



Performance Audit of Madagascar's Climate Change National Adaptation Plan (NAP) and its implementation in Biodiversity and Forestry Sectors

AUDIT SUMMARY

Madagascar, a vast mountainous island in the Indian Ocean, is a globally recognized biodiversity hotspot, home to approximately 5% of the world's species. Its rich and diverse ecosystems span terrestrial, aquatic, marine, and coastal environments. However, the country is among the ten most affected by climate change, facing severe environmental challenges. Between 2015 and 2021, recurring droughts in the south led to devastating famine, impacting over a million people. Moreover, climate change threatens Madagascar's invaluable natural heritage, particularly its forests, which are crucial for both ecological balance and sustainable development.

An effective response from Government actions to climate change is therefore imperative.

Biodiversity is one of the sectors most vulnerable to the effects of climate change, while deforestation has continued to increase alarmingly across the country over the past ten years.

This is how the Court of Accounts, as part of a cooperative audit on a global level in the area of climate change, carried out an audit of the performance of actions to adapt to climate change in the biodiversity and forestry sectors.

The overall objective of the audit is to assess the performance, in terms of consistency and effectiveness, of the National Action Plan on Climate Change through the biodiversity and forestry sectors.

This overarching objective is further articulated through the following specific objectives (SO):

- SO1: Examine whether the NAP aligns with the objectives of the Paris Agreement;
- SO2: Assess the effectiveness of the NAP's governance;
- SO3: Assess whether the NAP considers the principle of inclusiveness;
- SO4: Assess whether the NAP, the national biodiversity strategy and the forest policy are aligned;
- SO5: Assess the effectiveness of the NAP through biodiversity and forestry cases.

Audit Question 1: Examine whether the NAP aligns with the objectives of the Paris Agreement

In line with its commitments under the Paris Agreement (Article 7, point 9), Madagascar developed a National Adaptation Plan (NAP) for climate change. The process, initiated in 2012, was only finalized in December 2021, five years after the country ratified the Agreement. This delay stemmed from institutional complexities, the involvement of multiple stakeholders, and the diverse sectors affected. As a result, the implementation of planned adaptation measures was significantly slowed.

The adopted plan is based on a programmatic approach, structured around short, medium and long-term actions, but presents certain shortcomings, particularly in the analysis of the impact of vulnerability and in the estimation of costs.

Climate impacts have been identified, but specific details, particularly concerning social and gender disparities, remain lacking. Regional analyses are limited, with some heavily affected areas left unexamined. The approach prioritizes sectors over vulnerable populations.

Additionally, the NAP highlights eight priority sectors and establishes twelve intervention programs. These programs stem from a consultative process, ensuring alignment with national priorities and international frameworks.

An initial cost estimate in 2021 set the total expense at USD 273 million. However, a reassessment in 2024 revealed a significantly higher actual cost of USD 2.43 billion, exposing a discrepancy of USD 2.1 billion and a substantial initial underestimation. Furthermore, Madagascar depends on external financing to implement its NAP.

Accordingly, the Court recommends to the Ministry of the Environment and Sustainable Development, in the short term, the following actions:

- *Thoroughly document the impacts identified in the NAP;*
- *Establish a robust methodology for data collection at the national level. This includes the design of a comprehensive mechanism for analyzing vulnerabilities and risks associated with the impacts of climate change;*
- *Ensure full regional representation throughout the process to enhance data validity and inclusiveness;*
- *Explore any financing mechanism relating to climate change;*
- *Strengthen ongoing efforts to mobilize internal resources.*

Audit Question 2: Assess the effectiveness of the NAP's governance

The governance of Madagascar's National Adaptation Plan (NAP) is based on a well-structured institutional, legislative, and regulatory framework designed to integrate climate change adaptation into public policies. This system is supported by key normative instruments, including the Malagasy Environmental Charter, the General State Policy (PGE), the National Action Plan to Combat Climate Change (PANLCC), the National Environmental Policy for Sustainable Development (PNEDD and various decrees defining the missions of the Ministry of the Environment and Sustainable Development (MEDD). Inter-institutional coordination is managed by entities such as the Interministerial Committee for the Environment (CIME) and the National Bureau for Climate Change and REDD+ (BN-CCREDD+). However, persistent

challenges remain, particularly in human resource capacity, intersectoral coordination, and data management.

The process of developing the NAP involved a wide range of stakeholders through consultations at both national and regional levels. Participants included ministries, local authorities, the private sector, civil society, and technical and financial partners.

However, the private sector and non-governmental organizations have had limited participation, largely due to unclear roles and responsibilities. Additionally, while the NAP formally includes a monitoring and evaluation framework, it faces significant challenges: the absence of operational mechanisms, indicators unsuitable for impact assessment, and an inability to distinguish NAP-specific actions within existing systems. These shortcomings hinder result tracking, periodic evaluations, and the strategic adjustment of interventions.

A functional dashboard is available at the CCREDD+ National Office (BN CCREDD+), serving as a technical foundation for monitoring the implementation of the National Adaptation Plan (NAP). Nevertheless, access to complete and integrated information remains a significant challenge, hindering the ability to conduct a thorough assessment of all activities undertaken within the framework of the NAP.

To improve the effectiveness of National Adaptation Plan (NAP) governance, the Court recommends, in the short term:

a) To the Government, under the leadership of the Ministry of Environment and Sustainable Development:

- *Clearly define and formalize the roles and responsibilities of non-governmental stakeholders to ensure their meaningful participation in the implementation of the NAP;*
- *Strengthen stakeholder engagement by developing inclusive strategies that actively involve all relevant actors throughout the various phases of the NAP, thereby fostering a sense of ownership;*
- *Improve and institutionalize effective, continuous communication among ministries, departments, and other public sector entities to ensure coordinated and coherent implementation efforts;*
- *Expedite the approval of the National Strategy for Corporate Social Responsibility (CSR) to facilitate the integration of private sector contributions into the NAP framework.*

b) To the Ministry of Environment and Sustainable Development:

- *Integrate the following components into the overarching monitoring and evaluation (M&E) framework:*
 - *Systematic data collection, reporting, and analysis;*
 - *Clearly defined performance indicators to track progress;*
 - *Regular reviews to evaluate outcomes and identify implementation challenges;*
 - *Capacity-building initiatives to enhance the competencies of personnel involved in M&E activities.*
- *Develop and operationalize a dedicated M&E system for the National Adaptation Plan (NAP), hosted on a suitable digital platform to ensure accessibility, transparency, and operational efficiency;*

- *Promote the routine use of the existing dashboard as a central tool for tracking NAP implementation;*
- *Strengthen the consistent collection and reporting of sector-specific data within the dashboard.*

Audit Question 3: Assess whether the NAP considers the principle of inclusiveness

The principle of "leaving no one behind" is one of the six guiding principles of the United Nations Sustainable Development Cooperation Framework. In alignment with this principle, the National Adaptation Plan has integrated support measures for vulnerable people and marginalized groups into the various priority sectoral programs, even though these groups of people were neither represented nor consulted during the various consultation workshops as part of the NAP development process.

Furthermore, the monitoring and evaluation of inclusiveness in the NAP's implementation face several challenges. These include difficulties in identifying vulnerable and marginalized groups, the absence of sex-disaggregated data and indicators for tracking gender integration in climate actions, and the lack of a dedicated monitoring mechanism for inclusivity.

It is important to note that in 2023, Madagascar adopted a National Gender and Climate Change Strategy. This strategy aligns with the country's commitments under the Second Nationally Determined Contribution, the Revised National Policy to Combat Climate Change and its action plan, as well as the National Adaptation Plan.

From the above, the Court recommends to the Government, in the short term, to:

- *Identify social criteria that can help define vulnerable people and marginalized group;*
- *Provide baseline data for each sector based on people's vulnerability (gender, race, social class, disability, etc.);*
- *Establish indicators addressing vulnerability issues to facilitate monitoring and evaluation of inclusiveness in the implementation of the NAP.*

Audit Question 4: Assess whether the NAP, the national biodiversity strategy and the forest policy are aligned

The effectiveness of the NAP depends on its alignment with specific sectoral adaptation plans, ensuring coherence and integration across all sectors.

The forest policy and the biodiversity-specific NAP were established prior to the adoption of NAP in 2021. However, ensuring their alignment remains essential.

The National Adaptation Plan (NAP) establishes six strategic priorities for the biodiversity and forest sectors. Meanwhile, the sectoral biodiversity plan, through its action plan, outlines four strategic objectives encompassing a total of 20 specific targets.

Regarding the forestry sector, the relevant policy establishes three strategic orientations, supported by 12 objectives.

The comparison of these three documents led to the following observations:

- The three strategic axes of the PNA are incorporated into both sectoral plans.

- The strategic priorities for the biodiversity and forestry sectors outlined in the PNA are also reflected in the two sectoral plans.

On the other hand, updating sectoral plans is necessary despite the alignment of the main points. Indeed, the comparative analysis of the NAP and the sectoral plans on biodiversity and forestry highlights that among the 17 activities of the NAP, some are not included in the said sectoral plans, but this does not lead to any contradiction between the plans.

Accordingly, the Court recommends to the Ministry of the Environment and Sustainable Development, in the short term, to:

- *Develop a new national biodiversity strategy and action plan aligned with the 2021 NAP, as the current plan is set to expire in 2025;*
- *Update the forest policy and the National Forest Master Plan 2019-2029.*

Audit Question 5: Assess the effectiveness of the NAP through the cases of biodiversity and forestry

Of the 12 programs structuring the NAP, 3 programs are linked to the biodiversity and forestry sector, namely:

- **Program 1:** Establishment of a Green Belt to strengthen the fight against desertification and resilience to climate change;
- **Program 7:** Acceleration of reforestation through the operationalization of the REDD+ mechanism and the development of ecosystem services;
- **Program 8:** Improving the conservation of natural forests and the management of protected areas, including the development of climate refuge zones within and on the peripheries.

The achievement of activity indicators within each program provides insight into their progress, as well as the overall advancement of the NAP. However, without a dedicated report on this matter, and given that the activities of these three programs align with the routine missions and responsibilities of the Ministry of the Environment and Sustainable Development (MEDD), the accomplishments detailed in the MEDD activity report cannot be explicitly attributed to the NAP.

In addition, the financing of these three programs is hampered by shortcomings due to a lack of awareness among the actors responsible for their implementation regarding available funding mechanisms. This gap in knowledge may result in the non-execution of certain program activities.

Moreover, the absence of precise and detailed financial information for a program prevents an accurate assessment of the remaining funding needs necessary for its implementation. More broadly, this gap in financial clarity may affect the overall effectiveness of the NAP.

To address these shortcomings, the Court recommends to the Ministry of the Environment and Sustainable Development to:

- *Establish a dedicated monitoring and evaluation mechanism for NAP programs;*
- *Produce specific, periodic reports on NAP programs and activities, clearly detailing undertaken actions, expected results, and anticipated achievements;*
- *Provide program managers with comprehensive information and training on climate finance mechanisms to enhance their understanding and ability to secure funding effectively.*