

## MADAGASCAR

### Promoting Madagascar's exports and international image

AFD's aim is to promote Madagascar's products and know-how internationally via a mechanism to support exports and intermediary organizations.

#### CONTEXT

Madagascar is one of the world's least developed countries, yet the Great Island has a number of advantages, including its entrepreneurial fabric. An increasing number of Madagascar's large companies are targeting the international market, in particular thanks to the free zone, and its SMEs are a remarkable driving force for exports. Over 1,500 products are currently exported. Foreign trade suffered from the national political crisis and international financial crisis of 2008 and is only just starting to recover. However, it remains penalized by a dual concentration, both in terms of products and export markets.

These crises have also highlighted numerous constraints to export development: infrastructure, production capacity, functioning of administrations, lack of knowledge of international markets, etc.

#### DESCRIPTION

The first phase of the Trade Capacity Building Program (TCBP) started in Madagascar in 2005. In view of the context of exports in Madagascar and their key role in the country's development, the TCBP aims to take action in terms of:

- The shortcomings and disorganization of the system to support exports;
- The inadequate organization of sectors, in particular in terms of economies of scale and capturing markets;
- Sectoral concentration.

The third phase of the program, which started in 2011 and reaches completion in the course of 2016, has two objectives for this purpose:

- Scale up the structuring movement driven by the private sector, by the Malagasy Federation of Professional Organizations;
- Promote the cluster approach, which involves grouping together companies from the same sector.

#### IMPACTS

There were two expected outcomes:

- Increase in the export capacity of Malagasy companies with the expected outcome of effective growth and a diversification of exports;
- Increase in economic benefits related to tourism in Madagascar and promotion of sustainable tourism.

All the organizations supported under the TCBP have now contributed to improving the organization of the sector and to promoting Madagascar's advantages beyond its borders. The Madagascar National Tourism Board has become a leading actor in promoting Madagascar, Cap Export provides exporters with essential support, in particular for taking part in

06/07/2012      30/06/2016  
Project start date      Project end date

 Antananarivo  
Location

 Employment  
sector(s)

 Grant  
financing tool(s)

 2 500 000 EUR  
Financing amount

 4 years  
Duration of funding

ACHEVÉ  
Status

International Trade Board of  
Madagascar  
Cap Export  
Madagascar National Tourism  
Board  
Beneficiaries

international fairs, and the International Trade Board of Madagascar has become a reference for companies in terms of information and training.