



# TOGO

## POVERTY REDUCTION STRATEGY PAPER

July 2014

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**STRATEGY FOR BOOSTING GROWTH  
AND PROMOTING EMPLOYMENT  
(SCAPE)  
2013–2017**

**Final**

**January 2013**

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## ACRONYMS AND ABBREVIATIONS

ADB	-	African Development Bank
AIDE	-	<i>Appui à l'insertion et au développement de l'embauche</i> (Support for Integration and Development of Employment)
AIDS	-	Acquired Immunodeficiency Syndrome
ANADEB	-	<i>Agence Nationale d'Appui au Développement à la Base</i> (National Agency for Supporting Grassroots Development)
ANPE	-	<i>Agence nationale pour l'emploi</i> (National Agency for Employment)
APRM	-	African Peer Review Mechanism
ART&P	-	<i>Autorité de Réglementation du secteur des Postes et Télécommunications</i> (Regulatory Authority for the Postal and Telecommunications Sector)
ARVs	-	Antiretrovirals
BIA-Togo	-	<i>Banque Internationale pour l'Afrique au Togo</i>
BSC	-	Bank Service Charge
BTCI	-	<i>Banque Togolaise pour le Commerce et l'Industrie</i> (Togo Bank for Commerce and Industry)
BTD	-	<i>Banque Togolaise de Développement</i> (Togo Development Bank)
BTP	-	<i>Bâtiments et travaux publics</i> (Buildings and Public Works)
Cap-EFA	-	Capacity on Education for All
CATO	-	<i>Cour d'Arbitrage du Togo</i> (Togo Court of Arbitration)
CCD	-	<i>Comités Cantonaux de Développement</i> (Cantonal Development Communities)
CDQ	-	<i>Comité de Développement de Quartier</i> (Neighborhood Development Committee)
CEB	-	<i>Communauté Electrique du Bénin</i> (international organization co-owned by the governments of Bénin and Togo, in charge of developing electricity infrastructure in both countries)
CEET	-	<i>Compagnie Energie Electrique du Togo</i>
CENI	-	<i>Commission électorale nationale indépendante</i> (National Independent Electoral Commission)
CFAF	-	CFA Franc (Franc of the Communauté Financière Africaine)
CFCs	-	Chlorofluorocarbons
CFE	-	<i>Centre de Formalités des Entreprises</i> (Business Start-up Center)
CIMTOGO	-	Ciments du Togo (cement producer)
CIPAD	-	International Center for Agro-Pastoral Development
CNDD	-	<i>Commission Nationale de Développement Durable</i> (National Committee on Sustainable Development)
CNDH	-	<i>Commission nationale des droits de l'homme</i> (National Human Rights Commission)
CNLS	-	<i>Conseil National de Lutte contre le SIDA</i> (National AIDS Council)
CNPPD	-	<i>Conseil National de Pilotage des Politiques de Développement</i> (National Council for Overseeing Development Policies)
CNS	-	<i>Conseil National de la Statistique</i> (national statistics council)
CNSS	-	<i>Caisse Nationale de Sécurité Sociale</i> (national social security fund)
C-PRSP	-	Comprehensive Poverty Reduction Strategy Paper
CRT	-	<i>Caisse de Retraite du Togo</i> (Togo national retirement fund)
CSO	-	Civil Society Organization

CVD	-	<i>Comité Villageois de Développement</i> (Village Development Committee)
DGSCN	-	<i>Direction Générale de la Statistique et de la Comptabilité Nationale</i> (Directorate General of Statistics and National Accounts)
ECOWAS	-	Economic Community of West African States
EDIL	-	<i>École d'Initiative Locale</i> (local initiative school)
EITI	-	Extractive Industries Transparency Initiative
ENP	-	<i>Étude nationale prospective</i> (National Prospective Study)
ESP	-	Education Sector Plan
FACT	-	<i>Fonds d'Appui aux Collectivités Territoriales</i> (Local Government Support Fund)
FAIEJ	-	<i>Fonds d'Appui aux Initiatives Economiques des Jeunes</i> (Support Fund for Youth Initiatives)
FDI	-	Foreign direct investment
FGM	-	Female genital mutilation
FINA	-	<i>Fonds d'Investissement National Autonome</i> (Autonomous National Investment Fund)
FNAFPP	-	<i>Fonds National d'Appui à la Formation et au Perfectionnement Professionnel</i> (national support fund for training and professional development)
FODEB	-	Fonds de Développement à la Base (Grassroots Development Fund)
FR	-	<i>Fonds routier</i> (Road Fund)
FUPROCAT	-	<i>Fédération des Unions de Producteurs de Café-Cacao du Togo</i> (Federation of Coffee and Cocoa Producers' Unions in Togo)
GARI Fund	-	Guarantee Fund for Private Investment in West Africa
GDP	-	Gross Domestic Product
GPA	-	Global Political Agreement
GPHC	-	General Population and Housing Census
GVA	-	Gross value added
GWh	-	Gigawatt-hour
HAAC	-	<i>Haute Autorité de l'Audiovisuel et de la Communication</i> (High Authority for the Audiovisual and Communications)
HDI	-	Human Development Index
HIMO	-	<i>Haute intensité de main-d'œuvre</i> (High labor-intensity)
HIPC	-	Highly-Indebted Poor Countries
HIV	-	Human immunodeficiency virus
HRBA	-	Human-Right-Based Approach
ICT	-	Information and Communication Technology
IDT	-	Import duties and taxes
ILO	-	International Labor Organization
IMF	-	International Monetary Fund
INAM	-	<i>Institut National d'Assurance Maladie</i> (national health insurance)
INFA	-	<i>Institut National de Formation Agricole</i> (National Institute for Agricultural Training)
INSEED	-	<i>Institut National de la Statistique, des Etudes Economiques et Démographiques</i> (National Institute for Statistics and Economic and Demographic Studies)
I-PRSP	-	Interim Poverty Reduction Strategy Paper
ISPS code	-	International Ship and Port Security code
IWRM	-	Integrated Water Resources Management
kV	-	Kilovolt
MAEP	-	<i>Ministère de l'Agriculture, de l'Elevage et de la Pêche</i> (Ministry of Livestock and Fisheries)
MDBAJEJ	-	<i>Ministère du Développement à la Base, de l'Artisanat, de la Jeunesse et de l'Emploi des Jeunes</i> (Ministry of Grassroots Development, Crafts, Youth, and

	-	Youth Employment)
MDGs	-	Millennium Development Goals
MEAHV	-	<i>Ministère de l'Eau, de l'Assainissement et de l'Hydraulique Villageoise</i> (Ministry of Water, Sanitation, and Rural Water Supply)
MEF	-	Ministry of Economy and Finance
MEPSA	-	<i>Ministère de l'Enseignement Primaire, Secondaire et de l'Alphabétisation</i> (Ministry of Primary and Secondary Education and Literacy)
MERF	-	<i>Ministère de l'Environnement et des Ressources Forestières</i> (Ministry of the Environment and Forest Resources)
METFP	-	<i>Ministère de l'Enseignement Technique et de la Formation Professionnelle</i> (Ministry of Technical Education and Professional Training)
MFI	-	Microfinance institution
MFP	-	Multifunctional Platform
MICS	-	Multiple Indicator Cluster Survey
MIS	-	Market Information System
MIZFIT	-	<i>Ministère de l'Industrie, de la Zone Franche et des Innovations Technologiques</i> (Ministry of Industry, the Free Trade Zone, and Technological Innovations)
MME	-	Ministry of Mines and Energy Affairs
MPDAT	-	<i>Ministère de la Planification, du Développement et de l'Aménagement du Territoire</i> (Ministry of Planning, Development, and Land Management)
MPF	-	<i>Ministère de la Promotion de la Femme</i> (Ministry for the Promotion of Women's Interests)
MPI	-	Multidimensional Poverty Index
MT	-	Ministry of Tourism
MTBF	-	Medium Term Budgetary Framework
MTEF	-	Medium Term Expenditure Framework
MTP	-	<i>Ministère des Travaux Publics</i> (Ministry of Public Works)
MUH	-	Ministry of Urban Development and Housing
MW	-	Megawatts
NCD	-	Non-communicable Disease
NGO	-	Non-governmental Organization
NSCT	-	<i>Nouvelle Société Cotonnière du Togo</i> (New Cotton Company of Togo)
NSS	-	National Statistical System
ODA	-	Official development assistance
OEF	-	<i>Observatoire de l'Emploi et de la Formation</i> (Employment and Training Observatory)
OIC	-	Opportunities Industrialization Center
OTR	-	<i>Office Togolais des Recettes</i> (Togo National Revenue Authority)
OVCs	-	Orphans and other Vulnerable Children
PAL	-	<i>Port Autonome de Lomé</i> (Autonomous Port of Lomé)
PANSEA	-	<i>Plan d'actions National pour le secteur de l'Eau et de l'Assainissement</i> (National Action Plan for Water and Sanitation)
PAP	-	Priority action plan
PA-RGFP	-	<i>Plan d'actions la réforme de la gestion des finances publiques</i> (Action Plan for Reforming Public Finance Management)
PA-RGPF	-	<i>Plan d'actions pour la Réforme de la Gestion des Finances Publiques</i> (Action Plan for Reforming Public Financial Management)
PDC	-	<i>Projet de développement communautaire</i> (Community Development Project)
PE-DE	-	<i>Planification économique, Département de l'économie</i> (Economic planning department of the economy department of the Ministry of Economy and Finance)
PERI	-	<i>Projet Education et Renforcement Institutionnel</i> (Education and Institutional

	-	Reinforcement Projet)
PIP	-	Public Investment Program
PLWHA	-	People Living with HIV/AIDS
PMTCT	-	Prevention of Mother-to-Child Transmission
PNCD	-	<i>Programme National de Consolidation de la Décentralisation</i> (National Program for Consolidating Decentralization)
PNE	-	<i>Plan National de l'Eau</i> (National Water Policy)
PNEEG	-	<i>Politique Nationale de l'Equité et de l'Egalité du Genre</i> (National Gender Equality Policy)
PNIASA	-	<i>Programme National d'Investissement Agricole et Sécurité Alimentaire</i> (National Program for Agricultural Investment and Food Security)
PNIERN	-	<i>Programme National d'Investissement pour l'Environnement et les Ressources Naturelles</i> (National Program for Investment in the Environment and Natural Resources)
PNLP	-	<i>Programme National de Lutte contre le Paludisme</i> (National Anti-malaria Program)
PNLS	-	<i>Programme National de Lutte contre le SIDA</i> (National Anti-AIDS Program)
PNMJ	-	<i>Programme National de Modernisation de la Justice</i> (National Plan for Modernizing the Judicial System)
PPAS	-	<i>Programme Pluriannuel des Activités Statistiques</i> (Multi-year Program for Statistics-Related Activities)
PPP	-	Public-private partnership
PROVONAT	-	<i>Programme de promotion du Volontariat National au Togo</i> (national program for promoting volunteering in Togo)
PRSP	-	Poverty Reduction Strategy Paper
PRT	-	<i>Projet de développement des filières des plantes à Racines et Tubercules</i> (Development Project for the Root and Tuber Crop Producing Sector)
PSE	-	<i>Plan Sectoriel de l'Éducation</i> (Education Sector Plan)
PSFG	-	<i>Projet de développement du Secteur Financier et Gouvernance</i> (Project for the Development of the Financial Sector and Governance)
PSMICO	-	<i>Programme de Soutien aux Microprojets d'Infrastructures Communautaires</i> (Project to Support Community Infrastructure Microprojects)
PSNEJ	-	<i>Plan Stratégique National pour l'Emploi des Jeunes</i> (National Strategic Plan for Youth Employment)
PURISE	-	<i>Projet d'Urgence de Réhabilitation des Infrastructures et des Services Electriques</i> (emergency project for the rehabilitation of infrastructure and electricity services)
QUIBB	-	<i>Questionnaire Unifié des Indicateurs de Base du Bien-être</i> (Standardized Questionnaire on the Basic Indicators of Wellbeing)
SCAPE	-	<i>Stratégie de Croissance Accélérée et de Promotion de l'Emploi</i> (Strategy for Accelerated Growth and Promotion of Employment)
SIGFIP	-	<i>Système Intégré de Gestion des Finances Publiques</i> (integrated system for public finance management)
SMEs	-	Small and medium enterprises
SMI	-	Small and medium industry
SMM	-	Strategic Measurement Matrix
SNDD	-	<i>Stratégie nationale de développement durable</i> (National Strategy for Sustainable Development)
SNDS	-	<i>Stratégie nationale du développement de la statistique</i> (National Strategy for the Development of Statistics)
SNPT	-	<i>Société Nouvelle des Phosphates du Togo</i> (New Phosphate Company of Togo)
SOTRAL	-	<i>Société de Transport de Lomé</i> (Lomé Transport Company)
STI	-	Sexually Transmitted Infection
TDE	-	<i>Togolaise des Eaux</i> (water company)
TEU	-	Twenty-Foot Equivalent Unit
TFP	-	Total Factor Productivity
TFP	-	Technical and Financial Partners

TFR	-	Total Fertility Rate
UNDP	-	United Nations Development Programme
UNESCO	-	United Nations Educational, Scientific and Cultural Organization
UNFCCC	-	United Nations Framework Convention on Climate Change
UNFPA	-	United Nations Population Fund
UNICEF	-	United Nations Children's Fund
VAT	-	Value-added tax
WACS	-	West Africa Cable System
WAEMU	-	West African Economic and Monetary Union
WHO	-	World Health Organization
ZAAP	-	<i>Zone d'aménagement agricole planifiée</i> (area of planned agricultural development)

## EXECUTIVE SUMMARY

Togo's Strategy for Boosting Growth and Promoting Employment (SCAPE—*Stratégie de Croissance Accélérée et de Promotion de l'Emploi*) offers a medium-term development framework for implementing the Government's General Policy Statement, the Millennium Development Goals (MDGs), and the Government's vision for making Togo an emerging economy in 15 to 20 years, as well as making it a country that respects human rights and promotes the rule of law.

The SCAPE is built on solid progress to date in strengthening democracy, peace, and national reconciliation, and in improving macroeconomic stability, the development of human capital, environmental management, and sustainable development.

These efforts have allowed Togo to set its economy on a path of growth. Starting with real GDP growth at 2.4 percent at 2008, this increased to 3.4 percent in 2009, to 4.0 percent in 2010, and to 4.9 percent in 2011. In line with trends displayed in the previous three years, real GDP growth for 2012 is estimated at 5.6 percent. There has therefore been a regular increase in growth, thanks to favorable climactic conditions and the countercyclical policies implemented by the Government (support to agriculture, increase in public investment expenditure). Thus a review of Togo's overall economic performance shows that the country's macroeconomic framework has stabilized, relatively speaking, with a moderate level of inflation, a net decrease in the level of exterior debt, and notable improvement in revenues, paired with better control over public expenditure.

The return of political stability and peace to the country created a favorable environment for better governance, resumption of international assistance, and significant reduction in exterior public debt.

These overall achievements translated into a decrease in the national poverty rate from 61.7 percent in 2006 to 58.7 percent in 2011—a decrease of 3 points in five years. This relatively small reduction in poverty reflects a lack of progress with respect to inclusion and regional disparities. Nonetheless, the proportion of the population affected by multidimensional poverty has decreased by more than the incidence of monetary poverty. Multidimensional poverty decreased from 59.4 percent in 2006 to 51.9 percent in 2010—or by 7.5 points in four years. In urban areas, it decreased from 33.0 percent to 25.8 percent (by 7.2 points), but there was a greater reduction in rural areas, where multidimensional poverty rate dropped from 76.0 percent to 67.6 percent—or by 8.4 points.

Togo has persistent unemployment (6.5 percent in 2011, versus 6.8 percent in 2006, according to the Standardized Questionnaire on the Basic Indicators of Wellbeing (QUIBB—*Questionnaire Unifié des Indicateurs de Base du Bien-être*) survey; and underemployment (22.8 percent in 2011, versus 27.3 percent in 2006), both of which are particularly prevalent among young people (8.1 percent unemployed and 20.5 percent underemployed) and women. Consequently, the issue of employment and socioeconomic integration of young people has become a major concern for the Government and occupied a prominent place in the Policy speech by the Head of State and in the Government's General Policy Statement.

Further, based on the conclusions of the third national monitoring report on MDGs, which was validated in April 2010, only target 7 of MDG 6 regarding the fight against HIV/AIDS will be achieved by the deadline of 2015.

In view of this situation, and after conducting a study of Togo's economic and social problems, the Government faces five (5) major challenges for the country to be launched economically and make progress toward achieving the MDGs: (i) economic growth, employment, and regional and international integration of Togo's economy; (ii) governance; (iii) inequality; (iv) demographics; and (v) urban development, land management, and environmental protection.

The Government's medium-term economic policy for 2013–2017 will essentially be used to build and consolidate the foundations for Togo's future economic emergence. The focus will be on new priorities: (i) boosting growth; (ii) employment and inclusion; (iii) strengthening governance; (iv) reducing regional disparities and promoting grassroots development.

Two scenarios are envisaged in this regard. The first, known as the *base scenario*, perpetuates and magnifies trends from the past three years, and should increase the average economic growth rate from

4.1 percent (2009–2011) to 5.9 percent per year (2013–2017). It is based on the premise that (i) the macroeconomic framework will be strengthened; (ii) public investment to address Togo’s infrastructure shortfall will continue; and (iii) there will be effective operationalization and deepening of reform in numerous areas (at a rate that, despite the political will, is unfortunately going to remain limited due to the country’s shortage of human resources and its financial constraints). This scenario aligns with the economic and financial program being negotiated with the IMF. It should reduce the poverty rate by 11.4 points (to 47.3 percent) in 2017, plus reduce underemployment by around 3.5 points, down to 19.3 percent by the end of the period.

The second, alternative scenario, known as the *accelerated growth scenario*, involves medium-term policies that should put Togo on a development path to achieve economic emergence by 2030. This scenario anticipates strong, sustained average annual growth of 7.1 percent for the period 2013–2017, supported by: (i) ambitious policies for modernizing agriculture; (ii) more intensive exploiting of Togo’s mining and geostrategic potential; (iii) consistent support to the manufacturing industry; (iv) shared social progress, characterized by increased reduction in underemployment (18.3 percent in 2017—a reduction of 4.5 points), poverty (43.7 percent in 2017—a reduction of 15 points), and in inequality. The Government actually anticipates this scenario, which would effectively address the major challenges outlined above. Further therefore, aware of the many difficulties and obstacles that may lie ahead, the Government knows it must determinedly mobilize the nation’s resources and strengths—in the belief that Togo can find means, from within the country and from its external partners, to achieve its legitimate ambition for progress.

For these reasons, Togo is set in particular on creating conditions favorable to private-sector development. The business climate significantly influences private-sector development, economic growth, and job and wealth creation. In view of this, the Presidential Council for Investment in Togo (CPIT—*Conseil présidentiel pour l’investissement au Togo*) was set up in March 2011 as a forum for direct communication and advice between Government and the private sector. Among other things, the CPIT has identified major constraints to economic competitiveness and facilitated a strategy for making Togo more attractive to investment and adopting of key reform in the business climate’s priority areas. However, measures needed for consistently improving competitiveness have increasingly required strong commitment from all Government sectors, the private sector, and social partners. To support this, it is important to strengthen (i) dialogue between the State and the private sector; (ii) public-private partnerships (PPPs); and (iii) communication on the extent of reform and its impact on the engines and levers of growth, reducing inequality and promoting employment.

Five (5) complementary, interactive, strategic pillars have been identified to implement this strategy—focused on generating policy aimed at growth that is stronger, inclusive, and job-creating: (i) developing sectors with strong growth potential; (ii) strengthening the economic infrastructure; (iii) developing human capital, social protection, and employment; (iv) strengthening governance; (v) promoting participative, balanced, and sustainable development.

**(i)** Sectors with strong potential for growth—agriculture, commerce, services (handicrafts and tourism), mining, and manufacturing—will drive strong and lasting growth. In agriculture, although food security remains a priority objective, there will be support for relaunching crop farming for export to bring in foreign currency to the country. In forestry, the emphasis will be on sustainable management of forests and exploitation of non-timber forestry products.

In the industrial sector, the aim is to implement programs for upgrading companies and for industry-based competitiveness, to develop an integrated national industrial sector that is internationally competitive, respectful of the environment, and able to improve the standard of living of the people of Togo significantly. Likewise, continued implementation of the Extractive Industries Transparency Initiative (ITIE—*Transparence dans les Industries Extractives*) should allow improved management of mining resources and develop a significant lever for growth.

**(ii)** In terms of economic infrastructure, the Government is counting strongly on Togo’s relative advantages to become a development corridor in the subregion. Massive investment in building modern infrastructure for efficient multimodal transport between the south (Lomé) and the north (Cinkassé) will make this a reality, including: (i) maritime transport infrastructure—the Autonomous

Port of Lomé (PAL—*Port Autonome de Lomé*) and the Port of Kpémé for loading phosphates; (ii) the road network; (iii) the rail network; and (iv) air transport (Lomé and Niamtougou airports). To actualize the development corridor concept, the Government will set up a State holding company, to be responsible for piloting the large-scale investment projects, the creation of new businesses, equity participation, and mobilization of necessary financial means by using innovative financing methods, in particular PPPs.

**(iii)** In the development of human capital, effort will be intensified to increase both the quality and the quantity of human resources and to exploit their decisive role in the adopted approach to development. Additionally, basic social services needed by the population (education, health care, housing, and water and sanitation) will be increasingly analyzed, delivered, and evaluated, as will human rights, in line with international and regional instruments to which Togo is a State party.

Education and training will remain a priority sector. The aim is to ensure that education, professional training, and scientific research interact positively with economic, social, and technological change. Therefore, Togo will commit to reviewing the State's role in achieving overall acceptance of change; thereby responding (i) to the standards of quality of the global market, where competition is stiff; and (ii) to the specialties and skills required to meet the challenges induced by the changes. There will be particular emphasis on increasing coverage and quality of basic education, on strengthening teaching and technical and professional training, and improving the quality of higher education.

Health care will also remain a priority area. Therefore, the identified objectives aim at improving preventive care and at human and material capacity-building; thereby offering (i) high-quality care accessible to the entire population; (ii) reducing infant and maternal mortality and malnutrition; and (iii) fighting communicable and non-communicable diseases. Effective decentralization of decision making and human resources, and financial-management hierarchies at health centers will receive special attention—to make access to services and health care truly effective and more equitable throughout the country.

In addition, Togo's high population growth rate presents a major challenge. Addressing this demographic issue requires innovation, including better services in reproductive health and family planning, and free information and education services.

For clean water and sanitation, through an integrated management approach, policy is aimed at: (i) improving the system for managing water resources; (ii) improving access to clean water in rural, semi-urban, and urban areas; and (iii) providing satisfactory access to sanitation.

For social welfare, implementation of a coherent strategy will bring in better control of the socioeconomic risks that cause reduced or lost income or equipment, and hence dealing with economic shocks and crises. The social welfare policy will shield Togo's population against vulnerabilities and social risks through (i) social insurance tools; (ii) social safety nets; and (iii) programs for promoting access to basic social services by the poorest, most vulnerable populations.

For the youth and employment sectors, national policies are the preferred framework for helping young people contribute to building up their country. These sectors will develop initiatives for facilitating young people's access to (i) high-quality professional training; (ii) promoting local employment; (iii) ensuring a match between training and employment; (iv) improving regulation of the jobs market; and (v) promoting decent employment.

As for gender equity and equality, national policy will focus, both in the medium and long term, on their advancement and on empowering women to participate effectively in decision making at every level of Togo's development process.

**(iv)** With respect to governance, the judicial governance program will focus on updating the judicial system: to offer the national economy a new legal and judicial environment that promotes respect for trade relations; and an independent judicial system that ensures coherent, uniform application of laws and national and international jurisprudence on the matter.

Other reform of democratic and political governance include measures to: (i) ensure respect for human rights; (ii) promote individual and collective liberties; (iii) expedite security sector improvements; (iv) strengthen defense in the face of new threats (terrorism, maritime piracy, international crime,

cybercrime, drug smuggling, arms trafficking, etc.); (v) revise political parties' charters; proceed with the revision of the Basic Law and the electoral code; (vi) promote emergence of a strong, responsible civil society; (vii) build an overall system of responsible, accountable public affairs management; (viii) promote a culture of tolerance and peace; (ix) include young people in decision-making bodies; and (x) build capacity for State and other actors.

Economic governance will focus on reform of public finance and on anti-corruption efforts, building capacity for planning and steering development through systematized results-based management. Particular emphasis will be placed on better mobilization of internal resources, specifically by overhauling the tax system, to bring about lasting improvement in revenues and in quality of services offered to taxpayers. This will translate into creation of the Togo National Revenue Authority (OTR—*Office Togolais des Recettes*), which aims to merge the agencies responsible for collection (Customs and Tax) and empower the resulting new body. Moreover, ongoing management of the economy will be characterized by rigorous concern for transparency and seeking effective use of public development assistance.

(v) For strategic management of development, Togo is carrying out a National Prospective Study (ENP—*Etude nationale prospective*), to provide a basis for future planning. The ENP's main goal is to foresee potential obstacles, identify and assess various policies and strategies, and come up with plans that can be achieved. The use of a forward-looking approach will also bring up sector and thematic problems and better understanding of them, and develop internal capacity for planning, particularly in the areas of employment, energy, mining, transport, education, health care, and security.

Designing a national land-use plan will territorialize development by creating a more balanced national economic space. The new land-use scheme will be based on dynamic, competitive, regional economies in which the urbanization of regional capitals and secondary towns is sufficiently controlled to allow true development hubs to emerge.

The process of reforming and modernizing Government will be consolidated to make administrative tasks effective. Priorities will be to: (i) rationalize administrative structures, jobs, and workforce; (ii) increase the effectiveness of Government's work; (iii) draw up a master plan for continued training of Government employees; (iv) operationalize Government intranet; (v) promote decentralization conducive to local development; (vi) improve services to users; (vii) compile a list of public employees; (viii) standardize administrative files and compile a single reference file for administrative and payroll administration of public employees; and (ix) conduct organizational audits in at least 11 other ministries and institutions.

With respect to decentralization and grassroots development, the local governance program will allow citizens to understand the decentralization policy and comply with decentralized governance. Awareness campaigns on civic education will inform the population on electoral processes, freedom of expression, political and civil rights, duties, and responsibilities. Improving the regulatory climate for civil society will encourage its development, partnership with the public sector, and involvement in governance and socioeconomic development.

Grassroots development will solve the problem of economic growth that only benefits a small sector of the population, strengthening ownership for communities to address socioeconomic challenges themselves. The goal is for all village and city communities to have basic minimums for living: access to a health-care center, a reasonable level of education, safe drinking water, income-generating activity, etc. Therefore, the Government is conducting activities related to grassroots development training, in particular for school construction, with the Committees for the Management of Primary Schools (COGEP—*Comités de Gestion des Écoles Primaires*) and financed by the Education and Institutional Reinforcement Project (PERI—*Projet Éducation et Renforcement Institutionnel*).

Strong emphasis will be placed on challenges and opportunities for women and young people, with the aim of strengthening their participation in local development. To this end, a grassroots development agency has been founded, and a national fund supporting grassroots development will be established to facilitate, collaboratively with the Local Government Support Fund (FACT—*Fonds d'Appui aux Collectivités Territoriales*), mobilization of resources and their allocation to various local development projects and programs.

Reducing regional and income disparities means exploiting the economic potential of each region. Thus actions aimed at improving such exploitation are to be developed. Areas with the highest level of poverty are to be offered stronger measures to ensure emergence of development hubs, better use of human capital, strengthening of infrastructure that supports growth, and spatialization of projects and programs.

The SCAPE encompasses a number of cross-cutting themes, including human rights, population, employment, gender, the environment, climate change and natural disasters, and HIV/AIDS. These will be integrated in sector strategies and policies wherever possible.

The Government will help the financial sector improve its organization with the aim of finding appropriate solutions for financing the economy, in particular to assist businesses in working toward realizing the Government's vision of making the private sector an engine for growth in the coming years. Financial intermediation in Togo urgently needs to be deepened and diversified, while also relying on a greater contribution from microfinance institutions (MFIs) and greater awareness among operators on the financing opportunities offered by regional financing institutions. In parallel, there should be thinking on how to use *tontines* (rotating savings and credit associations), which still occupy a significant place in terms of savings practices serving local development initiatives. Complementing microfinance activities, the Government intends to establish an Autonomous National Investment Fund (FINA—*Fonds d'Investissement National Autonome*) for financing SMEs/SMIs, particularly where young people are involved.

The cost of the SCAPE accelerated growth scenario is estimated to average 791.1 billion CFAF per year (excluding the cost of servicing debt). Its financing will be covered by domestic budget resources (71.6 percent) and external resources (19.6 percent). An additional gap exists, estimated at 8.8 percent of the overall cost of the strategy (including variation in arrears estimated at 0.5 percent of the overall cost). This gap will be covered by mobilizing domestic and subregional savings (including those of expatriate Togo diaspora) through the issuing of bonds and by means of PPPs.

The SCAPE includes a system of monitoring and evaluation, comprehensively and by sector. At the national level, two main instruments for monitoring and evaluation have been developed in concert with preparing the national budget. These are a matrix of strategic measures and a program of priority actions. At the sector level, the SCAPE relies on processes developed for each sector (ministerial department), in particular action plans for sector policy/strategy and their results framework for monitoring performance at the sector level.

The SCAPE's mid-term review will provide, in particular, assessment of: (i) the relevance of objectives; (ii) the links between various levels in the results chain; and (iii) how each level allows the intended results to be achieved. If the review reveals problems, the elements of the results chain will be modified and the interventions reoriented to achieve better results.

# INTRODUCTION

Following Togo's independence, the country chose planning as a means of orienting and carrying out economic and social development. To this end, it compiled and implemented four (4) five-year development plans (1966–1970, 1971–1975, 1976–1980, and 1981–1985). These plans laid down standards for the public sector and incentives for the private sector. Despite a few weaknesses (difficulty in anticipating exogenous shocks), they contributed to setting up the basic structures and infrastructure required for harmonious social and economic development of the country.

At the beginning of the 1980s, because of macroeconomic imbalances characterized by structural budgetary and external deficits, Togo adopted structural adjustment programs (SAPs). Although the SAPs allowed the country to stabilize its finances and improve its macroeconomy, they produced significant imbalances between the economic and the social, specifically a reduction in economic growth and worsening of poverty.

To correct these shortcomings, in 2007 the Government adopted a National Development Strategy (*Stratégie Nationale de Développement*) based on the MDGs, for the period 2006–2015. In 2008, Togo adopted its Interim Poverty Reduction Strategy Paper (I-PRSP), which represented the outcome of a process begun in 2001, finalization of which was hampered by the sociopolitical situation in the country. Its drafting and implementation took place in a post-crisis economic context characterized by weak economic growth, rapidly increasing poverty, a troubled public sector (finance, firms, and banks), and a macroeconomic framework in need of stabilizing. This interim strategy induced the stabilization of public finance and the resumption of development cooperation following a long period of suspension. Moreover, the start of its implementation allowed the country to reach the decision point for the Heavily Indebted Poor Countries (HIPC) Initiative in November 2008.

Based on the lessons learned from implementing the I-PRSP and from a strengthened participative process, in June 2009 the country adopted the Comprehensive Poverty Reduction Strategy Paper (C-PRSP), which served as a unifying framework for the various development actions during 2009–2011. The implementation of public policies (and especially the I-PRSP and the C-PRSP) was the subject of studies reported on in progress reports, the special report for the HIPC Initiative, and the general assessment report, indicating significant progress in the political, economic, and social domains. The economic reforms undertaken in this context allowed Togo to arrive at the completion point of the HIPC Initiative in December 2010.

Despite these promising developments, the Government of Togo is aware that continued efforts are needed to strengthen the democratic process and achieve national reconciliation. Moreover, the economy remains fragile and vulnerable to climactic hazards and exogenous shocks (price volatility for raw materials, deterioration in the terms of trade, international financial crisis, etc.); the poverty rate is still high; and obtaining the MDGs remains a concern, a major challenge that requires sustained effort. It is against this backdrop that the drafting and implementation of the frameworks for expediting achievement of MDGs 1, 2, 4, 5, and 7 should be understood, as well as the Government's General Policy Statement, which declared 2010–2015 a period for development that responds better to the expectations of Togo's citizens, especially those most affected by poverty.

Drawing on the lessons learned from implementing the I-PRSP and the C-PRSP, the SCAPE comes in response to this major challenge. It is dictated by the Government's desire not only to reinforce the economic, political, and social gains achieved over the past few years, but also to ensure the consolidation of the foundations for growth that is rapid, inclusive, and creates jobs.

The SCAPE is the result of a participative process. As a document, it offers a roadmap for the Government, development partners, the private sector, civil society, and trade unions. It indicates Togo's strategic direction, the required needs for achieving the strategic objectives, how they are to be achieved, the associated costs, and the financing means, as well as the instruments for monitoring and evaluating the strategy. It reveals a vision of sustainable human development for Togo in the medium

term, and to this end proposes a progressive path for the country to achieve the MDGs. It includes a number of *salient functions that make it the frame of reference of the Government's policy for the five-year period of 2013–2017*.

As a process, Togo's SCAPE was drafted using a sequential approach that was defined in a participative manner. Its drafting process consisted of five main steps:

**(i)** *Drafting of a roadmap* outlined the entire process of drafting the SCAPE, identifying the main points of reference and specifying the various stages of the process;

**(ii)** *Conducting surveys and studies* provided more detailed data and better knowledge of the various sectors, as well as the rights and needs of the most impoverished populations, for better targeting of appropriate strategies;

**(iii)** *Strategic planning* included comprehensive and sector strategies compatible with the given policy direction. Pivotal to the central pillar of this phase was the National Orientation Forum (*Forum national d'orientation*) and the meetings of sector committees. The forum, organized by the Government on December 12–13, 2011, brought together more than 200 representatives from various ministerial departments, national institutions, the private sector, and civil society, as well as from technical and financial partners. Its main objectives were to mobilize stakeholders with a view to taking ownership of the SCAPE process; engender common understanding of the economic and social development challenges that Togo needs to address over the five-year period; and decide the SCAPE pillars in a participative manner. The sector committees met from November 2011 to April 2012. Their work provided greater in-depth analysis of the assets, constraints, vulnerabilities, and opportunities of each involved sector so as to identify the strategic priorities most likely to boost growth and reduce poverty. This led to proposals for priority measures. Due to the participative approach used for the SCAPE drafting process, specific contributions of civil society, the private sector, and the regions were formulated and validated by ad hoc committees appointed for this purpose over the course of the period February 2011–April 2012. These committees gathered the concerns of actors from civil society and the private sector, and surveyed regional development priorities, all the while mindful of ensuring that regional priorities were consistent with sector strategies projected at a national level and with regional development plans. These contributions were included as input to the drafting of the SCAPE;

**(iv)** *Drafting a preliminary version of the SCAPE*: Based on reports from the 11 sector committees, survey results, specific contributions from the private sector, civil society, and the regions, and other national policy documents, a restricted team was appointed to draft the preliminary version of the document. Resource persons also assisted in the process to ensure its technical quality and that cross-cutting issues (gender, HIV/AIDS, environment, population, climate change, employment, and human rights) were taken into account in the draft. During this work, an outline of the Priority Action Program (PAP) was created;

**(v)** *Validating and adopting the draft document* included four levels of dialogue:

The first level involved technical consultation at regional and national levels on June 11–13, 2012, to gather the opinions of all stakeholders in the process on how relevant the strategic direction taken in the draft document was, and how likely it was to boost economic growth so as to create jobs and reduce poverty.

The second level took place at the information workshop of the chiefs of staff and ministerial secretaries general on June 27–29, 2012, in Nangbéto. Its objective was strong appropriation, by Government members' main collaborators, of the conceptual issues related to implementation and monitoring/evaluation, associated with the implementation of the SCAPE.

The third level of dialogue involved a national workshop for SCAPE endorsement on September 18 and 19, 2012, to assess strategic options and their feasibility, and seek consensus on the draft document. In line with the roadmap, the workshop brought together all categories of development actors with a view to achieving consensus on the SCAPE's content.

The fourth level of dialogue involved the National Council for Overseeing Development Policy

(CNPPD—*Conseil national de pilotage des politiques de développement*), in January 2013, presided over by the Prime Minister; studying the document to gather CNPPD’s directives for finalizing and implementing the SCAPE. Following this final level of consensus-building on the draft document, the SCAPE was adopted by the Government on August 29, 2013.

It is important to emphasize that the process received technical assistance to ensure the quality of the outcome of the work. In total, the SCAPE process took 16 months, from September 2011 up to the CNPPD’s SCAPE review in January 2013, and was characterized by the broad participation of various actors at central, regional, and local levels.

The SCAPE document, as the product of the participative process described above, is divided into five (5) chapters.

**Chapter 1** outlines the developing economic and social situation in Togo in recent years. It then assess the state of the environment and the effort made by the Government with regard to governance. Finally, it draws lessons from carrying out development policies to form the basis for formulating the SCAPE.

**Chapter 2** presents Togo’s new development strategy. It outlines the SCAPE’s foundation and strategic orientation for 2013–2017, including the five (5) strategic pillars that form its backbone: (i) development of sectors with strong growth potential; (ii) strengthening of economic infrastructure; (iii) development of human capital, social welfare, and employment; (iv) strengthening of governance; and (v) development that is participative, balanced, and sustainable.

**Chapter 3** presents the SCAPE’s macroeconomic and budgetary framework—the quantification and financing of the strategy. For this it explores two scenarios: one of moderate growth—called the *base scenario*—which continues the trends of the past three years, and shares the same hypotheses as those of the program under negotiation with the IMF; and a second, alternative, scenario—called the *accelerated growth scenario*—which entails medium-term policies that should put Togo on a development trajectory that allows it to become an emerging economy by 2030. This is the scenario of strong and lasting growth and shared social progress, characterized by a marked reduction in underemployment, poverty, and inequality.

**Chapter 4** deals with the SCAPE’s implementation through the mechanisms and principal instruments of operationalization, specifically the matrix of strategic measures and the PAP. The Government has chosen an institutional arrangement framed within sector dialogue for better accountability.

**Chapter 5** describes the risks that could hinder success of the development plan adopted by Togo. Five broad categories of risk are named so as to draw attention to what measures are needed to minimize them. These include risk associated with political instability, lack of national leadership and support from actors, the regional and international situation, climatic shocks, and financial risk.

The annexes of this document contain a table of key results, a matrix of strategic measures, tables of indicators, and outlines of various scenarios for the macroeconomic and budgetary framework.

A separate document containing programming matrices and monitoring matrices for the implementation of the sector strategies (PAPs), which form an integral part of the SCAPE, is also included as an annex to this document.

## CHAPTER 1: SOCIAL AND ECONOMIC OVERVIEW

### 1.1. ECONOMIC PERFORMANCE 2008–2011

#### 1.1.1. Growth

Togo's economy has been marked by efforts to maintain macroeconomic stability and to improve the business climate. Despite repercussions of the global recession, Togo's efforts have placed the country on a path to growth. Real GDP growth increased from 2.4 percent in 2008, to 3.4 percent in 2009, to 4.0 percent in 2010, and is estimated at 4.9 percent for 2011. For 2012, which showed a continuation of the trend displayed in the previous three years, growth is estimated at 5.6 percent. Thus there has been a steady increase in Togo's economic growth of the past three years, thanks to favorable climate conditions and the effects of the countercyclical policies set up by the Togo Government (support for agriculture and increased public investment expenditure).

Analysis of the relative shares of the various sectors in real GDP reveals that between 1990 and 2011 the primary sector remained dominant, accounting for an average of 36.8 percent, followed by the market services sector at 26.0 percent, and the secondary sector with 17.4 percent (see Table 1). Agriculture remains the sector with the greatest possibilities for accelerating growth, ensuring food security, creating jobs, increasing the income of the poor, and contributing to the trade balance and developing agro-industry.

**Table 1: Relative Share of Real GDP 1990–2011 (percent)**

Relative share (percent)	1990	2011	Average 1990–2011
Primary sector	30.3	37.7	36.8
Secondary sector	17.1	17.2	17.4
Tertiary sector	28.4	27.0	26.0
Bank service charges	-1.9	-1.8	-1.8
GVA of non-profit sector	16.8	12.6	13.5
Value-added tax (VAT)	4.4	4.3	4.7
Import duties and taxes (excl. VAT)	4.9	2.9	3.4
GDP	100.0	100.0	100.0

*Source: Directorate of Economics, July 2012*

For the period 2008–2011, the primary sector accounted for the large majority of GDP, with changes in real GDP strongly linked to changes in the primary sector. By contrast, apart from 2008, the secondary sector's contribution to GDP growth appears to be weak for the majority of the period, with changes in the secondary sector having little influence on real GDP. As to the market services sector, its contribution to growth appears to have been procyclical for the majority of the period, with changes in GDP tracking changes in the tertiary sector relatively closely (see Table 2 and Annex 1).

**Table 2: Contributions to Economic Growth 2008–2011 (percent)**

Sectors	2008	2009	2010	2011
Primary	1.4	3.1	0.9	2.0
Secondary	1.2	0.1	1.1	0.9
Tertiary	-0.2	0.4	0.9	0.2
Bank service charges	0.6	-0.1	-0.3	-0.2
GVA of non-profit sector	-0.3	0.2	0.1	0.1
Value-added tax (VAT)	-0.1	0.0	1.0	1.2
Import duties and taxes (excl. VAT)	-0.2	-0.4	0.3	0.7
GDP	2.4	3.4	4.0	4.9

*Source:* Data from PRECOMAT 2.0, Directorate of Economics, July 2012

In 2011 the growth in real GDP was driven by growth in the primary sector (with a contribution of 2.0 points, compared to 0.9 points in 2010), and in the secondary sector (0.9 points compared to 1.0 points in 2010). The tertiary sector's contribution is estimated to be 0.2 points, compared to 0.9 points in 2010. In 2011 the primary sector grew by 5.1 percent (versus 2.3 percent in 2010), based primarily on the agricultural sector (+ 5.1 percent versus 1.3 percent in 2010), and in particular on the good performance of cash crops, production of which grew by 28.5 percent from 2010. Cotton saw a significant increase of 70.6 percent due to stimulus of the sector, while food production grew by 3.5 percent in 2011, compared to 0.4 percent in 2010.

Growth (4.5 percent) in the secondary sector in 2011 is largely linked to the recovery in the building and public works sector, which grew by 21.1 percent, versus 6.8 percent in 2010; the extractive industries (17 percent, versus 2.1 percent in 2010), and the continued growth in the manufacturing industry (7.4 percent in 2011, versus 4.5 percent in 2010).

The tertiary sector grew by 1.0 percent in 2011, versus 3.7 percent in 2010, due to the significant slow-down observed in the growth of the banking and insurance sector (1.8 percent in 2011, versus 4.9 percent in 2010) and other commercially traded services (-2.1 percent in 2011, versus +5.7 percent in 2010), and in part in the trade sector (3.0 percent in 2011, and 4.8 percent in 2010).

Regarding uses of GDP, analysis shows that in Togo domestic demand has structurally outstripped GDP since the 1990s, which reflects heavy reliance on external assistance and remittances. Consumption averaged 97 percent of GDP over the course of the past three years, 87 percent of which was private consumption. The overall share of investment in GDP increased from 17.8 percent in 2008 to 18.9 percent in 2011—an increase of 18.4 percent for the period versus 16.1 percent for 2000–2007. This progression was essentially due to public investment, the rate of which nearly doubled from 4.7 percent to 8.6 percent for the period, while private investment saw a decline from 13.1 percent in 2008 to 10.3 percent in 2011. The savings and investment balance consistently remained negative for the entire period (averaging around 6 percent of GDP), illustrating the extremely poor domestic savings rate. For 2012 the trend continues, with a gross investment rate estimated at 20 percent (of which 10.1 percent is in public investment) and a negative savings and investment rate of around 8 percent of GDP.

Togo's economic situation is also characterized by good inflation control, with the inflation rate reaching 1.8 percent in 2010, versus 8.7 percent in 2008. After the inflationary pressures of 2008, due to the cost increase of foodstuffs and petroleum products, the 2010 decrease in inflation was achieved by a good food crop harvest and by subsidizing petroleum products. In 2011, inflation is estimated at 3.6 percent, slightly higher than the regional norm of 3 percent, primarily due to increases in the price of fuel and electricity. For 2012 it is estimated at 2.5 percent.

### 1.1.2. Financial and External Equilibria

Concern for good management of public finances was translated into significant public finance reform in the Public Financial Management Reform Action Plan (PA-RGPF—*Plan d'Actions pour la Réforme de la Gestion des Finances Publiques*). The ratio of the underlying budget balance to GDP could be contained, going from 1.3 percent in 2009, to 1.3 percent in 2010, and to -1.6 percent in 2011. The decline in the indicator between 2009 and 2011 can be explained by an increase in capital expenditure, financed with internal resources, and reflects the Government's decision to implement a reconstruction policy for Togo's infrastructure. There was increasing fiscal pressure, from 14.9 percent of GDP in 2008, to 15.7 percent in 2010, and 16.7 percent in 2011, exceeding the target of 16.3 percent. For 2012, it is estimated to be 17.5 percent. This change reflects the combined effect of reform implemented in state financial management.

Nonetheless, it should be noted that these reforms have been conducted in a fragmentary manner, with only a short-term perspective. The fiscal potential has not yet been entirely realized, and the level of revenue is subject to fluctuation. It is necessary to design a profound, integral reform of revenue administration to gradually improve Togo's autonomy in financing its development, and to ensure a stable revenue stream that covers increasing primary expenditure.

The State's budget implementation rate went from 72 percent in 2008 to 61 percent in 2010, and to 66 percent in 2011. Capital expenditure implementation was at a rate of 52 percent in 2008, 61 percent in 2010, and 64 percent in 2011. Given the extent of social demand, this under-consumption of budget poses a real problem of absorption capacity that will be urgent to address aggressively during the next economic program. Likewise, two fundamental challenges should be highlighted: (i) reinforcing Government's capacity to improve the quality of its expenditure; and (ii) working to improve budgetary forecasting.

As regards prioritizing expenses, the Government has emphasized the social sectors in conformance with the strategic objectives of its poverty reduction strategy and the MDGs. The part of the budget allocated to priority sectors (implementation base) grew significantly, rising from 38 percent in 2008, to 43.4 percent in 2009, then to 52 percent in 2010 and 54 percent in 2011, due to improvement in the implementation chain for public expenditure.

External equilibria remained fragile due to the extent of external shocks. The trade balance showed a structural deficit, going from -14.3 percent of GDP in 2008 to -12.5 percent in 2011, and reaching an estimated level of -15.3 percent in 2012. The deficit in the current account balance improved, dropping from 7 percent of GDP in 2008 to 6.4 percent in 2011. Estimates for 2012 give a deficit of about 6.2 percent of GDP. Due to the capital account surplus and financial transactions, the overall balance of payments showed a surplus of 36.5 billion CFAF in 2010, and 31.7 billion CFAF in 2011. Estimates for 2012 indicate a positive overall balance of 16.6 billion CFAF.

As regards external debt, following the completion of the HIPC Initiative in December 2010, Togo benefited from the Multilateral Debt Relief Initiative (MDRI); 95 percent of its debt to members of the Paris Club was cancelled, to the value of 308.4 billion CFAF, as well as debts of approximately 357 billion CFAF to the World Bank and the African Development Bank Group; thus contributing to the restoration of the State's creditworthiness and the sustainability of its external debt. In effect, external public debt, which in 2009 amounted to 770.1 billion CFAF (or 51.6 percent of GDP) was brought down to 260.3 billion CFAF at the end of 2010 (or 16.6 percent of GDP). The public debt ratio went from 84.5 percent in 2009 to 46.7 percent in 2010, and reached 44.4 percent in 2011. As to discharging of privately-held commercial domestic debt, this is on the right track, with 71 percent of this debt paid off at the end of December 2010, contributing to sustaining economic recovery in the private sector. In 2011, around 14.7 billion CFAF was paid toward domestic debt.

Thus the overview of Togo's economic performance between 2008 and 2011 shows that Togo's macroeconomic context has stabilized, relatively speaking. There is: (i) moderated inflation; (ii) decreasing external debt; and (iii) noticeably improved budgetary revenue, coupled with controlled public expenditure. However, the overall level of investment, while growing, nonetheless remains too low to propel strong growth. Moreover, the chronic under-consumption of budgetary allocations

appears to detract seriously from the full implementation of public policies and the maximization of their impact.

### 1.1.3. Competitiveness and Input Costs

Although this encouraging macroeconomic performance has allowed Togo to return to economic growth over the past three years, the make-up of the economic fabric of the country, which has changed little over the past few years, makes economic growth in Togo fragile and particularly sensitive to external shocks and to the vagaries of the climate.

Economic growth in Togo remains structurally handicapped by low total factor productivity (TFP) and high production factor costs. Thus since 1980 TFP has diminished (see Table 3). A reduction in the capital-labor ratio associated with retreating TFP has contributed to reduced labor productivity and per capita income. Although the working population has grown thanks to improved education, the accumulation of physical capital has been stagnating since the 1990s, contributing to the steady decrease in TFP since 1980. The average per capita investment for the period 2000–2005 remained very low in Togo, at around \$45, versus \$90 for Sub-Saharan Africa as a whole.

**Table 3: Breakdown of the Change in Total Factor Productivity (percent)**

Period	GDP growth	Physical capital	Human capital	Labor	TFP	GDP growth per capita
1980s	1.2	0.3	0.4	2.4	-1.9	-2.0
1990s	2.2	-0.1	0.3	2.1	-0.1	-0.5
2000–2007	2.0	0.4	0.5	1.8	-0.7	-0.8

*Source:* The World Bank, 2010 Country Economic Memorandum: “TOGO: Reviving the Traditional Sectors and Preparing for the Future: An Export-Led Growth Strategy”

As regards input costs, the average rate for low-voltage power supply in Togo was 100 CFAF/kilowatt hour (kWh) up until July 2009, a very high rate compared to the averages for Sub-Saharan Africa (56 CFAF/kWh), Latin America (30 CFAF/kWh), and South Asia (17 CFAF/kWh).<sup>1</sup> In July 2009 the medium-voltage rate for industrial customers increased by 12 percent in Togo, but residential customers were unaffected.

As regards telecommunications, State-run TogoTélécom has a monopoly on the market for fixed-line telephone services in Togo. Per-minute rates for fixed-line phones are 30 CFAF for local calls, 60 CFAF for long-distance calls, 120 CFAF for calls to cell phones, and 300 CFAF for international calls. The international rate (mostly affecting businesses) is high compared to other West African countries and applies to incoming as well as outgoing calls, placing Togo among the costliest countries in Africa; for example, the cost of peak-hour international calls from Togo—354 CFAF per minute—to European Union and other countries in the Economic Union of West African States (ECOWAS), and even the rest of the world was 2.7 times higher than Senegal’s 130 CFAF per minute.

Virtually all international calls from mobile phones must be routed via the TogoTélécom network,<sup>2</sup> which is also reflected in the pricing structure, with calls to other ECOWAS countries costing around 300 CFAF per minute (in 2008) and 490 CFAF for the rest of the world. Whereas in Senegal, an international call with wireless operator Orange costs 170 CFAF per minute—a third of what it costs in Togo.

<sup>1</sup> The World Bank, 2010 Country Economic Memorandum: “TOGO: Reviving the Traditional Sectors and Preparing for the Future: An Export-Led Growth Strategy.”

<sup>2</sup> Following an agreement with the Togo Government, Moov will henceforth have direct access to international connections.

For Internet access, the cost of a subscription in Togo can be considered prohibitive. For example, the monthly rate for businesses was 1,062,000 CFAF for ADSL2M in 2008,<sup>3</sup> versus 219,900 CFAF in Burkina Faso (Onatel), 169,000 CFAF in Côte d'Ivoire (Aviso), and 17,000 CFAF in Senegal (Sonatel).

#### **1.1.4. Structural Reforms and Business Climate**

The Government has conducted an ambitious program in structural reform to bolster the foundations of growth.

*As regards the phosphate sector*, the Government has accelerated reform in order to increase production. It has undertaken a strategic audit and compiled a business plan for the SNPT (New Phosphate Company of Togo) in association with the design of a new strategy for boosting the sector. Despite the heavy investment made by the SNPT every year since 2010 and expected to continue until 2014, increase in production has been negligible, and major delays have occurred in executing the various phases according to required standards of transparency. Efforts to improve governance of extractive sector management should be reinforced, as further indicated by the significant difference between declared revenues and actual revenues (to the State's detriment) in the first report of the Extractive Industries Transparency Initiative (EITI). (Togo subscribed to the transparency eligibility criteria to become a candidate country to the EITI on October 20, 2010.) These initial efforts at good governance and transparency will be evaluated during the validation process.

*As regards the cotton sector*, since the creation of the New Cotton Company of Togo (NSCT—*Nouvelle Société Cotonnière du Togo*) in June 2009, the Government has taken satisfactory measures to boost cotton production sustainably and to take advantage of opportunities for accelerating sector growth. These measures have included: (i) paying arrears to cotton farmer; (ii) recruiting a new managing director following a call for applications with very detailed specifications, and mobilizing producers; (iii) establishing an updated regulatory framework indicating the roles, responsibilities, and obligations of various sector actors. Other reforms are underway, including: (i) establishing an analytical accounting system to achieve a reliable information management system that establishes clear procedures for sales circuits, debts, revenues, and procurement; (ii) building the capacity of representatives from the farming community on the NSCT Board. Finally, other sector programs currently underway involve: (i) a decision process to reduce production costs at every level; (ii) finance for finding and restoring cotton tracks, cotton warehouses, and ginning mills; (iii) an external audit for each fiscal year. The final objective is to have a sector comprising a private cotton company with a minority interest held by the State and producers as soon as possible.

*In the energy sector*, the Government pursued financial stabilization of the Electric Energy Company of Togo (CEET—*Compagnie d'Énergie Électrique du Togo*), adjusting electricity tariffs according to CEET production costs so as to help preserve financial viability. Other important reforms were implemented, particularly the discharging of arrears to CEET by the State, local authorities, State-owned hotels, and public entities with autonomous budgets. Further, the Government launched an internal audit of the CEET, seeking to improve company performance and ensure a reliable power supply for the nation. A 2009–2013 performance contract was finalized between the CEET and the Government, and is currently being carried out. Finally, a managing director for the CEET was recruited following a call for applications with very detailed specifications.

*In the financial sector*, significant progress has been noted in restructuring the banking system to achieve more effective financial intermediation and financing of the economy, thereby contributing to economic growth. Divestiture began of State-owned capital in public banks, *Banque Togolaise pour le Commerce et l'Industrie*, *Banque Togolaise de Développement*, and *Banque Internationale pour l'Afrique au Togo* (BTCI, BTD, and BIA-TOGO). The State took over the non-performing loans of these banks to clean up their portfolios. A feasibility study for structuring recovery of non-performing loans was approved in June 2010, and a business plan was drawn up for the future debt-collection

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<sup>3</sup> Source: TogoTélécom and Internet research on rates of other operators.

company.

Further, the law governing divestiture of the State and other legal entities under public law from State-owned companies was adopted by the National Assembly on October 4, 2010. The appointed privatization commission proposed a strategy, adopted in August 2011, for effective privatization of the banks. Calls for expressions of interest and for tenders went out in December 2011.

*As regards the national pension system*, the Government has continued its efforts to remediate the difficulties experienced by the National Pension Fund (CRT—*Caisse de Retraite du Togo*) and the National Social Security Fund (CNSS—*Caisse Nationale de Sécurité Sociale*). To this end, a financial and organizational audit was conducted on the CRT and an actuarial study completed. This will allow an overall strategy for discharging the State's social debt. For the CNSS, an organizational and financial audit and an actuarial study were carried out. With a view to diversifying CNSS positions, a consulting firm was contracted to examine the prospect of a capitalization system, and another recruited to define the investment policy to be used.

*In the transportation sector*, the Government has pursued reforms for giving new impetus to road maintenance programs. It dissolved the Road Maintenance Fund (FER—*Fonds d'Entretien Routier*) and replaced it with the Road Fund (FR—*Fonds Routier*), the Autonomous Toll Company for Road Maintenance (CAPER—*Compagnie Autonome de Péage et pour l'Entretien des Routes*), and the National Roads Council (CNR—*Conseil National des Routes*). In maritime transport, significant reforms were undertaken in the past several years to improve the services of the PAL and allow it to be a sector that drives growth. In this regard, cargo handling services were contracted out to three private enterprises, namely Manuport, Togo Terminal, and Lomé Multipurpose Terminal. In addition, the introduction of the Customs software Sydonia++ at the port's Customs office has helped improve speed and efficiency of port operations. In air transport, studies are underway for constructing of a new airport in the immediate vicinity of Lomé to supplement Gnassingbé Eyadema International Airport.

*As regards the business climate*, the Business Start-Up Center (CFE—*Centre de Formalités des Entreprises*) has been restructured with the aim of making it into a true one-stop-shop for business start-ups. The Government has issued regulations that provide incentives for reducing the administration, wait times, and costs associated with starting a new business (Decree of March 7, 2012). This will gradually lift constraints on the effectiveness of the CFE, thereby noticeably reducing the average administrative processing time for starting new businesses. The number of formalities has been reduced from nine (9) to three (3): (i) registration with the business registry and with the building society; (ii) one Declaration of Existence to the Directorate-General for Taxation; and (iii) registration with the CNSS. Finally, Togo's Court of Arbitration (CATO—*Cour d'Arbitrage du Togo*) will contribute to improving the legal and judicial framework for business.

Other measures taken to assist the private sector and allow it to act as an engine of growth pertain to gradually establishing banking and financial guarantee mechanisms in support of SMEs/SMIs in their search for financing at preferential rates, and capacity-building for microfinance institutions.

*As regards improving the judicial system*, various actions taken include in particular: (i) capacity-building at the Justice Administration as well as for magistrates and officers of the court; (ii) control and auditing of jurisdictions; (iii) improved functioning of the jurisdictions; and (iv) improved access to the law and to justice.

The progress outlined above nonetheless still appears to be too recent to have affected the general business climate in Togo noticeably. Thus more needs to be done to achieve a marked reduction in the average time it takes to start a business. Togo still ranks 162 out of 183 countries in the report "Doing Business 2012." The country is still showing unsatisfactory results when it comes to business creation. It ranked 174th for this indicator with the average of 75 days required for founding a business in 2011, versus 31 days in Benin and 14 days for Burkina Faso. This represents a major problem, given the urgent need to create jobs in Togo.

*As regards the protection of investors*, Togo ranks poorly at 147 (compared to Ghana's ranking at 44). On Doing Business's Strength of Legal Rights Index (0–10 scale), Togo scored 3.7 in 2011, versus

Ghana's 6, an overall 4.4 average for Sub-Saharan Africa, and 6.0 for the OECD countries. On the Ease of Shareholder Suits Index (0–10 scale), Togo scored 4.0, versus Ghana's 6, an overall 5.0 average for Sub-Saharan Africa, and 6.9 for the OECD countries.

*As regards payment of taxes and duties*, Togo ranks 161st, while Ghana, for example, is at 78. The overall tax rate (as a percentage of gross margin) was 50.8 percent in Togo in 2011, versus 32.7 percent in Ghana. The high tax rates in Togo are a significant problem, starting with income tax rates. The recent reduction of income tax rates to 27–30 percent represents significant progress, but the 7 percent payroll tax seems counterproductive in many respects, especially in a nation where job creation is said to be a priority. Moreover, the recommended norm for payroll tax in the region is 2 percent. Thus to reflect the norm, and especially for promoting employment, payroll tax will be fixed at 3 percent in 2013.

Likewise, in the ranking “Ease of Doing Business 2012,” Togo stands at 32 out of 46 countries in Sub-Saharan Africa. These results are unsatisfactory, especially for indicators closely involving the Government: business creation (41st), obtaining of building permits (34th), property registration (40th), contract enforcement (33rd), and protection of investors (28th). The processing periods are too long and the processing fees high, making administrative procedures long and costly. Togo is thus behind the rest of West Africa in implementing reform.

A company survey in 2009 indicated that the cost of labor is very reasonable in Togo, which should represent an asset if productivity and skills are improved. However, the same survey reveals that 22 percent of companies in the Free Zone and 18 percent in customs territory consider the labor force's lack of qualifications a major constraint to economic competitiveness and attracting foreign private investors.

#### **1.1.5. Infrastructure and Support to Growth**

Economic infrastructure is critically important to improving competitiveness and accelerated growth. Therefore, with the support of development partners, Togo has invested significant financial resources into renewing infrastructure in support of growth. Hence public works procurement increased from a value of 24.4 billion CFAF in 2009 to 88.5 billion CFAF in 2011—virtually tripling in three years.

The level of execution is largely satisfactory for new tracks and repaired dirt roads (approximately 129 kilometers (km), 1,681 km and 900 km, for 2009, 2010, and 2011 respectively). On the other hand, performance was poor for newly constructed or newly asphalted roads and for the repair of asphalted roads (9 km, 10 km, and 70 km instead of the planned 141 km, 147 km, and 196 km, for 2009, 2010, and 2011 respectively), as a result of delays in the execution of certain asphaltting projects programmed in 2010. Despite these efforts, transportation infrastructure remains a great concern. Just 16.7 percent of roads are estimated to be in a good condition. A large part of the population faces serious difficulties in transporting their produce to markets, and more generally in becoming integrated into the national economy. Much remains to be done to improve rural and agricultural roads in order to support growth. As growth should have a noticeable impact on vulnerable and impoverished populations, the choice of location for infrastructure projects should take into account people's living conditions so as to avoid an over-concentration of these types of services.

The progress made pertained to development of infrastructure in the energy, postal, and telecommunications sectors so as to reinforce the bases for growth and the competitiveness of the economy.

*As regards energy infrastructure*, the Government financed construction of an additional 20 megawatts (MW) of thermal power plant for CEET in 2009. In addition, it signed a contract with the firm Contour Global for the production of 100 MW, which took effect in October 2010, thereby increasing Togo's energy production capacity. With the same objective, the Togo Government signed a concession contract with Delta Wind Togo SA-CA for electricity generation by a 25.2-MW wind power plant. Finally, the firm Sodigaz was founded in 2010 to supply natural gas to households. Nonetheless, despite these achievements, energy production capacity remains insufficient for meeting Togo's needs and the objectives of boosting growth.

*As regards the postal service*, it is recognized as the only institution with representation across all of Togo's prefectures and sub-prefectures. There are more than 78 post offices, supplemented by mobile service points ("MobiPost") that can be accessed on market days or at special events in remote rural areas. Since empowering these service points, the physical network has added two other elements: electronics and finance—a source of value added. The services currently offered by the postal service have greatly diversified, extending from the usual conveyance of mail, to electronic funds transfers and inter-city transportation. The fund transfer activities in particular have developed significantly in the past few years, contributing to an increased range of banking services in rural areas.

*As regards telecommunications*, costs for services have decreased substantially over the past two years, and in some cases are comparable to those in the other WAEMU countries. Nonetheless, there is still room for improvement, especially when it comes to rates for international calls and for Internet subscriptions. In addition, the sector saw an increase in investment from 24.46 billion CFAF in 2008, to 29.99 billion CFAF in 2009 for TogoTélécom, and from 28.35 billion CFAF in 2008, to 76.36 billion CFAF in 2009 for the wireless industry. *For ICT development*, in 2011 the sector saw the introduction of 3G technology by Togocel, the installation by TogoTélécom of a fiber optic network to service all the large cities in Togo, and the participation by TogoTélécom in the West African Cable System bandwidth. For the coming years, Togo can count on its favorable geographical location to take advantage of a direct connection to the WACS undersea cable, as it is located between three countries with rapidly growing economies, namely Benin, Burkina Faso, and Ghana, whose ICT needs are also growing. In addition, Togo has cheap, qualified labor. Finally, the small size of the country makes it easy and inexpensive to install networks. The telecommunications infrastructure installed allowed telephone density to reach 42.25 percent (from 40 percent in 2008) and brought about a reduction in the cost of telecommunications.

*As regards air transport infrastructure*, work is underway to modernize and restore facilities at the Gnassingbé Eyadema International Airport and the Niamtougou airport to meet passengers' demands for comfort. The PAL requires significant investment to improve its performance and effectiveness, needed for developing services to trade. The rail network, which dates from the colonial era, includes some extremely dilapidated stretches; nonetheless, a 6-km railway connection between Atikoumé and Aflao in Ghana is currently being constructed. The work is being financed to the tune of 1.3 billion CFAF by the company West Africa Cement (WACEM), to export clinker to Ghana.

As regards the infrastructure situation outlined above, the Government is conscious of the fact that it will need to: (i) address these large problems if it is to hope to derive benefits from growth and competitiveness; and (ii) restore good governance to the sector, supported by a strong strategic vision for the development of the infrastructure sector as a whole.

## **1.2. SOCIAL SITUATION**

For the last decade the Government has been implementing reforms in social sectors: education and training, health and nutrition, HIV/AIDS, drinking water and sanitation, social protection, youth development and employment, and gender equity and equality. As a result, between the year 2000 and 2011, Togo's Human Development Index (HDI) rose from 0.408 to 0.435.<sup>4</sup> Now ranked 162nd, the country has overtaken other countries of the subregion, including Burkina Faso (181<sup>st</sup>), Mali (175<sup>th</sup>), Ivory Coast (170<sup>th</sup>), and Benin (167<sup>th</sup>).

However, Togo's HDI is improving more slowly than the average for Sub-Saharan Africa. In 2000, Togo's HDI (0.408) was above the average for Sub-Saharan Africa (0.401), whereas in 2011 Togo's HDI (0.435) had fallen below it (0.463).

### **1.2.1. State of the Population**

The population growth rate in Togo is high and extremely variable among regions. Between 1981 and 2010 the total population rose from 2,719,567 to 6,191,155. Average annual growth is 2.84 percent

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<sup>4</sup> UNDP, Human Development Report 2011: "Sustainability and Equity: A Better Future for All."

(population doubles every 25 years), and women constitute the majority (51.4 percent). The population is unevenly distributed: 42 percent live in the Maritime region, which covers only 23.2 percent of Togo's total area. The population growth rate varies from one region to the next. The rate is relatively moderate and below the national average in the Plateaux (2.58 percent) and Kara (2.04 percent) regions, whereas it is much higher in the Savanes (3.18 percent) and Maritime (3.16 percent) regions. The disparity in population distribution and growth complicates development plans.

Togo's population is also highly mobile. People migrate in search of economic opportunities, with some moving from rural to urban areas and others leaving the country.

Most urbanization has occurred in the Greater Lomé Metropolitan Area, where 23.9 percent of the population resides. However, urbanization is poorly regulated, with no urban planning or environmental policies. Rapid and uncontrolled urbanization causes housing and infrastructure problems. In Lomé many vulnerable population groups reside in areas unfit for residential development, on land prone to flooding, landslides, or other weather-related dangers.

Due to rural exodus, a significant proportion of the rural population is over 60 years of age. In fact, 5.46 percent of Togo's population is over age 60 and three-quarters of that population live in rural areas. More and more young people are leaving rural areas for cities due to rampant rural poverty (low cash-incomes, shortage of fertile land, and poor access to basic social infrastructure).

According to the latest census data on age and sex of population, the proportion of young people remains high. This proves that fertility and mortality, although improving, are still high; 42 percent of the population is under age 15, and 60 percent is under age 25. This population structure underscores the urgent need to invest in education, health care, professional training, and job creation, and to implement the reform needed to ensure maximum return on investment in these areas.

In addition to internal migration, many Togolese migrate abroad. The Togo diaspora is estimated at 1,500,000 people, most living in African countries. The economic contribution of Togolese living abroad has become clearer. According to a BCAEO study in 2010, the diaspora transferred 855 billion CFAF to Togo between 2000 and 2010. Money transfers raised the gross disposable income by 1.2 percent in 2000 and by 8.9 percent in 2010. They accounted for 9.7 percent of the GDP in 2010. On average these transfers exceed foreign direct investment (FDI) in Togo by 2 to 4 times and are the largest source of non-debt generating external funding. These funds primarily serve to improve access to social services and to lower poverty.

However, the resources and potential of Togo's diaspora remain largely untapped due to: (i) lack of knowledge about its members' sociogeographic, socioprofessional, and socioeconomic characteristics; (ii) lack of organization, particularly of migrants, despite efforts by expatriate associations and Togolese associations abroad; (iii) Togolese residing abroad having little knowledge about business structures, procedures, and opportunities. It is therefore important that the Government design mechanisms to capitalize on money transfers.

### **1.2.2. Level of Human Resources Development**

Most improvements in human resources development have occurred in education and health care (including the fight against HIV/AIDS). Work remains to be done to improve drinking water and sanitation access, youth development and employment, social protection, and human rights (particularly children's rights).

#### **1.2.2.1 Education and Training**

Development strategies of the Togo Government have always prioritized education and training. The planning framework for this sector includes a sector-wide education plan adopted in 2010 and accompanied by a medium-term expenditure framework (MTEF), a budgeted three-year action plan, and sector-wide budgets/programs.

Access to daycare and preschool remains very low in Togo. Since no early childhood education system exists, Local Initiative Kindergartens (JEDIL—*Jardins d'Enfants d'Initiatives Locales*) have been created in rural areas, run solely by parents who are poor. In addition, planning and management

in this subsector would benefit from a policy document or strategies on early childhood education (parental and preschool education). Nonetheless, the gross preschool enrollment rate (4–5 years of age) rose from 6.8 percent in 2009 to 10.3 percent in 2011 (Aide Mémoire, Education Sector Review, July 2012).

In 2011 the gross primary enrollment rate was 112 percent (120 percent for boys, 105 percent for girls) according to the Ministry of Primary and Secondary Education and Literacy (MEPSA—*Ministère de l'Enseignement Primaire, Secondaire et de l'Alphabétisation*), and the boy-girl parity index was 0.97. In 2011 the gross access rate was 129.9 percent and the completion rate was 75.3 percent (Education Sector Review, July 2012). While access is expanding, nearly 25 percent of children who attend primary education do not complete it. In addition, according to MEPSA data on the 2010–2011 school year, 86 percent of children aged 6–11 attended primary school (91 percent of boys and 81 percent of girls). The elimination of tuition fees at public primary schools throughout the country has greatly improved access, particularly for the poorest children. However, the education system is unable to shoulder the financial burden of free public education. In addition, regional and especially local disparities remain in terms of access, and groups of children throughout the country do not attend school. In most cases, they are vulnerable children: children with disabilities (roughly 75,000), street children, or child laborers (primarily in urban areas where boys work in the markets and girls as domestic servants).

In terms of staff and facilities, the student/teacher and student/classroom ratios remain very high. Public primary schools are overcrowded: the average pupil/teacher ratio is 44/1, while the average class size is 43 pupils. However, these averages conceal disparities between urban and rural areas. In urban areas, some classes have over 100 pupils. PERI supplied all students at public primary schools and EDILs with French and math textbooks, yet private primary schools (attended by 27 percent of the enrolled population) were not included in the project. In 2011–2012, on average 33 percent of students had suitable reading textbooks while 46.5 percent had suitable math textbooks. The situation is worse in EDILs, where 11 students share one reading or math book. This ratio improved at the start of the 2012–2013 school year as PERI began distributing more textbooks. Reading skills remain very low and underemphasized in curricula.

Inadequate internal efficiency and low education quality are greater causes of concern. In fact, according to the MEPSA data, 22 percent of students who complete primary school repeat at least one grade. Regarding the primary school completion rate, 50 percent of girls do not finish primary school, compared to 20 percent of boys. Of girls who finish primary school, 30 percent do not enroll in secondary school, compared to less than 20 percent of boys. Girls are more prone to drop out than boys. The dropout rate is 9.7 percent (8.9 percent for boys and 10.6 percent for girls) and varies greatly among regions, ranging from 11 percent to 13.2 percent in the Kara, Plateaux, and Maritime regions, to 5.2 percent in Lomé.

In addition, lecture-style teaching remains the dominant methodology in the educational system, which ignores the economic and social trends in the country and is ineffective when teaching increasingly diversified student bodies. This pedagogy (passive learning) along with other factors results in mediocre learning outcomes.

Today, a Literacy Teaching, and Informal Education (AENF—*L'Alphabétisation et l'éducation non-formelle*) policy is needed to ensure that populations actively participate in social and economic life, thereby contributing to human development and poverty reduction. The QUIBB indicates that the literacy rate is improving. It rose from 56.9 percent in 2006, to 64 percent in 2011. According to the 2006 and 2011 QUIBB results, men (70.3 percent and 76.9 percent respectively) are more literate than women (44.4 percent and 52.4 percent respectively).

Another way to assess learning outcomes of schools is by the literacy levels of the adults who attended them. The more reading skills they retain, the higher the quality of their education at their primary school. In Togo, 81 percent of adults who reached grade 6 are able to read fluently. However, the performance gap between Togo and other countries (e.g., a 16-point difference between Togo and Rwanda's 97 percent) shows much room for improvement to ensure strong literacy retention among Togolese adults who complete primary school.

Despite the Government's pro-literacy measures, backed by NGOs, attendance at literacy centers is declining due to lack of: (i) a coherent literacy strategy emphasizing the policy on national languages in the educational system; and (ii) functional curricula adapted to learners' activities. However, a joint initiative with UNESCO Cap-EFA and PERI is underway to design a strategy on literacy/non-formal education and to draft an implementation plan.

In other grades, enrollment rates have improved, particularly in secondary education, wherein the gross enrollment rate rose 5.8 points between 2006 and 2011 (from 35.2 percent to 41 percent).

The challenges in secondary education are structural and functional.

In lower-level secondary education, significant regional and gender disparities stem from shortages of suitable environments for accommodating students and for teaching; and of qualified teachers. The boy/girl parity index is 0.72. The enrollment rates for boys and girls are 41 percent and 58 percent respectively. The access rate to the first year of secondary school is 45.7 percent for girls and 69.2 percent for boys. According to MEPSA data, on average just over 50 percent of 12-year-olds reach secondary school and slightly over one-third complete the first year. Adding to the above factors, which negatively impact the situation of education, the repetition rate remains very high, with the national average at 22.6 percent in 2011 (Education Sector Review, July 2012). Also, the retention rate remains too low at 62.8 percent in 2011. Moreover, the current increase in primary school enrollment will eventually affect outcomes at lower-level secondary education. According to MEPSA data, the junior high school certificate pass rate (BEPC—Brevet d'Etudes du Premier Cycle) ranges from 59.2 percent in the Plateaux region to 78.7 percent in the Kara region, with a national average of 62.8 percent. In terms of personnel, 25 percent of teachers are volunteers without the necessary academic credentials. All these factors affect the internal efficiency of this subsector. The Government will need to introduce policies to eliminate disparities and improve outcomes of lower-secondary education.

Quality and internal efficiency deficits also exist in higher levels of secondary education. Data on this subsector call into question the Government's willingness and actions to improve outcomes at these levels. In addition to dilapidated infrastructure and shortages of equipment and teaching materials, this subsector suffers from: (i) low enrollment rates (12 percent for girls and 34 percent for boys for a national average of 21 percent); (ii) a high repetition rate at 34.5 percent in 2011 (Education Sector Review, July 2012); and (iii) a low retention rate (74.3 percent in 2011). In other words, boys outnumber girls by 5 to 2 and over one-third of students have repeated at least one grade. Much work remains to be done to achieve gender equity in this subsector, reduce repetition, and improve internal efficiency. The secondary school curricula of most schools are based on the 1975 reform, thus outdated, and do not take new pedagogical practices or emerging issues related to sustainable development into account. The division of students into tracks also poses problems. Most students enroll in tracks A (60.6 percent) and D (38.9 percent). The C track (.05 percent) is underrepresented nationally and almost nonexistent in some regions due to teacher shortages. Only one school exists for training secondary teachers, and it cannot produce enough teachers to meet the demands of the system. In terms of staffing, volunteer teachers account for 20 percent of the teaching body. This proportion varies from 30 percent in the Plateaux region to 10 percent in the Maritime region. All these factors affect outcomes in this subsector.

Technical education and professional training have grown somewhat in recent years. For every 100,000 inhabitants, 470 were enrolled in 2009 and 529 in 2010. This 14.7 percent increase is due to more space for students in public programs and growth of the private offer. However, no policy is in place to promote professional training and tailor it to the job market. Other problems include textbook shortages and outdated, insufficient facilities and materials. Existing textbooks are outdated and only meet 20 percent of the need of public programs. Moreover, shortages of working materials, workshops (32 in 2009), and work stations (average of 5 to 10 students per station in all industrial training programs) for hands-on work are one of the reasons why technical and professional training remains disconnected from Togo's socioeconomic realities.

Enrollment in technical and vocational programs has increased since 2006 (for both sexes), although primarily thanks to private-sector initiatives. In fact, out of the 167 institutions offering technical and

vocational training in 2010, only 17 were public. However, increase in female enrollment conceals disparities, as girls are virtually absent from industrial programs (boys outnumbering girls 25 to 1 in 2011).

Enrollment rates in technical and vocational programs remain lower than enrollment rates in general education. Only 6 percent of all students are enrolled in such programs. Most workers still acquire specific job skills informally, through traditional channels. However, these skills pertain to outdated technologies and tend to be rudimentary.

Higher learning in Togo also has significant shortcomings: (i) subpar internal efficiency; (ii) persistent institutional disincentives; and (iii) alarmingly low teaching quality. Togo has two public universities, a Catholic university, and a few public and private institutions of higher learning. Like the other subsectors, higher learning and research suffer from inadequate infrastructures, outdated educational materials, and insufficient planning for incoming students. As a result, many graduates are not attuned to Togo's real needs in social and economic development. To remedy this situation, the Government plans to redefine and update the objectives of this branch of the education system by harmonizing and aligning it with other branches of this sector.

Enrollment rates in higher learning have more than doubled in the last decade and should continue to rise in coming years. According to MEPSA data, the number of students per 100,000 inhabitants rose from 306 in 1998, to 638 in 2007, and to 893 in 2011. Between 2009 and 2011, total enrollment in higher education rose from 43,958 to 54,819. The number of new students has also grown rapidly (13,871 in 2008, 19,310 in 2009, 16,747 in 2010, and 19,938 in 2011) with a boy-girl parity index of 0.39 in 2011. This growth is expected to continue unless measures are taken to regulate the inflow. In terms of academic study majors, 48 percent of students are in literary programs, 35 percent in science programs, and 16 percent in technical programs. Nearly all students are in academic programs rather than vocational ones, and the proportion of students enrolled in science programs is low.

In terms of internal efficiency, higher learning outcomes as gauged by success rates are very weak. Students having to repeat courses (classical system) or taking credits not validated for the Bachelor-Master-Doctorate degree system (LMD—*Licence Maîtrise Doctorat*) reduce higher learning efficiency. The lower-level situation in higher learning is alarming. Data show that a significant proportion of students fail in the early years, largely because they have been encouraged to study disciplines that are not their first choice or for which they are not adequately prepared. Poor internal efficiency thus remains a major problem in higher learning. Relatively large efficiency disparities exist between programs and institutions. For example, four years of study are required to earn a master's degree (*Maîtrise*), yet if dropouts and repeaters are taken into account, the average length of time is much longer. Some believe the introduction of the LMD system in 2007 will help to improve internal efficiency. However, the average number of years students need to obtain any of these degrees has yet to be established.

Quality and efficiency of higher learning are tied to three sets of factors. The first are upstream and concern choosing a course of study based on information and incentives. The second concern the academic programs themselves, including the resources mobilized, competence and motivation of the teaching body, and choice of program curricula. The third are downstream and relate to measuring the efficiency of programs according to how easily graduates transition to the professional world. All three levels of education quality are of prime importance to the Government. Currently, the higher-learning sector is struggling to overcome the challenge they present—substantial reform and innovation will be required in the coming years.

Employment for college graduates is a critical concern. The number of graduates entering the job market in Togo every year is increasing. The public-sector job market is saturated and the private-sector market too narrow for the high numbers. Further, with no planning and flow management, the number of graduates trained to meet Togo's real socioeconomic development needs is too low. This subsector is short on human resources. In fact, in 2009 the student/professor ratio was 166/1 at the University of Kara and 80/1 at the University of Lomé, whereas this is supposed to be a ratio of 30/1. Additionally, institutions of higher learning lack flexibility and do not interact enough with the private sector to obtain the information needed to adapt academic programs to the job market. Of primary

concern are: (i) outdated curricula, programs not diverse enough, and old-style teaching methods; (ii) little incentive for teachers to adapt and to update their courses; and (iii) scarce resources to innovate and train professors. Thus many college graduates are underemployed or unemployed. Private higher-education institutions are insufficiently supported; in fact, virtually no concrete measures have been taken to regulate the flow of students at private institutions.

That higher education does not offer training programs that meet the needs of the job market is a serious concern. Professional training programs must be developed with input from the private sector. Specialized training programs adapted to the needs of the subregion must be created to train young people from Togo and surrounding countries for specific jobs in the subregion.

In academic circles, scholars have few incentives to conduct research, which is also limited by shortage of funding, inadequate funding management, no national policy on research, and no critical mass. The low number of researchers represents a major handicap for this subsector. Public universities in Togo do invest in research, yet the results are underused for commercial or technological gain. Moreover, almost no R&D funding exists. All these factors restrict the freedom to undertake research activities even though they are required to be hired or promoted under the current system.

#### **1.2.2.2 Health Care—HIV/AIDS**

Reform of the health-care sector in recent years has sought to: (i) bring care facilities closer to communities; (ii) subsidize some urgent procedures or make them free of charge (such as Caesareans or ARV treatment); and (iii) improve coordination of development aid and funding efficiency in this sector.

Significant improvements have been made to the availability of care and access has risen to preventive care services for infants and children (e.g., vitamin A supplements, use of mosquito nets, vaccination coverage), and mothers (e.g., prenatal care, family planning). The Government is resolutely committed to reducing the maternal mortality rate through the African Union CARMMA (Campaign for Accelerated Reduction of Maternal, Newborn and Child Mortality in Africa) and has subsidized Caesarean-section births. Significant in the reform of this sector was the creation of health insurance.

However, certain obstacles to achieving the MDGs for the health-care sector still remain:

- (i) In terms of governance and leadership, the principle of decentralization is insufficiently applied, which restricts the decision-making authority of decentralized structures. In fact, the centralized health-care sector suffers on several levels: (a) all decision-making powers are concentrated in the hands of a few; (b) most financial resources are monopolized by the Ministry and a few hospitals instead of serving basic-care facilities; (c) inputs are concentrated in Lomé, home to 75 percent of doctors, compared to 7 percent in the Savanes region, and no policy measures have been taken to ensure qualified health-care personnel in isolated rural areas; and (d) poor planning, resource mobilization, and operational shortcomings in the health-care information system prevent sound decision making and good programming at different levels of the health-care system.
- (ii) There remain major geographic, economic, and social inequalities in availability and use of health-care services. Health-care services are concentrated in urban centers and public services are underutilized due to the high cost of basic care and maternal and pediatric care, as well as to the subpar quality of care services.
- (iii) Regarding access to medication, not enough generic and affordable medicines are available, which excludes access by the most vulnerable populations.
- (iv) In terms of funding, the proportion of the budget allotted to health care is below the proportion stipulated by the Abuja Declarations and Frameworks (15 percent).

In addition, awareness remains low about emerging diseases due to climate change and the intimate relationship between environment and health. A noteworthy characteristic of Togo is that health indicators drop off from South to North.

**Infant and maternal mortality:** The weaknesses listed above largely account for the high mortality indicators and their slow improvement. According to data from the MICS4/2010 (Multiple Indicator Cluster Survey), Togo's infant and child mortality rates remain very high. Infant mortality is 78 percent whereas the MDG target for 2015 is 29 percent; mortality of children under age 5 is 124 percent, whereas the MDG target is 51 percent by 2015. Togo's life expectancy at birth was 63.3 years in 2010 according to the United Nations Population Division. While slightly higher than the Sub-Saharan Africa average (59 years), it continues to be offset by the high infant mortality rate. The maternal mortality rate also remains high, although it dropped from 350 to 300 deaths per 100,000 live births between 2008 and 2011 according to Inter-agency estimates (UNFPA, WHO, UNICEF), whereas the MDG target for 2015 is 142.5 deaths per 100,000 live births.

**Reproductive health:** The MICS4/2010 survey indicates that 86.7 percent of mothers receive prenatal care in a health facility at least once before delivery. That percentage is 82.8 percent in rural areas and 94 percent in urban areas. In Togo, 60 percent of women give birth with a doctor, midwife, or nurse present whereas the MDG target is 82.8 percent by 2015.

In addition, poor fertility control<sup>5</sup> is detrimental to the health of mothers and children, and results in back-to-back pregnancies, often fatal abortions among adolescents, and numerous obstetric complications. Inadequate use of modern contraception compounds the problem. In fact, only 15.2 percent of married women use contraception; 13.2 percent of those use modern methods. In the poverty reduction strategy framework, the goal of family planning is to reduce maternal, neonatal, and infant mortality by spacing out births. Women's health is also affected by harmful practices such as FGM. In 2010, 3.8 percent of women aged 15–49 experienced some form of FGM, down from 5.8 percent in 2006 (MICS4).

**Gender-Based Violence (GBV)** can be added to the long list of factors that increase maternal, neonatal, and infant mortality. GBV is a grave social and public health problem with dangerous consequences on the reproductive health and well-being of young women. 34.2 percent of women who seek medical treatment do so on the decision of men. 30.2 percent of women cover the cost of their care without help from their husbands. In addition, the 2011 QUIBB survey indicated that domestic violence remains commonplace in Togo.

**Malnutrition:** 30 percent of children in Togo suffer from chronic malnutrition. The prevalence of severe acute malnutrition varies according to food security levels. In 2010, it affected 4.5 percent of Togolese children.<sup>6</sup> It remains a public health problem in Togo. Symptoms of malnutrition include stunted growth, low body weight, and deficiencies of iron, vitamin A, and iodine, particularly among children, adolescents, and women. Nutritional deficiencies have serious health consequences (morbidity, mortality, health expenditure) and adversely impact the cognitive development of children and their academic performance. In the long term, they can lower economic output.

While the nutritional status of children is improving, the prevalence of malnutrition remains high in Togo, particularly in rural areas. According to data from MICS surveys, the prevalence of low body weight (weight/age ratio) dropped from 26.8 percent to 16.6 percent between 2006 and 2010 whereas the MDG target for 2015 is 12.3 percent; and the prevalence of wasting (weight/height ratio) dropped from 14 percent to 4.8 percent. However, the prevalence of low body weight is three times greater in the Savanes region (43 percent) than in Lomé (16 percent). During the same period, the prevalence of stunted growth rose alarmingly from 23.7 percent to 29.7 percent. Breastfeeding has a significant impact on the nutritional status of children. In fact, premature weaning off breast milk and replacement with formula solutions can stunt growth and cause malnutrition due to micronutrient deficiencies. Togo has made progress in this area; 62 percent of children under age 6 months are fed only breast milk (MICS4). According to the same survey, nearly 9 of 10 Togolese children (88.1 percent) between 6 and 59 months old received vitamin A supplements. However, only 31.5 percent

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<sup>5</sup> The current Total Fertility Rate (TFR) is 4.8 percent; the fertility rate of adolescents aged 15–19 is 88 percent; 9 percent of women aged 15–49 have had at least one abortion.

<sup>6</sup> According to the MICS4/2010.

of households consume iodized salt.

The primary causes of infant mortality in Togo are poor sanitation in households and living environments, and consumption of unclean water. Poor waste disposal (trash, waste water, excreta) and consuming unclean water are vectors of diseases.

**HIV/AIDS:** Significant improvements have been made in this area. According to the 3rd MDG Progress Report (2010), Togo is on track to achieve the 2015 MDG target for HIV/AIDS (MDG 6) if efforts are sustained. The prevalence of HIV fell from 5.9 percent in 2001, to 3.2 percent in 2006. Although still one of the most affected countries in West Africa, the epidemic has leveled out over the last five years and new infections dropped by 28 percent between 2001 and 2009. The prevalence of HIV in pregnant women fell from 4.8 percent in 2003, to 3.5 percent in 2010. It is 4 times higher in Lomé (6.8 percent) than the Savanes region (1.6 percent), and is higher in urban areas (4.4 percent) than rural ones (2.5 percent). Regarding at-risk groups, the prevalence of HIV is declining among sex workers and their clients (13 percent and 2.5 percent respectively in 2011 versus 29.5 percent and 13 percent respectively in 2005). However, the prevalence of HIV is high among homosexual men (20.37 percent in 2011), drug users (5.38 percent in 2011), and prison inmates (4.3 percent in 2011).

In terms of epidemiology, the number of PLWHA (People Living with HIV/AIDS) in 2010 was 121,000, of whom 11,000 were children (0–14 years of age). Out of the 110,000 adults (over 15 years of age), 67,000 were women and adolescent girls (over 15 years of age). The number of OVCs (Orphans and other Vulnerable Children) created by HIV is estimated at 66,000. New infections numbering 10,000 and 7,500 AIDS-related deaths were recorded.

As of late 2011, antiretrovirals (ARVs) were available in 48.9 percent of health facilities (61.9 percent in Lomé). The rate of treatment coverage for eligible adults (48,604) was 59.8 percent. One hundred seven (107) pregnant women received counseling and testing services; 39.6 percent at sites for the Prevention of Mother-to-Child Transmission (PMTC) and 61.7 percent while receiving prenatal care at a health facility. However, only 7.5 percent of these women's partners were tested. Some 4,173, HIV-positive, pregnant women received ARV prophylaxis (60.5 percent of HIV-positive women in the country). The MTC transmission rate of HIV was 6.5 percent at 18 months of age. The prevalence of viral markers varied depending on the type of donor. In 2010, the frequency was lowest among former donors (3.40 percent) and highest among new ones (17.50 percent). Only 2 facilities perform blood transfusions (one national, one regional) and 6 sites exist for the collection and distribution of blood products.

According to the first STEPS survey<sup>7</sup> carried out in Togo in 2010 on risk factors of non-communicable diseases (NCDs), the prevalence of high blood pressure and diabetes among people aged 15–64 was 19 percent and 2.6 percent respectively. Six (6) percent of deaths at health facilities in the country were due to cardiovascular diseases. The high morbidity and mortality from NCDs are due to exposure to risk factors, such as: (i) tobacco use; (ii) alcohol abuse; (iii) drug or substance abuse; (iv) poor diet and obesity; and (v) sedentary lifestyle.

Each year 20,500 people die in Togo due to environmental risks such as air and water pollution and inadequate hygiene and sanitation according to the WHO Country Profile of Environmental Burden of Diseases (2009).

### **1.2.2.3 Access to Drinking Water and Sanitation**

Significant improvements have been made to water management in Togo. Baselines have been adopted so as to improve coordination and ensure the coherence of water sector interventions by different actors. Planning and sector programming documents have been drafted, such as a national water policy, a water code, a national hygiene and sanitation policy, as well as a National Action Plan for Water and Sanitation (PANSEA—*Plan d'Action National pour le Secteur de l'Eau et de l'Assainissement*) and a National Plan for Investment in the Environment and Natural Resources

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<sup>7</sup> Also called “STEPwise,” this approach was created by WHO to monitor risk factors of chronic diseases and the morbidity/mortality of these diseases.

(PINIERN—*Programme National d'Investissement pour l'Environnement et les Ressources Naturelles*), which was the subject of a round-table discussion.

The above policies and strategies have expanded drinking water access countrywide (up from 34 percent in 2007 to 39 percent in 2011), which has improved the living conditions of the population and helped to eradicate Guinea-worm disease. However, despite these improvements, the coverage rate (49 percent in 2011) remains below the MDG target. In urban areas, the coverage rate dropped between 2007 and 2011 (down from 39 percent to 34 percent). Drinking water in urban areas is supplied by Togo's national water company, TDE (*Togolaise des Eaux*), which is struggling to expand distribution networks and experiencing serious financial problems. In rural and semi-urban areas, this rate rose over the same period from 30 percent to 47 percent and from 29 percent to 35 percent respectively. Moreover, regional disparities exist in the water coverage rate.

The 2011 QUIBB indicated that drinking water access rates remained much higher in urban areas (76.7 percent) than rural ones (39.7 percent).

To reach the MDGs for this subsector, the Government and its partners drafted an Acceleration Framework (MAF) for target 7C—to halve the proportion of the population without access to drinking water and basic sanitation by 2015 in rural, semi-urban, peri-urban, and urban areas. The MAF aims to identify and eliminate obstacles to implementing changes needed to achieve MDG target 7C by 2015. Access to drinking water must be regarded as a human right, as stipulated in the international human rights instruments Togo has signed.

Poor sanitation, unclean water, and the inadequate disposal of human excreta are the prime vectors of diseases like cholera, typhoid fever, and polio. To remedy these problems, households must have access to improved sanitation facilities. For disposing of human waste this includes: (i) flush toilets (with or without water tanks) linked to sewage systems, septic tanks, or latrines; (ii) ventilated improved pit latrines; (iii) pit latrines with slabs; and (iv) composting toilets. In 2010, 34.9 percent of the population lived in houses with improved sanitation facilities. That figure is up from 32 percent in 2006 (MICS). The proportion is lower in rural areas (11.8 percent) than urban areas (73 percent). Regional disparities also exist, with the proportion ranging from 87.6 percent in Lomé to 15.6 percent in the Plateaux region.

#### **1.2.2.4 Social Protection**

Social protection comprises public and private measures that protect people from vulnerability and social risks, and promote social cohesion and equality. It encompasses a wide range of tools designed to (i) promote inclusion, access to basic services (health care, education, etc.), and employment; (ii) reduce the impact shocks have on well-being; and (iii) allocate a minimum of resources to the poorest people. Today, social protection is central to poverty reduction strategies in Africa.

The Government has improved several aspects of social protection. However, the economic crises and natural disasters starting in 2007 spotlighted the need for better social protection mechanisms, particularly ones designed to shield the most vulnerable populations from adversity. Until now, the Government's disaster response strategies have focused on meeting the short-term needs of people affected by exogenous shocks. It has also created an analytic base for drafting a national social protection policy and strategy ensuring long-term, broader, and more sustainable coverage for all categories of the population, particularly the poor and the vulnerable. Several programs and a new social-protection system have been being implemented in the last few years.

To offset revenue loss caused by exogenous shocks—particularly the global financial and economic crisis—a public works program for rural areas, dubbed “HIMO” for *haute intensité de main d'oeuvre*, has been created using a community-based approach. Other social safety nets have also been designed, including a school cafeteria program, which the Government created with support from development partners so as to improve attendance and learning outcomes. These cafeterias have a positive impact on nutrition and attendance. However, they hardly cover all Togo's needs. Currently, the cafeteria program covers only 182 primary schools, in which it offers meals to 40,400 students, whereas the HIMO program, which offers 40 days of paid employment, only benefits 15,000 under- or unemployed young people from rural areas. In addition, these programs are funded primarily by

external resources, which will eventually expire. Therefore, the question remains as to how to sustain these interventions over time. A policy and a national integrated school feeding program are currently being designed. Other programs related to transfers in-kind or in cash have been designed or are being designed to combat poverty and indigence.

The Government has also invested in basic social services. It has eliminated tuition fees at public pre-primary and primary schools and lowered the cost of some health-care services (e.g., for Caesarean-section births). To improve health-care access, the Government created a new mandatory health insurance system for public employees managed by the national health insurance provider INAM (*Institute National d'Assurance Maladie*). This is the first step toward creating a health insurance system that can be extended to other population segments. In addition, other insurance schemes are being implemented, including community-based health insurance.

Various studies have been conducted with support from development partners. These serve as the analytic basis for designing a national social protection policy. One completed series of studies includes: (i) in-depth reviews of contributory social insurance programs; (ii) social safety nets; (iii) the social protection of children; and (iv) an analysis of the impact that crises and response policies have on well-being. The study illustrates the present state of social protection and serves as a foundation for drafting a national social protection policy.

Economic imperatives are one cause of the resurgence of child labor. In many cases, families resort to child labor as a way to increase their income. Other factors contributing to the vulnerability of children are: (i) lack of access to basic social services (health care and education), particularly in the poorest communities; (ii) violence and abuse; (iii) migration and child-trafficking practices; and (iv) the exploitation of children in the worst lines of work. In most cases, all the above are related to survival strategies that poor and insecure households use despite the detriment to children.

In spite of Government efforts, the proportion of children with a birth certificate did not increase between 2006 and 2010. According to the MICS4/2010 survey, this indicator remained virtually the same (going from 78.1 percent to 77.9 percent). This suggests that the tools used to record births are inefficient. To remedy this problem, in December 2011 the Government launched a national campaign to issue birth certificates free of charge. Thanks to this campaign, at least 120,000 students (from grades CE2 to CM2) throughout Togo will obtain birth certificates. Additionally, the Government sponsored a study to analyze access disparities and identify bottlenecks in the current system of recording births. This study will be used to improve the system.

A nationwide study conducted in 2010 indicates that child labor is a key determinant of children's vulnerability to poverty. Around 58.1 percent of children aged 5–17 work for pay, 56.9 percent of those in dangerous jobs. Substantial regional disparities exist: in Lomé, 19.2 percent of children aged 5–17 work, whereas 73.3 percent work in the Savanes region and 73.9 percent work in the Plateaux region. Nearly half (51.8 percent) of children work in agriculture, fishing, and animal husbandry, nearly a quarter (24.9 percent) as domestic servants, and roughly 12 percent in the informal urban economy. In poor households, young girls (aged 10–14) work as domestic servants or sell foodstuffs to supplement their family's income. In lean periods women and young girls leave home in search of work (as servants, grain pounders, laundresses, in shops, etc.) and are often exposed to prostitution, exploitation, rape, and infanticide. In addition to the violence, abuse, exclusion, and exploitation that children from poor families experience, they are often absent from civil registries. This is a fundamental problem because it prevents children—girls in particular—from attending school. The female population spends considerable time fetching water and this is one of the main reasons for the low school attendance rate among girls and the low proportion of women engaged in income-generating activities.

Households in both rural and urban areas are exposed to a variety of shocks (droughts, floods, accidents, illnesses, fluctuation of commodity prices, etc.). This prevents them from accumulating the wealth and human capital needed to escape poverty. In addition, weaknesses have been identified in support mechanisms for some target groups such as the disabled and the elderly. For this reason, Togo is committed to making social protection—particularly of vulnerable groups—a central component of its poverty reduction strategy.

Risk materialization and disasters keep the most vulnerable groups in a state of insecurity and push others into poverty. Due to their impact on people, assets, and the environment, these hazards prevent the national economy from realizing its growth potential. For this reason, in 2009 the Government designed a national platform for risk and disaster management, an emergency response plan, and a contingency plan, and then drafted and approved a national risk reduction and disaster management strategy.

While some progress has been made, the legal and regulatory framework of social protection still needs improvement. One way to achieve this is to improve assessments of current or past initiatives and take lessons from them, which could serve as the basis for designing a bottleneck elimination strategy.

#### **1.2.2.5 Human Rights**

In partnership with other political actors, the Government has taken measures to bolster social cohesion and protect peace. Instances of human rights violations have dropped significantly. The crime rate has decreased from 118 crimes per 100,000 residents in 2008 to 101 in 2010 (down 14.4 percent). However, the Government has yet to create a plan for integrating a human rights dimension into reforms and programs, in terms of citizen engagement, transparency, and accountability.

However, the main challenge is to bolster institutional capabilities to fight impunity: for example, strengthening the judicial system to fight corruption and misappropriations of funds and to ensure that all public revenues go toward improving living conditions. Improvements in the field of human rights were made possible by security sector reforms. This sector is critical to shoring up economic gains.

Regarding violence against children, more than 9 out of 10 children (93.2 percent) aged 2–14 were subjected to some form of violent discipline (psychological or physical punishment) by their mothers/guardians or other household members; 85.6 percent of children have experienced psychological abuse. Non-violent punishments were only observed in 5.5 percent of cases. The proportion of children having experienced physical punishment or extreme physical punishment was 77.3 percent and 16.9 percent respectively. Boys experienced more light or severe physical discipline (79.7 percent and 19.1 percent respectively) than girls (75 percent and 14.7 percent respectively). The proportion of children having experienced psychological or physical punishment by their mothers/guardians or other household members varies from 87 percent in the Kara region to 95.2 percent in the Centrale region.

With respect to the human rights of those affected by the HIV epidemic, Togo has taken international commitments to provide universal access to HIV/AIDS prevention, treatment, support, and care programs. A law on protecting people living with HIV/AIDS was adopted in 2005 and revised in 2010. However, no study has been conducted on the efficiency of this law, and complaints of discrimination and stigmatization have been recorded in several locations in Togo. These were made via phone call or were logged by the permanent secretary of the National AIDS/STI Council, courts, the National Association of Judges, PLWHA, and associations that support and defend the rights of people infected with or affected by HIV/AIDS. In most instances, the victims received no support. The complaints pertained to violations of the right to work, to health care, to education, and to assistance and social protection.

In October 2011 Togo went before the United Nations Human Rights Council for the Universal Periodic Examination (UPE) and received several recommendations on the subject of human rights. A plan for implementing these recommendations has been drawn up and an implementation monitoring committee established, comprising representatives of the Government and civil society.

#### **1.2.2.6 Gender Equity and Equality**

Gender equity and equality are priorities of the Government. These entail not only promoting women, but also ensuring that women and men have the same status and equal chances at exercising their rights and potentials so as to contribute to Togo's development.

Togo signed the Convention for the Elimination of Discrimination against Women (CEDAW) in 1979. Since then the Government has continued working for gender equity and equality. Progress in

terms of women's participation in decision-making processes and in government has been improved. The percentage of women in decision-making bodies has increased. In 2011, 11 percent of legislators and 21.90 percent of ministers were women. In addition, as a result of the political will to reduce gender disparities and inequalities and to achieve equity, the Family Code was updated in 2010, a national gender equality policy (PNEEG—*Politique Nationale de l'Équité et de l'Égalité du Genre*) was approved in 2010 (including an implementation plan), a national action plan on resolutions 1325 and 1820 was approved, Caesarean-section births were subsidized, and a goal was set to increase the percentage of women in the military to 10 percent. However, insufficient resources are allocated to these sector-policies, and operational arrangements have yet to be drawn up, which places a burden on implementation of these policies.

Despite legal and political measures to promote equality between the sexes, some aspects of Togolese culture still restrict women's access to and control over productive resources such as land and basic social services, as well as women's public and private lives and participation in decision making. Many sociocultural factors are more harmful to women and girls than to men and boys. These reduce women's productivity and keep them in poverty, with adverse effect on their health (particularly reproductive health), leisure time, and reinvestment in human capital.

According to the 2011 QUIBB survey, 52.4 percent of women are literate, versus 76.9 percent of men. The gross secondary school enrollment rate is lower among girls (38.2 percent) than boys (50.8 percent). In the public sector the proportion of women employed full-time is lower than that of men (64.6 percent and 84.6 percent respectively). Similarly, the percentage of women with full-time employment in the private sector (15.2 percent) is lower than that of men in this sector (35.1 percent).

#### **1.2.2.7 Youth Development and Employment**

The right to work is protected by international human rights instruments and proclaimed in the Universal Declaration of Human Rights (UDHR). As Article 23 declares, "everyone has the right to work, to free choice of employment, to just and favorable conditions of work, and to protection against unemployment". The Togo Government believes that access to work and to employment must be fair and impartial even in the most isolated areas of the country.

Given the rise in under- and unemployment in Togo—particularly among young people, women, and the disabled—the employment and socioeconomic integration of young people is of major concern for public officials. It holds a central place in the policy agenda of the head of state and the Government's policy statement.

In fact, young people are the most affected by under- and unemployment (25 percent and 9 percent respectively in 2006). Starting in 2006 significant measures were taken to curb this problem by forming a ministerial department responsible for youth employment and for stimulating the National Employment Agency (ANPE—*Agence Nationale Pour l'Emploi*). Moreover, an annual employment seminar was initiated to foster dialogue among job market actors and facilitate the dissemination of information. Along with these institutional initiatives, several recently created youth employment programs have made progress: (i) a national program for promoting volunteering in Togo, (PROVONAT—*promotion du volontariat national*), which since 2011 has helped 928 young graduates find employment; (ii) a program for professional integration and employment, (AIDE—*Appui à l'Insertion et au Développement de l'Embauche*), which in 2011 placed 548 young unemployed first-time job seekers in private sector jobs; (iii) the Community Development Project (PDC—*Projet de Développement Communautaire*), which in 2011 created 9,000 jobs using the HIMO approach; (iv) a project to support young artisans' workforce entry, which promotes self-employment in artisanal fields and aims to integrate 1,000 young people annually into the workforce over the 2011–2015 period; (v) a development project for producing root and tuber crops, and a support project for collective economic activities that improved access to microcredit for associations and groups of young people; and (vi) recruitment of teachers and health-care personnel, which in 2008 started to reverse the drop in public sector employees.

In spite of these initiatives, employment (youth employment in particular) remains problematic. While economic growth has improved, the private sector's capacity for job creation remains low. For this

reason, employment must be included in the accelerated growth strategy.

According to data from the 2011 QUIBB survey, the unemployment rate is 6.5 percent and the underemployment rate 22.8 percent. The data indicate that unemployment fell slightly, whereas underemployment fell only in urban areas. Unemployment of young people dropped slightly between 2006 and 2011 (from 9 percent to 8.1 percent) and underemployment rate remains high (20.5 percent in 2011).

Given such rates, youth unemployment presents a major challenge to bolstering political reform, State rebuilding, economic reform, and infrastructure reconstruction—an alarming situation that fosters social divisions, which can cause young people to emigrate and seek alternative livelihood sources. This harms a society with considerable resources invested in educating its young people.

Several factors restrict job creation in Togo. Firstly, the business environment is not ideal. In fact, numerous provisions of the Tax Code are not conducive to economic recovery since they do not support SMEs, which create jobs. For example, the 7 percent payroll tax is counterproductive in a country with a high underemployment rate and trying to create jobs.<sup>8</sup>

In addition, no suitable institutional framework for coordination and cooperation exists for promoting youth employment. Coordination between various government offices responsible for employment is poor. No official channels for cooperation exist between the ministries for employment and for education and professional training. The same applies to Government agencies and the private sector (youth associations, NGOs, civil society, private training programs, etc.).

Moreover, lack of cooperation between actors (public and private sector, civil society, technical and financial partners) makes it difficult to coordinate actions to improve youth employment.

The mismatch between employment and training is certainly one of the largest problems young job seekers face despite the fact that the State has taken steps to improve employability through PROVONAT and AIDE. In fact, every year, schools, institutes, and universities supply the job market with 10,000 graduates, the majority of whom do not have profiles attractive to businesses. According to the 2008 study, the main obstacles to integrating young people into the workplace are lack of experience (34.2 percent of cases), lack of information (19 percent), and various types of discrimination (17 percent). Incentive measures for private companies to hire young people would improve their professional integration, yet these do not exist.

The training program intended to improve employability of first-time job seekers is struggling, although the Education Sector Plan (PSE—*Plan Sectoriel de l'Éducation*) (2010–2020) does outline a solution. The system is effectively short on training structures, facilities, and qualified teachers. Further, technical and professional training is insufficiently diversified and training centers are underequipped and overcrowded.

Young entrepreneurs face structural problems: (i) lack of financing and/or difficulty securing loans at good interest rates; (ii) lack of support during the first years of operations; (iii) fiscal constraints due to the tax system; and (iv) low access to ICTs.

All these problems short-circuit young people's ability and motivation to start their own businesses, as well as their entrepreneurial spirit.

However, measures to promote youth employment were implemented during the 2009–2011 period, attesting to the Government's desire to tackle this problem head on. However, with no job market statistics, outcomes could not be measured. It is impossible to monitor employment over the short term since no routine data collection system exists for employment. The Employment and Training Observatory (OEF—*Observatoire de l'Emploi et de la Formation*) has yet to solve this problem. This makes it virtually impossible to understand the overall dynamics of the job market and then design relevant policies on that basis.

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<sup>8</sup> See sector report, "Private Sector and Competitiveness."

Overcoming the problems outlined above requires designing and implementing new strategic moves in the area of youth employment.

#### **1.2.2.8 Sports and Recreation**

Improvements in Togo's sports sector include: (i) revived school and university sports leagues; (ii) training and hiring new physical education instructors in Lomé-Commune and Lomé Golfe in 2009; (iii) the National Institute of Youth and Sports (INJS—*Institut National de la Jeunesse et des Sports*), which has trained leadership staff; (iv) support for clubs for people with disabilities; and (v) adoption of a law on physical and athletic activities (law no. 2011–0417 of June 16, 2011). In addition, the population is developing renewed interest in playing sports, and women are present in all sports.

However, problems in this area include: (i) outdated and insufficient facilities and equipment, which prevents growth of popular sports and development of elite athletes; (ii) insufficient human resources capacity; (iii) inadequate systems for scouting and training young talent, medical follow-up, and athlete preparation; (iv) absence of laws on physical activity and sports; and (v) no system for coordinating sector actors.

A national guidebook on recreation activities was drafted in 2011. It lists modern and traditional sites of leisure activities. A strategy on renovating and promoting these sites has been designed. A national policy on recreation and an action plan are currently being drafted.

#### **1.2.2.9 Culture**

Togo is home to a variety of ethnic groups. Many of its religious and cultural customs and artistic traditions are deeply rooted in Black Africa. Traditional festivals showcase vitality and diversity (agricultural, initiation, religious, commemorative festivals). Local music and folk dance intermingle with the work of modern artists. The country has green spaces but their development awaits adoption of a legal framework.

Several factors prevent growth in this sector: (i) insufficient, dilapidated cultural infrastructure; (ii) lack of professionalism among actors and cultural promoters; (iii) poorly structured production, distribution, and marketing channels; (iv) increased piracy; (v) absence of infrastructure, equipment, and space for cinematographic and literary output; (vi) problems securing funding for cultural programs and projects.

### **1.2.3. Poverty and Inequality in Togo**

This section, which analyzes poverty and inequalities, will allow the Government to target successfully the poor and the areas in which inequalities should be reduced to achieve inclusive growth.

#### **1.2.3.1. Poverty Situation**

Poverty is multidimensional. Its several factors include low consumption of private goods, malnutrition, poor living conditions, and difficulty accessing public services or basic social services (education, health care, water and sanitation, etc.).

Poverty exists alongside diminished autonomy and exclusion. It should not be viewed as a lack only of material goods (property) and opportunity (employment), but also of physical and social goods such as health care, bodily integrity, protection against fear and violence, social standing, cultural identity, political influence, and the opportunity for respect and dignity.

Three complementary approaches have been adopted to address this problem:

- Monetary approach to poverty;
- Non-monetary approach to poverty, based on living conditions;
- Subjective approach to poverty, based on people's perception of poverty.

The monetary and perception approaches are based primarily on data from two QUIBB surveys,

conducted by the Directorate General of Statistics and National Accounts (DGSCN—*Direction Générale de la Statistique et de la Comptabilité*) in 2006 and 2011. The non-monetary approach relies on data from the MICS3/2006 and MICS4/2010 surveys conducted by the DGSCN.

### 1.2.3.2. Trends of Monetary and Non-Monetary Poverty

#### 1.2.3.2.1. Trend of Monetary Poverty

Analysis of trends in monetary poverty is based on two components: monetary poverty and extreme monetary poverty.

##### a) Monetary Poverty

People experiencing monetary poverty have living standards below a threshold called the poverty line. The methodology for measuring this type of poverty comprises two factors: the aggregate living standard and the poverty line. In the monetary approach, the well-being indicator is based on consumption. Poverty lines were calculated for Togo's five regions and for Lomé on the basis of satisfaction of essential needs. The 2011 poverty lines are based on the 2006 poverty line adjusted to reflect the inflation rate between 2006 and July/August 2011 when data were being collected for the latest QUIBB survey. These lines are indicated in the table below.

**Table 4: Change in the Poverty Line between 2006 and 2011 (in CFAF)**

Region	2006	2011
Lomé	276,400	323,388
Maritime	178,278	208,585
Plateaux	176,896	206,968
Centrale	205,365	240,277
Kara	176,896	206,968
Savanes	179,660	210,202
<i>National</i>	<i>276,400</i>	<i>323,388</i>

*Source:* Poverty Profile, 2006 and 2011 QUIBB.

The variations in the poverty line are due to regional price disparities.

According to survey results, the national incidence of poverty ( $P_0$ ) fell three points between 2006 and 2011 (from 61.7 percent to 58.7 percent). In addition, as Table 5 indicates, poverty declined in both rural and urban areas. In fact, the incidence of monetary poverty fell by 2.3 points in Lomé and by 1.7 points in other areas (urban and rural). Despite this overall drop, poverty remains higher in rural areas. In 2011, 73.4 percent of the rural population lived below the poverty line, compared to 28.5 percent of people in Lomé and 44.7 percent in other urban areas. Moreover, taking into account demographic weight that is much higher in rural areas, the vast majority of poor people live in rural areas. In fact, 78.9 percent of poor people live in rural, while 21.1 percent live in urban areas (Lomé included).

However, the depth ( $P_1$ ) and severity ( $P_2$ ) of poverty worsened during the period. The former rose from 23.6 percent to 24.4 percent, and the latter rose from 11.6 percent to 13.1 percent. This attests to a widening gap between the average expenditure of the poor and the poverty line, and to a rise in extreme poverty. In addition, the depth and severity of poverty as well as the incidence of poverty are greater in rural than urban areas.

**Table 5: Change in Monetary Poverty in Urban/Rural Areas (percent)**

Area	Poverty Indicators			Contribution to National Poverty		
	P <sub>0</sub>	P <sub>1</sub>	P <sub>2</sub>	C <sub>0</sub>	C <sub>1</sub>	C <sub>2</sub>
<b>2006</b>						
Lomé <sup>9</sup>	30.8	8.2	3.2	10.5	7.3	5.9
Other						
Urban	46.4	14.2	5.9	10.6	8.5	7.1
Rural	75.1	30.6	15.6	78.9	84.2	87.0
<i>Total</i>	<i>61.7</i>	<i>23.6</i>	<i>11.6</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>
<b>2011</b>						
Lomé	28.5	6.9	2.6	11.4	6.6	4.6
Other						
Urban	44.7	15.3	7.1	11.0	9.1	7.9
Rural	73.4	33.1	18.4	77.6	84.3	87.5
<i>Total</i>	<i>58.7</i>	<i>24.4</i>	<i>13.1</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

*Source:* Poverty Profile, 2006 and 2011 QUIBB

Despite what this overview of poverty in urban and rural areas suggests, poverty has not declined in all regions. The poverty rate declined in Greater Lomé (down from 32.8 percent in 2006 to 27.2 percent in 2011), in the Kara region (down from 74.2 percent to 68.4 percent), and especially in the Maritime region (down from 67.1 percent to 53.9 percent). However, between 2006 and 2011, the poverty rate rose in the Plateaux region (up from 61.1 percent to 64.7 percent), the Centrale region (up from 74.6 percent to 80.2 percent), and the Savanes region (up from 86.7 percent to 90.8 percent).

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<sup>9</sup> Refers to the five *arrondissements* of Lomé commune.

**Table 6: Change in Monetary Poverty by Region (percent)**

	Poverty Indicators			Contribution to National Poverty		
	P <sub>0</sub>	P <sub>1</sub>	P <sub>2</sub>	C <sub>0</sub>	C <sub>1</sub>	C <sub>2</sub>
<b>2006</b>						
Greater Lomé <sup>10</sup>	32.8	9.2	3.8	12.4	9.1	7.6
Maritime	67.1	22.6	9.8	22.5	19.8	17.5
Plateaux	61.1	21.7	9.9	21.3	19.7	18.3
Centrale	74.6	29.1	14.1	11.8	12.1	11.9
Kara	74.2	32.0	17.4	16.3	18.3	20.3
Savanes	86.7	44.2	25.4	15.7	21.0	24.5
<i>Total</i>	<i>61.7</i>	<i>23.6</i>	<i>11.6</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>
<b>2011</b>						
Greater Lomé	27.2	6.4	2.4	12.1	6.9	4.8
Maritime	53.9	19.1	9.3	13.7	11.7	10.6
Plateaux	64.7	26.7	13.7	25.8	25.6	24.5
Centrale	80.2	34.1	17.8	14.1	14.5	14.1
Kara	68.4	29.2	15.7	15.0	15.4	15.5
Savanes	90.8	50.7	31.9	19.3	25.9	30.4
<i>Total</i>	<i>58.7</i>	<i>24.4</i>	<i>13.1</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

*Sources:* Poverty Profile, 2006 and 2011 QUIBB

### **b) Extreme Monetary Poverty**

Households in extreme poverty cannot afford the cost of meeting basic nutritional needs, even spending their entire consumption budget on food. In these cases the poverty line is set at the level of the food poverty line.

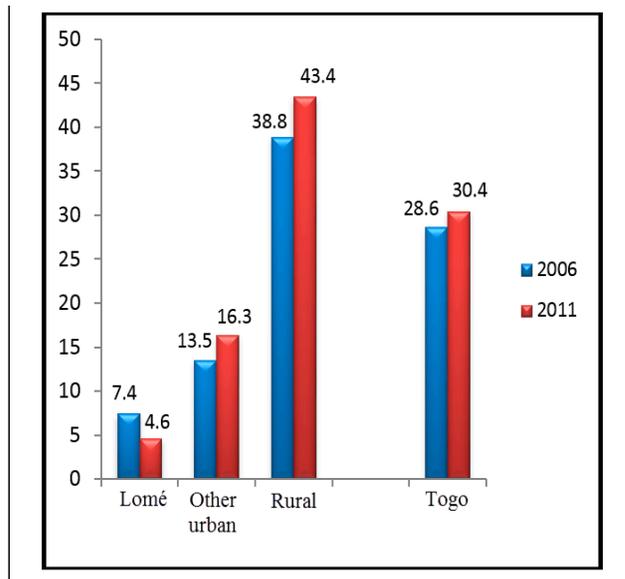
Extreme poverty cannot be defined solely on the basis of quantitative food deficiencies. As advised by the Committee on Economic, Social, and Cultural Rights (CESCR), the qualitative aspect must also be taken into account. According to the CESCR, to meet food needs diets must include a combination of nutrients necessary for physical and mental growth, the development and subsistence of individuals, as well as for a physical activity that meets the physiological needs of human beings at all stages of life, and on the basis of gender and level of activity. Therefore, measures are needed to ensure, adapt, or improve food diversity, as well as consumption and eating habits (including breastfeeding).

The national incidence of extreme poverty rose by nearly 2 points between 2006 and 2011 (up from 28.6 percent to 30.4 percent), which offsets the drop in poverty.

The breakdown of results by urban and rural areas indicates that extreme poverty is highest in rural areas where the rate rose from 38.8 percent in 2006 to 43.4 percent in 2011.

<sup>10</sup> Greater Lomé includes Lomé-Commune, the Préfecture du Golfe, as well as Adétikopé and Agbodrafo.

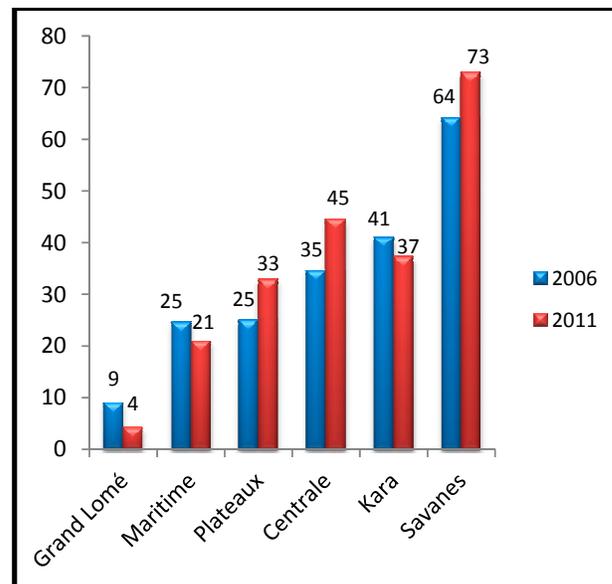
**Figure 1: Change in Extreme Poverty in Urban/Rural Areas (percent)**



*Sources:* Poverty Profile, 2006 and 2011 QUIBB

The results by region (Figure 2) paint a similar picture to that of general poverty. If the food poverty line is taken into account, incidences of extreme poverty drop significantly in Greater Lomé and the Maritime and Kara regions while increasing in the Plateaux, Centrale, and Savanes regions.

**Figure 2: Change in Extreme Monetary Policy by Region (percent)**



*Sources:* 2006 and 2011 QUIBB surveys

#### **1.2.3.2.2. Trend of Non-Monetary Poverty**

Non-monetary poverty is assessed in terms of a multidimensional poverty indicator and a Multidimensional Poverty Index (MPI), which takes into account 10 types of deprivations related to health care, education, and living conditions, the approach used by the United Nations Development

Programme (UNDP) in its 2010 Global Human Development Report. This analysis is based on data from the MICS3/2006 and the MICS4/2010.

Between 2006 and 2010 the proportion of the population that is multidimensionally poor dropped much more sharply than incidences of monetary poverty. Moreover, multidimensional poverty declined sharply in rural and urban areas both. In fact, between 2006 and 2010 the percentage of the population living in multidimensional poverty dropped by eight points from 59.4 percent to 51.9 percent. In urban areas, it dropped by 7.2 points (down 33 percent to 25.8 percent). The most significant drop occurred in rural areas (down 76 percent to 67.6 percent, or 8.4 points). The MPI followed the same trend as the incidence of multidimensional poverty, falling from 30.8 percent in 2006, to 26.7 percent in 2010 (see Tables 7 and 8).

**Table 7: Change in the Multidimensional Poverty Index in Urban/Rural Areas**

	Poverty Rate	Severity	MPI
<b>2006</b>			
Urban	0.3300	0.4900	0.1600
Rural	0.7600	0.5300	0.4000
<b>Overall</b>	<b>0.5940</b>	<b>0.5181</b>	<b>0.3078</b>
<b>2010</b>			
Urban	0.2575	0.4710	0.1213
Rural	0.6761	0.5239	0.3542
<b>Overall</b>	<b>0.5188</b>	<b>0.5141</b>	<b>0.2667</b>

*Source:* MICS3/2006 and MICS4/2010

Unlike the incidence of monetary poverty, the incidence of multidimensional poverty declined in all regions. As indicated above, the Government continued to invest in priority areas during the crisis. In fact, the 2011 QUIBB indicates that the crisis had no impact on the education of children.

However, as in the case for monetary poverty, the Maritime region experienced the most significant drop in multidimensional poverty: down 18.6 points from 63.3 to 44.7 percent. It dropped by 7.3 points in Lomé (down from 24.4 to 17.1 percent); 7.5 points in the Plateaux region (down from 63.8 to 56.3 percent); 6.8 points in the Centrale region (down from 66.7 to 59.9 percent); 1.4 points in the Kara region (down from 67.5 to 66.1 percent); and 7.1 points in the Savanes region (down from 82 to 74.9 percent), the latter remaining the poorest region in both monetary poverty and multidimensional poverty.

In addition, the significant decline (13.2 points) of monetary poverty in the Maritime region is partially due to the sharp decline in multidimensional poverty, which reflects consistency in data from the MICS4/2010 survey and the 2011 QUIBB survey.

**Table 8: Change in the Multidimensional Poverty Index by Region (percent)**

	Poverty Rate	Severity	MPI
<b>2006</b>			
Lomé	0.2441	0.4705	0.1148
Maritime	0.6333	0.5122	0.3244
Plateaux	0.6383	0.5079	0.3242
Centrale	0.6674	0.5190	0.3464
Kara	0.6751	0.5225	0.3528
Savanes	0.8202	0.5635	0.4622
<b>Total</b>	<b>0.5940</b>	<b>0.5181</b>	<b>0.3078</b>
<b>2010</b>			
Lomé	0.1714	0.4687	0.0803
Maritime	0.4477	0.5039	0.2256
Plateaux	0.5630	0.5070	0.2855
Centrale	0.5993	0.5072	0.3040
Kara	0.6606	0.5313	0.3510
Savanes	0.7487	0.5350	0.4005
<b>Overall</b>	<b>0.5188</b>	<b>0.5141</b>	<b>0.2667</b>

*Source:* MICS3 (2006) and MICS4 (2010)

#### 1.2.3.2.3. Poverty and Inequalities

To design an inclusive growth strategy, trends in income distribution inequalities must also be assessed, as well as the impact they have on the dynamics of poverty. In addition, inequalities in access to basic services, which also influence trends in poverty, must also be identified.

#### 1.2.3.2.4. Trends in Income Distribution Inequalities

Gini coefficients on inequality, based on data from the 2006 and the 2011 QUIBB, indicate that inequalities increased from 2006 to 2011. In fact, the Gini Index rose from 0.361 to 0.393. Inequalities increased in urban and rural areas and in all regions (see Tables 9 and 10).

**Table 9: Change in the Gini Index between 2006 and 2011 in Urban/Rural Areas and by Region**

	2006	2011
Urban	0.336	0.352
Rural	0.320	0.354
<b>Regions</b>		
Lomé	0.333	0.337
Maritime	0.289	0.330
Plateaux	0.335	0.354
Centrale	0.298	0.310
Kara	0.352	0.354
Savanes	0.342	0.344
<b>Overall</b>	<b>0.361</b>	<b>0.393</b>

*Source:* 2006 and 2011 QUIBB surveys

Further, inequalities between urban/rural areas and regions are higher than inequalities within these groups and account for 54.7 percent (2006) and 82.4 percent (2011) of inequalities. Those between urban/rural areas and regions even increased between 2006 and 2011, going from 0.197 to .220 (2006) and from 0.298 to 0.323 (2011).

**Table 10: Change in the Intra- and Inter-Group Gini Index in Urban/Rural Areas and by Region**

		2006	2011
<b>Urban/Rural Areas</b>	Intra-group inequality	0.1637	0.173
	Inter-group inequality	0.1974	0.2204
	Contribution of inter-group inequality	54.668	56.014
<b>Regions</b>	Intra-group inequality	0.0635	0.07
	Inter-group inequality	0.2976	0.3235
	Contribution of inter-group inequality	82.4108	82.2182
<b>Overall</b>		<b>0.3612</b>	<b>0.3934</b>

*Source:* 2006 and 2011 QUIBB surveys

#### 1.2.3.2.5. *Growth, Inequality, and Poverty*

In addition to analyzing trends in income distribution, the influence these trends have on the dynamics of poverty must also be assessed.

A breakdown of the poverty incidence by growth and redistribution effects shows that the 3 percent drop in poverty nationwide is primarily due to economic growth. Indeed, this drop is due much more to the growth effect (-2.8 percent) than the redistribution effect (.2 percent). In urban areas (Lomé and others) the increase in inequality mitigated the impact of the growth effect on poverty reduction. However, in rural areas the drop in poverty stems primarily from income redistribution. In other words, poor people in urban areas benefited less from the Government's initiatives between 2006 and 2011 than the rural poor.

**Table 11: Breakdown of Poverty Incidence between Growth and Redistribution Effects**

	Difference	Growth Effect	Redistribution Effect
<b>National</b>	-3.0	-2.8	-0.2
<b>Lomé</b>	-2.4	-5.0	2.5
<b>Other urban areas</b>	-1.6	-3.6	2.0
<b>Rural</b>	-1.7	0.6	-2.3

*Source:* 2006 and 2011 QUIBB surveys

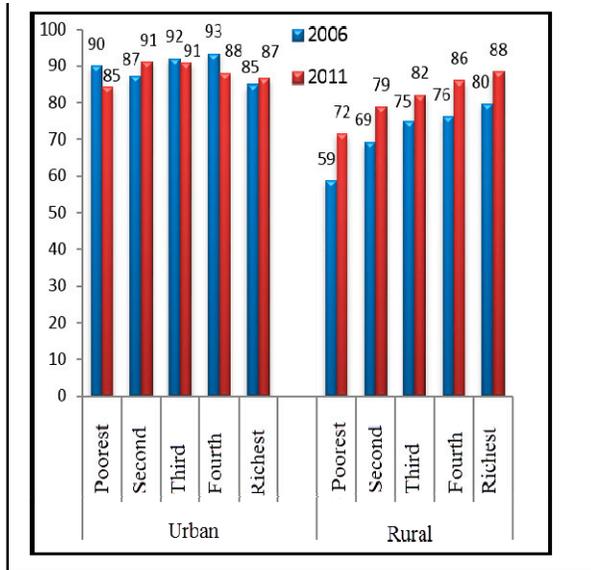
#### 1.2.3.2.6. *Inequalities in Access to Basic Social Services*

In assessing poverty, trends in inequalities in access to basic social services are as important as trends in income distribution inequalities.

a) Inequality in Access to Education

Regarding inequality in access to education, the gross primary enrollment rate is almost the same across all poverty quintiles in urban areas. However, in rural areas, in spite of the rise in the gross primary enrollment rate from 2006 to 2011 (thanks to the Government’s elimination of tuition fees), the gross primary enrollment rate of the two poorest quintiles dropped more than the others. This indicates that work remains to be done to improve access to primary school for poor children in rural areas.

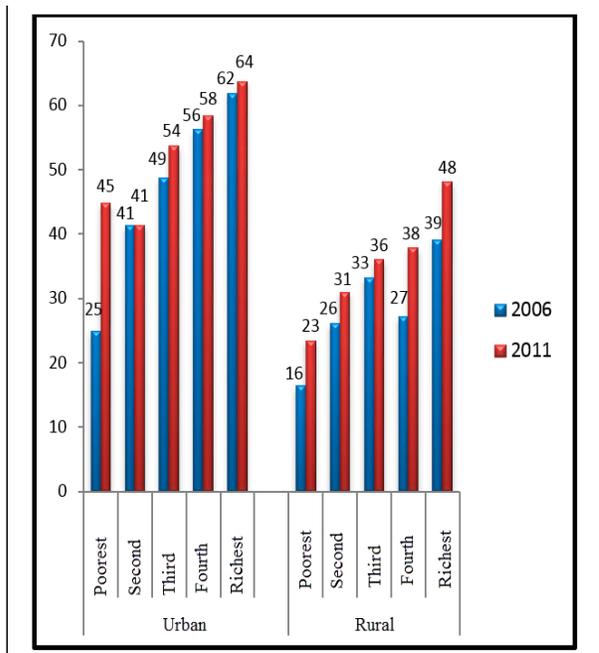
**Figure 3: Gross Primary Enrollment Rate by Quintile in Urban/Rural Areas**



*Sources:* 2006 and 2011 QUIBB surveys

Although the gross secondary enrollment rate has improved, the gap between urban and rural areas has widened. This indicates the need to continue working to improve access to secondary school in rural areas, particularly for children from poor households.

**Figure 4: Gross Secondary Enrollment Rate by Quintile in Urban/Rural Areas (percent)**

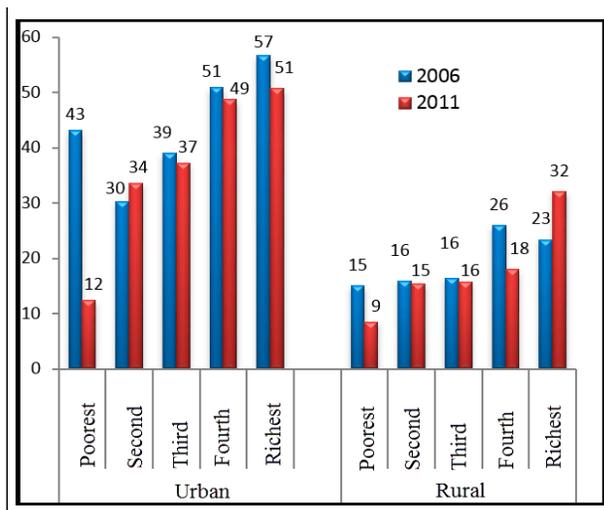


*Sources:* 2006 and 2011 QUIBB surveys

b) Inequalities in Health Care Access

Health care access has improved less in rural areas than urban areas, and the gap has widened between the poorest quintiles and the richest ones in urban and rural areas alike. In addition, health-care access dropped sharply in the poorest quintile in both urban and rural areas. This is undoubtedly due to recent economic crises, which have forced some households to resort to street medicines and traditional healers.

**Figure 5: Use of Hospitals to Treat Illnesses by Well-being Quintile (percent)**

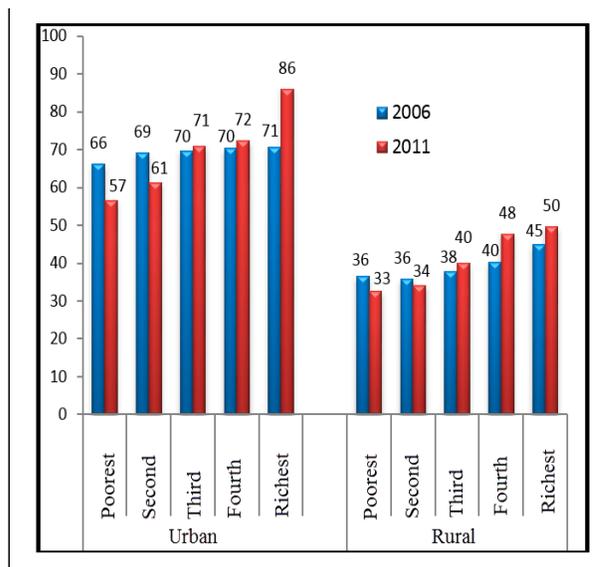


*Sources:* 2006 and 2011 QUIBB surveys

c) Inequalities in Access to Drinking Water

According to the data, poverty does not affect access to drinking water in both rural and urban areas. However, access rates are much higher for urban than for rural households. This suggests that the problem of drinking water access is related more to geographical factors than financial ones.

**Figure 6: Percentage of Households with Drinking Water Access by Quintile in Urban/Rural Areas, 2006 and 2011**

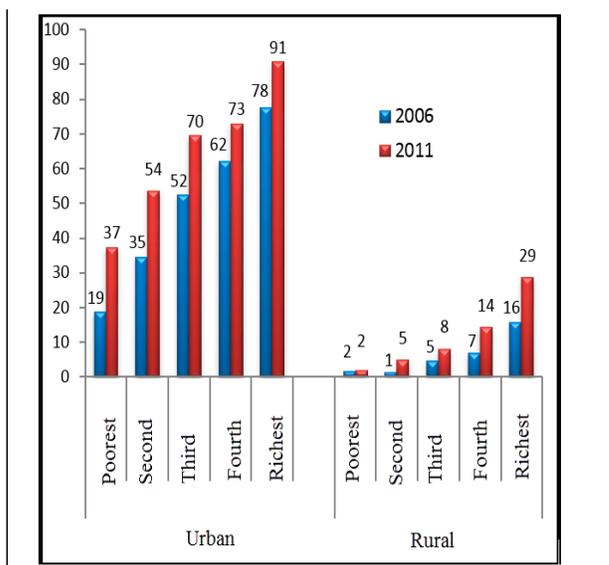


*Sources* : 2006 and 2011 QUIBB surveys

d) Inequalities in Access to Electricity

Access to electricity has risen significantly across all poverty quintiles in urban and rural areas alike. However, substantial disparities exist between urban and rural areas and between poverty quintiles.

**Figure 7: Percentage of Households with Electricity by Quintile in Urban/Rural Areas, 2006 and 2011**



*Sources:* 2006 and 2011 QUIBB surveys

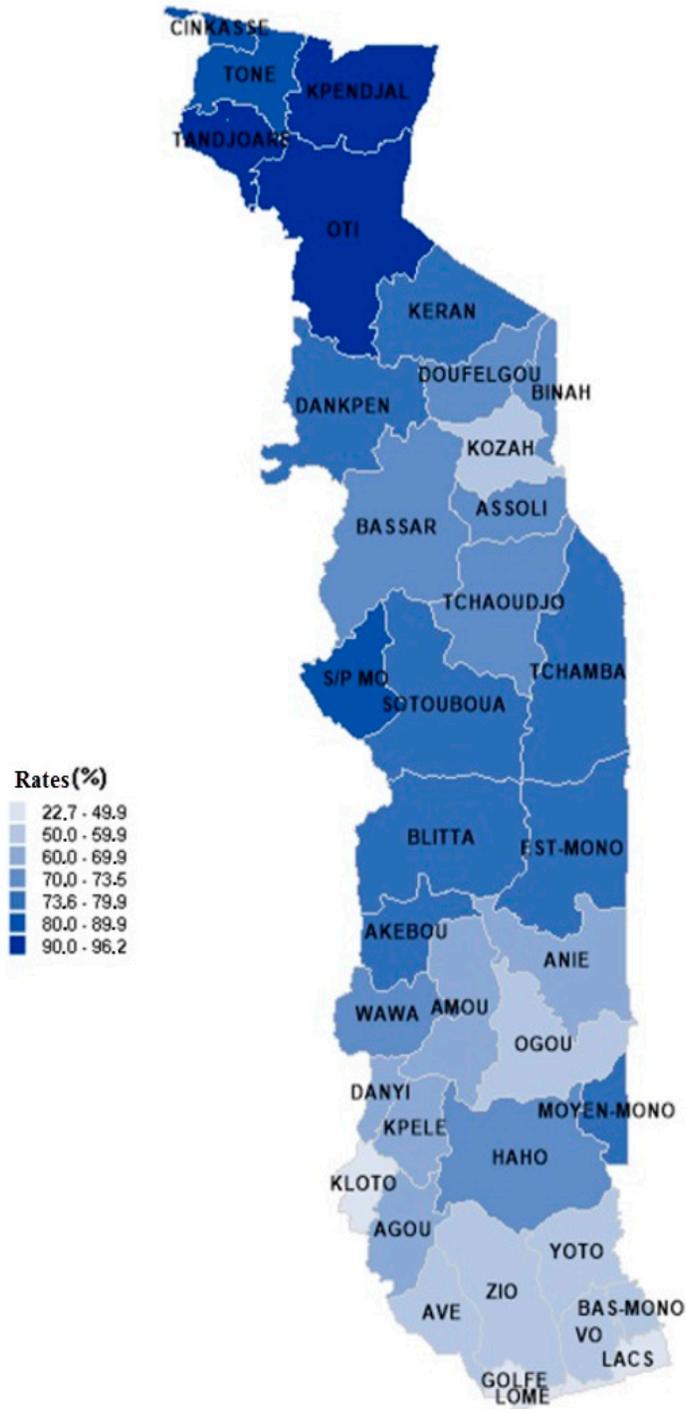
#### **1.2.3.2.7. Geographic Location of Poverty**

With a view to designing a pro-poor strategy, this section, on the geographic location of poverty, supplements the previous two sections and supplies information to improve poverty targeting.

##### **a) Location of Monetary Poverty**

A geographic breakdown of poverty reveals that the poorest prefectures are located in the northern part of Togo and, to a lesser extent, in the central part. Of the 10 poorest prefectures, nine are located in the northern and central areas, including the five prefectures of the Savanes region—Kpendjal (96.2 percent), Tandjoaré (94.5 percent), Oti (91.7 percent), Tone (87.6 percent), and Cinkassé (85.0 percent); three of the five prefectures in the Centrale region—Mô (87.9 percent), Blitta (79.6 percent), and Tchamba (78.0 percent); one of the seven prefectures of the Kara region—Dankpen (78 percent); and one of the 12 prefectures of the Plateaux region—Akébou (77.5 percent). However, prefectures with less poverty do exist in the northern part of the country—such as Kozah (57.9 percent). All the same, it is important to note that the 10 wealthiest areas are located in the southern part of the country.

**Map 1: Poverty Incidence**



*Sources:* 2011 QUIBB survey and 2010 GPHC, DGSCN

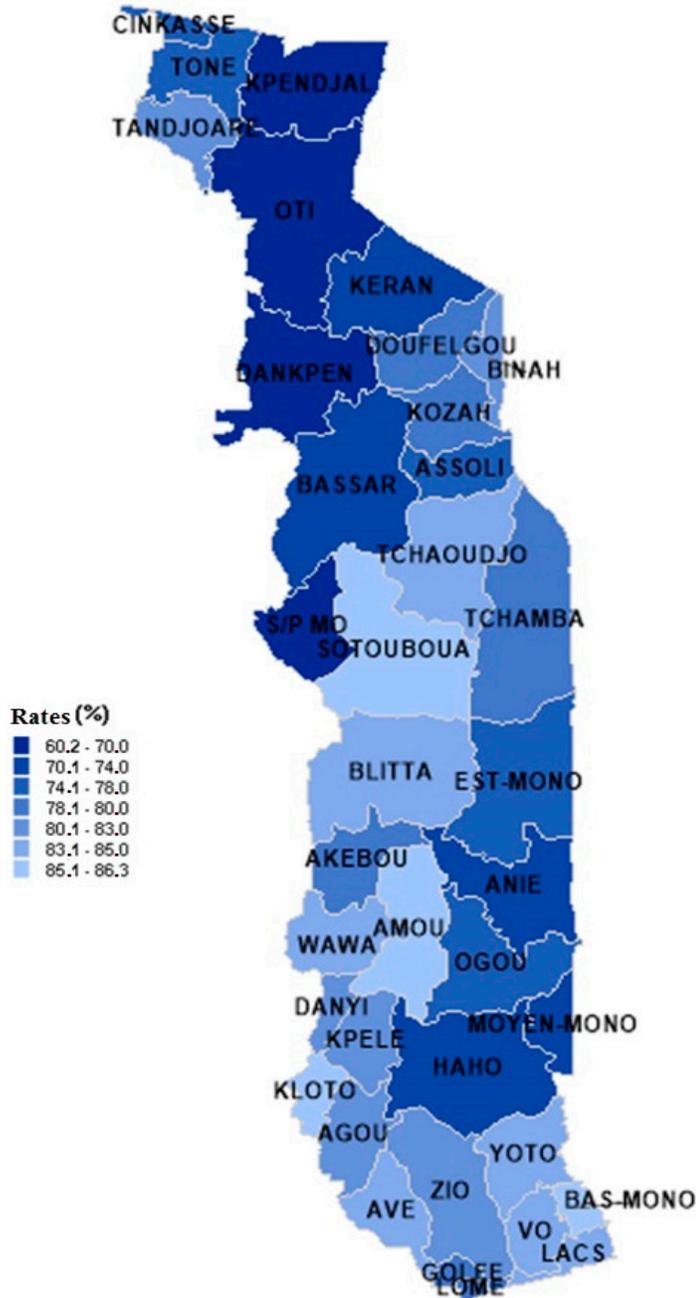
b) Areas with Lowest Access to Education

The map of gross primary enrollment rates indicates that the prefectures with the lowest education access rates are in four regions: Savanes—Kpendjal (60.2 percent), Oti (63.3 percent), and Cinkassé (74.2 percent); Kara—Dankpen (61.9 percent), Kéran (70.6 percent), and Bassar (72.4 percent);

Centrale—Mô (61.4 percent); and Plateaux—Haho (71.1 percent), Anié (72.9 percent), and Moyen Mono (73.4 percent).

As with poverty, low access to education exists in many areas in the northern and central parts of the country. The Savanes region has the lowest gross enrollment rate (see map below).

**Map 2: Gross Primary Enrollment Rates**



*Sources:* 2011 QUIBB survey and 2010 GPHC, DGSCN

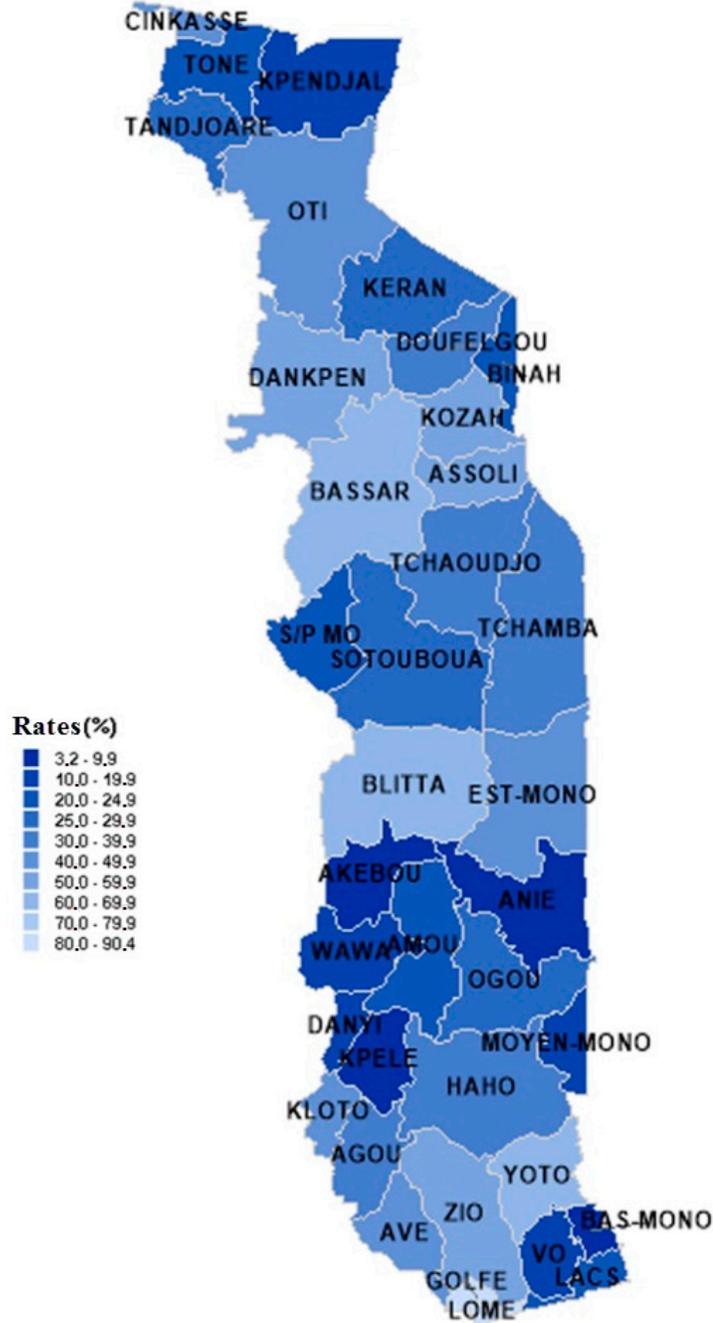
c) Areas with Lowest Access to Drinking Water

In contrast to incidences of poverty and low access to education, drinking water access is much lower in the southern parts of the country, particularly in the Plateaux and Maritime regions (with drinking

water access rates of 39 percent and 30 percent respectively). In fact, of the 8 prefectures with the lowest drinking water access rates (<30 percent), 4 are in the Plateaux region—Amou (24 percent), Anié (8 percent), Akébou (7 percent), and Wawa (29 percent); and 4 are in the Maritime region—Lacs (12 percent), Afagnan (16 percent), Vo (13 percent), and Yoto (19).

Drinking water access rates are much higher in the five *arrondissements* of Lomé and the Golfe prefecture (>80 percent) than in other areas (< 66 percent) (see map below).

**Map 3: Drinking Water Access Rates**



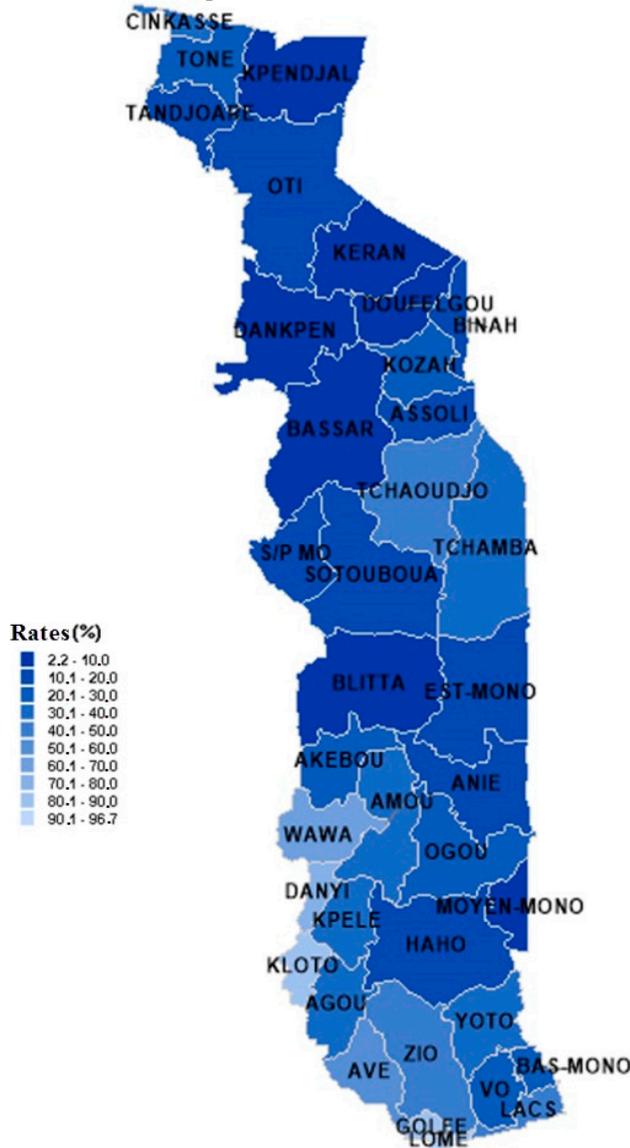
*Sources:* 2011 QUIBB survey and 2010 GPHC, DGSCN

d) Areas with Lowest Access to Improved Sanitation Facilities

The map on access to improved sanitation facilities indicates that the prefectures with the lowest access rates are in the Kara and Plateaux regions. Of the 10 prefectures with the lowest access rates, 5 are in the Kara region—Dankpen (2.3 percent), Kéran (6.9 percent), Doufelgou (9 percent), Bassar (9.4 percent), and Binah (12.1 percent); 3 are in the Plateaux region—Moyen Mono (8.3 percent), Anié (10.6 percent), and Est Mono (11.4 percent). The 2 remaining prefectures are the sub-prefecture of Mo (2.2 percent) in the Centrale region and the prefecture of Kpendjal (6.2 percent) in the Savanes region.

Like drinking water access, the access rates to improved sanitation facilities are much higher in the *arrondissements* of Lomé (>96 percent) than inland areas of the country.

**Map 4: Access Rates to Improved Sanitation Facilities**



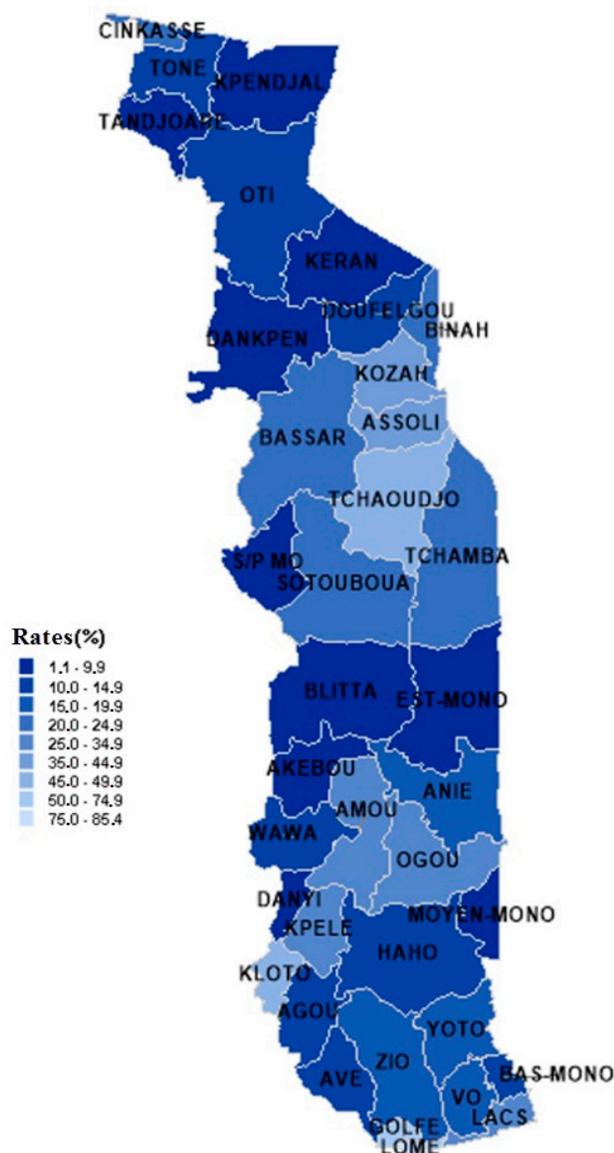
*Sources:* 2011 QUIBB survey and 2010 GPHC, DGSCN

e) Areas with Lowest Access to Electricity

The prefectures with the lowest electricity access rates are in the Savanes, Kara, and Plateaux regions. Two (2) of the 10 prefectures with the lowest access rates are in the Savanes region—Kpendjal (1.1 percent) and Tandjoare (1.3 percent). The other 8 are in the Kara region—Dankpen (3.2 percent), Kéran (5.9 percent); and the Plateaux region—Akébou (4.1 percent), Est Mono (4.3 percent), Moyen Mono (6.1 percent), and Danyi (7.8 percent).

Electricity access rates are much higher in the 5 *arrondissements* of Lomé and the Golfe prefecture (83 percent and 68 percent respectively) than in other areas (< 47 percent).

**Map 5: Electricity Access Rates**



*Sources:* 2011 QUIBB survey and 2010 GPHC, DGSCN

### **1.2.3.3. Determinants of Poverty**

The main determinants of poverty are place of residence (urban or rural) and region, as well as household size, health status, level of education, socioprofessional category, sex, and marriage status of the head of household.

In Togo, place of residence (urban or rural) is the strongest determinant of poverty. Poverty is more widespread in rural areas than urban areas. In 2011 poverty incidence was 73.4 percent in rural areas versus 28.5 percent in Lomé and 44.7 percent in other urban areas.

With respect to region, econometric analysis indicates that living in either urban or rural areas in the Savanes region affects poverty status negatively. For example, households in Lomé spent on average 49.3 percent more in 2011 than households in urban areas of the Savanes region. Similarly, households in Maritime rural areas have 77.4 percent more buying power than households in Savanes rural areas.

Large household size also contributes to poverty. In 2011 the poverty incidence of households of more than 12 people was 78.6 percent, compared with 22.5 percent for households with no more than 2 people, 46.4 percent for households with three to five people, 63.2 percent for households with 6 to 8 people, and 71.7 percent for households with nine to 11 people.

The health status or disability of household members, particularly the head of the household, affects poverty status. In Lomé, a household whose head is disabled has a 17.2 percent greater chance of being poor than a household whose head is fit for work.

The education level of heads of household has a positive impact on poverty status. For example, only 10.1 percent of households whose head has a college education are poor; 77.3 percent of households whose head has no education are poor; 59.2 percent of households whose head attended primary school are poor; and 44.6 percent of households whose head attended secondary school are poor.

Socioprofessional category also affects poverty levels. Poverty is highest among people living in households headed by self-employed farmers (78.3 percent), followed by people living in households headed by someone unemployed (51.5 percent). Poverty rates are lowest in households headed by public- and private-sector employees (27.4 percent and 44.1 percent respectively).

The sex of the household head also impacts poverty status, but differently in rural and urban areas. In urban areas, the poverty incidence of households headed by women is 34.2 percent. In relative terms, they are not as poor as those headed by men (36.4 percent). However, in rural areas, households headed by women are poorer than those headed by men (74.1 percent versus 69.1 percent). The reason for this is the discrimination women still face, particularly in rural areas where they do not have the right to inherit land.

Age also impacts poverty status. Households headed by the elderly are especially vulnerable to poverty. The poverty incidence of households headed by people aged 60–69 is 63 percent. It is 73 percent for households with heads over 70 years of age, versus 60 percent for other households.

The marital status of household heads also determines poverty. Households headed by polygamous people or by widows/widowers are more vulnerable to poverty, with poverty incidences of 65.5 percent and 62.2 percent respectively, versus 34.3 percent for households led by unmarried people and 56.3 percent for households led by monogamous men.

In addition, access to production factors such as land, capital, or electricity has a significant impact on the poverty incidence in rural areas.

### **1.2.3.4. Households' Perception of Poverty**

Monetary and non-monetary approaches to poverty do not completely account for the varied aspects of a phenomenon that is complex and difficult to grasp. The way populations perceive poverty helps elucidate these aspects.

Households rated their well-being on a graduated scale from one to six (1–6), one being very poor and six being wealthy). Rating themselves at 1 and 2, 81.4 percent of households in the country

considered themselves very poor and poor; at 3 and 4, 14.3 percent rated themselves moderately wealthy; and at 5 and 6, 1.1 percent considered themselves to be wealthy and very wealthy. Further, 79.9 percent of households in urban areas and 83.5 percent of households in rural areas considered themselves to be very poor or poor. The highest concentration of households considering themselves to be poor are in the Savanes (90.5 percent) and Maritime (84.7 percent) regions.

Sampled households cited the following aspects of non-monetary poverty:

**Food needs:** 66.1 percent of households (urban and rural areas) claimed their food needs were not met in the month before the survey. Households headed by women are more food deficient than those headed by men: 72 percent of households headed by women are unable to meet their food needs, versus 64.4 percent of households headed by men.

**Housing:** 66.1 percent of households were dissatisfied with their housing, claiming their housing does not meet their needs. The proportion is higher in rural (68.6 percent) than urban (64.2 percent) households. Lowest levels of satisfaction were in the Maritime (71.4 percent) and Savanes (75.5 percent) regions.

**Clothing:** 70.7 percent of households do not have enough clothes to meet their needs. The proportion is higher in rural (75.7 percent) than urban (67.1 percent) areas. Clothing shortages are somewhat higher in the Savanes region, where roughly four of five households (84.5 percent) struggle with this fundamental problem, followed by the Maritime (73.5 percent), and Plateaux (73.1 percent) regions.

**Health:** 66.1 percent of households claim that their household members' health care needs are not met. The proportion is higher in rural (72.3 percent) than urban (61.6 percent) households. The highest incidences are in the Savanes (79.9 percent) and Maritime (69.5 percent) regions.

To sum up: 44.4 percent of households thought that none of their vital needs—food, clothing, and shelter—are met; 41.3 percent of households felt their needs are partially met (at least one vital need is unmet); and only 14.2 percent of households felt all their vital needs are met or surpassed.

#### **1.2.3.5. Status of the MDGs**

The status of Togo's MDGs and the challenges to be met to achieve them are reviewed below:

**MDG 1:** Encouraging results have been obtained in terms of eliminating extreme poverty despite the fact that poverty remains relatively widespread. Poverty affected 58.7 percent of the population in 2011 (versus 61.7 percent in 2006). As indicated above in section 1.2.3.4, poverty contributes to child trafficking. Poverty remains higher in rural areas where 73.4 percent of the population is poor (versus 75.1 percent in 2006). Much improvement will be required to reach the MDG target for 2015 (lower poverty incidence to 30.9 percent).

**MDG 2:** Efforts were made to achieve universal primary education. The gross enrollment rate (GER) rose to 86 percent in 2011 (versus 73.7 percent in 2006) according to MEPSA data. The Government's GER goal is 96 percent by 2015, although the MDG 2015 target is 100 percent. Moreover, the completion rate remains low (76.9 percent), with goals for 2017 and 2020 of 90.4 and 100 percent respectively. Therefore, universal primary education will not be achieved by 2015. The girl/boy ratio in primary school declined between 2006 and 2011 (down from 0.92 to 0.90). Therefore, the Government must continue toward reaching MDG 2 and take measures to achieve parity in school enrollment, which will require preventing early marriages of girls and child labor.

**MDG 3:** Substantial work remains to be done to achieve gender equality and empower women. Women still hold very few non-agricultural jobs in the modern sector. They tend to use their talents in the informal and agricultural sectors (farming, processing, and selling agricultural products). As indicated above, they are underrepresented in the political arena (comprising 21 percent of ministers in 2011, 11 percent of parliamentarians since 2007, 11.1 percent of mayors, and 0.38 percent of canton chiefs since the 2000s).

**MDG 4, 5, and 6:** For health care, the 2006 and 2010 MICS surveys indicate that the infant (under 1 year of age) and child (under age 5) mortality rate has leveled off. However, it remained high in 2010, at 78 percent and 124 percent respectively. Early marriage and motherhood negatively affect the

health of children. Although the maternal mortality rate has dropped considerably (down from 478 to 300 per 100,000 live births between 1998 and 2011), it remains far from the MDG target for 2015 of 143 per 100,000 live births. Early pregnancy and FGM are the primary causes of maternal mortality.

According to the EPP/Spectrum Report, the HIV prevalence dropped from 6 percent in 1990 to 3.41 percent in 2011.<sup>11</sup> While treatment of infected individuals has improved, with therapeutic coverage up to 59.8 percent (PNLS Report, 2011), treating HIV-positive orphans remains key in the war on HIV.

Progress has been made in fighting malaria. However, work remains to be done, particularly in terms of prevention. According to MICS4-2010, 57.1 percent of children under age 5 and 46.3 percent of pregnant women sleep under insecticide-treated bed nets. The treatment coverage rate for children with malaria is 87 percent (Aide-Mémoire, PNLP, March 2011).

**MDG 7:** Regarding the environment, resources relied on by populations for their day-to-day existence continue to be strained. For drinking water access,<sup>12</sup> shortages still exist despite abundant resources. The drinking water access rate rose from 34 percent in 2007 to 39 percent in 2011 (PROGRES/MEAHV data) yet significant disparities remain. The rate rose from 30 percent to 47 percent in rural areas and from 29 percent to 35 percent in semi-urban areas; but it dropped from 39 percent to 34 percent in urban areas. However, according to MICS4/2010, the proportion of population using potable water as drinking water dropped from 60.6 percent (2006) to 57.3 percent (2010), with the MDG 2015 target at 75 percent and the Government's 2017 target at 65 percent. The proportion of the population with access to improved sanitation facilities (appropriate systems for human waste disposal) improved, rising from 31.7 percent (2006) to 34.9 percent (2010), with the 2015 MDG target at 50 percent and the Government's 2017 target at 50 percent.

**MDG 8:** With regard to implementing a global partnership for development, the country experienced significant improvements in terms of access to telephones (fixed and mobile lines) and the Internet, although work remains to be done. Togo aims to achieve a telephone penetration rate of 60 percent by 2015 (versus 41.8 percent in 2009) and a high-speed Internet penetration rate of 15 percent.

### 1.3. STATE OF THE ENVIRONMENT

The Togo Government implemented a number of programs and projects that helped to enhance environmental and forest resources management, while improving the living conditions of its population. With respect to the environment, therefore, while the legal and institutional framework was improved, instruments for the orientation, planning, and programming of the sector's activities were developed. Similarly, concrete actions were taken regarding the sustainable management of flora and fauna, combating climate change and natural disasters, as well as pollution and nuisance. Also, a new Forest Policy for Togo (PFT—*Politique Forestière du Togo*) and a new National Forest Management Plan (PAFN—*Plan d'Action Forestier National*) were developed for the period 2011–2019.

#### 1.3.1. Environmental Governance

Togo also passed three major laws that helped to internalize the various multilateral agreements on environmental issues and integrate them into the national legal corpus. They include: (i) Law no. 2008-005 of 30 May 2008 to enact the Framework Law on the Environment; (ii) Law no. 2008-009 of 19 June 2008 to enact the Forestry Code; and (iii) Law no. 2009-001 of 6 January 2009 on the

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<sup>11</sup> EPP (Estimation and Projection Package)/Spectrum is a suite of easy-to-use policy models that provide policymakers with an analytical tool to support the decision-making process for HIV/AIDS.

<sup>12</sup> The drinking-water access rate is based on data collected under the PROGRES program of Togo's Ministry of Water, Sanitation, and Village Water Supply (MEAHV—*Ministère de l'eau, de l'assainissement et de l'hydraulique villageoise*). It takes into account the potential or capacity of hydraulic structures and their distance from the populations they serve. For water to be considered potable, it must come from taps, boreholes equipped with hand pumps, or modern large-diameter wells with concrete casing and hand pumps. However, the drinking water access rate (or percentage of the population with access to improved water sources) is primarily based on MICS surveys.

Prevention of Biotechnological Hazards. As part of the implementation of these laws, Togo is to set up new institutions, including the National Committee on Sustainable Development (CNDD—*Commission Nationale de Développement Durable*), the National Agency for Environmental Management (ANGE—*Agence Nationale de Gestion de l'Environnement*), and the National Environmental Fund (FNE—*Fonds National pour l'Environnement*). In November 2010 the Government developed the National Plan for Investment in the Environment and Natural Resources (PNIERN—*Programme National d'Investissement pour l'Environnement et les Ressources Naturelles*), a unique and coherent strategic framework for interventions in the area of environmental and natural resources management. The Government presented the plan to its technical and financial partners during the round-table conference that it held in Lomé, June 8–9, 2011.

Despite these efforts, there is still need to implement emergency actions to improve environmental governance; for example to: (i) implement the CNDD and the FNE by providing them with adequate human, material, and financial resources; (ii) adopt regulatory instruments required for the implementation of enacted laws and the dissemination of these instruments to all socio-professional strata; (iii) integrate environmental assessment results as tools to ease decision making in all development programs and projects; (iv) enhance environmental education practices and eco-citizenship; (v) advocate for a greater mobilization of resources for the implementation of the PNIERN; (vi) implement the necessary institutional and structural reform for the entire forestry sector; and (vii) build the institutional capacity of the department in charge of the environmental sector, so that environmental issues and sustainable development options are appropriately taken into account.

### **1.3.2. Contribution of the Forest Sector to the Creation of Wealth and Jobs**

The forest sector has been generating an annual added value of over 16.5 billion CFA francs since 2008. The roundwood sector alone generated close to 1,000 jobs in 2009. Estimates of jobs created by the wood sector in 2010 are as follows: 655,425 producers of commercial firewood and 206,239 producers of charcoal, not to mention the large number of people involved in the marketing of forest non-timber products (honey, medicinal plants, mushrooms, and shea kernel). Over 570 individuals known as “forest operators” (mostly from rural areas) are actively logging trees using chainsaws. Another significant set of actors are in the informal sector. They include: (i) loggers who due to their income cycles are actually seasonal forest operators; (ii) negotiators, middlemen, and wood craftsmen who earn an income from the significant financial flows injected into the various marketing channels: wood exportation, supply of traditional sawmills, sculptors, carpenters, carpentry workshops, woodwork industries, supply of urban centers with fuel wood; (iii) small wood-processing companies.

### **1.3.3. Sustainable Management of Natural Resources**

As part of reducing pressure on natural resources, measures to protect existing forests contributed to reducing damage caused by wildfires and to starting to fight the extensive deforestation rate (4.5 percent annually). The exportation of illegally felled timber was curtailed by regulatory measures, coupled with fighting fraud and cooperating with neighboring countries. Since 2009, reforestation initiatives, implemented at various levels as part of the reforestation campaign, resulted in an estimated 8,000 hectares (ha) of forest in the last three years. Added to this, the Office for Forest Development and Use (ODEF—*Office de Développement et d'Exploitation des Forêts*) undertook action for the maintenance and protection of about 15,000 ha of state-owned plantations on a yearly basis. With respect to biodiversity management, Government efforts helped to reduce intrusions into protected areas and launch a dialogue on the sustainable management of protected areas and biodiversity.

Despite these values and the services provided by ecosystems, Togo still faces a considerable number of environmental challenges, the most serious of which are: (i) deforestation, forest clearing, and degradation of vegetation cover; (ii) land degradation and decline in soil fertility; (iii) degradation of protected areas; (iv) siltation of rivers and lagoons, as well as freshwater contamination and degradation of quality; (v) degradation of coastal resources, particularly through sand collection on the coast; (vi) pollution of all kinds, especially air pollution in Lomé (made worse by the effects of urbanization) and pollution resulting from mining activities; (vii) coastal erosion; (viii) increased

natural disasters such as floods and droughts; and (ix) climate change.

Furthermore, Togo still faces a number of challenges to achieve sustainable management of natural resources, including: (i) comprehensive management of forests, including agriculture, water resources, and promotion of renewable energies; (ii) rehabilitation of protected areas that are still viable; (iii) fighting the causes of land and forest degradation; (iv) decentralized management of wildlife resources and flora; (v) traceability of managed forest products and fighting illegal logging; (vi) the valuation of non-timber forest products (shea nuts, mushrooms, honey, etc.); (vii) promoting decent green jobs, and private investment in the forestry subsector; and (viii) promoting creation of community forests.

#### **1.3.4. Fighting Climate Change and Managing of Disasters**

With respect to climate change, the national strategy for the implementation of the United Nations Framework Convention on Climate Change (UNFCCC), developed in 2004, was updated in 2010. Also, as part of the Second National Communication on Climate Change (DCN—*Deuxième Communication Nationale sur les Changements Climatiques*), Togo carried out several activities, including: (i) greenhouse gas inventories in energy, agriculture, land use, land-use change, and forestry sectors; (ii) vulnerability and adaptation studies in the agriculture, energy, water resources, human settlements, health and coastal areas sectors; studies for the mitigation of greenhouse gas emissions; (iii) organization of workshops for the sensitization and training of various stakeholders on the need to integrate climate change issues into all development activities. At the 17<sup>th</sup> Conference of Parties to the UNFCCC in Durban, South Africa, in December 2011, Togo presented its DCN, which had been finalized in December 2010.

In the prevention and management of natural disasters Togo's main achievements relate to: (i) validation of the national strategy for reducing disaster risks and the drafting of a national report on post-flood assessment in 2010; (ii) establishment of a national group of experts for post-disaster assessment, and the sensitization of several groups of stakeholders (parliamentarians, journalists, women leaders, heads of departments, and NGOs) on disaster risk reduction and climate change; (iii) execution of the national platform for disaster risk reduction and establishment of regional platforms; (iv) updating the national contingency plan and the plan for organizing emergency rescue activities (Plan ORSEC—*Organisation des Secours d'Urgence*), construction in Agoè Logopé of a center for victims of natural and/or anthropogenic disasters, to accommodate up to 1,000 victims.

#### **1.3.5. Improving the Living Conditions of the Population**

Concerning comprehensive coastal zone management, a national diagnosis was conducted and a master plan for the West African coast was validated in 2011. As part of the fight against coastal erosion, the west bank of the mouth of Lake Togo was completely renovated with WAEMU support. As regards fighting pollution and nuisances, the Refrigerant Management Plan (PGFF—*Plan de Gestion des Fluides Frigorigènes*) was developed. Similarly, action related to the elimination phase of chlorofluorocarbons (CFCs) led to the virtual elimination of first-generation, ozone-depleting substances in 2010, a year before maturity. This achievement was made possible thanks to the involvement of all stakeholders.

In reorganizing the housing sector, the Government continued to adapt and complete the legal and regulatory framework of the sector. Instruments for this purpose encompass: (i) a town planning and construction code; (ii) real estate development; (iii) organizing realtors professionally; (iv) project management delegation; (v) monitoring the national housing strategy; (vi) leases for residential and professional premises; (vii) authorizing building of low-cost housing acknowledged to have public value; and (viii) transforming the General Directorate of Cartography into the National Institute of Geography of Togo. The Government also conducted a survey to evaluate advantages and disadvantages of the site for the proposed construction of low-cost housing.

With respect to urban development in terms of infrastructure and equipment, the Government developed the Rue Amémaka Libla in Bê, and built a storm-water-retention basin in the Avenue des Evala in Bè-Klikamé, coupled with rainwater drainage in neighborhoods such as Totsi, Bè-Klikamé, and Agbalépédogan, as part of the Lomé street-paving and sanitation project (Phase II).

Implementation of the Emergency Project for the Rehabilitation of Infrastructure and Electrical Services (PURISE—*Projet d'Urgence de Réhabilitation des Infrastructures et des Services Electriques*) enabled: (i) the cleaning up of 70 km of gutters and storm drains in the city of Lomé; (ii) construction of a center for victims of natural and/or anthropogenic disasters in Lomé's neighborhood of Agoè-Logopé, to accommodate 1,000 victims; (iii) the launch of drainage works in areas of Agbalépédogan and Aflao-Gakli, including construction of three (3) storm-water-retention basins (Agbalépédogan: 11,000 m<sup>3</sup>, Kagbara: 40,000 m<sup>3</sup>, Aflao-Gakli: 30,000 m<sup>3</sup>), and construction in Tokoin Forever and Tokoin-Auban of an approximately 500-meter linear gutter and two (2) underground collectors.

With respect to town planning development, efforts were made to: (i) legalize de facto subdivisions in Lomé's Attiégo and Agoè-Togomé neighborhoods; (ii) develop master plans of the cities of Adjengré and Défalé; (iii) revise the master plans of the cities of Notsè, Mango, Tsévié Badou, and Sotouboua; (iv) draft the management plan of Lomé II (Atchanté); (v) set up the Strategy for Green Areas and Monuments (SEVM—*Stratégie en matière des Espaces Verts et des Monuments*) in the city of Lomé; (vi) carry out the survey of the Condition of the Road Network in the city of Lomé (ELRV—*l'Etat des Lieux du Réseau de la Voirie de la ville de Lomé*); (vii) develop the urban development strategy of the Greater Lomé area, accompanied by a five(5)-year, priority action plan and the launch of a digital cartographic data base in Togo.

These actions all improved the people's living conditions and created a more effective fight against flooding. However, failure to factor in the rapid growth of the urban population, coupled with limited mobilization of financial resources for this, reduced the scope of action. Four (4) main challenges remain: (i) sustainable and integrated management of land and disasters; (ii) participation in prevention and management of natural and technological disasters; (iii) sound management of solid and liquid waste; (iv) stronger action for adapting key development sectors to climate change.

## **1.4 STATE OF GOVERNANCE**

*Governance* refers to the mechanisms, institutions, and processes that allow the exercise of power during the conducting of public affairs. Good governance rests on the fundamental principles of participation, accountability, and State responsibility. Good policy must rest on these principles so as to guarantee equitable forms of human development that respect human dignity.

Significant progress has been made in the area of political, institutional, administrative, and economic governance. The general implementation of principles of good governance has guaranteed effective public action, and has led to deepening of the democratic process in Togo. Nevertheless, work still needs to be done to achieve desired results.

### **1.4.1. Political Governance**

Togo's Government has continued to deepen the process of political reform, with the support of different social and political agencies plus its development partners. For example, Togo made important political progress between 2009 and 2011, most notably by strengthening the freedom of the press, and by reinstating the Constitutional Court and the High Authority for the Audiovisual and Communications (HAAC—*Haute Autorité de l'Audiovisuel et de la Communication*). It is also worth noting the consolidation of the Independent National Electoral Commission (CENI—*Commission Electorale Nationale Indépendante*), resulting in an independent, multiparty commission. Its responsibilities were also redefined and its permanent secretariat given a stronger brief. In addition, a series of discussions on electoral-code reform, how to bring electoral processes into line with international standards and norms, and good management of post-electoral disputes brought about a peaceful election in 2010, with a participation rate of 64.88 percent out of a targeted 66 percent. This demonstrates popular support for the electoral process.

Moreover, the Permanent Framework for Dialogue and Consultation (CPDC—*Cadre Permanent de Dialogue et de Concertation*), provided under the GPA of 2006, was set up. It works on institutional reform and on issues of electoral, economic, and social reform.

On May 29, 2009, out of concern for strengthening social accord through national pardon and

reconciliation, the Government established the Truth, Justice, and Reconciliation Commission (CVJR—*Commission Vérité, Justice et Réconciliation*), to focus on the causes of the violence and recurrent conflicts that characterized the nation from 1958 to 2005. The task of the independent CVJR is to investigate acts of political violence and study forms of victim support. The CVJR's mission has been extremely well supported by the public and by stakeholders. Over a period of 34 months, the CVJR collected a total of 22,425 depositions, including those from the diaspora and from expert witnesses. It also conducted investigations, victims' hearings, and hearings of witnesses and alleged perpetrators accused of violent acts and human rights violations, which stretched back to the first days of Togo's independence. The commission concluded its task and submitted its final report on April 3, 2012. The report made some notable recommendations to the Government, aimed at preventing further violence and political violations that have blotted Togo's history: (i) to fight the presence of militias in Togo; (ii) to punish those who encourage them; (iii) to adopt measures to criminalize torture and other cruel, inhuman, or degrading treatment; (iv) to adopt a code of good practice for political stakeholders to prevent violence (particularly after elections); (v) to implement institutional and constitutional reform; (vi) to continue reforming the military; (vii) to ensure reparation for victims and that violence would not recur; (viii) to find the most representative voting system so as to avoid crises linked to elections.

The initiative to repatriate refugees has been successful in that a huge number of exiled Togolese have returned to the country.

These Government initiatives have contributed to greater social cohesion and created a political and social climate that favors implementation of development policies.

Togo's diplomatic service has been very active internationally. This has led to new diplomatic missions (Japan, India, Kuwait, and Switzerland), and to strengthened longer-established missions. Such proactive diplomacy has gained Togo a seat on the Security Council as non-permanent member.

However, efforts are still needed to adopt a plan to integrate a human rights dimension into reform and political governance programs that relate to citizen participation. Likewise, national mechanisms still must conform to regional and international instruments of governance, with an effective human rights dimension.

This is a matter of improving the electoral process. The recent adoption of a new electoral code in May 2012, aligned with recommendations arising from reports based on observation missions during the 2007 and 2010 elections, plus newly created municipalities and more deputies in the next legislature, mark an important step in organizing general and local elections. Continued political dialogue between different stakeholders is expected to arrive at points of convergence allowing transparent, democratic, and peaceful elections.

Finally, civil society organizations have played an active role in socioeconomic development and the development of the rule of law in Togo, thanks to their skill at mobilizing human resources, their ability to call public authorities to account, the services they offer users through the social programs that they direct, and their expertise as citizens.

#### **1.4.2. Institutional Governance**

The Government also initiated a certain number of programs related to institutional governance, most notably during the implementation of the National Plan for Modernizing the Judicial System (PNMJ—*Programme National de Modernisation de la Justice*), during the establishment of constitutional institutions and the strengthening of Togo's rule of law and the safety of people and property.

As part of PNMJ implementation, there has been increased capacity-building for court staff, better equipping of courts and chancellery services, and increased access to law and justice. Furthermore, administration of justice and scrutiny of the law courts have been strengthened, and a judiciary intranet set up. These initiatives have led to improvement in how ministry structures function and in ministerial performance.

Constitutional institutions have been set up, including the Court of Auditors (*Cour des comptes*).

Moreover, significant progress has been made in strengthening the capacity of the National Human Rights Commission (CNDH—*Commission Nationale des Droits de l'Homme*), within the National Assembly, as well as the HAAC.

Progress has been made to strengthen Togo's rule of law, and to increase the security of people and property. On-site training on the rule of law was given to all stakeholders (Ministry of Human Rights, national human rights institutions, civil society stakeholders, unions, etc.). These activities provided an opportunity to present and elaborate on Togo's human rights situation within the Universal Periodic Review (UPR) in front of the Human Rights Council in Geneva.

Efforts have also been made to increase the security of people and property; and technical, material, and human capacity have been built in the security sector (gendarmerie, police, firefighters, and customs). This has allowed for visible progress in fighting small- and medium-level crime, insecurity linked to road traffic, drug trafficking, money laundering, and the circulation of light, low-caliber firearms. Attempts to increase document security have also been made.

#### **1.4.3. Administrative Governance**

Government has continued efforts to improve the efficiency and quality of public services, in particular: (i) continued public administration reform; (ii) acceleration of the decentralization process; (iii) promoting land-use planning.

*As regards human rights*, the Government has a duty to establish an administrative and regulatory framework to guarantee non-discriminatory access to essential services of acceptable quality; and to ensure that nobody is deprived of these resources because of lack of means.

The program to reform and modernize public administration is a response to the need to increase the efficiency of public services and to promote development and community administration. Much has been achieved, including: (i) organizational audits of Togo's 17 ministries and institutions; (ii) revision of the legal framework of public officials, which led to the development of a new general statute governing the civil service, and to the establishment and operationalization of the INAM); (iii) measures to control staff and payroll by means of head-counting public officials, and the design of a single civil service payroll; (iv) implementation of an e-government pilot phase that, significantly, allows the prime minister to be connected to the Ministry for Civil Service Affairs, setting up of a centralized government website for five pilot ministries, plus an electronic data management system for the Government's General Secretariat; (v) continued use of mission statements to increase coordination of government action; (vi) building up the human capacity of pilot structures with the aid of members of the diaspora; and (vii) promoting communication between the administration and its users through open days and quick-response operations by local administrative services.

#### **1.4.4. Local Governance, Decentralization, and Grassroots Development**

The Government has expressed its political desire to move toward real and effective decentralization. Indeed, the development and implementation of the National Program for Consolidating Decentralization (PNCD—*Programme National de Consolidation de la Décentralisation*) are important steps forward in local development and empowerment of communities to manage local affairs. They have deepened the legal and institutional framework for decentralization through implementing legislation on decentralization, including: (i) the decree on the organization of the offices of Governor and Prefect; (ii) the decree establishing organizational and operational methods for FACT; and (iii) the law establishing 14 urban municipalities.

*As regards building capacity for principal stakeholders in decentralization*, the strategy set in June 2009, which governs communication and their training and mobilization, enabled the development, production, and distribution of educational and methodological tools for local elected representatives, citizens, and financial and technical managers. Information sheets and awareness-raising about the decentralization process have also been available. Training trainers on decentralized local planning and on regional and local authority tax systems, and holding sessions on decentralization have provided capacity-building for deconcentrated senior administrators on matters of decentralization.

*As regards decentralization of administrative supervision and strengthening of decentralized*

*structures*, projects to equip the residences and offices of prefects, sub-prefects, and prefecture general secretaries' residences and offices, funded through initiatives in 2009 and 2010, were implemented 100 percent. This was followed up in 2011, particularly in the new prefectures, and will continue in 2012.

*As regards implementation of land-use planning*, the Government has taken the following actions: (i) adopting the National Land Management Policy (PONAT—*Politique Nationale d'Aménagement du Territoire*), in 2009; (ii) setting up PONAT bodies; (iii) developing and validating the framework law on land-use planning in May 2011; (iv) collecting socioeconomic data on the whole country in 2011; (v) building the human-resource capacity of the General Directorate of Spatial Planning (DGAT—*Direction Générale de l'Aménagement du Territoire*).

However, despite these achievements, it must be recognized that, nine years after the start of the PNCD, progress has been mixed. The dynamics of administrative and financial decentralization have not yet taken full effect in Togo, and it will take time to build a network of municipalities. Measures are still needed to modernize public administration and achieve genuine decentralization that includes an economic dimension through dynamic regional and local economic strategies.

*As regards grassroots development*, since 2008 the Government has understood the need for a grassroots dimension concurrent with development and decentralization. Thus the grassroots development approach is meant to support grassroots communities—including the Village Development Committee (CVD—*Comité Villageois de Développement*); Neighborhood Development Committee (CDQ—*Comité de Développement de Quartier*); and other grassroots organizations in their initiatives and projects focused on fighting poverty through a participatory process; and to prepare the country for sustainable decentralization by creating the conditions for its success.

In this respect much was achieved throughout Togo between 2008 and 2012, with initiatives as varied as the successful community microprojects of the Support Project to Community Infrastructure Microprojects (PSMICO—*Projet de Soutien aux Microprojets d'Infrastructures Communautaires*): including Peripheral Care Units (PCUs), classrooms, and markets; installation of multifunctional platforms (MFPs) allowing grassroots communities to access energy supplies, to lighten the burden on women and increase their revenues at the same time; and support for group economic activities through the (PSAEG—*Projet de Soutien aux Activités Economiques des Groupements*). The PSMICO also supported a pilot project, the Millennium Joint Municipal Program (PCCM—*Programme Conjoint des Communes du Millénaire*), designed to promote an integrated approach to development at community or community-group level, targeting intra- and inter-regional inequalities.

However, evaluation reports highlight the need to ensure coherence and complementarity in implementation of decentralization and grassroots development policies. This not only affects the approach but equally the mechanisms for proposed finance, including the FACT, under the law on decentralization, and the Grassroots Development Fund (FODEB—*Fonds de Développement à la Base*).

Such consistency would also take account of experience gained in terms of the systematic gridding of the whole territory by CVDs and CDQs, and of methodological and operational experience in building the capacity of these structures. In addition, decentralization may allow the many investments already made by the Ministry of Grassroots Development in many parts of the country to be capitalized. The process of decentralization can also benefit from the experience and structural investment that will have been implemented by grassroots development agencies, such as the Agency for Supporting Grassroots Initiatives (AGAIB—*Agence d'Appui aux Initiatives de Base*), the National Agency for Supporting Grassroots Development (ANADEB—*Agence Nationale d'Appui au Développement à la Base*), and the FODEB. Experience and investment in the various projects—the PSAEG, MFP, PSMICO, PDCs, and PCCM—will also benefit the decentralization process.

#### **1.4.5. Economic Governance**

Economic governance, listed as a government priority, has developed through public finance reform, implemented as part of the PA-RGPF, the strengthening of steering policies and development strategies, the implementation of finance-sector reform, and structural reform.

*As regards public finance stabilization*, the Government has made progress through modernization of public finance legal frameworks, in particular the adoption of a transparency code and the directive on finance law within the WAEMU, plus development of four by-laws for applying new WAEMU directives. In addition, efforts have been made to improve revenue collection and the flow of expenditure through the Integrated Management System of Public Finance (SIGFIP—*Système Intégré de Gestion des Finances Publiques*). Finally, efforts to implement Togo's Extractive Industries Transparency Initiative (EITI) have continued, to improve resource management in the mining sector.

Moreover, the Government has imposed strict controls via administrative control a priori, of expenditure, in addition to control a posteriori, including the auditing of annual accounts. The use of increasingly fewer exceptional procedures has strengthened control when assigning finance. Internal control has been strengthened in the last few years through investigation of public services and autonomous public institutions by the General Inspectorate for Finance (IGF—*Inspection Générale des Finances*) and the State Audit Office (IGE—*Inspection Générale d'État*). The Court of Auditors submitted its report to the National Assembly on the implementation of the WAEMU finance law in 2007. Nevertheless, further efforts are needed over the course of the next five years to consolidate progress in this area, with the aim of providing an adequate framework for public finance management to help boost economic growth.

Ultimately, public-finance management reforms are used to monitor budget implementation in real time, improve the regulatory framework for public procurement, and strengthen the control of public expenditure. However, a number of things remain to be done to consolidate public finance management fully under the PA-RGPF. Efforts are also needed to step up mobilization of resources, make the flow of expenditure more fluid, raise the rate of budget execution, and extend the SIGFIP to sector ministries, regions, and prefectures.

*As regards fighting corruption*, the Government has conducted awareness-raising activities, independent agencies have conducted audits, and a variety of corruption cases have been brought to justice. Nonetheless, the main challenge remains, to develop and implement a national anti-corruption strategy and an anti-corruption law.

*As regards improving the procurement system*, the adoption of a law and code relating to public markets and to delegating public services has strengthened the legal, regulatory, and institutional framework for public procurement. The coming into force of these new regulations governing public markets has resulted in the operationalization of two national bodies to regulate and control them, namely the Public Procurement Regulatory Authority (ARMP—*Autorité de Régulation des Marchés Publics*) and the National Directorate of Public Procurement (DNCMP—*Direction Nationale de Contrôle des Marchés Publics*). Authorities regulating procurement and control—the Head of Public Procurement, Procurement Commission (*Commission de Passation des Marchés*), and the Procurement Control Commission (*Commission de Contrôle des Marchés Publics*)—have also been created at the ministerial level and relevant representatives have been appointed. A service center is envisaged to build stakeholder capacity, with UNDP technical and fiscal support as the agency responsible for training public stakeholders.

However, capacity-building is still needed for decentralized procurement authorities at both sector and service level. Efforts should also be made to implement legislation being finalized that governs public procurement. Further, the Integrated Public Procurement Management System (SIGMAP—*Système Intégré de Gestion des Marchés Publics*) must be implemented.

*As regards coordination and management of aid flows*, As Togo acceded (2005) to the Paris Declaration on Aid Effectiveness, the Government has taken steps to implement the five key principles: appropriation, alignment, harmonization, results-based management, and mutual responsibility. It has also undertaken initiatives to coordinate and manage aid so as to build confidence in donors and development partners. It has developed and implemented the National Development Assistance Policy (PNAD—*Politique Nationale de l'Aide au Développement*) and the National Action Plan for Effective Use of Development Aid (PANEAD—*Plan d'Actions Nationale de l'Efficacité de l'Aide au Développement*), resulting in improved aid management: coordinating and

aligning donors; clarifying ministerial and partner roles in identifying, planning, implementing, and monitoring development programs. The Government's annual *Report on Official Development Assistance* (RAPD—*Rapport sur l'Aide Publique au Développement*) has reviewed all aid flow to Togo from Technical and Financial Partners (TFPs) in year (n-1). Moreover, the process of establishing an aid management platform has continued, including implementation of a program for framework capacity-building. Data collecting will feed into the aid management platform, with data on the flow of external aid available in real time.

Nevertheless, efforts to ensure that aid flows are better integrated into the budget process should continue, along with building capacity for coordinating and managing aid. Further, operationalization of the aid management platform, through a mechanism for real-time collection of reliable data, remains a challenge.

*As regards strategic direction of the economy and development*, the availability of planning tools is facilitating this role, bringing significant improvement to current management of the economy and public finance management. However, strategic leadership has suffered from lack of any past strategy or policies and strategies within some sectors, and lack of any guiding methodology for developing sector policy. Lack of planning and monitoring/evaluation structures within some ministerial departments must also be noted.

The exercise started in 2008 to strengthen the developing and updating of the Medium Term Budgetary Framework (MTBF)/MTEF has continued, and should be extended to other sectors to improve the relationship between planning, programming, budgeting, implementation, and the monitoring and evaluation of development policies. Effective implementation of the law governing statistics, as part of strengthening the national statistical system, remains a major challenge.

*As regards the strategic framework to develop the finance sector*, in 2009 the Government set up a Project for the Development of the Financial Sector and Governance (PSFG—*Projet de Développement du Secteur Financier et Gouvernance*), with three main components: (i) restructuring and privatization of banks; (ii) restructuring of the microfinance sector; and (iii) restructuring of social security agencies.

Helped by this PSFG, three banks were recapitalized at a cost to the State of 88.1 billion CFAF. In addition, privatization has launched four banks. Added to this, a decree establishing a collection company was signed on September 8, 2011. Start-up is imminent for this company, which also has a mandate to facilitate a secondary market for securities issued under bank restructuring.

The CNSS was adopted in the Social Security Code in February 2011. A financial and organizational audit, actuarial studies, an investment analysis, and feasibility study of a complementary regime based on capitalization were conducted, all PSFG-financed. Following its completion, security fund directors adopted a parametric reform based on the actuarial audit.

In the case of the CRT, physical inspection of beneficiaries was brought into play. A financial and organizational audit was undertaken. Recommendations are being implemented.

In the microfinance sector, audits and ratings for the Decentralized Financial System (DSF) were PSFG-financed.

A new regional law on microfinance was adopted by the WAEMU Council of Ministers. On May 11, 2011, the Togolese parliament approved a transposition text. The WAEMU Council of Ministers fixed maximum bank capital at 10 billion CFAF, to be achieved in two phases. The first phase saw minimum bank capital rise to 5 billion CFAF on December 31, 2010. The minimum capital held by anonymous insurance companies rose from 500 million to 1 billion CFAF in 2010 and the fund to help establish mutual associations was increased from 300 to 800 million CFAF. The CIMA (Inter-African Conference of Insurance Markets) Code was amended, including article 13 establishing the legal obligation to pay a premium at the time of purchase. This decision came into force on October 1, 2011. Changes were introduced in the regional market to facilitate the issuing of bonds, among other things, by the Regional Council for Public Savings and Financial Markets (CREPMF—*Conseil Régional de l'Épargne Publique et des Marchés Financiers*) instruction no. 36/2009, which

introduced rating. A regional Mortgage Refinance Fund (*Caisse Régionale de Refinancement Hypothécaire*) was created on July 16, 2010, within a project framework under the leadership of the West African Development Bank (BOAD—Banque Ouest Africaine de Développement).

In short, Togo faces the next period (2013–2017) strengthened by achievements made in the course of the last few years, particularly under implementation of the GPA, the Interim Poverty Reduction Strategy Paper (I-PRSP), and the Comprehensive Poverty Reduction Strategy Paper (C-PRSP). The result is a political, economic, social, and environmental situation that can be summarized in brief as follows:

- The Togo Government has continued its efforts in the areas of policy implementation and institutional reform, with the support of various political and social development partners; this has fostered a more peaceful climate.
- The resulting renewed political stability and social accord have created a context that favors better governance of public affairs for a return to economic growth, renewal of international cooperation, and substantial relief of external public debt.
- For more than three years, the national economy has been on a path of dynamic growth and macroeconomic stabilization, illustrated in particular by a steadily increasing growth rate, moderate inflation, an increase in state revenue, and better control of public expenditure, with an increase in levels of public investment.
- Poverty has decreased 3 points in 5 years, which is encouraging given the strong population increase (2.84 percent). Similarly the proportion of the population experiencing multidimensional poverty has shown a net reduction that is greater than the incidence of monetary poverty, dropping from 59.4 percent in 2006 to 51.9 percent in 2010—an 8 point reduction. Nevertheless, this is not enough to hope to achieve MDGs within a reasonable time period, including significantly reducing poverty rates.
- Togo has seen progress in human development, as demonstrated by measurable leaps forward in primary and secondary education, literacy, health (thanks to some critical interventions; preventive care of infants, young children, and pregnant women, and availability of Caesarian section); plus access to clean drinking water.
- Implementation of environmental programs and projects has contributed to reducing pressure on forestry resources, curbing invasion of protected areas, countering coastal erosion, and promoting capacity-building in prevention and management of natural disasters. Moreover, there has been a marked national desire to contribute to global efforts to combat climate change and to increase resilience of the most vulnerable sectors.

Despite these achievement, there are major challenges that the Government of Togo intends to address to ensure that its economy takes off and makes progress toward realization of MDGs:

- **Accelerating economic growth, employment, and greater regional and international integration of the Togolese economy:** *The sources of renewed economic growth are still fragile, its growth rate still weak, and it has not created many new jobs.* It is hampered structurally by a low total productivity factor, higher production costs, insufficient diversification of the entire economic fabric, industrialization still in its embryonic stage—all of which clearly reflects a public sector lacking in dynamism, plus a constricted market. The challenge in the short and medium term is to increase total productivity and reduce costs so as to increase the rhythm of economic development, and ensure more equitable distribution of its outcomes through the creation of productive and decent jobs, particularly for young people and women. In the long term the challenge is to sustain a higher growth rate, preferably in double figures. This must rest on more successful regional integration, guaranteeing for Togo controlled integration into the global economy. Successfully realizing the strategic concept, “Togo: West Africa’s development corridor,” will be of key importance in this respect.
- **Governance:** A more peaceful political climate in Togo has allowed many governance-related reforms to be initiated, and the country has been put on a path to growth. However, much more needs doing, as the field of governance is so broad. Indeed, it demands greater national cohesion, democratic consolidation, and conditions that provide better quality of life

for the Togolese, in a climate of social accord and respect for the rule of law. Politically, the governance challenge is to deepen the rule of law, pursue security and defense-sector reform, and promote strong and responsible civil society. Administratively, the governance challenge is to promote a proactive State, one that is impartial and capable of promoting national solidarity. At the same time, it calls for participative, decentralized management of the country; genuine territorialization of development; and a significant reduction of regional and sociocultural inequalities. Economically, the governance challenge refers to ceaseless pursuit of maximum efficiency in resource allocation. This, therefore, also calls on the State to become a pragmatic strategist, with a new paradigm of economic State action available on five fronts, all representing subsidiary challenges: (i) effective, efficient, and transparent public resource management; (ii) anti-corruption measures and improved accountability in public policy; (iii) strategic development planning, as exemplified by the SCAPE; (iv) regulation of the economy in the public interest, for the benefit of all stakeholders through the adoption and implementation of rules governing competition, organization of work, mechanisms of foreign trade, etc.; (v) targeted state support and interventions to run parallel to indispensable emergence of a national private sector, as productive PPPs. Whatever happens, the strengthening of the State, including human-resource capacity-building, remains crucial for the successful emergence of Togo.

- **Reducing inequality:** According to the results of the QUIBB surveys, inequality increased between 2006 and 2011. The Gini index rose from 0.361 to 0.393. This increase was felt in all residential areas across all regions. The challenge of reducing inequalities requires participation in growth by all to achieve: (i) improved access to productive resources for the most vulnerable sectors of society (small-scale farmers, informal-sector workers, young people, women, the disabled and unemployed); (ii) improved distribution of growth outcomes; (iii) social protection for the most vulnerable (basic social services for the most vulnerable, including children and the elderly; empowerment of young people, women, and disabled persons; etc.).
- **Sociodemographics:** Population growth remains high. According to the results of the last (2010) general population and housing census, the rate has accelerated in the last few years, going from 2.47 percent per year in 1981, to 2.84 percent in 2010. Thus Togo has an essentially young population, very unevenly distributed across the country, living increasingly in urban settings, particularly in the Greater Lomé Metropolitan Area, which alone accounts for a quarter of Togo's total population. The population structure, comprising people who are mainly dependent, puts great pressure on the nation's resources, particularly social services, infrastructure, and the environment. This highlights the very pressing matter of employment, particularly among young people, and promotes uncontrolled development of the informal sector, leading to precarious labor and giving rise to insecurity. The sociodemographic challenge is to transform this population from a potential to an actual resource for national development. This is Togo's capacity challenge, namely to capitalize on, and profit from, this "demographic dividend" in years to come. In addition, there is the challenge of controlling population growth through implementation of a multi-sector, national population policy, and through innovative measures including more effective reproductive health services and family planning, along with free information and education services.
- **Urban development, land-use planning, and environmental protection:** Rapid, uncontrolled urbanization has quickly rendered urban plans obsolete and raises the issue of congested supply grids (water, roads, electricity, etc.), an unhealthy and polluted environment, precarious dwellings, increasing unemployment, prostitution, insecurity, etc. The rural exodus, as a corollary of this, is progressively depleting the rural labor force, weakening the foundations of agriculture, and aggravating spatial inequality across the population (more than 42 percent of the population now lives in Togo's Maritime region). The challenge for urban development and land-use planning is to give an economic dimension to decentralization and participation; and to territorialize development through the construction of more equitable national economic space, in which urbanization of regional

capitals and secondary cities is sufficiently controlled to allow real development hubs to emerge, which can better structure urban activities and which will exert a powerful effect on the development of rural environmental zones. This challenge calls for more rational land use, in particular through territorial zoning, taking care to sustain balance in the long term, accompanied by agrarian reorganization and the reorganization of rural land use. Today, this is linked increasingly more closely to environmental protection and fighting all types of pollution, even though it is true that urban centers contribute to climate change and create all sorts of problems. The twin challenges of climate change and of the evolving international negotiations on climate change call for better organization at national level and more sustained political engagement to address the main challenges facing the country.

## CHAPTER 2: THE SCAPE, 2013–2017

### 2.1. FOUNDATIONS OF THE SCAPE: VISION AND PRIORITIES FOR DEVELOPMENT

**In the long term, the stated political ambition is for Togo to join the ranks of the emerging countries in 15 to 20 years' time.** A comparison with the paths followed by emerging countries to date indicates that to achieve this Togo will have to transform the structure of its economy significantly so as to: (i) allow the secondary sector to re-emerge, particularly the manufacturing industry; (ii) intensify the primary sector; and (iii) change the tertiary sector from being largely informal toward more profitable, professionalized services. In parallel, it will have to achieve the status of a middle-income country (MIC), in which employment and income are better distributed and poverty is no more than residual. This industrialization effort will naturally be based on development of infrastructure, improvement of business climate, reduction in input costs, and a financial system that is more innovative and open to the world and fully assumes the mission of offering financial intermediation.

In Togo's National Strategy for Sustainable Development (SNDD—*Stratégie Nationale de Développement Durable*), between now and 2030 the Government plans to build a society based on harmonious economic and social development that respects the environment while preserving Togo's cultural heritage. The priorities for accelerating progress toward sustainable development over the next 10 years are apparent from the four strategic pillars of the SNDD, namely to: (i) strengthen the economic recovery and promote sustainable modes of production and consumption; (ii) boost development of the social sectors and promote the principles of social equity; (iii) improve environmental governance and sustainable management of natural resources; (iv) provide education and strengthen skills for sustainable development.

**The main goals of the medium-term economic policy for the period 2013–2017 are to lay and consolidate the foundations for Togo's future emergence.** To achieve this, and in response to the challenges outlined above, this economic policy will have to be oriented toward new priorities, namely: (i) boosting growth; (ii) employment and inclusion; (iii) strengthening governance; (iv) reducing regional disparities and promoting grassroots development.

**The first policy thrust is directed at reinforcing the economy's underpinnings and its potential to generate an accelerated growth rate that can respond to a twofold objective—increasing income and creating jobs, and strengthening export potential.** The average growth rate observed over the past few years (+3.8 percent per year for the period 2008–2011) is proving to be insufficient for significantly reducing poverty and improving per capita income—given the population growth rate of 2.84 percent, it will take 25 years to double per capita income at this growth rate. Therefore, an increased growth rate and higher job-creation rate are necessary to absorb additional demand for jobs more effectively, improve income levels and living conditions of the population, and thereby reduce unemployment and poverty.

Over the course of the next five years, **investment will be the main engine of economic growth in Togo**, the aim being to attain a total gross investment rate consistently greater than 20 percent of

GDP, and which, over time, approaches the target of 25 percent of GDP. A large amount of public investment will be made over the course of the next three years. This will essentially be directed at: (i) building basic infrastructure; (ii) producing essential public goods; and (iii) building capacity to strengthen the competitiveness of the domestic private sector. The latter must absolutely be brought up to standard to become an engine of growth during implementation of future economic programs. Private investment, which should gradually increase to supplement public investment in the medium term, should in large part originate from FDI and from the diaspora. It could be directed particularly toward the mining industry, the agricultural sector, infrastructure with proven financial and economic return, the financial sector, and building and public works. Finally, in order for growth to be inclusive and pro-poor, investment in human capital will also be prioritized.

To ensure the durability of rapid economic expansion, the Government will seek to base the foundations of growth on development hubs that are better distributed across the country and to consolidate Togo's subregional economic integration by effective implementation of the strategic concept of the development corridor.

#### **Box 1: Togo: Development Corridor in West Africa**

The *development corridor* is an initiative for economic expansion through which Togo hopes to optimize its geostrategic position in the West Africa subregion in order to become more effectively integrated into the global economy. The concept arises from the comparative advantage that Togo offers as the only country in the subregion with a deep-water port. It draws on the legitimate ambition of making the Autonomous Port of Lomé (PAL—*Port Autonome de Lomé*) a hub for the various services that can be developed there, and thereby a linchpin for development and trade in West Africa.

The development corridor can be considered a collection of physical and non-physical elements that, at a given moment, the Government may organize to develop synergistic activities that generate goods and services in an area located between two precise points. In Togo, this will involve constructing a North-South corridor, transforming the regions through which it passes into dynamic economic areas, prosperous and attractive, while also bridging the wealth gaps between Togo's other regions. The initiative will have multi-sector impact; and it will include the development of crop farming in accordance with agro-ecological zones, industry, mining, trade, tourism, and logistics services.

Thus the development corridor is perfectly in line with the strategic objectives of the present economic program, namely to boost growth, create jobs, improve income, reduce regional disparity, and promote grassroots development. At the same time, it adds a longer-term vision to these objectives. The corridor's operational objectives are: (i) in partnership with the private sector, to rehabilitate the main infrastructure network along the corridor, including road and rail connections between Togo and its neighbors; (ii) to optimize investment in the corridor area through the new opportunities created by the rehabilitation of infrastructure; (iii) to optimize opportunities for social development and for market outlets, while encouraging participation by traditionally disadvantaged communities; and (iv) to reduce regional disparities and promote grassroots development.

Modernization of the PAL would form the backbone of Togo's development corridor; in particular the ore tanker quay—making the mining of the iron ore deposits in Bassar consistent, and including construction of a modern railway line between Lomé and Cinkassé in the North for the transportation of iron ore to the PAL and goods to the hinterlands. The aim is to transform the country's economy through realization of its mining potential, coupled with modern transportation infrastructure that serves both Togo itself and the land-locked countries of the Sahel. This will generate a great deal of traffic for ores, containers, hydrocarbons, and vehicles through the PAL. Other activity will subsequently extend from higher traffic in the corridor, specifically in the energy, agricultural, and telecommunications sectors.

To finance this initiative, Togo will proactively seek FDI through a PPP, which will allow the project to draw on capital and expertise of the private sector while simultaneously safeguarding national interests. In concrete terms, this ambition will be carried out through the creation and operationalization of a State holding company with structures that guarantee efficient governance.

**The second policy thrust is to win the employment gamble and reinforce mechanisms for inclusion,** given how economic growth affects inequalities and the labor market.

If growth is a precondition for a decline in poverty and for raising living standards, it is generally not enough to bring about a significant reduction in the poverty rate. This is why *inclusion* is being added to the policy of boosting growth, to allow all social strata, particularly the poorest, to share fully in the

benefits of growth and a rising standard of living. Employment is one of the main instruments the Government hopes to use to improve the direct income of the people of Togo and to include them in the economic and social life of their country. Increases in direct budgetary transfers to benefit the poor and in the range of available public services will also promote the policy of inclusion. The social protection policy, which is primarily based on tools related to social insurance and social safety nets, will serve to protect populations from situations of vulnerability and from social risks.

Further, given the demographic preponderance of young people in relation to the total population, the pressures on the labor market will continue to be felt in the short and medium terms. Thus the additional demand for jobs should continue to grow in line with the growth in the working population. The shape of job demand should also change significantly under the influence of the following factors: (i) continued pressure on the job market by people on the fringe of the working population or without education or training; (ii) increased numbers of people with higher education degrees; (iii) likely increased numbers of lay-offs for economic reasons following increased restructuring by companies.

Government job policy is expected to respond systematically to these concerns by focusing mainly on dramatically reducing underemployment (22.8 percent per QUIBB 2011). Underemployment is in fact the defining feature of the labor market in Togo, with the rate of unemployment estimated at just 6.5 percent (QUIBB 2011). In order not to remain entirely idle, many job-seekers pursue activities in the informal sector, which unfortunately leads them to do jobs that are low-tech, low-intensity, intermittent, precarious, and poorly-paid. In reality, they mostly find themselves in a situation of underemployment, a kind of disguised joblessness that explains the high level of poverty in the country.

Thus employment policy will seek first to identify, systematically, and then to lift as quickly as possible, constraints on job creation, particularly by SMEs and SMIs. A review and reprofiling of incentives for job creation by companies (job-creation procedures, taxation of start-up companies, taxation of employment, public procurement, sub-contracting, etc.) will be conducted so as to improve effectiveness. Likewise, a review of anti-fraud and anti-smuggling measures will be undertaken. Finally, specific programs will be set up in rural and urban areas to promote self-employment among young people, women, and the disabled, and in regions with particularly high rates of unemployment and underemployment. In particular, projects providing support to women with income-generating activities in primary processing of local products will be launched in various parts of the country in collaboration with development partners. *The aim is to make employment a specific mechanism for inclusion.*

**The third policy thrust is to strengthen governance** as a public good that is necessary for maximum mobilization and efficient use of the nation's resources in the common interest. The good-governance policy will be implemented over the course of the next five (5) years in the political, administrative, institutional, and economic domains, including public finance and corporate governance. Pursuing actions that will strengthen the State through reform in human rights, security and justice, fighting corruption, building capacity of human resources, economic decentralization, and grassroots development will create conditions conducive to participation in and appropriation of the development vision by the people of Togo. The issue here is to construct rules, behaviors, and an ethic—all favorable to the economic development and social progress of Togo.

**The fourth policy thrust is to reduce regional disparities, promote grassroots development, and achieve economic decentralization**, to set up appropriate conditions for the operationalization of the SCAPE at regional and local level. Fighting poverty will not have maximum impact if it only results in accentuating regional disparities, concentrating public facilities and services in only some parts of the country. Likewise, the decentralization process will remain largely theoretical if it is not accompanied in practice by economic development of local and regional territories. To do this the Government will encourage the emergence of true local economies in the interior of the country, built around regional and local development hubs and constructed using local resources along with State support. This will imply a resolute implementing of national land-use planning policy, accelerating translation of economic growth and development to the local level so as to reduce inequalities, slow

down migration to particular cities and regions, and offer people amenities, recreational facilities, jobs, and income where they live.

The dynamic of regional development and decentralization will be sustained by the establishment of mechanisms supporting grassroots development and a contractual approach between central Government and the regions. To achieve this, Government will take steps to: (i) ensure the gradual transfer of powers and resources to local government; (ii) support capacity-building in the bodies responsible for managing local affairs; and (iii) ensure coherence between local action and the policies of central Government. Togo's development approach by means of the North-South corridor should have a positive effect on reducing regional disparities and promoting grassroots development.

## **2.2. STRATEGIC DIRECTIONS**

### **2.2.1. Guiding Principles**

The SCAPE is underpinned by five (5) guiding principles:

*Appropriation:* This principle has the Government and other national actors committed to the design and implementation of national development strategies and policies that are aligned with the priorities and needs of the people, while applying the principles of transparency. The design process for the SCAPE was made participative so as to take into account all concerns of the various actors. It also involves coordination and effective use of official development assistance (ODA), taking into account the comparative advantages of each technical and financial partner.

*Empowerment:* Each actor is made responsible for the results of his/her activities or of the processes that he/she coordinates. The plan is to pursue and strengthen implementation of this approach through increasingly shared governance through empowerment of all actors.

*Results-based management:* SCAPE implementation will require prioritization of areas for action by precisely targeting financial resources and encouraging rapid economic expansion, which will ultimately, later on, allow focus on other areas. Results-based management thus implies clear definition of responsibilities, including accountability, with respect to implementing action and processes.

*Taking gender into account:* The Government and other actors believe that both women and men are vectors for economic and social well-being, and that no development strategy that centers on people can ignore this reality. Therefore, there is a need for sufficient planning that takes gender into account and guarantees results that are equitable for both women and men.

*The sustainability of interventions:* The SCAPE must seek at all costs to reconcile the environmental, economic, social, and cultural aspects of development. Environmental and social assessments are tools for achieving this objective. Moreover, sustainable growth must take into account climate change and disaster risk-reduction. Environmental preservation should not be seen as a constraint on socioeconomic growth, but as natural capital that when sustainably managed will contribute to sustaining growth.

### **2.2.2. The Objectives of the SCAPE**

#### **a) Overall Objective**

The SCAPE aims to increase the economic growth rate to reduce poverty and inequalities and create jobs, with multiplier effects for income, quality of life, and when the MDGs are achieved.

#### **b) Specific Objectives**

Following the *base scenario*, the specific objectives of the SCAPE for the 2013–2017 period are to:

- (i) Bring the average real growth rate up to 5.9 percent per year, starting from 5.6 percent in 2012, to reach 6 percent in 2015, and 6.1 percent in 2017; this should lead to a growth in per capita GDP of around 3 percent per annum;
- (ii) Increase the total gross investment rate to an average of 20.9 percent per year, starting from an average of 18.6 percent over the course of the past three years (2009–2011);

- (iii) Reduce the incidence of monetary poverty from 58.7 percent in 2011, to 50.9 percent in 2015, and to 47.3 percent in 2017, i.e., a significant reduction of 11.4 percent in six years;
- (iv) Reduce underemployment from 22.8 percent in 2011, to 20.5 percent in 2015, and to 19.3 percent in 2017.

*Accelerated growth scenario:* Nonetheless, the Government envisions the alternative, accelerated growth scenario allowing the major challenges outlined above to be addressed while placing Togo on a development path that reaches economic emergence by 2030.

The accelerated growth scenario, which requires robust mobilization of the nation's resources and strengths, has more ambitious specific targets for the 2013–2017 period, namely to:

- Achieve real economic growth of 8.1 percent in 2017, or an average annual growth of 7.1 percent for the period, which will lead to growth in per capita GDP of 4.1 percent per year;
- Reach an average total gross investment rate of 24.7 percent per annum;
- Reduce more significantly the incidence of monetary poverty to 43.7 percent in 2017, i.e., a reduction of 15 points;
- Reduce the underemployment rate to 18.3 percent in 2017.

### *c) Economic Policy Considerations in Relation to SCAPE Objectives*

The base scenario was drawn up in consultation between the Government and the IMF, as well as on the guidelines in the Government's Policy Statement. As described above, the base scenario is aligned with trends in Togo's economy over the past three years, with emphasis henceforth on the effective implementation of the many reforms already initiated. This is a wise effort, but it is sustained by addressing a shortfall with regard to Togo's development infrastructure and by the continued strengthening of the macroeconomic context.

To maintain an average rate of public investment of 10.7 percent of GDP, Government is aiming to raise public investment to an average of 42.5 percent of the total national budget for the duration of this period. It should be noted that Togo already underwent a period of rapid development in the past (1960–1980), marked by a doubling of per capita income, based on agriculture, the port, and services. All these assets are still present and their potential still intact.

In addition, the country has demonstrated over the course of the past three years that agriculture can also be a powerful engine for growth, particularly farming of food crops (maize, millet, rice, etc.) and cash crops (cotton, coffee, cocoa).

*As regards the agricultural sector,* if the base scenario keeps an average growth rate of 4.2 percent for the period, an average growth of 6 percent remains possible if implementation of the National Program for Agricultural Investment and Food Security (PNIASA—*Programme National d'Investissement Agricole et de Sécurité Alimentaire*) and the approach for expediting achievement of MDG 1 are successful.

*As regards the industrial sector,* achieving accelerated growth will follow improving the attractiveness of the country significantly, which will be achieved in particular by implementing the recommendations of a Diagnostic Study on Commercial Integration (EDIC—*Étude Diagnostique sur l'Intégration Commerciale*) in general, and those pertaining to the business climate in particular.

*As regards the mining sector* (phosphate, limestone, and iron), the Government will pay particular attention to implementation of a modern, transparent, legal, and institutional framework that attracts more foreign and domestic private investment. In the phosphate sector specifically, accelerated reform and determined implementation of the business plan of the New Phosphate Company of Togo (SNPT—*Société Nouvelle des Phosphates of Togo*) will allow, based on a massive, 80-billion-CFAF investment plan, a substantial increase in production—which should increase from 1.1 million tons in 2012, to 2.93 million tons in 2017—as well as in reported revenues.

*As regards energy,* the target for access to electricity is to generate an increase from 23 percent in 2010, to 42 percent in 2020, in urban areas, and from 15 to 18 percent in rural areas. Achieving this

goal will require implementation of a large program to develop capacity for production, transmission, and distribution of electrical power, including, specifically, construction of the Adjarala hydroelectric dam, restoration of the Kpimé microhydro plant, restoration of the Nangbéto dam, and purchase and repair of generating sets in centers that have already been electrified.

*As regards telecommunications*, the aim is to reach a penetration rate of 63 percent for fixed and mobile telephone use in 2017 (60 percent in 2015), and 15 percent for Internet coverage. This will require carrying out an ambitious national investment plan in information and communication technologies (ICTs).

*As regards accelerated growth*, this will require: (i) quality human capital to realize assets in sectors where Togo has comparative advantages (or could create them); (ii) quality infrastructure to sustain growth and contribute to the emergence of regional development hubs (linked to the trade and development corridor); (iii) an international-class business climate to boost investment by the domestic private sector and attract FDI; (iv) implementation of mechanisms to facilitate access to domestic and foreign markets.

*As regards inclusive growth*, this will require: (i) better access to basic social services to expedite achievement of MDGs 2, 4, 5, and 7; (ii) mechanisms that incentivize hiring of young people and support small-scale rural farmers to accelerate achievement of MDG 1; and (iii) a social protection system that strengthens the resilience and productive capacity of poor and vulnerable households.

Growth that leads to job creation demands improvement in the business climate and diversification of the economy toward job-creating subsectors, particularly in the Free Zone, services (especially transport), and agricultural exports.

For all these factors, Togo considers it reasonable to hold onto the alternative, ambitious scenario of accelerated growth with an average rate of 7.1 percent per annum, and will work determinedly to lift constraints on finance and human resources that could hinder its realization.

### **2.3. STRATEGIC PILLARS**

Five (5) strategic pillars have been identified. They supplement and interact with each other to realize the overall goal of rapid, inclusive growth that leads to creation of new jobs.

These are as follows:

- Pillar 1: Development of Sectors with Strong Growth Potential
- Pillar 2: Strengthening of Economic Infrastructure
- Pillar 3: Development of Human Capital, Social Protection, and Employment
- Pillar 4: Strengthening of Governance
- Pillar 5: Promotion of Development That Is Participative, Balanced, and Sustainable

#### **2.3.1. PILLAR 1: Development of Sectors with Strong Growth Potential**

Economic growth, which is synonymous with wealth creation for Togo, is the first condition for equipping the country, reducing poverty, raising the standard of living, and reducing inter- and intraregional disparities. However, the economic growth encountered in Togo is fragile in its sources, insufficient in its rate, and very poor at creating jobs. It is structurally handicapped by weak total factor productivity, insufficient diversification of the fabric of the economy, and industrialization that is still at an embryonic stage—a reflection of a sluggish private sector and the limited size of the market. During the 2013–2017 period it will be a matter of strengthening the rate of economic growth, diversifying its drivers, and ensuring more equitable distribution of the benefits of economic growth, through the creation of many jobs and the distribution of revenues.

To speed up, growth needs anchor points. Togo has significant potential in terms of its geography, agriculture, population, natural resources, and its transportation chain and associated services. These assets should (i) allow the generation of significant plans to (ii) ensure strong return on capital investment; (iii) facilitate the opening up of Togo to subregional and international markets; (iv) allow production of quality tradable goods that are competitive; (v) boost quantity and quality of available labor; and (vi) support innovation and anticipation. The sectors that will benefit from these assets are

agriculture, industry, and services. Togo's ability to fully realize the value of these assets in the shortest possible time will in a large way determine the future growth rate of its economy, which, according to the hypothesis, should be an average growth (base scenario) or stronger, more lasting growth (accelerated growth scenario).

Agriculture, trade, services (handicrafts and tourism), the extractive industries, and manufacturing are Togo's main drivers of strong, lasting growth.

### **2.3.1.1. Increasing Agricultural Productivity and Improving Food and Nutrition Security**

#### *A) Strategies for Increasing Agricultural Productivity, Diversifying Income in Rural Areas, and Inclusion*

Togo has significant agricultural potential, despite its small land area. There is a large amount of arable land—nearly 3.4 million hectares, of which just 45 percent is currently farmed. Togo's varied climate, which covers multiple agro-ecological zones, allows a diverse range of agricultural activities. Irrigable land is estimated at 86,000 hectares, and cultivatable bottomlands at 175,000 hectares. Nonetheless, a growing number of areas are experiencing land pressure, which indicates that the phase of extensive growth is coming to an end, and that the choice of farming methods should now be based on the need to gradually intensify production. Moreover, the farming population is aging due to the massive exodus of young people from rural areas toward urban centers.

Many constraints hinder realization of the potential outlined above and explain the low agricultural productivity. Basically these are due to the: (i) small size of farms; (ii) rudimentary nature of the technology used and the poor level of mechanization; (iii) poor use of water management for crop irrigation; (iv) lack of organization by producers; (v) aging of plantations, especially for coffee and cocoa; (vi) export sector favoring traders over producers; (vii) lack of accessibility to rural areas; (viii) difficulties in accessing land, especially by women and young people, which acts as a brake on agricultural investment; (ix) growing land pressure in some areas and consequent soil degradation; (x) low rate of agricultural product processing, which prevents retention of a significant portion of the value added; (xi) negative impacts of natural hazards such as flooding and drought on agricultural production, fisheries, and livestock farming; and (xii) lack of funding for agricultural research.

Agriculture is a sector with strong potential for economic growth, given that it offers a strong potential for providing more products for export and that increased agricultural revenue will increase demand for consumer goods and services from other sectors. For this reason the PNIASA and the framework for expedited achievement of MDG 1 were implemented to address the following 11 key challenges:

- **To establish Planned Agricultural Development Zones (ZAAPs—Zones d'Aménagement Agricole Planifiées):** *Increasing the number of planned agricultural development zones appears to be a solution that will allow the gradual increase of average farm size in Togo's agriculture sector, introduce customized mechanization, improve farms' productivity and competitiveness, and increase farmers' income. The aim is to increase cultivated sites by at least 2,500 hectares per year.*
- **To develop animal-draft and motorized cultivation that is environmentally sustainable:** The labor associated with crop farming is generally manual (just 10 percent of farmed land is plowed using draft animals, and 1 percent with motorized equipment), which limits agricultural productivity. In 2009 the Government deployed around 100 tractors in all regions of the country. The challenge is thus to continue the process of agricultural mechanization, restore farmers' confidence, and encourage rapid increase in the use of plows and tractors to improve agricultural productivity. The aim is to reach a level of agricultural mechanization of at least 5 percent between now and 2017.
- **To improve water management:** Water management is an essential factor in the development of intensive agriculture with high added value. In the past, Government efforts focused primarily on building large irrigated plots. *Now, the aim is to give priority to small, village-scale developments (6–10 hectares), with an emphasis on grassroots organization and support to farmers to address*

*the challenge of water management.*

- **To structure rural areas and professionalize agriculture:** Agricultural trade associations (ATAs) play a major role in farming development and professionalization of agriculture, offering services, representing farmers' interests, or acting as reliable points of contact for financing systems. For this reason, particular attention will be paid to building their capacity, particularly through management and organizational advice and support for acquiring equipment. Strong ATAs that are truly representative (that include women and young people) are particularly necessary if Togo is to break into export markets, as they provide their members with essential information and support.
- **To distribute information on markets and stabilize prices:** Togo has capacity for boosting investment in ICT, allowing the development of agricultural market information systems (AMIs) to provide operators real-time access to information they need to take advantage of market opportunities and improve their productivity and competitiveness. *The Government plans to promote these information systems and develop purchase mechanisms so as to improve agricultural investment by small producers. Further, it will contribute to the emerging e-marketplaces for agricultural products, based on best practices used in most Southern African countries.*
- **To create export opportunities:** The majority of exporters belong to the informal sector and, without specific support, are not able to develop their operations beyond the traditional trade networks. Experience has shown that developing non-traditional exports often requires the input of competent foreign investors with trading connections and financing. The challenge here is for the Government to support exporters over a long period of time, thus enabling the gradual acquisition of skills necessary for: (i) capacity-building for individual operators and their associations; (ii) setting up institutional and physical infrastructure; (iii) developing services (market information, assistance with business plans and export plans, support in quality management); and (iv) providing financial support to project holders.
- **To restore rural infrastructure:** Togo enjoys a favorable geographic location for regional trade, centered in the WAEMU market and close to potential growth markets. However, due to the economic crisis, road maintenance, and in particular the maintenance of feeder roads, was suspended for a number of years. *For the Government, construction, restoration, and maintenance of feeder roads are one of the high-priority investments in Togo's agricultural recovery, with a goal of working on 1,500 km of feeder roads per year.*
- **To secure land tenure:** Conservation of Togo's natural resources and modernization of agriculture depend on appropriate agricultural land-tenure reform with a view to guaranteeing land-tenure security for agricultural operators. There is currently a dual system, with traditional systems superimposed on the "modern" legal land-tenure system established by the Order of February 6, 1974, on agricultural land-tenure reform, which aimed at harmonious economic development in the country by regulating agricultural land tenure regimes and the conditions for transfer of land rights. *The law will be revised on a largely participative basis for more secure access to land ownership and to facilitate land access by women, young people, and agricultural investors. As regards women and young people, the Government will pursue the formalization of rural leasing contracts to secure land.*
- **To process agricultural products:** Togo exports its commodities (and especially its agricultural commodities) in an unprocessed state, and is therefore at the mercy of global price fluctuations. As part of its new program to improve sector competitiveness, the Government is planning to develop value chains in the agri-food sector for crops such as maize, cassava, etc.—agro-industry deserves sustained attention with a view to increasing its activities and its access to technology adapted to the processing of agricultural raw materials and to satisfying the strong domestic demand. The primary processing, which often takes place where the food is produced, will be strongly encouraged on a large scale so as to provide additional income for small-scale rural producers, and the Government will increase

financial support for this. For the further processing stages, the Government will oversee conditions and take measures that incentivize the private sector to set up factories for processing agricultural surpluses and then market the products.

- **To deal with the impact of climate change, natural disasters, soil degradation, and various forms of pollution in the agricultural sector:** Agriculture in Togo, largely rain-fed, is dependent on the climate. Natural hazards such as flooding and droughts have a lasting impact on agricultural production, fisheries, and livestock. The decrease in annual growth in food production from 8.1 percent in 2009, to 2.4 percent in 2010, attributable to adverse rainfall conditions, illustrates this point. Equally, intensive use of agricultural inputs, especially pesticides and chemical fertilizers, has significant impact on land and water ecosystems. This situation presents a significant challenge, and the Government will take steps to inform and raise awareness with the population and bring about changes in behavior as it works to identify response measures to improve the situation.
- **To generate enthusiasm for research on agricultural production:** Making such resources available allows the most successful crop varieties, with the highest added value, to be selected by the economic sectors with the highest growth potential. These new varieties should also generate substantial savings on annual fertilizer subsidies and be adaptable to adverse effects of climate change in Togo. Priority action to be implemented includes: (i) identifying crops best suited to each agro-ecological zone; (ii) supporting research institutions' efforts to select varieties with short growing cycles and resistance to pests and disease; (iii) research on improved storage and preservation systems for crops and on processing of agricultural products; and (iv) further research on climate change and its impact on development sectors.

**In the long term, the Government is counting on the North-South corridor to boost agricultural development**, as it generates exploitation of the comparative advantages of Togo's various natural and eco-climatic regions by offering technical and logistical support to local producers. The aim to make Togo an agro-sylvo-pastoral powerhouse in the subregion, with the agricultural subsector one of the engines of economic growth, ensuring food and nutrition security, and producing jobs and income, particularly for small-scale producers and vulnerable populations.

**In the medium term (2013–2017), the success of Togo's agricultural policy depends on increased capacity to mobilize and manage resources, as well as on successful PNIASA implementation**, on the one hand; and improved, stronger policies and structures for agri-food processing and marketing of agricultural products, on the other.

The strategic objective is to increase production sustainably, and to improve productivity through access to quality seed, restoring degraded soil and increasing soil fertility, improving equipment available to farmers, building irrigation systems, and promoting small-scale irrigation and capacity-building among small producers.

Specifically, this will involve taking action to:

- Increase agricultural mechanization to at least 3 percent in 2015, and to 5 percent by 2017;
- Increase cultivated land area by at least 2,500 hectares per year;
- Increase irrigated land area by more than 500 hectares per year;
- Increase the quantity of fertilizers distributed from 32,000 tons in 2012, to 58,500 tons in 2015, and to 69,500 tons in 2017, benefiting at least 500,000 small producers;
- Establish financing for the agricultural sector (including a support fund for the processing of agricultural products for at least 500,000 small producers);
- Construct 1,500 km of feeder roads per year.

Togo aims to ensure an agricultural growth rate that averages at least 4 percent (base scenario) but increases to over 6 percent (accelerated growth scenario), so as to achieve by 2017 cereal production levels from at least 1 million tons and to more than 2 million tons respectively. To finance this strategy the Government aims to dedicate at least 10 percent of the State's budget to agriculture.

Other factors likely to increase growth include: (i) clusters of growth industries; (ii) improved feeder

roads for accessibility for agricultural and rural areas with strong agro-economic growth potential; (iii) developing infrastructure (transport, energy, telecommunications, etc.), which will have a knock-on effect on the agricultural sector; (iv) increased population in general, and the urban population in particular, which will increase the demand for food; (v) increased population in the subregion, as well as a foreseeable increase in income and demand for food; (iv) increased agriculture-related economic activity that will generate income and have advantages for new financial opportunities—better penetration by and interaction with the banking and financial sector in the agriculture and rural sectors; (v) development of agri-food industries and stronger interactions with agriculture.

To increase and diversify sources of income in rural areas, the Government will increase lending to farmers. Recent studies have shown that effective access to credit at the right interest rate substantially reduces incidences of poverty, but the current, strict, conditions for access to credit exclude poor people, especially women and young people. This is why the Government will pursue conditions favorable to expanded coverage by decentralized financial systems, creating financial mechanisms to strengthen their operational capacity and guarantee funds at the level of other financing institutions. Particular attention will be paid to the needs of food-crop producers, who are the poorest and the most vulnerable.

Finally, inequality and disparity must be addressed if economic growth in agriculture is to be inclusive, and poverty effectively reduced. Given their economic and precarious social situation, and their important role in agro-pastoral activity, small producers (at least 500,000 of them) will be paid particular attention, as will vulnerable groups (women, unemployed youth, landless farmers). The Government will play a significant role in this, particularly in improving their access to: (i) improved fertilizers and seed for food crops (cereals, pulses, tubers and roots, and horticulture) and breeding stock for small livestock; (ii) small-scale water management for irrigation; (iii) storage infrastructure for storage (at least 1,000 warehouses) and for small-scale processing; (iv) improved breeding stock, veterinary coverage, and supplying family livestock farming; (v) support and advice programs and information on markets (training of at least 100 technicians per year); and (iv) literacy services, reproductive-health-care services, protecting farmers against HIV/AIDS.

**With respect to the national employment policy**, new programs for establishing young farmers, herders, and fishers will be created in the regions according to local context. These programs will be for **young people from rural areas**, who will receive assistance to establish themselves on their land and be given opportunities to make a more productive contribution to development of the country. This will require training and professionalization for them, and gain them access to means of production (land, financing, technology, etc.). These programs will also be for young people from urban areas (often educated but unemployed), which would require establishing a connection to the land, thus leverage for increasing agricultural productivity. In addition to using better quality inputs, the education of these young people and their improved ability to adopt new technologies will improve productivity by introducing modern work methods and new growing techniques. Settling young people in rural areas can be achieved through the ZAAP framework. The Government, using the PNIASA framework, will initiate action to achieve this (development of land earmarked for young people, providing greater accessibility, public facilities, and access to financing), prior to which, field schools will train them in farming and entrepreneurship. This will help (i) achieve the agro-ecological potential of the areas in which they settle; (ii) prefigure future entrepreneurial development in rural areas; and (iii) facilitate substitution of food imports and development of industries with growth potential for export. The founding of non-agricultural services around these industries through the promotion of entrepreneurship in rural areas will also be involved.

Finally, it will be necessary to strengthen the processing of agricultural products to bring about significant reduction in youth underemployment between growing seasons. An experiment in entrepreneurship in rural areas is currently underway, as rural young people are in training at three (3) *Centers of Excellence* (OIC, CIPAD, and INFA). Concluding training, they drew up their business plans for crop farming (maize, soya, rice, cassava, yam, vegetables), livestock farming (pigs, bees, broilers, laying hens, Guinea fowl, egg production), and processing and marketing of products. They are monitored as they implement their plans, which must be evaluated before they are promoted to a higher level.

## *B) Agricultural Subsectors with Strong Growth Potential*

For Togo, there are three categories of agricultural products with strong growth potential: (i) products that substitute imports; (ii) products for non-traditional export destined for the international and regional markets; (iii) traditional Togolese exports.

### Products That Substitute Imports

This will mainly involve rice and poultry.

*As regards rice*, to limit increase in imports, which already account for more than 50 percent of domestic need, initiatives are planned to generate sustained growth in local production. The potential gain in productivity is considerable: from irrigated farms (6 tons/hectare), rain-fed farms (2 tons/hectare), and in bottomland cultivation (3–4 tons/hectare). Moreover, rice cultivation offers local producers significant incentives, even without subsidies. To arrive at this, (i) constraints will be lifted on access to selected seed and on access to credit for the purchase of inputs; and (ii) priority given to reclaiming bottomlands, which is less costly and more easily managed by producers.

Development projects for rice farming are underway, particularly in the region of Kara, the Mono River valley, the Mò Plain, the Zio River valley, the Oti River valley, and the Djagblé Plain. They will continue according to already-established project schedules. The goal is to reduce rice imports by at least a third, by increasing rice production from 117,000 tons in 2012, to 122,500 tons in 2013, then to 134,000 tons in 2015, and to 146,000 tons in 2017—an average annual increase of 4.5 percent. Action will be undertaken to increase the yield of small rice producers by at least 15 percent by 2017.

*As regards poultry farming*: Togo imports large quantities of meat products to make up for its inability to meet domestic need (around 30 percent). Unlike with large livestock, Togo has potential for development of poultry production, continuing or even increasing the strong growth rate seen in the past for poultry production (around 47 percent between 2005 and 2010), particularly in traditional and modern farming of laying hens and egg production; both are cost-effective and competitive. Traditional farming lends itself easily to improvement without recourse to large investment or complementary supply; thus the focus on improved henhouse conditions and watering, and regular veterinary monitoring (vaccination against Newcastle's disease and external disinfection) to achieve significant reduction to the mortality rate and greatly improve productivity.

Finally, the Government plans to develop and promote an attractive, alternative model of free-range chicken farming—as an intermediate step between traditional and commercial farming methods: using an outdoor run, so that the chickens have a henhouse with a run and receive a little additional feed; thereby limiting losses due to predators and allowing the use of improved hybrid breeds without excessive costs for feed. For this kind of program to succeed, it is necessary to: (i) improve the structure and organization of small producers; (ii) facilitate access to investment (through microcredit); (iii) intensify and improve livestock breeding practices; and (iv) open up markets and facilitate the flow of goods toward urban centers.

### Non-Traditional Export Products

The Government plans to promote non-traditional products for export, particularly at the subregional level. For a product to have potential there must be: (i) potential demand; (ii) enough comparative advantage to achieve satisfactory competitiveness and profitability for producers; and (iii) private investors with the necessary skills and interest.

Programs geared to sustain quality and apply standards, thus able to benefit from these opportunities, will increase in importance over time. A combined public/private body will be set up to promote the quality of agricultural exports, to include keeping agricultural-sector actors informed on standards and regulations that apply to the main export markets, training them in a quality-based approach, and helping companies to upgrade and certifying them.

Other actions, partly described above, to be developed so as to provide better access to international markets include: (i) updating marketing infrastructure (collection/supply chain, export supply chain, etc.) in addition to feeder roads; (ii) capacity-building and boosting of Togo's agricultural exchange;

and (iii) improving the business climate to stimulate the interest of domestic and foreign investors in developing business activities related to food production (agro-industries, distribution networks, non-agricultural services offered in rural areas, etc.).

The main potential products are those that can be exported to:

- The Africa subregion: cereals (maize), oil seeds (soya, cottonseed, palm), starch crops (cassava flour, tapioca, yam tubers and flour), vegetables (fresh okra, carrots), and fruit (avocado);
- Non-African countries (Europe, North America, and Japan): oil seeds (cottonseed and shea butter), starch crops (cassava flour, tapioca, sugar beet chips), vegetables (dried okra, chili peppers, bell peppers, pepper), fruit (avocado, pineapples, and organic dried fruits), fish products (crustaceans, mollusks), new products (spices, herbs, flowers, ornamental plants, medicinal herbs, essential oils, other organic and fair trade products).

*As regards maize*, demand on the regional market is expected to increase rapidly, particularly for fodder and industrial use, and especially in large consumer countries like Nigeria. It is also estimated that the maize deficit in WAEMU countries could be more than 1.3 million tons by 2020. The existence of well-established networks allows Togo to position itself as a regular maize exporter in the subregion. Therefore, the aim is to eliminate any hindrance to trade so as to promote integration and efficiency in the market and help Togo's maize producers enter the regional market. The goal is to increase the yield of small producers by 15 percent, an increase in maize production from 680,000 tons in 2012, to 710,690 tons in 2013, then to 776,462 tons in 2015 and 847, 916 tons in 2017—a relative annual growth of 4.5 percent.

*As regards cassava*, Togo's most widely farmed food crop, the aim is to promote industrial use (starch and ethanol) and use as livestock feed, as the most promising opportunities. The use of cassava as livestock feed potentially offers a very large outlet (e.g., in Asia or Europe). The demand for medical alcohol in West Africa is increasing to 50,000 tons per year. Therefore, as few production units are currently operating, to take advantage of this promising niche, the priorities are to: (i) propagate and distribute high-yield varieties and promote good farming practices so as to double or triple yields; and (ii) implement a coherent development program for the sector, promoting technological innovation in processing, and based on domestic and regional market demand, not only for food but also for industrial uses (feed, starch, ethanol, etc.). Also, the Government aims to increase cassava production from 1,043,432 tons in 2012, to 1,090,387 tons in 2013, to 1,190,730 tons in 2015, and to 1,300,306 tons in 2017—a relative annual growth of 4.5 percent.

*As regards fruits and vegetables*, the Government will concentrate on logistics and quality. In addition, promoting new export products is envisioned, mainly pineapples, cashew nuts, bananas, and vegetables: targets for fruit production are 43,300 tons in 2013, 65,000 tons in 2015, and 97,500 tons in 2017—an annual growth rate of 22.5 percent.

*As regards the horticultural industry*, the Government aims at growth of 15 percent from one period to the next, which will translate into production of 2,000,000 tons in 2015, 2,300,000 tons in 2016, and 2,645,000 tons in 2017.

*As regards forestry products*, to increase and diversify rural incomes and increase the contribution by timber and non-timber forest products to inclusive growth and fighting poverty, strategies will focus on: (i) development of tree plantations for timber and fuel wood; (ii) creating conditions conducive to emergence and operation of small and medium-sized enterprises for processing forest products, through legislation for their establishment and operation, and an incentivized environment for private operators to establish themselves; and (iii) including industrial use of forestry products within the bounds of the EITI.

#### Traditional Exports from Togo

With respect to regionalization and globalization of trade, diversifying production and export potential and improving the competitiveness of industries with growth potential (such as cotton, coffee, and cocoa) will form the basis for increasing agricultural production and boosting growth in Togo. In fact,

this activity has a structuring effect on the entire rural sector, increasing income, especially for rural areas.

*As regards the cotton industry*, cotton production increased significantly between 2008 and 2011, from 32,000 to 83,608 tons, or an increase of 161.3 percent, making Togo a serious player in Sub-Saharan Africa. Production in 2012 is estimated at 118,055 tons. The country still has significant room to grow; improving accessibility to underutilized areas with strong potential—in the Kara region (Bassar), Centrale region, the northern Plateaux region, and the northeast edge of the Maritime region—will also result in increased cultivated land. Development of animal-draft cultivation, thus reducing labor constraints, will increase the land area planted with cotton, developing areas where land pressure is not so great. In the medium term, increase in production should depend mainly on increase in yields. Current yields (650 kilograms/hectare) are significantly below yields obtained at the end of the 1990s (1,200 kilograms/hectare) and far below potential yields in rural areas (1,500 kilograms/hectare). Therefore, there is significant room for improvement in productivity. It is projected that total production could reach 125,374 tons in 2013, rising to 156,717 tons in 2014, to 172,389 tons in 2015, to 189,628 tons in 2016, and to 227,553 tons in 2017, with relative growth of 14.2 percent for the 2013–2017 period.

Multiple measures and actions are needed to increase the cotton industry's production and preserve what is a main source of income for a significant number of farmers. This will involve continued industry reform to: (i) improve corporate governance and create a new corporate culture; and (ii) improve agricultural production efficiency by strengthening research, protecting soil fertility and the environment, and providing extension services, equipment, feeder roads, storage facilities, and access to credit.

In addition, the new mechanism for setting prices needs to be improved further in terms of viability, to guard against a significant drop in prices (for example by having a buffer fund and associated line of credit).

Finally, given the monopoly position granted to the NSCT, it will be good to build up the role of producers in industry management to ensure that risks and rewards are shared equitably. The joint-trade organization will have to manage matters of common interest such as price-setting for producers, supply and inputs policy, formulation of research programs financed by the industry, the producers' council, and quality control. For producers' organizations to be able to fulfill their shared role in managing the industry within the joint-trade organization, Government action will focus on ensuring their representation on their decision-making bodies and on strengthening their technical and management skills. In the longer term, the producers' association should be able to gradually take on the function of a producers' council (for organizing and managing grassroots groups) and of supplying agricultural inputs.

*As regards the coffee and cocoa industries*, production of these two industries has declined over the past 20 years due to the fall in international prices; aging and insufficiently maintained plantations; the effects of climate change; phytosanitary problems, whereby pests and diseases such as Swollen Shoot virus, have destroyed plantations, and *Phytophthora* has destroyed a large proportion of pods; and lack of adequate supplies and inputs. Aging plants and modes of reclamation (sharecropping) and inheritance have also contributed to poor maintenance or abandonment of plantations. Moreover, each year bush fires destroy large areas of plantations.

Therefore, the Government will make a special effort in coming years to strengthen the necessary measures and provide technical and financial support to the Technical Unit for Coffee and Cocoa (UTCC—*Unité Technique Café-Cacao*) so as to relaunch the industry. The new *Unité Technique Café/Cacao* of the Institute for Technical Advice and Support (ICAT—*Institut de Conseil et d'Appui Technique*) will offer services in line with contracts that include performance criteria, signed with the Coffee and Cocoa Industry Coordination Committee (CCFCC—*Comité de Coordination de la Filière Café-Cacao*) and/or the Federation of Coffee and Cocoa Producers' Unions (FUPROCAT—*Fédération des Unions de Producteurs de Café-Cacao du Togo*). The CCFCC and FUPROCAT will define the type and content of support required, and the cost of this support should be shared between the State and the beneficiaries.

The broad outlines of the industry's development program are centered on four components:

- Restoration of old plantations, and expansion of land planted with *robusta* and hybrid cocoa varieties to combat disease and parasites; making improved hybrid plant stock available to planters, and facilitating access to fertilizers and phytosanitary products;
- Establishing an effective support mechanism for replanting/pruning and expanding plantations, generally improving and maintaining plantations and farming practices, inter alia to improve the quality;
- Strengthening the institutional framework by establishing: (i) a unit charged with compiling and enforcing a regulatory framework for the industry and for monitoring the policy for its development; (ii) a joint-trade organization that will be responsible for the coordination of its participants and the management of its common goods; (iii) stronger grassroots cooperatives and regional unions; and (iv) mechanisms for mobilizing and attracting young people to the industry so as to guarantee the labor force necessary for its development;
- Improving infrastructure by: (i) constructing and restoring feeder roads; and (ii) providing support for building infrastructure and facilities for storage.

The target for increased coffee production rises from 12,324 tons in 2012, to 13,027 tons in 2013, to 14,928 tons in 2014, to 16,421 tons in 2015, to 18,063 tons in 2016, and to 21,676 tons in 2017—relative growth of 12.1 percent. The target for increased cocoa production rises from 14,220 tons in 2012, to 15,813 tons in 2013, to 18,406 tons in 2014, to 20,246 tons in 2015, to 22,271 tons in 2016, and to 26,725 tons in 2017—relative growth of 13.5 percent.

### *C) Strategies for Improving Food and Nutrition Security*

In line with the PNIASA, the Government has adopted a national food security program (PNSA—*Programme Nationale de Sécurité Alimentaire*), to ensure food and nutrition security, without discrimination, for every sector of the population in Togo. Programs have been implemented that focus on nutritional monitoring and education, and on food production.

During the 2013–2017 period the right to food and good governance around food and nutrition security will be promoted. The Government plans to: (i) set up an early warning system equipped with a geographic information system (GIS) on food security; (ii) create food reserves; (iii) set up social and nutritional safety nets; (iv) strengthen testing laboratories so that international food standards are met; (v) improve food distribution networks and strengthen the cold chain; (vi) inspect for food safety and water quality; (vii) support the establishment of school cafeterias and school vegetable gardens; (viii) help remedy micronutrient deficiencies, and support the creation and equipping of rehabilitation centers; and (ix) promote nutrition education.

The focus will be on *intensive production of cereals*, in particular maize, rice, and sorghum, and roots and tubers, prioritizing cassava and yams. Annual cereal production will reach around 2,000,000 tons in 2015; 2,090,000 tons in 2016; and 2,184,000 tons in 2017—growing 4.5 percent per year. For root and tuber crops, estimates for required production levels are 1,726,000 tons by 2015; 1,777,780 tons in 2016; and 1,831,113 tons in 2017—relative growth of 3 percent.

The overall strategy will, first, call for intensification of farming methods—dealing with soil degradation and managing water to secure production—and then for a better-performing system for storage and processing, improving logistics, and marketing practices for cereals and derivative products.

*As regards livestock*, the projects identified with regard to traditional livestock practices concern poultry farming, small ruminants, cattle, pigs, and other specialist breeding (rabbits, cane rats, and bees). Depending on the species, growth targets for the 2013–2017 average 6.8 percent. To achieve this, the focus will be on restoring and building centers for improving animal breeds, with other action directed at developing watering points, grazing areas, and transhumance routes and corridors to improve livestock productivity nationally. Finally, to ensure good monitoring of animal diseases, capacity-building is to be provided for stations and agents.

Further, the Government will set up an incentivizing regulatory framework and logistical support to

promote the development of SME agribusinesses in the egg, meat, and dairy industries. Projected estimates for annual production by these industries by 2017 are 230 tons of milk, 8,000 tons of eggs, and 8,910 tons of meat. Investment will be directed toward infrastructure development for livestock production, support in supplying feed and veterinary products, and promotion of semi-industrial and agribusiness processing. The target is 10,600 SMEs.

*As regards fisheries products*, the objective is to improve coverage of domestic need for fisheries products through, on the one hand, fish farming, and on the other, freshwater and saltwater fishing. Intensified fisheries production mainly entails construction and development of ponds, and production and distribution of alevins (young fish) and feed. It is projected that in 2017, a target population of more than 8,500 fish farmers will be active, with an expected annual production of 5,000 tons. Support to freshwater and saltwater fisheries will focus on providing facilities and equipment for fishing, processing, packaging, and marketing fish products, and sustainable management of fisheries resources, and will affect 5,000 fishers. The production targets envisioned for 2015 are 39,590 tons, with 44,900 tons in 2017—an increase of 13.7 percent for the 2015–2017 period.

*As regards sustainable management of natural resources and the environment*, Togo is facing numerous challenges, principally: (i) deforestation, clearing of vegetation, and degradation of plant cover; (ii) soil degradation and declining soil fertility; (iii) degradation of protected areas and wildlife, human encroachment on protected areas; (iv) silting up of waterways and the lagoon, contamination and deterioration in fresh water sources quality; (v) degradation of coastal resources; (vi) all kinds of pollution; (vii) coastal erosion; (viii) recurrent natural disasters such as flooding and droughts; and (ix) climate change.

The strategy to address these challenges is to: (i) implement an environmental and social management framework, a pest and pesticides management plan, and a policy framework for resettlement according to the needs of the population; (ii) introduce measures for assisting farmers with sustainable management of natural resources, the environment, and soil fertility to limit the impact of agricultural activities; (iii) promote agroforestry and forestry; (iv) fight invasive water plants; (v) provide support to collective actions at the local level for joint management of natural resources; (vi) promote community forests; (vii) support riparian populations by restoring and developing forest remnants and uncultivated savannas; (viii) identify and promote options for adapting agriculture to climate change; (ix) promote sustainable consumption and production; (x) support local government in conservation and sustainable management of biodiversity of the mangroves in the southeast of Togo; (xi) plant teak along the edge of some main and secondary roads, and on the banks of some rivers.

### **2.3.1.2. Increasing Industrial Production**

The sector is characterized by a level of industrialization best described as embryonic, and is poorly integrated with the rest of the economy. It contributes little to employment. Togo's industrial fabric is fairly thin; it comprises around 10 large firms, around 100 medium-sized industries, and a relatively large number of very small industrial units. Moreover, Togo's industry faces a number of different constraints, specifically: (i) a business climate not very favorable to attracting investment; (ii) a small domestic market; (iii) difficulty in accessing financing; (iv) strong competition from foreign products; (v) high input costs; and (vi) lack of developed, viable industrial parks and industrial areas.

Nonetheless, the country has real potential for developing its industrial sector. It has agricultural resources, mineral resources, an industrial Free Zone, and the PAL. Increased industrial productivity will be generated by (i) implementation of Togo's industrial policies; and (ii) boosting subsectors with strong growth potential.

#### *A) Industrial Development Policy*

The vision embodied in Togo's new industrial policy is to "develop and sustain domestic industry that is integrated, internationally competitive, environmentally friendly, and capable of significantly improving the standard of living of the country's population by 2030." The main priorities for this vision are to: (i) upgrade existing firms so as to make them more competitive; (ii) find opportunities to diversify domestic industrial production and constantly increase the percentage of raw materials and local products processed to reach an average of 20 percent in 2030; and (iii) promote industrial SMEs.

*As regards industrial development*, the first step will be to revise and adapt the context in which industrial activity is carried out in Togo, specifically through supportive measures to: (i) create a more favorable climate for private investment, with the Government bolstering existing legislative, normative, and regulatory mechanisms, and in particular completing decisive judicial reform; all these being moves to hasten enforcement of court decisions, anti-fraud efforts, and attract and secure domestic and foreign private capital for the purpose of generating profitable investment; (ii) continue implementation of reform through completion of the privatization program; (iii) strengthen institutions supporting the private sector and build capacity of companies (especially SMEs). Supported by its partners, the Government plans to improve the efficiency of private-sector support programs, by strengthening the CFE, and the founding of the Togo Business Center (MET—*Maison de l'Entreprise du Togo*); (iv) strengthen the private sector's role through regular, ongoing consultation between Government and the private sector in various industries on issues of competitiveness; and (v) promote a suitable partnership framework between universities and firms, with firms contributing to financing university research, results of which may be useful in increasing firms' productivity—within this construct, there are plans to set up a representative council of business people to assess and propose curricula in higher education and technical and vocational training.

For the 2013–2017 period, the Government will mainly act to develop and implement:

- a. ***Programs to improve competitiveness by sector***: In close consultation with the private sector, a list of priority sectors will be compiled. These sectors will be the subject of integrated development strategy and competitiveness studies, with a view to making optimal use of the value chain in each of the sectors involved, establishing joint-trade organizations, and creating decent jobs. Once the studies are concluded, the Government and each sector's joint-trade organization will be able to discuss medium-term competitiveness programs, which will, where necessary, and based on agreements, receive multiple forms of support from the State. The aim is to run competitiveness programs with approximately half a dozen sectors each year and, after 10 or 15 years, to have covered all the market sectors in the economy. A *competitiveness committee*, comprising representatives from Government and the private sector and, where needed, involving representatives from the financial sector, will be appointed to guide this process.
- b. ***A national program for updating existing companies***: This program anticipates boosting the output of industries and services, promoting investment and job creation, and improving the competitiveness of the Togo economy at the regional and international level. It completes and performs as an operational framework for the competitiveness programs for the various market sectors. Its implementation, which will favor companies that adhere to a sector-based program for improving competitiveness, is intended to give these companies the means to: (i) update technical production tools and boost private investment; (ii) take advantage of development opportunities offered by the crisis that the global economy is currently experiencing by creating value added; (iii) strengthen managerial skills and human resources in domestic companies so that they are better positioned to take advantage of technological innovation. To achieve this, the Government will appoint a suitable institutional structure to manage the program.
- c. ***An action plan for making the industrial site viable*** to facilitate establishment of industrial units.
- d. The ***structures of the framework law*** should work toward improving companies' competitiveness by promoting quality and compliance with international standards.
- e. ***Innovation*** incentivizing by establishing prototype manufacturing units.

In its sector competitiveness program, the Government could, for example, aim to develop the following value chains:

- i. Togo phosphate, which could be processed locally into fertilizer and exported;
- ii. Cotton thread for clothing and the manufacture of traditional fabrics, which would benefit manufacturing at the end of the chain; in addition, rapid expansion in the cotton industry would lead to greater valorization of cotton seed in the form of cottonseed meal, for which there is a real subregional market (Burkina Faso, Mali, and Niger);
- iii. Cocoa, which could be processed locally into chocolate and derivatives;
- iv. Other agri-food industries could be developed around maize, cassava, etc.

### *B) Subsectors with Strong Growth Potential*

Increasing industrial productivity depends heavily on the extractive/mining industry's productivity. Other opportunities exist in the construction and public-works sector and in craft trades to accompany industrial development. Assistance measures such as training company staff on the prevalence of HIV/AIDS, occupational health and safety, gender equity and equality, and implementation of environmental management plans will also boost sector productivity.

#### Mining Sector

The mining industry has played an important role in Togo's economy since extraction and exporting of phosphate began in 1961. In mid-2012, there were 16 valid mining permits in circulation, the majority held by private entities outside the phosphate sector. Likewise, there were seven (7) prospecting permits for gold, diamonds, manganese, nickel, zinc, etc. Nonetheless, in terms of sector development, Togo has no modern, appropriate, and transparent legal and institutional framework to attract quality, experienced, private mining investment (domestic and international) in the advocated domain, which has significant impact on Togo's development. The unsuitable, existing regulatory framework (the Mining Code) prevents Togo from deriving any real benefit from the extraction industry. Given the lack of mining experience apart from phosphate, it will benefit Togo to encourage a participative approach to developing modern tools for mobilizing sizable, high-quality, sector investment.

A solid, visionary approach encompassing the entire extractive industry is needed. Thus the aim over the next 10 years to restore lasting good governance, supported by a strong strategic vision for developing the entire mining sector. This objective could benefit from building the development corridor, in particular from its railway and port services, which would considerably facilitate the exploitation of mineral deposits in isolated areas.

For the 2013–2017 period in terms of policy to boost the economy, effective Government action to bolster the mining sector is expected, in particular by promoting transparency and undertaking profound institutional and structural reform. Thus more favorable working conditions could be created so as to attract leading international investors. Specifically, this will require having, inter alia: (i) geological mapping and updated geophysical data available; (ii) the Mining Code revised and, in developing its implementation provisions, taking into account not only subregional integration, but also the need to attract large-scale investment; (iii) a new taxation system for mining implemented that is both appropriate and effective in the current economic situation. Further, in terms of transparency, Togo commits itself to implementing a detailed action plan for conforming to the EITI within the required time.

*As regards the phosphate sector:* In 2007 the Government created the New Phosphate Company of Togo (SNPT—*Société Nouvelle des Phosphates du Togo*), which assumed ownership of the assets and operations of the Togo Phosphate Office (OTP—*Office Togolaise des Phosphates*) and of the International Fertilizer Group-Togo (IFG-Togo). Since then, the SNPT has not been able to increase production levels, which remained at 751,000 in 2007, and at 843,000 tons in 2008. Production fell to 725,000 tons in 2009 (the minimum for covering fixed costs). The problems are said to be linked in particular to worn mining and transport equipment and to fluctuations in global phosphate prices.

Over the next five (5) years, the Government will pursue reform to address these difficulties, looking in particular for a new strategic partner, and to make investments of more than 80 billion CFAF to replace production equipment and infrastructure; using new technology to raise production from 1.1 million tons in 2012, to 1.39 million tons in 2013, to 1.64 million tons in 2014, to 1.96 million tons in 2015, to 2.37 million tons in 2016, and 2.93 million tons in 2017—a relative annual growth rate of 21.7 percent. In addition, the Government will take opportunities to increase added value of the restructured sector by encouraging establishment of phosphoric acid and fertilizer manufacturing plants.

*As regards clinker and cement:* These are currently Togo's principal export products. The Government plans to draw greater advantage from the recent reorganization of the sector, which advocates for mining activities to be carried out exclusively in the customs territory. To this end, revision currently underway of the Mining Code will have to be expedited. In addition, the strategic outlook for the next few years increases investment in the two clinker and cement factories, West Africa Cement (WACEM) and Togo Cement (CIMTOGO—*Ciments du Togo*), by issuing a second operating license to CIMTOGO and extending WACEM's license. Strategy also calls for setting up a cement manufacturing company (currently underway) that will produce 500,000 tons per year, and between now and 2014, for CIMTOGO to launch a clinker factory with a capacity of 1.5 million tons per year, to ensure a regular supply of cement to the country. In addition, the social dimension will be incorporated, similar to that for the phosphate sector, for the benefit of riverian populations in the production and exploitation zone for clinker.

*As regards iron:* There are good prospects, especially for the iron deposit in Bandjéli (Bassar), located approximately 400 km north of Lomé. The permit to mine this ore has been granted to the Indian company MM Mining. The export of available production of 50,000 gross tons of iron during the pilot phase could reach annual production of 1 million tons net once fully operational. In terms of the development corridor, reform will make the sector more transparent and attract leading investors to this potentially important subsector.

#### Oil Exploration

This has been started off the coast of Togo by foreign companies on licenses issued by the Government, particularly Eni-Togo.

#### Buildings and Public Works (BTP—*Bâtiments et travaux publics*)

The situation in Togo is characterized by an enormous investment deficit in economic and social infrastructure in the period during which cooperation with the international community was suspended. The SCAPE plans to pursue and increase the effort recently begun to catch up on the infrastructure backlog. The BTP sector should naturally be one of the main beneficiaries of this, in terms both of growth and job creation.

However, for the construction business, the situation is cause for concern. Many companies suffered during the political crisis, and some were only able to survive thanks to contracts with neighboring countries. The problems center on equipment and financing. For the State and inspection bureaus, the bottlenecks have been in procurement with contracted project management and in management of work execution. The Government, as the principal project manager, has little capacity for assuming this role and typically uses a contracted project manager to prepare, launch, and assess responses to calls for tenders, etc. During the construction phase, a construction supervisory firm's services are used. However, there is an agency in Togo, the Agency for the Execution of Urban Works (AGETUR—*Agence d'Exécution des Travaux Urbains*), to take responsibility for project management on behalf of the State.

Therefore, it is proposed to: (i) create a directory of local construction firms and construction supervisory firms; (ii) suggest solutions for equipment rental for SMEs; (iii) consult with the banks on the matter of what guarantees SMEs should provide and on financing revolving funds for contracted firms; (iv) develop a legal framework for public project management.

Further, growth potential associated with remittances from the diaspora can be realized in the

construction sector. The economic contribution by expatriate Togolese citizens is actually increasing. The Central Bank of West African States (BCEAO—*Banque Centrale des États de l’Afrique de l’Ouest*) estimates that these remittances represent 9.7 percent of Togo's GDP in 2010—an average of two to four times the amount of FDI. Data are not available on how these funds are used, but it appears that they tend to flow toward the real estate sector. Further thought will be given to how to channel this windfall toward productive projects in real estate and other sectors. If viable channels are found, investing these remittances in Togo's economy could have a significant impact on economic growth in the medium term.

#### Handicraft Trades

Handicraft trade is an important sector in Togo's economy. It makes a significant contribution to GDP and reduces balance of payment imbalances. Despite reform efforts in the past few years to set up chambers of trade (or craft guilds) and to strengthen technical and financial support to artisans, this sector continues to face numerous difficulties, particularly with access to credit, lack of suitable tools and equipment, access to materials, training, and access to product markets.

To generate substantial income for participants and bring foreign currency into the country by exporting handicrafts and to contribute to job creation, a national handicrafts policy will be implemented to: (i) strengthen the system for improving artisans; (ii) strengthen support structures for artisans; (iii) improve supply networks and marketing; (iv) support regional chambers of trade; (v) promote handicraft products; (vi) establish a system of social protection for artisans; (vii) establish research centers for handicrafts; and (viii) draft and implement the implementing provisions for the handicrafts code.

#### **2.3.1.3. Increasing Productivity of the Service Industry**

The tertiary sector in Togo is highly diversified, but little regulated. It accounts for 40 percent of GDP and is dominated by trade. It has gradually slipped toward the informal. Telecommunications services are expanding, but with limited extended effect as the use of fiber optic cables has not yet been fully adopted. The banking system is undergoing rapid changes after numerous reforms, but still offers limited financial intermediation, and imposes high charges for credit and financial services. Bank account penetration remains low, and the legal environment offers little assurance. Trade and tourism thus represent the main anchor points for increasing output of services, boosting growth, and creating jobs in Togo.

##### *A) National Trade Policy*

Trade activities are poorly diversified in Togo and characterized by a preponderance of informal operators. Domestic trade generally involves imported products and external trade is dominated by export of agricultural and mining products. There is also a transit trade with landlocked countries and trade by re-exportation via road or sea. Women play a key role in trade and are present in the import-export business, particularly in clothing and fabrics, food products, and cosmetics. They are very active in commercial exchanges between urban and rural areas.

Nonetheless, the trade sector has certain weaknesses that undermine its reach. Specifically these are: (i) a lack of skills in technical management of the sector and a lack of qualified human resources for providing high quality services; (ii) lack of an effective sector information-management system; (iii) absence of a single center for trade regulation (domestic and international); (iv) absence of a market-information system for domestic and foreign markets; (v) poor capacity of statistical services; and (vi) a lack of an agency to promote foreign trade.

Therefore, in view of these weaknesses, Togo's vision is to develop a successful trading system by 2030, that is, one that makes a significant contribution to reducing poverty and provides competitive support to sectors with growth potential. This will involve making Togo a reference country for transit and re-exportation over the next 20 years.

To achieve this, the general aim is to establish a legal, institutional, and operational system that will allow distribution, import, and export activities to respond to the needs of consumers, and to contribute to competitiveness of firms and poverty reduction.

Specific set goals include measures that:

- Ensure a regular supply of mass-consumption products to the domestic market, and healthy competition so that prices do not become hyperinflated;
- Diversify exports from Togo through a combination of new pairings (products/markets), and oversee optimization of existing export sectors;
- Optimize local and international supplying of the Togo economy, and contribute to the competitiveness of firms;
- Promote trade entrepreneurs, giving them tools and modern technologies used in global trade;
- Support other sectors of the economy (agriculture, industry, services) by bringing value added in trade of their products and services.

The focus will be on efforts to: (i) strengthen legal and institutional reforms; (ii) develop skills in the public and private sectors; (iii) assure quality of products and services destined for domestic and/or international markets and in services to market actors; (iv) facilitate access to suitable financing for trade operators to ensure the security and durability of their activities; (v) strengthen the use of ICTs and set up an economic information and intelligence system accessible to operators and users.

Strengthening legal and institutional reform is expected to: (i) further domestic trade activities and respect for competition regulations by improving trade law; (ii) increase exports from Togo, by instituting a coordination mechanism for all public services to promote exports, and by reviving the National Trade Negotiation Committee (*Comité national de négociations commerciales*); (iii) improve economic supply to Togo by making support structures in supply chain management more effective and more efficient; (iv) foster entrepreneurship in the trade sector by opening the Central Office for Foreign Trade (*Guichet unique du commerce extérieur*), improving support by expediting set-up of authorized management centers and implementation of the Charter for SMEs/SMIs, and reducing formalities required for business start-ups; (v) bring value added to other sectors (agriculture, industry, and services) by structuring and rationalizing their support.

Improving the business climate for trade should significantly contribute to the economy's competitiveness by allowing Togo to reduce the costs of supply and increase its market share at a regional and international level while ensuring the sector's contribution to growth and poverty reduction. To achieve this, the Government will focus on three (3) areas:

*Domestically*, liberalization of the market, development of an MIS, and promotion of SMEs/SMIs with a view to sustaining trade activity as a vector of production growth (especially in agriculture) and of support to food security policy, thanks to adequate supplying of all parties in the country.

*Regionally*, Togo's development of the North-South corridor could have an accelerator effect on the development of trade, to the extent of encouraging massive investment in setting up *trade corridors* to achieve more flexible transportation networks that run more smoothly internally and between Togo and its neighbors.

*Internationally*, Togo advocates for fair trade in line with the provisions and regulations of international trade. The nature of its mainly agricultural export products calls for this approach; for example, cotton, which, given its externalities, is in fact a source of growth as well as income for thousands of Togolese, thus contributing to combating poverty.

Capacity-building in the public and private sectors will be based in particular on better organization of the technical directorates of the ministries, which must, now more than in the past, demonstrate the ability to conduct trade negotiations and develop PPPs with no conflicts of interest.

Seeking quality assurance in products and services destined for domestic and/or international markets, and in services to the actors, should translate into: (i) respect for standards in trade operations (awareness campaigns, creation of "Made in Togo" label, etc.); and (ii) coordination and optimization of work by agencies involved in quality-control of goods and services.

Financing of trade falls within the difficulty SMEs have in obtaining financing, a well-known problem particularly with respect to the fact that SMEs often lack the guarantee demanded by commercial banks. Access by trade operators to suitable financing requires: (i) better organization of merchants

and trade cooperatives; (ii) promotion of financing for export (creation of general warehouses for export and re-export, creating awareness among operators of the option of applying to the GARI Fund, etc.); (iii) financing for the supply chain in Togo (creation of purchase centers, for example); and (iv) a financing mechanism for projects that modernize trade and offer guarantees for microbusinesses engaged in trade.

Implementation of an ICT action plan will have a positive impact on areas of focus of the national trade policy. This calls for measures to: (i) computerize the Ministry of Trade; (ii) provide information on domestic markets through domestic and foreign trade MISs; (iii) digitize customs clearance procedures by setting up an electronic (e-) single point of contact for foreign trade operations; (iv) offer tax incentives for the development and use of ICT and teleservices; and (v) make e-trade a tool for developing export of non-traditional products and for tourism.

#### *B) Development of a New Tourism-Based Economy*

Tourism's contribution to the national economy is very small, as the achievements of the 1970s and 1980s diminished during sociopolitical crisis periods and continued to decline with the decreasing quality of hotel and tourist infrastructure. Nonetheless, Togo's natural assets (sandy beaches, varied flora and fauna, sites attractive to tourists, museums, historical and archaeological remains, arts and traditions, etc.) are still exploited to varying degrees. Therefore, the Government plans to develop a new tourism-based economy that realizes cultural potential—by taking advantage of the construction of the North-South corridor.

To improve sector performance so as to be a stalwart proponent of economic growth, the Government's new tourism policy will promote ecotourism, business tourism, beach tourism, and cultural tourism; by pursuing efforts to: (i) complete the financial stabilization of public hotels (privatizing partly state-owned hotels); (ii) outline a development plan for tourist sites based on a master plan for tourism development; (iii) outline various strategies for promoting leading tourist products; (iv) update laws regulating the sector and ensure their enforcement; (v) promote and market tourism actively in Togo (advertising, posters, brochures and documentaries on Togo's tourism potential; participation in tourism fairs abroad; etc.); (vi) raise awareness, on the benefits as well as the need, among the local authorities to develop local tourism, thereby creating value from the rural hospitality infrastructure construction policy in the most remote areas; this will simultaneously promote travel by consumers and development of tourism hubs, and create value from traditional festivals and other cultural representations; and (vii) create a successful training institute to provide credentials in tourism.

Further, a set of incentives will be created to: (i) allow the private sector to develop hotels around restored tourist sites and protected areas; (ii) support and accompany economic operators in the sector; (iii) promote consultation between public and private actors; (iv) set up a structure or guarantee fund to finance tourism activities in order to promote the creation of tourism-related businesses and open up access to credit.

The Government will take special care to protect children and young girls from all forms of prostitution and procuring that is directly or indirectly linked to tourist activity, and to protect host communities from HIV.

#### *C) The Financial Sector: Diversification of Financial Products and Improved Access to Financing*

The financial sector in Togo had a bank account penetration rate of 21.6 percent in 2010. This reflects the difficulty experienced by the vast majority of potential clients in accessing banking products and services. One of the most serious handicaps to private sector development is the lack of diversity in the products offered by the banking system compared with the real needs of the private sector. This is exacerbated by the absence of institutions that specialize in leasing and in mortgages. Further, SMEs/SMIs who apply for loans are unsuccessful in most cases due to a lack of formal structures for carrying out studies to determine the profitability of their businesses. Apart from all this, there are internal banking and financial constraints, namely: bad-loan policy, organizational and management problems, banking and prudential regulations, and lack of finance education.

Therefore, the Government will support the financial sector in improving its organization, to find suitable solutions to financing the economy, in particular financing businesses in an effort to realize the Government's vision of making the private sector a driver of growth in the coming years. The need to deepen and diversify financial intermediation in Togo is urgent, based both on a greater contribution by microfinance institutions and on raising greater awareness among a large share of operators of the financing opportunities offered by regional financial institutions. In parallel, reflection is needed on how to allow the *tontines*, which occupy a significant place in people's saving habits, to be placed in service to local development.

To complement microfinance activities, the Government will establish a FINA for financing SMIs/SMEs, particularly for the benefit of young people.

Above all, the Government goal is to achieve a financial sector that is healthy, successful, effective, and inclusive, serving both growth and poverty reduction. The sector must offer financing that is adapted to all categories of business (SMEs and SMIs, rural business, handicrafts, women-owned businesses, etc.) with a view to making the private sector an engine of growth. The broad strategic thrusts for achieving this goal are the following: (i) increase the stability and transparency of the financial sector; (ii) deepen the financial sector; (iii) improve the legal and judicial framework; and (iv) develop a culture of savings and loans.

The operational objectives sought in this area are the following:

- *Commercial Banks*: (i) reinforce the solidity of the banking sector by reducing risk in banks' portfolios—measures that will allow prudential rules to be respected, reduce the number of impaired loans in their portfolios, and lighten the load of bad debts, and privatization; (ii) improve bank account penetration and the performance of banks in terms of resource mobilization and credit management.
- *Microfinance*: (i) improve the enforcement of the new regulatory framework and supervision; (ii) straighten out and clean up the sector; (iii) assist in the diversification and professionalization of the range of microfinance services offered; (iv) improve protection for beneficiaries through better training and education in finance.
- *Financing of SMEs*: (i) strengthen and structure demand; (ii) strengthen the range of financial services offered.
- *Rural Financing*: (i) strengthen and structure demand; (ii) strengthen the range of financial services offered, including, among others, support to banks, decentralized fiscal support (DFS), and development of new products (warranties, leasing, community loans, cash flow loans);
- *Financial markets and long-term financing*: (i) develop the market to provide incentives for borrowers and savers; and (ii) mobilize long-term resources.

### **2.3.2. PILLAR 2: Strengthening Economic Infrastructure**

Togo has substantial infrastructure assets that form an indispensable foundation for stimulating the economy. The size of investment credits allotted to this sector attests to Togo's commitment to quality economic infrastructure and modern equipment to facilitate circulation of goods and people, promote internal and intra-regional trade, and consolidate the bases for strong growth and sustainable development.

#### **2.3.2.1. Development of Transport Infrastructure**

The *development corridor* concept will take shape through the establishment of modern infrastructure for efficient multimodal transport, including: (i) maritime (the PAL, the Kpémé wharf for loading phosphate) and river-lagoon transportation infrastructure; (ii) road infrastructure; (iii) rail network; and (iv) airports (the Gnassingbé Eyadema and the Niamtougou international airports). For this purpose, the Government will adopt a transportation strategy as an important planning tool. Further, to implement the development corridor, the Government will set up a State holding company that manages large-scale investment projects and mobilizes necessary financial means through innovative financing, particularly through PPPs.

#### *A) Development of the Maritime and River-Lagoon Network*

The PAL has the potential to position itself in the region as a hub port for container ships as the only deep-water port in the subregion. It is well situated at the junction of two road corridors, Abidjan-Lagos and Lomé-Ouagadougou, which serve landlocked countries such as Burkina Faso, Mali, and Niger. The PAL requires little dredging and can accommodate large ships that draw 14 meters of water. In future, the PAL will have strategic importance as the crossroads of subregional transportation and trade—envisioned as an efficient and competitive international commercial port supporting Togo’s external trade at the lowest cost; and competitive with the subregion’s ports in the sale of port services, transit for neighboring countries, and transshipment, all to support Togo’s socioeconomic development. To accomplish this, Togo intends to implement the PAL master development plan by 2025.

The Government knows that the PAL’s role in the economy is critical, given that 90 percent of Togo’s foreign trade passes through the PAL. It is the backbone of land transport. Strengthening its competitiveness and efficiency is therefore essential for stimulating the development of private sector activity.

To attain this objective, large investment of more than one trillion CFAF will be carried out in the medium and long term to improve provision of port services and increase the PAL’s capacity by expanding port infrastructure, taking steps to: (i) construct a third quay for container ships, which will require relocating the fishing port; (ii) build a transshipment terminal to increase the number of ships that can be berthed; (iii) create several parking areas; (iv) construct a weigh station at Tsévié to comply fully with WAEMU’s regulation 14; (v) build a dry dock at Blitta; (vi) rehabilitate the PAL’s internal road system; (vii) maintain and clean service roads in the port zone; (viii) extend the PAL’s main sewer to National no. 3 and other sewage works; (ix) build a new site at Adéticopé to accommodate the relocation of new and used vehicle sales; (x) rehabilitate storage areas within the port; (xi) build an industrial road from the ore tanker quay to the different ore terminals; (xii) expand the Sahel Terminal; and (xiii) expand the ore tanker quay used for exporting clinker, coal, and iron.

To achieve effective port management, measures will be taken to: (i) restore the port’s authority over concessionaires and involve the PAL in the granting of licenses; (ii) hasten the establishment of a single contact point for port and customs formalities; and (iii) hasten the establishment of a transit monitoring program.

As for port transit costs, improving the PAL’s competitiveness will require: (i) a task force to propose ways to optimize the cost of port transit; the PAL will monitor the overall competitiveness of the Lomé port community to avoid loss of markets, particularly by collecting reliable information for making decisions about tariffs; and (ii) using the principle of competition in granting licenses.

Moreover, only in an environment of maritime safety and security will the PAL fully be able to be the lifeblood of the economy, by effective application of the International Ship and Port Facility Security Code (ISPS Code) and by early prevention of acts of piracy and armed attacks against ships in the harbor.

In any case, the Government intends to incorporate the above-mentioned investment program into a long-term vision of the development and positioning of the PAL.

To complement development of maritime transport, preparations are underway in the transport sector to modify Togo’s waterways and make them navigable. The main navigable waterways are Lake Togo, the Mono, and the Oti.

Waterways are a leading tourist attraction that could be exploited by developing recreational boating and nautical sports to complement the diversification of tourist destinations.

Further, to develop territorial bodies of water, transport strategy will emphasize the preparation of the main navigable waterways.

#### *B) Development of Road Infrastructure*

The situation of the Togolese road network is a concern. Most of the roads, built in the 1970s, have

not been regularly maintained. The torrential rains of recent years have intensified their deterioration, causing significant damage and loss of human life. Access to some locations has become impossible for marketing agricultural products. Significant bottlenecks have arisen. The current state of the road network slows economic development, and road safety is an issue. The State campaigned to raise awareness and provide training for road users. For 2011, the proportion of heavily used, paved national roads is around 40 percent, and around 16.7 percent<sup>13</sup> for unpaved national roads.

The plan is to improve the condition of roads through heavy investment in road maintenance and in raising the overall standard of the road network. This entails setting up a second-generation road maintenance fund, the Independent Company for Financing Road Maintenance (SAFER—*Société Autonome de Financement de l'Entretien Routier*) exclusively for road maintenance for the purpose of protecting agreed investment in road infrastructure. Further, the Government foresees setting up an autonomous road agency charged with implementing effective and efficient road works—road building and repair, and in particular road maintenance, projects for the national network. Complementarity between SAFER and the road agency will energize the subsector of road infrastructure. The Ministry of Public Works will be in charge of planning, studies, and follow-up evaluation.

Further, in terms of inter-regional transport, trade with countries of the subregion (Niger, Burkina Faso, Mali, Ghana, and Benin) is an important factor for Togo's prosperity, and an inter-regional asphalt road network is vital for the country. At the national level, development of plantations for cotton, coffee/cacao, and food crops is closely linked to road transport and the rural road network. The remarkable expansion of the capital, Lomé, requires that particular attention be given to it in urban transport policy.

The following strategic objectives have been adopted to achieve this:

- A national road network with a high level of service that links all parts of the country and connects it to neighboring countries, thereby supporting the growth sectors of the economy.
- Fuller and improved rural road networks that open up areas with a strong agroeconomic potential, serve rural areas, and are connected with interurban road networks.
- A quality urban and intra-urban network that facilitates the transport of people and goods. In this context, the Government has upgraded the fleet of the Lomé Transport Company (SOTRAL—*Société de Transport de Lomé*), purchasing 9 buses for 3.5 billion CFAF.
- Develop the use of labor intensive work for the development and maintenance of the subsector's infrastructure and equipment.

To meet these objectives, the Government, supported by its development partners, counts on major investment of more than 2 trillion CFAF in the next five (5) years, to: (i) rehabilitate 20 km of urban roads per year in Lomé;<sup>14</sup> (ii) rehabilitate the urban roads of other cities in Togo; (iii) widen the Lomé-Tsévié section; (iv) open and rehabilitate rural roads as well as eliminate bottlenecks; (v) widen *Route nationale* 1 (national route) linking the PAL to the Burkina Faso border to serve Burkina Faso, Mali, and Niger and thus encourage the flow of trade and regional integration between Togo and these countries; (vi) rehabilitate the Lomé/Burkina Faso border corridor; (vii) rehabilitate the main roads crossing the North-South corridor such as the Agou-Notsé-Tohoun, the Atakpamé-Badou, the Dapaong-Mandouri, the Ghana border-Kabou-Kara-Kemerida-Benin border roads, and the Kétao-Pagouda, Sokodé-Tchamba-Benin border, Gléi-Amou-Oblo, Kabou-Guerin Kouka-Katchamba, Aného-Tabligbo-Tsévié, KAPLimé-Atakpamé, Lomé-Vogan-Anfoin, etc. junctions; (viii) step up maintenance of paved roads and rehabilitated unpaved roads; (ix) provide support for the private organization of mass transit; (x) promote the emergence and development of local engineering firms and SMEs for road maintenance work, their professionalization and skills, and their management capability; (xi) develop urban transport in other cities of the country, following the example of SOTRAL, and control urban traffic; (xii) study and set up a new regulatory framework for road

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<sup>13</sup> Source: Direction Générale des Travaux Publics (Department of Public Works).

<sup>14</sup> General Policy Statement of the Government before the National Assembly, June 4, 2010.

security; (xiii) study and set up a regulatory framework for the security of construction workers; and (xiv) reinvigorate implementation of common policies and regional projects within the ECOWAS and WAEMU to improve the circulation of goods and people.

Rehabilitation or building of arterial roads will make it easier for the rural population in Togo's interior to transport food and cash crops, thus helping to generate, directly and indirectly, thousands of jobs.

### *C) Development of the Rail Network*

The Togolese rail network includes nearly 519 km of rundown metric gauge lines, 160 kilometers of which are completely out of service and partially dismantled (the Lomé-KAPLimé and Lomé-Aného lines). This means it is no longer possible to meet the level of service quality required by the Union of African Railways (UAR). The central line (Lomé-Blitta, 276 km), which should be Togo's main service line to landlocked countries, will very soon be an important link in the inter-community connections of ECOWAS countries.

Togo's rail network is indispensable for strengthening the transport and export of Togo's mining and industrial products: with its more competitive rates compared to road rates and its cargo capacity, rail can significantly improve the mobility of people and goods in the country.

Therefore, Togo's aim is to increase rail traffic significantly by 2020. The main priorities for the coming years will thus be the rehabilitation and construction of the Lomé-Cinkassé-Burkina Faso border line and the modernization of the existing network. These projects are based on an anticipated increase in potential traffic, both internal and external. The volume of internal products likely to be transported by rail is projected at 2.3 million tons per year to 2013, at 10 million tons by 2016, and at nearly 13 million tons in 2017. The Lomé-Cinkassé rail line, which will be part of a WAEMU project, will link the PAL to the Burkina Faso border, to serve Burkina Faso, Mali, and Niger, and thus encourage the flow of trade between Togo and these countries. The overall cost of this project is estimated at 1,500 billion CFAF, for technical, economic, and financial feasibility studies and completion, implementation, and oversight of the work.

### *D) Development of the Air Transport Network*

Air transport depends on two, the Gnassingbé Eyadema and the Niamtougou, international airports. Gnassingbé Eyadema is used by Air France, Ethiopian Airlines, Asky, Royal Air Maroc, Brussels Airlines, Air Burkina, and Ceiba. Niamtougou, initially intended for internal transport, is geared more toward carrying Hajj pilgrims and off-season produce. There is a clear trend toward increased air traffic (58 percent<sup>15</sup> between 2009 and 2010); projections are doubling in the number of passengers at Gnassingbé Eyadema between 2009 and 2015.

To increase air transport development, the Government has set the following strategic objectives:

- An efficient and competitive international airport that provides air transport for Togo's external trade at the lowest cost, meets International Civil Aviation Organisation's (ICAO) rigorous standards of safety and security and competes with the subregion's airports in the sale of hub services, all in support of Togo's socioeconomic development.
- A network of regional airports offering a high level of service, thereby facilitating the development of both a regional network serving areas far from Lomé and a network of local lines.

Therefore, the Government is (i) modernizing Gnassingbé Eyadema airport,<sup>16</sup> which will have the capacity to welcome more than 1.5 million passengers annually by 2017, with parking bays for 11 aircraft, making it a real West African hub; estimated cost is 87 billion CFAF; (ii) planning to modernize and rehabilitate the existing installations at Niamtougou airport, and study the prospect

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<sup>15</sup> Source: Department of Transportation (*Direction Générale des Transports*).

<sup>16</sup> This project includes the cost of building a hotel and parking for 1,000 vehicles. The contract was signed with China Airport Construction Corporation.

(and possible implementation) of creating a special fund for developing domestic air transport, estimated at 15 billion CFAF; modernization of this airport includes lengthening the runway, reinforcing paved airfield surfaces, fencing, and construction of an international hotel; and (iii) envisioning a new airport in Lomé, estimated at 300 billion CFAF, with the objective of reaching overall traffic of 2.5 million passengers per year by 2025.

### **2.3.2.2. Development of Energy Infrastructure**

End energy consumption in Togo is dominated by biomass, at 73 percent.<sup>17</sup> Hydrocarbons represent 70 percent<sup>18</sup> of total import cost, and 15 percent of revenues are allocated to the petroleum bill. Electricity is distributed in Togo by two companies, one that uses medium- and low-voltage networks, CEET, and one that uses high-voltage networks, the *Communauté Électrique du Bénin* (CEB). In 2010, total electric energy delivered over the network rose to 918 gigawatt-hours (GWh). The CEB delivered 878 GWh and CEET 40 GWh. The electrification rate is 23 percent.

The main challenge of the sector is maintaining improved access to and extensive national autonomy in supplying energy, at reasonable cost, while diversifying sources of energy, including clean and renewable forms.

#### *A) Capacity Building In Energy Production*

To meet this challenge, the aim is to focus on increasing Togo's energy production capacity: to raise electrical generating capacity from 161 megawatts in 2010 to at least 300 megawatts in 2015, and to 500 megawatts in 2020. To accomplish this, it intends to implement several electrification projects to supply more than 50,000 new customers by 2015 and secure the supply by increasing capacity of electricity production and transport. In terms of CEB capacity-building, the following projects are envisaged: (i) building the Adjarala hydroelectric dam; (ii) searching for overall solutions to energy and water problems in terms of subregional cooperation (the interstate Nigeria-Benin-Togo-Ghana gas pipeline project); (iii) continuing interconnection projects (300 kilovolts between Nigeria, Benin, Togo, and Ghana), to facilitate energy transit, optimize the means of production in the four countries, and mutual aid in case of difficulty; (iv) the introduction of concessions to independent producers, through international competition, for a guaranteed minimal performance of 50 to 100 megawatts by 2013; (v) development of the identified microhydroelectric sites on the main rivers; (vi) rehabilitation of the Nangbéto Dam (32.5 megawatts); and (vii) rehabilitation of the microhydroelectric plant at Kpimé.

At the end of these projects, nearly 700 km of high voltage lines will be erected throughout the country.

Along with electrical development, steps will be taken with respect to biomass, renewable energy, energy savings, and hydrocarbons, so as to: (i) establish legislative, regulatory, and institutional structures for promoting renewable energy and residential access at least cost to alternative energy sources replacing firewood at lowest cost; (ii) implement a program to improve woodstoves and a program to promote butane gas for domestic use; (iii) continue tax exemptions for importing renewable energy equipment (solar, wind, biogas, etc.); (iv) build a 5-megawatt solar power plant; (v) construct a 12-megawatt wind power plant; (vi) pursue the subregional project of building a natural-gas-fired, combined-cycle, 450-megawatt power plant by 2020; and (vii) continue implementing the program for energy efficiency and access to energy services.

#### *B) Building Capacity for Energy Distribution*

For electrical energy distribution, a variety of projects completed or underway include: (i) cross-border electrification phase I and II; (ii) rural electrification phase I; and (iii) construction of substations supplying up-country customers with more reliable electricity

These projects require support from institutional and regulatory reform in the sector through

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<sup>17</sup> Source: Energy Information System (SIE— *Système d'Information Énergétique*), 2008.

<sup>18</sup> Source: SIE, 2008.

implementation of a national energy policy that provides guidelines for future work, and through a restructuring of the CEET. To fight effectively against poverty, which affects rural areas the most, rural electrification will be accompanied by: (i) a rural electrification strategy; (ii) the creation of a national agency for rural electrification; and (iii) establishment of a rural electrification fund. Building access roads to open up areas is indispensable for erecting electrical poles or towers.

Completion of Togo's electrification program should make it possible to meet electrical energy needs and improve the population's access to public electricity services from 23 percent in 2010, to 40 percent in 2017, and to 42 percent in 2020. For rural areas, the access level for this period would pass from 5 percent (2010) to 16 percent (2017) then to 18 percent (2020).

### **2.3.2.3. Development of Postal and Telecommunication Infrastructure**

The postal sector has adopted the Integral Plan for Reforming and Developing the Postal Service (PIDEP—*Plan Intégral de Réformes et de Développement Postal*). The Government plan aims at providing the sector with a roadmap to modernizing postal activities, specifically to: (i) speed up implementation of the PIDEP action framework; and (ii) provide conditions for sustainable development of Togo's postal services.

The information and technology (ITC) sector depends on a market that has both serious deficiencies and local and regional potential. The telecommunications market in Togo is structured around fixed and mobile telephony as well as Internet services. TogoTelecom monopolizes the fixed telecommunications market. The state company, Togo Cellulaire (Togocel), wholly owned subsidiary of TogoTelecom, and Atlantique Telecom Togo (Moov), which belongs to the Etisalat group (United Arab Emirates), share the mobile telephony market. This duopolistic market has proved inefficient on rates (relatively high in relation to carrier rates) and on diversity of services offered. The number of jobs is low (1,408 direct jobs in 2010). The sector's contribution to GDP is estimated at 5.7 percent.

Togo seeks to enter the information society by becoming an ITC showcase in the subregion by 2015. The aim is to energize the sector by attracting necessary public and private investment to meet the many challenges and make ITC a driver of socioeconomic development. Togo's target, by 2015, is a fixed and mobile telephonic penetration rate of 60 percent (versus 41.8 percent in 2009) and a Broadband penetration rate of 15 percent. Broadband access should move from being a luxury product to a household consumer good and a prime necessity for companies and the public sector. This target also entails measures to: (i) increase the quality and range of the services offered, by making the prices of telecommunication services more competitive; (ii) build a reliable national and international telecommunication network, connected to the information highway; and (iii) promote telecommunications as an economic sector essential to the growth of a competitive economy open to the world and in which services represent a large part of the GDP.

The Government thereby commits to the following steps:

- Adapt and complete a sector legal and regulatory framework to: (i) encourage healthy and fair competition for the benefit of users; and (ii) optimize network interconnections and access to capacity and key infrastructure;
- Strengthen the regulatory function to guarantee legal and regulatory standards for competition, interconnection, and access.
- Prepare and implement a strategy to improve the connectivity of educational and government institutions and hospitals as well as ITC access in rural areas and remote zones.
- Restructure the sector's public carriers through a PPP that ensures their health and long-term viability following a three-stage roadmap: (i) restructure the TogoTélécom group; (ii) open the TogoTélécom group to a strategic partnership; and (iii) grant new mobile telephone licenses.
- Establish international Broadband access, which will significantly reduce costs to access the Internet and ITC.

### **2.3.3. PILLAR 3: Development of Human Capital, Social Protection, and Employment**

The development of human capital occupies an important place among the SCAPE's priorities

because Togo's objective is accelerated and inclusive growth that creates jobs and is driven by factor productivity and sector competitiveness. Togo is aiming to include all its economic sectors in an industrialization process. This is indispensable to becoming an emergent country and requires even greater quantity and quality of human capital, which in turn is a prerequisite for inflow of technological, physical, and financial capital, and for the flexibility and formation of markets.

Pro-poor growth<sup>19</sup> will be promoted by identifying and implementing activities that have significant impact on poverty reduction through job creation and the formulation of proactive policies of income growth for the poor.

As such, and beyond efforts at investment in knowledge and job promotion, action will be undertaken to strengthen: (i) health-care coverage and the fight against HIV/AIDS; (ii) access to drinking water and sanitation services; (iii) social protection, and efforts to reduce gender inequality; (iv) youth sectors, sports, culture, and leisure activities.

#### **2.3.3.1. Promotion of the Education and Training System**

The Togolese educational system has been subject to strong financial constraints over the past 15 years due to socioeconomic conditions in the country, exacerbated by the suspension of cooperation with Togo's main development partners. This situation, coupled with a strong demand for education, has resulted in educational deterioration and significant structural difficulties. The main challenges are to improve the poor quality of education, internal inefficiency, and unemployment. The PSE anticipates that around 30 percent of those leaving primary and middle school will not continue with their studies, but will enter the job market. Yet, in the current context, unemployment and underemployment rates are already very high. One challenge will be to avoid creating conditions leading to permanent and endemic unemployment of educated people.

Equally important is ensuring that the systems of education, vocational training, and scientific research can interact positively with economic, social, and technological transformations. For this, reform of the role of school is essential for meeting required standards of the global market, and for providing the necessary specialties and skills to meet challenges posed by these transformations. Togo counts on providing each new area with strong added value and a consistent strategy, developed with the participation of stakeholders and the support of experts, based on objective and credible analysis. These areas include: (i) training secondary school teachers; (ii) development and teaching of national languages; (iii) education and career guidance; (iv) diversified technical education and vocational training; and (v) professionalized higher education teaching.

Specifically, the Government intends:

- (i) To provide more flexibility to the educational system by diversifying careers and specializations and providing a better complementary relationship between this sector and sectors for training, scientific research, and production;
- (ii) To improve scientific curricula and educational content, revise teaching programs and methods of communication, evaluation, and advancement; and to extend the bridges between the two sectors of education and vocational training—so that students can complete their education and gain high-level skills training to ensure their employability, thus increasing their chances of inclusion in the economic cycle;
- (iii) To organize the educational system quantitatively (management of the flow of students) and qualitatively (training for those educated at different levels) to further education's role in social development, economic growth, and reducing inter-generational inequalities, understood as the principal drivers for poverty reduction;
- (iv) To target specific actions that would increasingly make it possible to correct economic and

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<sup>19</sup> Pro-poor growth is growth that significantly reduces poverty. It will aim simultaneously at increasing the income and/or well-being of the poor, and reducing their number along with inequalities between the poor and non-poor.

geographic disparities in individual educational careers, as well as gender disparities;

(v) To set up technical tools and institutional mechanisms to improve educational system management and ensure that sector resource allocations turn into quality learning for the students.

The PSE anticipates taking the following steps by 2020 to:

- Balance the national educational pyramid in order to: (i) universalize primary-school completion; (ii) increase middle-school completion as much as possible; and (iii) develop and align high school, technical education, vocational training, and higher education with the quantitative needs of the labor market.
- Improve the quality and internal efficiency of educational services, including improved learning in primary and secondary school through the innovation needed for students to attain the required minimum level of knowledge and skills.
- Develop a partnership among all stakeholders to create societal synergy for joint decision making on the direction, implementation, monitoring, and evaluation of educational policy. The aim here is, through partnership charters at each subsector level, to maintain the link between Togo's socioeconomic development needs and educational outcomes (graduates, research results, etc.).
- Improve management and governance of the educational system by means of decentralized resource management, participatory management, cost control, and institutional capacity-building. To achieve this, the PSE will include participatory management in educational institutions, improvement of information systems, and building capacity for sector planning and management.

For early childhood education development, the goal is to raise preschool levels of 4–5-year-olds from 10.9 percent in 2012, to 18.2 percent in 2017; with intermediate objectives rising from 12.4 percent in 2013, to 13.8 percent in 2014, to 15.3 percent in 2015, and to 16.8 percent in 2016. Therefore, the Government will: (i) rehabilitate existing infrastructure; (ii) recruit and train an average of 380 preschool teachers per year for 4–5-year-olds; (iii) diversify child care with integrated and flexible programs; (iv) mobilize and involve communities in setting up child care and staffing infrastructure for young children to prepare them for school; (v) build 181 Community Centers for Early Childhood Education (CCEPE—*Centres Communautaires d'Encadrement de la Petite Enfance*) per year in rural areas and 18 kindergartens in urban areas; (vi) promote preschool education by strengthening the capacity of local authorities, NGOs, communities, and families; and (vii) initiate a program for families to support best practices in health, nutrition, and education, paying particular attention to children with special educational needs and specific groups such as low-income families, children from rural areas, AIDS orphans, etc.

For primary education, Togo anticipates reaching universal access to primary school by 2020, by eliminating disparities for children from poor families, children from rural areas, and girls. Its ambition is to: (i) raise the net rate of primary schooling from 88 percent in 2012, to 89 percent in 2013, to 91 percent in 2014, to 92 percent in 2015, to 94 percent in 2016, and to 96 percent in 2017; (ii) raise the completion rate from 77.8 percent in 2012 to 90.4 percent in 2017, with intermediate levels reaching 80.3 percent in 2013, 82.8 percent in 2014, 85.3 percent in 2015, and 87.8 percent in 2016; and (iii) reduce the average rate of grade repetitions from 19.9 percent in 2011 to 10 percent over the 2012–2017 period.

To accomplish this by 2017, the Government anticipates: (i) *increased physical supply of educational facilities* by building 850 new, well-equipped classrooms per year; (ii) *increased teacher supply* by recruiting and training 1,750 new teachers per year, particularly women, and starting up six primary teachers' training colleges; (iii) *improved quality of education* by gradually introducing active pedagogy into classes and school projects, strengthening the continuing education policy, and implementing a policy of reducing grade repetitions consistent with Global Partnership for Education's (GPE) recommendation of 10 percent; (iv) *improved school environment* by providing schools with textbooks and teaching aids, setting up cafeterias and school health units, gradually transforming the local initiative schools (EDIL—*Écoles d'Initiative Locale*) that meet school-mapping norms into public schools and eliminating their chaotic existence; and (v) *increased demand*

for education, primarily from the most vulnerable groups, by applying the policy of free primary education and an appropriate strategy for vulnerable and disadvantaged groups.

To eliminate illiteracy in adults (age 15–45), the goal is to increase the literacy rate from 62.5 percent in 2012, to 72.7 percent in 2017—from 64.5 percent in 2013, to 66.6 percent in 2014, to 68.7 percent in 2015, to 70.7 percent in 2016—and to improve literacy by involving members of civil society and the private sector.

A further goal is *increased access and retention in middle school and linking high school to higher-quality teaching oriented toward the employment market* by reforming the subsector so it can appropriately handle this mission by 2020.

To raise the net rate of secondary schooling from 58.8 percent in 2012, to 65 percent in 2020 (at interim stages, from 59.6 percent in 2013, to 60.3 percent in 2014, to 61.1 percent in 2015, to 61.9 percent in 2016, and to 62.7 percent in 2017) the goals are to: (i) build 500 classrooms per year, in both cycles of secondary schooling, until 2017, and rehabilitate school infrastructure, particularly two scientific high schools; (ii) reduce grade repetitions; (iii) reduce the disparities between girls and boys in access, retention, and completion at each level; (iv) overhaul the curricula; (v) strengthen partnership with the private sector; (vi) supply teaching aids and laboratory equipment; and (vii) increase per-student educational expenditure.

Moreover, the intention is to continue efforts to lower the:

- Average rate of grade repetition in the lower secondary level from 22.6 percent in 2011, to 10 percent in 2017 (at interim stages, from 20.5 percent in 2012, to 18.4 percent in 2013, to 16.3 percent in 2014, to 14.2 percent in 2015, and to 12.1 percent in 2016);
- Average rate of grade repetition in the upper secondary level from 34.5 percent in 2011, to 15 percent in 2017 (at interim stages, from 31.3 percent in 2012, to 28 percent in 2013, to 24.8 percent in 2014, to 21.5 percent in 2015, and to 18.3 percent in 2016);
- Average rate of retention in lower secondary level from 62.8 percent in 2011, to 75.7 percent in 2017 (at interim stages, from 65 percent in 2012, to 67.1 percent in 2013, to 69.3 percent in 2014, to 71.4 percent in 2015, and to 73.6 percent in 2016);
- Rate of retention for the upper secondary level from 74.3 percent in 2011, to at least 66 percent over the 2012–2017 period.

To increase access to technical secondary education and encourage vocational training, the Government will take into account labor and employment market needs, promoting relevant skills training of youth and adolescents and by directing vocational training toward this market. The objective is to raise the number of enrolled students from 30,472 in 2010, to 53,113 in 2017, and to 63,420 in 2020 (38,920 in 2012, to 41,497 in 2013, to 44,196 in 2014, to 47,026 in 2015, and to 49,995 in 2016) and to increase the share of private schools from 69 percent in 2007 to 71 percent by 2016; and to offer vocational training to a third of graduates from primary and lower secondary school.

Togo must ensure that higher education effectively contributes to boosting growth by developing research. That is why higher education will receive special attention during the next five (5) years. Conforming with ESP objectives, the goal is to: (i) raise the number of enrollees in public institutions of higher education from 55,989 in 2012 to 61,862 in 2017 (at interim stages, from 57,159 in 2013, to 58,329 in 2014, to 59,499 in 2015, to 60,669 in 2016) with an emphasis on scientific and technological disciplines, where the number will rise from 15,564 in 2012 to 27,031 in 2017 (at interim stages, from 17,885 in 2013, to 20,115 in 2014, to 22,346 in 2015, and 24,577 in 2016); (ii) develop long-distance higher education to accommodate at least 3,000 students by 2016; and (iii) support private higher education so that it can increase its enrollment from 7,269 in 2012 to 10,585 in 2017 (at interim stages, from 7,923 in 2013, to 8,577 in 2014, to 9,231 in 2015, and 9,885 in 2016). Thus, it intends to create three regional university colleges and construct lecture halls, classrooms, laboratories, a resource center, and a multimedia center in Togo's two public universities.

Further, the Government is committed to diversification of sources of financing for universities and adoption of attractive fiscal policies to benefit private companies partnering with the universities. As a

policy incentive to promote research, it is appropriate to: (i) incorporate Togolese research into the subregional research system to allow synergy with the subregion's laboratories; and (ii) consider creating a system that aims not only to recognize but also to recompense teaching activity and promote research.

### **2.3.3.2. Development of the Health and Nutrition System and Services**

The long-term Government vision is an effective, accessible, and equitable health system, capable of satisfying the right to health care for everyone, particularly for the most vulnerable strata. To overcome the challenges to this goal, the Government intends to: (i) decentralize health services; (ii) reduce inequalities between regions and social strata in the supply and access to health services; (iii) address unfairness in the geographic distribution of human resources; and (iv) promote and increase use of health facilities; and (v) improve financing of the health system.

As a priority, Government reform will focus on increasing health-care activity in the poorest areas and for the most deprived and vulnerable population, redirecting resources (funds, personnel, supplies) to fight ill-health and diseases that disproportionately affect the poor. Further, it will: (i) establish an essential package of high-impact action for all health facilities to open up access to basic health care for the poor; and (ii) set up a system of vertical and horizontal complementary relationships between health facilities at different levels, including community sites, and the development of a PPP. Finally, to ensure adequate financing for the health sector, it intends to increase participation of the State in attaining the Abuja objectives, improve management and use of the sector's resources by emphasizing a budgetary allocation focused on results and a review of the sector's public expenditures, and lower the population's contribution by organizing national solidarity based particularly on the development of systems to mutualize illness risks, such as universal health insurance and health-care mutuals.

For the 2013–2017 period, the Government intends to implement its National Health Policy (PNS—*Politique Nationale de Santé*) by: (i) stepping up the fight against maternal and neonatal mortality; (ii) intensifying the fight against infant and child mortality, including the struggle against malnutrition; (iii) consolidating the fight against malaria, tuberculosis, and other transmissible diseases; (iv) strengthening the prevention and control of non-transmissible conditions, including disabilities; and (v) strengthening the health system and community care.

#### *A) Stepping Up the Fight against Maternal and Neonatal Mortality*

In the medium term, the objective is to reduce maternal mortality from 300 to 213 per 100,000 live births and neonatal mortality from 39 percent to 22 percent of live births in 2017. In this regard, the Government commits to: (i) increase the provision of services that encompass the reproductive health of adolescents and young adults, including prevention of early and/or undesired pregnancies and STI/HIV; (ii) scale up mobile strategies and advanced strategies directed at remote populations to reposition family planning; (iii) improve access to and the quality of prenatal, obstetrical, neonatal, and post-partum care by emphasizing the decentralization of facilities offering urgent obstetrical, neonatal, and post-abortion care; (iv) increase the demand for mother and child health services and family planning by setting up an integrated package of mother and child health services in the market<sup>20</sup> and a policy to promote financial access of women to maternal health care; and (v) promote and implement case reviews/audits of maternal and neonatal deaths and narrow escapes.

#### *B) Stepping Up the Fight against Infant and Child Mortality*

The Government has prioritized fighting infant and child mortality in its activity in the health sector: to reduce infant mortality from 78 percent to 38 percent and child mortality from 124 percent to 57 percent.

The intention is to improve the percentage of children under age five (5) who sleep under a long-lasting insecticidal mosquito net; further, to: (i) strengthen community and family care through the

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<sup>20</sup> The package would include, at least, information on family planning, maternal health, child nutrition, and the human rights of women (minimum legal age for marriage, legal advice to fight against violence, etc.).

implementation of an integrated approach to interventions in the treatment and monitoring of the most widespread and lethal diseases for children under age 5; (ii) strengthen the subsidy policy for generic drugs essential for the most lethal child diseases; (iii) undertake the Expanded Vaccination Program (EVP) and the Prevention of Mother-to-Child Transmission (PMTCT) program for HIV; (iv) increase provision of curative services in connection with infant and child health; and (v) intensify the promotion of Community-Led Total Sanitation<sup>21</sup> (CLTS).

The Government will supplement these measures by improving the nutritional status of children, and is embarking on fighting malnutrition of children under age 5 by: (i) improving effectiveness of existing programs and promoting new programs to fight nutritional deficiencies in mothers and children; (ii) raising the awareness of the general population, and the vulnerable population in particular, about dietary practices; and (iii) improving the institutional framework for promoting nutrition and diet.

**Box 3: Acceleration Framework for MDGs: Reduce child mortality rates, Improve maternal health**

The probability of attaining the targets for MDG 4 and 5 by 2015 remains very low for Togo. Therefore, the Government has drawn up acceleration frameworks to attain MDG 4 (child mortality) and MDG 5 (maternal health).

These frameworks identify the bottlenecks impeding the reduction in child mortality, namely: (i) shortage of qualified personnel and inadequate financial means for communities to access health services; and (ii) lack of communication and involvement of the private sector. With respect to the improvement of maternal health, the issue is low quality of services and low access to quality services, coupled with the absence of a review of maternal deaths in the minimum package of activities for maternal hospitals. To deal with the main identified bottlenecks, the following solutions are proposed:

*At the community level:* (i) increase community awareness through integrated communication plans; (ii) scale up support groups for community actions in all health districts; (iii) promote baby-friendly hospitals; (iv) train Community Health Workers (CHW) to take care of infections and diarrhea in communities; (v) provide supplies for CHWs; and (vi) monitor and supervise CHW interventions.

*At health facilities:* (i) train managers of Peripheral Care Units (PCU) in Integrated Management of Childhood Illness (IMCI) in both clinical and community settings in all districts; (ii) supply PCUs; (iii) improve the cold chain at all levels of the health pyramid; (iv) upgrade the capacities of personnel to resuscitate newborns; (v) set up a good referral and counter-referral system; and (vi) monitor and supervise the PCU managers.

*With respect to governance:* (i) mobilize internal resources. (ii) purchase supplies for health facilities; (iii) recruit qualified personnel for health facilities by region; (iv) redeploy existing personnel throughout the whole country; (v) contract out some activities to NGOs and private institutions; and (vi) improve coordination of the health sector.

*With respect to emergency obstetrical and newborn care (EmONU):* (i) provide health facilities with equipment appropriate for EmONU; (ii) build EmONU capacity of personnel in maternity hospitals; (iii) improve the national blood transfusion system; (iv) provide emergency medications and drugs to care facilities; (v) set up appropriate logistics to ensure quality referrals to the appropriate centers for emergencies; (vi) improve coordination and supervisory mechanisms; (vii) strengthen inter-sector collaboration; (viii) recruit auxiliary midwives for health facilities; (ix) lobby mobile telephone companies to create a green line for obstetrical emergencies.

*With respect to promoting professionally assisted childbirth:* (i) set up an alternative system of payment for obstetrical care; (ii) staff maternity-care facilities with qualified health agents (auxiliary midwives); (iii) improve midwifery training schools; and (iv) increase the population's awareness of sociocultural behaviors that are harmful for maternal health.

*With respect to the review of maternal deaths:* (i) improve the competency of health personnel reviewing maternal deaths; and (ii) integrate reviews of maternal and newborn deaths in medically assisted procreation (MAP) in maternity hospitals.

Source: Acceleration frameworks for MDG 4 and 5

*C) Intensification of the Fight against Malaria, Tuberculosis, and Other Transmissible Diseases*

The Government will implement a strategy to reduce the impact of priority diseases and other

<sup>21</sup> For more information, see the site dedicated to the initiative: <http://www.communityledtotalsanitation.org/>.

transmissible diseases through prevention and management of malaria, tuberculosis, neglected tropical diseases, and other transmissible diseases, including diseases with epidemic potential. Therefore, the emphasis will be on scaling up integrated management approaches to diseases, including the organization of: (i) integrated preventative, chemotherapy campaigns; and (ii) improved structures and competence for taking care of the ill and for preventing epidemics. This strategy will make it possible to increase the percentage of pregnant women who have received two doses of intermittent preventative treatment for malaria during pregnancy and the percentage of people suffering from pulmonary tuberculosis who have been screened, treated, and cured.

*D) Strengthening the Prevention and Control of Non-Transmissible Diseases, Including Disabilities*

To reverse the trends in non-communicable diseases (NCD) and the growing proportion of disabled people, particular emphasis will be placed on: (i) development and strengthening of legislative, regulatory, and inter-sector measures; (ii) development and dissemination of information on the main NCDs at the community level; (iii) promotion of early detection of the main NCDs; (iv) strengthening treatment capabilities for NCD cases; and (v) strengthening the evaluation, monitoring, and promotion of operational research within the national NCD program.

Specific actions will also have to be developed with regard to medical transport (emergencies and disasters, traffic accidents, etc.) in terms of road safety conditions (the consequences of which are managed by the health sector: trauma, disability, etc.).

Specifically to strengthen the link between environment and health, in particular emergent diseases linked to climate change and environmental degradation, Government interventions at community or national level should include: (i) promoting household water treatment and its secure storage; (ii) reducing air pollution; and (iii) establishing energy policies that encourage development and health.

These strategies will help individuals and families take direct household measures to reduce environmental risks and mortality rates. For example, the use of safer cooking appliances and less polluting fuels like gas or electricity, improved ventilation, and keeping smoke away from children could lead to significantly fewer risks of respiratory infection and other illnesses affecting women and children.

*E) Strengthening the Health System and Community Care*

To strengthen the health system and community care, the Government is committed to: (i) improved governance and management of the health system; (ii) strengthened human resources for health; (iii) improved geographical accessibility to care by building new health facilities (with housing and wells and/or drinking water and electrical systems), rehabilitating and expanding Peripheral Care Units (PCUs), rehabilitating and extending health facilities at the district, regional, and central level, constructing and/or rehabilitating incinerators, constructing latrines, and acquiring ambulances; (iv) improved quality of care; (v) implementing the national policy of community-based interventions; (vi) improved access to blood products, drugs, and essential commodities at the health facility and community levels; (vii) developing medical technologies and diagnostic capabilities; (viii) applying the Abuja objectives for financing the sector; and (ix) improving the health information system and developing health research and e-health.

**2.3.3.3. Fighting HIV/AIDS**

The prevalence of HIV/AIDS is still widespread, despite notable progress in controlling the pandemic. Significant efforts have to be made to reverse the trajectory of the epidemic permanently. As such, the Government is making efforts toward: (i) stronger prevention of HIV and sexually transmitted infection (STI); (ii) intensified overall care; and (iii) improved governance and management of response.

*A) Strengthening Prevention of HIV and STI*

The Government wants to lower the occurrence of HIV from 3.2 percent in 2011 to < 2 percent in 2017 and gradually reduce the percentage of HIV-positive newborns from 7.5 percent in 2011 to 2

percent in 2017. Therefore, the Government is committed to improving control of STIs and transfusion safety and ensuring adequate coverage in counseling and testing centers and in PMTC services. Organization of prevention programs adapted to specific vulnerable groups is encouraged, particularly women and youth, uniformed service personnel, refugees and displaced persons, sex workers and their clients, truck drivers, prisoners, homosexual men, and drug users.

Further, for PMTC services, the Government is committed to ARV vaccination for HIV-positive, pregnant women, from 59.7 percent in 2011 to more than 85 percent by 2017. In interim stages, women's access to PMTC services should be raised from 61 percent in 2012 to 66.4 percent in 2013, to 73.4 percent in 2014, to 80.5 percent in 2015, to 87.6 percent in 2016, and 95.3 percent in 2017.

#### *B) Intensification of Overall Care*

In the context of universal access to care and treatment services, the Government will: (i) increase access to ARVs, vaccination, and treatment of opportunistic infections, particularly tuberculosis; (ii) strengthen in-home care and support for PLWHA; (iii) set up sustainable programs for nutritional care of infected and affected people; (iv) improve care of persons taking ARVs; (v) encourage psychosocial care of infected and affected people; (vi) guarantee the continuity of care and treatment services for PLWHA; (vii) strengthen the technical platform and the system to guarantee the quality of care offered to the ill; (viii) improve the economic conditions of infected and affected persons through income generation activities; and (ix) improve social and economic support for Orphans and other Vulnerable Children (OVC).

By 2017, at least 80 percent of people needing ARVs and associated services should have access to them.

#### *C) Improving the Governance and Management of the Response*

The Government intends to take necessary measures to ensure better governance of interventions in fighting HIV/AIDS and ensure better management of the national response in this area. To implement its strategy, it will: (i) strengthen coordinating bodies at the central, decentralized, and sector level for effectively conducting leadership and coordination of the national response to HIV/AIDS; (ii) encourage stakeholders to participate in the national response to HIV/AIDS and make optimal use of available resources to create quality services; (iii) increase the use of strategic information by all actors in real time to guide the response to HIV/AIDS; (iv) standardize the procedures of the technical and financial partners; and (v) improve the sociopolitical and legal environment for access to quality services by those sectors of the population who truly need them.

#### **2.3.3.4. Access to Drinking Water and Sanitation**

Despite the large, potential availability of water resources, it is difficult for Togo to mobilize these resources and satisfy the essential needs of the population. The inadequacy of and difficult access to water delivery and wastewater systems are major problems of this sector. Moreover, it is faced with an inadequate monitoring and control system for the quality of water in its natural state (lakes, rivers, aquifers, etc.) and at the time of its collection or consumption.

Other constraints curb the sector's development. There is a low use of and lack of support and maintenance for existing public water and sanitation systems. The low use of drinking water systems leads to waterborne diseases with a negative influence on health, schooling of girls, and participation of women in income-producing activities. The poor control of water resources has consequences for agriculture (and its significant contribution to raising GDP), and thus for Togo's growth potential.

Therefore, the Government will prioritize the acceleration framework for the sector's MDGs so that 65 percent of the population will use a source of purified drinking water by 2017, basing this on Togo's National Water Policy (PNE—*Plan National de l'Eau*) and National Health and Sanitation Policy (PNHAT—*Politique Nationale d'Hygiène et d'Assainissement du Togo*), through the National Action Plan for Water and Sanitation (PANSEA—*Plan d'Actions National pour le Secteur de l'Eau et de l'Assainissement*) and the National Health Development Plan (PNDS—*Plan National de Développement Sanitaire*).

In the medium term, the Government will: (i) implement the National Action Plan for Integrated Water Resources Management (PANGIRE—*Plan d'Actions National de la Gestion Intégrée des Ressources en Eau*); (ii) improve equitable and sustainable access of the population to drinking water; (iii) improve the population's access to adequate sanitation services and promote good hygiene and sanitation practices; and (iv) improve the sector's performance through administrative and service management capacity-building.

Further, it intends to continue the reform underway to guarantee the financial viability of the drinking water and sanitation service in urban, semi-urban, and rural environments. This reform should make it possible to clearly distinguish *operational* and *asset-management* functions. Thus the TdE will be transformed into a *lease-holding* company, and charged with operating the public drinking water and collective sanitation service for domestic wastewater in urban areas. The new company, Company for Water Heritage and Urban Sanitation (SP-EAU—*Société du Patrimoine de l'Eau et de l'Assainissement Urbain*), will manage assets and planning, and undertake investment in urban and semi-urban areas.

*A) Implement the National Action Plans for Integrated Water Resources Management (IWRM)*

To improve the water resources management framework, the Government will create an environment of good governance of water resources, taking steps to: (i) establish and operationalize a political and legal framework that follows PNE principles and legislative provisions of the water code; (ii) reform the IWRM's institutional and organizational framework, providing an administration that conforms to the water code and respects management fundamentals, so as to guarantee user equity, resource sustainability, and equilibrium of ecosystems; (iii) build capacity and set up an integrated water information system to improve knowledge of water resources, their mobilization and use, and of fragile aquatic ecosystems and the critical environmental parameters for water resources (deforestation and silting); (iv) set up management instruments and financing mechanisms and strategies through a fund for water resources management, PPPs for financing IWRM action, and an investment strategy for economic development activities for water; (v) design and implement plans for water development and management; (vi) protect water resources, particularly against industrial pollution and silting of streams and other bodies of water; and (vii) strengthen the fight against water pollution.

*B) Improve Equitable and Sustainable Access to Drinking Water*

Faced with low levels of drinking-water access, the Government will provide more access for rural households by 2017, taking steps to: (i) improve drinking water service through rehabilitation of existing hydraulic infrastructure and construction of new drinking water supply systems, respecting principles of equity and balance; (ii) strengthen national capacity to undertake effective monitoring and management of rural, semi-urban, and urban water equipment and water resources while contributing to local and regional economic development; and (iii) improve knowledge of water resources and rural, semi-urban, and urban environments by conducting studies to determine the hydrogeologic, hydrologic, and socioeconomic contexts.

*C) Improve Access to Adequate Sanitation Services and Promote Good Hygiene and Sanitation Practices*

With respect to improving access to sanitation services, the Government's objective is to increase the proportion of the population with improved latrines. The target for 2015 is latrines for 55 percent of households outside of Lomé, and access to a sanitation system for 91 percent of the Lomé residents and 66 percent of Greater Lomé residents. There will also be intensified effort to improve public sanitation through the construction of sewage disposal systems in rural, semi-urban, and urban areas throughout Togo.

To establish its sanitation strategy and attain its set objectives, the Government expects to: (i) improve knowledge on sanitation conditions, particularly in urban centers outside of Lomé; (ii) promote basic sanitation measures by providing sanitation education programs and building basic sanitation systems; and (iii) strengthen national technical capabilities of actors in sanitation.

#### *D) Improve the Sector's Performance*

To deal with the dysfunctional and inadequate aspects of the administration and management of water, hygiene, and sanitation services, the Government will strengthen the sector's institutional, legal, financial, and technical capabilities. It will set up a system for gathering information and for management, monitoring, and evaluation, by overseeing the creation of an information, communication, and education strategy for water, hygiene, and sanitation.

Thus, the intention is to strengthen participants' capabilities to implement the PANSEA effectively and consistently by designing strategic and operational planning tools, setting up a system to analyze water and monitor water quality, and training participants in the use of modern management tools and information and communication technologies for better management of water resources and water supply and sanitation systems.

#### **Box 4: Acceleration Framework for MDGs: Access to Drinking Water, Hygiene, and Sanitation**

In the MDG acceleration framework for the water and sanitation sector, Togo has drawn up two (2) acceleration frameworks for improving access to drinking water, hygiene, and sanitation services; the first for rural and semi-urban areas; the second, urban areas. Both are anchored in the PANSEA's strategic pillars.

With a view to removing the identified bottlenecks, concrete solutions have been proposed. In rural and semi-urban areas, it is a question of planning for: (i) design and dissemination of implementation strategies for subsector policy; (ii) design of the sector information, monitoring, and evaluation strategy for budgeting and financing; (iii) design and implementation of budget programs; (iv) mobilization of financial resources for providing services; (v) increase in the size and capacity of the workforce; (vi) aligning demand for services with awareness-campaign programs on the impact of hygiene and sanitation conditions on the public health; and (vii) building the capacity of the population and small repairers to care for and maintain public systems.

In urban areas, the solutions proposed involve: (i) strengthening and operationalizing the national institutional, legal, and financial frameworks for the safe drinking water, hygiene, and sanitation subsector; (ii) strengthening local institutional and human capacities and clarifying the roles and responsibilities of local urban and suburban actors for cooperative planning of safe drinking water, hygiene, and sanitation services; (iii) development and implementation of effective management instruments appropriate to the urban and suburban context; (iv) increasing access to adequate drinking water, hygiene, and sanitation services; (v) creating demand for safe drinking water, hygiene, and sanitation services; (vi) transferring skills and responsibilities for safe drinking water, hygiene, and sanitation services to local communities and users; and (vii) promoting public hygiene.

*Source:* Ministry of Planning, Development, and Land Management (*Ministère de la Planification, du Développement et de l'Aménagement du Territoire*)/UNDP

#### **2.3.3.5. Strengthen Social Protection**

Togo's social situation as revealed in the poverty and vulnerability profile, and exacerbated by global financial and economic crises, requires a social protection system that will allow the population to face various social risks, increase their productivity and income, live in decent conditions, and reduce social disparities. This system must also allow the population, especially its poorest members, to have improved access to basic social services. The challenges facing the national social protection system are linked to poverty, vulnerability, and inequalities. To that should be added challenges linked to intergenerational transmission of poverty and the exclusion of some parts of the population, especially the poorest, from the process of creating wealth, all within a context of strong demographic growth and an erosion in community solidarity. Faced with this situation, social protection benefits are small, not very widespread, and are, in practice, not extended nationally.

Implementation of a coherent strategy will also make it possible to protect Togo's population from vulnerability and social risk. It will be based on social insurance, social safety nets, and measures taken to improve access to basic social services by the poorest and most vulnerable parts of the population.

In this context, there is a universal social protection floor, thereby making it possible for all parts of the population to have a minimum of essential services and social transfers. To accomplish that, the Government will formulate and implement a national policy and strategy for social protection, which allows the Government to pinpoint the problems more clearly and define appropriate social protection

programs, and thus be in a better position to deal with social risks and vulnerability.

Therefore, to meet the current challenges in this area, social protection strategy will: (i) strengthen and extend a reliable, economically viable, contributory, social insurance system—responsive to the risks connected with health, occupational illnesses and work accidents, old age, death, disability, and the needs of children; (ii) prevent poverty and strengthen the human capital of the most vulnerable people, particularly those with children, based on an integrated system of safety nets responsive to the needs of the chronically poor, individuals affected by shocks and disasters, and specific vulnerable groups; and that facilitate their access to basic social services; (iii) promote decent working conditions for all workers and increase employability, access to jobs, and the income of groups often excluded from the labor market—all in connection with national labor and employment policies; and (iv) set up coordinating mechanisms for social protection interventions and a monitoring/evaluation system of its programs.

#### *A) Strengthening and Extending the Social Insurance System*

To strengthen and extend the social insurance system, the Government will consider the crucial risks and opportunities connected with the current system, such as financial sustainability, governance, coverage, and expansion of the existing arrangements beyond the formal sector; and take measures to:

(i) Improve the functioning of the CNSS and the CRT by reforming to the underlying parameters likely to resolve the structural deficits of these two organizations and ensure their financial sustainability. Reform should also make it possible to separate the risks linked to aging, death, and disabilities managed by the CRT from advantages linked to employment that the State provides to its employees, with a view to improve the functioning and governance of the social insurance system managed by the CRT and the CNSS.

(ii) Extend social insurance mechanisms steadily to the informal sector, agricultural cooperatives, and independent workers in a way that allows the most vulnerable populations have access to social insurance.

(iii) Ensure access to and quality of services for reducing adverse effects of shocks on health through the development of health insurance schemes.

(iv) Strengthen and extend INAM services.

(v) Formulate technical options for eventual universal health insurance coverage: taking into account the population's ability to make contributions and supporting comprehensive health insurance development. Conduct a study to support the expansion of health insurance coverage to the poorest of Togo's population.

#### *B) Reducing Vulnerability, Fighting Poverty, and Accessing Basic Social Services*

Social safety nets can effectively reduce the extreme poverty and vulnerability experienced by a still significant portion of Togo's population, and they ensure inclusion of the poorest and most vulnerable sectors in the creation of wealth.

Therefore, the Government will set up social safety nets (monetary and in-kind transfers and temporary labor intensive work) to: (i) build capacity among the poorest and most vulnerable households and prevent poverty; (ii) provide the poorest and most vulnerable health-care access and services, as well as education to develop their human capital and promote social equity; (iii) reduce financial barriers to food security and nutritional quality for households, in particular for children; (iv) support social protection measures appropriate to the needs of the most vulnerable people, in particular orphans and child victims, children at risk of exploitation, children in conflict with the law, individuals affected by HIV/AIDS, the disabled, the elderly, and people affected by disasters; and (v) add to risk reduction and disaster response strategies by making sure that people affected by natural disasters have access to a minimum level of resources that would allow them to deal with loss of assets, income, means of production, or housing.

As for specific protections for children, priorities will be to: (i) define the national child protection system; (ii) guarantee the availability of reliable and disaggregated data on children; (iii) work for

systematic registration of children at birth; (iv) ensure care for vulnerable children, notably street children; children in conflict with the law; child victims of trafficking, sexual, and economic exploitation and family mistreatment; and disabled children; (v) adopt and undertake implementation of a national child protection policy; (vi) continue implementation of the children's code; (vii) monitor implementation of children's rights treaties; (viii) adopt alternative strategies to incarceration of minors in detention centers and prisons; (ix) promote socioeconomic reentry of child victims of vulnerability; and (x) reduce violence against children, particularly young girls.

*C) Promotion of Decent Work and Elimination of the Exploitation of Vulnerable Groups*

Employment is the main source of creating wealth in Togo and building the capacity of the people to care for themselves. Each worker has a right to decent working conditions and to social protection against work-related risk. Thus to promote decent work and eliminate the exploitation of vulnerable groups, the Government intends to: (i) improve access to decent employment for the most deprived sectors of the population or those who are disabled; (ii) create favorable conditions for decent work, eliminate exploitation of vulnerable groups, particularly women and children, and eliminate child trafficking; (iii) draw up and implement strategies aimed at protecting mobile children who are victims of exploitation and various abuses; (iv) heighten awareness and build capacity of employers and workers to apply the Social Security and Labor Code; (v) build the capacity of inspection authorities for the Social Security and Labor Code; (vi) implement the National Policy for Senior Citizens; and (vii) adopt and implement a National Labor Policy.

*D) Strengthening Coordination Mechanisms and the Monitoring/Evaluation System*

Lack of coordination in social protection interventions is what generates the entire system of informal decision making (involving many stakeholders), duplication of tasks, and inconsistency of interventions. Moreover, lack of a targeting and monitoring/evaluation system for social protection policy and strategy means that little information is available on the impact and scaling of past and present programs. To fix this, the Government intends to set up: (i) a coordinating mechanism for social protection interventions; (ii) targeting mechanisms for the poorest and most vulnerable population sectors; and (iii) a system to monitor and evaluate the impact of social protection programs. Further, it will make the management of currently available national and international budgetary resources more effective for the social protection of the poorest and most vulnerable. Finally, it will promote vertical integration and cooperation between the Government, the various ministries involved, local authorities, and civil society organizations working in social protection.

### **2.3.3.6. Promotion of Gender Equity and Equality**

Analysis of human development indicators highlights gender inequality. To reach gender equity and equality, specific, adopted measures are necessary to respond to policies, laws, procedures, norms, beliefs, practices, and attitudes that maintain inequalities between women and men. These measures for gender equity and equality, developed with the parties involved, should support the ability of women to make choices concerning their own life. Thus to meet the main challenges in these areas the Government intends to: (i) promote the equal participation of women and men as decision makers in formulating sustainable development policies; and (ii) ensure women's autonomy and their effective participation in decision making at all levels of Togo's development process.

For the 2013–2017 period, the Government will implement the action plan of the National Gender Equality Policy (PNEEG—*Politique Nationale de l'Équité et de l'Égalité du Genre*) and will endeavor to (i) promote the social position and the potential of women in the family and community; (ii) increase women's productive capacity and their income level; (iii) increase equitable access of women and men to basic social services; (iv) promote the equitable participation of men and women in managing power, and eliminate gender-based violence; and (v) strengthen the intervention capacity of the institutional framework set up to implement the PNEEG.

*One of the Government's priorities is to promote the social position of women in the family and in the community, which includes the equal right of women to express their needs and interests, as well as their vision of society, so they can make the decisions affecting their life. Thus, the intention is to strengthen the emergence of women in the decision-making sphere and community activities, taking*

steps to: (i) raise the awareness of targeted groups on gender questions; (ii) increase women's access to decision-making posts; and (iii) promote advocacy aimed at decision-makers and leaders to enlist their active support of gender equity and equality. Further Government effort will be to formulate and implement an Information, Education, and Communication (IEC)/Gender program and make Togo's Personal and Family Code (*Code des personnes et de la famille*) better known.

*To increase women's productive capacity and their income level, Government action will require:* (i) increasing women's access to the means of production, particularly land, technology, and credit; and (ii) facilitating women's access to decent employment and to productive resources. The intention is to formulate and implement an information and awareness program for women and young girls on various aspects of the labor and employment market.

*To increase equitable access of women and men to basic social services,* the Government seeks to allow females and males of all ages the same benefits of life and opportunity to achieve their potential and enjoy human rights; and thus contribute to Togo's economic, political, and sociocultural development. To accomplish this, strategies will be directed at: (i) equal and equitable access to and control over basic social services, particularly health, education, safe water, and sanitation, for girls and boys, men and women; and (ii) gender training for the various participants in education and health care for the dual purpose of achieving, on the one hand, behavioral changes favorable to educating girls and boys, and, on the other, effective reproductive health care.

*To promote equitable participation of men and women in the management of power, respect for the law, and the suppression of all forms of violence—*on the basis of gender equality, human rights, and fundamental political, economic, and sociocultural freedoms—the Government will in the medium term take steps to: (i) harmonize national legislation with ratified international and regional commitments; (ii) provide women and men with information on their rights; and (iii) strengthen protection for the physical integrity of women and men, as well as girls and boys, particularly by implementing a strategy to fight gender-based violence.

*The Government remains committed to strengthening the institutional framework for implementing national policy for gender equity and equality* by: (i) undertaking a gender audit in various national institutions; (ii) improving the planning, coordination, monitoring, and evaluation mechanisms of the national policy on gender equality and equity; (iii) developing a coordination, monitoring, and evaluation strategy for gender; (iv) developing a communication and advocacy strategy to support gender equity and equality; (v) building capacity to intervene in gender focal points; and (vi) building the capacity of civil society organizations involved in implementing the PNEEG.

### **2.3.3.7. Promotion of Youth and Employment**

The high proportion of youth in the total population is a source of both opportunity and constraint for Togo. It could, on the one hand, provide the country with the capacity necessary to set real growth in motion and reduce poverty. Hence, the necessity to strengthen or energize the association movement, which has developed to support the democratic process by providing it with the necessary socioeducational framework for its growth and active participation in Togo's development

Conversely, the high proportion of youth remains a problem because of growing youth unemployment and underemployment. In fact, this situation mainly results from the extreme youth of the population, which continues to increase in the face of few employment opportunities, particularly because of the low absorption capacity of the labor market.

In this regard, the Government plans to address the following principal challenges:

- Massive underemployment and increasingly large urban unemployment (Lomé), particularly affecting youth;
- A pronounced imbalance between the demand for and supply of jobs;
- Poor coordination of actions in favor of youth employment;
- Absence of the labor market's visibility to assist decision making, particularly due to inadequacies of the employment information system;
- A job creation environment that offers little promise and little encouragement.

For this task, the Government has designed a national employment policy with the following main pillars:

- Promotion of private initiative and taking employment into account in sector policies;
- Establishment of employment programs for the most vulnerable populations in the labor market;
- Improvement of the labor market's functioning by strengthening its institutional framework and governance;
- Improvement in workers' employability;
- Promotion of local employment.

The Government's main objective for the 2013–2017 period is to satisfy at least 90 percent of the additional demand for jobs, estimated at 60,000 per year. This will contribute to lowering the unemployment and underemployment rate, above all among youth, and provide jobs and income to the most vulnerable parts of the population, notably women. Achieving this objective requires the establishment of a coherent program that reconciles the obligation to ensure a sustained rate of job creation with the imperatives of growth and competitiveness. This program is structured around the following fundamental pillars:

✓ Increase the Supply of Jobs

Achieving the highest possible growth rate that is also rich in job creation requires a more sustained rate of establishing companies that profit from Togo's potential in labor-intensive branches such as: agriculture; agro-industrial value chains; ports, logistical services, and transport; mines; and tourism. These branches, already described above, are the main growth vectors identified by the Government. They will benefit from the public investment effort necessary to strengthen economic infrastructure, an effort that itself generates jobs.

✓ Improve Employability of Job Seekers

To facilitate the integration of job seekers, particularly youth leaving the educational system and vocational training, and including those without any occupational qualifications, the Government intends to: (i) strengthen the partnership between the production system and the education and training systems, and seek better coordination with the professions and social partners in implementing a competency-based approach; (ii) strengthen the capacity of universities to adapt to new careers, orient training toward new markets and professionalized short cycles, and include free-choice additional training as a permanent component in university missions; and (iii) strengthen mechanisms for financing vocational training and integrating all job seekers, with particular attention to ongoing monitoring of changes occurring in the job market so that its requirements can be met.

✓ Develop New Ways of Working

New ways of working, such as community services to provide close assistance to people, could be developed within the framework of public utility services to meet specific and continually growing needs in areas such as care services, facilitation services, environmental conservation services, and various services benefitting local communities. These new activities, which could involve youth, women, and disabled people, are, as a whole, a source of jobs that the State intends to exploit intensively.

✓ Encourage and Provide Incentives to Companies to Increase their Staffing Levels

This should be done with the goal of assisting companies in improving their ability to identify their skill needs, in taking advantage of the possibilities offered to them for initial and further training, and in making use of all the opportunities offered by apprenticeship and work-linked training. A company would, then, be able to increase its competitiveness while contributing to the national effort to increase employment, particularly for youth.

✓ Strengthen Incentives to Invest, Reinvest, and Create Businesses

These incentives will first of all focus on SMEs/SMIs, which are strong sources of decent jobs, and will also encourage transitioning from the informal to the formal sector.

Seven (7) strategic objectives are envisaged to ensure promotion specifically of youth employment: (i) improve the institutional and regulatory framework for the labor market; (ii) strengthen the employability of first-time job seekers; (iii) develop youth entrepreneurship and self-employment; (iv) develop local employment and promote the high labor intensity approach; (v) improve the employment information system; (vi) set up a financing mechanism for the National Strategic Plan for Youth Employment (PSNEJ—*Plan Stratégique National pour l'Emploi des Jeunes*); and (vii) create a monitoring, coordination, and consultation scheme for implementation of the PSNEJ.

**a) Improve the Institutional and Regulatory Framework for Promoting the PSNEJ**

The objective is to improve the institutional and regulatory framework for the PSNEJ, applying the following principal measures for its implementation: (i) a formulated PSNEJ; (ii) capacity-building for ministries in charge of employment and vocational training, the OEF, the National Employment Agency (ANPE—*Agence Nationale Pour l'Emploi*), and the Department of Youth Employment (*Direction de l'Emploi des Jeunes*); (iii) setting up a framework for a PPP on youth employment (national coalition for youth employment); (iv) setting up measures to provide fiscal incentives for investment and to create and develop job creating activities and incomes for youth; and (v) formulating direct fiscal measures to encourage the hiring of young graduates.

As a whole, fulfilling these various goals will be based on projects to: (i) formulate the PSNEJ; (ii) research incentive measures for hiring young graduates; and (iii) build the human, financial, logistical, and organizational capacity of the ANPE, the OEF, and the Department of Youth Employment.

**b) Improve Youth Employability**

To deal with massive youth unemployment and meet the whole economy's (both modern and informal sectors) need for qualified labor, the employability of job seekers should be improved.

More specifically, this objective aims to: (i) improve labor force qualifications in the whole economy; (ii) develop the capacity of youth to find decent work; (iii) give vocational training to youth in the expanding sectors; and (iv) develop youth apprenticeship in companies and with artisans in the informal sector.

To improve youth employability and facilitate their access to jobs, urgent measures must be taken. They are: (i) formulate an inventory of needed skills for companies; (ii) train youth in newly expanding sectors (mines and quarries, green jobs, etc.); (iii) set up incentive measures for hiring young graduates; (iv) organize short-term skills training for first-time job seekers; (v) organize stages of apprenticeship in companies; (vi) establish ANPE/company partnership agreements for a training period for first-time job seekers; (vii) strengthen existing programs (AIDE; PROVONAT; and Project Support for the Professional Integration of Youth Artisans or PAIPJA—*Projet d'Appui à l'Insertion Professionnelle des Jeunes Artisans*); (viii) institutionalize the program promoting national volunteerism in Togo; and (ix) design and implement a reconversion and adaptation program for young graduates having problems finding employment.

Projects for attaining this strategic objective include: (i) an inventory of skills needs for businesses; (ii) skills training of young graduates; (iii) training youth in modern agriculture and livestock raising; and (iv) training and apprenticeship for youth.

To stress inclusiveness in its development strategy, the Government will also intensify basic development activities in order to create at least 3,500 jobs per year for youth, that is, 2,000 jobs per year through PROVONAT, and 1,500 per year by operationalizing the National Support Fund for Training and Professional Development (FAIEJ—*Fonds National d'Appui à la Formation et au Perfectionnement Professionnel*), planned for 2013.

**c) Promote Youth Entrepreneurship and Self-Employment**

Given the low levels of youth entrepreneurship, the objective is to develop their entrepreneurial capacity.

To promote youth self-employment and entrepreneurship, measures are planned to: (i) identify and select youth having entrepreneurial capacity; (ii) provide entrepreneurship training; (iii) finance

creation of SMEs by young entrepreneurs; (iv) set up a liability scheme for young entrepreneurs; (v) adopt ways of reducing credit costs for young entrepreneurs; (vi) support agricultural entrepreneurship and rural employment; and (vii) set up an effective support and advisory system and assistance program.

The projects necessary to implement these priority measures are to: (i) select and train youth who have an entrepreneurial capacity; (ii) research how to improve access to existing sources of financing; (iii) establish young entrepreneurs and young artisans; and (iv) develop agricultural lowlands specifically for rural youth.

**d) Promote the HIMO (high labor intensity) approach**

Starting from the current unexploited potential of the HIMO approach in rehabilitating rural and agricultural infrastructure and in the building and public works sector, the objective is to encourage the creation of numerous high-labor-intensive jobs for youth. In particular, this is a matter of: (i) familiarizing national decision makers and economic operators with the high-labor-intensity approach; (ii) integrating the high labor-intensity approach into public investment planning; and (iii) promoting the application of the high labor-intensity approach during public infrastructure (urban public works and road work) development.

For this purpose, the priority measures to develop the HIMO approach and local employment are: (i) create a high-labor-intensity cell; (ii) raise the awareness of and advocate for the use of HIMO techniques for infrastructure work; (iii) train youth in HIMO techniques and the use of local materials; (iv) adopt measures to support the use of HIMO techniques; and (v) support the development of green jobs.

**e) Set Up an Ongoing Mechanism for Financing the PSNEJ.**

The objective is to mobilize the resources necessary for achieving the PSNEJ for youth employment, thereby finding a solution to, on the one hand, the State's inability to find financing to implement job placement programs and projects for youth and, on the other hand, the over-cautiousness of the banking system and the limited resources of microfinance systems.

This is specifically a question of: (i) financing programs and projects for training and job placement; (ii) financing activities that provide income for youth; (iii) seeking additional resources for the FAIEJ); and (iv) ensuring continuity of the vocational training system through the creation of appropriate funding.

To set up this ongoing funding mechanism for the national strategic plan for youth employment requires: (i) organizing a roundtable of donors for funding the operational action plan; (ii) operationalizing the FAIEJ; (iii) consolidating the fund for assisting young people in finding employment (FIJ—*Fonds d'Insertion pour les Jeunes*); and (iv) formulating a financing plan for youth programs.

**f) Improve the Information System on Youth Employment**

The objective is to have an effective and reliable information system on youth employment. More specifically, this involves: (i) collecting, processing, and analyzing data on job creation and vocational training schemes; (ii) making an inventory of and analyzing the skill requirements of the whole economy; (iii) extending the statistical system; and (iv) evaluating job placement programs and plans for youth.

To improve the information system on the youth employment situation, a group of priority measures should be undertaken that deal with: (i) the establishment of focal points for the collection of routine data in various ministerial departments; (ii) the organization of a biannual investigation on youth employment; (iii) setting up a monitoring mechanism for job placement of youth by the OEF; and (iv) carrying out a diagnostic survey on the youth employment situation in Togo.

The information system's database on the market will be improved by conducting: (i) biannual investigation on youth employment; (ii) monitoring of job placement for youth; (iii) a diagnostic survey on the youth employment situation in Togo; and (iv) evaluation of youth employment

programs and projects.

**g) Set Up a Monitoring, Coordination, and Consultation Scheme for the PSNEJ**

The objective is to coordinate all the initiatives taken within the framework of the PSNEJ so as to implement an effective and united effort in fighting youth poverty, unemployment, and underemployment.

In particular, this entails: (i) mobilizing the different stakeholders in the youth employment policy; (ii) increasing the effectiveness of the various operators of vocational training through better coordination; (iii) coordinating, supporting, and monitoring the various measures and actions for creating youth employment; and (iv) providing institutional support for PSNEJ implementation.

The priority measures of this strategic objective include: (i) evaluating all youth job creation programs and projects; (ii) setting up a monitoring mechanism for the PSNEJ; (iii) setting up a coordination and consultation framework for the various parties involved in promoting youth employment; (iv) reorganizing and revitalizing the National Commission for Monitoring Development Policy (CNSPE—*Commission Nationale de Suivi de la Politique de Développement*); (v) training agents of Youth Employment Department and the ANPE in methodologies for monitoring and evaluating the impact of youth employment programs and policies; and (vi) organizing an annual seminar on youth employment.

**2.3.3.8. Development of Sports and Recreational Activities**

The sports and recreational sector is not well developed in Togo. It requires modernization, funding, and a defined, coherent vision for the sector so that sports and recreational activities contribute to growth.

The nationally shared vision of a national sports policy for Togo—to attain excellence by 2030—entails creating a framework favorable for a competitive and effective high-level sports program: one that promotes public health, education, culture, and social, economic, and political integration in the subregion, across the continent, and internationally, while also creating jobs.

For the 2013–2017 period, the Government intends to design a national recreational policy and implement the national sports development action plan, taking steps to: (i) promote mass and high-level sports; (ii) clean up and raise the moral standards of the sporting world; (iii) strengthen the legal and regulatory framework and publicize legislation and regulations on the recreational activities subsector; (iv) build human resource capacity in the sports and recreational sector; and (v) strengthen and modernize existing and planned infrastructure for the sector. Formulating these policy and action frameworks will make it possible to identify problems and define appropriate programs for better handling of sports and recreational activities.

**2.3.3.9. Promotion of Culture**

The culture sector is one of the key foundations for Togo’s development. Therefore, the Government will design and implement a national policy framework so as to identify problems and define appropriate programs to achieve better solutions to cultural questions related to the socioeconomic development of Togo.

Thus to revitalize the sector over the 2013–2017 period, the intention is to strengthen action underway to promote culture and the cultural heritage, in particular to: (i) adopt and implement a bill to ratify the Convention on Underwater Cultural Heritage; (ii) adopt and implement a code on the cinema and status of the artist, and launch a program to preserve the intangible cultural heritage of the Batammariba; (iii) formulate a strategy for green spaces and monuments in the city of Lomé; (iv) formulate and implement a national book policy; (v) revise the law on reviewing copyrights; (vi) extend the network of cultural centers and libraries; (vii) operationalize the fund to support culture; (viii) complete the cultural heritage inventory; (ix) create a national museum, regional museums, and a national theater; (x) draw up the nomination dossier for granary sites at the Nock and Manproug caves; (xi) acquire *Maison Wood*; (xii) train staff and agents in cultural development; (xiii) build capacity of artists in personal development; and (xiv) implement the Florence Agreement on

Importation of Educational, Scientific, and Cultural Materials.

### **2.3.4. PILLAR 4: Strengthening Governance**

The GPA of 2006 helped to strengthen political stability and create a favorable social climate for peace and security of people and property. It was a critical factor in implementing development policies and strategies that improved living conditions and reduced poverty. Building on these results at the political and economic level, the Government, through its DPG, will continue to implement political and economic reform for stronger, consolidated, good governance in three priority areas: (i) political and institutional; (ii) administrative and local; and (iii) economic.

#### **2.3.4.1. Strengthening Political and Institutional Governance**

Accelerated, comprehensive, and job-creating growth requires institutions that guarantee political stability and respect for ownership rights and contracts, so that individuals invest and become involved in economic life. Accordingly, Government objectives for the next five years are to: (i) continue to consolidate democracy and peace; (ii) build capacity of Togo's key democratic institutions; (iii) improve citizenship and more actively involve civil society in governance culture; (iv) continue reform of the army; and (v) strengthen the rule of law.

##### *A. Further Consolidating Democracy and Peace*

*Consolidating the democratization process* to institute a culture of democratic governance requires implementation of essential political and institutional reform. Therefore, the Government will: (i) continue to integrate the Human Rights-Based Approach (HRBA) into legislative frameworks, policies, programs, and the budget; (ii) continue constitutional and legislative reform, ensuring the participation of all political actors; (iii) strengthen the role of the press in the democratization process; and (iv) implement the conclusions and recommendations of the CVJR.

*An HRBA is essential* to strengthen anti-corruption measures: it is rooted in the need for accountability, transparency, responsibility, popular participation, building stakeholders' capacity, and empowering the poor. It will also improve the planning and decision-making process through extensive consultation. Thus the Government will adopt a plan to integrate human rights in administrative and justice reform and in Togo's implementation of international and regional mechanisms for democratic governance.<sup>22</sup>

*The Government will continue to implement institutional political reform*, seeking broad consensus among all political factions so as to strengthen the credibility of the electoral process and limit post-electoral disputes. It will: (i) make improvements within the electoral framework; and (ii) reinforce the Independent National Electoral Commission (CENI—*Commission elettorale Nationale Indépendante*) by reviewing its membership and redefining functions, ensuring free and fair elections, and taking into account the recommendations of the Permanent Framework for Dialogue and Consultation (CPDC—*Cadre Permanent de Dialogue et de Concertation*) and those of election observation missions.

*Regarding the press*, measures to strengthen the role of the media in the democratization process include measures to: (i) implement national policy on communication; (ii) implement a public media reform program; (iii) guarantee fair and equal access by media to information and communication resources on the "22 Commitments" and the GPA; (iv) build human and technical capacity in public and private media; and (v) promote democratic values and human rights in the media.

*The Government will implement the CVJR's findings and recommendations*, to encourage forgiveness and reconciliation so as to strengthen the political and social healing process initiated since signing the GPA. The priority is to: (i) install a Follow-up Committee to implement CVJR recommendations

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<sup>22</sup> Including the African Peer Review Mechanism (APRM); the Paris Declaration on Aid Effectiveness and Accra Agenda for Action; the EITI; the Integrated Framework (IF) on Aid Related to Trade; and the African Charter on the Values and Principles of Public Service and Administration.

and ensure the effective start of its work; (ii) reorganize intelligence and security services to focus on their core mission; (iii) organize the prompt swearing-in of members of the CNDH; (iv) set up and operationalize the High Commission for National Reconciliation to facilitate assessment and reparation of damages suffered by victims of political violence between 1958 and 2005 using the mechanisms provided for this purpose; (v) review the entire law governing the CNDH, while expanding its mandate to become a national prevention mechanism against torture (NPM); and (vi) accelerate the process reforming the *Code Pénal* and the *Code de Procédure Pénale* (Penal Code and the Criminal Procedure Code), to align Togo's legal system with all international and regional conventions it has signed and ratified, particularly those relating to torture.

#### ***B. Capacity-Building in Togo's Key Constitutional Institutions***

The Government plans to move toward full functioning of checks-and-balances institutions so as to strengthen pluralism in Togo's democracy. In this regard it will continue the process of building capacity in all of Togo's existing institutions, including the National Assembly, the Constitutional Court, the CENI, the CNDH, the High Authority for Audiovisuals and Communication (HAAC—*Haute Autorité de l'Audiovisuel et de la Communication*), and the CATO. In addition, the Economic and Social Council (CES—*Conseil Economique et Social*) will be set up.

#### ***C. Building Citizenship and Civil Society in Governance***

The Government places special emphasis on promoting civic culture through human rights education, citizenship, and gender equality; conveying respect for public property, ethical values, civics, preventing/fighting corruption and embezzlement of public funds, a culture of reward for work well done, and sanctions that encourage best practices in the management of public affairs; and including respect for the authority of State officials and local authorities in the exercise of their duties.

Participatory development is key to engaging all development actors in the management of public affairs. Civil society is thus represented at all levels of institutional arrangements for coordinating, monitoring, and evaluating development policies (DIPD—*Dispositif Institutionnel de coordination, de suivi et de l'évaluation des Politiques de Développement*), established in December 2010 by Decree No. 2010-170/PR. The Government will also ensure representation on all decision-making bodies by the most vulnerable sectors in society, notably young people, women, and people with disabilities; measures will thus be taken to build the capacity of civil society organizations focusing on women and youth organizations to improve their contribution to Togo's socioeconomic development.

#### ***D. Expanding Reform of the Army***

Given that there is close correlation between security and development, as part of the GPA implementation framework the Government will carry out military reform, ensuring neutrality and involvement in Togo's economic and social development. Therefore, provision will be made to allow the military to participate in State-building through civic and moral education, centered on soldiers' behavior, rights, and responsibilities in a democratic society, while at the same time effectively conducting its sovereign role of defending the country's integrity. Government objectives in this area are to: (i) encourage moral and civic education and promote teaching of International Humanitarian Law (IHL); (ii) improve relations between the military and civilians, and deal with gender issues; (iii) build effective technical and logistical capacity in the army for its role of monitoring and defending territorial integrity, and emphasize capacity-building in the navy to meet the challenges of maritime piracy.

Civic and moral education within the military will be conducted through awareness-raising meetings and seminars with command officials as well as through training programs focused on: (i) Togo's institutions; (ii) a republican army's role and responsibilities; (iii) the status of military personnel; and (iv) civil and political rights of the military. More time for IHL teaching will be allocated in training programs and by organizing regular training seminars and increasing awareness-raising sessions.

The building of sustainable relations between civilians and military will rely on communication and public relations. The military will open itself up to civilians, by holding open-door days to explain the missions, professionalism, and activities of the armed forces; organizing sports and recreational

activities between the military and civilians; and providing military assistance to public and private institutions that request it. Increasing female staff, a goal in process since 1996, will continue as part of modernizing the army. A focus on making gender issues mainstream should lead to producing manuals that consider the specificities of men as well as women.

Building the technical and logistical capacity of the army will be conducted by upgrading existing skills, thereby addressing identified deficiencies, so as to instill operational capability equal to meeting new defense and security challenges. Indeed, modernizing the military and expanding its operational capacity will effectively improve its ability to counteract threats to economic growth efforts—maritime piracy, armed robbery, highway robbers, cross-border crime, drug trafficking, etc. Specifically this includes developing and implementing frameworks for: (i) logistics support, maintenance, and material resource management; (ii) building and rehabilitating security and defense infrastructure; and (iii) meeting new defense and security challenges democratically.

#### *E. Strengthening the Rule of Law*

The judiciary and the HRBA, promoting and protecting human rights and the security of people and property, are key to strengthening the rule of law in Togo.

The strengthening of the rule of law by an *effective judiciary* also accelerates economic growth. Therefore, the Government plans in the foreseeable future to consolidate the achievements of the PNMJ by taking steps to: (i) improve judiciary efficiency by building the courts' administrative and management capacity; and (ii) increase access to law and justice, including in local settings (broadening the judiciary's territorial coverage), and access to legal aid for the poor.

Modernizing the justice system will bring an updated legal and judicial environment into the national economy, promoting respect for trade relations, and an independent judicial system that is consistent in applying legal instruments and national and international law to issues. This is expected to attract FDI and thus boost private-sector development.

*Strengthening promotion and protection of human rights* requires that stakeholders in the sector, individually and collectively, interact and influence the HRBA operational framework, strategies, and mechanisms. Therefore, the Government as it strengthens the rule of law will include specific measures for facilitating Togolese citizenship documentation. It will increase cooperation among national institutions for human rights and gender equality, and expand involvement of all stakeholders engaged in public action in the field of human rights. Further, Government will: (i) promote capacity-building among all actors (State and non-State institutions) involved in human rights and other important issues such as citizen oversight, writing compliance reports (initial, periodic, and alternative) to treaty bodies and under the Universal Periodic Review (UPR); (ii) implement UPR recommendations; (iii) ensure the application of the HRBA in projects and programs; (iv) strengthen national coordination and protection mechanism for human rights, especially the rights of the child and those of people with disabilities; and (v) implement programs for the promotion of peace, human rights, and gender equality.

*Strengthening the security of people and goods* is a pivotal element in the SCAPE, central to promoting an HRBA and protection of human rights, as well as public and individual freedoms. The Government objective is to establish conditions that complement and supplement its actions to: (i) protect people and property; (ii) ensure road security (deterring highway robbery on all roads), maritime security (deterring piracy), and air safety; (iii) implement the Integrated National Plan for Combating Drugs and Crime (PNI-LDC—*Plan National Intégré de Lutte contre la Drogue et le Crime*); and (iv) implement the National Strategic Plan for fighting the Proliferation of Small Arms and Light Weapons (*Plan Stratégique National de Lutte contre la Prolifération des Armes Légères et de petits Calibres*). To extend civil protections, the Government will continue to (i) implement national and regional contingency plans to deal effectively with natural disasters; (ii) strengthen security sector reform by building the physical, technical and human-resource capacity of the gendarmerie, police, firefighters, and guards of prefectures; (iii) improve the relationship between the population and security forces; and (iv) ensure greater protection of public and individual freedoms.

### **2.3.4.2. Strengthening Administrative and Local Governance**

Lessons drawn from implementation of the C-PRSP demonstrate that, although progress has been made in administrative reform, more efforts are needed to attain the objectives completely. Therefore, the Government's priorities are to: (i) continue reforming and modernizing public administration for effective public services both at the centralized and decentralized level; and (ii) strengthen local governance.

#### ***A. Continuing to Reform and Modernize Public Administration***

Government commitment to reform and modernization of public administration aims at qualitative improvement in its performance as a whole and "user satisfaction." After the first phase (2008–2012), encompassing reform preparation and experimentation, the Government will implement the second phase (2013–2015) for the purpose of consolidating achievements and broadening action to target the full range of public administration. For this to be effectively realized, measures taken will: (i) build up the technical capacity of public administration; (ii) promote a new administrative culture of development and proximity, as well as information and communication within public administration; (iii) redefine and streamline the tasks of structures and legal standards; (iv) promote e-government; and (v) pursue standardization and structuring of the work of government.

*Capacity-building for Togo's public administration:* Priority measures for building public administration capacity include: (i) redeployment and recruitment of new agents; (ii) standardizing administrative records of employees of the State and establishing a single reference file for administrative management and the salaries of public officers; (iii) reform of the National School of Administration (ENA—*École Nationale d'Administration*) and the main schools and training centers for Government employees; (iv) a master scheme for the permanent training of Government employees; (v) a program for upgrading the performance of public officials; (vi) mobilization and use of national expertise within the administration; and (vii) increasing the efficiency of Government work.

*Promoting a new administrative culture of development and proximity:* To achieve a new administrative culture of development and proximity, the Government will: (i) reform communication strategy; (ii) improve communication within the administration and between the administration and users; (iii) undertake initiatives to promote "Rapid local administration"; (iv) establish and operationalize a Committee for the reduction and simplification of administrative procedures and bottlenecks (*Comité d'allègement et de simplification des procédures et formalités administratives*); (v) promote ethics in public administration; and (vi) further the decentralization process.

*Redefining and streamlining legal standards and various departmental missions:* Key measures to achieve this objective are to: (i) implement recommendations of organizational audits carried out in certain ministries and institutions; (ii) implement organizational audits in other ministries and institutions; (iii) adopt and implement the new General Law of the Civil Service (*Statut général de la Fonction Publique*); (iv) implement the new salary scale for Government employees; and (v) follow up on the implementation of staff oversight measures and payroll.

*Standardizing and structuring the work of Government:* This is key to ensuring inter-ministerial coordination and monitoring of Government ministers' mission letters. In addition, special emphasis will be placed on the flow of information between ministries and Government's external communications.

*Promoting electronic government (e-government):* Systematic introduction of ITC in Togo's administration will improve productivity of personnel and ease the management of files and documents. To achieve this goal, the Government will strengthen its efforts to: (i) implement the strategy for archive systems and management of electronic documents; (ii) complete the connection between ministries and institutions; and (iii) finalize the Management System for Administrative Personnel (SGPA—*Système de Gestion du Personnel Administratif*).

#### ***B. Strengthening Local Governance***

Concerned with the well-being of people across the country, Togo's Government has opted strongly for decentralization. This will permit the State to involve local communities and the grassroots in

management of the affairs of the nation. Through these local frameworks, the population can easily participate in development projects and contribute to local democracy entrenchment. Thus to strengthen local governance, the Government commits to: (i) accelerated decentralization; (ii) stronger deconcentrated government structures; and (iii) competent human resources for local communities.

*Accelerating decentralization:* The ultimate aim of decentralization in Togo is to ensure balanced development throughout the country through effective local administration, better mobilization, greater citizen participation, and an emphasis on developing local potential. The Government intends in the coming years to: (i) organize local elections; (ii) complete a legal framework for decentralization, an institutional framework, and a local government structure; (iii) establish endowments for decentralization through the state budget and strengthen the Local Government Support Fund (FACT—*Fonds d'Appui aux Collectivités Territoriales*) for local investment needs; (iv) establish and delimit territorial authorities; (v) revamp the technical unit for implementing decentralization; (vi) support local authorities in the construction of basic facilities; (vii) provide the new Urban Councils with infrastructure; (viii) provide regional and local authorities with planning, technical, and financial management instruments and tools.

*Redefining the missions and mandates of decentralized government departments in line with the decentralization process:* The Government plans to: (i) delimit and differentiate the operations of decentralized regional and local authorities and those of decentralized services of the State; (ii) coordinate relations between central Government departments and regional and local authorities (modalities of State control on regional and local authorities, support of decentralized structures by decentralized government services, etc.); (iii) develop and implement decentralization policy; (iv) provide the prefectures with adequate infrastructure and equipment; and (v) provide the prefectural administration with qualified personnel and its own budget, tailored to its new missions.

*Endow local communities with competent human resources:* In SCAPE implementation, heavy reliance on the central Government in its current state may limit the impact of steps made toward decentralization. Indeed, successful implementation of decentralization requires long-term restructuring of a modern, decentralized State that seeks continually to improve effectiveness and efficiency of public policies and relies strongly on the principle of subsidiarity. Thus it is important to provide regional and local authorities (which are first and foremost part of the State) with territorial governments managed by qualified and motivated staff. This restructuring, conducted according to the principle of subsidiarity, should improve provision of essential public services as may be prioritized, especially those related to health, education, transport, energy, water, and sanitation.

#### **2.3.4.3. Strengthening Economic Governance**

The Government intends to implement reform over the 2013–2017 period to ensure stable economic governance for stronger and sustainable growth with potential to improve the living conditions of populations. These reforms will essentially depend on actions that: (i) maintain a stable macroeconomic framework; (ii) accelerate structural reform; (iii) improve the business climate; (iv) improve management of public finances; (v) improve transparency, fighting fraud, corruption, and money laundering; (vi) build partnership and effectiveness of Official Development Assistance (ODA); (vii) strengthen planning and the national statistical system; and (viii) promote regional integration.

##### *A. Maintaining a Stable Macroeconomic Framework*

Strengthening macroeconomic stability is an essential requirement to accelerate growth and achieve economic competitiveness globally. Action and reform geared toward these objectives will focus on: (i) consolidating efforts in the macroeconomic framework by maintaining flexible fiscal policy and targeting development of economic infrastructure and basic social services; and (ii) implementing tax incentives aimed at improving Togo's competitive advantage by reducing the tax burden on economic operators in the formal sector.

Effort will thus be made at broadening the tax base while enhancing the efficiency of tax and customs administration. Specifically, the Government plans to finalize its strategic plan for comprehensive

reform of the tax administration, which will review the structure, priority tasks, resource allocation, and method of results-based management. This should result in the creation of the OTR and streamlining of the tax system.

Given that Togo's intention to invest heavily in human resources and basic infrastructure to increase total factor productivity can be significantly slowed down by the paucity of State-owned resources and the need to balance internal and external income, more substantial and effective external aid is essential to support the implementation of the SCAPE. Efforts at achieving reliable Government policy in this area will include stronger measures for more efficient use of public resources, including programs to restore financial orthodoxy: (i) correct budget execution; (ii) stronger internal controls; (iii) improved cash management and procurement procedure; and (iv) improved transparency by fighting corruption and fraud. Public expenditure reviews will be systematized as an approach to ensure that public funds produce maximum impact. Debt policy will remain flexible to preserve the sustainability of external debt by favoring the use of concessional loans. Coordination of interventions by development partners will be another important element to improve the effectiveness of aid.

### ***B. Boosting Structural Reform***

The Government intends to bolster structural reform already underway.

*As regards the cotton sector*, the reforms described above will continue, to attain sector viability and to restructure the NSCT.

*As regards the phosphate sector*, the Government will: (i) upgrade the production structure; (ii) resume carbonite exploitation and industrialize the sector to produce phosphoric acid and fertilizers; (iii) provide capacity building for human resources at all levels; (iv) more favorably negotiate trading futures; and (v) be more attentive to local authorities.

*As regards the energy sector*, the Government will: (i) develop and implement a plan for maintaining a balanced budget in the subsector; (ii) implement the recommendations of the organizational audit conducted by the CEET, including those relating to improving its management; (iii) strengthen private-sector involvement in energy production; (iv) build up subregional cooperation in energy production, purchase, sale, and transport; and (v) promote wider consumption of domestic gas. The Government is to ensure overall consistency in energy reform, developing for the medium term a sector strategy for supplying electricity to consumers at a lower cost.

Further in this context, the Government will: (i) continue to encourage development and use of renewable energy; (ii) create a rural electrification fund; (iii) establish a mechanism for financing the sector with participation from external donors and the national financial system; (iv) educate households on the rational use of all forms of energy; and (v) ensure sector budget stability by improving the level of collected revenues, rehabilitation of equipment, and systematic regulation of public consumption costs.

*As regards the banking sector*, the Government remains committed to accelerating the process leading to the privatization of public banks, including BTCI (*Banque Togolaise pour le Commerce et l'Industrie*—Togo Bank for Commerce and Industry), BTD (*Banque Togolaise de Développement*—Togo Development Bank), and BIA-TOGO (*Banque Internationale pour l'Afrique au Togo*—International Bank of Africa in Togo). To achieve this, the Government is prepared to approach key partners with a solid financial base and expertise to complete the privatization process. Further, the Government is planning to maintain robust oversight in the management of these banks until the completion of the privatization process, and to implement the strategy for the development of the financial sector (approved in February 2012).

As regards the pension system, restructuring would not only provide income security for retirees and other beneficiaries, but would also release funds needed to develop the economy in the long term. Current analyses have produced a set of recommendations and options on reform critical to placing the CRT and the CNSS on a more solid financial footing.

### ***C. Improving the Business Climate***

Improving the overall business climate is essential to boost the private sector. Therefore, the Government intends to: (i) prioritize the overall business environment; (ii) strengthen the legal and judicial business framework; (iii) improve the regulatory and institutional framework for the private sector; (iv) boost free zones; (v) upgrade the framework for promoting and supporting the private sector; and (vi) improve conditions for development entrepreneurship.

*As regards improving the overall business environment*, the goal is to consolidate the gains made and create an overall business environment consistent with regional and international standards. Therefore, the Government plans to: (i) implement the Charter on SMEs/SMIs; (ii) improve the institutional, legal, and organizational framework of sectors that promote growth; (iii) develop a strategy for resource mobilization; (iv) strengthen the framework for cooperation between the State and the private sector; and (v) implement necessary reform to secure land estates.

*As regards improving the legal and judicial framework for business and economic activity*, this is a prerequisite for investment and development of trade. Togo boasts of such a legal framework, having integrated the Uniform Acts (OHADA—*Organisation pour l'Harmonisation en Afrique du Droits des Affaires*), a common business law in 16 States, which provides a modern and solid legal foundation for private-sector activities. For the 2013–2017 period the Government plans to: (i) continue the process of capacity building for all those using this law—judges, lawyers, bailiffs, corporate lawyers, etc.; (ii) monitor enforcement and interpretation of norms determined by Togo's sole supreme court of appeals, the Joint Court of Justice and Arbitration (CCJA—*Cour Commune de Justice et d'Arbitrage*); (iii) give priority to commercial courts in the judicial modernization program's implementation, including the Court of Trade (*Cour de Commerce*); (iv) extend the labor courts throughout the country; and (v) support Togo's Court of Arbitration (*Cour d'Arbitrage*).

*As regards improving the regulatory and institutional framework for the private sector*, the next five-year cycle will maximize regulatory and institutional improvements made in private-sector development. Therefore, the Government will: (i) continue to restructure the CFE and turn it into a true one-stop shop; (ii) set up CFEs in the principal municipalities to speed up the process of obtaining building permits; (iii) revise the labor code within a tripartite framework so as to enhance work flexibility; (iv) reform the system of land registry (deeds and land transfers) to reduce time and cost, by drawing on the experiences of other African countries that have carried out such reform.

*Boosting the Free Zone*, and with it significant growth potential and impact on the national economy, is backed up by a Government commitment to: (i) implement the revised Free Zone statute; (ii) improve the business environment and business services (infrastructure, land security, new sites, legal security) to develop their competitiveness; (iii) define accreditation criteria to maximize the contribution of businesses to the national economy in return for tax exemptions; (iv) ensure consistency with the new investment code, including the issue of decrees pertaining to the operation of the Agency for the Promotion of Investment in Togo (API-Togo—*Agence de Promotion des Investissements du Togo*); (v) maintain a close link between the tax incentive system and the goal of creating jobs; (vi) improve manufacturing and export development; and (vii) develop and implement strategy to promote domestic investment and FDI.

*As regards improving the system of private-sector promotion and support*, this entails taking certain essential measures in order to: (i) promote capacity-building in structures for promoting and supporting the private sector; (ii) create the Togo Business Center; (iii) operationalize the national strategy for structuring and organizing traditional sector microenterprises; and (iv), establish and authorize management centers.

*As regards improving conditions for entrepreneurship in development*, this involves a range of many important, planned actions involving measures to: (i) train local entrepreneurs to develop initiative and creativity; (ii) establish a new industrial site to accommodate new initiatives (as the old port area site is at capacity); (iii) develop an information and support network for private operators; and (iv) support businesses in operational and strategic planning. To improve coordination of these activities, the Government, with active participation by economic operators, will set a forward-looking agenda for private-sector development, one that emphasizes PPPs. Moreover, in terms of PPPs and to valorize more proactively private-sector capital and expertise—with the goal of making Togo a development

corridor—a State holding company, with bodies to ensure efficient governance, will be established.

#### *D. Continuing to Improve Public Finance Management*

Public finance management will improve through ongoing implementation of the PS-RGFP. Several areas are targeted wherein measures will be taken to: (i) strengthen the public finance legal framework; (ii) improve mobilization of external resources; (iii) improve mobilization of internal resources through the creation of the OTR (Customs and Tax revenues), and streamline the tax system to raise tax revenue to a sustainable level and improve taxpayer services; (iv) improve budget forecasting, planning, and execution; (v) improve oversight; (vi) continue computerization of financial services; (vii) foster transparency in management of public markets and resources from the extractive sector; (viii) decentralize financial administration to support the decentralization process; (ix) improve the State's accounting system and the tracking of budget execution data; and (x) capacity-building in financial administration.

Specifically, the Government will: (i) develop and execute a support strategy for implementing the new legal framework for public finance management, timed according to the implementation of new WAEMU directives; and (ii) proceed with the implementation of the plan for devolution of financial control (FC) and payment order authorization.

#### *E. Improving Transparency in Public Affairs Management by Continuing to Fight Fraud, Corruption, and Money Laundering*

Corruption and money laundering plague Togo's economy. Without any move against them they hinder SCAPE implementation. Therefore, the Government will strengthen its efforts to fight corruption and money laundering, taking steps to: (i) promote capacity building of the National Council for Combating Corruption and Economic Sabotage (CNLCSE—*Commission Nationale de Lutte contre la Corruption et le Sabotage Économique*); (ii) develop and adopt a national policy to fight corruption; (iii) develop and adopt a plan to implement this policy; (iv) strengthen the role of oversight bodies such as the Court of Auditors, the General Finance Inspectorate (*Inspection Générale des Finances*), the General Government Inspectorate (*Inspection Générale d'État*), etc.; and (v) adopt and implement a national strategy to fight money laundering and the financing of terrorism.

#### *F. Enhancing Partnerships and the Effectiveness of ODA*

Achieving the MDGs and poverty reduction remain the biggest challenges for Togo to meet with donor support. Satisfying Togo's support needs must be accompanied by donor commitment and that of other actors (the parliament, local authorities, civil society, private sector, research institutions, and media) to mobilizing, delivering, and management of aid.

In the coming years, key steps will include measures to: (i) implement New Deal recommendations; (ii) achieve the program objectives of the Istanbul Accord; (iii) integrate fully the objectives of the Tunis Consensus; (iv) promote active development diplomacy; (v) engage the Togo diaspora in the development process; (vi) implement policy on development assistance.

*Implementation of New Deal recommendations:* Togo has committed to cement the peace and strengthen the State through mutual trust; it will thus receive more aid, which will be managed efficiently so that development goals can be achieved.

*Renewed and strengthened partnership for development through the Istanbul Accord:* This involves overcoming the structural problems faced by least-developed countries (LDCs), including Togo, enabling them to achieve balanced and sustainable economic growth of at least 7 percent annually, and improve capacity building in all sectors through structural change and their effective integration into the regional and global economy.

*Through the Tunis Consensus:* The Government is committed to the African agenda for development effectiveness, which seeks to: (i) build the capacity of States; (ii) promote democratic accountability; (iii) share South-South experience; (iv) foster regional thinking and action; (v) accommodate new development partners; and (vi) help States move toward non-dependence on aid.

*Promotion of active diplomacy to further development:* This calls for: (i) a sector policy document and

a strategy for its implementation; (ii) a stronger, more diversified network of development partners; and (iii) improved, results-based management in embassies.

*Mobilizing the Togo diaspora for the development process:* This recognizes that the economic importance of Togolese residents abroad is growing. Therefore, to maximize its contribution to Togo's economic and social development, the Government will take steps to: (i) establish representative structures for the diaspora, including the High Council of Togolese Abroad (*Haut Conseil des Togolais de l'Extérieur*) and the National Agency of Togolese Abroad (*Agence Nationale des Togolais de l'Extérieur*); (ii) improve transfers and optimize remittances, and encourage the diaspora to engage in productive investment, including by establishing an Investment Fund for Togolese Abroad; (iii) ensure mobilization and deployment of expertise from the diaspora for capacity-building in public administration; and (iv) stimulate the mechanisms and forces of local development by involving the diaspora in decentralized cooperation projects.

*Policy for development assistance:* This must consider the effectiveness of development aid and be fully compliant with SCAPE objectives and strategic priorities. With donor support the Government will: (i) accelerate national ownership; (ii) improve reliability of national systems that facilitate donor alignment; (iii) establish a veritable partnership for effective development (iv) improve results-based management and communication of results to citizens.

#### **G. Strengthening Planning and the National Statistical System**

The Government intends to build capacity in the control and management of Togo's economy. Togo will conduct an ENP to establish a basis for future strategic management of development in order to: (i) anticipate potential obstacles; (ii) identify and evaluate various remedial policies and strategies; and (iii) pinpoint future achievable projects. The prospective approach will also identify sector and thematic issues for better understanding, and build local prognostic capacity, particularly in employment, energy, mining, education, and the military.

In addition, there is an option to provide each Ministry with a policy document or sector strategy and program budgets, and establish sector structures for planning, management, monitoring, and evaluation.

Moreover, the Government intends to build capacity for better coordination between planning, programming, budgeting, implementing, monitoring, and evaluating, using: (i) the sector approach; (ii) improved functioning of sector committees; and (iii) stronger technical capacity of stakeholders in results-based management throughout the entire chain.

For a stronger national statistical system, the Government will continue implementing the National Strategy for Development of Statistics (SNDS—*Stratégie Nationale du Développement de la Statistique*), through development, adoption, and implementation of the various applications of a national law on statistics.

#### **H. Promote Regional Integration**

As a developing African nation, Togo has privileged access to the major markets of industrialized countries, particularly those of Europe, through the Cotonou Agreements. In addition, its primary products and handicrafts, and its manufactured goods with a minimum level of local value added, enjoy free access to markets in the subregion through trade agreements with the WAEMU and ECOWAS. Therefore, Togo will be actively promoting economic integration and trade so as to take advantage of the opportunities they offer. The Government will take strategic steps to: (i) promote regional and subregional cooperation by participating in the establishment of transnational infrastructures, contributing to the functioning of regional institutions, and participating in the promotion of peace, security, and political stability at subregional and regional levels; (ii) ensure compliance with the principles of integration by continuing and enhancing efforts to meet commitments on the harmonization of common policies and reform (institutional, macroeconomic, sector); (iii) increase public spending on investments that generate positive externalities; (iv) open up to the world, while capitalizing on the opportunities offered by regional integration; implementation of the main recommendations of the Diagnostic Trade Integration Study of Togo (EDIC—*Étude*

*Diagnostique sur l'Intégration Commerciale du Togo*) will lay the foundation for accelerated growth by strengthening the integration of the economy in regional and global markets; (v) be actively involved in the negotiations of the Economic Partnership Agreement (EPA) between the European Union and West Africa, a potential source of growth and development. This is important leverage for improving competitiveness, creating a favorable investment environment, and boosting regional integration; and (vi) maintain a strategic interest in community initiatives to benefit from them.

Lastly, with respect to increased competition between regional ports, the great challenge for Togo in the regional integration process will be to avoid the effects of over-crowding resulting from the completion of the Abidjan-Ouagadougou-Niamey-Cotonou rail loop.

### **2.3.5. PILLAR 5: Promoting Participative, Balanced, and Sustainable Development**

Participative, balanced, and sustainable development is important to Togo's Government for reducing regional disparities and giving free rein to local dynamics. This is an ongoing process, an end and a means of development to help steadily improve the capacity of communities to manage themselves. The Government's goal is to create the right conditions for implementing the SCAPE at the local level so as to offer grassroots populations a common, minimum subsistence level (MSL). The aim is to (i) strengthen grassroots development for effective participation by community organizations in the growth process and poverty reduction; (ii) develop regional and local potential to promote local development and thus avoid worsening inter- and intra-regional imbalances; and (iii) emphasize the environmental dimension, as part of the planned, integrated development process to protect and develop local natural wealth and effectively combat climate change.

#### **2.3.5.1. Strengthening Grassroots Development**

The Government's commitment to promoting grassroots development is a response to the key issue of focusing the SCAPE on improving the living conditions of both rural and urban populations regardless of their socioeconomic activity. Grassroots development therefore constitutes an important response to strategies for pro-poor growth.

In fact, because grassroots development is essential for progress in decentralization, SCAPE implementation will primarily occur at the local level, giving the set objectives—decentralization, citizen participation and empowerment, transparency and accountability—a special importance. To achieve this, grassroots development committees, especially the National Development Committees (CCD—*Comités Cantonaux de Développement*), will serve as relays. Citizens may thereby understand the decentralization policy, accept decentralized governance, and see that the Government is attentive to their stated needs; overall, they may participate in decision making, monitor and evaluate implementation of local development projects and programs, and should express trust in the Government. Awareness-raising campaigns are needed in civic education to inform the populace about electoral processes, freedom of expression, political rights, and civil liberties, duties, and responsibilities. Likewise, improving civil society's regulatory environment is imperative to encourage development, partnerships with the public sector, and involvement in governance and socioeconomic development.

The Government's goal is to enable the grassroots, through local and regional communities, to design, implement, and participatively manage initiatives for taking charge of their own development, thereby laying the institutional groundwork in terms of local human capacity for gradually implementing administrative and financial decentralization. For the 2013–2017 period, the Government will continue and also expand on actions taken to: (i) provide the tools to local communities to operationalize decentralization by promoting a local dynamic, especially at cantonal level; (ii) induce communities to implement a system for planning, managing, monitoring, and evaluating development activity—promoting adapted tools for managing local development; and (iii) mobilize more resources to finance local development by setting up mechanisms for accrediting local organizations and promoting access to inclusive funding, accessible to the poorest communities and individuals.

Specific objectives for 2017 are to:

- Reduce by 13 percent the proportion of grassroots populations living below the common minimum subsistence level;
- Raise to 80 percent the proportion of CCDs with cantonal development plans;
- Increase the microlending penetration rate from 30.2 percent in 2011 to 48 percent;
- Install 40 multifunction platforms per year; this will enable at least 600 of the poorest women to benefit from the program;
- Accomplish at least two hundred (200) community microprojects.

The following priority areas have been selected for this period: (i) food and nutrition; (ii) health; (iii) education; (iv) access to potable water, hygiene, and sanitation; (v) grassroots capacity-building; (vi) improved access for isolated populations; and (vii) access to financial services.

Consequently, to ensure that the grassroots benefit from growth, the Government will work to: (i) develop local production potential by making financing tools, based on inclusive finance, available to grassroots community organizations; (ii) strengthen the network of community-based organizations to cover the entire country; (iii) promote CCD capacity-building to pave a better way for the decentralization process; (iv) promote training for unskilled labor in projects funded by public authorities; (v) strengthen training for craftspeople, merchants, and local cooperative managers in SME management; (vi) create support/advisory structures at local and regional levels to support/advise local operators; to provide ongoing management oversight (monitoring/auditing) and notice of opportunities arising in national and regional plans; and (vii) operationalize the ANADEB and set up the FODEB, two tools that will support local communities in implementing local and township development plans.

These priority measures will be performed through: (i) a community-level baseline study; (ii) grassroots development committees (CDBs—*Comités de Développement à la Base*) program; and (iii) programs to support grassroots development.

Specifically, the Government will strengthen the legal and institutional framework of CDBs for grassroots development monitoring. It will also promote improved access for poor populations—especially women, the young, the disabled, and microentrepreneurs—to adapted and diversified microlending services provided by viable microlending institutions integrated into the financial sector. It will also work to organize an informal, *tontine*-style financial system that is indispensable for giving women very small loans.

These priority measures will be facilitated by: (i) a national grassroots development policy; (ii) capacity-building by the government ministry responsible for grassroots development, in particular the Community Development Directorate (DDC—*Direction du Développement Communautaire*) and the ANADEB; and (iii) operational capacity building by MFIs.

In addition, the Government will continue to improve community access to basic social services and to promote income-generating activities. Special attention will be paid to implementing a national program to develop multifunction platforms that reduce monetary and human poverty in Togo's villages, which result specifically from energy constraints that trap rural populations, especially women, in the energy-poverty cycle. To support this grassroots development dynamic, special focus will be placed on creating socioeconomic infrastructure (schools, including school cafeterias, free clinics, wells, rural roads, water reservoirs, cereal banks, rural electrification, village plantations, tourist and cultural sites, etc.). Two major projects will be implemented to achieve this strategic measure: the PDC and the PSMICO.

Finally, participative development includes vulnerable segments of the population such as unemployed youth, female heads of households, landless farmers, HIV-infected people, the disadvantaged elderly, and the disabled. Therefore, appropriate strategies on their behalf will be developed in agriculture, employment, and income-generating activities, including three main projects: (i) a study on improving their access to funding sources; (ii) developing agricultural hinterlands; and (iii) a study on integrating these vulnerable groups into the economic fabric (in craft trades, commerce, etc.).

However, implementing these strategies can yield results only if certain policies are applied at the

same time to other levels of society: policy on macroeconomics, decentralization, public affairs management (at both national and local levels), and literacy, among others.

### **2.3.5.2. Land-Use Planning and Reducing Regional Imbalances**

Land-use planning within the national planning system has been consolidated in recent years through specific achievements, among them: (i) completion of monographs and regional analyses; (ii) regional master plans; (iii) the Togo regional development atlas; (iv) adopting a national land-use planning policy and (v) establishing units to formulate and implement the policy; and (vi) a geographic information system (GIS).

Dividing the country into 5 regions and 35 prefectures is a strong measure that consolidates the land base for land-use planning and regional development. Of note too is the decentralizing of ministries to the regions to ensure continuity of public service. Finally, units for analysis, guidance, approval, and coordination have been set up at national, regional, and prefectural level. A system favorable to land-use planning and regional development has therefore been set up; it now needs capital projects so it can do its job.

Despite these achievements, regional development is a strong force fed by increasingly strong social demand. The challenges are enormous. Every project will require understanding, planning, arbitrating, and observing the territory and developing a land-use-planning practice by establishing spatial frames of reference for development efforts.

Results of the 2010 *Recensement Générale de la Population et de l'Habitat* (RGPH—general population and housing census) and the 2011 QUIBB showed that there are major development disparities among the various regions of Togo, especially in terms of access to basic social services. Reducing regional imbalances and poverty assumes: (i) balanced emergence of development hubs; (ii) balanced development of human capital; (iii) balanced reinforcement of growth-supporting infrastructures; and (iv) spatialization of projects and programs.

#### **A) Putting Land-Use-Planning Tools in Place**

Over the 2013–2017 period the Government plans to pursue the process by: (i) adopting and passing the Land-Use Planning Framework Act (*Loi-cadre sur l'aménagement du territoire*); (ii) formulating a national land-use plan (SNAT—*Schéma national d'aménagement du territoire*), the five (5) regional land-use plans (SRAT—*Schémas régionaux d'aménagement du territoire*), and the 35 local land-use plans (SLAT—*Schémas locaux d'aménagement du territoire*); (iii) developing a regional development atlas (*Atlas du développement régional*); and (iv) developing regional development programs for applying the SRATs.

#### **B) Supporting the Balanced Emergence of Development Hubs**

Migration has considerable impact on some regions of Togo because it involves mass exodus of the most active and dynamic populations to urban centers. This deprives certain regions of the workforce needed to develop productive activity.

To slow migratory flows that cause inter- and intraregional imbalances, the Government will push wealth creation at the local level based on each region's potential—focusing mainly on a study already completed for the purpose of mapping existing opportunities and growth niches in Togo's prefectures and subprefectures. The intention is to promote a balanced emergence of growth and development hubs, and aims at developing agricultural, industrial, and service (business, tourist, and other) centers.

*For agricultural centers*, the main natural resources (soil, water, and vegetation) and climate conditions provide Togo with significant potential for agricultural development. Hence its agro-ecological regions are favorable for cotton, sorghum, millet, rice, yams, tomatoes, onions, peanuts, cashews, shea, and cowpeas—in the Savanes region; cotton, corn, sorghum, yam, tomatoes, rice, cowpeas, soybeans, peanuts, cashews, locust, baobab, kapok, sweet potatoes, groundnuts, green pepper, cabbage, onions, shea, fonio, manioc, and millet—in the Kara region; cotton, corn, sorghum, millet, rice, manioc, yam, cowpeas, peanuts, cashews, mangos, locust, cabbage, peppers, okra, shea,

and soybeans—in the Centrale region; cotton, corn, cowpeas, millet, sorghum, soybeans, fruits, vegetables, peanuts, and rice—in the eastern Plateaux region; coffee, cacao, oil palm, corn, potatoes, manioc, yams, rice, fruits, and vegetables—in the western Plateaux region; and corn, manioc, cotton, oil palm, sugarcane, vegetables, fruits, and flowers—in the Maritime region.

Given this potential, the Government intends to promote *agricultural hubs* based on diversified, effective, modern, and eco-friendly agriculture, relying on these regional products—centered on the valleys of the Zio, Lili, and Yoto rivers in the Maritime region; the Mono valley and Litimé in the Plateaux region, the plains of the Mô, Mono, and the Adélé in the Centrale region; Dankpen, Bassar, and Assoli in the Kara region; and the plains of the Oti, Kpendjal, and the Cuesta area in the Savanes region.

For stock raising and fishing, as part of improved cattle breeding the Government will rehabilitate and redirect the activities of the four ranches: Avétonou and Kolokopé in the Plateaux region; Adélé in the Centrale region; and Namiélé in the Savanes region; and develop marine fisheries in the Maritime region.

*Emergence of industrial hubs* will be based on development of mining resources and agro-industry. They will therefore be developed in a balanced way around the mining potential and agricultural centers in each region. Specifically, this will involve studying the feasibility of: (i) restoring the Agou oil mill; (ii) promoting tomato processing and canning in Avé and Lower Mono; (iii) promoting pineapple and mango processing and canning in the Zio area of the Maritime region; (iv) promoting installation of a fruit-processing plant in Danyi and Agou; restoring the SONAPH (*Société Nationale pour le Développement de la Palmeraie et des Huileries*), a facility for palm-nut processing in Agou, and the cotton gins in Notsé and textile plants in Datcha; and strengthening the cotton gins in Talo and Kolokopé; (v) promoting industry around the marble quarries in Nyaoulou, agro-industry in Sotouboua, and peanut and shea processing in the Centrale, Kara, and Savanes regions; (vi) restoring the TogoTex International textile plant in Kara; (vii) restoring the rice deseeding unit in Nassablé and promoting the tomato and fruit processing plants in the Savanes region; (viii) promoting installation of a cement works in Barkoissi and a sugar mill in the Oti plain in the Savanes region.

The *service hubs* comprise commercial, tourist, and other service centers (business financial, telecommunications, teleservices).

With regard to *commercial centers*, in Togo there are strategic trade hubs that bring together commercial actors, sometimes outside the nation's borders. Indeed, the commercial dynamism of places like Vogan, Tsévié, Tabligbo, and Assahoun in the Maritime region; Anié, Atakpamé, Kpalimé, Adéta, Gléï, Wahalla, Amou-Oblo, Elavagnon, Zogbégan, Kpèkplémè, Kati, Akpéssémé, Kougnonhou, Oké-Adogbénou, Kpélé-Elé, Agbonou, Morétan, and Badou in the Plateaux region; Sokodé, Tchamba, Adjengré, Djarkpanga, Pagala Gare, and Blitta in the Centrale region; Kétau, Bafilo, Kara, Agbébou, Bandjéli, Namon, Kpatchilé, Siou, Massadéna, Nandoundja, Koulfièkou, Kouka, Bassar, Matchatom, Nadoba, Niamtougou, Broukou, Guérin-Kouka, Ossacré, Hélot, M'Boratchika, and Kabou in the Kara region; and Cinkassé, Koundjoaré, Gando, Pognon, Barkoissi, Takpamba and Tambinamong, and Yembour in the Savanes region make them genuine subregional markets and commercial hubs. The Government will advance the attraction and competitive edge of these hubs by equipping them with modern market infrastructure and making them accessible to other regions in Togo and even other countries in the subregion.

For the *tourist and cultural centers*, the Government intends to promote ecotourism and cultural tourism, supported by clusters of tourist projects judiciously distributed around the country. Among the numerous sites are: the slave house, Lake Togo (Agbodrafo), the forests of Ando kpome, the crocodile dam (Gapé), the Togbé Mikpé site (Kouvé) and the zoo-botanical park of Bayémé in the Maritime region; the Kpimé and Akloa falls, Agou Peak, the historic sites of Kamina, the Tado shrine, the military cemetery of Amou and Kpalimé, the falls of Ayome, Wouame, Agoumatcha, Gbaledjé, the royal palace of Lonfo, the ancestral site of Dawlotu and the wall of Agbogbo in the Plateaux region; the forest of Abdoulaye and Fazao Park in the Centrale region; the blast furnaces of Bandjéli and Nangbani, the castles of Koutamakou and the Djamdè-Sarakawa wildlife complex, the falls of Yaka, Bafilo and the Kara River, Namon, the mystical cayman site at Bapuré; the hall of the cantonal

chief of Bassar, the forges of Tcharè, PyaKadjika, Yadè, the Lankondé and Tcharè-style potteries, the Alédjo rift, the governor's site in AlédjoKadara, the caves of Soudou, the witches' den of Alédjo, Kantanbolo pond, the ruins of the German camp at Ibobò-Nandouta, the site of the teats of Togo, the Dandjane site, Kpéssoulé Mountain, the musical rocks of Binah and the German garden of Tchatchaminadè, in the Kara region; the Oti-Kéran, Oti-Mandouri, Galangashi and Dung classified forests, the caves of Nano, the rock paintings of Namoundjoga and the Pana crocodile pond, and the Boadé dam sheltering crocodiles in the Savanes region.

*Developing service hubs*, for example financial, telecommunication, and teleservice centers, holds promise for the emergence of regional economies. Service hubs developed around large cities, such as Tsévié, Atakpamé, Sokodé, Kara, and Dapaong, will enhance the role of these cities as regional capitals. They will also expand the influence of mid-sized cities, such as the other prefectural capitals, especially the poorer ones, and transform them into employment niches as well.

However, implementing this strategy can yield results only if certain policies, such as decentralization and land-use planning, are applied at the same time. They also require continuing reform in the primary sector (agriculture and stock-raising), secondary sector (privatization, business climate, factor costs), and tertiary sector (telecommunications).

### *C) Balanced Development of Human Capital*

Regional development and growth hubs require establishing minimum human-resources potential. This assumes balanced development of human capital through access to education, health care, drinking water, and sanitation so as to meet the human-resources needs of the regional centers.

Comparing results of the 2006 and the 2011 QUIBB surveys reveals inter- and intraregional disparities in access to water and sanitation, energy, education, and health care. In terms of access to drinking water, the Plateaux region has the lowest indicator (38 percent) in relation to Togo's other regions. In the area of sanitation, the Kara region (18 percent) has the most degraded hygiene conditions, with the country's lowest rate of toilet use. In terms of energy, the Savanes region exerts the most pressure on the environment with a rate of 80 percent for use of firewood. It is followed by the Maritime region (77 percent). The rate of access to electricity is also low (10 percent). In education and literacy, the Savanes region has the lowest primary-school enrollment (72 percent) and the lowest literacy rate (32 percent). In terms of secondary education, the Savanes region has the lowest net enrollment (28 percent). In the area of health care, the Savanes region shows the highest percentage of people who do not access health-care services (84 percent).

Given these conditions, the Government will boost some of its general educational efforts toward significantly improved availability and access to primary and secondary education and literacy in those regions with school enrollment lower than the national average, and particularly in the Savanes region. Further, in each region the Government will implement a minimum package for technical instruction and vocational training necessary to produce qualified human resources. For health care, general measures are aimed at expanding availability and access to health care in regions where there are difficulties in this area, particularly the Savanes region. For access to drinking water and sanitation, the Government will improve access to drinking water and improve sanitation in poorly supplied regions (Plateaux and Kara regions) by repairing and installing hydraulic and sanitation infrastructure.

### *D) Building Balanced Infrastructure to Support Growth*

The Government plans to support the emergence of regional hubs by putting in place incentives promoting private entrepreneurship by developing transport, energy, and telecommunications infrastructure. To achieve this, it is committed to extending urban roads, electricity, and water systems to the outskirts of Lomé, and improving the sanitation system and the quality of urban streets and roads in the city of Lomé.

For the administrative regions, the main rural roads will be opened up or repaired in each region so that all growth and development hubs to be accessible. National and international highways strategic for hub development will be repaired or paved. In addition, medium-term planning calls for villages

gradually to have electricity and for telecommunication networks to expand in each region.

Urban mass transit, which is mainly private, does not let people move about quickly at any time of the day. The Government, coordinating with the municipalities and private sector, will strive for better organization of the sector and improved rural and urban mass transit.

The Government plans to expand the electrical grid and promote the development of renewable energy in rural centers to encourage the growth of SMEs. Access to electricity in all regions will be improved from 23 percent in 2010 to 40 percent in 2017 and 42 percent in 2020.

Measures will be taken to establish and improve the Internet in all prefectures. The digital divide will be reduced, allowing disadvantaged segments of the population to be in a position to bear the costs of communication.

#### *E) Spatialization of Development Projects and Programs*

The objective here is to ensure that the regional dimension is considered when public investment projects are formulated. Therefore, the Government will ensure that this dimension is integrated at both sector and central levels.

The important first step is to conduct a strategic review of each sector to determine which projects to apply to each region of the country. This should lead to drafting project maps and development schedules for each region and sector. In local communities, the same review will be conducted for development hubs planned for each region, also for the measures called for as part of balanced human resource development and balanced infrastructure improvement in support of growth. Based on the results of these reviews, the Government will promote clusters of development projects and programs across the country to serve as benchmarks for all planning (central, regional, and local). For each cluster, the Government envisions a project and program package derived from the sector project maps by region, and maps of projects based on regional development hubs and regional social safety nets. For each cluster or group of clusters, a spatial agenda will be prepared, placing the various project sites in an overall diagram, with a consistent vision, better-thought-out geographic positioning, and mapping documents. This will prepare Government for implementing, down the road, its integrated approach to national development, starting from regional and local development plans and strategies and bringing them into a national development strategy.

For the central aspect of spatializing development projects and programs, the Government will prioritize its budget discussions according to the project and program clusters focused on the regions, i.e., negotiations at inter- and intrasector budget conferences will center on these clusters in keeping with the PAP developed for SCAPE implementation. Budget allocations will be aligned with the priorities of these development clusters, and special attention will be paid to Togo's poorest and most vulnerable regions. The Government is thus reaffirming its commitment to carry to term the joint initiative to promote the Millennium Cities Initiative (MCI) and to reduce poverty in Togo.

#### **2.3.5.3. Environment, Sustainable Management of Natural Resources, and Quality of Life**

Land and water ecosystems are multifunction systems that furnish vital services to people (water intake and retention, soil preservation, air purification, climate regulation, natural landscape and recreation, religious value, etc.). The area of managed forests needed to protect water and soil is estimated at 200,000 hectares (ha). Forest galleries contribute to protecting the banks of certain bodies of water. Togo's mountainsides are covered in forests serving principally to protect these fragile ecosystems against erosion and landslides. Togo still has several viable protected areas representing about 10 percent of national territory—they are true sanctuaries of wildlife biodiversity.

#### *A) Maintaining Environmental Services and Preserving Biodiversity*

To preserve the role of ecosystems and hold on to their value, Government measures will aim to: (i) conserve, rehabilitate, and sustainably manage protected areas, the mangrove swamps, and wetlands; (ii) protect the forests, waterways, and fragile ecosystems, and fight brush fires; (iii) conserve biodiversity and promote biosecurity; and (iv) encourage involvement by all stakeholders in managing environment.

### ***B) Sustainable Land Management***

Sustainable land management refers to the utilization of natural resources (including soil, water, plants, and animals) to produce goods meeting human needs as they develop, while retaining the production potential of these resources long-term and maintaining their environmental functions. The extreme pressure on natural resources in Togo is evident in deforestation, estimated at 15,000 ha per year; accelerated soil degradation; recurring natural disasters; the silting up of bodies of water; and the disappearance of several plant and animal species. This situation has drawn attention to decline in the land's productivity, hence to loss of income, and has created insecure living conditions.

Given this vicious cycle of poverty and overexploitation of natural resources in Togo, the Government will implement measures that: (i) reduce human pressure on forest resources; (ii) make State forests more secure, involving both men and women equally; (iii) promote good practices in sustainable management of land, forest, and water; (iv) make integrated, sustainable, rural development a priority that includes agriculture, silviculture, and stock raising.

### ***C) Combating Climate Change***

Managing climate change remains a major Government concern. Strengthening the institutional framework for implementing the United Nations Framework Convention on Climate Change (UNFCCC) and adapting principal development sectors to climate change remain challenges to be faced. The Government is determined to: (i) expand the national dialogue in multiple sectors, among multiple stakeholders; (ii) update and implement the National Action Plan for Adaptation to Climate Change (PANA—*Plan d'Action National d'Adaption aux changements climatiques*); and (iii) formulate and implement a low-carbon-emissions development strategy to engage the country in a long-term mitigation process.

The sectors identified as the most vulnerable to climate change and for which adaptation/mitigation measures must be a priority include: agriculture, forestry, energy, water resources, human settlements, health, and the coastal area.

### ***D) Managing Disasters Effectively***

Togo faces issues in preventing, reducing, and managing natural disasters (floods, droughts, erosion, landslides, and storms) and technological risks.

Therefore, the Government plans to: (i) promote capacity-building for those institutions and stakeholders responsible for national policy on disaster-risk reduction; (ii) raise integrated land and disaster management to the national level; (iii) take disaster-risk-reduction issues into account in development programs; (iv) identify and manage at-risk areas to improve flood management.

### ***E) Sustainably Managing the Coastal Area***

Given the scope of problems specific to coastal areas, especially coastal erosion and its effect on the national economy (the port, industry, etc.), population pressure, and industrial pollution, the Government plans to: (i) design and implement a coastal development plan; (ii) establish a coastal information and monitoring system; (iii) organize a framework for integrated coastal planning and management; (iv) combat coast erosion and its impacts; and (v) combat sea pollution.

### ***F) Sustainably Managing Quality of Life***

The main quality-of-life challenges facing Togo stem from the proliferation of all types of waste; inadequate solid and liquid sanitation infrastructure; pollution; inadequate urban and sanitation equipment and infrastructure; a weak housing sector; and rampant and uncontrolled urbanization leading to excessive spatial expansion of the cities.

Government priorities in this area are to: (i) promote capacity building in quality-of-life management; (ii) reorganize the housing sector; (iii) improve existing buildings; (iv) mobilize and judiciously allocate financial resources in favor of housing; (v) establish an environmental watchdog agency; (vi) design and implement a national housing and urban development policy; (vii) rationalize management of all types of waste; and (viii) implement the National Environmental Policy (PNAE—*Plan National*

*d'Action pour l'Environnement).*

**G) Comprehensive Environmental Management Actions and Transition to a Green Economy**

There is a need to begin transitioning to a green economy so as to reduce poverty and achieve the objectives of sustainable development that will optimize the resulting benefits, and in particular: (i) enhance and improve natural capital; (ii) optimize economic benefits; (iii) promote employment; (iv) increase purchasing power; (v) reduce poverty; and (vi) reduce social inequalities and wasted resources.

Therefore, the Government's long-term goal is to implement a national green-economy strategy and to promote sustainable forms of production and consumption and corporate social responsibility (CSR) through specific sector policies, especially for renewable energy, energy efficiency, sustainable agriculture, sustainable tourism, industrial development, the exploitation of mines and forests, waste management, and public transportation. To ensure sustainable development, and in keeping with the Environmental Framework Act (EFA), the Government will reinforce the culture and practice of environmental and social evaluation of public- and private-sector programs and projects. It also intends to improve communication, information, and monitoring of environmental management indicators.

### **CHAPTER 3: MACROECONOMIC AND BUDGET FRAMEWORKS FOR THE SCAPE**

This chapter anticipates the main macroeconomic developments for the period and examines more closely the context in which Government decisions will be implemented. It also analyzes the quantitative impact of the directions chosen in the SCAPE with respect to:

- The overall growth profile, as well as sector contributions, levels of investment, and financing of the economy as a whole (the macroeconomic framework);
- The public expenditure profile produced by allocating budgetary resources to economic sectors so as to finance priority programs (budget framework);
- The prospects for reducing the rates of underemployment and poverty resulting from the growth and public expenditure profiles.

#### **3.1 MACROECONOMIC FRAMEWORK**

##### **3.1.1. Baseline Scenario**

This concerns the main scenario for the macroeconomic framework. It is in line with the officially validated data from the Togo GDP Committee, verifying the points of coherence required between the four large groups of accounts (real sector, balance of payments, Government financial operations, and the monetary situation), in accordance with WAEMU convergence criteria and debt sustainability criteria.

Togo's economy has displayed promising beginnings of growth over the past three years; after GDP growth in real terms averaged 4.1 percent for 2009–2011, economic growth is estimated at 5.6 percent for 2012.

The poverty situation in 2011 confirms the need for the Government and all its partners to pursue efforts to consolidate the bases for stronger economic growth that creates jobs and reduces poverty and inequality. The realization of these planned objectives depends on the effective implementation of the many reforms already started: a wise effort, but one that is sustained by addressing the shortfall in Togo's development infrastructure and by the continued strengthening of the macroeconomic framework.

The prospects for economic growth in Togo are presented against the backdrop of difficult international circumstances marked by the financial crisis. The signs of recovery observed in 2012 are

not strong enough to sustain Togo's demand for cash crops permanently. In the hypotheses that underpin the scoping exercise, cotton prices should decrease from 230 c/kg<sup>23</sup> in 2012 to 218 c/kg in 2016. The prices of coffee (*Arabica*) and cocoa are likewise expected decrease from 500 c/kg to 367 c/kg, and from 270 c/kg to 219 c/kg respectively for the same period. The price of phosphate is expected to decrease to 136\$/mt<sup>24</sup> in 2016, from 165 \$/mt in 2012. With oil, its price will also tend to decrease, from \$110.70 to \$104.2 per barrel between 2012 and 2017. In the WAEMU zone, despite food shortages that will continue to rage in the Sahel, indications point to recommencement of activity in conjunction with the return to stability in Côte d'Ivoire and the strong economic growth predicted for Niger in the coming years. This subregional context provides Togo with trade opportunities, particularly for food products.

The growth in GDP volume applied to the estimates of macroeconomic aggregates for previous years and new hypotheses regarding prices show that the trend in GDP growth will continue, with an average growth of 5.9 percent per annum in real terms for the 2013–2017 period. This growth will mainly be due to growth in the secondary sector (2.5 percent) and the primary sector (1.6 percent). The tertiary sector's contribution will be on the order of 1.3 percent, and that of import duties and taxes will average 0.5 percent.

*For the primary sector*, the projected average growth rate (4.5 percent) is said to be linked much more to the strong performance of cash crops (which, despite the weak prices on international markets, should see an average 13 percent increase in production volume) than to food crops (3.2 percent). In the livestock sector, production is expected to increase by an average 3.7 percent in response to the intensification efforts as desired by the Government.

*In the secondary sector*, projections indicate an average increase in value added of 10.9 percent for the 2013–2017 period. This performance will be attributable to the mining industry (21.6 percent) and building and public works (13.1 percent). The predicted rapid expansion of building and public works will be attributable to the desire to address a deficit in Togo's development infrastructure. The projected average growth rates in value added by manufacturing industries and utilities (electricity, water, and gas) are 5.5 percent and 4.1 percent respectively.

It should be noted that Government policy implies realizing mining potential using private capital. The 2013–2017 period will therefore bring continued restructuring and deregulation of the mining industry.

*In the tertiary sector*, an average annual growth rate for the period of 5.4 percent is expected. This will be sustained by growth in services in banking and insurance (9.5 percent), which stand to benefit from the positive effects of financial sector privatization; transport and communication (5.6 percent), due to the projected improved transportation chain around the PAL and recovery of activity in the primary and secondary sectors; and trade (4 percent), which stands to benefit from the improved business climate.

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<sup>23</sup> c/kg = cents per kilogram. One (1) cent is equal to one hundredth of one dollar.

<sup>24</sup> \$/mt = Dollars per milliton. One (1) milliton is equal to 10<sup>-3</sup> tons.

**Table 12: Changes in Sector Growth for 2012–2017 (percent)**

Year	2012	2013	2014	2015	2016	2017
	Est.	Proj.	Proj.	Proj.	Proj.	Proj.
<b>Primary Sector</b>	<b>4.6</b>	<b>3.1</b>	<b>4.1</b>	<b>3.5</b>	<b>5.4</b>	<b>6.2</b>
Agriculture	3.3	2.4	3.7	2.8	5.5	6.6
Food crops	2.0	2.0	2.0	2.0	5.0	5.0
Cash crops	19.8	6.4	2.8	9.6	9.6	18.7
Livestock/forestry/fishing	9.2	3.7	3.7	3.7	3.7	3.7
<b>Secondary Sector</b>	<b>13.9</b>	<b>12.7</b>	<b>1.6</b>	<b>9.7</b>	<b>9.1</b>	<b>12.4</b>
Mining	32.4	26.1	18.5	19.5	2.6	23.6
Phosphates	53.2	38.3	23.2	27.9	27.8	3.9
Clinker	14.1	11.9	1.9	5.5	5.4	5.8
Other	18.5	15.1	14.5	1.6	12.2	12.9
Manufacturing industries	7.6	9.2	6.5	4.8	1.8	5.4
Construction and public works	2.3	12.5	14.6	11.8	12.4	14.2
Electricity, water, and gas	2.6	5.5	3.5	3.4	3.3	4.9
<b>Tertiary Sector</b>	<b>5.4</b>	<b>6.3</b>	<b>6.3</b>	<b>9.2</b>	<b>2.9</b>	<b>2.6</b>
Trade	4.1	3.4	1.0	14.6	1.5	-6
Transport, warehousing, and communications	3.0	7.4	5.8	5.8	4.8	4.4
Banking and insurance	5.6	15.2	12.8	3.6	2.9	13.0
Other commercial services	9.6	6.1	11.0	8.6	2.7	1.0
<b>Bank Service Charges</b>	<b>5.5</b>	<b>12.3</b>	<b>11.3</b>	<b>2.8</b>	<b>3.1</b>	<b>12.8</b>
<b>Import Duties and Taxes</b>	<b>-6.1</b>	<b>3.4</b>	<b>13.3</b>	<b>1.4</b>	<b>13.2</b>	<b>4.0</b>
<b>Value Added Tax (VAT)</b>	<b>4.3</b>	<b>-5.3</b>	<b>1.3</b>	<b>3.4</b>	<b>4.5</b>	<b>2.8</b>
<b>GDP at constant prices</b>	<b>5.6</b>	<b>5.8</b>	<b>5.9</b>	<b>6.0</b>	<b>5.9</b>	<b>6.1</b>

Source: GDP Committee, July 2012

With a view to strengthening the material basis for development in the country, this scenario foresees an average investment rate of 20.9 percent per year for the period—2.3 percent higher than the rate recorded for the 2009–2011 period (18.6 percent). Private investment should reach an average 10.1 percent of GDP, versus 11.3 percent for the 2009–2011 period. In view of this, the public investment rate will increase from 7.3 percent to 10.8 percent, in line with the investment plan that the Government plans to implement with a view to improving the levers of growth, specifically in transport, agriculture, industry, and mining. In addition, this scenario assumes increasing the effectiveness of actions aimed at improving the quality of public investment, as well as improving absorption capacity for credits allocated to capital expenditures.

In total, economic growth will be strengthened over the period, with growth increasing from 5.6 percent in 2012, to 5.8 percent in 2013, and reaching 6.1 percent in 2017—an annual average of 5.9 percent for 2013–2017.

Economic growth is expected to be accompanied by control over inflation, which should average 3.3 percent. Inflation is expected to be 4.2 percent in 2013 and 3.6 percent in 2014, after which it should rapidly soften to stabilize at around 2.9 percent in the following years. This control over inflation will result from cereal production anticipated for 2013–2017. It will also come from good management of monetary policy.

The projected Government financial operations for 2013–2017 take into account the objectives agreed upon with the Bretton Woods institutions for the period 2013–2015. The projections are based on changes in GDP and take into account aspects such as domestic demand and overall imports of goods and services.

Revenues and grants for 2013–2017 should see an average growth of 9.3 percent, thanks to Government efforts to generate tax revenue and support external partners in the form of grants.

Tax revenue should increase from 366 billion CFAF in 2013 to 512.4 billion CFAF in 2017—an average annual increase of about 10 percent. This should lead to an improvement in the tax ratio, which will increase from 17.8 percent to 18.8 percent between 2013 and 2017. This development reflects the expected positive impact of reform that enlarges the tax base by strengthening the single-taxpayer, identification system, reducing tax and customs exemptions, improving the network for collection, and making collection procedures more transparent. In addition, it integrates the Government's ambition to increase the share of domestic resources used to finance public investment expenditure. External resources will account for an average of 154.9 billion CFAF per year.

Public expenditure should increase from 22.9 percent of GDP for 2009–2011 to 25.3 percent, based on public investment, the average share of which in GDP should increase by 3.5 points: from 7.3 percent for 2009–2011, to 10.8 percent for 2013–2017. The structure of current expenditure relative to total expenditure will be significantly altered in the sense that current expenditure will gradually decrease (from 67.5 percent for 2009–2011 to 57.5 percent for 2013–2017), to the benefit of capital expenditure, which will increase from an average of 32.5 percent for 2009–2011 to an average of 42.5 percent for 2013–2017, with an increasing contribution to investment financing coming from domestic resources (from an average of 3.2 percent of GDP for 2009–2011 to 4.3 percent for 2013–2017).

As a result of this change in revenue and expenditure, the basic primary balance will emerge with a surplus of 0.8 percent of GDP in 2013 to strengthen to 1.4 percent and 1.9 percent in 2016 and 2017 respectively—a trend that is in conformance with WAEMU prescriptions, which require that the economy show a surplus, i.e., a positive basic primary balance. The current account balance will display a surplus of 4.9 percent of GDP, or 2.3 points more than for the period 2009–2011, indicating the State's ability not only to cover current expenses, but also to accumulate domestic savings so as to contribute to the financing of investment expenditure. The overall deficit balance (excluding grants) will average 5.9 percent of GDP for the period. This indicates the extent of the budgetary effort required to balance the State's financial situation. Moreover, it is assumed that project grants amounting to 3.3 percent of GDP will be needed to reduce this deficit and to bring it to a more sustainable 2.6 percent of GDP.

The cash-based overall budget balance (including grants) should result in a deficit and a need for financing averaging 63.2 billion CFAF for the period covered by the SCAPE. It is expected that Togo will receive assistance from the IMF's Extended Credit Facility (ECF) to the value of 44 billion CFAF over the period 2012–2015, which will allow it to also address its deficits based on other financing (net interior and exterior) for 2013–2017.

**Table 13: Change in State Financial Operations (CFAF Billions)**

	2012	2013	2014	2015	2016	2017
	Est.	Proj.	Proj.	Proj.	Proj.	Proj.
<b>Revenues and Grants</b>	<b>412.46</b>	<b>459.1</b>	<b>507.6</b>	<b>55.1</b>	<b>584.9</b>	<b>629.1</b>
<b>Total Revenues</b>	<b>341.1</b>	<b>392.3</b>	<b>429.8</b>	<b>47.7</b>	<b>503.7</b>	<b>541.3</b>
Tax revenues	304.1	366.0	403.1	443.4	475.8	512.4
Tax administration (DGI)	134.1	164.3	21.5	233.9	24.6	264.0
Customs administration (DGD)	17.0	201.7	192.6	209.5	235.2	248.4
Non-tax revenue	37.0	26.3	26.7	27.3	28.0	29.0
<b>Grants</b>	<b>71.4</b>	<b>66.8</b>	<b>77.8</b>	<b>79.4</b>	<b>81.2</b>	<b>87.9</b>
<i>Project grants</i>	71.4	66.8	77.8	79.4	81.2	87.9
<i>Program grants</i>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Expenditure and Loans</b>	<b>593.1</b>	<b>529.5</b>	<b>577.0</b>	<b>621.5</b>	<b>643.7</b>	<b>675.3</b>
Current expenditure	302.9	303.5	327.5	36.5	372.7	387.9
Wages and salaries	108.7	126.2	137.2	147.1	153.3	161.4
Good and services	72.8	6.0	72.0	75.6	79.4	83.4
Transfers and subsidies	93.4	91.4	92.3	93.2	94.2	96.1
Other	1.8	11.4	11.5	22.5	3.4	31.5
Interest	17.2	14.6	14.5	15.2	15.4	15.5
Public investment	29.2	226.0	249.5	261.0	271.0	287.4
Financed using domestic resources	106.6	87.4	10.5	105.5	11.8	116.3
Financed using external resources	183.6	138.6	149.0	155.5	16.2	171.1
<b>Primary Domestic Balance</b>	<b>-128.2</b>	<b>-35.3</b>	<b>-32.3</b>	<b>-3.1</b>	<b>-13.8</b>	<b>-2.2</b>
<b>Current Account Balance</b>	<b>38.2</b>	<b>88.8</b>	<b>102.3</b>	<b>11.2</b>	<b>131.1</b>	<b>153.5</b>
<b>Overall Balance, Commitment Basis (incl. grants)</b>	<b>-18.6</b>	<b>-7.5</b>	<b>-69.4</b>	<b>-71.4</b>	<b>-58.8</b>	<b>-46.1</b>
<b>Overall Balance, Commitment Basis (excl. grants)</b>	<b>-252.0</b>	<b>-137.2</b>	<b>-147.2</b>	<b>-15.8</b>	<b>-14.0</b>	<b>-134.0</b>
<b>Finance</b>	<b>18.6</b>	<b>7.5</b>	<b>69.4</b>	<b>71.4</b>	<b>58.8</b>	<b>46.1</b>
<i>Net domestic finance</i>	68.4	14.8	-7.8	-8.8	-9.8	-1.8
<i>Net external finance</i>	108.7	68.8	73.4	77.4	79.4	84.5
<b>Remaining need for financing/financing deficit (negative value indicates surplus)</b>	<b>3.5</b>	<b>-13.1</b>	<b>3.8</b>	<b>2.8</b>	<b>-1.8</b>	<b>-27.6</b>
<b>GDP at current prices in billions of CFAF</b>	<b>1,878</b>	<b>2,057</b>	<b>2,241</b>	<b>2,426</b>	<b>2,578</b>	<b>2,732</b>

Source: GDP Committee, July 2012

As regards external accounts, the average import and export propensities are projected to be 57.5 percent and 41.3 percent respectively, reflecting: (i) the increased demand for imported intermediate capital and consumer goods, in line with the investment rate; and (ii) the increased production of the non-tradable goods phosphate, cement, coffee, cocoa, and cotton. The balance on current account transactions is expected to display a deficit of 6.1 percent of GDP on average for 2013–2017, but in accordance with a decreasing trend (from 7.5 percent in 2013 to 5.1 percent in 2017).

As regards the monetary situation, the following are anticipated: (i) having an average reserve worth 3.6 months of imported goods and services in net foreign assets; (ii) fixing the velocity of money at 2; and (iii) allowing an average annual growth in credit to the economy of 15.5 percent, reflecting the private sector's need for financing.

As regards the observed situation with regard to inequalities as measured by the results of the QUIBB of 2011, the growth profile of the base scenario will contribute to reducing the overall incidence of poverty by 11.4 points, from 58.7 percent in 2011 to 47.3 percent in 2017. However, in the presence of effective redistribution policies it could be reduced by 15.8 points by 2017. This growth should translate into a reduction in the rate of underemployment by 3.5 points, from 22.8 percent to 19.3

percent.

The situation concerning the WAEMU convergence criteria is presented in the table below.

**Table 14: Situation Concerning Convergence Criteria for 2012–2017 (Base Scenario)**

	WAEMU standard	2012	2013	2014	2015	2016	2017	Average 2013–2017	Convergence Criteria Met?
<b><u>First Order Criteria</u></b>									
Underlying budget balance to nominal GDP (percent)	≥ 0%	-4.4	.07	.08	.19	.78	1.36	.50	Yes
Annual average inflation rate (percent)	≤ 3%	2.5	4.2	3.6	2.9	3.0	3.0	3.3	No
Outstanding public debt to nominal GDP (percent)	≤ 70%	22.6	17.4	13.6	1.7	7.9	6.4	11.2*	Yes
Variation in internal and external payment arrears	0	0	0	0	0	0	0	0	Yes
<b><u>Second Order Criteria</u></b>									
Wage bill to tax revenues (percent)	≤ 35%	35.7	34.5	34.0	33.2	32.2	31.5	33.1	Yes
Investments to domestic resources to tax revenues (percent)	≥ 20%	35.1	23.9	24.9	23.8	23.3	22.7	23.7	Yes
Current account balance (excl. grants) to GDP (percent)	≥ -5%	-8.1	-7.7	-6.7	-6.1	-5.5	-5.0	-6.2	No
Tax ratio (percent)	≥ 17%	16.2	17.8	18.0	18.3	18.5	18.8	18.3	Yes

*Source: GDP Committee, July 2012*

*\* Not including new withdrawals*

### 3.1.2. Accelerated Growth Scenario

The accelerated growth scenario is voluntarist. It bases its assumptions on the same general hypotheses and projections concerning developments in the global economy. It postulates the vigorous pursuit of reform and a more significant impact by the policies, programs, and projects of the SCAPE. It is based on the need to quickly reduce poverty by rapidly achieving a high growth rate and having a strong impact on the living conditions of the population. While in the base scenario it will take until 2035 to double the income per capita, for the accelerated growth scenario this objective will be achieved in 2029—six years sooner.

In this scenario, the emphasis will be on making public expenditure more effective concerning the achievement of the MDGs, while paying particular attention as much to productive investment as to current account expenditure on social sectors, but also to employment and well-targeted transfers to vulnerable groups.

The accelerated growth scenario is the scenario desired by the SCAPE. It counts on regular, stronger growth in the various activities of the sectors with strong growth potential as indicated in the SCAPE. Hence, agriculture should grow at a higher rate (6.3 percent) than in the base scenario (4.2 percent), by counting on the continued implementation of the Government's policy for supporting growth in food production and the successful implementation of the PNIASA. This development would be carried by cash crops, whose real growth for the period would average 21.5 percent, versus 13 percent in the base scenario. Likewise, reforms are expected in the mining industry, which will boost phosphate mining and could grow it at an average annual rate of 30.2 percent (versus 21.7 percent in the base scenario), as well as boosting clinker production, whose real growth would average 18.2 percent (versus 8 percent in the base scenario). In addition, developments in other mining industries would take into account the hoped-for recommencement of iron and marble production activity. The

growth rate for this sector would average 25 percent (versus 21.6 percent in the base scenario). As for building and public works, projected growth (21 percent on average, versus 13.1 percent for the base scenario) reflects the positive effects expected from investment in modernization and/or reconstruction of economic infrastructure.

**Table 15: Change in Sector Growth (percent)**

Year	2012	2013	2014	2015	2016	2017
	Est.	Proj.	Proj.	Proj.	Proj.	Proj.
<b>Primary Sector</b>	<b>5.1</b>	<b>5.3</b>	<b>6.1</b>	<b>6.5</b>	<b>6.6</b>	<b>6.9</b>
Agriculture	4.9	5.7	5.9	6.3	6.6	6.9
Food crops	3.8	4.4	4.4	4.6	4.6	4.7
Cash crops	18.5	21.3	21.4	21.6	21.6	21.7
Livestock/forestry/fishing	5.7	4.3	6.6	6.8	6.9	6.9
<b>Secondary Sector</b>	<b>12.4</b>	<b>13.3</b>	<b>14.3</b>	<b>15.2</b>	<b>15.8</b>	<b>16.4</b>
Mining industry	2.3	23.4	24.6	25.3	25.7	26.2
Phosphates	25.0	29.0	3.0	3.7	3.7	3.8
Clinker	15.0	17.2	18.1	18.4	18.6	18.6
Other	18.5	21.2	22.3	22.6	23.0	24.1
Manufacturing industries	1.0	11.5	11.8	12.1	12.1	12.2
Construction and public works	17.0	19.5	2.5	21.6	21.7	21.8
Electricity, water, and gas	3.0	3.4	3.6	3.8	4.0	4.1
<b>Tertiary Sector</b>	<b>3.5</b>	<b>5.9</b>	<b>5.9</b>	<b>6.4</b>	<b>6.4</b>	<b>6.5</b>
Trade	4.5	6.0	6.0	6.4	6.4	6.5
Transport, warehousing, and communications	5.0	5.7	5.7	6.3	6.3	6.4
Banking and insurance	5.5	6.3	6.5	7.0	7.1	7.2
Other services	5.0	5.7	5.8	6.3	6.3	6.3
<b>Bank Service Charges</b>	<b>5.1</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>
<b>IDT and VAT</b>	<b>4.5</b>	<b>4.7</b>	<b>4.9</b>	<b>4.9</b>	<b>4.4</b>	<b>4.4</b>
<b>GDP at constant prices</b>	<b>5.6</b>	<b>6.0</b>	<b>6.6</b>	<b>7.2</b>	<b>7.6</b>	<b>8.1</b>

*Source:* Estimates/predictions MEF-MPDAT, August 2012

The accelerated growth scenario postulates an average investment rate of 24.7 percent for 2013–2017, versus 20.9 percent for the base scenario. The rate of public investment is expected to average 13.3 percent (2.5 percent more than the base scenario), while the rate of private investment would average 11.4 percent.

In total, the rate of economic growth will increase over the period, from 6 percent in 2013 to 8.1 percent in 2017, or an annual average of 7.1 percent for the period (1.2 percent higher than the base scenario), and corresponding to an improvement in per capita GDP of 4.1 percent (1.1 percent more than in the base scenario).

It is expected that economic growth will be accompanied by control over inflation, which would average 3.1 percent.

Tied to the higher investment rate, the average import propensity should be 62 percent of GDP, or 4.5 points higher than the base scenario, while at 43.6 percent (2.3 points higher than the base scenario) the export propensity would reflect the increase in the production of cash crops and other tradable goods for export. The balance of current account transactions would indicate a deficit of an average of 8.6 percent of GDP (1.4 times higher than the base scenario) for 2013–2017.

The growth profile that underpins the accelerated growth scenario is expected to give rise to a recovery in economic activity, and hence enlargement of the tax base, and, as a result, increased revenues for the State. Total Government revenues should be up by an average of 19.3 percent, from 414.1 billion CFAF (20.2 percent of GDP) in 2013 to 734.3 billion CFAF (25.3 percent of GDP) in

2017. The tax ratio is expected to average 20.96 percent for 2013–2017, versus 16.1 percent for 2009–2011, or nearly 4 points above the WAEMU-required level (WAEMU convergence program) of 17 percent for 2013.

Public expenditure should increase from an average of 22.9 percent of GDP in 2009–2011 to 31.8 percent for 2013–2017, the result of an increase of 6 points in the investment rate, which will increase from an average of 7.3 percent in 2009–2011, to 13.3 percent in 2013–2017. The ratio of current-account expenditure to total expenditure will decrease from 59.8 percent in 2013, to 58.0 percent in 2017. This will benefit investment expenditure, which will increase from 40.2 percent to 42.0 percent.

No new financing other than that already identified in the base scenario has been included in the accelerated growth scenario. This hypothesis implies a deterioration in the various balances, with a corresponding need for financing in the order of 146.3 billion CFAF on average per year, or 83.1 billion CFAF per year more than in the base scenario.

**Table 16: Projected Financing Scheme for the Accelerated Growth Scenario (CFAF Billions)**

	2013	2014	2015	2016	2017	Total	Average
Cost of the SCAPE, excl. debt, including net loans	618.3	692.7	774.6	861.0	1009.0	3955.6	791.1
Recurrent expenditure	366.0	40.1	447.1	492.4	585.2	229.8	458.1
Capital investment	246.3	286.1	32.5	368.5	423.8	1645.2	329.0
of which domestic resources:	102.9	119.7	136.6	154.3	166.4	679.9	136.0
Financing using domestic resources	414.1	482.3	565.3	635.0	734.3	2,831.0	566.2
External financing	135.6	151.2	156.7	16.5	172.4	776.5	155.3
Grants (projects)	66.8	77.8	79.4	81.2	87.9	393.1	78.6
Need for financing excl. grants	-204.2	-21.4	-209.3	-226.0	-274.7	-1,124.6	-224.9
including grants	-137.4	-132.6	-129.9	-144.8	-186.8	-731.5	-146.3
Finance	137.4	132.6	129.9	144.8	186.8	731.5	146.3
Net domestic finance	14.8	-7.8	-8.8	-9.8	-1.8	-22.4	-4.5
Net exterior finance	68.8	73.4	77.4	79.4	84.5	383.5	76.7
Additional gap (neg. value indicates surplus)	53.8	67.0	61.3	75.2	113.1	37.4	74.1
GDP at current prices	2,047.8	2,245.7	2,482.1	2,68.5	2,907.1	12,363.5	2,472.7

*Source:* MEF-MPDAT estimates/predictions, August 2012

The outcomes of the macroeconomic framework will lead to budget resources and a projected financing plan that will sustain a higher growth rate, promote employment, and reduce inequalities. For 2013–2017, the target for average annual GDP growth is 7.1 percent.

The overall cost for the implementation of the SCAPE is estimated at an average of 791.1 billion CFAF per year (excluding the debt burden), against an average national financing capacity averaging 566.2 billion CFAF.

The overall cost of investment will increase to an average of 329 billion CFAF (41.6 percent) per year. As to recurrent expenditure, it is estimated at an average of 458.1 billion CFAF per year, representing 57.9 percent of the cost of financing the SCAPE.

The financing of the SCAPE will comprise 71.6 percent government budgetary resources and 19.6 percent external resources. From this emerges an additional gap of 8.8 percent of the overall cost of the SCAPE (including the variation in arrears estimated at 0.5 percent of overall cost). This gap will be covered by mobilizing national and subregional savings, including from the Togo diaspora, by issuing bonds and through PPPs.

External resources (preferably in the form of general budgetary support) will also be mobilized from traditional bilateral and multilateral partners as well as from South-South and triangular cooperation. As regards external finance, the emphasis will be placed on trade so as to develop the skills and infrastructure needed to increase the volume of trade. Togo will also employ a prudent debt strategy that uses increased mobilization of grants to finance social sectors, including education, health care, and water and sanitation.

PPPs will be a favored tool for mobilizing resources to finance mines, economic infrastructure, tourism, handicrafts, industry, and SMEs/SMIs, and for promoting regional development hubs.

Other forms of innovative financing, such as a carbon tax, a tax on airplane tickets, a tax on currency exchanges, and contributions from individual citizens and companies will be used.

The regional financial market will also be allowed to contribute through the issuing of treasury bills and bonds.

The loans will be entered into on concessional terms and directed toward sectors with strong growth potential and to economic infrastructure. The volume of loans should be in accordance with sustainability ratios and debt sustainability. Loans with highly flexible terms will be used by preference to finance the strategy.

Monetary situation assumptions also suggest keeping reserves worth 4.4 months of imports of goods and services in net foreign assets, to increase the money supply by a rate of 9.4 percent per year, and credits to the economy by 21.3 percent.

The growth profile of the accelerated growth scenario will help reduce poverty by 15 points, from 58.7 percent in 2011, to 43.7 percent in 2017, if the kind of inequalities revealed in the results of the QUIBB survey persist. Equally, in the presence of effective redistribution policies the poverty rate could be further reduced to 39.2 percent, or a reduction of 19.5 points, by 2017.

This growth profile will reduce underemployment by 4.5 percent, from 22.8 percent in 2011 to 18.3 percent in 2017.

The situation concerning WAEMU convergence criteria is presented in Table 17 below.

**Table 17: Situation Re: Convergence Criteria for 2012–2017 (Accelerated Growth Scenario)**

	WAEMU Standard	2012	2013	2014	2015	2016	2017	Average 2013–2017	Convergence Criteria met?
<b><u>First Order Criteria</u></b>									
Underlying budget balance to nominal GDP (percent)	≥ 0%	-4.4	.48	1.80	3.43	4.74	7.32	3.55	Yes
Annual average inflation rate (percent)	≤ 3%	2.5	3.9	3.6	2.9	2.3	2.6	3.1	No
Outstanding public debt to nominal GDP (percent)	≤ 70%	22.6	17.5	13.5	1.5	7.6	6.0	11.0	Yes
Variation in internal and external payment arrears	0	0	0	0	0	0	0	0	Yes
<b><u>Second Order Criteria</u></b>									
Wage bill to tax revenues (percent)	≤ 35%	35.7	33.8	31.5	28.3	26.3	23.8	28.7	Yes

Investments to domestic resources to tax revenues (percent)	≥ 20%	35.1	27.5	27.5	26.3	26.4	24.5	26.4	Yes
Current account balance excl. grants to GDP (percent)	≥ -5%	-8.1	-8.5	-8.1	-8.3	-8.6	-8.9	-8.5	No
Tax ratio (percent)	≥ 17%	16.2	18.2	19.3	21.0	21.8	22.9	2.6	Yes

*Source:* Estimates/predictions MEF-MPDAT, August 2012

\* *Not including new withdrawals*

## 3.2 BUDGET FRAMEWORK

The budget framework for the SCAPE (2013–2017) has been designed using a progressive approach that starts with the base scenario and moves toward the accelerated growth scenario. The former takes into consideration SCAPE measures that are compatible with the underlying development of the economy for the period under review; the latter starts with the base scenario and takes into consideration additional measures likely to lead to the upscaling of the economy with stronger, more equitable job-creating growth.

### 3.2.1. Baseline Scenario

The MTEF for the base scenario is in line with the priorities of the macroeconomic framework as officially approved by the GDP Committee.

The base scenario derives from Togo's desire to base its socioeconomic development primarily on the sectors with strong growth potential, its port, the PAL (the only deep-water port in the subregion), and its North-South corridor. This development potential will be realized based on improved human resources (quantity and quality), strengthening democracy, strengthening social cohesion, and strengthening security. In particular, Togo has a strong interest in reducing regional disparities (particularly between Lomé/the coastal area and the rest of the country), creating jobs for young people, and promoting gender equality (in particular reducing poverty among women). This ambition should translate into achieving a growth target of an average of 5.9 percent for 2013–2017.

As indicated in the macroeconomic framework, the State will contribute an average of 467.6 billion CFAF per year of its own resources during 2013–2017. These resources should increase from 392.3 billion CFAF in 2013 to 541.3 billion CFAF in 2017—an average annual increase of 9.5 percent.

Development priorities should translate into budgetary allocation by the State of an average of 60.9 percent to Pillars 1, 2, and 3 (development of sectors with strong growth potential, 12.8 percent; strengthening economic infrastructure, 9.6 percent; and development of human capital, social welfare, and employment, 38.4 percent), underscoring the Government's desire to boost growth, reduce inequalities, and promote employment. Likewise, a budget item representing an average 26 percent of the budget will be allocated to Pillar 4, related to governance (compared to 22.5 percent for Pillars 1 and 2), underscoring the importance that the authorities place on this pillar, which is considered essential to boost growth.

**For Pillar 1**, priority will be given to agriculture, with an average of 8.07 percent of the national budget allocated to it (representing 62.9 percent of the Pillar 1 budget). The Government's aim is to make this sector the foundation for development and food security in Togo. To achieve this, the emphasis will be on the main programs that aim to: (i) revive agricultural production; (ii) make rural areas more accessible; (iii) improve agricultural income, particularly for small producers; (iv) produce and popularize fisheries resources; (v) support development of livestock farming, sustainable development of natural resources, and management of protected areas.

*For industry* (1.1 percent of the national budget), financial allocations will primarily go to strengthening existing legislation, standards, and regulations; to pursuing reform to complete the program of privatization and to strengthen institutions that support the private sector; and to strengthening firms' capacity.

*For mining and energy* (1.73 percent of the budget), the emphasis will essentially be on improving the legal and institutional framework, promoting the mining sector, and pursuing reform to address difficulties that hinder the development of the mining and energy sector.

*For the trade sector* (1.74 percent of the budget), the emphasis will be on legal and institutional reform necessary to develop trade activities and the private sector.

**For Pillar 2**, priority will be given to addressing Togo's shortfall in infrastructure with an average of 9.6 percent of the national budget allocated to it (representing 79.2 percent of the Pillar 2 budget). Through the "North-South corridor," the Government aims to firmly establish a strong development hub that will allow involvement by all of Togo's regions in the economy.

**For Pillar 3**, the focus will be on making a strong contribution to achieving the goal of SCAPE, namely "to boost growth to *reduce poverty and inequality and to create jobs*, with multiplier effects on income levels, quality of life, and the *rate at which the MDGs are achieved*," with the largest contribution from the national budget (38.4 percent on average).

*Education and training*, as the priority under Pillar 3, will be allocated an average of 22.8 percent of the national budget (representing 59.3 percent of the Pillar 3 budget) to implement programs geared to access, equity, quality, and effectiveness in the education system, and to respond to the real needs of the job market and the various sectors of Togo's economy. The emphasis will be on basic education (primary and secondary school) and literacy, with an average 15.5 percent of the budget allocated to it (40.2 percent of the Pillar 3 budget). Higher education will receive an average of 4.9 percent of the budget, compared to 4.4 percent in 2012. Resources allocated to professional training will represent an average of 2.4 percent of the budget, compared to 1.4 percent in 2012.

*Health care* (including nutrition and HIV/AIDS) should receive an average of 10 percent of the national budget (26.1 percent of the Pillar 3 budget) to implement as a matter of priority the National Healthcare Development Plan (PNDS—*Plan national de développement sanitaire*), intended to improve the performance of the health-care system, make health care more broadly accessible, and to improve on management of the sector and provision of quality care.

*Employment, social welfare, and the promotion of gender equality* should receive around 2 percent of the national budget (representing 5.2 percent of the Pillar 3 budget). For employment (0.6 percent of the budget), Government strategies will focus mainly on improving institutional and regulatory frameworks, strengthening existing programs, and establishing FINA) for job creation, especially for young people.

*Water and sanitation* will receive a corresponding allocation, an average of 1.6 percent of the national budget (representing 4.2 percent of the Pillar 3 budget). Effort to improve the performance of the sector will continue by strengthening the administration and management of services.

**For Pillar 4**, with an average of 26 percent of the national budget, the focus will be to (i) support elections that will take place during the period covered by the SCAPE; (ii) modernize the country, improve citizens' access to justice, and improve prison conditions; (iii) seek to reform the security system; (iv) improve planning, programming, and implementation of the budget, and the system of public accounting and reporting of data on budget implementation to improve transparency in budgetary matters and fight corruption; (v) pursue the process of reform and modernization of government, hasten decentralization, and strengthen human rights. Particular emphasis will be placed on political governance (16.1 percent of the budget, representing 62 percent of the Pillar 4 budget) to translate into practice the connection between security and development in the context of being a "fragile state."

**For Pillar 5**, given its cross-sector nature, there will be financial allocation that corresponds to an average of 2.1 percent of the national budget to support grassroots development committees (training, repair/construction of economic infrastructure, etc.) and regional development, and to build capacity among local authorities. To do this, emphasis will be placed on: (i) implementation of tools for land management and for sustainable management of living environments; and (ii) operationalization of the Agency for Grassroots Development (*Agence de développement à la base*) and the financing of

the National Fund for Grassroots Development (*Fonds national d'appui au développement à la base*) to create favorable conditions for local and municipal development plans that will allow regional development hubs to emerge.

*Environment and natural resource management* will be allocated 0.7 percent of the budget, with the emphasis on agroforestry and promoting establishment of community forests (refer to Table 18).

**Table 18: Sector Allocations in the 2013–2017 Budget Framework in the Base Scenario (percent)**

PILLARS/SECTORS	2012 Budget	2013	2014	2015	2016	2017	Average 2013–2017
<b>Pillar 1: Development of Sectors with Strong Growth Potential</b>	<b>9.74</b>	<b>13.02</b>	<b>12.57</b>	<b>12.97</b>	<b>12.88</b>	<b>12.75</b>	<b>12.84</b>
Agriculture	6.49	8.21	7.88	8.17	8.09	8.01	8.07
Industry	0.13	1.11	1.16	1.12	1.13	1.14	1.13
Mining and energy	1.14	1.75	1.70	1.75	1.74	1.72	1.73
Trade	1.67	1.79	1.67	1.78	1.75	1.72	1.74
Tourism	0.31	0.16	0.16	0.15	0.16	0.16	0.16
<b>Pillar 2: Strengthening Economic Infrastructure</b>	<b>2.35</b>	<b>9.49</b>	<b>9.84</b>	<b>9.55</b>	<b>9.63</b>	<b>9.68</b>	<b>9.64</b>
Transport	0.51	0.59	0.57	0.59	0.59	0.58	0.58
Construction and public works	18.18	7.46	7.78	7.50	7.58	7.63	7.59
Housing and town planning	1.56	1.33	1.38	1.34	1.35	1.36	1.35
Telecommunications	0.10	0.11	0.11	0.11	0.11	0.11	0.11
<b>Pillar 3: Developing Human Capital, Social Welfare, and Employment</b>	<b>32.83</b>	<b>39.63</b>	<b>38.39</b>	<b>38.07</b>	<b>38.17</b>	<b>38.16</b>	<b>38.40</b>
Education and professional training	21.19	23.59	22.70	22.52	22.58	22.57	22.79
of which primary and secondary education and literacy	15.35	16.15	15.53	15.14	15.26	15.31	15.45
of which professional training	1.40	2.40	2.43	2.35	2.37	2.38	2.39
of which higher education and research	4.44	5.04	4.74	5.03	4.95	4.88	4.92
Health care	6.48	1.36	1.00	9.91	9.94	9.94	1.02
Employment, social security, gender	1.30	2.02	1.98	1.99	1.98	1.98	1.99
of which employment	0.52	0.61	0.58	0.60	0.59	0.59	0.59
Water and sanitation	0.72	1.59	1.65	1.60	1.62	1.62	1.62
Other social sectors	2.44	1.04	1.03	1.02	1.02	1.02	1.03
<b>Pillar 4: Strengthening Governance</b>	<b>27.08</b>	<b>26.29</b>	<b>26.00</b>	<b>25.88</b>	<b>25.91</b>	<b>25.88</b>	<b>25.99</b>
Political and institutional governance	17.28	16.18	16.37	15.87	16.01	16.08	16.10
Administrative and local governance	1.78	1.61	1.61	1.61	1.61	1.61	1.61
Economic governance	8.02	8.50	8.02	8.40	8.29	8.19	8.28
<b>Pillar 5: Promotion of Participative, Balanced, and Sustainable Development.</b>	<b>1.94</b>	<b>2.16</b>	<b>2.11</b>	<b>2.12</b>	<b>2.11</b>	<b>2.12</b>	<b>2.13</b>
Grassroots development	0.80	0.93	0.87	0.93	0.91	0.90	0.91
Land management and reduction of inequalities	0.60	0.50	0.51	0.49	0.50	0.50	0.50
The environment and sustainable management of natural resources	0.54	0.73	0.73	0.70	0.70	0.72	0.72
<b>Unallocated Common Appropriations (staff, equipment, miscellaneous, and contingencies)</b>	<b>8.05</b>	<b>9.41</b>	<b>11.14</b>	<b>11.37</b>	<b>11.33</b>	<b>11.30</b>	<b>1.92</b>
<b>State Resources (in CFAF billions)</b>	<b>341.1</b>	<b>392.3</b>	<b>429.8</b>	<b>47.7</b>	<b>503.7</b>	<b>541.3</b>	<b>467.6</b>

*Source:* Estimates/predictions MEF/MPDAT, August 2012

### 3.2.2. Accelerated Growth Scenario

The additional budget line for upscaling the base scenario to the accelerated growth scenario is determined by the difference between the costs of financing these scenarios. This additional budget line will be used to finance new measures planned in the SCAPE that are not included in the base scenario with regard to recurrent expenditure and capital expenditure.

These new measures pertain to: (i) increasing the number of staff for implementing the strategies for

achieving the MDGs in the basic social sectors (particularly education and health); (ii) the acquisition of goods and services in assistance to the recruitment of new staff and to support the implementation of decentralization; (iii) the implementation of the equity principle to respond to needs for subsidies (Cesarean sections, essential generic drugs, free basic education, fertilizers, legislative and local elections) and for transfers of resources and skills (decentralization and deconcentration).

The additional budget line is reduced by the additional costs incurred by the new operating measures. The balance thus obtained will be allocated entirely to investment. This balance is called a margin for maneuver (budget leeway). Hence, the estimate for the additional cost incurred by the new operating measures under the hypotheses above represents around 11 percent of the additional budget line. As a result, 89 percent of this budget item will be allocated to investment. The list of new investment spending measures included in the SCAPE, i.e., not included in the base scenario, allow the cost of priority investment to be estimated and the sectors (or ministries/institutions) affected by their implementation to be identified.

In addition, a hypothesis of deferred payment is made for the SCAPE period for the new external loans expected to finance additional investment for upscaling the accelerated growth scenario. There is therefore no additional effect apart from the debt already discussed in the base scenario.

It is also assumed that the additional recurrent costs incurred by the additional investment involved in upscaling are negligible, as it is expected that the additional human resources and other additional recurrent costs already taken into account in the base scenario could be enough to allow the additional investment to work.

Finally, no contingency is included in the extra funds for the additional investment, as it is estimated that the contingency included in the base scenario would be more than sufficient.

**Table 19: Determination of Additional Budget Line and Margin for Maneuver (CFAF Billions)**

	2013	2014	2015	2016	2017	Total
Cost of Financing the SCAPE						
Accelerated Growth Scenario	618.3	692.7	774.6	861.0	1009.0	3955.4
Baseline Scenario	529.6	577.0	621.5	643.7	675.3	3047.0
Additional Budget Line	88.7	115.7	153.1	217.3	333.7	908.4
Budget Line for New Recurrent Expenses	13.3	14.0	16.1	29.2	3.2	102.8
Margin for Maneuver	75.5	101.7	137.0	188.0	303.5	805.6

*Source:* Estimates/predictions MEF/MPDAT, August 2012

The Government considers reasonable the alternative, ambitious, accelerated growth scenario with an average rate of 7.1 percent per annum and will work with determination to remove constraints with respect to finance and human resources that could hinder its realization.

According to the macroeconomic framework for the accelerated scenario, State resources will increase by a factor of 1.8 between 2013 and 2017. For this the Government expects to design and implement an integrated and far-reaching reform of the tax system, starting at the end of 2012, to ensure stable revenues for financing development in Togo. Likewise, it expects to be able to improve the quality of its expenditure.

Development priorities should translate into an allocation of State resources of an average 61.6 percent to Pillars 1, 2, and 3 (versus 60.9 percent for the base scenario), reflecting the Government's preferred development orientation.

**For Pillar 1**, and concerning the sectors with high growth potential, the important role of the agricultural sector as a foundation for Togo's development is confirmed with an allocation averaging 18.9 percent of the budget, versus 12.8 percent in the base scenario. Particular attention will be given to rural infrastructure, and to prevention and management of natural disasters (floods, droughts, climate change, etc.).

To achieve its vision for industrial development, the Government's main thrust will be to design and

implement (i) a national program for upgrading existing companies; (ii) competitiveness programs by sector; (iii) an action plan for making industrial sites viable; and (iv) a framework law structured to improve company competitiveness. Indicative of the Government's desire to realize this vision is that budgetary allocations will need to be increased from an average of 1.1 percent of the budget under the base scenario to 1.4 percent in the accelerated growth scenario. This should correspond to an average allocation of 8.544 billion CFAF under the accelerated growth scenario, versus 4.973 billion CFAF in the base scenario.

In addition, given that the mining and energy sector represents a significant lever for boosting growth, allocations will be made to upgrade production equipment and increase capacity for power generation and distribution. These allocations will increase from an average of 1.7 percent under the base scenario to 2.8 percent under the accelerated growth scenario. This should correspond to an average allocation of 17.7 billion CFAF under the accelerated growth scenario, versus 7.6 billion CFAF under the base scenario.

Given how the trade sector has emerged as essential to boosting economic growth, budgetary allocations to the sector will increase from 1.7 percent under the base scenario to 4.8 percent under the accelerated growth scenario, to support launching a single point of contact for business creation, an office for external trade, and establishing the central office for land rights.

**For Pillar 2**, the effort to address Togo's shortfall in infrastructure will be strengthened by increasing budgetary allocations from 9.6 percent (base scenario) to 10.2 percent (accelerated growth scenario).

**For Pillar 3**, the highest allocations from the national budget (32.5 percent for the accelerated growth scenario, versus 37.4 percent for the base) will continue, to tackle poverty, reduce inequalities, and create jobs. The priority given to education and training and health care will remain the same.

The Government expects to concretize its employment policy, particularly for young people. Budget allocations for employment should therefore more than triple, increasing from an average 0.59 percent of the budget under the base scenario to 1.93 percent under the accelerated growth scenario. This should correspond to an average allocation of 12.5 billion CFAF under the accelerated growth scenario, versus 2.6 billion CFAF under the base scenario. Likewise, the emphasis will be placed on reducing inequalities (in particular poverty among women), with a budget that increases from an average 2.5 billion CFAF under the base scenario to 5.1 billion CFAF under the accelerated growth scenario. Social welfare will receive a budget that increases from an average of 3.5 billion CFAF under the base scenario to 3.7 billion CFAF under the accelerated growth scenario.

**For Pillar 4**, the allocation would be kept at 26 percent of the national budget, well above Pillar 1 both in the base scenario and under the accelerated growth scenario. The link between security and development will be strengthened in the context of this "fragile state."

**For Pillar 5**, given its cross-sector nature, and to indicate the importance assigned to grassroots development, reducing disparities, the environment, and sustainable development of natural resources, budgetary allocations will increase from an average 2.1 percent (base scenario) to 3.4 percent (accelerated growth scenario). For the grassroots development sector, budgetary resources will increase to 4.34 billion CFAF under the accelerated growth scenario, against an average 3.99 billion CFAF under the base scenario, while those allocated to the environment and sustainable development of natural resources will increase from an average 0.7 percent of the budget (base scenario) to 2.4 percent (accelerated growth scenario) (see Table 20).

**Table 20: Sector Allocations in 2013-2017 Budget Framework under Accelerated Growth Scenario (percent)**

PILLARS/SECTORS	2012 Budget	2013	2014	2015	2016	2017	Average 2013-2017
<b>Pillar 1: Development of Sectors with Strong Growth Potential</b>	<b>9.74</b>	<b>17.14</b>	<b>17.45</b>	<b>18.61</b>	<b>19.38</b>	<b>21.65</b>	<b>18.85</b>
Agriculture	6.49	8.77	8.56	8.87	8.76	8.94	8.78
Industry	0.13	1.26	1.33	1.34	1.38	1.49	1.36
Mining and energy	1.14	2.48	2.56	2.75	2.90	3.30	2.80
Trade	1.67	3.85	4.11	4.63	5.14	6.28	4.80
Tourism	0.31	0.78	0.89	1.02	1.20	1.64	1.11
<b>Pillar 2: Strengthening Economic Infrastructure</b>	<b>2.35</b>	<b>9.83</b>	<b>1.24</b>	<b>1.12</b>	<b>1.18</b>	<b>1.58</b>	<b>1.19</b>
Transport	0.51	0.83	0.86	0.92	0.97	1.10	0.94
Construction and public works	18.18	6.53	6.67	6.29	6.01	5.65	6.23
Housing and town planning	1.56	2.21	2.43	2.59	2.84	3.39	2.69
Telecommunications	0.10	0.26	0.28	0.32	0.36	0.44	0.33
<b>Pillar 3: Developing Human Capital, Social Welfare, and Employment</b>	<b>32.83</b>	<b>35.56</b>	<b>33.86</b>	<b>32.87</b>	<b>31.18</b>	<b>29.16</b>	<b>32.53</b>
Education and professional training	21.19	19.94	18.59	17.76	16.41	14.52	17.44
of which primary and secondary education and literacy	15.35	13.23	12.28	11.46	1.56	9.21	11.35
of which professional training	1.40	1.96	1.91	1.77	1.63	1.43	1.74
of which higher education and research	4.44	4.75	4.40	4.53	4.22	3.88	4.36
Health care	6.48	8.94	8.41	8.08	7.54	6.81	7.96
Employment, social security, gender	1.30	2.92	3.06	3.25	3.47	4.00	3.34
of which employment	0.52	1.50	1.64	1.84	2.08	2.59	1.93
Water and sanitation	0.72	1.60	1.65	1.62	1.61	1.64	1.62
Other social sectors	2.44	1.19	1.22	1.24	1.28	1.37	1.26
<b>Pillar 4: Strengthening Governance</b>	<b>27.08</b>	<b>26.55</b>	<b>26.32</b>	<b>26.27</b>	<b>25.87</b>	<b>25.38</b>	<b>26.08</b>
Political and institutional governance	17.28	17.47	17.90	17.82	18.09	19.02	18.06
Administrative and local governance	1.78	1.68	1.69	1.70	1.69	1.13	1.58
Economic governance	8.02	7.40	6.73	6.75	6.09	5.23	6.44
<b>Pillar 5: Promotion of Participative, Balanced, and Sustainable Development.</b>	<b>1.94</b>	<b>3.04</b>	<b>3.16</b>	<b>3.36</b>	<b>3.58</b>	<b>4.08</b>	<b>3.44</b>
Grassroots development	0.80	0.82	0.74	0.75	0.68	0.58	0.71
Land management and reduction of inequalities	0.60	0.41	0.40	0.38	0.35	0.30	0.37
The environment and sustainable management of natural resources	0.54	1.81	2.02	2.23	2.55	3.20	2.36
<b>Unallocated Common Appropriations (staff, equipment, miscellaneous, and contingencies)</b>	<b>8.05</b>	<b>7.88</b>	<b>8.97</b>	<b>8.77</b>	<b>9.81</b>	<b>9.15</b>	<b>8.92</b>
<b>State Resources (in CFAF billions)</b>	<b>341.1</b>	<b>414.1</b>	<b>482.3</b>	<b>565.3</b>	<b>635.0</b>	<b>734.3</b>	<b>566.2</b>

*Source:* Estimates/predictions, MEF/MPDAT, August 2012

## **CHAPTER 4: TOGO'S SCAPE: IMPLEMENTATION, MONITORING, EVALUATION**

Togo developed its SCAPE using a largely participative approach that involves all its development partners. Successful implementation, which depends largely on the degree to which development partners commit and mobilize, will be monitored and evaluated so as to: (i) identify and generate the corrective measures needed for programs and projects; (ii) assess the impact of programs and projects; (iii) show tangible and transparent proof of outcomes; (iv) facilitate effective communication among all development actors; and (v) raise the funds needed to finance SCAPE.

### **4.1 GUIDING PRINCIPLES FOR IMPLEMENTING, MONITORING, AND EVALUATING SCAPE**

Achieving SCAPE's objectives will be driven significantly by the dynamism of the implemented monitoring mechanism, which has four basic principles: to (i) produce quality statistical information; (ii) manage the institutional setting correctly; (iii) provide annual monitoring reports consistently; (iv) improve the targeting of measurement indicators.

These monitoring principles are based on:

***Compliance with SCAPE priorities:*** the SCAPE constitutes the primary frame of reference for all development initiatives; accordingly, various cooperative programs must collectively contribute to meet SCAPE priorities. Thus the key feature of the State's budget is reflecting these priorities accurately in sector allocation of resources.

***Budget support priority:*** difficulties associated with combining resources are not due solely to red tape and failures of bureaucratic planning, but are also created by the procedures of certain financial partners. The Togo Government opted for financing by budget support, as a way of simplifying these procedures. In fact, budget support is more and more recognized as a form of cooperation that considerably reduces costs in comparison with other procedures that weigh upon administrative capacity. Moreover, budget assistance creates conditions favorable to establishing a permanent dialogue on policies, particularly in areas like macroeconomic reform and good governance.

***Information sharing:*** for successfully coordinating SCAPE implementation monitoring, information sharing is indispensable. The Government will work to enable the exchange of information on managing the budget, on the various reports, and on the results of evaluation. Equally, technical and financial partners must themselves prioritize information sharing. There is no doubt that it improves the benefits of aid and reduces overlap of activity.

***Concerted and coordinated monitoring:*** public officials will continue to prepare evaluation reports for the annual SCAPE review workshops. In terms of group dynamics, it is important that the other actors, particularly in the private sector and civil society organizations, prepare independent reports that will complement those prepared by the public authorities.

### **4.2 PROGRAMMING AND IMPLEMENTING SCAPE ACTIVITIES**

SCAPE operations will essentially be coordinated and scheduled through the Strategic Measurement Matrix (SMM) and the PAP. The SMM (see Appendix 6) will include key steps, legal, regulatory, and administrative actions, budgetary measures, or specific technical procedures to be implemented to accelerate growth, reduce inequalities and poverty, and create jobs. These measures and actions are prerequisites for achievement of strategic objectives and are thus priorities. The SMM may serve as the engine in disbursement of budget support funds.

To achieve better understanding and targeting of the principal public measures for increasing growth, reducing inequalities, and promoting jobs, the Government will adopt a PAP for 2013–2017,

appended to the SCAPE. It will combine various measures of sector PAPs that meet the following basic criteria: (i) compliance with SCAPE priorities, in particular the priority measures defined in the SMM; (ii) relevance and degree of contribution to achieving SCAPE objectives; (iii) absorption capacity of the initiating ministerial departments over the course of the last three years. Funding sources already identified are highlighted, as are anticipated external financing sources and remaining financial needs not yet covered.

### 4.3 MONITORING AND EVALUATION INDICATORS

The PAP translates SCAPE priorities according to the State's<sup>25</sup> mid-term budget and will be readjusted annually. It establishes links with sector and multi-sector programs and projects pertinent to SCAPE operations. It includes programs organized around five strategic pillars.

As a final item, a communication strategy completes the SCAPE implementation framework.

There are several levels of SCAPE monitoring and evaluation indicators:

- Effect and impact indicators (see Appendix 4) to evaluate the SCAPE mid-way through and at the end of the SCAPE period—to measure overall achievement of SCAPE objectives;
- Intermediate results indicators (see Appendix 5), to be more or less directly linked to governmental measures and for which data will be produced annually—to measure performance of public intervention;
- SMM and PAP indicators form the first level of indicators—to ensure implementation of the activities and measures.

To evaluate the Government's annual performance in SCAPE implementation for year (n-1), an annual status report, including evaluation of indicators, will be drawn up and reviewed at the annual SCAPE review. The Government-approved report is attached to the draft budget review act of year (n-1) for review by Parliament. Effect and impact indicators will be evaluated every three years by an independent auditor to supplement dialogue on the effectiveness of the policies established under the SCAPE.

#### **Box 5: SCAPE Monitoring and Evaluation Components**

The information system for SCAPE monitoring and evaluation will be supported in part by existing sector information systems. The monitoring and evaluation information system will have three components, called sub-systems, all perfectly complementary and integrated. These are:

- **Sub-system for monitoring “household living conditions”:** For the systematic production and management of household living condition indicators and/or basic information for each priority sector identified in the SCAPE and the MDGs. These are essentially indicators of results and global impact-indicators of poverty with respect to income poverty, basic needs poverty, capability and opportunity poverty, and social exclusion poverty. These indicators are derived regularly from national accounts, statistical surveys, and administrative reporting.
- **Sub-system for “program and project” monitoring:** For monitoring the financial and physical performance of programs and projects that contribute to the SCAPE's objectives, using input and output indicators. Input monitoring focuses on the level of resources allocated to services and programs, and on available human and material resources. Output monitoring—of output created by activities, programs, and projects—involves the provision of services intended to reduce poverty (building schools, health centers, hydraulic infrastructure, roads, etc.). Output monitoring assesses the existence and status of investment in the programs and projects to achieve the SCAPE's objectives. The required data come mainly from administrative reporting by relevant ministries on structures, programs and projects, and from internal statistics. The proper functioning of this sub-system requires implementation of MTEFs to serve as a programming and budget performance reference.

<sup>25</sup> In fact, this has to do with positioning the SCAPE by identifying the mid-term strategic objectives of the sectors and the pertinent indicators. These objectives should be translated into sector programs, costs of which should be determined and integrated into the budget. This is the only way give meaning and character to SCAPE orientations.

- **Sub-system for “impact evaluation”:** For impact evaluation, which identifies changes in the well-being of individuals in a specific population, and according to a specific program or policy. This involves studying a specific project, program, or policy for a well-defined population. The results of these evaluations will orient decisions toward extending, amending, or suspending a policy, program, or project, and to classifying public measures by priority

#### 4.4 INSTITUTIONAL ARRANGEMENT FOR COORDINATING, MONITORING, AND EVALUATING THE SCAPE

Since 2010, the Togo Government has established an institutional arrangement for coordinating, monitoring, and evaluating development policies that will also be the mechanism for coordinating and supervising SCAPE implementation. The institutional setting for guidance must translate the effective leadership of the Government and create the conditions for greater synergy of actions and a dynamic partnership with donors, the private sector, and civil society, while taking into account data concerning decentralization and deconcentration.

This institutional arrangement includes: (i) the National Council for Overseeing Development Policies (CNPPD—*Conseil National de Pilotage des Politiques de Développement*); (ii) the Technical Secretariat of the PRSP; (iii) Sector Committees (SCs); (iv) the Government/Donor Liaison Committee; and (v) regional and local participatory monitoring committees.

##### **Box 6: Participatory Monitoring**

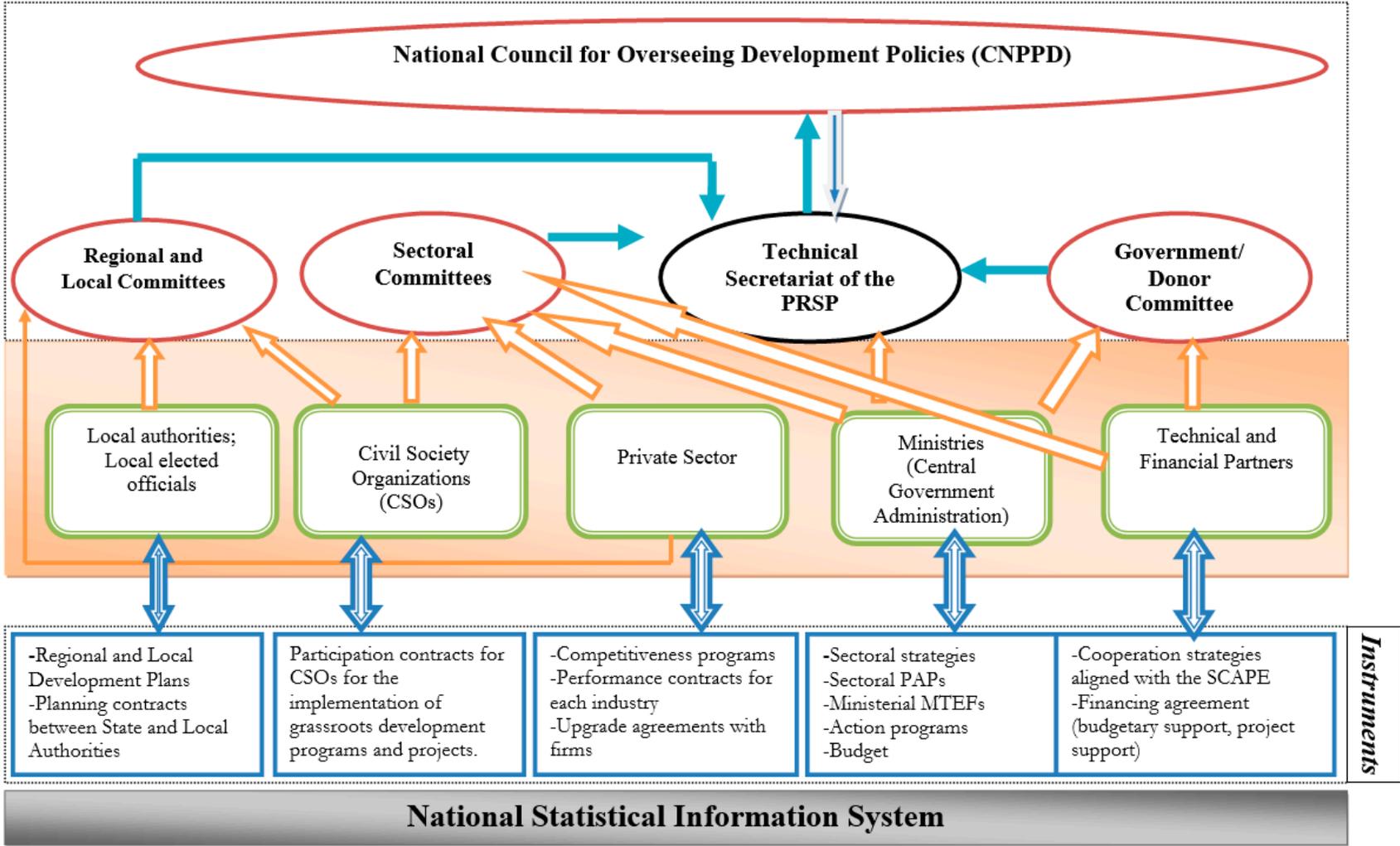
Participatory monitoring occurs at regional, prefectural, and municipal level. It brings together representatives of key local development bodies, and aims to monitor the overall implementation of the SCAPE in territorial municipalities. In particular, it oversees the effective performance of Public Investment Program (PIP) projects in the regions, prefectures, and municipalities, and monitors specific issues of poverty and employment, health and education, and development of regional and local potential for production and growth.

*Specific key objectives are to:* (i) build ownership of the participatory development process; (ii) increase transparency and the responsibility of all actors; (iii) improve the quality and relevance of the services provided; and (iv) audit the SCAPE monitoring process.

Various groups of actors and their roles are summarized below:

- Target groups and beneficiary communities identify their needs and priorities, and manage the efficiency and quality of the services provided;
- Locally elected officials take charge of SCAPE implementation within their localities;
- The Administration and its divisions provide the framework for SCAPE implementation and ensure participatory monitoring;
- Civil society ensures that the State respects its commitments and is accountable for its actions; particularly with respect to the interests of at-risk groups;
- Development partners act as an external regulatory instrument by ensuring effective participation by all actors in participatory monitoring of the SCAPE; they are also involved in making specific proposals and providing multifiform support for all participatory monitoring stages.
- The private sector plays a motivating role for the growth and supply of employment as a partner in SCAPE implementation. It presents the measures to which it is committed to the other actors in the participatory monitoring process.

**INSTITUTIONAL ARRANGEMENT FOR IMPLEMENTATION AND MONITORING AND EVALUATION**



## 4.5 INSTRUMENTS FOR IMPLEMENTATION, MONITORING, AND EVALUATION

### 4.5.1 Instruments for Implementation

These cover activities conducted by the four key actors: (i) the State, at central administration and territorial municipality level; (ii) the private sector; (iii) Civil Society Organizations (CSOs), including those of the diaspora; and (iv) Technical and Financial Partners (TFP).

#### a. Central Administrative Level

The preferred instruments are: (i) sector development strategies; (ii) sector PAPs; (iii) a Medium-Term Budgetary Framework (MTBF); (iv) ministerial MTEFs; (v) ministerial action programs and mission statements; and (vi) the State's budget allocated to its various resource envelopes.

#### b. Territorial Municipality Level

Two instruments are identified: (i) *regional and local development plans*, generally of five-year duration, will be systematically developed by territorial municipalities, possibly with State support, to serve as a platform for dialogue between these municipalities and the State on the one hand, and between the other development partners on the other; (ii) *State-municipality contract plans* will ensure consistency between regional and local plans and national planning, and will in particular be contractually responsible for the respective share of financing from the Government and the regional and local authorities for each project with share interest.

#### c. Private Sector Level

The following instruments are anticipated: (i) *Competitiveness plans* to be developed by each production sector jointly with the State, and allowing agreement on the sector's overall production and employment objectives; (ii) *performance contracts by sector*, to be contractual instruments of the State-private sector partnership vis-à-vis the sector approach that defines agreed operational objectives, the paths and means planned for their realization (including the sector's organization and raising the possible programs to current standards), and the contributions anticipated respectively from the private sector and the State; and (iii) *company modernization agreements*, to bind, via the appropriate agency, the State and companies that agree on a voluntary basis to participate in upgrade programs designed to strengthen their capacity to strengthen their ability to contribute to the competitiveness objectives of their sector.

#### d. Civil Society Level

Instruments projected at this level involve *participation contracts or program agreements*. Beyond participating in development and monitoring of SCAPE implementation, the involvement of CSOs in the effective implementation of the SCAPE is anticipated, principally with the basic development programs and projects, wherein program agreements and participation contracts (procurement contracts, competition-based contracts) will serve as partnership frameworks.

#### e. Technical and Financial Partner Level

Expectations call principally for the: (i) development or revision of *cooperation outlines aligned with the SCAPE*; (ii) signing and joint implementation of *partnership agreements* (budget support, project support, etc.).

### 4.5.2 Instruments for Monitoring and Evaluation

The institutional setting for coordinating, monitoring, and evaluating SCAPE implementation will use the following instruments for monitoring and evaluation:

- ✓ *Quarterly or bi-annual monitoring (for year n)*
  - Quarterly reports monitoring the performance of the PIP;
  - Bi-annual reports by regional and local committees on participatory monitoring;
  - Bi-annual reports on indicator monitoring.

- ✓ *Annual monitoring (for year n-1)*
  - Revision of sector PAPs and the overall PAP;
  - Annual report on the progress of SCAPE implementation, including the annual evaluation of the status of the performance matrix.
- ✓ *Evaluation (starting with years n-2 and n-3)*
  - Impact studies on sector development policies;
  - Review at the mid-point of the SCAPE: this will occur at year n+3 and result in the revision of certain sector strategies.

## 4.6 CAPACITY-BUILDING

SCAPE implementation, monitoring, and evaluation require considerable capacity-building among a variety of actors to: (i) better understand and question needs and their relevance, and translate SCAPE development policies and programs into concrete action; and (ii) master instruments for SCAPE implementation, monitoring, and evaluation.

Capacity-building calls first on the NSS and its mandate to provide quality information indispensable to all SCAPE phases—development, implementation, and monitoring and evaluation. Equally, it concerns all actors involved in development, who must be able to use the information they receive, contribute to the collection of such information, and participate effectively in SCAPE implementation in their areas.

### 4.6.1 Capacity-Building in the NSS

Development, monitoring, and evaluation of strategies and goals requires reliable, quality statistical data in all aspects of economic and social life in the ministerial departments. To ensure its credibility and efficiency, the new SCAPE implementation, monitoring, and evaluation system can and must rely on a high-performing statistical system that is capable of producing reliable statistical data and timely and relevant indicators.

Cognizant of the current state of the NSS, the Government has undertaken institutional and legal reform to build system capacity, creating the SNDS in May 2010.

Using the SNDS during the 2009–2013 period, the Government’s vision is “to build a high-performing, credible, and efficient national statistics system that is a recognized authority that responds to the needs of its users.”

After partial implementation of the SNDS, in May 2011 the National Assembly voted on statistics legislation, later signed into law by the president of the Republic on June 3, 2011. This law created the National Statistics Council (CNS—*Conseil National de la Statistique*), which coordinates, guides, and drives the NSS; and the National Institute for Statistics and Economic and Demographic Studies (INSEED—*Institut National de la Statistique, des Études Économiques et Démographiques*) by transforming the DGSCN into a public administrative institution (EPA—*Etablissement Public à caractère Administratif*).

During SCAPE implementation, monitoring, and evaluation, measures will be deployed to strengthen the NSS, using the fully implemented SNDS for a multi-annual statistics program to access statistical data that meet the SCAPE monitoring needs.

Required strategic statistical information concerns household living conditions; coverage, access, and use of services; production of goods and services and their distribution; prices; and employment, in particular that of young people and women. To this end, surveys on living conditions and other specific surveys will help improve understanding of poverty and employment and provide regularly updated monitoring indicators. These surveys will provide data that provide a starting point, measure changes, and compare groups. The DGSCN will be charged with regularly providing poverty maps, pertinent analysis of determinants, and the dynamic and varied dimensions of poverty and

employment.

Moreover, ministerial statistical services will be strengthened to collect regularly, use, and publish information within their authority to respond to users' needs.

To achieve these results there is a need to build NSS capacity upstream by focusing on the following issues:

- (i) Improving the legal and institutional framework by adopting the CNS and INSEED texts on organization, allocation, and operations;
- (ii) Improving material resources, in particular for the working environment of statisticians; implementing the NSS information technology (IT) master plan; improving human resources by increasing technical proficiency of executives in data analysis and processing, through continuing education and degree courses in statistics education in the subregion and by raising funds;
- (iii) Developing statistical products by creating large-scale statistical operations; organizing statistical data collection and processing from administrative sources; improving data collection tools, analyzing data and publishing statistics on all sector statistics services within the ministries;
- (iv) Through workshops and seminars, increasing use of statistics; establishing a statistical culture by providing information and training to users; producing media adapted to diverse users.

#### **4.6.2 Overall Capacity-Building**

To support implementation of the SCAPE and create optimum conditions for success, the Government will set up, with the help of its development partners, a new system of capacity building for all actors involved in SCAPE implementation—centralized and decentralized public administrations, constitutional bodies of the State with legal and judicial powers, decentralized territorial municipalities, the private sector (including its consular and managerial bodies), and civil society; to include specialized programs for strengthening capacity and for central coordination and support.

### **4.7 COMMUNICATION STRATEGY**

As stated in the SCAPE, the purpose of the communication strategy is to “allow SCAPE access to all population levels. It must involve the media, ministerial departments, and the people to ensure the circulation of information about SCAPE and its implementation.”

The roadmap for SCAPE development specifies that “communication will be a determining factor of SCAPE development success. It is justified by the need to change behavior. This roadmap stage will strongly reinforce the communication capacity of the MPDAT<sup>26</sup> to instill a national spirit around the SCAPE.”

The SCAPE communication strategy—focused on ownership, information, raising awareness, and changing behavior—is to be established according to the action plan summarized in the table below:

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<sup>26</sup> *Ministère de la Planification, du Développement et de l'Aménagement du Territoire* (Ministry of Planning, Development, and Land Management).

**Issue 1: Capacity Building of Actors. This Is the SCAPE Information and Training Issue**

Purpose	Target Public	Means of Action
<b>Inform actors on the SCAPE's objectives, results, and challenges</b>	Ministries (Central and Decentralized Administration)	<ul style="list-style-type: none"> <li>- Website</li> <li>- Newsletter</li> <li>- Mail</li> <li>- Review of activities</li> </ul>
	Nationally Elected Official	<ul style="list-style-type: none"> <li>- Mail</li> <li>- Inclusion in parliamentary publications</li> <li>- Newsletter</li> <li>- Review of activities</li> </ul>
	Judicial Authorities	<ul style="list-style-type: none"> <li>- Website</li> <li>- Newsletter</li> <li>- Inclusion in judicial court publications</li> <li>- Review of activities</li> </ul>
	CSO	<ul style="list-style-type: none"> <li>- Website</li> <li>- Newsletter</li> <li>- Use of relays (peer educators, etc.)</li> <li>- Review of activities</li> </ul>
	TFP	<ul style="list-style-type: none"> <li>- Website</li> <li>- Advocacy tools (information leaflets, reports, etc.)</li> <li>- Review of activities</li> </ul>
	Territorial Municipalities	<ul style="list-style-type: none"> <li>- Mail</li> <li>- Local communication tools (traditional meeting places, storytellers, village meetings)</li> <li>- Information bulletins</li> <li>- Website</li> <li>- Posters</li> <li>- Review of activities</li> </ul>
	Private Sector	<ul style="list-style-type: none"> <li>- Website</li> <li>- Reports</li> <li>- Newsletter</li> <li>- Review of activities</li> </ul>
	Media	<ul style="list-style-type: none"> <li>- Press relations (press kits, press conferences, press tours)</li> <li>- Website</li> <li>- Newsletter</li> <li>- Review of activities</li> </ul>
	Diaspora	<ul style="list-style-type: none"> <li>- Website</li> <li>- International fairs</li> <li>- Review of activities</li> </ul>
<b>Train actors on the process</b>	Ministries (central and decentralized administrations)	<ul style="list-style-type: none"> <li>- Training meetings on the SCAPE's challenges</li> <li>- Seminars on each SCAPE issue</li> </ul>
	Nationally Elected Official	<ul style="list-style-type: none"> <li>- Seminars on the SCAPE process</li> <li>- Lobbying</li> <li>- Reports</li> </ul>
	Judicial Authorities	<ul style="list-style-type: none"> <li>- Training sessions for judges on the SCAPE challenges</li> </ul>
	CSO	<ul style="list-style-type: none"> <li>- Discussion seminars on the SCAPE issues involving the CSO participation</li> </ul>

	TFP	- Seminars on the SCAPE process - Lobbying - Reports
	Media	- Training of media personnel on how handling news regarding the SCAPE
	Territorial Municipalities	- Training session on the SCAPE process for village development committees, municipal and cantonal councilors, etc.
	Private Sector	- Seminars on the SCAPE process and the role of the private sector
	Diaspora	- Training sessions for consular representatives

**Issue 2: Mass Communication. Leading Information and Awareness Campaigns for the General Public on the SCAPE**

Purpose	Target Public	Means of Action
Inform and raise awareness of the SCAPE within the general public	General Public	Poster campaign
		Audio-visual media campaign

**Issue 3: Local Communication. Raising Awareness to Support Information**

Purpose	Target Public	Means of Action
Inform and raise awareness of the SCAPE among the general public	General Public	Organize open houses (providing available information)
		Organize national tours to raise awareness of SCAPE implementation

A follow-up and evaluation mechanism will be established (opinion poll, group tests, etc.).

**4.8 IMPORTANT MEASURES TO SUPPORT IMPLEMENTATION, MONITORING, AND EVALUATION**

These measures are formulated as follows:

MEASURES	PARTY RESPONSIBLE
1. Development, revision of sector strategies to align with the SCAPE	Sector Committees
2. Annual revision of sector PAPs on a rolling basis, consistent with sector strategies	TS-SCAPE
3. Setting up committees in each ministry charged with research and planning	President, Prime Minister
4. Development of a tri-annual MTEF in each ministerial department	Ministries
5. Annual revision of ministerial MTEFs on a rolling basis	Ministries
6. Development of an annual ministerial action plan, consistent with sector strategies and the prime minister's mission statement	Ministries
7. Establishment of an inter-ministerial working group Office of the Prime Minister, MEF, Ministry of Planning, Development and Land Management) to develop a synchronized schedule for preparing the SCAPE budget and implementation	MEF, Ministry of Planning, Development and Land Management
8. Development and distribution of methodology guide for developing regional and local development plans	Ministry of Planning, Development and Land Management

9. Development of competitiveness plans based on a sector approach with priorities set jointly with the private sector	To be determined
10. Development of performance contracts for State and sector	To be determined
11. Establishment of a national program for modernizing companies	Ministry of Industry
12. Systematic development of progressive plans for cooperation strategies (needs/opportunities) with the different TFPs	Ministry of Cooperation
13. Effective implementation and operationalization of NSS authorities (CNS and INSEED)	Ministry of Planning, Development and Land Management
14. Development of a multi-annual action plan for major statistical operations; specific studies on poverty, employment, living conditions; impact evaluation studies on sector policies	Ministry of Planning, Development and Land Management, CNS, INSEED
15. Creation of a statistics committee, department, or unit within each ministry, comprising statisticians charged with capacity building for collecting and producing sector statistics in compliance with INSEED standards	President, Prime Minister
16. Establishment of a global plan for capacity building for supervising, coordinating, and supporting specific programs aimed at various national development actors: Central and decentralized administrations Prefects National and local elected officials Territorial municipalities Managers and other private-sector human resources NGOs, unions, etc.	President, Ministry of Planning, Development and Land Management
17. Creation of a communications committee, department, or unit of communications professionals within each ministry	President, Prime Minister

## **CHAPTER 5: RISK ANALYSIS**

Implementation of the SCAPE may be impeded by obstacles that undermine its effectiveness. The five (5) main risks relate to: (i) political instability; (ii) absence of national leadership and poor stakeholder support; (iii) financial considerations; (iv) international and regional economies; and (v) environmental vagaries.

### **5.1 RISK RELATED TO POLITICAL INSTABILITY**

Accelerated, comprehensive, and job-creating growth is only possible by setting up institutions to guarantee political stability and respect for human rights and individual liberties. Social peace is an essential factor to attract foreign investors and guarantee smooth SCAPE implementation. Implementing reform, especially in the sector of security and defense, will strengthen the foundations of the democratic process and ease the political situation.

### **5.2 ABSENCE OF LEADERSHIP, POOR STAKEHOLDER INVOLVEMENT**

For the SCAPE process, the Government must reaffirm its willingness and political commitment to steer the political process. The State's highest authorities have a role to play in the direction and dynamics of the participatory process. Smooth implementation of the SCAPE will depend on national leadership, and able and willing stakeholders acting determinedly and with improved synergy at all levels.

The Government has set up an institutional mechanism to promote mutual consultation and synergy of action. How well this mechanism works depends on how much it is adopted by each stakeholder with respect to the timeframe and means at their disposal. Their respective speed in collecting and processing reliable information, meeting deadlines for transmitting files to partner institutions, and the punctual arrival of each response reflect elements that may strengthen this concerted action.

In this regard it is important that attendant measures for SCAPE implementation be adopted and become operational during the early months. These measures, listed in the annex, are mainly to: (i) strengthen the planning-programming-budgeting chain; (ii) institutionalize instruments for the participation of individuals from regional and decentralized administrations in effective implementation of the SCAPE; (iii) strengthen the national statistical information system; (iv) build capacity of the various development actors.

### **5.3 FINANCIAL CONSIDERATIONS**

The SCAPE financing scheme provides for internal and external contributions. However, the current trend is geared toward a decrease in aid flows to developing countries, especially in Africa. Furthermore, procedures for mobilizing external resources remain cumbersome, despite efforts made in the mutual quest for aid efficiency. Finally, Togo's ability to mobilize internal resources is insufficient, with respect to the WAEMU standard and Togo's pressing development needs. All these factors taken individually pose a serious threat to the availability of financial resources. Collectively, they multiply the chances for the SCAPE to fail.

This risk of inadequate mobilization of SCAPE implementation financing can only be reduced and kept under control through: (i) greater effort toward mobilizing internal resources (via tax and non-tax revenues); (ii) redeploying external economic cooperation to add development partners and diversify sources of public development assistance; (iii) sound mastery of the State's cash flow plan to enable timely expenditure commitments; (iv) a programming mechanism consistent with issuance of treasury bills, required for the regulation of the public treasury; (v) determined but cautious recourse to non-concessional external loans—if they cannot be avoided altogether, to be reserved for projects with proven financial profitability and used in a way compatible with the long-term sustainability of public debt limits; (vi) significantly improving incentive efficiencies for reinvestment, start-up support, and attracting FDI; (vii) setting up an efficient mechanism for improved resource mobilization from the

diaspora, and to channel their remittances to productive, job-creating, and growth-oriented investment; and (viii) rapid success of banking reform, which should result in more efficiency and better financial intermediation capacity in terms of quantity and quality.

Besides inadequate mobilization of funding required for SCAPE implementation, poor resource absorption capacity, coupled with that of project implementation, may also be impediments.

The objectives of the SCAPE will only be met if these obstacles are overcome. In this it is important to build the capacity of public administration in the execution of projects and programs.

#### **5.4 INTERNATIONAL AND REGIONAL ECONOMIES**

Like many countries, Togo's economy is widely open to the rest of the world, on which it depends for its exports as well as the import of goods that are essential to its development. In addition, the country largely depends on aid and foreign capital to finance its investments; more so over the last decade—Togo was hit by international crises (food, energy, financial and economic crises) that shattered its economy, generating inflationary trends and reducing the State's flexibility to mobilize resources for investment financing. Finally, Togo's geographic position exposes it to the growing risk of maritime piracy in the Gulf of Guinea and the repercussions of political crises in ECOWAS countries.

Preventing and reducing these risks involves the maintenance and consolidation of subregional integration, understood as a strategy to control Togo's international economic insertion, the mitigation of its external vulnerability, as well as the protection of its territorial integrity through shared sovereignty in certain areas.

#### **5.5 ENVIRONMENTAL VAGARIES**

Global warming and climate variability are concrete environmental realities, clearly illustrated by floods in recent years. Agricultural activity, involving the greater part of the population, depends heavily on climate conditions. Meanwhile, adaptation programs that have been proposed receive very little funding, producers' adoption of new methods of intensive farming (fertilizers, improved seeds, mechanization) is low, and controlling water resources remains a concern, all of which increase the risk and threat posed by weather conditions.

Preventing and reducing these risks calls for including them in development strategies, especially by identifying risk zones for their better management through natural disasters. Areas identified as most vulnerable to climate change and thus in greatest need of adaptation/mitigation measures are agriculture, forestry, energy, water resources, human settlements, human health, and the coastal zone.

## **ANNEXES**

**Annex 1: Contribution of the Primary, Secondary, and Tertiary Sectors to Real GDP Growth from 1990 to 2011**

**Annex 2: Level and Targets of MDG Indicators in Togo**

**Annex 3: Table of Results and their Indicators**

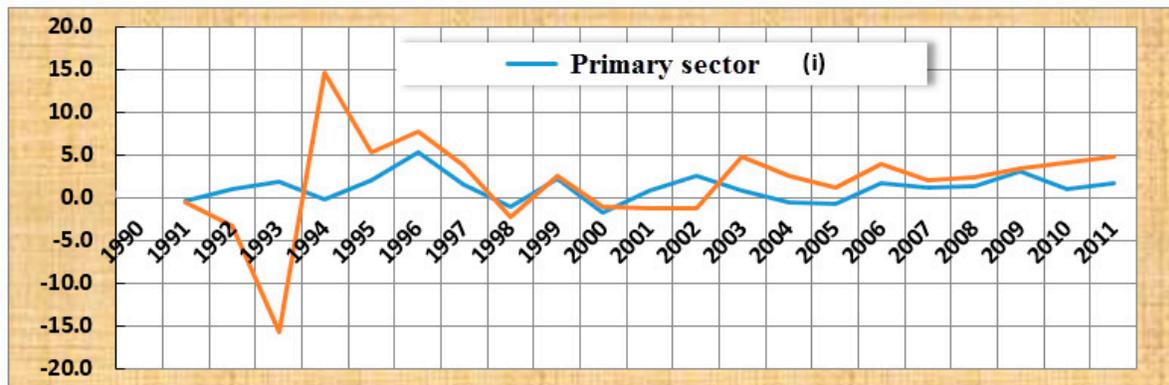
**Annex 4: Table of Outcome/Impact Indicators**

**Annex 5: Table of Indicators of Midterm Results**

**Annex 6: Matrix of Strategic Actions**

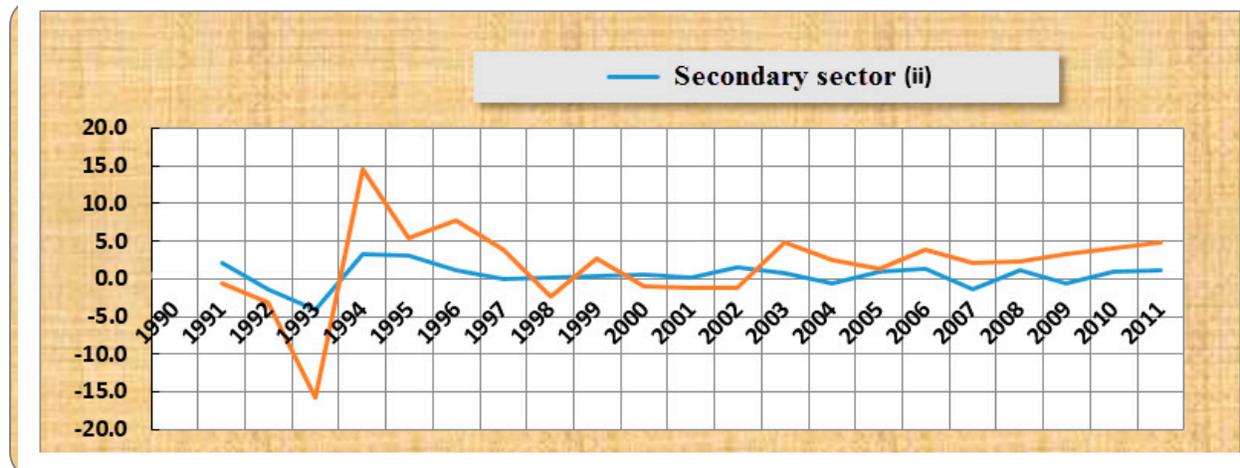
## **Annex 1: Contribution of the Primary, Secondary, and Tertiary Sectors to Real GDP Growth from 1990 to 2011**

Constant GDP growth rate and primary sector contribution to growth (%)



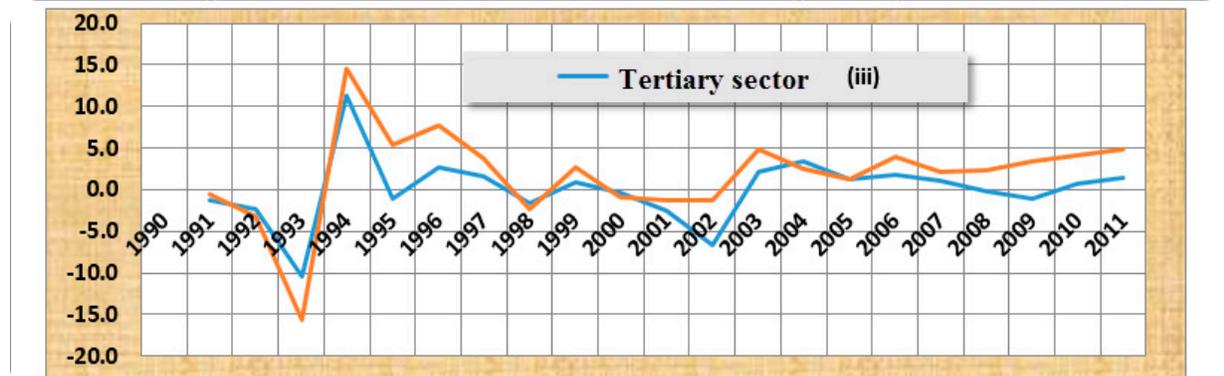
— Primary sector (i)

Constant GDP growth rate and secondary sector contribution to growth (%)



— Secondary sector (ii)

Constant GDP growth rate and tertiary sector contribution to growth (%)



— Tertiary sector (iii)

Source: Department of the Economy, 2012

## **Annex 2: Level and Targets of MDG Indicators in Togo**

Objectives	Targets Selected for Analysis	Indicators Used in Togo	Current Value of Indicator		Target Value of MDG 2015	Target Value of SCAPE in 2017
			Yea/Source	Value		
1. Eradicate extreme poverty and hunger	1. Between 1990 and 2015, reduce the proportion of Togolese population living below the poverty line by 50%, bringing the poverty index to 15% by 2015	2. Incidence of income poverty (%)	Poverty Profile (QUIBB 2011)	58,7	30,9	43,7
	2. By 2015, reduce by 50% the number of malnourished people between 1990 and 2015,	4. Proportion of children who are underweight (%)	MICS4 2010	16,6	12,3	12,3
2. Achieve universal primary education	3. By 2015, give all children, boys and girls, around the world, the means to complete a full course of primary education	6. Net enrollment ratio in primary education (%)	Statistical Yearbook MEPSA 2011	86	100	96
		7. Completion rates in primary education	Checklist, 2nd Educational Sector Review July 2012	76,9%	100%	90,4%
		8. Literacy rate of the 15-24 year age group	QUIBB 2011	60,4%	100%	80%
3. Promote gender equality and empower women	4. Eliminate gender disparity in primary and secondary education by 2005 if possible, and at all levels of education by 2015	9a. Girl-boy Parity Index in primary education	Checklist, 2nd Educational Sector Review July 2012	0,901	1,0	0,967
		9b. Girl-boy Parity Index in secondary education	Checklist, 2nd Educational Sector Review July 2012	0,72	1,0	0,90
		10. Literacy rate among women aged 15 to 24 years compared to men (%)	QUIBB 2011	64%	100%	80%
		11. Percentage of women employed in the nonagricultural sector	QUIBB 2011	nd	50	50
		12. Proportion of seats held by women in the National Assembly (%)	MPF Activity Report	11,1	50	30
4. Reduce the mortality of children under 5	5. Reduce the under-five mortality rate by two thirds, between 1990 and 2015,	13. Mortality rate among children under five (‰)	MICS4 2010	124	51	57
		14. Infant mortality rate (‰)	MICS4 2010	78	29	30

Objectives	Targets Selected for Analysis	Indicators Used in Togo	Current Value of Indicator		Target Value of MDG 2015	Target Value of SCAPE in 2017
			Yea/Source	Value		
		15. Immunization coverage against measles (%)	MICS4 2010	63,8	100	72,8
5. Improve maternal health	6. Reduce maternal mortality rate by three quarters, between 1990 and 2015	16. Number of maternal deaths per 100,000 live births	IAE 2011	300	142,5	236
		17. Proportion of births attended by skilled health personnel	MICS4 2010	59,4	82,8	78
6. Combat HIV/AIDS, Malaria and other diseases	7. By 2015, halt the spread of HIV/AIDS and begin to reverse the current trends	18. HIV prevalence among the sexually active population (15-49 years) (%)	CNLS-IST Activity Report 2011	3,2	<2%	<2%
		19a. Rates of use of condoms in high-risk sexual activities	CNLS-IST Activity Report 2011	78,1	100	100
	8. By 2015, control the incidence of malaria and other diseases and begin to reverse the current trend	22a. Intermittent preventive treatment of malaria among pregnant women (%)	MICS4 2010	50,2	>90%	86,1
		22b. Children under five sleeping under a treated mosquito net (%)	MICS4 2010	57,1	>90%	83,2
		22c. Children under five years who received proper treatment with antimalarial drugs (%)	MICS4 2010	23,6	>90	>90
		24a. Rate of positive TB tests (%)	Activity Report PNLT 2011	39	>80%	>70%
		24b. Rates of Treatment of positive TB through DOTS (%)	Activity Report PNLT 2011	81	>85%	85
7. Ensure sustainable environment	9. Integrate the principles of sustainable development into country policies and reverse the loss of environmental resources	25. Proportion of productive forest areas (%)	Activity Report MERF 2011	6,8	8	8
		26. Share of protected areas in the ecosystem (%)	Activity Report MERF 2011	7	10	10
	10. By 2015, reduce by half the percentage of the population having no access to safe drinking water	29. Proportion of population with access to clean drinking water source (%)	QUIBB 2011	56,1	75	65
	11. By 2020, succeed to make a significant improvement in the lives of at least 100 million slum dwellers	30. Proportion of population with improved sanitation facilities (%)	MICS4 2010	34,9	50	50

Objectives	Targets Selected for Analysis	Indicators Used in Togo	Current Value of Indicator		Target Value of MDG 2015	Target Value of SCAPE in 2017
			Yea/Source	Value		
8. Develop a global partnership for development	18. Ensure that the new information and communication technologies are universally available	47. Number of telephone lines (fixed and mobile) per 1000 inhabitants	ARTP/2011	525	568	650
		48. Internet users (per 1,000 inhabitants)	ARTP/2011	28	33	40

*Sources: C-PRSP 2009-2011, Poverty Profile (QUIBB 2011), MICS 2010, and ST-PRSP compilation*

### **Annex 3: Table of Results and Their Indicators**

<b>Effects/Impacts</b>	<b>Indicators</b>	<b>Midterm Results</b>	<b>Indicators</b>
<b>Overall impacts</b>	1. Real GDP Growth Rate (%) 2. Unemployment Rate (%) 3. Incidence of Poverty (%) 4. Overall Gross Investment Rate (%) 5. Overall Export Rate (%) 6. Average Annual Rate of Inflation (%)		
<b>Sectors with high growth potential are developed</b>	7. GDP Growth Rate from Agricultural Sector (%) 8. Harmonized Index of Industrial Production 9. Input to the Economy Relative to GDP (%) 10. Balance of Goods and Services as a % of GDP	1.1. <b>Increased</b> agricultural productivity	1. <b>Rate of</b> coverage of national needs in cereal products by domestic production (%) 2. <b>Rate of</b> coverage of national needs for livestock products by domestic production 3. Rate of improvement in yields of income-producing crops (corn, rice) (%)
		1.2. Promotion of the industrial sector	4. Number of sectors with a strategic plan 5. Number of industrial enterprises created 6. Volume of investments allocated to the development of crafts (billions of CFA francs)
		1.3. <b>Increased</b> productivity in services	7. Input to the economy relative to GDP (%) 8. Number of tourists registered per year
<b>Economic infrastructure are strengthened</b>	11. National Electrification Rate (%) 12. Rate of Access to Fixed and Mobile Telephony (%) 13. Broadband Access Rate (%)	2.1 <b>Development of</b> sea, road, rail and air infrastructure	9. Volume of containers handled at the PAL (TEU) 10. Percentage of roads paved with a fairly good level of service 11. Length of rural roads built (Km) 12. Length of urban roads rehabilitated (Km)

Effects/Impacts	Indicators	Midterm Results	Indicators
		2.2 <b>Development of energy infrastructures</b>	13. Energy production (MW) 14. Number of new subscribers to the electricity grid
		2.3 <b>Development of postal and telecommunications infrastructures</b>	15. Number of new subscribers to fixed telephony 16. Number of mobile telephone users
<b>Human capital, social Security and employment are promoted</b>	14. Rate of Completion of Primary Education (%) 15. Percentage of Students in the Sciences 16. Percentage of Students in Technical/Vocational Courses 17. Proportion of Births Attended by Skilled Health Personnel (%) 18. Prevalence of HIV/AIDS (15-24 years) (%) 19. Prevalence of Underweight Children Under 5 years of Age (%) 20. Maternal Mortality Rate (Deaths per 100,000 Live Births) (‰) 21. Infant Mortality Rate (‰)	3.1 <b>Promotion of educational system and training</b>	17. Preschool enrollment of 4-5 year-olds (%) 18. Average repetition rate in primary school (%) 19. Literacy rate among people 15 years and over (%) 20. Average repetition rate in the first cycle of secondary education (%) 21. Average repetition rate in the second cycle of secondary education (%) 22. Number of learners per 100,000 inhabitants in technical education and vocational training 23. Percentage of enrollment in technical education and vocational training in public and private institutions in relation to the total post-primary and secondary education workforce (%)
	22. Proportion of Households with Access to Safe Drinking Water Source (%) 23. Proportion of Households with Improved Sanitation (%) 24. Gender Inequality Index 25. Unemployment Rate (%) in the Overall Population	3.2 <b>Development of the health system and reinforcement of the fight against HIV/AIDS</b>	24. Percentage of pregnant women who completed at least four ANC visits including urine test 25. Percentage of women of childbearing age between 15 and 49 years using modern contraceptive methods 26. Percentage of pregnant women receiving ARVs for PMTCT 27. Percentage of children aged 12-23 months who

Effects/Impacts	Indicators	Midterm Results	Indicators
			<p>received 3 doses of pentavalent vaccine</p> <p>28. Percentage of rural villages with a community health worker trained in the integrated care of diarrhea, pneumonia, malaria</p> <p>29. Number of health facilities rehabilitated and constructed</p> <p>30. Number of skilled health personnel recruited</p>
		<p>3.3 <b>Improved</b> access to safe drinking water and sanitation</p>	<p>31. Percentage of municipalities with a development plan for the water and sanitation sector</p> <p>32. Rate of consumption of clean drinking water (%)</p> <p>33. Proportion of population with access to a facility for disposal of domestic wastewater (%)</p> <p>34. Percentage of households using improved sanitation facilities</p>
		<p>3.4 <b>Promotion of</b> equity and gender equality</p>	<p>35. Percentage of women in decision-making positions (MP, government, Ambassadors)</p> <p>36. Proportion of rural women with access to land (%)</p> <p>37. Number of women's and mixed groups trained in managing business</p> <p>38. Number of women's and mixed groups having acquired production equipment</p>
		<p>3.6 <b>Promotion of</b> employment and youth</p>	<p>39. Number of youth volunteers mobilized per year</p> <p>40. Number of youths trained in entrepreneurship (excluding FINA)</p> <p>41. Number of Youth Projects financed per year</p>

Effects/Impacts	Indicators	Midterm Results	Indicators
			through the FAIEJ 42. Number of SMEs/SMIs financed on the FINA 43. Number of National and Regional Youth Forums organized
<b>Governance is strengthened</b>	26. World Bank CPIA Indicator (evaluation of country policies and institutions)  27. Satisfaction Rate among Users of Public Administration (%)  28. Tax ratio (in %)	4.2 Administrative and local governance is strengthened	44. Number of Ministries and Institutions streamlined  45. Average delays in processing files of public servants
		4.3 <b>Reinforcement of</b> economic governance	46. Annual revenue growth rate (%) 47. Percentage of procurement contracts negotiated 48. Average number of days to start a business 49. Number of businesses created 50. Share of ODA in GDP (%) 51. Number of policy documents developed
<b>Participatory, balanced and sustainable development is promoted</b>	29. Proportion of the grassroots population not reaching the common minimum subsistence (%)  30. Number of measures planned and carried out through the national policy planning mechanism  31. The area of ecosystems protected (%)	5.1 Promotion of local development	52. Proportion of Canton Development Committees with action plans (%) 53. Number of multifunctional platforms established  54. Share of the state budget mobilized to support grassroots communities (%) 55. Volume of microloans provided on the Guarantee Fund (CFAF billion) 56. Number of community micro projects established
		5.2 Implementation of tools and planning structures	57. Number of planning tools and regional plans developed and available  58. Number of development centers created
		5.3 <b>Ensure</b> sustainable	59. Volume of wood legally harvested from

Effects/Impacts	Indicators	Midterm Results	Indicators
		management of the environment and natural resources	plantations (m3) 60. Area of forests developed, improved, planted or restored (ha) 61. Degraded land area reclaimed (ha) 62. Number of Climate Change (CC) projects implemented 63. Coastline protected (m) 64. Rate of completion of Environmental and Social Management Plans (ESMP) (%)

## Annex 4: Table of Outcome/Impact Indicators

Strategic Area	Effects/Impacts	N o. o	Indicators	Baseline		Baseline Targets					Target for Accelerated Growth Scenario					Means of Verification
				Year	Value	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	
Global		1	Real GDP growth rates (%)	2011	4.9	5.8	5.9	5.9	6	6.1	6	6.6	7.2	7.6	8.1	Economic Outlook-Department of the Economy (PE-DE)/MEF
		2	Unemployment rate (%)	2011	22.8	21.6	21.0	20.4	19.9	19.3	21.6	20.9	20.0	19.2	18.3	QUIBB Survey
		3	Incidence of poverty (%)	2011	58.7	54.7	52.8	50.9	49.3	47.3	54.6	52.1	49.3	46.5	43.7	QUIBB Survey
		4	Overall gross investment rate (%)	2011	17.7	21.0	20.9	21.0	20.8	20.6	22.4	23.4	24.1	25.5	27.2	PE-DE/MEF
		5	Percentage of total export (%)	2011	29.9	31.0	31.3	31.6	32.5	33.5	32.4	33.5	33.1	34.7	36.3	PE-DE/MEF
		6	Average annual inflation rate (%)	2011	3.6	≤3%	≤3%	≤3%	≤3%	≤3%	≤3%	≤3%	≤3%	≤3%	≤3%	≤3%
AREA 1: DEVELOPMENT OF SECTORS WITH HIGH GROWTH POTENTIAL	Sectors with high growth potential are developed	7	Agricultural GDP growth rate (%)	2011	4.20	2.40	3.70	2.80	5.50	6.60	5.70	5.90	6.30	6.60	6.90	PE-DE/MEF
		8	Harmonized index of industrial production	2011	127.8	154.8	185.8	222.9	267.5	320.9	170.3	204.3	245.2	294.2	353.0	DGSCN
		9	Input to the economy relative to GDP (%)	2011	29.0	29.0	25.8	22.1	19.7	16.8	26.2	23.4	20.6	17.8	15.0	BCEAO
		10	Balance of goods and services as% of GDP	2011	-16.0	-13.5	-12.3	-11.4	-10.8	-10.8	-13.2	-11.8	-10.4	-9.0	-9.0	BCEAO
AREA 2: STRENGTHENING ECONOMIC INFRASTRUCTURE	Economic infrastructure is strengthened	11	National electrification rate (%)	2010	23.0	25.0	28.0	32.0	38.0	43.4	25.0	30.0	35.0	45.0	60.0	MME Activity Report
		12	Coverage of fixed and mobile telephony (%)	2011	52.7	57.0	58.0	60.0	61.0	63.0	57.0	59.0	62.0	65.0	70.0	ART&P Activity Report
		13	Broadband coverage (%)	2011	2.3	6.0	10.0	12.0	15.0	15.0	6.0	11.0	15.0	17.0	20.0	ART&P Activity Report
AREA 3: DEVELOPMENT HUMAN CAPITAL, SOCIAL SECURITY AND EMPLOYMENT	Human capital, social security and employment are promoted	14	Primary school completion rates in (%)	2011	75.7	85.0	88.0	91.0	94.0	97.0	85.0	90.0	93.0	97.0	100.0	MEPSA Statistical Yearbook
		15	Percentage of students in the sciences	2009	8.5	8.9	9.0	9.0	9.0	9.0	8.9	8.9	8.9	8.9	8.9	MEPSA Statistical Yearbook
		16	Percentage of students in the technical and vocational sector	2009	5.4	17.5	19.1	19.8	20.0	20.4	17.9	19.9	21.8	23.8	25.8	MEPSA Statistical Yearbook
		17	Proportion of births attended by skilled health personnel (%)	2010	60.1	63.9	65.1	66.4	67.7	68.9	67.8	70.4	73.0	75.6	78.2	MICS Survey
		18	Prevalence of HIV/AIDS (15-24 age group) (%) 2012	2012	1.3	2.6	2.4	2.2	2.0	1.8	2.5	2.2	2.0	1.8	1.5	SP/CNLS Report
		19	Prevalence of underweight children under 5 years of age (%)	2010	16.6	14.5	13.7	13.0	12.3	11.6	13.3	12.2	11.1	10.0	8.9	MICS Survey
		20	Maternal mortality rate (deaths per 100.000 live births)	2011	300.0					236.0						MICS or DHS Survey
		21	Infant mortality rate (‰)	2010	78					30						MICS Survey

Strategic Area	Effects/Impacts	No.	Indicators	Baseline		Baseline Targets					Target for Accelerated Growth Scenario					Means of Verification	
				Year	Value	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017		
		1															
		22	Proportion of households using clean drinking water source (%)	2011	56.1	65.0	69.0	74.0	78.0	82.6	69.0	74.4	79.8	85.2	90.6	QUIBB Survey	
		23	Proportion of households with improved sanitation facilities (%)	2011	34.9	40.4	42.8	45.2	47.6	50.0	41.0	44.0	46.2	48.6	51.0	MICS Survey	
		24	Gender inequality index	2012	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	MPF Activity Report	
		25	Unemployment rate (in%) in the overall population	2011	22.8	22.0	21.0	20.2	19.8	19.3	22.0	20.0	19.0	18.5	18.3	QUIBB Survey	
AREA 4: STRENGTHENING GOVERNANCE	Governance is improved	26	World Bank CPIA indicator (evaluation of country policies and institutions)	2011	2.9	3.1	3.2	3.2	3.2	3.2	3.6	3.7	3.9	4.1	4.1	ADB Activity Report	
		27	Rate of satisfaction among users of public administration	2013	nd*						Increase of 10 percentage points compared to the baseline					Increase by 15 percent age points relative to the baseline	Survey Report
		28	Rate of tax burden (%)	2011	16.7	17.8	18.0	18.3	18.5	18.8	17.8	18.0	18.3	18.5	18.8	PE-DE/MEF	
AREA 5: PROMOTION OF PARTICIPATORY, BALANCED AND SUSTAINABLE DEVELOPMENT	Participatory, balanced and sustainable development is promoted	29	Proportion of grassroots population that have not attained common minimum subsistence (%)	2013	nd*					25				20	Survey report		
		30	Number of measures planned and implemented through the national development policy framework	2011	0	0	4	4	6	5	1	5	5	7	7	MPDAT Activity Report	
		31	Area of ecosystems protected (%)	2011	7.0	7.0	7.2	7.4	7.6	8.0	7.0	7.5	8.0	9.0	10.0	MERF Activity Report	

\* Studies will be completed in 2013 to establish a baseline.

## Annex 5: Table of Indicators of Midterm Results

Strategic Area	Midterm Results	N <sup>o</sup>	Indicators	Baseline		Baseline Targets					Target for Accelerated Growth Scenario					Means of Verification
				Value	Year	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	
<b>AREA 1: DEVELOPMENT OF SECTORS WITH HIGH GROWTH POTENTIAL</b>	1.1. Agricultural productivity has increased	1	Coverage of national needs in cereal products by the national production (%)	113	2011	115	115	120	120	120	120	130	140	146	150	APRM Activity Report
		2	Coverage of national needs in livestock products by domestic production (%)	49.7	2011	70	70	70	72	72	85	90	95	95	95	APRM Activity Report
		3	Performance improvement in yields of income-producing crops (corn, rice) (%)	4	2011	5	5	5	10	10	5	10	15	17	20	APRM Activity Report
	1.2. The Industrial Sector is Promoted	4	Number of sectors with a strategic plan	0	2011	2	2	2	2	2	2	2	3	3	3	Department of Industry/MIZFIT
		5	Number of industrial enterprises created	2	2012	10	10	10	10	10	10	15	15	15	15	Department of Industry/MIZFIT
		6	Volume of investments allocated to the development of craft (Millions of FCFA)	150	2012	200	300	300	300	300	250	350	350	350	350	MDBAJEJ Activity Report
	1.2. The productivity in services has increased	7	Input to the economy relative to GDP (%)	29.0	2011	29.0	25.8	22.1	19.7	16.8	29.0	25.8	22.1	19.7	16.8	BCEAO
		8	Number of tourists registered per year	325,663	2011	334,941	339,580	344,219	348,858	353,497	358,387	363,349	368,313	373,277	378,722	MT Activity Report
<b>AREA 2: STRENGTHENING ECONOMIC INFRASTRUCTURES</b>	2.1 Maritime, road, rails and air transport infrastructures are developed	9	Volume of containers handled at PAL (TEU)	339,853	2010	416,335	445,478	476,662	510,028	545,730	416,335	457,969	503,765	554,142	609,556	PAL Activity Report
		10	National percentage of tarred roads with a fairly good level of service	40	2011	50	55	60	65	70	52	57	62	67	72	MTP Activity Report
		11	Length of rural roads constructed (Km)	400	2011	1,300	1,500	1,500	1,500	1,500	1,300	1,600	1,600	1,600	1,600	MDIR Activity Report
		12	Length of urban roads rehabilitated (Km)	175	2011	225	275	325	375	425	225	275	330	385	445	MTP/MUH Activity Report
	2.2 Energy infrastructures are developed	13	Energy production (MW)	161	2010	161	161	300	300	300	161	161	300	300	300	MME Activity Report
		14	Number of new subscribers to the electricity grid	24,668	2011	12,500	12,500	12,500	12,500	12,500	16,500	16,500	16,500	16,500	16,500	CEET Activity Report
	2.3 Postal and	15	Number of new subscribers to	240,512	2011	319,51	374,14	433,68	509,02	593,042	367,76	469,669	610,724	830,558	1,241,724	ART&P

Strategic Area	Midterm Results	N <sup>o</sup>	Indicators	Baseline		Baseline Targets					Target for Accelerated Growth Scenario					Means of Verification	
				Value	Year	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017		
	telecommunication Infrastructures are developed		fixed telephone lines			5	5	5	3		0						
		16	Number of users of mobile telephone	311,2050	2011	3,903,755	4,372,206	4,721,982	5,099,741	5,507,720	4,387,230	5,272,998	6,197,448	6,200,000	6,300,000	ART&P	
<b>AREA 3: DEVELOPMENT OF HUMAN, CAPITAL, SOCIAL SECURITY AND EMPLOYMENT</b>	3.1 The educational system and training programs are promoted	17	Preschool enrollment of children 4-5 years of age (%)	10.3	2011	12.4	13.8	15.3	16.8	18.2	14.4	16.45	18.5	20.55	22.6	MEPSA Statistical Yearbook	
		18	Average repetition rate in primary school (%)	19.9	2011	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	MEPSA Statistical Yearbook
		19	Literacy rate among people 15 years and over (%)	60.3	2011	64.5	66.6	68.7	70.7	72.7	67	70	73	77	80	QUIBB Survey Report	
		20	Average repetition rate in the first cycle of secondary education (%)	22.6	2011	18.4	16.3	14.2	12.1	10.0	17.6	15.0	12.5	10.0	10.0	10.0	Statistical Yearbook MEPSA
		21	Average repetition rate in the second cycle of secondary education (%)	34.5	2011	28.0	24.8	21.5	18.3	16.0	25.4	22.8	20.2	17.6	15.0	15.0	MEPSA Statistical Yearbook
		22	Number of students per 100,000 inhabitants in technical education and vocational training	528	2011	563	593	624	637	691	603	656	715	778	848	848	METFP Report
		23	Percentage of enrollment in technical education and vocational training in public and private institutions in relation to the total post-primary and secondary workforce	6.0	2011	15.0	20.0	24.0	33.0	40.0	17.0	23.6	32.4	41.2	50.0	50.0	METFP Report
	3.2 The health system is developed and the fight against HIV/AIDS has increased	24	Percentage of pregnant women who completed at least four ANC visits including urine test	54.9	2010	56.8	57.4	58.0	58.6	59.2	58.0	59.0	60.0	61.0	62.0	62.0	Ministry of Health Statistical Yearbook
		25	Percentage of women of childbearing age from 15 to 49 years using modern contraceptive methods	27.9	2010	42.0	47.0	52.0	57.0	62.0	46.0	52.0	58.0	64.0	70.0	70.0	Ministry of Health Statistical Yearbook
		26	Percentage of HIV positive pregnant women receiving ARVs for PMTCT	52.2	2010	69.2	74.8	80.5	86.2	91.8	70.6	76.7	82.8	88.9	95.0	95.0	Value of activities of the Permanent Secretariat of the

Strategic Area	Midterm Results	N <sup>o</sup>	Indicators	Baseline		Baseline Targets					Target for Accelerated Growth Scenario					Means of Verification
				Value	Year	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	
																CNLS
		27	Percentage of children aged 12-23 months who received 3 doses of pentavalent vaccine	65.4	2010	77.4	81.4	85.4	89.4	93.4	80.5	85.6	90.6	95.6	98.0	Ministry of Health Statistical Yearbook
		28	Percentage of rural villages with a community health worker trained in the integrated care of diarrhea, pneumonia, malaria	40	2011	70.0	80.0	90.0	95.0	95.0	80.0	85.0	95.0	98.0	98.0	Ministry of Health Statistical Yearbook
		29	Number of health facilities rehabilitated and constructed	0	2012	24	26	29	33	38	67	88	70	70	70	MS Activity Report
		30	Number of trained health personnel recruited	0	2012	252	298	344	408	485	1,000	800	500	500	500	MS Activity Report
	3.3 Access to safe drinking water and sanitation has improved	31	Percentage of municipalities with a development plan for the water and sanitation sector	0	2011	4	8	12	16	20	5	11	17	25	36	MEAHV Report
		32	Rate of consumption of clean drinking water (%)	39	2011	48	53	57	62	66	48.5	53.6	58.8	63.9	69.0	TdE Activity Report
		33	Proportion of population with access to a disposal facility for domestic wastewater (%)	33	2010	40.8	43.3	45.88	48.4	51.0	40.0	43.0	46.0	49.0	52.0	Ministry of Health Activity Report.
		34	Percentage of households using improved sanitation facilities	35.6	2010	40.4	42.8	45.2	47.6	50.0	41.0	44.0	46.2	48.6	51.0	MICS Survey
	3.4 Equity and gender equality are promoted	35	Percentage of women in decision-making positions (MP, government, Ambassadors)	13.40	2011	17	21	25	29	33	18	24	30	38	50	MPF Activity Report
		36	Proportion of rural women with access to land (%)	19.9	2011	24	28	32	36	40	26	32	38	44	50	QUIBB Survey
		37	Number of women's and mixed groups trained in managing business	110	2011	371	511	651	791	931	448	649	890	1,183	1,657	MPF Activity Report
		38	Number of women's and mixed groups with acquired production equipment	0	2011	301	371	471	571	671	390	499	679	900	1,264	MPF Activity Report
	3.6 Employment and youth are	39	Number of young volunteers mobilized per year	1,000	2011	2,000	2,000	2,000	2,000	2,000	2,000	2,200	2,500	2,500	2,500	PROVONAT Activity Reports

Strategic Area	Midterm Results	N <sup>o</sup>	Indicators	Baseline		Baseline Targets					Target for Accelerated Growth Scenario					Means of Verification
				Value	Year	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	
	promoted	40	Number of young people trained in entrepreneurship per year (excluding FINA)	700	2011	1,200	1,500	2,000	2,000	2,000	1,200	1,700	2,200	2,400	2,500	Activity Report of the Department of Youth Employment and FAIEJ
		41	Number of youth business plans sponsored youth per year through FAIEJ	62	2011	300	400	500	500	500	300	500	600	600	600	FAIEJ Activity Report
		42	Number of SMEs/SMIs financed through the FINA	nd	2011	nd	200	200	200	200	200	200	225	250	300	FINA Activity Report
		43	Number of national and regional youth forums organized	1	2011	1	5	1	5	1	1	5	1	5	1	MDBAJEJ Activity Report
<b>AREA 4: STRENGTHENING GOVERNANCE</b>	4.2 Administrative and local governance is strengthened	44	Number of Ministries and Institutions streamlined	16	2011	8	4	5	5	All of the rest	8	4	5	5	All of the rest	Organizational audit reports/MFPRA Activity Report
		45	Average time for processing files of civil servants	6 months	2011	3 months	2 months	1 month	1 month	15 days	3 months	2 months	1 month	1 month	15 days	Actions observing deadlines/MFPRA Activity Report
	4.3 Economic governance is strengthened	46	Annual growth rate of revenue (%)	8%	2011	≥10%	≥10%	≥10%	≥10%	≥10%	≥10%	≥10%	≥10%	≥10%	≥10%	State Budget Performance Report
		47	Percentage of procurement contracts negotiated		2011	<5%	<5%	<5%	<5%	<5%	<5%	<5%	<5%	<5%	<5%	Report of the Execution of State Budget
		48	Average number of days to start a business	2	2012	1	1	1	1	1	1	1	1	1	1/2	CFE Activity Report
		49	Average number of enterprises created	5,848	2012	9,782	13,183	17,951	23,986	33,188	16,764	24,336	34,502	47,172	62,376	CFE Activity Report
		50	Share of ODA in GDP (%)	10.3	2011	11.8	12.6	13.4	14.2	15.0	11.8	12.6	13.4	14.2	15.0	MEF Activity Report
		51	Percentage of Ministries with policy documents	67%	2011	83%	90%	100%	100%	100%	83%	90%	100%	100%	100%	MPDAT Activity Report
<b>AREA 5: PROMOTING PARTICIPATIVE, SUSTAINABLE AND BALANCED DEVELOPMENT</b>	5.1 Grassroots development is promoted	52	Proportion of CCD with action plans (%)	5	2011	15	25	35	45	55	15	25	40	50	65	MDBAJEJ Activity Progress Report
		53	Number of multifunctional platforms established	25	2011	90	150	200	250	300	100	175	250	325	400	MDBAJEJ Activity Report
		54	Share of state budget mobilized to support grassroots	5	2011	1	1	1	2	2	1	2	2	3	4	MDBAJEJ Activity Report

Strategic Area	Midterm Results	N <sup>o</sup>	Indicators	Baseline		Baseline Targets					Target for Accelerated Growth Scenario					Means of Verification
				Value	Year	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	
			communities (%)													
		55	Volume of microcredit granted through the Guarantee Fund (billions CFAF)	3.7	2011	8	10	12	14	16	8	12	16	20	25	Activity Report IMF partners
		56	Number of community micro projects set up	265	2011	380	430	480	530	580	380	440	530	620	700	Annual Report of the Department of Community Development and ANADEB
	5.2 Tools and structures of state planning are put to use	57	Number of tools for territorial and regional planning developed and available	0	2012	0	3	3	4	4	1	4	4	5	6	MPDAT Activity Report
		58	Number of development centers created	0	2012	0	0	1	1	0	0	1	2	2	0	MPDAT Activity Report
	5.3 Sustainable management of the environment and natural resources is ensured	59	Volume of wood legally harvested from plantations (m <sup>3</sup> )	17,000	2011	20,000	20,000	22,000	25,000	25,000	20,000	20,000	22,000	25,000	25,000	MERF Activity Report
		60	Area of forest managed, improved, planted or restored (ha)	2,800	2011	3,000	3,000	3,500	3,500	4,000	3,000	5,000	5,000	7,000	7,000	MERF Activity Report
		61	Area of degraded land reclaimed (ha)	0	2012	100	200	300	400	500	100	200	500	500	500	MERF Activity Report
		62	Number of Climate Change (CC) projects implemented	3	2011	4	5	7	9	11	4	5	9	11	14	MERF Activity Report
		63	Coastline protected (m)	5,200	2011	6,500	9,500	13,500	17,500	21,500	6,500	10,200	14,500	19,500	23,500	MERF Activity Report
		64	Rate of execution of the Environmental and Social Management Plan (ESMP) (%)	30	2012	50	50	55	55	60	50	50	60	70	75	MERF Activity Report

## **Annex 6: Matrix of Strategic Actions**

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
<b>AREA 1: DEVELOPMENT OF SECTORS WITH HIGH GROWTH POTENTIAL</b>							
<b>Agriculture</b>	Implementation of the framework for acceleration of MDG 1	Implementation of the framework for acceleration of MDG 1	Implementation of the framework for acceleration of MDG 1	Implementation of the framework for acceleration of MDG 1	Implementation of the framework for acceleration of MDG 1	Implementation of the framework for acceleration of MDG 1	Ministry of Agriculture
	Implementation of the program to revive coffee and cocoa and other export crops	Implementation of the program to revive coffee and cocoa and other export crops	Implementation of the program to revive coffee and cocoa and other export crops	Implementation of the program to revive coffee and cocoa and other export crops	Implementation of the program to revive coffee and cocoa and other export crops	Implementation of the program to revive coffee and cocoa and other export crops	Ministry of Agriculture
	Adoption of a new agricultural development policy	Implementation of the new agricultural development policy	Implementation of the new agricultural development policy	Implementation of the new agricultural development policy	Implementation of the new agricultural development policy	Implementation of the new agricultural development policy	Ministry of Agriculture
		Adoption of a strategy of opening up rural agricultural areas and implementation of its action plan	Implementation of the action plan of the strategy for opening up rural agricultural areas	Implementation of the action plan of the strategy for opening up rural agricultural	Implementation of the action plan of the strategy for opening up rural agricultural	Implementation of the action plan of the strategy for opening up rural agricultural	Ministry in Charge of Rural Infrastructure

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
				areas	areas	areas	
		Adoption of a strategy for agricultural inputs and its plan of action	Implementing the agricultural inputs strategic action plan	Ministry of Agriculture			
		Adoption of a strategy for water management and its action plan	Implementation of the water management strategic action plan	Implementation of the water management strategic action plan	Implementation of the water management strategic action plan	Implementation of the water management strategic action plan	Ministry in Charge of Rural Infrastructure
		Adoption of a strategy for mechanization and its action plan	Implementation of the mechanization strategic action	Ministry of Agriculture			
		Adoption of a strategy for land security and its action plan	Implementation of the land security strategic action plan	Implementation of the land security strategic action plan	Implementation of the land security strategic action plan	Implementation of the land security strategic action plan	Ministry of Agriculture
		Adoption of a strategy for agricultural research and assistance and its action plan	Implementing the agricultural research and assistance strategic action plan	Implementing the agricultural research and assistance strategic action plan	Implementing the agricultural research and assistance strategic action plan	Implementing the agricultural research and assistance strategic action plan	Ministry of Agriculture

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
		Adoption of a strategy and value chains for corn, cassava and rice sectors	Implementing the strategy and value chains for corn, cassava and rice sectors	Implementing the strategy and value chains for corn, cassava and rice sectors	Implementing the strategy and value chains for corn, cassava and rice sectors	Implementing the strategy and value chains for corn, cassava and rice sectors	Ministry of Agriculture
		Adoption of a strategy for the management and marketing of surplus food products together with its action plan	Implementation of the action plan of the strategy for the management and marketing of surplus food products	Implementation of the action plan of the strategy for the management and marketing of surplus food products	Implementation of the action plan of the strategy for the management and marketing of surplus food products	Implementation of the action plan of the strategy for the management and marketing of surplus food products	Ministry of Agriculture
		Adoption of a strategy of agricultural quality	Implementation of the strategy on agricultural quality	Implementation of the strategy on agricultural quality	Implementation of the strategy on agricultural quality	Implementation of the strategy on agricultural quality	Ministry of Agriculture
	Establishment of a mechanism for financing agricultural and rural development	Creation of a mechanism for financing agriculture and rural development	Creation of a mechanism for financing agriculture and rural development	Creation of an agricultural refinancing fund	Creation of an agricultural refinancing fund	Creation of an agricultural refinancing fund	Ministry of Agriculture
	Implementation of a national	Implementation of a national agricultural	Implementation of a national agricultural				Ministry of Agriculture

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
	agricultural survey	survey	survey				
Industries		Preparation of development plans for selected sectors	Preparation of development plans for selected sectors	Preparation of development plans for selected sectors	Preparation of development plans for selected sectors		Ministry of Industry
			Implementation of the program of upgrading enterprises and development of SMEs/SMIs	Establishment of a fund for industrialization			Ministry of Industry
			Implementation of the framework Law 2009016 dated December 8, 2009	Implementation of the framework Law 2009016 dated December 8, 2009	Implementation of the framework Law 2009016 dated December 8, 2009		Ministry of Industry
		Implementation of the new investment code and the law on the free zone	Implementation of the new investment code and the law on the free zone	Implementation of the new investment code and the law on the free zone	Implementation of the new investment code and the law on the free zone	Implementation of the new investment code and the law on the free zone	Ministry of Industry
		Creation of the Agency for the					Ministry of Industry

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
		Promotion of Investments & FZ					
<b>Mines</b>	Adoption of a Mining Policy	Adoption of the new Mining Code	Adoption of implementing legislation for the new Mining Code				Ministry of Mines
<b>Tourism</b>		Adoption of a master plan for the development of tourism	Implementation of the master plan for tourism development	Implementation of the master plan for tourism development	Implementation of the master plan for tourism development	Implementation of the master plan for tourism development	Ministry of Tourism
<b>AREA 2: STRENGTHENING ECONOMIC INFRASTRUCTURE</b>							
<b>Transport</b>	Implementation of the master plan on the development of the PAL	Implementation of the master plan on the development of the PAL	Implementation of the master plan on the development of the PAL	Implementation of the master plan on the development of the PAL	Implementation of the master plan on the development of the PAL	Implementation of the master plan on the development of the PAL	Ministry of Transport
			Adoption of the transport strategic development plan-vision 2030				Ministry of Tourism
	Establishment of the legal and institutional framework for the implementation	Operation of the State holding company for the implementation of the development corridor project of	Implementation of the development corridor project of Togo	Implementation of the development corridor project of Togo	Implementation of the development corridor project of Togo	Implementation of the development corridor project of Togo	Ministry of Finance

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
	of the concept of development corridor: creation and operation of a State holding company	Togo					
		Reform of the institutional framework for road maintenance	Reform of the institutional framework for road maintenance				Ministry of Public Works
		Operation of SAFER activities					
		Establishment of the Agency in charge of Roads	Establishment of the Agency in charge of Roads				
		Preparation and implementation of a new rail development plan	Preparation and implementation of a new rail development plan				Ministry of Transport
		Preparation and implementation of a plan to modernize the airport sector	Preparation and implementation of a plan to modernize the airport sector	Preparation and implementation of a plan to modernize the airport sector			Ministry of Transport
<b>Energy</b>	Adoption of an	Adoption of the Law	Creation of a				Ministry of Energy

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
	Energy Policy	on electricity	national rural electrification agency and/or a rural electrification fund				
Telecommunications	Adoption of the Law on Electronic Communications	Adoption and signing of implementing legislation and measures for opening the sector	Adoption and signing of implementing legislation and measures for opening the sector				Ministry of Telecommunication
	Adoption of the plan of action of the declaration of sector policy	Implementation of the plan of action of the declaration of sector policy	Implementation of the plan of action of the declaration of sector policy	Implementation of the plan of action of the declaration of sector policy	Implementation of the plan of action of the declaration of sector policy	Implementation of the plan of action of the declaration of sector policy	Ministry of Telecommunication
<b>AREA 3: DEVELOPMENT OF HUMAN CAPITAL, SOCIAL PROTECTION AND EMPLOYMENT</b>							
Education and Training	Promotion of free basic education	Promotion of free basic education	Promotion of free basic education	Promotion of free basic education	Promotion of free basic education	Promotion of free basic education	Ministry of Basic and Secondary Education
		Development and implementation of a road map for technical and professional competency	Revision of the PES incorporating specific strategies such as the professionalization of higher education,				Ministry of Technical Education

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
			guidance and counseling, training of secondary school teachers, the teaching of national languages				
Health	Setting up a common set of strategies	Implementation of strategies for prevention and management of malaria, tuberculosis, neglected tropical diseases and other communicable diseases, including diseases of epidemic potential	Implementation of strategies for prevention and management of malaria, tuberculosis, neglected tropical diseases and other communicable diseases, including diseases of epidemic potential	Implementation of strategies for prevention and management of malaria, tuberculosis, neglected tropical diseases and other communicable diseases, including diseases of epidemic potential	Implementation of strategies for prevention and management of malaria, tuberculosis, neglected tropical diseases and other communicable diseases, including diseases of epidemic potential	Implementation of strategies for prevention and management of malaria, tuberculosis, neglected tropical diseases and other communicable diseases, including diseases of epidemic potential	Ministry of Health
		Development of risk pooling health systems	Ministry of Health				
			Adoption of a program for	Application of the	Application of the	Application of the	Ministry of Health

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
			implementing the principle of deconcentration (decisions, financial resources and inputs)	deconcentration policy	deconcentration policy	deconcentration policy	
	Completion of the review of public expenditure in the health sector	Completion of the review of public expenditure in the health sector	Completion of the review of public expenditure in the health sector	Completion of the review of public expenditure in the health sector	Completion of the review of public expenditure in the health sector	Completion of the review of public expenditure in the health sector	Ministry of Health
<b>Fight against HIV/AIDS</b>	Adoption of the National Strategic Plan for the fight against HIV/AIDS	Implementation of the National Strategic Plan against HIV/AIDS	Implementation of the National Strategic Plan against HIV/AIDS	Implementation of the National Strategic Plan against HIV/AIDS	Implementation of the National Strategic Plan against HIV/AIDS	Implementation of the National Strategic Plan against HIV/AIDS	CNLS
<b>Water and Sanitation</b>	Implementation of framework for accelerating MDG 7	Implementation of framework for accelerating MDG 7	Implementation of framework for accelerating MDG 7	Implementation of framework for accelerating MDG 7	Implementation of framework for accelerating MDG 7	Implementation of framework for accelerating MDG 7	Ministry of Water and Sanitation
	Implementation of sector information system and	Implementation of (SSISE)	Implementation of (SSISE)	Implementation of (SSISE)	Implementation of (SSISE)	Implementation of (SSISE)	Ministry of Water and Sanitation

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
	monitoring and evaluation (SSISE)						
	Implementation of institutional reforms	Establishment of the animal health requirements	Establishment of the animal health requirements	Establishment of the animal health requirements	Finalization and adoption of implementing legislation for the health code	Implementation of the national plan to manage medical waste	Ministry of Water and Sanitation
	Preparing the plan for deployment of internal personnel and identification of positions to fill after deployment	Deployment of personnel and development of a multi-year recruitment plan based on the positions identified in 2012	Completion of staff deployment and implementation of the recruitment plan defined in late 2013	Implementation of recruitment plan	Implementation of recruitment plan	Implementation of recruitment plan	Ministry of Water and Sanitation
	Development of the sub-sector policy, strategy and national action plan on collective and individual sanitation	Adoption and extension of the sub-sector policy strategy on collective and individual sanitation	Implementation of the sub-sector policy strategy on collective and individual sanitation	Implementation of the sub-sector policy strategy on collective and individual sanitation	Implementation of the sub-sector policy strategy on collective and individual sanitation	Implementation of the sub-sector policy strategy on collective and individual sanitation	Ministry of Water and Sanitation

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
	Adoption of a national health and sanitation policy in Togo	Implementation of the national health and sanitation policy in Togo	Implementation of the national health and sanitation policy in Togo	Implementation of the national health and sanitation policy in Togo	Implementation of the national health and sanitation policy in Togo	Implementation of the national health and sanitation policy in Togo	Ministry of Health
Social Security	Implementation of a cash transfer program for the poorest and most vulnerable households	Implementation of a cash transfer program for the poorest and most vulnerable households	Extension of compulsory health insurance in the formal, private and para public sectors	Extension of health insurance system in the informal sector			Ministry of Finance/ Ministry in charge of Social Security
		Establishment of a national solidarity fund					Ministry of Finance
		Adoption of the sector strategy for social protection and its action plan	Implementation of the action plan of the sector strategy for social protection	Implementation of the action plan of the sector strategy for social protection	Implementation of the action plan of the sector strategy for social protection	Implementation of the action plan of the sector strategy for social protection	Ministry in charge of Social Security
Youth and Employment		Adoption of national employment policy and its action plan	Implementation of the national employment policy action plan	Implementation of the national employment policy action plan	Implementation of the national employment policy action plan	Implementation of the national employment policy action plan	Ministry of Employment

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
		Establishment of a National Volunteer Agency					Ministry of Youth Employment
		Adoption of the national strategy for youth employment and its action plan for implementation	Implementation of the action plan of the national strategy for Youth Employment	Implementation of the action plan of the national strategy for Youth Employment	Implementation of the action plan of the national strategy for Youth Employment	Implementation of the action plan of the national strategy for Youth Employment	Ministry of Youth Employment
		Adoption of a Strategic Plan for Youth	Implementation of the Strategic Plan for Youth				Ministry of Youth Employment
		Operation of the FAIEJ					Ministry of Youth Employment
		Establishment and launching of the Autonomous Fund for National Investment (FINA)					Ministry of Finance
<b>Gender Equity and Equality</b>	Implementation of the gender equity and equality policy	Implementation of the gender equity and equality policy: -Development of IEC/Gender program	Implementation of the gender equity and equality policy: -Development of IEC/Gender program	Implementation of the gender equity and equality policy: -Development	Implementation of the gender equity and equality policy: -Development	Implementation of the gender equity and equality policy: -Development	Ministry of Women's Empowerment

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
		-Development of an information and sensitization of women and girls program on various aspects of the labor market and employment -Implementation of the strategy to fight against gender-based violence	-Development of an information and sensitization of women and girls program on various aspects of the labor market and employment -Implementation of the strategy to fight against gender-based violence	of IEC/Gender program -Development of an information and sensitization of women and girls program on various aspects of the labor market and employment - Implementation of the strategy to fight against gender-based violence	of IEC/Gender program -Development of an information and sensitization of women and girls program on various aspects of the labor market and employment - Implementation of the strategy to fight against gender-based violence	of IEC/Gender program -Development of an information and sensitization of women and girls program on various aspects of the labor market and employment - Implementation of the strategy to fight against gender-based violence	
<b>Population</b>			Adoption of a new multi-sector population policy and its action plan	Implementation of the action plan of the new multi-sector population policy	Implementation of the action plan of the new multi-sector population policy	Implementation of the action plan of the new multi-sector population policy	Ministry of Planning and Development

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
<b>Culture</b>		Development of the strategic plan for the implementation of cultural policy	Execution of the strategic plan for the implementation of cultural policy	Execution of the strategic plan for the implementation of cultural policy	Execution of the strategic plan for the implementation of cultural policy	Execution of the strategic plan for the implementation of cultural policy	Ministry of Arts and Culture
<b>AREA 4: STRENGTHENING GOVERNANCE</b>							
<b>Economic Governance: Structural Reforms</b>		Continuation of the program to revive the cotton industry: Strategic studies	Continuation of the program to revive the cotton industry: Implementation of selected program options	Continuation of the program to revive the cotton industry: Implementation of selected program options	Continuation of the program to revive the cotton industry: Implementation of selected program options	Continuation of the program to revive the cotton industry: Implementation of selected program options	Ministry of Agriculture
	Implementation of financial sector reforms, restructuring of the banking sector	Implementation of financial sector reforms, restructuring of microfinance					Ministry of Finances
		Implementation of phases 2 and 3 of the recovery strategy for SNPT: finding partners for	Implementation of Phases 2 and 3 of the recovery strategy for SNPT: finding partners for				Ministry of Industry

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
		the exploitation of phosphate carbonate	the construction a fertilizer plant				
		Attracting new Togo Telecom Group shareholders		Granting a third license for mobile telephony	Granting a third license for mobile telephony		Ministry of Telecommunications
		Adoption and implementation regulatory reforms of the CRT and the CNSS	Operation of the <i>Société de Recouvrements du Togo</i>				Ministry of Finance
<b>Economic Governance: Business Climate</b>	Establishment of a single foreign trade window: Approval of a roadmap of activities	Start of activities in the single foreign trade window					Ministry of Commerce
		Adoption of a strategy to promote public-private partnership (PPP) and its infrastructure development plan	Adoption of a law on PPP and creating a favorable institutional framework for PPPs	Initiation of PPP for infrastructure development			Ministry of Commerce
	Transformation of the CFE to a	Commencement of activities in the CFE					Ministry of Commerce

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
	one-stop shop	as a one-stop shop for business creation					
		-Modernization of land tenure regime -Adoption and promulgation of the new land code -Establishment of one-stop shop for land deeds					Ministry of Housing and Urban Development
		Finalization and implementation of the strategic plan for the modernization of the tax regime	Implementation of the strategic plan for the modernization of the tax regime	Implementation of the strategic plan for the modernization of the tax regime	Implementation of the strategic plan for the modernization of the tax regime	Implementation of the strategic plan for the modernization of the tax regime	Ministry of Finance
<b>Economic Governance: Management of Public Finances</b>	Reform of the tax system (Customs-Tax fusion): Adoption of the texts creating the Togolese Office of Revenues	Executing reforms	Consolidation and sustainability of reforms	Consolidation and sustainability of reforms	Consolidation and sustainability of reforms	Consolidation and sustainability of reforms	Ministry of Finance
		Adoption and	Implementation of				Ministry of

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
		implementation of the organizational framework of budget support	the framework for the organization of budget support				Finance
		Consolidation of bodies and powers managing procurements	Separation of the expenditure circuit from the integrated system for managing public finance	Separation of the expenditure circuit from the integrated system for managing public finance			Ministry of Finance
<b>Economic Governance: Fight Against Corruption</b>		Adoption of the national policy to fight against corruption and money laundering and its action plan	Implementation of the action plan of the national policy to fight against corruption and money laundering	Implementation of the action plan of the national policy to fight against corruption and money laundering	Implementation of the action plan of the national policy to fight against corruption and money laundering	Implementation of the action plan of the national policy to fight against corruption and money laundering	Ministry of Finance
<b>Economic Governance: Reinforcing plans for the national statistic system</b>	Adoption of a master plan on sector policy development, providing Ministries with sector policies	Development of sector policies with action plans for the Ministries concerned	Development of sector policies with action plans for the Ministries concerned	Development of sector policies with action plans for the Ministries concerned	Development of sector policies with action plans for the Ministries concerned	Development of sector policies with action plans for the Ministries concerned	Ministry of Planning and Development

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
and the effectiveness of aid	and action plans						
		Creation/strengthening of a research and planning department in each Ministry	Creation/strengthening of a research and planning department in each Ministry				SGG/Ministry of Public Service
		Adoption of the policy on official development assistance and its action plan	Implementation of the action plan of the policy on Development Aid	Implementation of the action plan for the policy on official development assistance	Implementation of the action plan for the policy on official development assistance	Implementation of the action plan for the policy on official development assistance	Ministry of Planning and Development
			Elaboration of the action plan on mutual responsibility and the New Deal	Execution of the plan for mutual responsibility and the New Deal	Execution of the plan for mutual responsibility and the New Deal	Execution of the plan for mutual responsibility and the New Deal	Ministry of Planning and Development
			Elaboration of the long-term <i>Vision 2035</i> for Togo				Ministry of Planning and Development
		Implementation of the National Strategy for the Development of Statistics (SNDS)	Implementation of the SNDS	Implementation of the SNDS	Implementation of the SNDS	Implementation of the SNDS	Ministry of Planning and Development

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
		Establishment and Operation of the INSEED	Establishment and Operation of the INSEED				Ministry of Planning and Development
Political and Institutional Governance		Implementation of security sector reforms: Development of security sector policy and its action plan	Implementation of sector action plan for security sector policy reform	Implementation of sector action plan for security sector policy reform	Implementation of sector action plan for security sector policy reform	Implementation of sector action plan for security sector policy reform	Ministry of Security
		Implementation of a capacity strengthening plan within the security sector	Implementation of a capacity strengthening plan within the security sector	Implementation of a capacity strengthening plan within the security sector	Implementation of a capacity strengthening plan within the security sector	Implementation of a capacity strengthening plan within the security sector	Ministry of Defense
		Continuation of defense sector reforms:  -Strengthening of capacities to fight against maritime piracy,	Continuation of defense sector reforms:  -Strengthening of capacities to fight against maritime piracy, terrorism and	Continuation of defense sector reforms:  -Strengthening of capacities to fight against maritime piracy, terrorism and	Continuation of defense sector reforms:  -Strengthening of capacities to fight against maritime piracy,	Continuation of defense sector reforms:  -Strengthening of capacities to fight against maritime piracy,	Continuation of defense sector reforms:  -Strengthening of capacities to fight against maritime piracy,

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
	terrorism and banditry  -Strengthening emergency action capacity in humanitarian and health care assistance  -Strengthening capacity to participate in peace keeping operations and regional and international stability	banditry  -Strengthening emergency action capacity in humanitarian and health care assistance  -Strengthening capacity to participate in peace keeping operations and regional and international stability	banditry  -Strengthening emergency action capacity in humanitarian and health care assistance  -Strengthening capacity to participate in peace keeping operations and regional and international stability	terrorism and banditry  -Strengthening emergency action capacity in humanitarian and health care assistance  -Strengthening capacity to participate in peace keeping operations and regional and international stability	terrorism and banditry  -Strengthening emergency action capacity in humanitarian and health care assistance  -Strengthening capacity to participate in peace keeping operations and regional and international stability	terrorism and banditry  -Strengthening emergency action capacity in humanitarian and health care assistance  -Strengthening capacity to participate in peace keeping operations and regional and international stability	
<b>Political and Institutional Governance</b>	Adoption of plan to integrate ABDH in projects and programs for	Implementation of plan to integrate ABDH in projects and programs for	Implementation of plan to integrate ABDH in projects and programs for development and	Implementation of plan to integrate ABDH in projects and programs for	Implementation of plan to integrate ABDH in projects and programs for	Implementation of plan to integrate ABDH in projects and programs for	Ministry of Human Rights

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
	development and growth	development and growth	growth	development and growth	development and growth	development and growth	
	Adoption of the TJRC recommendations plan	Implementation of the Plan for TJRC Recommendations	Implementation of the TJRC recommendations plan	Implementation of the TJRC recommendations plan	Implementation of the TJRC recommendations plan	Implementation of the TJRC recommendations plan	Ministry of Human Rights
	Adoption of Plan for Education on Human Rights and Citizenship	Execution of Plan for Education on Human Rights and Citizenship	Execution of Plan for Education on Human Rights and Citizenship	Execution of Plan for Education on Human Rights and Citizenship	Execution of Plan for Education on Human Rights and Citizenship	Execution of Plan for Education on Human Rights and Citizenship	Ministry of Human Rights
	Adoption of a national action plan for the implementation of the EPU (PNEPU) recommendations	Execution of the national action plan for the implementation of the EPU (PNEPU) recommendations	Execution of the national action plan for the implementation of the EPU (PNEPU) recommendations	Execution of the national action plan for the implementation of the EPU (PNEPU) recommendations	Execution of the national action plan for the implementation of the EPU (PNEPU) recommendations		Ministry of Human Rights
	Adoption of a National Strategy for the Prevention of Conflicts (NSPC) and its Action Plan	Implementation of the action plan for the National Strategy for the Prevention of Conflicts (NSPC)	Implementation of the action plan for the National Strategy for the Prevention of Conflicts (NSPC)	Implementation of the action plan for the National Strategy for the Prevention of Conflicts (NSPC)	Implementation of the action plan for the National Strategy for the Prevention of Conflicts (NSPC)		

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
	Update the national strategy for the consolidation of democracy and peace and its action plan	Implementation of the plan of action for the national strategy to consolidate democracy and peace for development	Implementation of the plan of action for the national strategy to consolidate democracy and peace for development	Implementation of the plan of action for the national strategy to consolidate democracy and peace for development	Implementation of the plan of action for the national strategy to consolidate democracy and peace for development	Implementation of the plan of action for the national strategy to consolidate democracy and peace for development	Ministry of Human Rights
		Development of a national peace infrastructure	Operation of the national peace infrastructure	Ministry of Human Rights			
	Continuation of the national program for the modernization of the justice system	Continuation of the national program for the modernization of the justice system	Continuation of the national program for the modernization of the justice system	Continuation of the national program for the modernization of the justice system	Continuation of the national program for the modernization of the justice system	Continuation of the national program for the modernization of the justice system	Ministry of Justice
<b>Administrative and Local Governance</b>	Continuation of the process of reform and modernization of Public Administration	Continuation of the process of reform and modernization of Public Administration	Continuation of the process of reform and modernization of Public Administration	Continuation of the process of reform and modernization of Public Administration	Continuation of the process of reform and modernization of Public Administration	Continuation of the process of reform and modernization of Public Administration	Ministry of Public Service

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
		Completing the establishment of the institutional and legal framework for decentralization and the reorganization of territorial collectivities					Ministry in charge of Decentralization
		Adoption and execution of the roadmap for deconcentration	Implementation of the roadmap for deconcentration	Implementation of the roadmap for deconcentration	Implementation of the roadmap for deconcentration	Implementation of the roadmap for deconcentration	Ministry in charge of Decentralization
		Setting up of instruments and tools for technical and financial planning and management	Setting up of instruments and tools for technical and financial planning and management	Setting up of instruments and tools for technical and financial planning and management	Setting up of instruments and tools for technical and financial planning and management	Setting up of instruments and tools for technical and financial planning and management	Ministry in charge of Decentralization
		Adoption and implementation of the program of transfer of resources and competencies to	Implementation of the program of transfer of resources and competencies to territorial collectivities	Implementation of the program of transfer of resources and competencies to territorial collectivities	Implementation of the program of transfer of resources and competencies to territorial collectivities	Implementation of the program of transfer of resources and competencies to territorial collectivities	Ministry in charge of Decentralization

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
		territorial collectivities					
<b>AREA 5: PROMOTING PARTICIPATORY, SUSTAINABLE AND BALANCED DEVELOPMENT</b>							
<b>Local Development</b>	Operationalization of the National Support Agency for Local Development						Ministry in charge of Local Development
		Set up and execution of the Fund for Local Development					Ministry in charge of Local Development/MEF
		Adoption of the policy on local development and its strategic plan	Adoption of the policy on local development and its strategic plan	Adoption of the policy on local development and its strategic plan	Adoption of the policy on local development and its strategic plan	Adoption of the policy on local development and its strategic plan	Ministry in charge of Local Development
		Development of a plan for the reorganization and strengthening of capacities of CDBs	Implementation of the plan for the reorganization and strengthening of capacities of CDBs	Implementation of the plan for the reorganization and strengthening	Implementation of the plan for the reorganization and strengthening	Implementation of the plan for the reorganization and strengthening	Ministry in charge of Local Development

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
				of capacities of CDBs	of capacities of CDBs	of capacities of CDBs	
	Implementation of the national program on multipurpose centers	Implementation of the national program on multipurpose centers	Implementation of the national program on multipurpose centers	Implementation of the national program on multipurpose centers	Implementation of the national program on multipurpose centers	Implementation of the national program on multipurpose centers	Ministry in charge of Local Development
<b>Territorial Planning</b>		Elaboration of a national chart for territorial planning and a map for regional development	Elaboration of a national chart for territorial planning and a map for regional development	Development of 5 regional charts for territorial planning	Development of 5 regional charts for territorial planning	Development of 5 regional charts for territorial planning	Ministry in charge of Territorial Planning
<b>Environment, Sustainable Management of Natural Resources and the Ecosystem</b>	Protection of the coast and combatting coastal erosion	Protection of the coast and combatting coastal erosion	Protection of the coast and combatting coastal erosion	Protection of the coast and combatting coastal erosion	Protection of the coast and combatting coastal erosion	Protection of the coast and combatting coastal erosion	Ministry in charge of the Environment
			Elaboration of a guiding framework for coastal management	Planning for the integrated management of coastal areas			Ministry in charge of the Environment
		Operation of the National Fund for Nature and the National Commission for	Application of environmental policy				Ministry in charge of the Environment

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
		Sustainable Development					
		Elaboration of environmental norms and standards	Development of the National Strategy for Transition into the Green Economy	Study on the enabling measures envisaged in the Code governing Forests and the Framework Law on the Environment	Institution of the legal framework on the enabling measures provided by the law		Ministry in charge of the Environment
	Study on the reorganization of the ODEF	Completion and implementation of the study to reorganize the ODEF	Completion and implementation of the study to reorganize the ODEF	Development and implementation of plans for the management of ODEF plantations	Development and implementation of plans for the management of ODEF plantations	Development and implementation of plans for the management of ODEF plantations	Ministry in charge of the Environment
	Completion of the national policy on the environment and the national forest policy	Adoption of the national policy on the environment and the national forest policy	Implementation of the national policy on the environment and the national forest policy	Implementation of the national policy on the environment and the national forest policy	- Implementation of the national policy on the environment and the	Implementation of the national policy on the environment and the national forest policy	Ministry in charge of the Environment

Sectors	Measures and Actions						Responsible Agency
	2012	2013	2014	2015	2016	2017	
					national forest policy -Design of a development strategy with low carbon emissions		
	Preparation of the national report on the methods of sustainable production and consumption (MCPD)	Elaboration of the MCPD ten-year plan	Implementation of the MCPD ten-year plan	Implementation of the MCPD ten-year plan	Implementation of the MCPD ten-year plan	Implementation of the MCPD ten-year plan	Ministry in charge of the Environment
	Development of the strategy for capacity strengthening to implement the NAMAs	Fight against pollution and nuisance and effectively manage wastes	Fight against pollution and nuisance and effectively manage wastes	Fight against pollution and nuisance and effectively manage wastes	Fight against pollution and nuisance and effectively manage wastes	Fight against pollution and nuisance and effectively manage wastes	Ministry in charge of the Environment
		Implementation of a plan to reduce and simplify procedures for land ownership	Implementation of the national policy on housing and urban development				Ministry in charge of Housing and Town Planning