



Luxembourg, 23 October 2025

Environmental and Social Completion Sheet (ESCS)¹

Overview

Project Name:	DEVELOPPEMENT RESEAU PERI-URBAIN ANTANANARIVO
Project Number:	2014 - 0153
Country:	Madagascar
Project Description:	The project is part of the "Grand Antananarivo Program" designed to reduce the chronic traffic congestion in the capital and comprises two missing sections of the ring roads North-East and East of Antananarivo.

Summary of Environmental and Social Assessment at Completion

EIB notes the following Environmental and Social performance and key outcomes at Project Completion.

Environmental Assessment

The project was subject to Environmental and Social Impact Assessments (ESIAs) for both the East and North-East sections. The project area, located on the periphery of Antananarivo, is heavily influenced by human activity, mainly agriculture (rice fields). No sensitive natural habitats were identified in the vicinity. The main residual environmental impacts relate to land loss, severance, and increased risk of flooding due to anticipated urban development along the new route. To mitigate flooding, the project included the development of an urban plan to preserve retention areas and ensure the hydraulic functionality of the two basins.

The project's positive impacts include reduced noise, dust, and emissions, as well as improved safety for road users and residents, thanks to enhanced road safety features and dedicated infrastructure for pedestrians and public transport.

During implementation, the promoter complied with the requirements to finalise the ESIA and ESMP, including public consultation and approval by the competent authority. The urban master plan for the area adjacent to the project was prepared to ensure future development preserves retention areas and maintains the hydraulic balance. No significant changes to the project design or scope occurred during implementation that would alter the environmental impacts as assessed at appraisal.

Social Assessment

The project required the acquisition of approximately 55 hectares of land, mostly marshland used for agriculture, resulting in the physical and/or economic displacement of 1,358 households (about 3,900 people). A Resettlement Action Plan (RAP) was prepared and implemented, with compensation based on full replacement cost. The majority of the affected persons opted for cash compensation, while a minority received land-for-land compensation. Additional measures included the construction of community infrastructure (markets, fountains, public toilets, laundries) and support for vulnerable households.

Despite these provisions, the implementation of the RAP faced significant delays and administrative challenges. A government decree adopted in September 2022 was intended to

¹ The template is for ILs and FLs.



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accelerate the process by allowing amicable acquisition of properties, but its implementation was delayed. Three waves of regularisations were launched, but the full resolution of outstanding cases extended beyond the original timeline. By September 2025, approximately 74% of parcels had been processed, with further progress dependent on the resolution of disputes, identification of missing beneficiaries, and completion of administrative procedures.

The EIB has made the final disbursement contingent upon the satisfactory completion of the resettlement and compensation process. The Bank's services will closely monitor the completion of the RAP as part of post-completion monitoring measures to ensure all outstanding commitments are fulfilled. As of now, the final disbursement remains pending and will only be processed once these conditions have been satisfactorily met.

Labour, Health, Safety, and Security Standards

The company implemented a local recruitment plan approved by the Monitoring Mission, focusing mainly on hiring local residents for unskilled labour. A total of 805 local jobs were created across all construction sectors, including senior staff, engineers, assistants, skilled and unskilled workers. Hiring and terminations complied with labour law, and all employees, including subcontractors, had contracts in accordance with Malagasy labour regulations. Records were systematically organized to allow for independent verification.

The promoter maintained a strong focus on health and safety throughout the project, even after the Rode road was opened to the public on 25 June 2021. The Health and Safety team of the supervision engineer ensured ongoing support for new users of the infrastructure and strict adherence to hygiene rules on site, in line with the project Health and Safety Plan.

Special attention was given to site safety and the protection of surrounding areas. This included rigorous checks and controls of the contractor's measures for managing construction traffic and public movement near the works (such as the quality of detours, axle weight controls for construction vehicles, and clear signage of hazardous points). The contractor's initiative to implement Management Safety Walks proved effective, and the supervision mission increased its inspections and on-site presence to obtain better feedback on preventive actions.

The project made significant efforts to uphold basic safety rules on site, particularly during the COVID-19 pandemic, for all workers. The project recorded one lost-time accident and one non-lost-time accident. During the pandemic (from 19 March 2020 to the end of September 2021), seven COVID-19 cases were reported among project workers, with no fatalities.

A road safety audit was carried out at the detailed design stage, and awareness-raising activities were organised for local communities.

Food Security

The direct impact on food production was limited due to the relatively small area of agricultural land affected. However, cumulative impacts from ongoing urbanisation in the area remain a concern. The urban master plan aims to mitigate these risks by preserving buffer zones and maintaining appropriate water management in marshlands.

Stakeholder Engagement and Grievance Mechanism

Public consultations were held during the preparation of the ESIA and RAP, and a grievance mechanism was established, with logbooks available in affected communities. The promoter engaged with stakeholders throughout implementation, addressing concerns related to compensation, property regularisation, and community infrastructure.



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Effectiveness of Mitigation and Compensation Measures

While the technical and environmental objectives of the project were largely achieved, the effectiveness of social mitigation measures was hampered by delays in compensation and resettlement. Adaptive management measures were introduced, including the exclusion of certain categories of parcels (untraceable owners, disputed ownership, non-responsive beneficiaries) from the compensation threshold, subject to justification.

Post-Completion Monitoring

Ongoing monitoring is recommended to ensure the completion of outstanding compensation cases, the maintenance of community infrastructure, and the effectiveness of flood mitigation measures. The promoter should continue to report on the implementation of the RAP and ESMP until all commitments are fulfilled.

Summary opinion of Environmental and Social aspects at completion:

The Project, part of the Grand Antananarivo Programme, aimed to reduce chronic traffic congestion in the capital by constructing two missing sections of the ring road (North-East and East) and a connector to the city. The works were completed and officially handed over in May 2024, with the technical quality and utility of the project for urban mobility widely recognised.

EIB is of the opinion based on reports from the promoter, site visits by the EIB team and inputs provided by Lenders' Supervisors and others, where applicable, during Construction that the Project has been implemented in line with EIB Environmental and Social Standards, applicable at the time of appraisal.