

IOA — 2019 — ACBR

AFRICA COUNTRY BENCHMARK REPORT



Togo Profile



A Togolese enjoys a moment's rest after a hard day fishing the waters of the Gulf of Guinea. The economy is underdeveloped and the primary export continues to be phosphate excavated from inland mines.

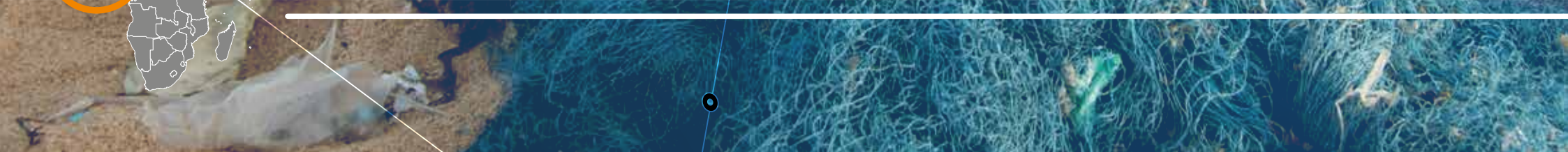




Image courtesy of Andrew Moore



TOGO



OVERVIEW ANALYSIS

Togo is one of the smallest countries in Africa in terms of physical size and population. The Togolese harnessed natural resources to remain economically viable in West Africa. Togo has been ruled by the same family, the Gnassingbés, for five decades. Despite his autocratic rule, President Faure Gnassingbe Eyadema won elections in 2010 and 2015 that were deemed free and fair by the European Union and African Union. Since 2018 continuous and widespread street protests have challenged the Gnassingbe dynasty. Government is more responsive to business needs. Investment has returned to the country, along with international lending organisations. One result has been a proliferation of private media companies. Togo ascended a significant six positions in ACBR 2019, a good rise that places the country in 29th place.

KEY OPPORTUNITIES

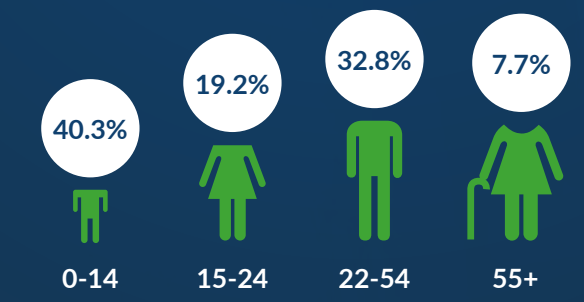
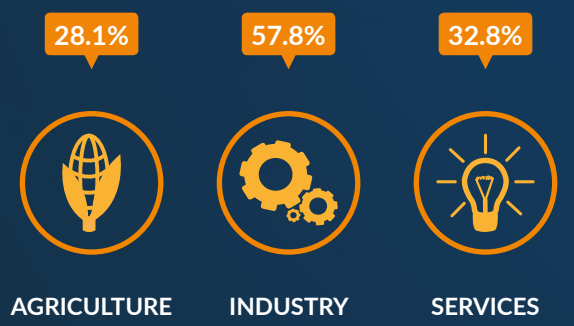
- Government tax and regulatory reforms have improved the business environment
- Significant deposits of phosphate lead the mining sector
- Profitable agricultural exports are led by cocoa and coffee

KEY CONCERNS

- Piracy in the Gulf of Guinea is a threat to shipping and the coastal areas
- The ruling regime sacrifices human rights for power
- Women's rights and involvement in society and governance are few

COUNTRY HIGHLIGHTS

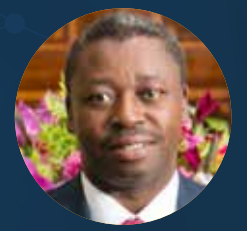
PREDOMINANT RELIGION Animism	PREDOMINANT LANGUAGE French	POPULATION WITHOUT ELECTRICITY 53.1% (#26) ▼ ¹	LITERACY RATE 63.7% (#33) ▼ ³	PRIMARY ELECTRICITY SOURCE Hydroelectric
IMPORT/EXPORT Petroleum/ Cocoa	EXTERNAL DEBT US\$ 1.387 billion (#41) ▬ ⁰	ACTIVE CONFLICT No	LAND SIZE 56,785 km ² (#41)	INTERNET PENETRATION 11.3% (#39) ▲ ¹



Term:
04/05/2005 - present
5 years (no term limits)

Political Party:
UNIR

Recent Electoral Information:
25/04/2015
1 221 756 Votes
58.8%
Voter turnout: 60.92%



President
Faure Gnassingbe

CONTRIBUTIONS TO GDP BY SECTOR

POPULATION AGE BREAKDOWN

NATIONAL GOVERNANCE

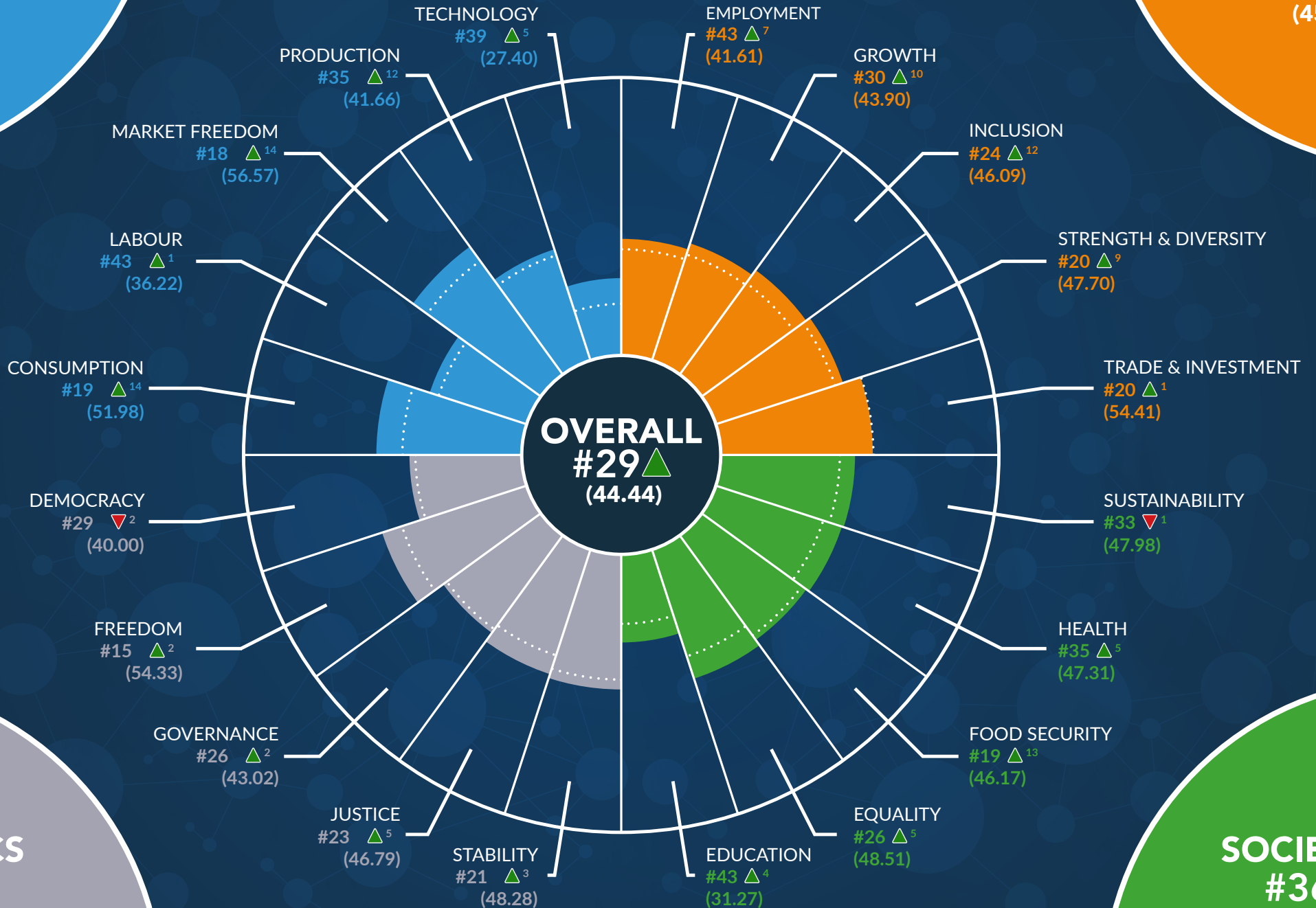
BUSINESS

#26
(42.77)

TOGO PERFORMANCE OVERVIEW

ECONOMICS

#27
(45.01)



POLITICS

#25
(46.48)

SOCIETY

#36
(43.48)

▲ Increase from 2017

▼ Decrease from 2017

■ No change

..... 2017 Score

TOGO BUSINESS ANALYSIS

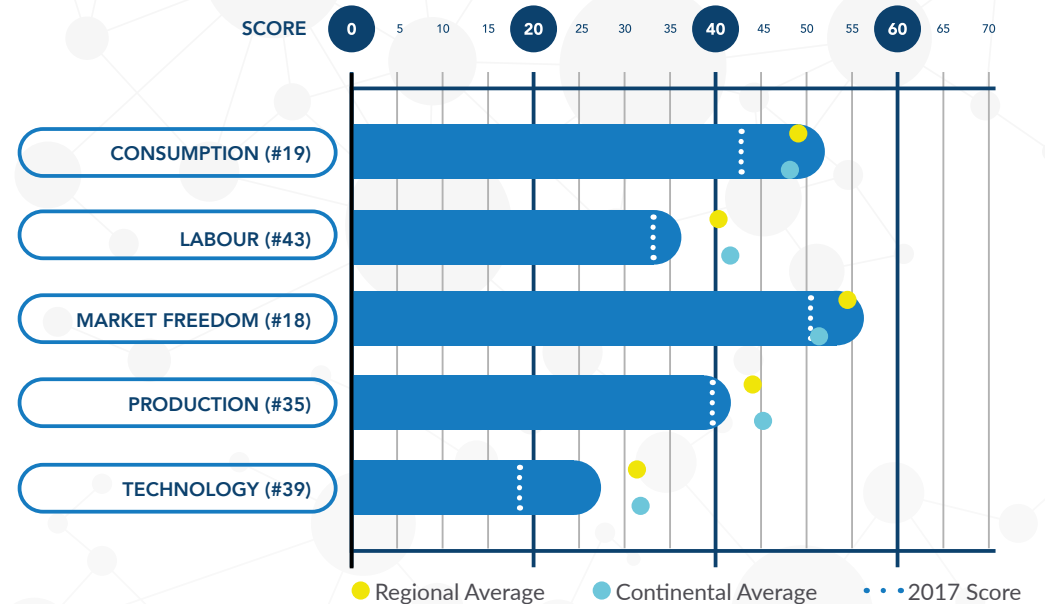


BUSINESS OVERVIEW

Togo's reacceptance into the world community after years of oppressive governance is reflected in positive economic indicators and investor confidence. Togo was a French colony until independence. Decades of military and authoritarian rule soured bilateral relations. However, French firms are investing in the country currently, such as Bolloré which is building a third pier at the Port of Lomé. The German Public Bank announced in 2016 that the financial institution would back German foreign investment in Togo. Infrastructure rehabilitation is one prerequisite for improving the business sector, along with securing a reliable energy supply. At present, the country imports four-fifths of the 1.2 million MWh of electricity consumed annually.

Boosting industrial output is a free trade zone near the capital, Lomé. In the industrial parks in Lomé, 12,000 Togolese have jobs at 62 companies that have located themselves there. Infrastructure improvement received a major push in January 2016 when government signed a loan agreement with the Islamic Development Bank for nearly US\$ 200 million to expand the road system. Government is seeking private-public partnerships to replace inept government companies and for entirely new enterprises. Togo recorded one of the largest rises of any country in any quadrant of ACBR 2019 with a 19-placement ascent in the Business quadrant. Greater foreign investment accounted for the rise. From a ranking of 45th previously, Togo is currently ranked in 26th place.

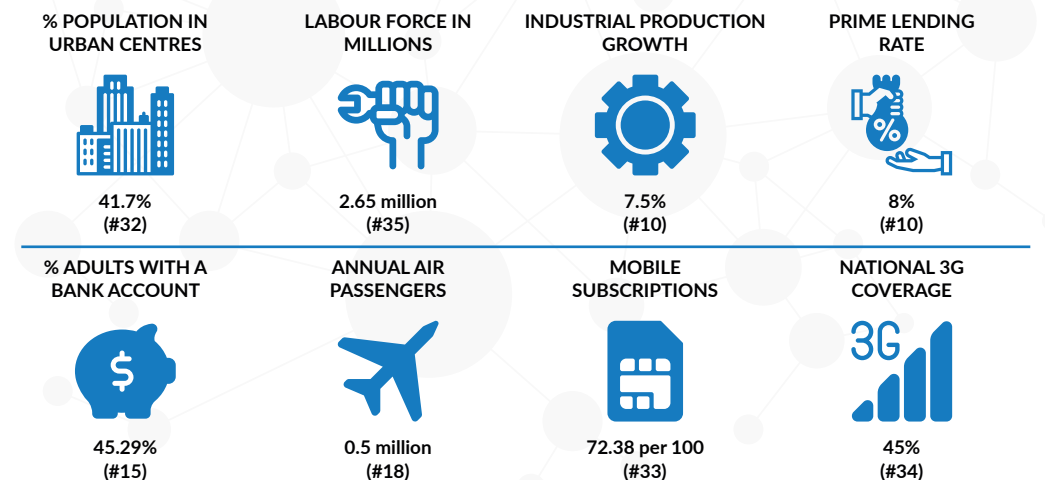
BUSINESS SCORES & RANKINGS



BUSINESS DATA COMMENTARY

<p>Togo data availability 69.23%</p>	REGIONAL AVERAGE 79.53%	AFRICAN AVERAGE 77.78%	CONTINENTAL RANK #36
	Attaining the lowest score along with the economic quadrant, Togo's business data availability currently stands at 69.23% along with a corresponding continental rank of 36 th . This falls below both the regional average for Western Africa, presently at 79.53%, as well as the continental average of 77.78%. Despite steady growth over the past few years, Togo's commercial sector is generally plagued by restrictive regulations and administrative inefficiency, thus requiring improved business coverage.		

BUSINESS STATISTICS



TOGO ECONOMIC ANALYSIS



ECONOMIC OVERVIEW

Togo has achieved steady economic growth in recent years. GDP growth for 2017 stood at 5.6%. Collaboration with the International Monetary Fund (IMF) and the World Bank enabled government to do necessary regulatory and tax reforms to boost the economy. In 2010, 95% of Togo's international debt was forgiven. The country had successfully completed IMF protocols that allowed inclusion in the Heavily Indebted Poor Country debt relief initiative. Among the objectives still to be worked upon is complete privatisation of inefficient and treasury-draining government companies.

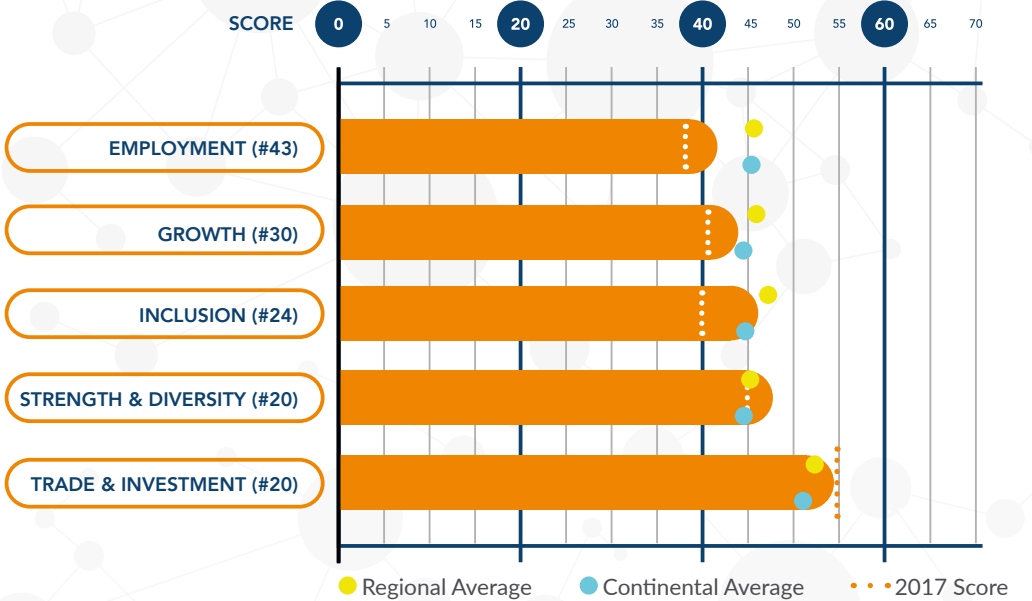
Togo is one of the world's top producers of phosphate and government used carbonate phosphate reserves to spur

the growth of the mining sector. This was achieved by drawing investors to deposits of limestone and marble, which have not yet been fully exploited. New mining will have an easier time exporting products once Lomé's port upgrades are finished. Foreign investors utilising Lomé's free trade zone is establishing factories for the value-added production of raw agricultural products for export. The value of exports topped US\$ 1 billion for the first time in 2017. Except for India, which purchases 7% of Togolese exports, all leading export partners are West African countries. Togo also made impressive improvements in the Economics quadrant, rising 11 positions. Government economic reform accounts for the rise. Previously at 38, Togo currently ranks in 27th place.

ECONOMIC DATA COMMENTARY

<p>Togo data availability 69.23%</p>	<p>REGIONAL AVERAGE 80.88%</p>	<p>AFRICAN AVERAGE 77.78%</p>	<p>CONTINENTAL RANK #36</p>
	<p>Along with the previous quadrant, Togo's score for economic data availability registers at 69.23% and ranks 36th continentally. This too falls considerably short of the respective regional and continental averages of 80.88% and 77.78%. At present, one of the most reliable sources for macroeconomic data pertaining to Togo is the Togo data portal sponsored by the African Development Bank, although this remains incomplete and requires further supplementation in order to facilitate enhanced growth and development.</p>		

ECONOMIC SCORES & RANKINGS



ECONOMIC STATISTICS

<p>GDP PER CAPITA</p> <p>US\$ 1,600 (#42)</p>	<p>UNEMPLOYMENT RATE</p> <p>1.8% (#4)</p>	<p>TRADE BLOC MEMBERSHIP</p> <p>ECOWAS, UEMOA</p>	<p>INFLATION RATE</p> <p>0.8% (#5)</p>
<p>GDP AT PPP</p> <p>US\$ 12.9 billion (#40)</p>	<p>CURRENCY AND GOLD RESERVES</p> <p>US\$ 0.22 billion (#35)</p>	<p>FDI NET INFLOWS</p> <p>US\$ 255 million (#36)</p>	<p>BUDGET SURPLUS (+) OR DEFICIT (-)</p> <p>-4.8% (#32)</p>

TOGO POLITICAL ANALYSIS



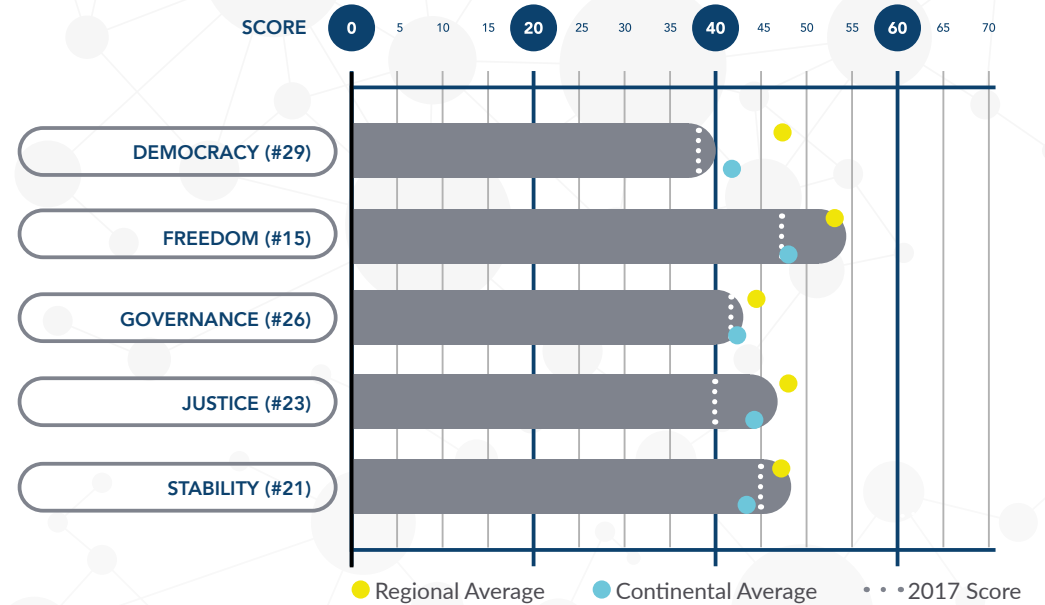
POLITICAL OVERVIEW

General Gnassingbé Eyadéma installed himself as ruler of Togo following a coup d'état in 1967. He ran Togo with an iron fist for four decades until his death in 2005. The Togolese military staged a coup d'état to install Eyadéma's son, Faure Gnassingbé. To give Faure Gnassingbé's rule an appearance of legitimacy, the military then contrived an election that ended in Gnassingbé's victory. The European Union cut off economic aid to Togo in 1993 over the elder Gnassingbé's human rights abuses. Pressure from the African Union pushed the country towards genuine democratic reforms. Gnassingbé's 2010 re-election was generally free and fair, and his 2015 election was also an improvement. Togo's human rights record is poor. Widespread protests that began in

2017 and continue in 2019 show popular discontent with the dynasty's rule. The military reportedly used arrests and torture against protest organisers to end dissent. Prominent pro-democracy activists went into exile. However, Gnassingbé has undertaken some reforms in response to the protests.

While Gnassingbé is head of state, the head of government is the Prime Minister (PM), currently Komi Klassou. The PM's cabinet is appointed by the president from candidates proposed by the PM. Togo recorded a one-position rise in the Politics quadrant to 25th place. This was due to worsening performance in other countries rather than improvement in Togo's political situation.

POLITICAL SCORES & RANKINGS



POLITICAL DATA COMMENTARY

<p>Togo data availability 85.11%</p>	<p>REGIONAL AVERAGE 87.10%</p>	<p>AFRICAN AVERAGE 82.86%</p>	<p>CONTINENTAL RANK #28</p>
	<p>Long dominated by the nepotistic Gnassingbé lineage, 2017 witnessed the emergence of widespread protests countered with harsh repression. Consequently, international watchdogs have been paying heightened attention to Togo, bringing its political data availability score to 85.11% along with a corresponding continental rank of 28th. This falls just below the regional average of 87.10% but marginally exceeds the continental average of 82.86%.</p>		

POLITICAL STATISTICS

<p>NUMBER OF POLITICAL PARTIES</p> <p>14 (#16)</p>	<p>MILITARY EXP AS % OF GDP</p> <p>1.9% (#14)</p>	<p>REFUGEE INFLOW</p> <p>9,695 (#6)</p>	<p>NUMBER OF RIGHTS</p> <p>49 (#29)</p>
<p>DATE OF INDEPENDENCE</p> <p>27/04/1960</p>	<p>NET OFFICIAL DEVELOPMENT ASSISTANCE</p> <p>US\$ 165 million (#40)</p>	<p>WOMEN IN PARLIAMENT</p> <p>17.6% (#30)</p>	<p>CAPITAL PUNISHMENT</p> <p>Abolished</p>

TOGO SOCIETAL ANALYSIS

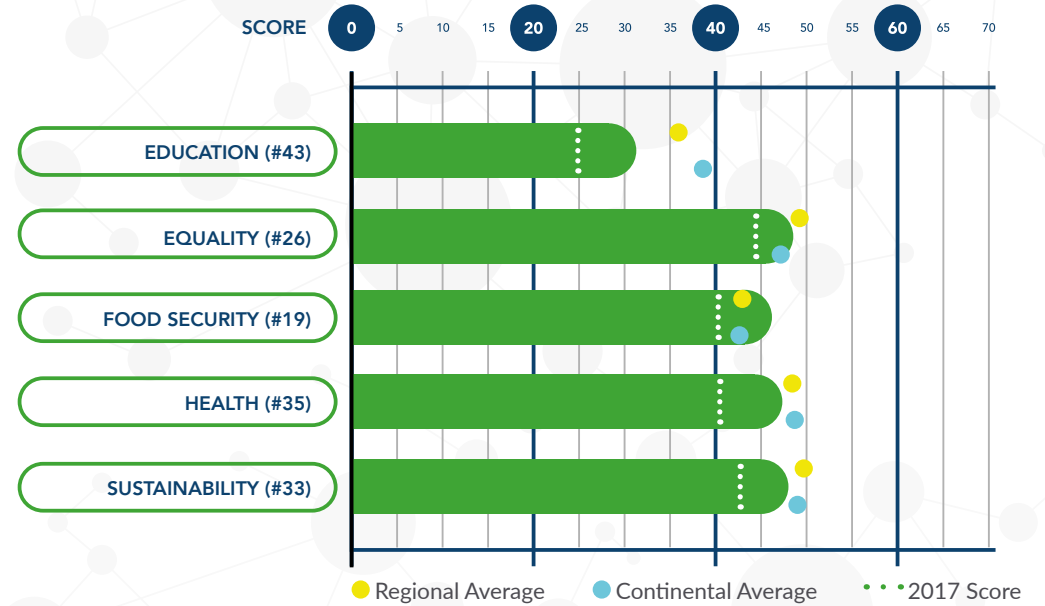


SOCIETAL OVERVIEW

A national population of 8.2 million people face twin societal challenges in HIV and overpopulation, both of which require poverty reduction to rectify. The task is complicated by population growth against which government has no population policy. Togolese women give birth to 4.32 children on average. Between 1960, which was when the country received independence, and 2010, the national population quadrupled. Consequently, jobs have become scarce and incidents of child slavery have increased as Togolese children began to be trafficked to Nigeria. Infant mortality is high. About 110,000 people are estimated to be living with HIV/AIDS and the pandemic accounts for about 5,000 Togolese deaths annually.

Population growth has also caused increased urbanisation. Of the population who have access to clean water, 66% of rural residents and one out of 10 urban dwellers have no access to improved water supplies. Only 25% of urban and a negligible 3% of rural citizens have improved sanitation, which increases the risk of such diseases as diarrhoea and typhoid. Poverty is evident from poor public waste disposal infrastructure and from the 16% of children who are underweight. Education levels are also poor, with one-third of the population illiterate. In the Society quadrant, Togo climbed three positions to 36th place. This is due to better indicator scores. However, with basic social welfare needs often unaddressed, the overall sector score of 43.48 remains low.

SOCIETAL SCORES & RANKINGS



SOCIETAL DATA COMMENTARY

<p>Togo data availability 78.57%</p>	<p>REGIONAL AVERAGE 81.63%</p>	<p>AFRICAN AVERAGE 75.28%</p>	<p>CONTINENTAL RANK #31</p>
	<p>Dipping below the previous quadrant, Togo's score for societal data availability is 78.57%, thus ranking 31st continentally. This falls short of the regional and continental averages of 81.63% and 75.28%. Having made progress on only 6 of the 8 Millennium Development Goals (MDGs) by 2015, Togo remains confronted with development challenges spanning social service provision, gender equity and financial inclusion among others. In this regard, concerted efforts need to be made to improve societal coverage.</p>		

SOCIETAL STATISTICS

<p>POPULATION SIZE AND GROWTH RATE</p> <p>7,965,055 at 2.64% p.a. (#32) (#13)</p>	<p>LIFE EXPECTANCY</p> <p>65.4 (#11)</p>	<p>HIV PREVALENCE</p> <p>2.1% (#23)</p>	<p>SEXUALITY TOLERANCE</p> <p>Illegal</p>
<p>ACCESS TO DRINKING WATER</p> <p>63.1% (#38)</p>	<p>HEALTH EXPENDITURE (% OF GDP)</p> <p>6.65% (#19)</p>	<p>PRIMARY EDUCATION EXPENDITURE (% OF GDP)</p> <p>46.95% (#17)</p>	<p>SOCIAL MEDIA PENETRATION</p> <p>6% (#36)</p>

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