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Togo: recent political and economic development

Dirk Kohnert ¹

Executive Summary

Backed by peaceful but undemocratic presidential (2010) and legislative (July 2013) elections the Gnassingbé regime consolidated its power. In view of the absolute majority of the ruling party, its inclination for meaningful constitutional and electoral reforms, as demanded by the opposition and international donors, was further reduced. Overriding concerns for stability in West Africa in view of growing Islamist threats in neighbouring countries made that the delayed democratic reforms including the time and again reported local elections were condoned by the donor community. However, simmering discontent of the hardliners among the security forces and the barons of the ruling party was still visible. The opposition tried in vain to overcome its divide between its moderate and radical wing. An alliance of opposition parties and civic groups opposed the regime peacefully by frequent, often violently suppressed demonstrations with little effect. Arson attacks on the markets of Lomé and [Kara](#) in January 2013 served as pretense to harass opposition leaders. Human rights records of the government remained tarnished. The tense political climate persisted in view of the upcoming presidential elections in April 2015 and the apparent determination of the President to stay in power a third and eventually even a fourth term whatever the cost. Despite undeniable improvements of the framework and outside appearance of major institutions of the regime during the survey period it remained a façade democracy. However, the international community, notably African peers, the [AU](#) and [ECOWAS](#), but also the Bretton-Woods Institutions, China and the EU, followed a ‘laissez faire’ approach in the interest of stability and their proper national interest in dealings with the country. Economic growth perspectives remained promising, expected to increase to 6.0% in 2014 and 6.3% in 2015, last but not least because of heavy assistance by the international donor community. However, growth is neither sustainable nor inclusive. It is overshadowed by increasing inter-personal and regional inequality as well as an upturn in extreme poverty.

Keywords: democratization, governance, fragile states, economic development, development co-operation, EU, Togo, West Africa, ECOWAS

JEL-code: A14, F35, N97, O17, O55, Z13

¹ Author's extended and annotated version of ‘BTI 2016 – Togo Country Report’, amended with hyperlinks to several additional sources, references as well as a list of further readings. – The ‘BTI 2016 - Togo-Country Report’ is part of the Bertelsmann Foundation's Transformation Index (BTI) 2016. *It covers the period from 31 January 2013 to 31 January 2015.* The BTI assesses the transformation toward democracy and a market economy as well as the quality of political management in 129 countries. Gütersloh: Bertelsmann Foundation, forthcoming (2016). More on the BTI at <http://www.bti-project.org>.

History and Characteristics

[Togo](#), established in 1884 as German colony, became UN trusted territory under French administration after World War II and wrested its independence from France on 27 April 1960. In the first democratic presidential elections of 1961 [Sylvanus Olympio](#) became president of the newly independent Togo. His murder, on January 13, 1963, by a group of Togolese veterans of the French colonial army, led by sergeant Etienne Gnassingbé (later called [Eyadéma](#)) opened up a Pandora's box. It was the first violent coup in the history of independent Sub-Saharan Africa. Although unanimously condemned by the Organisation of African Unity (OAU) in the beginning, African statesmen soon turned back to normal. After another coup d'état, ousting President [Nicolas Grunitzki](#), Lt. Col. (later General) Gnassingbé Eyadéma became president of Togo in 1967. Establishing a one-party government, Eyadéma ruled as Togo's authoritarian head of state for 38 years. Taking advantage of the support of Western countries, who appreciated Togo's capitalist orientation and its unwavering backing of Western positions in East-West cleavages General Eyadéma went almost unchallenged until 1990. Over decades Togo was put on the drip of considerable development aid, which represented 51% of real GDI p.a. on average between 1965 and 1992. After the resumption of aid in 2008 aid dependency continued though on a smaller scale (ODA p.a. 7,2 - 17,0% of GNI, 2010-2012; [DAC 2014](#)). Any efforts by the mostly clandestine opposition to expand freedom and democratic participation in the country were undermined. In July 1991, influenced by the implosion of the Soviet empire and by apparently successful democratization efforts in a number of African countries – including neighboring Benin – a [Sovereign National Conference](#) was organized with the objective of deciding on the country's new constitutional and political order. The assembly opted for a semi-presidential system and elected an interim prime minister. Four months later, however, President Eyadéma ordered the army to attack the interim government, re-establishing his dictatorial power.

The presidential elections that followed in 1993, 1998 and 2003 were not organized democratically, prompting major opposition groups to boycott them, which in turn resulted in overwhelming victories for Eyadéma. Attempts by opposition groups and civil society organizations to challenge the government through demonstrations and general strikes were brutally crushed in 1994 by the army and security forces. Political persecution of opponents in the following two years triggered a hitherto unknown wave of politically motivated migration of some 350.000 refugees to the neighbouring countries Benin, Ghana or to Europe. Political resistance gradually lost out to apathy, pessimism and frustration.

In 1993 the European Union and other major international and bilateral donors like Germany officially suspended its development cooperation with Togo because of gross human right abuses, despite the close ties Eyadéma maintained with the French President Jacques Chirac. Notwithstanding Togo's political support from Paris, largely diminished international aid and the decline in investments had severe effects on the country's economy. These effects were exacerbated by general apathy and the loss of human resources resulting from the out-migration of highly qualified Togolese citizens.

When Gnassingbé Eyadéma, died unexpectedly in February 2005 after nearly four decades of autocratic rule, Togo became a test case for indigenous democratisation efforts of African states. In defiance of the country's constitution, the military proclaimed Faure Gnassingbé, a son of the late president, the new head of state. Widespread international protests compelled the new president to call presidential elections on 24 April 2005. Despite international protests against massive electoral irregularities, Faure Gnassingbé was sworn in as president

on 4 May 2005. The majority of the Togolese population protested against this manipulation of the public will, but the military brutally brought down the protests. About 700 people died, and more than 40,000 citizens migrated into neighboring countries. The economy of the country further declined. Finally, massive international pressure forced the antagonists of Togo's political class into negotiations, which included the opposition political parties and civil society groups. This resulted in the so called [Global Political Accord](#) (APG) in August 2006. The first free parliamentary elections took place on 4 October 2007. The governing party, (then the [Rassemblement du Peuple Togolais](#), RPT) won an overwhelming majority in with 50 seats against 31 for the opposition. The fact the RPT could achieve this broad margin with slightly more than a third of the general vote can be explained by the biased system of representation in which the less-populated north, the fief of the Gnassingbé clan, has more members of parliament than the more populated south. [Presidential elections in March 2010](#) paved the way for a second five-year mandate for Faure Gnassingbé. The elections, although marked by the lack of electoral reforms essential for free and fair polls as well as flagrant irregularities, were largely peaceful and therefore recognized as credible by the international community out of its overriding interest in the stability of the sub-region. The same applies for the [legislative elections on 25 July 2013](#).

Status Index

Democracy Status

Q1 | Stateness

Q1.1 | Monopoly on the use of force

8

Togo belongs to the impoverished [fragile states](#) according to OECD criteria. The state's monopoly on the use of force is guaranteed in principle. However, there exists a long standing culture of impunity for extra-legal killings committed by the security forces. The army, gendarmerie and police are loyal to the incumbent government, apart from rivalries within its own ranks. This loyalty goes back to historically grown strong ethnic ([Kabyè](#)) and personal links between the army leadership and the presidential extended family. The power struggle within the Gnassingbé clan and between hardliners and modernisers among its followers in the security forces and the ruling party (RPT), was temporarily decided in favour of the president. In September 2011, the assumed ringleaders of a 2009 coup attempt were convicted by a [Lomé](#) court which re-enforced the command by the president. Faure's younger half-brother and former defence minister Kpatcha, as well as other family members, the retired army chief General Assani Tidjani, and Abi Atti a commander of gendarmerie, were served partly long jail sentences. However, the head of state was well aware of continuing discontent both within the security forces and the RPT, replaced in April 2012 by its 'modernized' successor UNIR ([Union pour la République](#)). Therefore, the ministry of defence remained attached to the presidency and a reform of the army ([Forces armées togolaises](#), FAT) announced in December 2013. The commanding heights of the military were replaced with his followers one for one. Thus, by the end of 2013 the Chief of Defense Staff of the Togolese Armed Forces (FAT), Major General Atcha Titikpina, was replaced after three years in office by Colonel, now General Félix Abalo Kadanga, who had been promoted already one year ago as Chief of Staff of the Togolese Army (land forces of FAT). Colonel M'Ba Koffi Batanda, former head of the Presidential Guard (RCGP) was now entrusted with the latter post.

Kadanga is brother in law of Kpatcha Gnassingbé, the imprisoned former minister of defense. As head of the Rapid Intervention Force (FIR) Kadanga had played a crucial role in the arrest of Kpatcha who had been accused of an coup attempt against his half-brother Faure in 2009. The Navy was entrusted to Captain Adjo Vignon Kwassiv, whereas Captain Takougnadi Nayo was appointed Chief of Military Staff of the President. By the end of 2014, two battalions of a newly created Rapid Intervention Force (BIR) of 550 well-equipped troops each will be created according to the French model. Raymond Germanos, the dubious military advisor of Gnassingbé, a retired French five-star general and a freemason, dishonourable discharged with a criminal record for paedophilia, will supervise the installation of these battalions in [Lomé](#) and [Kara](#), the respective head-quarters of the newly created Southern and Northern military region, each subdivided in five sectors. Col. Awoki Panassa, former head of the National Gendarmerie, turned into chief of staff of the president in replacing Néyo Takougnadi, who became head of the national marine. A fundamental reform of the national gendarmerie with the creation of two regional directorates was announced at the same time. Yotroféi Massina, the chef of the controversial intelligence agency (ANR), accused of torture in 2012 by the National Human Rights Commission (CNDH), became head of the gendarmerie. Mid October the protection of the electoral process, which had been hitherto the task of the national police under the command of the minister in charge of security and civil protection Col. Yark Daméhame, was transferred to the ministry of defence, that is to the head of state himself, who still guards the control of this ministry, anxious to nip any coup attempt in the bud. In addition, a special force to secure the presidential elections ([FOSEP 2015](#)) composed of elements of the gendarmerie and the police of about 8,000 troops was created in December 2014, co-financed by UNDP as in previous elections.

According to U.N. reports, Togo has become a major hub of drug trafficking and money-laundering in Western Africa related among others to profits from re-exports of used cars from Western Europe to neighbouring markets (mostly smuggling to Nigeria). According to [UNODC](#) the proceeds of trafficking are increasingly used by Islamist terrorist groups. [Lomé](#), that had been served already as a hub of cocaine trade in West Africa since several years, did now enter also the heroin trade from Asia via Eastern Africa. Piracy of the coast of West Africa – particularly in the Gulf of Guinea around Nigeria, Benin and Togo– had become a new international ‘hot spot’. They are now classified as high risk zones by maritime insurance companies. In June 2013 the [Joint War Committee](#) (JWC) added the waters of Togo’s exclusive economic zones north of latitude 3° to the West Africa high-risk area. Many of these pirates are said to be Nigerian gangs, cooperating with politicians, the military and custom officials, with intimate knowledge of the oil industry and oil tankers, probably derived from previous experience in the Nigerian Niger Delta. In 2013 Nigerian piracy attacks in the Gulf of Guinea grew to its highest level since 2008 with 31 of the 51 attacks reported in the region according to the [International Maritime Bureau](#) (IMB). Both low- and high-level corruption facilitate and encourage this pirate-related activity. On 19 September 2013 the representative of the EU in Benin launched the Gulf of Guinea Maritime Route project ([CRIMGO](#)), a pilot-project of seven African countries, including Togo, in order to enhance maritime governance. In September 2014 the ECOWAS was set to follow suit in launching a maritime piloting zone to fight piracy including the coastal waters of Nigeria, Benin and Togo. In 2014 the [deep water harbour of Lomé](#) emerged as the primary African destination for US gasoline exports, partly as a way to thwart pirates. Thereby big tankers discharge to smaller vessels that move further on, mostly to Nigeria and Ghana, which is considered more secure than lightering off the coast.

Aside from the historical domination of Togo's political administration by northerners, there were remarkable tendencies for a political instrumentalized xenophobia, notably concerning the politics of 'Togolité', as codified by the revision of the constitution of 2002. Thereby, exiled opponents (like former opposition leader [Gylchrist Olympio](#)), and refugees were treated as 'foreigners', who could not stand for elections. Another example is the differentiation between 'authentic', 'original', or 'true' Togolese, as propagated by government media during pre-election periods vis à vis the so called 'Southern immigrants', i. e. the [Ewé](#) ethnic group, which immigrated centuries ago from neighboring Ghana. Tensions between ethnic groups, particularly those between dominant [Kabyè](#) of the North in politics and in the security services and the economically more powerful southern Ewé, still play a greater role in limiting equal access to remunerative and strategically important public authorities, thereby abetting nepotism and compromising good governance.

However a 'banal' everyday nationalism and a sense of belonging to the nation developed during the past decades among the population. This patriotism can be observed for example during international soccer events when Togolese celebrate their national pride in favour of their team, nicknamed Les Eperviers (The Sparrow Hawks), which entered the FIFA World Cup in 2006 and reached the quarter-finals of the Africa Cup of Nations for the first time in history in 2013. The captain of the team, internationally renowned football star Emmanuel Adebayor, was elected as first Togolese ever African Footballer of the Year in 2008. An example of self-interested nationalism are calls of the trading elite, like the influential '[Nana-Benz](#)' (politically influential cloth-trading women, who during the 1970s earned more revenue than the phosphate industry) for limitation of market access of 'Foreigners', notably concerning the growing '[unfair competition of Chinese](#)' small scale traders and of Nigerians, sweepingly accused of drug dealing.

Q1.3 | No interference of religious dogmas

9

The formally established [religious groups](#) – Christians (about 48% of population, mostly Catholic) and Sunni Muslims (about 30%, mostly of the Sufi order of the Tidjaniya) – seek to play a neutral and constructive role in the political system and to make democracy more vibrant, as was observed during the National Conference of 1991, the 2007 and 2013 legislative elections and the active participation in the Truth and Reconciliation Commission ([CVJR - Commission Vérité, Justice et Réconciliation](#)) since 2009. Numerous vibrant Pentecostal churches are less active in secular public life, but they do not constitute a danger to the political system either. African traditional religions, notably vodun in the Southern regions and occult belief systems all over Togo, still play an important role in everyday life. Their priests often act as estimated conflict mediators at the local level. Ni-Mantche, the grand master of the vodun goodness Maman Kole in Southern Togo was counted in October 2014 by Jeune Afrique in an non-exhaustive ranking of the 15 most influent religious leaders in Africa as one of the most celebrated [African vodun](#) priests. However, the past instrumentalization of African religions and occult belief systems by the ruling powers for political means and political motivated witch-hunts as proofed by the defunct Eyadéma regime can be revived any time. It is still an underlying current of all religious beliefs regardless of its spiritual orientation. It was – and probably is - not restricted to the person of late General Eyadéma, nor to the ideological underpinning and legitimization of the worldly power of the head of state, but encompasses nearly all levels of public administration from the top, down to the level of simple district heads.

Q1.4 | Basic administration

6

Whereas the state's basic administration extends throughout the entire territory, it is functionally deficient. It continues to suffer from the parallel structures of formal and informal institutions (e.g. [traditional chieftaincies](#)) inherited from colonial rule. The role of traditional chiefs was adapted in decades of despotism to the needs of the ruling elite by the politics of 'authenticity', i.e. the reference to (re-invented) traditional rules, and by the forced 'alignment' of chiefs in the National Confederation of traditional rulers of Togo ([l'Union nationale des chefs traditionnels du Togo](#)) created in August 1969. In addition, the legitimacy crisis left behind by decades of despotic rule and growing corruption in a fragile economic environment are barriers to good government and a transparent administration. The state's administrative organizational structure is centralized. Devolution of the administrative system was one of the commitments made to the European Union (2004) before economic sanctions could be lifted. However, the power elite still lacks the political will for decentralisation of power and resources in order to enhance local autonomy, as demanded by the constitution, the opposition and the donor community. Local elections were postponed time and again since 1987 when the last communal elections had been held.

Q2 | Political Participation

Q2.1 | Free and fair elections

4

Compared to previous elections in Togo, the [parliamentary elections of 4 October 2007](#) were the first reasonable free and fair elections in the country. However, the controversial delimitation of the Togolese constituencies still favors the governing RPT/UNIR tremendously in legislative elections. With only 39% of votes cast, the party was able to win 50 out of 81 seats in the National Assembly (2007). In the legislative elections of 25 July 2013, that had been due already in October 2012, but were postponed repeatedly because of disagreement over electoral reforms, the gerrymandering of constitutional borders resulted again in a disproportionate high victory of UNIR which won with 880,608 (46.7%) of votes 68.1% of parliamentary seats. The sensible decline of voter turnout from 85% in the 2007 legislative elections to 65.79% (2013) indicated that the electorate had become frustrated by the state's inaptness for meaningful reforms. According to a representative survey of [Afrobarometer](#) published in January 2015 about two third of the population held the opinion that the present electoral system does allow neither to vote the president out of office nor to vote for deputies who truly reflect the will of the electorate.

Communal elections, although demanded by the constitution, have been postponed time and again since 1987 out of the lack of political will of the ruling elite to a devolution of power. In October 2014 the prime minister Ahoomey-Zunu ruled again out that they will take place before the upcoming presidential elections of 2015 as demanded. The [presidential elections of 4 March 2010](#), although overshadowed by an atmosphere of tension and suspicion, finally passed off largely peacefully, contrary to the previous rigged presidentials of 2005 with its aftermath of bloody political persecution. Although the incumbent won all 24 prefectures in four northern regions, and the opposition in the seven prefectures of the densely populated Maritime region, the election results revealed a gradual renunciation from established configurations of [ethnic or regional voting](#) and the resulting North-South divide in voting patterns. Both the president and the opposition leader gained historic scores in the former heartland of their adversary. Apparently, the Gnassingbé regime had learned its lessons from the past. It was eager to boost up its irregularly acquired power through legitimacy provided

by peaceful elections, which, although largely credible in the trend of the overall outcome, were neither free nor fair. The acting head of state won the elections with a comfortable margin. Thus the outgoing president was re-elected for a second five-year term. Undemocratic amendments of the 1992 constitution during the 'constitutional coup' of the RPT in 2002 allow for a third term of the president in 2015 which is strongly contested by the opposition. The global political accord between government and opposition of 2006 ([Accord Politique Global](#), APG) had provided for a return to the 1992 constitution's limitation of two consecutive terms. The government agreed but wanted to apply this rule only from 2015 onwards. This would result in Faure Gnassingbé standing in reality for a third and eventually a fourth time. Correcting the biased electoral system is one of the opposition's most salient demands for electoral reform prior to the next elections.

Q2.2 | Effective power to govern

2

The president has the support of the country's administration as well as that of the security forces. He does face little major structural constraints in putting his decisions into practice. However, the president is possibly not always in command of the hard-liners in the ruling party, the army and the secret service (*Agence Nationale de Renseignement – ANR*), accused of torture, other HR abuses and unlawful interference into government issues in a report of the *Commission Nationale des Droits de l'Homme* ([CNDH, February 2012](#)). Prime minister Gilbert Houngbo resigned from office in July 2012 because of irreconcilable differences with the president about arbitrary acts of the ANR. He was replaced by former minister for commerce, Arthème K.S. Ahoomey-Zunu (23 July 2012). In general, the prime minister needs the president's support more so than that of parliament if he wants to implement important pieces of policy. However, the president does not yet enjoy full democratic legitimacy, and it remains to be seen whether the powerful military will remain loyal to the president in spite of countervailing pressure by hard-liners within the army.

Q2.3 | Association / assembly rights

6

The guarantee and protection of freedom of assembly and association rights have improved since 2007. However, limitations, particularly on assembly rights persist. On 5 May 2011 a new bill on the right to freedom of association and assembly was adopted in parliament by the RPT/UFC majority. The law had been introduced as part of the coalition agreement in order to replace colonial regulations often used in the past to suppress opponents of the regime. The new bill liberalised demonstrations by permitting it without prior official permission, although they still can be banned because of disturbance of public order. However, it was contested by the opposition because draconic penalties apply for damages of public property to those who defy the ban. Therefore, the 'radical' opposition suspected that the law could still be used by the government to clamp down on the opposition under the guise of rule of law. In 2013 strikes of teachers for a substantial pay rise and against subsequent school closures were supported by pupils in often violent demonstrations with political undercurrents. This escalated on 15 April 2013 in the shooting of a student and a 12 year old schoolboy in Dapaong, the northernmost prefectural capital when the police tried to stop a crowd from storming a government building. The unrest spread to several areas. On 22 May 2013, the government issued a two-day ban on public demonstrations after violent demonstrations of university students. Regular anti-government demonstrations of the [Collectif Sauvons le Togo](#)

(CST), an alliance of parties of the so-called 'radical' opposition and civic groups, were harassed by security forces and pro-government militias. Other outstanding incidences were opposition protest against the arrest of opposition leaders imprisoned because of alleged involvement in the arson attacks on [Lomé](#) and [Kara](#) markets in early 2013. Marches and protests over labor issues, proposed media legislation, and political issues happened nearly weekly in the capital in 2013/14 though without further major incidences.

Q2.4 | Freedom of expression

5

There is a wide range of daily and weekly newspapers, a vibrant private press, a large number of (local) radio stations and three TV stations that send news regularly. In addition, a number of foreign stations can be followed freely. Twitter and other online social networks are more and more used both by the government and the opposition. Internet access is gradually improving, last but not least because of growing mobile phone penetration (which almost tripled between 2008 and 2013, but with 63% in 2013; was still the second lowest penetration rate of the [WAEMU](#); internet users 4% in 2012). Freedom of speech and freedom of the press are guaranteed by law, but the law is not always respected. The High Authority of Broadcasting and Communications ([HAAC](#)), meant to protect press freedom and to ensure basic ethical standards, is heavily biased in favour of the government, notably during election campaigns. The parliament passed a more restrictive media law on 19 February 2013 that would have given the HAAC greater power over media with sweeping powers of censorship. Although the Constitutional Court overturned some of the repressive amendments of the media law, the lack of press freedom remained a critique of national and international HR bodies. In the global ranking of the [Press Freedom Index](#) (FPI) of the Paris based '[Reporters sans Frontiers](#)' Togo fell by four places (rank 83 out of 179 countries) in 2013 but improved to rank 76 in 2014.

Q3 | Rule of Law

Q3.1 | Separation of powers

4

The constitution of 1992 established the legal framework for a presidential multiparty system in Togo. The president is elected for five years. In a 'constitutional coup' at the end of 2002, the majority of the RPT in parliament (put in place by rigged elections) voted for a change of the constitution in order to guarantee the continuity of the political power of the Eyadéma clan in three crucial domains. First, it changed article 59 of the constitution, which now allowed for a third term of office of the president. Second, it revised article 62, which in its new version reduced the minimum age of presidential candidates from 45 to 35 years, to allow the candidature of Faure Gnassingbé, the young heir to the throne of his father. Third, it effectively excluded the major opposition candidate, [Gilchrist Olympio](#), from the electoral process. The latter stipulation, which still prevented the opposition leader to participate in the 2007 legislative elections, was eliminated by the new electoral law of August 2009. However, the latter newly introduced a first-past-the post system which provides the incumbent with a comfortable advantage vis à vis his competitors. The new procedure is unusual and problematic under the prevailing African political conditions. Thereby the leading candidate wins in a single vote whether or not he gains an absolute majority, which eliminates the chances of opposition candidates to re-group for a run-off. The president offered the

opposition to compromise in the latter point, however his own party UNIR rejected the draft bill introduced by the government in parliament in June 2014.

The prime minister is nominated by the majority group in the unicameral parliament and appointed by the president. However, great deal of power vested in the office of the president makes it difficult for the other sections of government to serve as a counterbalance. The legislature in particular needs much more technical and constitutional authority and capacity if it is to successfully act as a check on the president's power. In addition, the corrupt judiciary has yet to live up to its constitutional role.

Q3.2 | Independent judiciary

3

An [independent judiciary does not exist](#). The Supreme- and the Constitutional Court, the latter inaugurated only in 1997, are dominated by members loyal to the Ganssignbé clan and the ruling party, as various biased decisions on the outcome of elections and the exclusion of 9 ANC MPs from parliament in November 2010 proved. In September 2014 the head of state and the UNIR majority in parliament, boycotted by the opposition, each re-elected largely the same notorious judges of the Constitutional Court as already chosen in 2007, including its president Abdou Assouma. Early October 2014, the latter published a controversial interview declaring the [Global Political Accord](#) (APG) as void with the advent of a functioning pluralist parliament as allegedly proven by the decision of the UNIR and UFC majority in parliament on 30 June 2014 to vote against the draft law on constitutional changes submitted by its own government. There is a decisive discrepancy between constitutional law and its implementation in reality. A separation of powers between judiciary and executive branches (attorney and police) does exist only rudimentary. The president of Togo's Judges' Professional Association (APMT) complained at the Association's plenary at the end of 2008 that the Togolese people have to suffer from a judicial system of two speeds, one for the poor and another one for those who are able to buy the judges' conscience. A [World Bank survey of doing businesses](#) (2010) revealed that 60% of respondents believed that the courts were neither impartial nor free from corruption. This holds up to date. Moreover, it is still necessary to belong to the inner network dominated by the ruling party in order to be nominated to any influential position in the judiciary. It is even difficult for an independent lawyer to run a law firm because his chances to win the respective court cases are much lower than for regime friendly colleagues.

Finally the judicial system suffers from [legal pluralism](#), i.e. the separation of official and customary law derived from colonial times. The majority of the poor has hardly access to official law in actual practice. The [traditional chiefs](#) are considered as brokers between the state and the local population and declared to be the custodians of customary law (*droit coutumier*) by constitutional stipulations. However, many of them are discredited by decades of compliance with the autocratic Eyadéma regime. In addition, the conservative and patriarchal structures of the chefferie in general counteract the devolution of power to the local people as well as gender equality.

Q3.3 | Prosecution of office abuse

3

There exists a long-standing culture of impunity vis à vis [human rights abuses](#) of the security forces. Abuse of public office is still endemic in Togolese society, and the embezzlement of public funds remains rampant. However, the political opening has meant that corrupt officeholders are subjected to somewhat more (negative) publicity. Nonetheless, due to the judicial system's shortcomings, these officials are rarely prosecuted.

Q3.4 | Civil rights

5

Although the civil rights situation in Togo has improved substantially, serious problems persist. Deplorable prison conditions aroused international attention. According to a report (1 September 2014) of the U.S. based [Open Society-Justice Initiative](#) Togo counted among the 20 countries worldwide with the highest number of pre-trial detainees in relation to total prison population (65% in 2012). Detainees were penned up like sardines in prison cells of 6 to 7 m up to 55 inmates. They had to rely on their families for basic food and drinking water. Prison staff delegated much of its authority to capos who effectively control and terrorise their co-inmates. Torture to extract confession remained widespread at police and gendarmerie posts. In early April 2014 the secretary of state minister of Justice, Christian Trimua and his delegation visited the site of the defunct concentration camp of Kazaboua-Agombio (Central Togo), for a controversial appraisal mission. Apparently he wanted to check whether it could be reopened as center of rehabilitation. During the Sovereign National Conference of 1991 this torture camp under the Eyadéma regime had been singled out for especially cruel treatment of political prisoners. Plagued by corruption, the executive branch's influence and lengthy pre-trial detention periods, the judicial system does not fulfill its function. Civil rights for a number of groups are restricted. Violence against women and the practice of [female genital mutilation](#) (FGM) continue, though on a diminishing scale because of donor assisted awareness campaigns. FGM was formally outlawed already in 1998 and decreased probably by more than half since 1996. But it still exists on a considerable scale (about 4 % on national average, UNICEF 2010), notably in the central and northern regions. There is regional and ethnic favoritism in public services and among the security forces, which are dominated by northerners (Kabyè). Other problems include child labor and the trafficking of people, especially children.

On 23 June 2009 parliament voted unanimously for the abolition of the death penalty. Togo thus became the 15th member state of the AU and the 94th country worldwide to renounce the death penalty for all crimes. However, the bill was rather symbolic since in practice legal executions had ceased 30 year earlier. The thorny problem that remained was the extra-legal killings committed or condoned by the state in the course of political persecution in the past and continuing impunity, as shown by the final report of the [CVJR](#) published in April 2012. Togo has ratified most international HR-treaties. Nevertheless, there still remain important omissions. End of February 2014 the special rapporteur of the UN-Human Rights Council, Margaret Sekaggya, presented the findings of her mission to Togo encouraging the government to endorse UN treaties not yet ratified, including the UN convention against enforced disappearance and the [Rome Statute](#) of the International Criminal Court (ICC). Togo remains the only ECOWAS member not belonging to the ICC.

Q4 | Stability of Democratic Institutions

Q4.1 | Performance of democratic institutions

3

Formal political institutions are only partially democratic and their performance remains deficient. The president's conduct of office shows more transparency and commitment to dialogue than has been the case during his father's regime. The question is whether his efforts are sincere and stable given that President Faure Gnassingbé is still surrounded by many figures of the old dictatorial regime. Whereas parliament now engages in controversial

debates, its deputies generally lack professional depth of knowledge. This is due, on the one hand, to the legislature's insufficient working conditions and, on the other hand, to the fact that the opposition has yet to move beyond criticizing government and to formulate alternative policy proposals. Judicial reform is underway (a [website of the Constitutional Court](#) informs about current developments), but the aforementioned challenges (see "independent judiciary") persisted throughout the assessment period. The 'Freedom in the World Rating 2014' of freedom house improved from the overall status of "not free" in previous years to "partly free", mainly due to the peaceful conduct of the 2013 free, but not fair legislative elections. The Economist Intelligence Unit's [democracy index](#) 2013 for Togo (EIU Togo 3rd quarter 2014) improved also by two places compared with the forgoing year to rank 128th out of 167 countries. However, the overall low score for 3.45 out of 10 remained unchanged. Togo was still classed as an 'authoritarian regime', ranking below Nigeria but above Cameroon and Guinea.

Q4.2 | Commitment to democratic institutions

3

The commitment to democratic institutions has obviously increased in the wake of the political opening and continuing pressure of international donors. Apparently, the Gnassingbé regime had learned its lessons from the past, as indicated by the formal rupture with the legacy of the former unity party RPT and its replacement by a modernized conservative party UNIR in April 2012. It was eager to boost up its irregularly acquired power through legitimacy provided by peaceful elections in 2007, 2010 and 2013. However, as far as the existing institutions are concerned, a high degree of skepticism remains, since the president was not elected democratically and parliament, still dominated by the RPT/UNIR, has not shown its real potential yet. The personal cult around the president is still present in daily life. All this, together with the unpredictable attitude of the hard-liners within the RPT/UNIR and the security forces, raises further doubts about the level of commitment to democratic institutions.

Q5 | Political and Social Integration

Q5.1 | Party system

4

The multi-party system was introduced in 1991. Togo is actually heading towards a two-party system: The ruling UNIR, and the ANC ([l'Alliance Nationale pour le Changement](#)) which split from the UFC ([l'Union des Forces de Changement](#)) during the schism of the major opposition party as result of the lost presidential elections of 2010. The dissolution of the ruling RPT, the former socialist unity party, founded in 1969, in favour of a modernized party UNIR in April 2012 adapted the outside appearance of the ruling party to the requirements of a modern multi-party system. This included a gradual democratic opening and regeneration of the party members, but the personalized informal party structures remained pretty much the same. UNIR gained the absolute majority in the 2013 legislative elections with 62 out of 91 seats, the coalition partner UFC 3 seats. The reconciliation between RPT/UNIR and UFC resulted in a considerable weakening of the opposition. On 26.5.10 the veteran leader of the UFC, [Gilchrist Olympio](#), whose chances ever to become president were going down the drain because of his advanced age, surprisingly agreed to join a 'government of national recovery'. This constituted a landmark in Togolese politics, in view of the generation long rivalry between the Olympio and Gnassingbé families. The constitutional court then decided

in a controversial decision on 22 November 2010 to deprive the ANC, the segregated part of the UFC, i.e. Fabre and eight other leading ANC members of their parliamentary mandate. The ECOWAS court of justice (Abuja) ruled in October 2011 the exclusion of the nine ANC legislators as unlawful.

The opposition has been split between a 'radical' and a 'moderate' wing, labels which were originally attributed by the government in the 1990s, according to willingness of parties to cooperate. The 'radical' wing, is represented by a broad opposition alliance named [Collectif Sauvons le Togo](#) (CST, founded in April 2012), which is composed of political parties and civil-society organisations. It is led by the ANC and retained 19 parliamentary seats in the legislative elections of July 2013. In August 2012 a confederation of smaller parties of the 'moderate' opposition (e.g. *Parti Démocratique Panafricain* (PDP) led by Bassabi Kagbara, CPP (*Convergence Patriotique Panafricaine*) of the former RPT founding member and former prime-minister Edem Kodjo, the PDR (*Parti pour la Démocratie et le Renouveau*) of Zarifou Ayéva, and *Nouvel Engagement Togolais* (NET), led by Gerry Taama) joint in, by the foundation of a rainbow coalition '[Arc-en-ciel](#)', originally meant to complement the CST. The coalition won 6 seats in the 2013 elections. NET was expelled again from the coalition in December 2014. Other renowned 'historical' opposition parties of the 1990s, like the CAR (*Comité d'action pour le renouveau*) led by Dodzi Apévon and its former president Yaowi Agboyibo and the CDPA (*Convention démocratique des peuples africains*) of Léopold Gnininvi plunged into insignificance. According to the stipulations of a revised electoral bill of 2013, the leader of the biggest opposition party ANC, Jean-Pierre Fabre, is officially opposition leader. However, the other opposition parties are reluctant to recognize this position.

The national uprising against president Compaoré in neighbouring Burkina Faso in early November 2014 encouraged the radical Togolese opposition and impacted also on the moderate forces to give in and agree after quarrelling for month to nominate Fabre (ANC) as unique opposition candidate for the upcoming presidential elections and to create a new common opposition alliance called [Combat pour l'Alternative Politique en 2015](#) (CAP 2015).

The party system still mirrors to a considerable extent regional and ethnic divisions. Thus, political parties tend to have readily identifiable ethnic and regional bases. The RPT/UNIR party was had greater representation among northern ethnic groups than among southern groups; the reverse was true of the UFC/ANC and CAR opposition parties. However, the presidentials of 2010 indicated a gradual departure from ethnic or regional voting. Although the incumbent won all 24 prefectures in four northern regions, and the opposition in the seven prefectures of the densely populated Maritime region, the election results revealed a gradual renunciation from established configurations of ethnic or regional voting and the resulting North-South divide in voting patterns. Both the president and the opposition leader gained historic scores in the former heartland of their adversary.

Q5.2 | Interest groups

6

Within the realm of informal politics there exists a broad range of interest groups, many of them biased in favour of the Gnassingbé regime. The most influential Christian churches and the [Union of Muslims in Togo](#) (UMT) however, exert a mediating and constructive political influence which has been recognized far beyond their own followers. Earth priests (*chef de terre*) and traditional chiefs still wield a strong influence at the local level. However, their role as guardians of tradition and customary law, as enshrined in the constitution, has not yet been determined by the national decentralisation program (*Programme National de Consolidation de la Décentralisation*, PNCD) initiated by the government in 2004. Student organisations

consider themselves as political avant-garde and act accordingly. Up to 2006, most of them were intimately linked to the ruling party. Thus, the High Council of Students' Associations and Movements (HACAME) degenerated into a pro-government militia which actively supported the incumbent's bloody 'enthronement' in 2005. Since 2010, oppositional student organisations came to the fore which staged periodic anti-government demonstrations in the universities of [Lomé](#) and [Kara](#) since 2011. Their leaders suffered political persecution. Besides, there exist numerous professional representations of traders (notably the renowned wealthy women cloth traders of Lomé, '[Nana Benz](#)'), farmers, lawyers, judges etc. However, they are either biased and close to the former unity party RPT/UNIR or of little political influence. Although there are a large number of labour unions in Togo, none of them have the strength or capacity to shape or heavily influence legislation. The unions also succeeded in convincing the government to continue paying subsidies for fuel and some staple food items as well as fertilizer so as to avoid a serious social crisis.

With the democratic renewal of the early 1990s [civil society organisations](#) (CSO) mushroomed. According to informed estimates there existed about 2,000 CSO in 2012, of which 638 were registered NGOs. Since 1986 the government promotes its federation within FONTGO ([Fédération des Organisations Non-Gouvernementales au Togo](#), 144 members in 2014). Many CSOs were created in the 1990s on the initiative of the Gnassingbé regime in order to influence non-partisan political expression in Togo and to circumvent the suspension of development cooperation with state institutions in view of flagrant human rights violations. Some of the most credible NGOs are not represented by this federation. Therefore, two concurrent umbrella organisations have been formed: in 1996 the UONGTO ([Union des ONG du Togo](#), 124 members, 2014) and in May 2012 the FNRRT ([Fédération Nationale des Réseaux Régionaux du Togo](#)). Many CSO are covered job and income generating measures of their founders (so-called '[ONG-valises](#)'). Their activities are mostly focussed on [Lomé](#) and the Southern regions. Their target-groups, especially the poor and underprivileged, including women, are rarely allowed adequate rights of participation or self-determination. However, there exist a handful of viable and independent national NGOs like ACAT-Togo ([Action des Chrétiens pour l'Abolition de la Torture](#)), which won the Human Rights price of the French Republic in 1997, the HR-organization LTDH ([Ligue Togolaise des Droits de l'Homme](#)), and the GF2D ([Groupe de Réflexion et d'Action Femmes, Démocratie et Développement](#)) concerned with gender equality. Some of them co-operate with political parties in broad anti-government movements like the CST. Finally, there exist a semi-official organisation meant to enhance human rights, the CNDH ([Commission Nationale des Droits de l'Homme](#), accredited in 1987, reformed in 2005). In February 2012 it submitted a critical report on torture within the ANR, as demanded by the government in view of growing international pressure. After CNDH president Koffi Kounté uncovered the falsification of the report when it was published by the government in February 2012 he was forced to flee to France in view of threats against his life.

Q5.3 | Approval of democracy

n/a

There are no independent opinion polls conducted in Togo, but there is convincing anecdotal evidence that people indeed want a democratic system. This desire, however, does not so much express a reflected and informed approval of democratic principles and procedures than the profound desire for change. Nevertheless, the high level of participation (85%) at the legislative elections 2007 can be interpreted as an indication of the population's clear commitment to take part in building their democracy. The relative low turn-out of 64.7% and 66.1% during the presidentials of 2010 and the legislative elections of 2013 respectively was interpreted as sign of general disappointment of the opposition with the biased organisation of

the electoral process. This was confirmed by considerable regional variations in voter turnout, with 70% to 90% in the northern strongholds of the ruling RPT/UNIR and far lower figures in the southern opposition strongholds during the 2010 presidentials.

Q5.4 | Social capital

7

The history of informal political institutions in Togo shows the rich base of 'traditional' as well as 'modern' institutions that participate actively on all levels of the society. The most visible outcome of people's participation was the [Sovereign National Conference](#) of 1991 with representatives of all social strata of the nation. However, because the visions of this conference were dashed by violent political oppression of the dictatorial Eyadéma regime up to 2005, similar social initiatives were difficult to be re-established. On the base of the general political accord of 2006 the opposition the people in general were again more inclined to feel free to associate, to express their views and to organize themselves for self-help efforts, in spite of the government's attempts to restrict association and assembly rights (see "association and assembly rights"). There exists a variety of traditional associations (including a multitude of microfinance or credit institutions, see banking sector), trade unions, human rights, religious and media organisations as well as numerous home town associations. Many of these self-help groups are based on traditional systems of mutual support, others have been stimulated by international NGOs, churches or the government (see "interest groups"). It is unclear whether many of the new groups that have emerged rather spontaneously will be strong enough to stand the challenges of time. They suffer from lack of functionality, difficulties concerning its legal demarcation, volatility of supporting financial institutions or other organisational weaknesses.

Market Economy Status

Q6 | Level of Socioeconomic Development

Q6.1 | Socioeconomic barriers

2

The current socioeconomic situation in Togo is precarious. According to the [HDI 2013](#) overall life satisfaction is worldwide the lowest in Togo. Togo's HDI-rank increased by one point to 159 (2012) of 187 countries compared with 2011. Although GNI per capita improved to \$ 530 (2013), poverty remains on a high level at 59% (2011) of the population although it decreased slightly since 2006 (62%). However the depth and severity of poverty got worse and about 81% are vulnerable to fall in the poverty trap. According to the [IMF \(2014\)](#) the regional distribution varies from 91% below the poverty line in the Northern Savanes region to 33% in [Lomé](#). The urban-rural divide is pronounced, 74.3% of the population in rural areas live below the poverty line (i.e., €239 annual income, notably in the Savanes, Central, Kara, and Maritime region) and 36.8% in [Lomé](#) (i.e., € 369 annual income). The distribution of regional and inter-household income inequality is increasing with a Gini coefficient of 34.4% (HDI 2013). Only 54% of the population has access to clean drinking water and 34% have access to sanitary equipment. There are only 8 doctors per 100,000 inhabitants. The live expectancy at birth is 57.5 years (2012), mortality for children under 5 years at 85 per 1,000 live births (2013; WB). Adult literacy rate stands at 57.1% (2005-2010) about 30% received

secondary education (2010). The government adopted a new Poverty Reduction Strategy, the Strategy for Boosting Growth and Promoting Employment (SCAPE) 2013–2017) on 29 August 2013.

Discrimination of women is widespread but is decreasing slightly (see 'Equal opportunities'). Available figures concerning the prevalence of HIV are only estimates. They vary between 2.3% (estimate range: 1.4% - 4.1% in 2013) of adults aged 15 to 49 and 3,6% in 2001 and further decreased because of the introduction of free anti-retroviral treatment since November 2008. According to the National AIDS Committee ([CNLS](#)) the HIV-rate fell from 5% to 2.3% between 2001 and 2014. New risks could develop in relation to the Ebola pandemic. Early October 2014 Togo was counted among the 10 African countries most likely to be exposed to an outbreak of Ebola by epidemiologic studies of North-Eastern Uni., Boston and Oxford University respectively. Shortly before, China had accorded funds (0.8 m US \$) for Togo to buy Ebola screening equipment. During an extraordinary [ECOWAS](#) meeting in Accra which focused on Ebola (6 November 2014), Faure Gnassingbé was elected ECOWAS coordinator of Ebola related activities.

Togo falls short of five of eight MDGs. Only in the health and educational sector the country stands a chance to achieve its targets up to 2015. According to the 3rd [UNDP report on Togo's MDG achievements](#) (April 2010) primary school enrolment (87%) had been one of the highest in the sub-region already before the introduction of universal free primary education in 2008 and thereupon is still increasing. However, endemic corruption and nepotism as well as expenses to upkeep the inflated army and security services impede implementation of structural adjustments, necessary to accomplish the MDG. Up to 1991 Togo counted among the countries with the highest military expenditure per capita in SSA (in 2011 still 1.6% of GDP, SIPRI 2013). All in all, the changes in the country since 2006 have not yet led to a sensible improvement of people's living conditions. The subsistence economy in rural areas, the potential of the informal sector in towns and remittances from exiled Togolese have helped to avoid a more severe crisis. However, on balance, Togolese citizens lack adequate freedom of choice and an effective decentralisation policy including a real devolution of power and means.

Q7 | Organization of the Market and Competition

Q7.1 | Market-based competition

4

Generally, Togo lacks the foundations for sound market-based competition and good government. Insufficient access to credit constituted one of the major barriers to enterprise development, followed by meagre results of the fight against corruption on all levels of administration, including the judiciary. Fiscal deficits increased in recent years, raising sustainability concerns. The revival of the phosphate and cotton sectors by improved governance, the attraction of private investors and the capacity-building of cotton producer's organisations, are still regarded by the World Bank and IMF as major drivers of growth. The Bretton Woods institutions cautioned the government in [Lomé](#) in 2014 that although growth has picked up during the past few years, government should care to make it more broad-based and sustainable, and its dividends widely shared. Regulatory burdens mean that the business climate in Togo is not very investment-friendly. Togo's World Bank's Doing Business indicator has improved little over the past six years. In 2009 Togo was one of the most strenuous nation ranked 166, which however improved to 149 (2015) from 189 economies worldwide to do business in. As in the case of five other members of the West African Economic and Monetary Union ([WAEMU](#)), which equally ranked at the bottom, its political

and administrative operating environment constituted a barrier to the growth of private direct investment and private sector activities. Major deficiencies in tax paying (high taxes and costly customs procedures), enforcing contracts, property registration and protecting investors impeded FDI. Private sector development is very slow. The allocation of foreign aid is crucial for investments into the country's neglected infrastructure. Regulations on the labor market make flexibility in staff management difficult, especially when starting a new business. The non-salary cost of employing workers is high, and it is almost impossible to dissolve contracts without legal consequences. In addition, there is little flexibility in working hours as provided by the law.

Q7.2 | Anti-monopoly policy

4

Key sectors of the economy, notably the banking, cotton and phosphate sector, are still in the hand of either a few individuals or they are parastatals or state enterprises. A further privatization and adequate steps to attract foreign and domestic private investment are part of a strategy to stabilize macroeconomic stability and growth, but they have still to be put into practice. Privatisation of the state-owned banks was further delayed (cf. Banking system). Reforms of the mining, telecommunications and energy sectors progressed slowly under resistance from vested interests (IMF 2014). The *Société nouvelle des phosphates de Togo* (SNPT, joint-venture: 60% state, 40% farmers) short-listed four private partners for the planned expansion and modernization of ailing phosphate production which accounts together with sand (for cement) for around a quarter of export earnings.

Q7.3 | Liberalization of foreign trade

6

A [World Bank survey of the Togolese economy and trade integration](#), commissioned by the Lomé government and published in September 2010, revealed a dramatic shift of exports caused by the ailing phosphate and cotton sectors. The former major export products were replaced by cement and clinker (35% and 40% of exports), and exports were increasingly directed to [ECOWAS](#) countries (68% of total). Togo is one of the West African 'transit-economies', like neighbouring Benin. The so-called [entrepôt trade](#) (legal transit and mostly illegal re-export/smuggling combined) amounted to 75% of GDP in 2008 (total imports 109% of GDP; Golup 2012). It consisted mostly of petroleum products (from Nigeria), cotton from Burkina Faso and used cars (from Europe). The unofficial entrepot trade contributed to a culture of corruption and tax evasion. This could be reduced significantly if the ECOWAS would agree on the harmonization of import taxes and Nigeria would terminate its import bans on the products concerned. Togo's entrepot trade is based on Lomé's deep-water port that provided attractive storage capacities for neighboring countries.

However, the Togolese population has yet to reap the benefits expected from the development of the free port of Lomé because the harbor remains in the hands of a few businessmen close to the political elite, who share the profits. Because it is the only deep water port in the sub-region it increasingly attracts attention of global players. Thus, a Chinese company (CMHI) acquired a 50% stake in a Chinese-Dutch joint-venture for the development of a new container terminal at the port of Lomé in 2012 in order to use it as transshipment harbour for the sub-region. High levels of corruption, slack enforcement and a laissez faire attitude of customs officials and politicians drive traders more and more into the informal sector of the shadow economy. The rising crime in the sub-region is mostly due to poor governance. Thus, moral hazard and competition with the rival port of Cotonou (Benin) concerning (mostly illicit) re-exports to Nigeria aggravated the negative effects on security. Lomé became even

more attractive to all sorts of international trafficking in drugs, small arms, used cars and most recently (4 tons in January 2014) ivory, the latter re-exported in huge quantities clandestinely via Lomé to Vietnam and China from all over central Africa. Ivory poaching thus contributed to a decrease of forest elephants in that region by more than 60% in the past decade.

In addition, the [Togo Free Zone-SAZOF](#) created in 1989, aims to promote foreign trade and attract investments by facilitating competitive conditions for export-oriented businesses in Togo. In 2008 it comprised about 60 enterprises (valued at US\$ 300) which provided with over 9,000 full-time jobs a significant proportion of employment in the formal private sector and exported US\$ 260m. The World Bank recommended a restructuring of the free zone in order to promote more labour-intensive export industries. However, Togo's economy remains vulnerable to shocks in export demand due to growth slowdown among its trading partners.

As long as Togo's economy continues to be highly subject to political influence, a more dynamic development can hardly be expected.

In general, Togo's weighted average tariff rate stood high at 14.2% (2012). Freedom of trade was further restricted by non-tariff barriers of trade. Although Togo's chain-linked economic freedom rating increased during the past thirty years from 4.70 (1980) to 5.57 (2011, of max 10 points), its economy still figured among the lowest ranks (141th of 152) in the 2013 [Economic Freedom of the World index](#) by the Fraser Institute, reflecting notable deficits in trade-, monetary-, and investment freedom. Foreign direct investment was allowed only in certain sectors, its administration lacked transparency and was liable to corruption and political interference. The same trend concerning trade and business freedom as well as freedom from corruption is reflected in the [Heritage Foundation ranking](#) (2014) where Togo's economy is still ranked as 'repressed' with rank 152 at the bottom of 165 countries.

Q7.4 | Banking system

5

The banking system in Togo has deteriorated since the early 1990s because of unprofessional government involvement in lending and banking decisions. As a consequence, the IMF requested in June 2007 a reform of the banking sector, which included measures to privatize government-run banks and avoid under-capitalization. The system was then put under the close survey of the [WAEMU](#). More than 30 percent of loans issued to these banks were considered to be non-performing and strained by bad loans from parastatals. The government wanted to privatize public banks by the end of 2010. However, privatisation had been delayed due to the bank's weak finances and the unwillingness of government to sell according to market conditions. Up to 2014 only two out of four banks have been privatized, and according to the IMF actions are needed to tackle vulnerabilities in other banks. .

In addition to formal institutional banking, the microfinance system and informal traditional African saving and loans schemes (tontines, known as *Adakavi* in Togo) play an important role, especially for small and medium scale industries, notably in the informal sector. Apart from widespread informal mutual tontines with an estimated 1.333.934 beneficiaries, including 665.926 men, 577.169 women and 90.839 groups (*Cellule d'appui et de suivi des institutions mutualiste ou coopératives d'épargne et de crédit*, [Cas-imec, 2014](#)), there existed in 2011 174 formal microfinance initiatives had been certified, with 736,484 depositors, almost 110,000 borrowers and a total of 145m US\$ loans, used among others to finance small decentralized solar power projects. Of these institutions 102 were affiliated to the 8 major cooperative networks.

Q8 | Currency and Price Stability

Q8.1 | Anti-inflation / forex policy**8**

As a member of the [CFA franc zone](#), the country cannot pursue an independent monetary policy. The CFA franc is pegged to the Euro (F-CFA 655.957 : 1 €), and the central bank of [WAEMU](#), the [Banque centrale des Etats de l'Afrique de l'ouest](#) (BCEAO), is meant to control inflation and the viability of the CFA franc's peg to the Euro. Integration into the franc zone is still mainly justified out of political, not economic reasons, i.e. because of high exposure of West African countries to political crisis. Had franc zone countries not been linked to a strong currency at times of recurrent political crisis (as in Togo 2005, Cote d'Ivoire in 2011 or Mali in 2012), instability would have been aggravated by sharp depreciation of the currency, high inflation and increased dollarization according to the rating of the international rating agency Fitch (2014). However, crucial common denominators of the CFA-Zone are not necessarily in the economic interest of Africa. Its shared colonial heritage, including a social and economic infrastructure, orientated at the mise en valeur of African resources for the former colonial power, entails considerable loss of economic and political sovereignty on the part of African member states. In addition, the volatility of the Euro, triggered by the global financial crisis and bad governance in some EU member states, shows that the perpetuation of the established monetary structure of the CFA-Zone becomes increasingly anachronistic. According to recent scholarly findings, membership of sub-Saharan African countries in the CFA zone amplified effects of global business cycles. Member countries were more likely to experience a contraction in credit during the financial crisis of 2008-2009 ([Price & Elu 2014](#)). The peg to the EMU, orientated at the interests of highly industrialized European countries, led to an overvaluation of the real exchange rate of the CFA, and could constitute an obstacle to sustainable indigenous development in francophone Africa. Yet, the major structural deficiencies within and between member states of each zone cannot be solved by monetary coordination alone. They require sustainable political and economic solutions, adapted to the specific needs of each of WAEMU members, aimed at the ownership of the measures and instruments by each country concerned. Therefore, African governments, including the government in Lomé, should get the priorities right, i.e. they ought to implement first sustainable solutions to the problems of crisis resolution and prevention, the fight against corruption and rent-seeking elites, in order to promote good governance, transparency and accountability. Consumer price inflation remained low (1.8% 2013, 2.4% in 2014 forecast because of rising administered fuel prices) due to the currency peg, moderate harvests and government subsidies on fuel prices.

Q8.2 | Macrostability**7**

The government pursued a stability oriented monetary and fiscal policy, backed by an IMF [Extended Credit Facility-Programm](#) (ECF, 2008-11: 151 Mio. US\$), that achieved several key targets. In Oct. 2013 EU financial support had been agreed to rise to US\$ 292m for the funding period 2014-20 within the framework of the 11th [European Development Fund](#), 70% more than in the foregoing period 2008-13. In addition, the World Bank and other donors continued to support the economic revival. Remarkably, the World Bank led in January 2013 via its private-sector funding agency International Finance Corporation (IFC) a consortium of financiers in Togo's largest-ever private investment project, valued around US \$ 300, meant to facilitate the construction of a private container terminal (LCT) at Lomé's deep water port. It will have a capacity of 2.2m containers and will serve as a transshipment hub for the West African coast. The terminal still under construction is a Chinese-Dutch joint-venture totaling US \$ 420 m. In October 2014 a third container terminal, financed with € 457m by the French

Bolloré group had already been completed. It allowed for the treatment of 1.2 m containers p.a. of the largest container vessels thereby tripling the handling capacity. This would impact positively also on the sub-regional trade with Togo's land-locked neighbors.

At the end of 2010, Togo had become the 31st country worldwide that successfully graduated from the [HIPC process](#). The IMF and major bilateral donors like France, Germany and Italy approved the cancellation of debts. Because of the write-off, the debt burden fell from 52.7% of GDP (2009) to 17.2% (2010), or 32.3% including debts of parastatals. However, this affected structural reforms negatively which slowed down substantially since then. Notably reforms of the banking, phosphate and cotton sector lacked behind. The last ECF had expired in 2011 and was meant to be extended by a successor ECF latest in December 2013. However, the IMF executive board did not approve the staff-level agreement of September 2013 which meant that a new ECF would be agreed upon earliest in 2015. In February 2014 the government finally implemented the new unified more efficient revenue authority ([Office Togolais des Recettes](#), OTR), thus merging customs and taxing directorates, a measure which had been delayed since December 2012 when it had been decided in parliament. Nevertheless, considerable real economic growth (5.1% in 2013), with upward trend was realized because of macroeconomic stability, new investments in infrastructure, the clinker and cement industry as well as mining exploration, as well as continuing donor support since 2008 (more than 4% of GDP) and absence of external shocks or market volatility to which the country is strongly exposed, notably in agriculture accounting for about one third of GDP. The fiscal deficit widened from 4% of GDP in 2012 to 6.8% (2013) but will probably narrow to 5.5% in 2014, due to improved revenue collection. Because of possible election related expenses it could widen again in 2015. The current account deficit will remain high (13.4% of GDP in 2014 to 2015) because of growing public investment which in turn resulted in higher imports with exports of major foreign exchange earners (cotton, phosphate etc.) and transfer inflows lacking behind.

Q9 | Private Property

Q9.1 | Property rights

5

The judicial system does not sufficiently protect private property. The influence exercised by the executive is too strong. Inheritance and property protection laws are deficient, notably for women. And where they exist, they are not adequately enforced. As for most of the laws, contracts are difficult to enforce. The ongoing reform of the judiciary needs to address these issues. Because of the state of quasi-lawlessness in many sectors, there is a substantial black market for illegally imported products, mainly electronics, computer software and cosmetics. The problem of a complex [land tenure system](#) in which traditional and modern law coexist and compete is exacerbated by land scarcity. The land tenure regulations are still dominated by traditional [African customary laws](#), re-interpreted by traditional chieftaincies and local authorities, often to their own advantage, notably in the country side. Most contracts on agricultural land are still verbal. Disputes over land are extremely common. Only about 36% of arable land is under a tenure system that provided long-term security. Especially poor farmers, migrants and women have no secure rights. The fight against grabbing that threatened 25,000 ha in Togo, including 23 cases of lease contracts or large-scale land acquisitions gained in momentum (*Forum national sur l'accapement des terres*, [FOPADESC 2012](#)). Among the rural areas mostly affected are those with high agricultural potential, such as the prefectures of Amou, Ogou, East-Mono, Haho, Kpélé and Kloto in the plateau region, as well as those on the plain of Mô in the central region. The perpetrators are

often affluent officials, politicians or businessmen. They use methods ranging from creating and sustaining inter-community conflicts to outright intimidation. Many of these lands are not cultivated over decades and just have a speculative value. These damaging practices endanger food security of the rural poor since the latter are deprived of their main production tool. Stakeholders urged the government to reinforce and implement its legal framework on the right of food within its national Food Security Program ([PNIASA](#)) and to implement as soon as possible land reforms corresponding to international standards that prevent land grabbing and forced evictions ([ANoRF-Togo 2013](#)).

Q9.2 | Private enterprise

5

A limited sector of small-scale enterprises covers a greater part of the Togolese' day-to-day consumption needs. But the private sector is comprised primarily of the agricultural sector, which employs 65% of the country's labor force in both subsistence and small-scale commercial farming. The informal sector still prevails, it provides employment for more than three times as much labourers than the formal sector. On a larger scale, there are still too many hurdles to developing a stable private sector. Government procurement contracts and dispute settlements are subject to corrupt practices. In 2012 government adopted a new [investment code](#) promising equal treatment of domestic and foreign investors. However, investment is permitted only in certain sectors. Every investment must have a minimum value, and is screened on a case-by-case basis, which opens doors to further bribery. The lack of transparency and predictability, and the high informal transaction costs inhibit robust FDI. Foreign exchange accounts need prior government approval.

In November 2010 the government ratified a Charter of Small and Medium Enterprises meant to promote the informal sector by providing a more friendly administrative environment for the development of SMEs. In 2014 it intended to establish an Autonomous National Investment Fund (*Fonds d'Investissement National Autonome, FINA*) for financing SMEs/SMIs which has not been realized so far. The part of SMEs in public orders remains negligible, i.e. below 5% on average in the [WAEMU](#), because this sector was considered as the preserve of big enterprises and multinationals.

The overall tax burden equals 16.7% of domestic income. About one quarter of government revenue is provided by tariffs. Regarding taxes to be paid by private enterprises, the government cut the rate of corporation tax to 30% (from 37%) for industrial firms and to 33% (from 40%) for other enterprises. The highest income tax rate is 45 according the [Heritage Foundation's Economic Freedom](#) account.

Q10 | Welfare Regime

Q10.1 | Social safety nets

3

Togo's welfare system is underdeveloped. It is available only to government employees and those employed in the formal sector. Monthly minimum wage (*salaire minimum interprofessionnel garanti*, SMIG) was increased in August 2008 to CFA 28,000 (€ 42.68.). The updated SMIG of CFA 35.000 (53 €) was applied to the Lomé free-trade-zone in January 2012 by stipulations of the *Convention Collective Interprofessionnelle du Togo*. Working conditions in the export processing free zone of [Lomé \(SAZOF\)](#) are precarious and characterized by bad hygienic and security conditions. Nevertheless, it generated more than

11.560 jobs, one third of them occupied by women and about 40% by temporarily employed according to a study commissioned by the trade-union association (*centrales syndicales togolaises*, 2012). The Togolese minimum wage still rather low compared with 60.000 (91 €) in Côte d'Ivoire (2013) and 18.000 Naira (85 €) in Nigeria, and in any case hardly enough to feed an individual for a month, besides it applies to the formal sector only. About 85% of population of working age is active an estimated 33% of them under-employed (2011), youth unemployment being a major problem in urban centers. The government tried to counteract this tendency with limited success by introducing in 2011 a program for unemployed school leavers ([PROVONAT](#) - *Programme de Promotion du Volontariat au Togo*), backed by UNDP and transferred since June 2014 into the National Agency of Volunteers in Togo (Agence Nationale de Volontariat au Togo, ANVT) of which 65% do not find employment after completing their studies. Up to 4,280 volunteers participated since 2011 of which 44% found employment.

Pension schemes in Togo are not adequate enough to guarantee their beneficiaries a decent living. Despite the fact that the median age in Togo is 18.6 years (i.e., almost half of the population is younger than 18), the current system can no longer be financed. This is why the government has been negotiating with unions to increase the pension entry age for civil servants to 60, which would put further pressure on the labor market. The state of Togo's health services system is lamentable. In February 2011 parliament adopted a new health insurance law covering the 80,000 agents of the public service who have to contribute 3.5% of their monthly wages. Most individuals suffering hardship or accidents rely either on the help of family (or clan) members or that of a traditional mutual assistance schemes. These schemes are self-organized by their members, who provide services either on a rotating basis (e.g., rotating savings clubs (tontines)) or in the event of an emergency.

Q10.2 | Equal opportunity

4

Togo does not provide equal opportunities to all citizens. While the political factors that disadvantaged the southern part of the country until 2006 no longer play an important role (apart from the public and security services), having a sufficiently wealthy family or relations in the administration remain important when securing formal employment. Apart from these inequalities on the basis of family or clan background, there are severe disadvantages for girls in the Togolese education system, notably with regard to secondary and higher education.

According to an UNDP report of April 2010 the unequal distribution of the standard of living (Gini coefficient 33.5%) is overwhelmingly due to inequality in income differences according to region (North-South gap), gender and socio-economic strata. Although women are dominant in the informal sector (e.g. agriculture and petty trade), they have only very limited access to, and control of the factors of production (land, equipment, inputs, credit). In addition, it is highly unlikely that they will get equal access to wage employment in the formal sector up to 2015.

The exclusion of women from key activities in the economy and politics has not improved remarkably. In 2008, the government introduced a national action plan to correct gender inequality (PNEEG - [Plan d'Action nationale pour l'équité et l'égalité de genre au Togo 2009-2013](#)). However, the means to implement this policy are insufficient. Discrimination of women remains widespread. According to the Women's Economic Opportunity Index ([EIU 2012](#)) Togo counts among the lowest ranks (122 of 128 countries; Gender Inequality Index (GII), rank 129 of 187 in 2013).

Gender inequality is most pronounced concerning property rights (land tenure), access to credit and employment. As for education the situation improved since 1990 (19% gender inequality in 2010). Girls are disadvantaged vis à vis boys the more the education level rises.

Women are underrepresented in the political arena, in government and parliament, in political parties and enterprises. The last legislative elections (2013) resulted in the election of 16 (of 91) women deputies (17.6%), compared with 9 (11%) in the previous parliament elected in 2007. Women comprised 11.1% of mayors and 0.38% of canton chiefs since the 2000s (IMF 2014). An amendment of the Electoral Code after the 2013 elections requires that women have equal representation on the list of candidates submitted by the electoral parties. All the same, the representation of women in the cabinet decreased slightly from 28% in 2012 to 6 women (26%) in the 27 head cabinet since the latest government reshuffle in September 2013. However, the socio-cultural conditions for a stronger participation of Togolese women in politics are rather bleak. A [survey of Afrobarometer \(2014\)](#) revealed significant gender differences concerning the interest in political affairs. Thus, just 31% of women participated in election campaigns against 52% men, and three times more men (27%) assisted candidates as women (8%) during the presidentials of 2010.

Q11 | Economic Performance

Q11.1 | Output strength

6

The output record of the Togolese economy remains weak. Apart from domestic problems such as a poor infrastructure, erratic electricity supply, slow foreign investment, the suspense of international aid, and an adverse sociopolitical environment, the increase of imported food and fuel prices in the 1991-2008 period of political instability and subsequent aid crisis also had a severe impact upon the economy. Efficiency is higher in firms operating inside than outside the export processing zone. Factors like the foreign trade ratio, foreign capital investment and wage incentives have a strong impact on efficiency.

Togo once counted among the largest phosphate producers in Africa. Phosphate provided 40% of the country's revenues from exports and made up more than 20% of Togo's GDP. Since 1997, however, production has fallen from an annual 5.4 million metric tons to 800,000 in 2010 – primarily due to corruption and mismanagement. Production increased again to 900,000 tons in 2013, placing Togo now on the 19th rank of global phosphate producers before Canada and Syria. However, phosphate earnings, representing 14% of domestic exports (excluding re-exports) were limited by a 37.9% decline in world market prices. Privatization and ongoing new investment will contribute to a recovery of phosphate exports.

Diversification of mining resources and more equal regional distribution of benefits was one of the major objectives promised by the president during UNIR's foundation congress in April 2012. In 2012 the Australian iron-ore and manganese development company Ferrex announced details on its current 92,390 ha exploration permits of the Nayega manganese project in northern Togo, which will be developed in cooperation with South African suppliers. The project expects low capital and operating cost of less than US \$ 15 m for up to 250,000 t/per year because of shallow open pit techniques applied. The product will be transported by road to the port of Lomé using the empty backload capacity of lorries in the transnational traffic from Burkina and Mali to Lomé. Ferrex expected to be granted the mining license and receive the environmental permit for Nayega from the government latest by the end of 2014. The company also completed a scoping study in 2014 on a proposed sintering and blast furnace facility to produce about 60 000 t/y of a 74% high-carbon ferromanganese alloy product, in Southern Togo, close to the port for the import of coke in the medium term. This would correspond to the government's request to have value-added projects in the minerals industry seriously investigated.

In Bangéli, Central Togo, another company, the Indian 'MM mining', started to exploit iron ore. In December 2012 mine workers complaint of harsh working conditions, low payment, health hazards to the population and harassment of syndical activities by local authorities collaborating with the company. In general, there is a growing awareness among the population about the economic and health hazards of mining, as already shown by local anti-mining activities in the phosphate mining areas southern Togo and concerning an aborted Indian bauxite mining project at the Mt. Agou, Kpalimé region, as well as reportedly illegal artisanal coltan mining activities of Chinese traders using child labor in the Ghanaian border region of Nyitoe, Kpalimé region.

Besides, Togo joined the [Extractive Industries Transparency Initiative](#) (EITI) in 2010. It reached compliance with the EITI in June 2013, but lack of transparency concerning pending phosphate mining tenders remained a problem in 2014. Cotton production, the most important cash crop and major income earner for about 275.000 peasants, managed by the NCST (*Nouvelle société cotonnière du Togo*), fell by 18% to 67,000 t in 2013/14 compared with the forgoing cropping season. Production targets of 200.000 t by 2022 seem to be ambitious in view of highly volatile world markets. Togo remains a 'transit-economy' dependent on its big neighbours Nigeria and Ghana. Re-exports, which constitute about 25% of total export earnings, continue to play a major role due to improved infrastructure (e.g. new container terminal at the deep-water harbour of Lomé and roads).

Q12 | Sustainability

Q12.1 | Environmental policy

3

There is a growing degradation of environment and natural resources mainly due to population pressure, inadequate cropping systems and neglect but also to global climate change. Lomé was ranked among the 15 most affected African locations by climate change by *Jeune Afrique* in October 2014. The waterside of the capital losses about 10 meter p.a. and smaller villages situated along the coast like Baguida, Gbodjomé, Agborrafo successively immerse in the sea. Since 1990, 43.6 % of its forest has been lost. Notably between 2000 and 2005, Togo had one of the highest deforestation rates in the world. According to the environmental protection index ([Yale university 2014](#)) Togo figures still at the bottom of global ranking (163 of 178 countries) though with slightly improving tendency (+ 4.65% in the 10-year trend). Environmental laws and programs have been adopted long ago but they are insufficient and the government is slow in its implementation. The World Bank backed second Interim Strategy Note (2012-13) which focused on growth, governance and poverty reduction, includes environmental protection. Deforestation rates remain high at an annual rate of 1.4% of the forest. They date back a. o. to early colonialism and the establishment of cotton production for export in a strange alliance between African American emancipation and German imperialism at Tove and surrounding villages. Attempts of reforestation (226.16 hectares up to 2010) are insufficient to counteract this development. This is attributable mainly to slash-and-burn agriculture and the use of wood for fuel. The government aims to influence a change in habits by subsidizing kerosene and household gas as a substitute for the domestic use of firewood, but to little avail. Water pollution presents health hazards and hinders the fishing industry. Air pollution is increasing rapidly in urban areas. But the government has yet to formulate more specific policies on pollution. It should be mentioned, however, that the environment in most Togolese towns is much cleaner compared to years past, as some waste management efforts have begun to yield improvements. In general however, eco-friendly consciousness is not well developed, neither by the population nor by

producers, including the mining companies, which results in serious environmental pollution (e.g. by phosphate sludge) and health hazards.

Q12.2 | Education policy / R&D

4

The entire education system had suffered under the political and economic crisis of the past decades from which it recovered with remarkable success. Free primary school education was introduced in 2008. Gross enrolment ratio increased considerably (133%, 2012; net enrolment ratio 94.3%, 2008-2011; [UNICEF 2014](#)) and compares now favourably with neighbouring African states. Overall primary school completion rate (TAP) increased from 57% to 77% (2008-2012, World Bank), although gender inequality still exists (female 52%, male 71%; 2005-2010, PRB 2014). The youth (15 to 24 years) literacy rate improved to 87% (male) and 73% (female) (2008-2011; UNICEF 2014). However, quality of schooling is worrying. Insufficient number and education of teachers and classes of 50 pupils are common. Increasingly, children aged between 5 and 14 are forced to work out of poverty of their families. Adult literacy rate remains low (total: 64%; male 76%; female: 53% (2008-2012, UNICEF 2014). There are strong regional inequalities in education as well, as indicated by the literacy rate (for the same age group) of just 25% in the Savanes region and 85% in Lomé, or in general of 43.5% in rural areas as compared with 79.2% in urban areas. The universities are overcrowded, and they lack materials, staff and learning facilities. Private schools are expensive – and not always of better quality. Secondary schooling remains still on a low level (35% in 2010). However, the absorption rate of school leavers in the national economy persists to be limited and unemployment of school leavers is alarming. Public spending on education was 4.6 % of GDP (2008-2010, UNICEF 2014).

Management Index

Level of Difficulty

Q13 | Level of Difficulty

Q13.1 | Structural constraints

7

Togo is a small country with promising natural resources. The population still depends to a large extent on subsistence farming. Major foreign exchange earners are the ailing phosphate sector, clinker, cement and cotton production and (mostly illicit) re-exports, all dependent on volatile terms of trade on the world market. In addition, the country only produces some of the energy that it needs. Togo is dependent on neighboring Ghana and Nigeria for electricity and gas supply. Access to electrical power remains a luxury for most of the Togolese population, whose main source of energy is firewood and charcoal, which combined comprise 80% of the country's energy. The sharp increases of food and energy prices, combined with the impact of the global economic crisis, have made matters worse for efficient governance. Migration, accelerated by the political crisis has had a dramatic negative impact on the country's labor force in the last two decades. Many qualified Togolese can be found in Europe but also in neighboring West African countries. The lack of good government, including the lack of will of the ruling elite for a devolution of power, still constitutes the major single development barrier.

However, increasing raw material demand of new global players like China and India provide the much needed stimulus to revive the export industries and to improve Togo's bargaining position in economic cooperation (aid), as big infrastructure projects financed by Chinese aid show, e.g. the construction of a new Lomé international airport (141 Mio US \$) by the China Airport Construction Group (CACGC), completed on 25 December 2014 with double the capacity of the present airport. At the same time good foreign relations with the new global players allow for a resumption of the see-saw policy already successfully practiced in times of the Cold War between competing major donor countries.

Q13.2 | Civil society traditions

5

Civil society development flourished with the second wind of change since the early 1990s. Today, there are thousands of NGOs and associations in all spheres of public life that exercise their right to freely express their opinion or form self-help groups (cf. 'interest groups'). This has resulted – mainly in the cities – in the creation of a multitude of different associations, often competing against each other for both the right to represent their clientele and for donor support. There are notable partnerships between various interest groups that have been forged around issues such as human rights, elections, gender and micro financing. This indeed is a clear sign of agency and a vibrant civil society determined to take its fate in its own hands. Some of these civil society organizations should exercise greater transparency in defining their operational mode and objectives. It remains to be seen whether such associations will gain the same strength in rural areas that they have in urban areas, especially Lomé.

Q13.3 | Conflict intensity

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The high potential for conflict that existed under Gnassingbé Eyadéma's rule through the ethnic polarization and the militarization of society can no longer be considered the one

crucial impediment to Togo's development. Both elements still need to be paid attention to. The most important determining factor in conflict remains the power politics of the Gnassingbé clan and its followers. It should be mentioned that Togo has not yet encountered severe tensions between different religious groups. Generally, the relationship between Muslims and Christians is amicable. Cooperation is sought by both groups on many occasions. Transnational conflicts of transhumance between pastoralist and agriculturalist are still virulent beneath the surface. Occasionally they erupt violently in about one third of the prefectures, notably in northern and central Togo. Thus, violent conflicts between Fulbe nomads and local peasants of Bago (Central Togo at the Benin border) resulted in 50 dead and over 100 injured persons in August 2011. Regional inequality and resulting sentiments of distrust and mutual antipathy between the people in the south and those in the north still need to be addressed. Having enjoyed the spoils of the system throughout much of recent history, northern Kabyè still hold an unduly high number of relevant public offices compared to their counterparts in the south. There are sharp and increasing differences between the poor and the rich in Togo, but these have not yet led to a situation of violent conflict. Yet, growing discontent among unemployed school leavers contributes to political unrest in urban centers, notably in Lomé.

Management Performance

Q14 | Steering Capability

Q14.1 | Prioritization

4

It remains unclear whether the political leadership as a whole is committed to political democratization, decentralization and economic liberalization. At least, according to the [Ibrahim Index of African Governance](#) 2014, Togo left the group of the ten worst performers. It ranked 36th out of 52 African countries (46.4 of 100 scores; 5-year change: +2.8%) although it still remained in the bottom half of African countries. Actual politics point into the same direction. However, cleavages between hardliners and modernizers within the Gnassingbé clan and its followers in the ruling party and the security forces are still simmering. They can outburst anytime if its power base in politics and economy will be threatened by lost elections. In addition, a broad coalition of radical and moderate political parties together with civic movements demand more vigorously an end of decades of Gnassingbé rule.

In 2008 Togo joined the [African Peer Review Mechanism](#) (APRM) of the [NEPAD](#) as 29th member. The APRM is meant to enhance good governance in the sub-region. However, first measures to install a nationwide evaluation structure in Togo started only reluctantly in 2011. There is a national APRM commission, composed by 37 CSOs, hand-selected by the government, and members of the public administration. On 29 January 2014, Edem Kodjo, leader of the CPP, RPT founding member and former prime-minister, nominated by Lomé, was appointed to replace one of the outgoing APR-Panel members of Eminent Persons meant to oversight the APRM process. There is a need to complete the self-assessment and the programme of action, since the national structures have been created and sensitization campaigns were regularly organized to inform stakeholders about the APRM process.

Q14.2 | Implementation

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The administration has the support of the international donor community for these efforts. In September 2011 a new defence partnership between France and Togo came into force, which replaced the outdated secret military assistance agreements of the Eyadéma era. Apart from the traditional partners, such as France, Germany and the United States, China and India also supported the country with development aid during the review period. However, aid by the new Asian global players is usually not tied to political conditions. In addition to the revitalization of bilateral cooperation, international organizations like the IMF, World Bank, the BOAD and the European Union are also reinforcing their assistance in order to promote good government, democratization and inclusive growth in Togo. The first IMF financed three-year [Extended Credit Facility](#) (ECF), which had replaced the Poverty Reduction and Growth Facility, expired in 2011. Due to reluctant implementation of IMF's recommendations it will be extended by a successor ECF earliest in 2015 (see Macrostability).

Q14.3 | Policy learning

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The presidential elections of March 2010 as well as the legislative elections of July 2013, passed off largely peacefully and were considered largely democratic by African peers and the donor community. This was in stark contrast to the previous rigged presidentials of 2005 with its aftermath of bloody political persecution. Apparently, the Gnassingbé regime had learned its lessons from the past. It was eager to boost up its irregularly acquired power through legitimacy, provided by peaceful and largely free though not fair legislative (2007, 2013) and presidential (2010) elections and modernization of the ruling party. Nevertheless, Faure Gnassingbé and his party (RPT/UNIR) successfully employed the same policy of 'divide and rule' which already his father Eyadéma had used masterly over decades to weaken the opposition movement both by legal and extra-legal means. However, his power is contested by hard-liners from his own ranks. The international donor community, in the first place the EU, the IMF, France and USA, are mostly concerned with regional stability and the growing threat of Islamism and terrorism in the Sahel region (Mali) and Nigeria. However, in general, the transition process remains volatile and might easily be reversed when pressure is put on the president, e. g. by hard-liners in the military or within the ruling party.

Q15 | Resource Efficiency

Q15.1 | Efficient use of assets

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Togo is still suffering from an underutilization of assets and other opportunities which could be used by the government. The new reform processes, assisted by the international donor community, notably the Bretton Woods institutions and its ECF programme, have improved an efficiency oriented governance approach in some areas, e.g. in public administration and finance as well as infrastructure rehabilitation, for example a new 100 mw multi-fuel power plant in Lomé connected to the [West African Gas Pipeline](#) (WAGP) inaugurated in July 2010 in order to overcome the regular power cuts, new telecommunications network and road rehabilitation. However, it will take some time before the structural reforms have an impact, and continuing aid will be crucial to promote the process. Donor confidence remains the most important resource in providing an initial push towards development in Togo.

A key sector remains education. Whereas children are now attending school, there are not enough teachers to teach them, despite the high numbers of potential teaching personnel in the country. Most of the qualified Togolese teachers, waiting for an opportunity to work in their own country again, are still abroad because the former government, suspicious of educators, drove them away. Likewise decades of political crisis and deficient economic freedom discouraged private foreign investment. It is difficult to revitalize confidence of foreign investors, although enhanced competition with new global players like China is good for business.

Q15.2 | Policy coordination

6

The coordination between the presidency and the prime minister's office appears to run not always smoothly. In July 2012 the head of state had to replace former prime minister Gilbert Houngbo, a technocrat recognized by the donor community who stepped down because of a bitter dispute with the president on continuing arbitrary acts of the intelligence service. He was replaced by the former minister for trade, K. S. Aboomey-Zunu, renowned as loyalist of the ruling elite. Because the president apparently still lacks overall control of the ANR and the military, he is at pains to restructure the commanding heights of the security services. Nevertheless, he still keeps the portfolio of defence for himself, in fear of coup attempts. In general, there are steps into the right direction which, however, are still outweighed by the corrupt and criminal practices (drug trafficking, capital flight and money laundering) of many members of the current administration – at all levels.

Q15.3 | Anti-corruption policy

4

There exists a national anti-corruption commission ([*Commission nationale de lutte contre la corruption et le sabotage économique*](#) – CNLCSE) created in 2001. However, it lacks the political will to combat corruption effectively. Corruption is still rampant in Togo. In 2008, Togo was for the first time ever included in the annual [Corruption Perception Index](#) of Transparency International, and ranked the third most corrupt [WAEMU](#) state, at the bottom end (rank 130) of 163 countries worldwide. Since then, it improved only slightly (rank 126 of 174 in 2014; score: 29 of 100 points). The World Bank survey of businesses in 2010 revealed that 60% believed that the courts were neither impartial nor free from corruption. The whole society is aware of the need to undertake decisive steps to eradicate this problem. However, this seems to be a difficult policy step to take because it would cut the lifeline of large parts of the current Togolese elite and administration. In July 2007, a law against money laundering was enacted after serious debate in parliament which had little effect up to now. There are serious concerns regarding the link of corruption, money laundering and drug trafficking as Togo becomes a transit country for all forms of trafficking, possibly with involvement of high ranking members of the Gnassingbé clan. In addition, the Inter-Governmental Action Group against Money Laundering in West Africa complained in May 2011 that the government does not persecute international money laundering although the legal framework to do so was established. The high amount of illicit financial flows which strongly correlates with money laundering arouse the concern of the international donor community. According to the most recent annual report of the renowned international NGO Global Financial Integrity ([GFI, Washington D.C., 2013](#)) illicit outflows from Togo averaged 1,847 Mio US \$ between 2002 and 2011, with a peak in 2008 when its equivalent representing 160% of GDP surpassed four times the annual budget.

Q16 | Consensus-Building

Q16.1 | Consensus on goals

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A [Global Political Accord](#) (APG) was established in 2006 by major political parties and civic organizations, assisted by the EU. However, it was implemented only halfheartedly by the government. A population census, the first since nearly three decades, was duly executed in 2010/11 and recognized by the population. Moreover, the [CVJR](#) delivered its report on HR violations in April 2012.. Other important measures meant to guarantee fair and free elections, including local elections reported time and again since 1987, are still pending. A domestic process of dialogue between major contesting political parties (*Cadre permanent de dialogue et de concertation*, CPDC), established in 2009, got stuck several times (latest in May 2014) because of lack of consensus. On 2 October 2014 the re-elected president of the Constitutional court Assouma declared the APG as obsolete and void with the advent of a functioning pluralist parliament, as allegedly proven by the decision of the UNIR and UFC majority in parliament on 30 June 2014 to vote against the draft law on constitutional changes submitted by its own government. Shortly before, representatives of the Christian churches had again appealed to the political class to reopen the discussions on contentious institutional and constitutional reforms before the 2015 presidential elections. Thus, overall consensus on transformation goals remains fragile. There are still some key cleavages running through Togolese society that result from the regional and ethnic discriminations and the exclusion of opposition movement of the past, and from the high socioeconomic disparities found in the country.

The majority (e.g., the governing party and most of the opposition) agree on the country's need to regain economic strength, a view shaped by the severe hardships experienced by many Togolese in everyday life. Political change, requested by many if not the majority, is also seen as an instrument for urgently needed social and economic development. On the one hand, these daily hardships might lead one day to serious social strife. On the other hand, citizens appear willing to support any government that shows genuine concern for the problems of the majority. In general, government, ruling party, the opposition and CSOs are dedicated to the basic rules of market economies. As a transit-economy, Togo depends on open markets and trans-national trade, notably within [ECOWAS](#) and the big markets in neighbouring Ghana and Nigeria. However, because a great part of this trade is informal (including smuggling) the recognition of official rules and regulations on taxation, tax-evasion, money-laundering, capital flight etc. is rather weak. Apart from this, there are divergent views within the ruling elite on the need to protect infant industries and commercial agriculture against unfair foreign trade policies within the framework of the controversial [EU-West African Economic Partnership Agreements](#) (EPAs). Negotiations on EPAs which dragged on since 2002 were increasingly under pressure by the EU that wanted to conclude the deal latest 1 October. Although Brussels applied a stick and carrot policy, apparently at least five countries, among them Nigeria and Togo, had refused to sign up to the end of the year.

Q16.2 | Anti-democratic actors

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The RPT/UNIR's purely anti-democratic elements are no longer as important as they had been before the presidential elections of 2010. They are still strong enough, however, to endanger any serious attempt made by President Faure Gnassingbé to further democratization and a meaningful devolution of power. President Faure Gnassingbé's imprisoned half-brother, Kpatcha, might play an important role in this respect. He and some people in the military and RPT/UNIR leadership know about the disadvantages they will have to face in the event of a change in government. Cracks in the ruling elite, composed of the Gnassingbé family, the RPT/UNIR and the security services, became apparent once more, during the modernization of the ruling party in 2012 as well as by the refusal of the UNIR majority in parliament to vote in favour of a draft law on changes of the constitution introduced by its own government in June 2014. In addition, it must be noted that democratic rules of the game as well as a culture of transparency and accountability are not fully respected among the new elites of Togo, including the opposition. This was shown by the schism of the major opposition party UFC and ANC.

Q16.3 | Cleavage / conflict management

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The Gnassingbé clan and its followers continue to pursue a policy of creating or stimulating conflicts in order to exercise its authoritarian regulatory power. The most recent example were the arson attacks on the central markets of Lomé and [Kara](#) (January 2013) used by the government to harass opposition leaders. In contrast, a report on findings released by the CST on 11. November 2013 revealed key figures of the regime as the ring-leaders of the market fires. Media close to the opposition than draw already analogies to the political instrumentalization of the [Reichstag fire](#) in Nazi Germany in 1933.

There are no consistent policies in place to systematically address emerging conflicts in the country. Nevertheless, there have been some positive steps taken. The administration recognized, for example, that the environmental problems arising from nomads and their cattle herds during transhumance, which often leads to problems with settled farmers, whose agricultural production is endangered, must be addressed. A national committee is now trying to find lasting solutions to this conflict by taking into consideration views from both sides. Due to the oppressive and corrupt nature of the previous regime, which affected almost every institution in the country, there are few non-governmental actors that are powerful enough to mediate in actual or future conflicts, with one notable exception the Truth and Reconciliation Commission ([CVJR](#)) and the Christian Church. The NGOs that specialize in conflict prevention and management are not yet strong enough to play a decisive role.

Q16.4 | Civil society participation

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The present government seems to be much more open to civil society participation than any government heretofore. The inefficient use of civil society organizations' capacities is sometimes more due to the weakness of the NGOs' administration and membership structure than to the government's reluctance to engage with them. Enhanced dialogue between CSOs and government is slowly becoming a reality. Both sides must work hard to overcome the distrust in the present situation that has been nourished by the poor state of relations in the past decades.

Q16.5 | Reconciliation

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In May 2009 a truth and reconciliation commission (*Commission Vérité, Justice et Réconciliation*, [CVJR](#)) was established meant to investigate human rights violations from 1958 up to the bloody persecutions of 2005. It was presided by Mgr. Nicodème Benissan-Barrigah and supported by the UNHCR office in Lomé. The CVJR's 11 members represented different groups of civil society (excluding political parties) and notably involved religious leaders. During its enquiries it received over 20,000 petitions which indicated a high degree of trust within the population. It submitted its final report in April 2012. The most important recommendations included reparation, public documentation of HR violations, symbolic reconciliation (e. g. public condonation by perpetrators, monuments, memorial days), and last but not least criminal prosecution of perpetrators. The Commission demanded the government to publish a White Paper on how it intends to implement the recommendations of the CVJR and suggested two institutions for monitoring and evaluation. Unfortunately, the government is reluctant to implement the recommendations which is no wonder because high ranking members of government, military and administration figured among the perpetrators who continue to profit from impunity. Apart from publishing a 'White Paper' and the installation of a High Commission on Reconciliation (HCR) in 2013 the government applied mainly delaying tactics. On 17 April 2014 the Council of Ministers published a draft White Paper on the implementation of the CVJR's recommendations, considered to be the precondition of the eventual payment of reparation.

Q17 | International Cooperation

Q17.1 | Effective use of support

7

Resumption of aid and substantial support from donors to the Togolese government only started in 2007 after the largely free legislative elections. The numerous activities and cooperation programs such as the ECF, PRGF and HIPC completion point were connected to the progress made in political transformation. The use of the aid was strictly supervised by the donors. However, support from donors was not always used efficiently and transparent. Togo counts among the aid orphans with an aid dependency of 36% of GNI. However, according to a report of the Bristol-based NGO [Development Initiatives](#) published in September 2013, the bulk of reported aid never gets anywhere near the target groups. Notably it often lacked the necessary involvement of all major players in society in order to gain public support and the international community's confidence, as promised by the [Paris Declaration](#) and later reaffirmed in the [Accra Agenda for Action](#). The entry of new Asian powers, notably China and India in the aid business allows for a successful resumption of Togo's see-saw policy already practiced in times of the Cold War between competing major donor countries.

Apart from aid, remittances could play a significant role in development although apparently there existed no direct link between remittances and economic growth. According to OECD statistics Togo ranked high on a global scale both with ODA per capita (91 US\$ in 2011, 17. rank) and 52 US\$ remittances per capita (7. rank worldwide) respectively ([OECD 2014](#)). Remittances constitute an important supplementary source of financial inflows also because they act countercyclical, i.e they increase during downturns, unlike other capital flows like FDI.

Q17.2 | Credibility

6

The most important task to consolidate the government's newly acquired credibility among the international community and among the Togolese population is the effective combat of generalized corruption at all levels of the state. Besides, as of now there are still two deeply contrasting interpretations of the government's actual intentions, both among the Togolese population and the international donor community: those, who believe in genuine transformation and are hopeful that a democratic era has just begun, and those, who believe the government's attitude is a masquerade camouflaging its attempt to stay in power at all costs.

Q17.3 | Regional cooperation

7

Togo is a member of all relevant regional, African and international organizations, notably of [ECOWAS](#) and [WAEMU](#) in the West African sub-region. President Faure Gnassingbé and members of his government are trying to return to a situation where Togo plays a constructive role as regional mediator and host to international meetings as in the 'glorious past' of the father of the incumbent, General Eyadéma. The latter was recognized as mediator in international African conflicts by his African peers, although being the longest serving African dictator. Togo remained a reliable and significant contributor to peace-keeping missions in the sub-region. In May 2012 Nigeria, Togo, Ivory Coast and Senegal contribute to the ECOWAS force's first troop deployment in the [failed state of Guinea Bissau](#). Later on, Lomé contributed to the African-led International Support Mission to Mali ([AFISMA](#)) organized by ECOWAS against the growing thread of Islamist terror organizations in Northern Mali as well as to the UN led [MINUSMA](#) (United Nations Multidimensional Integrated Stabilization Mission in Mali) corresponding to a Security Council resolution 2164 of 25 June 2014. Togo committed 500 troops to the total of 3,464 soldiers (commitments) of different ECOWAS states. The mission was authorized by the UN security council resolution 2058 on 20 December 2012. In addition, it contributed overall 1.747 troops and security personnel in 2014 for various UN peacekeeping missions (UN 09.2014). In July 2014, the United-States offered military equipment worth US\$ 8 million to support Togo's peacekeeping mission in Mali.

Strategic Outlook

Like most Sub-Saharan countries, Togo faces several problems: the lack of good governance, the volatility of growth in an economy particularly exposed to external shocks, rising food costs, erratic energy prices, and possible risks connected with the HIV/AIDS and Ebola pandemic. But there are a few key issues the country should address if it is to reach a level of development on par with that achieved by other, more successful African countries, neighbouring West African countries, like Benin and Ghana.

Based on the peaceful parliamentary and presidential elections, Togo's government should not ease its efforts to win sustainable trust and confidence of its own population as well as that of the international community. The reforms implemented during the last years have been met with considerable support both within and outside the country. The prevailing question among Togolese citizens and of observers, however, regards the genuine character of the attempts of the Gnassingbé regime to democratize the Togolese society. Unless confidence is built in the sustainability of the current process, Togo's transformation process will not succeed. The following challenges should be addressed:

The coalition 'government of recovery' formed in May 2010 by the two major parties (RPT/UNIR and UFC) should pursue consequently and in a transparent manner its aims of national reconciliation, democratization and sustainable development on the base of international accepted rules of 'good governance'. The postponed local elections as well as the upcoming presidentials (April 2015) should be managed effectively and impartial so that they could be recognized internationally as 'free and fair'. In order to overcome some of Togo's endemic development problems (i.e., over-centralized decision-making processes, the ruling party's undemocratic dominance, rulers' distance from on-the-ground realities, regionalism), support for the thorough implementation of the formulated decentralization policy should be enhanced. Devolution of power and resources in order to enhance local autonomy, as demanded by the constitution should no longer be obstructed by the government. This should be accompanied by support to civil society organizations at local and national levels.

The transition process will not succeed if the government remains under the threat of hard-liners within the security services to meddle into politics. Therefore, it will be imperative to attain and to guarantee strict political neutrality of the security forces, notably the military, intelligence service and the gendarmerie.

Concerning economics, the structural reforms of the banking, phosphate and cotton sector are crucial. Donors should make an effort to accompany this process. The fight against corruption, money laundering, capital flight and embezzlement of public funds in Togo's administration constitutes another significant step on the road to democratization. Since donors' contributions will have to play a crucial role for Togo's economic resurrection, international partners must demand that their support will be accompanied by a clear and thoroughly monitored fight against corruption and money laundering. In this respect also international business activities in Togo should be closely observed whether they stick to the same ethic and legal rules. Any activity that fosters law enforcement on this level should be supported. This includes taking pre-emptive steps to ensure that Togo does not remain a hub of trafficking within the sub region.

Donors should further harmonize their approaches and align the priorities set by the current Togolese government, namely good governance, health, education, road infrastructure.

Last but not the least, it seems important to support the process of regional integration in West Africa. Any attempts to undermine sincere African political initiatives of regional integration, e.g. by special arrangements within the current negotiations on EU West African EPAs) should be prevented. Greater exchange – in both economic and political terms – would serve to benefit all stakeholders. In addition, peacekeeping initiatives and observation measures in the West African region should be promoted.

Further Readings ([hyperlinked](#))

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