholders

Stakeholder	Expected involvement
Androy and Anosy governor offices	Political engagement and high-level coordination via the governorate level CCR.
Ministry of Water (MEAH)	National-level engagement, including strong collective advocacy for MEAH to play a stronger leadership role.
Decentralization (MDAT)	Advocacy for increased delegation of responsibility to communes and DREAH.
Ministries of Agriculture (MINAE),	Coordination and agriculture-integrated programming.
National Office of Risk and Disaster Management (BNGRC)	Coordination of resilience, NEXUS and humanitarian programming.
Ministry of Finance (MEF)	Advocacy for increasing long-term DREAH and commune-level funding to regulate water systems.
Direction Régionale en Eau, Assainissement et Hygiène (DREAH)	Local-level project implementation and capacity building.
Private operators (Ny Ravo, Lovavilu, Cap Mad)	Local-level project implementation, information sharing, beneficiaries of capacity building and training.
State-funded operators (JIRAMA, AES)	They do not operate across isolated rural locations but will provide valuable lessons learned and experiences to contribute to project development and implantation.
Commune administration (mayors and commune administration), including STEAH	Local-level project implementation and capacity building via the SLCs and guided by the existing PLDIIs
World Bank	High-level coordination and at an operational level via the various Project Implementation Units. The World Bank recently commissioned GRET to evaluate the private water supply management systems across the Grand Sud, which will be relevant to ongoing USAID work in the region.
Project Mionjo	Operational and technical coordination for ongoing USAID programming across USAID.
EU	Operational and technical coordination for ongoing USAID programming across USAID.
AFBD	Operational and technical coordination for ongoing USAID programming across USAID.
Implementing partners (CARE, ACF, MSF, WHH, GRET etc.) and local (FIFARAFIA etc.) NGOs	Local implementing partners will be required for operational coordination.

GENDER MAINSTREAMING

We determined that women are generally excluded from traditional village-level leadership groups and poorly represented at the commune administrative level, even as they bear primary responsibility for water collection across the area of interest. Nonetheless, as detailed in this report, opportunities exist for gender programming to be included in the project activities to include:

- involvement of women in water infrastructure performance monitoring, data collection, and reporting (given that they are most likely to be the primary users that will see and experience infrastructure defaults);
- ensuring that all awareness campaigns elevate the importance of gender equality in water management; and
- encouraging and ensuring gender balance during roll-out workshops, community-focused, and private operator capacity-building activities.

AGRICULTURE ACTIVITY MAINSTREAMING

The following opportunities exist to mainstream agricultural activities into the wider water supply programming:

- exploring variable water price ranges with private operators, recognizing that communities will not pay the same tariffs for larger-scale animal watering and/or irrigation uses as they do for drinking water. Incorporating such flexibility could increase local market gardening and other small-scale local agricultural activities;
- incorporating agricultural activities into the community and education campaigns (e.g. expanding education and training sessions to explore the most effective uses of small-scale water supplies to maximize market gardening potential); and
- using the Project Mionjo collaboration to explore the potential for collaboration with the USAID Sustainable Environment and Economic Development (SEED) team to introduce agricultural capacity-building activities within any wider affermage contract management training activities.

NEXT STEPS

This report provides a range of illustrative strategic and practical activity options for the Grand Sud. We emphasize engagement with the Mionjo Project team to further reaffirm interest in USAID collaboration (particularly with Rano Maharitra), to:

- incorporate lessons learned by Project Mionjo into USAID and Rano Maharitra planning;
- benefit from the existing Project Mionjo implementation resources (such as the SLC and the PLDII) to help operationalize Rano Maharitra; and
- build on stakeholder relationships and approaches developed by Project Mionjo across the study area.

In the immediate term, we recommend:

1. **review of the Buy-in's findings** for incorporation into Rano Maharitra;
2. convening engagements at Antananarivo to **discuss detailed Rano Maharitra planning** with the Project Mionjo team, the EU, the AFDB, and the MEAH. These should build on the partner discussions conducted through the Buy-in to seek consensus on priority geographical areas for USAID programming, actions to operationalize national and local coordination platforms, and mechanisms to achieve consistent technical approaches with other partners;
3. **initiating discussions with the MEAH and the governor offices (via the CCR**) to secure project buy-in.

ANNEX A

Risk identification; transition from community to private operator-managed rural water supply systems

Category	Risk	Risk level	Potential mitigation measures
Community awareness and payment	Lack of community buy-in to formal water tariff systems resulting in an unwillingness to pay	High	Community engagement and education campaigns to raise awareness
	Lack of community capacity to pay	High	Set a tariff scale based on affordability to pay and determine affermage zones according to their profitability potential.
	Water supplies are cut for communities that do not pay	High	Community engagement and education campaigns to raise awareness and sliding means-based tariff schemes for those who cannot pay.
	Commune-level schools and health centers that do not pay for water have supply services cut by private operators.	High	Develop private operator-adapted tariff scheme mechanisms to allow supplies for local institutions. Advocate at the national level for the Ministry of Education and Health for dedicated local institution water budget.
Private operator	Private operator business margins are not adequate to provide professional service delivery.	High	Business planning and assets management capacity building
	Poorly defined roles and responsibilities between private operators, communes, and the DREAH result in contract enforcement and service delivery gaps.	High	Work with international partners, communes, the MEAH and the STEAH to develop affermage contracts that are fit for purpose and adapted to the local Grand Sud context. Technical workshop sessions to establish the roles and responsibilities of stakeholders
	Competition from free water supplies set up by NGOs	Medium	Advocate with the MEAH and the DREAH to enforce institutional strategy and directives. National and regional coordination of actors through an operational WASH platform.
Institutional	DREAH does not have adequate human, financial, or technical resources to fulfill its regulatory commitments.	High	DREAH capacity reinforcement

	Weak STEAH financing mechanism is not established	High	Work with communes and private operators to formalize/enforce municipal tax payments to establish a reliable long-term STEAH funding stream.
	Mayoral mandate changes result in staff overhaul and complete loss of commune institutional memory.	High	Commune-level administration training and capacity training
	Lack of adequate data sharing (from field to centralized system) deprives private operators of key information.	High	Modernize the MEAH data collection and management system
Force majeure	Drought and famine occurrences disrupting operator operations	High	Improve development vs humanitarian collaboration by aligning USAID/BHA and USAID/HPN activities and using a shared database. Involve the water supply private sector in humanitarian responses (e.g., through voucher schemes).

ANNEX B

Project Mionjo overview

Project Mionjo objectives

The Project Mionjo objective, according to the 2020 Project Information Document (PID[1]), is "to improve social and economic resilience in southern Madagascar by improving access to basic infrastructure and livelihood opportunities and strengthening local governance in southern Madagascar, with a primary focus on youth and women."

Project components

Project Mionjo is multi-sectorial and has five components, as detailed in the table below. This information includes the grant-based budget allocations financed by the World Bank's International Development Association (IDA).

Component	Sub-components
Component 1: Strengthening Decentralized Local Governments, Participatory Planning and Social Resilience (US$10 million equivalent)	• Subcomponent 1A: Strengthening the decentralized territorial collectives (Collectivités territoriales décentralisées (CTD)) on community-based planning and the delivery of services (US$5 million) • Subcomponent 1B: Strengthening social resilience, citizen engagement, and conflict prevention (US$5 million)
Component 2: Resiliency Infrastructure (US$42.5 million equivalent)	• Subcomponent 2A: Commune resiliency grants (US$28.5 million) • Subcomponent 2B: Regional water resiliency infrastructure (US$14 million)
Component 3: Supporting Resilient Livelihoods (US$36 million equivalent)	• Subcomponent 3A: Support for community-based organizations and local value chains (US$16 million) • Subcomponent 3B: Irrigation schemes for resilient livelihoods (US$20 million)
Component 4: Implementation Support and Knowledge Learning (US$11.5 million equivalent)	• Subcomponent 4A. Project implementation and geospatial knowledge platform (US$9 million) • Subcomponent 4B. Studies and preparatory analysis for the Series of Projects 2 (SOP 2) project (US$2.5 million)
Component 5: Contingent Emergency Response Component (funds to be redirected from other project components where required).	

[1] https://documents1.worldbank.org/curated/en/099041824115538927/pdf/P17711818f4d98061801f1fe2126a80333.pdf

Of relevance to future USAID programming across Anosy and Androy, Sub-component 2 includes :

- The conversion and reinforcement of multi-purpose water points and the construction of new water points equipped with a desalination system (in conjunction with UNICEF)
- A capacity-building for Communes to increase their knowledge of water development, the strengthening of Water, Sanitation, and Hygiene Technical Services (STEAH) in Communes supplied with piped water,
- A communication campaign to promote the use of safe water.

Component 5, the emergency component, also provides for the conversion of multi-purpose water points. In the event of an eligible crisis or emergency, funds can be reallocated from other project components. If activated, this component would fund rapid response measures and early recovery activities.

Timescale

Project Mionjo's approach is to "diverge from the short-term punctual support that is provided by the humanitarian actors and takes a regional approach for local economic development." (Project appraisal document, 2020). The project is designed over an 8-year period, divided into 2 phases of 4 years each. Starting in 2021, the first phase of the project is scheduled to end in 2025 with Phase 2 scheduled to finish in 2029. A collaboration between UNICEF and Project Mionjo for the Multi Uses Services (MUS) started in 2016 with 20 pilots tested in the district of Bekily. The project is currently being scaled up in Androy and in Anosy with potential extension into the Atsimo Andrefana region subject to findings from the initial implementation.

Geographical coverage

Phase 1 (2021 – 2025) is planned across 235 communes as follows:

- *134 Communes* in the Districts of:
  - Tolagnaro, Amboasary Atsimo, Betroka (Anosy Region) ;
  - Ambovombe, Tsihombe, Beloha (Androy Region) ;
  - Morombe, Beroroha, Ankazoabo (Atsimo Andrefana Region).
- *101 Communes* in the Districts of:
  - Bekily (Androy Region)
  - Toliara II, Ampanihy, Betioky, Benenitra (Atsimo Andrefana Region)

Total investments of the order of 170 to 250K USD per commune over the project duration are planned (as confirmed by Project Mionjo in a meeting with Hydroconseil on 11 July 2024).

Implementing partners

The table overleaf lists the implementing partners of Project Mionjo. UNICEF is responsible for the rural borehole upgrade work supported by local partners A2DM Development, and AIM is responsible for the institutional and capacity-building components. The FAO is responsible for the emergency response implementation if/as required.

Partner	Involvement
UNICEF	Construction/rehabilitation of 606 Multiple Use Water Systems (MUS)
Food and Agriculture Organization of the United Nations	Implementation of the conditional emergency response component
Catholic Relief Services	Developing green infrastructure and resilient landscapes for communities vulnerable to climate change
Building Sweeter Livelihoods	Improving the socio-economic situation of farmers by promoting the consumption and processing of orange-fleshed sweet potatoes (implementation period from May 2023 to May 2025)
Tany Meva Foundation	Developing green infrastructure and resilient landscapes (component 3d)
A2DM Development	Supporting the region and target municipalities in: • Strengthening decentralized local governance, participatory planning, social resilience, and collaboration between local stakeholders with the support of state representatives • Support for communes in applying for and managing funds for the rehabilitation and construction of resilience infrastructure • Implementation of activities to support resilient livelihoods • Support for project implementation and knowledge management with a view to achieving the indicators in the project's results framework • Compliance with the implementation of environmental and social safeguards
AIM	Ensuring operational implementation through local support for local development stakeholders: communal leaders, local consultation structures, decentralized technical services, and grassroots communities. AIM works in consortium with its local NGO partners AMADESE, RAVINTSARA and SAF FJKM

Key stakeholders

The table below summarizes the main project stakeholders.

Level	Structure	Mission
National level	Inter-Ministerial Committee	Provide strategic guidance and ensure consistency and support for the multi-sectoral project activities. The Project Mionjo Steering Committee (COPIL) is established under the chairmanship of the Ministry in charge of Decentralization. The Committee brings together, among others, the following Ministries: the Ministry in charge of Agriculture, the Ministry in charge of Water and Sanitation, and the Ministry in charge of Finance. The Strategic Steering Committee's mission is to make strategic decisions, oversee the overall implementation of action lines, approve work plans and budget forecasts for each component, and approve technical and financial reports, as well as audit reports. In this sense, it is responsible for assessing the impact of the Project on the basis of the results of monitoring and evaluation activities. It will approve annual work plans and budgets and ensure that they are in line with the Project's development objectives. At least once a year, the Steering Committee will organize an annual meeting with representatives of the funding agencies to ensure proper coordination of Project implementation activities.
	Ministry of the Interior and Decentralization (MID)	The Project Owner is the Ministry of the Interior and Decentralization. Its mandate is to manage the project's implementation. It will define the strategic axes and operational guidelines for the overall implementation of the Project and have them validated by the Steering Committee. It will approve and monitor the application of all environmental and social safeguard framework documents throughout the project's implementation. The project owner is also responsible for communicating the project to all stakeholders in collaboration with the delegated project owner and the project coordination unit. In addition, the project owner's main tasks are mobilizing the budgetary and human resources needed to complete the project, monitoring progress, and coordinating the various phases of the project.
	National Project Implementation Unit (N-PIU)	Housed within Ministry of Interior, will lead project implementation, coordinating activities on the ground and progress reporting: • Provide the necessary support for the established SLC and strengthening of deconcentrated services subcomponent 1A; • To support the technical, fiduciary, environmental and social reviews for all subprojects under subcomponent 2A; • Decentralized technical staff as needed and elaborated in the PIM to support governors' offices in updating their different regional development plans and support coordination with regional governments, and facilitating partners. The Project Management Unit (PMU) is responsible for overall coordination and management. Its existence is justified by the multiplicity of stakeholders involved in implementation. The PMU is responsible for the regular coordination of activities and the consolidation of Project results (which are fed in periodically by the implementing entities). The PMU also acts as the Project's interface with external bodies. In practice, the PMU monitors technical and financial achievements in line with the validated Results Framework, and reports to the inter-ministerial Steering Committee and the Bank.

	Local Development Fund (Fonds de Développement Local-FDL)	Responsible for fiscal transfers from the central level to communes to build and rehabilitate basic infrastructure The Local Development Fund (FDL) is the Project's delegated project manager. It acts in the name and on behalf of the project owner. As such, it provides assistance to the Owner. In view of the latter's operational constraints, the MOD monitors the project from conception to completion, in full compliance with the objectives and expected results. It is responsible for organization, forecasting and planning, and for drawing up contracts, studies and works. As part of the implementation of the MIONJO Project, the MOD will use the administrative and financial procedures manuals designed for the Project (in particular with regard to the call for tenders, the evaluation of bids, the awarding of contracts and their execution). The agreement between the Owner and the MOD must specify the monitoring and control procedures, including the nature, frequency, and content of reports and reports to be provided by the Maitre d'Ouvrage Déléguée (MOD).
	National Institute for the Decentralization and Local Development	Responsible for training and technical support
Commune level	Local structures for concertation (Structures Locales de concertation-SLCs)	Local government structures for participation and dialogue, headed by the mayor

Opportunities for USAID Programming

Our analysis is based on the review of the publicly available World Bank and Project Mionjo documentation listed at the end of this annex and numerous meetings between Hydroconseil, USAID, and the Project Mionjo team. This includes, most recently, a meeting on 11 July 2024 among Hydroconseil, USAID, and Olivah RAVELOARIMISA employed directly by Project Mionjo (responsible for the project's water components).

We have identified the following specific programming gaps that can be incorporated into future USAID programming to complement the ongoing broader Project Mionjo activities:

- ***Private operator and community water committees: administrative, management and technical support.*** Project Mionjo intends for the upgraded water supply infrastructure to be managed either directly by private operators (via PPP) or alternatively via community lead management (PPP-C) for smaller, isolated systems. However, project Mionjo has no specific project components to support either private operators or communities to manage the upgraded systems. This was confirmed in a meeting between Hydroconseil and Karine VOGNIMANOROSOLO of Project Mionjo on 11 July 2024.
- ***Local commune and institutional capacity building.*** Although Project Mionjo includes significant investment in capacity building, this does not include the delivery of support related to the regulation/management of the affermage contracts or the monitoring and management of water supply infrastructure.

Through the discussions held together with Project Mionjo and USAID for this study, the Project Mionjo team has confirmed a strong interest and willingness to collaborate and coordinate with the USAID team for future programming across these themes.

Further detailed discussions will be required between USAID and Project Mionjo to establish the basis for future collaboration and the operationalization of the USAID programming.

Consulted Project Mionjo documentation

Date	Title	Auteur
February 2020	Official-Documents-Agreement-for-Advance-V306-MG	World Bank
November 2020	Project appraisal document on a proposed grant	World Bank
October 2020	Project Information Document (PID)	World Bank
December 2020	Social sustainability and inclusion Eastern and Southern Africa	World Bank
2020	Cadre de Gestion environnemental et social	World Bank
October 2021	Environmental-and-Social-Commitment-Plan	Republic of Madagascar
November 2021	Project additional financing	World Bank
December 2021	Official-Documents-Additional-Financing-Agreement-for-Grant	Republic of Madagascar
April 2022	Plan de mobilization des parties prenantes	Ministère de l'intérieur de et la décentralisation
November 2022	Sous-Projet de réhabilitation des infrastructures du pipeline Mandrare - Sampona	Artelia
June 2023	Auditing document	Cabinet MPANAZAVA
2023	Projet de contrat de délégation de service public de l'eau potable entre la commune et le délégataire	Ministère de l'eau, de l'assainissement et de l'hygiène
2023	Technical Mionjo datasheet	World Bank
April 2024	Environmental and Social Management Plan Avril 2024	Republic of Madagascar
April 2024	Implementation Status and Results Report	World Bank
April 2024	Restructuring paper	World Bank