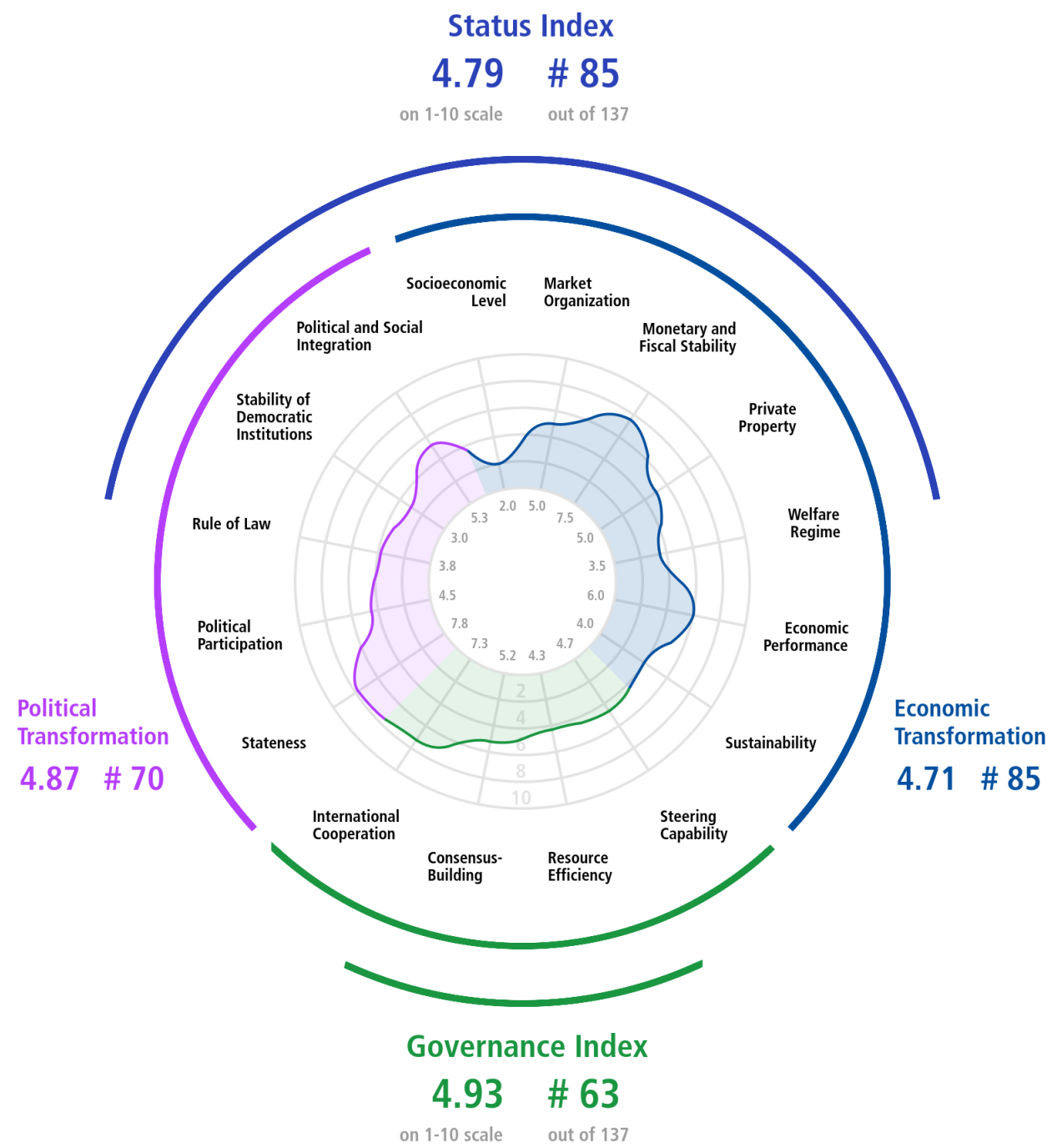


Togo



This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2022**. It covers the period from February 1, 2019 to January 31, 2021. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	8.3	HDI	0.515	GDP p.c., PPP \$	2224
Pop. growth ¹	% p.a.	2.4	HDI rank of 189	167	Gini Index	43.1
Life expectancy	years	61.0	UN Education Index	0.517	Poverty ³	% 74.2
Urban population	%	42.8	Gender inequality ²	0.573	Aid per capita \$	50.9

Sources (as of December 2021): The World Bank, World Development Indicators 2021 | UNDP, Human Development Report 2020. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.20 a day at 2011 international prices.

Executive Summary

The Gnassingbé clan has ruled the country since 1967. Throughout the survey period, demands for political change initiated by institutional and electoral reforms were a major issue of contention between the government and the challengers of the Gnassingbé regime. An alliance of opposition parties and civil society groups organized peaceful demonstrations in opposition to the regime. These demonstrations were often violently suppressed. Civil society organizations and representatives of the Christian church supported the opposition's demands.

Controversial constitutional and institutional reforms voted in May 2019 in parliament re-introduced a presidential two-term limit. However, the term limit does not apply retroactively, permitting the incumbent, Gnassingbé, to stand for another two terms. The opposition had fought for a term limit that would take Gnassingbé's current and previous terms into account.

The first local elections in more than 30 years were finally held on June 30, 2019 and resulted in the victory of the ruling party. The opposition was severely disappointed, not least because the local elected officials would be entitled to elect two-thirds of the future Senate. Shortly afterwards, in February 2020, the president also won the disputed presidential elections and even consolidated his power, assisted by the loyal army and security services. The outbreak of the COVID-19 pandemic in Togo in April and the subsequent economic recession may have contributed to limit popular protest against the Gnassingbé regime.

The human rights record of the government has improved but remains poor. Despite undeniable improvements to the framework and appearance of the regime's key institutions during the review period, democracy remains far from complete. However, the international community, notably Togo's African peers, the African Union (AU) and Economic Community of West African States (ECOWAS), followed a laissez faire approach in the interests of regional stability and their national interests in dealing with Togo.

The economy dropped into recession in 2020 due to the worldwide negative economic effects of the COVID-19 crisis. The informal sector still dominates the economy. Economic freedom remained with the overall status “mostly unfree.” The government tried to counteract this by continuing public investment in infrastructure (e.g., roads, harbor) and increases in agricultural productivity. Export crops had been the key drivers of economic growth. Positive growth was overshadowed by increasing interpersonal and regional inequality, as well as an increase in extreme poverty. Moreover, money-laundering, illegal money transfers and trafficking grew alarmingly. Nonetheless, the business climate improved considerably. Though the World Bank still defines Togo as low-income, fragile state, the government aims to achieve the status of a developing economy.

The overall effects of the COVID-19 pandemic on democratization and governance remained negligible, since the majority of the population viewed the government’s response to the crisis as largely satisfactory. Moreover, the economic impact of the COVID-19 crisis overshadowed the opposition’s simmering discontent. Growth remained vulnerable to external shocks like the COVID-19 pandemic and its impact on the global economy. Repercussions were felt on the domestic labor market and social security, particularly for the poor working in the informal sector.

History and Characteristics of Transformation

Togo, which was established as a German colony in 1884, became a U.N. trusted territory under French administration following World War II and wrested its independence from France on April 27, 1960. In the first democratic presidential elections of 1961, Sylvanus Olympio became president of the newly independent Togo. His assassination on 13 January 1963 by a group of Togolese veterans of the French colonial army, led by Sergeant Etienne Gnassingbé (later called Eyadéma), was the first violent coup in the history of independent sub-Saharan Africa. After another coup d’état on 13 January 1967, which ousted President Nicolas Grunitzki, Lt. Col. (later General) Gnassingbé Eyadéma became president of Togo on 14 April 1967.

Eyadéma established a one-party government and ruled as Togo’s authoritarian head of state for 38 years. In July 1991, influenced by the implosion of the Soviet empire and by apparently successful democratization efforts in a number of African countries such as neighboring Benin, a Sovereign National Conference was organized with the objective of establishing a new constitutional and political order for the country. 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 political persecution of opponents over the following two years triggered an unprecedented wave of migration in which some 350,000 refugees fled to Togo’s neighboring countries Benin and Ghana, as well as to Europe.

In 1993, the European Union and other major international and bilateral donors (e.g., Germany) officially suspended development cooperation with Togo due to gross human rights abuses. Notwithstanding political support from Paris, the substantial reduction in international aid and the decline in inward investments had severe effects on the country's economy.

When Gnassingbé Eyadéma died unexpectedly in February 2005 after nearly four decades of autocratic rule, the military proclaimed Faure Gnassingbé, one of the sons of the late president, the new head of state. Widespread international protests compelled the new president to call presidential elections on April 24, 2005. Despite international protests against massive irregularity in the election, Faure Gnassingbé was sworn in as president on May 4, 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 declined still more. Finally, massive international pressure forced the government into negotiations with the opposition political parties and civil society groups. This resulted in the so-called Global Political Accord (GPA) in August 2006.

The first free parliamentary elections took place on October 4, 2007. The governing party at the time, the Rally of the Togolese People (RPT, succeeded in 2012 by the Union for the Republic, UNIR), won an overwhelming majority under questionable conditions. Contested presidential elections in March 2010, April 2015 and February 2020 paved the way for a second, third and fourth five-year mandate for Faure Gnassingbé. This was possible due to the 2002 constitutional reform that removed the term limit from the 1992 constitution.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

Togo still belongs to the impoverished fragile states according to OECD criteria. In principle, the state's monopoly on the use of force is guaranteed over all its territory and population. However, there is also a long-standing culture of impunity for extra-legal killings committed by the security forces that persists. With the exception of rivalries among their own ranks, the army, gendarmerie and police are loyal to the incumbent government.

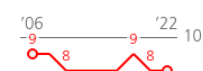
Weak, corrupt states are ideal for cocaine barons. According to U.N. reports, Togo has become a major hub of drug-trafficking and money-laundering in West Africa, related to issues such as profits from re-exports of used cars from western Europe to neighboring markets (mostly smuggling to Nigeria). According to the U.N. Office on Drugs and Crime (UNODC), the proceeds of trafficking are increasingly used by Islamist terrorist groups.

For many years, it has been clear that most Togolese citizens seem to feel a basic sense of patriotism. Particular dates and events in country's history such as independence day are inscribed into the collective memory. Afrobarometer data shows that since 2014, six out of seven citizens self-identify as Togolese because they link their ethnic group to being Togolese. However, the sentiment of national belonging is often mitigated by intra-ethnic and regional cleavages. Tensions between ethnic groups that date back to Togo's colonial past still play a considerable role in limiting equal access to remunerative and strategically important public authorities, thereby abetting nepotism and compromising good governance. This is especially true with respect to the divide between the Kabyè of northern Togo, who dominate Togo's politics and security services, and the economically more powerful and largest tribe Ewé of southern Togo. Since 2012, three in 10 Togolese have thought that their ethnic group had often or always been unfairly treated by the government.

Question
Score

Monopoly on the
use of force

8



1

State identity

8



1

The formally established religious groups – Christians (about 69% of population, 27% Roman Catholics, 22% Protestants, 20% others), 19% traditional African religion, 12% Muslim (Afrobarometer, 2017) – seek to play a neutral and constructive role in the political system and to make democracy more vibrant. Numerous animated Pentecostal and evangelical free churches (about 12,000, often just one man shows) have applied for official registration but are less active in secular public life. Approximately 900 remained pending at the end of 2019. The Ministry of Territorial Administration, Decentralization and Territorial Development (MATDDT) continued to organize meetings with religious leaders and communities to discuss pending draft legislation regarding religious freedom (US-Gov, 2019).

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 esteemed conflict mediators at the local level. However, there is a threat that the past instrumentalization of African religions and occult belief systems by the ruling powers for political motivated witch-hunts, as demonstrated by the now defunct Eyadéma regime, could be revived at any time.

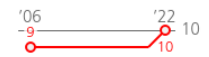
Since 2014, the Sahel region had been destabilized by extremist groups, most of which are Islamic extremist groups. The pression of those extremist groups has extended past the Sahel and is reaching Togo. Even though no attacks have occurred in Togo to date, intelligence services have reported that these groups are near the border with Burkina Faso. Togolese defense forces have even launched a joint military operation of 3,000 defense forces in collaboration with their counterparts from Benin, Burkina Faso and Ghana. In 2019, the Togolese government created an interministerial committee for the prevention of and fight against violent extremism (CIPLEV).

Though the state's basic administration extends throughout the entire territory, it is functionally deficient. Key public goods are not available to large parts of the population. Only 13.9% of the population has access to improved sanitation facilities and 62.8% to improved drinking-water sources, according to the 2018 Human Development Report. The country has just one doctor per 14,500 inhabitants.

Basic public administration continues to suffer from the parallel structures of formal and informal institutions (e.g., traditional chieftaincies) inherited from colonial rule. In addition, both the legitimacy crisis left behind by decades of despotic rule and growing corruption in a fragile economic environment are barriers to good governance and a transparent administration. The state's administrative organizational structure is centralized. The political elite still lacks the political will to devolve power and resources in order to enhance local autonomy, as demanded by the constitution, the opposition and the donor community. However, on June 30, 2019 the first local election since 1987 finally took place after many postponements.

No interference of religious dogmas

10



1

Basic administration

5



1

Measures to contain the COVID-19 pandemic affected basic administration. Travel bans and restrictions imposed constraints on public transport (limit of number of passengers in vehicles, city taxis, buses, ban on tricycles) in April 2020. Moreover, schools and universities were closed from March 20 to June 5, 2020, when schools were reopened for examinations classes.

2 | Political Participation

The legislative elections of December 2018, which were largely peaceful but not free, and the bogus presidential elections of February 22, 2020 resulted in victories by the ruling party UNIR and the incumbent, Faure Gnassingbé.

Controversial constitutional and institutional reforms voted in parliament in May 2019 opened the way for President Gnassingbé to stand for a fourth and fifth term, because the law did not apply retroactively. Moreover, the ruling party had greater access to media during the campaign, as well as to public means. Unsurprisingly, the president also won the disputed presidential elections of February 22, 2020 and thus consolidated his power, assisted by the loyal army and security services. An electronic system specially created for recording the election results was reversed by the electoral authority two days before the election. On election day, internet access was restricted and social networks and critical media websites were blocked. The constitutional and electoral reforms that would have been required for free and fair elections according to the Global Political Agreement (2006) between the government and opposition had been postponed time and again.

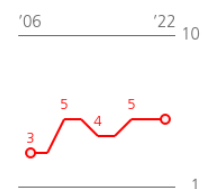
Shortly before, the government had canceled the election observer credentials of the largest independent civil society organization, the National Concentration of the Civil Society of Togo and the Catholic Church. The EU did not monitor the elections, not least because the government in Lomé had not honored the recommendations of the EU election monitoring missions in the past. Nevertheless, the international community declared the elections free and fair, given their security interests in the region.

To date, elections have not been affected by COVID-19.

The president has the support of the country's administration and security forces. He faces few structural constraints in putting his decisions into practice. However, the president may not always be in command of the hardliners within the ruling party, army or secret service. Prime Minister Sélom Komi Klassou, together with his government, demanded his resignation on January 4, 2019, apparently in reaction to the disappointing outcome of the legislative election of December 20, 2018. The ruling party UNIR did not win the qualified majority necessary for constitutional amendments. Nonetheless, Klassou was re-elected as prime minister by the president on January 26, 2019. On September 28, 2020, a new prime minister, Victoire Tomegah Dogbé, was nominated as prime minister.

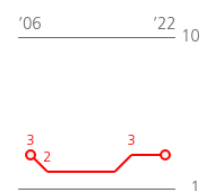
Free and fair elections

5



Effective power to govern

3



The guarantee and protection of rights to freedom of assembly and association have improved since 2007. The constitution and law provide for the right of workers, except security force members (including firefighters and police), to form and join unions and bargain collectively. However, limitations persist, particularly on freedom of assembly.

In August 2019, the parliament passed a law on national security which enabled the Minister of Territorial Administration, and in some cases even local authorities, to ban assemblies and to restrict other civic rights (see “civil rights”). Moreover, the regime still interferes with demonstrations, including temporary blocks on mobile phone and internet service to prevent social networking. It also banned weekday protests. Member states of the UN Human Rights Council (OHCHR, Geneva) as well as Amnesty International (AI) were alarmed about continuing impunity and excessive violence of police and gendarmerie, arbitrary arrests, and the restriction of freedom of expression. On April 13, 2019, security forces beat up a protester in Bafilo who was participating in an unauthorized demonstration organized by the opposition Pan-African National Party (PNP). He died in transit to the hospital. The same day, protesters detained at the Central Service for Criminal Investigation (SCRIC) were beaten repeatedly with cords and sticks. On April 20, 2019, PNP counselor Ouro-Djikpa Tchaticpi was detained at the SCRIC for more than three months without appearing in court or being charged for organizing unauthorized protests. On August 10, 2019, authorities released him without charge. In short, the right to freedom of assembly does not meet the requirements of legality, necessity and proportionality. They are also discriminatory.

The restrictions concerning demonstrations and the articulation of discontent with the ruling elite (see “freedom of expression”) were still in place in January 2021. However, according to Afrobarometer (2017) freedom of association had improved in comparison to the past for a majority of Togolese (53%-59%). The COVID-19 crisis has not resulted in official restrictions on assembly rights.

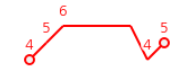
Though freedom of expression and the media is guaranteed by the constitution, it is restricted in reality. According to the 2018 Afrobarometer (Togo round 7 data), just 13% of interviewed persons (2017-2018) felt entirely free to say what they thought. Some 45% of Togolese feel that political leaders are more concerned with advancing their own ambitions. 43% of Togolese ranked health as the most important issue. 85% of Togolese “agreed” and “strongly agreed” with a two-term limit on the presidential mandate. African Media Barometer (AMB) Togo also confirmed in its 2017 report that the freedom of media is protected by a very important arsenal of laws, but implementation is problematic.

Because of the COVID-19 pandemic, various civic rights had to be restricted. However, access to information was not restricted on the basis of COVID-19, and no journalists or citizens who reported on COVID-19 have been harassed, nor was the

Association / assembly rights

5

'06 '22 10



Freedom of expression

5

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pandemic used as justification to pass or enforce legislation on “fake news” or misinformation related to COVID-19.

There is a wide range of daily and weekly newspapers, as well as a vibrant private press. Radio is the most popular medium, particularly in rural areas. Most of the private radio networks are religious stations. Moreover, there are two state-owned and five private TV stations that regularly broadcast news. However, only a limited percentage of the population had access to it. In contrast, the use of social media is increasing. There were 656,500 Facebook users in Togo in September 2019, which accounted for 7.7% of the entire population.

According to a study published by Hootsuite and We Are Social on the use of the web and social networks in Togo, 1.71 million Togolese were connected to the internet in January 2020. The overall internet penetration rate is now 21%.

Togo has adopted several laws curtailing the rights to freedom of expression and peaceful assembly. The High Authority of Broadcasting and Communications (HAAC), meant to protect the freedom of the press and to ensure basic ethical standards, is heavily biased in favor of the government, notably during election campaigns. However, according to AI, the criminalization of the media created a climate of fear and self-censorship and discouraged journalists and the civil society from criticizing human rights abuses, notably on subjects such as corruption, the army, the president, and the president’s family. Increasing encroachment on internet media freedom took various forms, ranging from subtly increasing regulatory powers over social media to country-wide internet shutdowns, as documented by AI. On November 4, 2020 for example, the director of the oppositional journal *L’Alternative*, Ferdinand Ayité and the journal itself were condemned to a fine of XOF 2 million each for defamation in the *Pétrolegate* affair. Ayité had accused the manager of the committee to monitor petroleum product price fluctuations, Fabrice Adjakly, to be responsible for the diversion of XOF 500 billion.

All in all, the Economist Intelligence Unit’s 2019 Democracy Index therefore ranked media in Togo as “unfree,” whereas Freedom House (2020) upgraded Togo’s overall status, including freedom of press status, from “not free” in 2014 to “partly free,” with an aggregate status of 47 (of 100) as of 2018.

3 | Rule of Law

The constitution of 1992 established the legal framework for a presidential multiparty system in Togo. The president is elected for five years and cannot be challenged by the legislature. The prime minister is nominated by the majority group in the unicameral parliament and appointed by the president. However, a great deal of power is invested in the office of the president, which 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 to successfully check the president's power. Due to corruption, the judiciary has yet to live up to its constitutional role. The referendum on the government's proposal for a constitutional reform scheduled for December 16, 2018, which was meant for reconciliation with the opposition, was canceled in 2019 without any reason or prior notice. The constitutional reform was eventually on voted in parliament in May 2019.

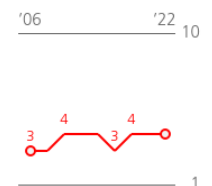
There was no state of emergency declared because of the COVID-19 crisis. The emergency measures were enacted by the government without prior consultation of the parliament or the judicial which – however – was accepted by the population as corresponding to existing and legal procedures, especially because the measures were time-bound and subject to review. Because the requirements were found to be necessary, proportional, and non-discriminatory, the general public did not object. The parliament was not restricted in its oversight role due to the pandemic; there was no dissolution of parliament or abandonment or restriction of parliamentary control functions. However, there was also no attempt to restore judicial review of the emergency measures.

There is no independent judiciary. The Supreme Court and the Constitutional Court, the latter first inaugurated in 1997, are dominated by members loyal to the Gnassingbé clan and the ruling party, as demonstrated by various biased decisions relating to recent elections. In September 2014, the head of state and the UNIR majority in parliament, boycotted by the opposition, re-installed the majority of the notorious Constitutional Court judges that had already been chosen in 2007. This included its president Abdou Assouma, who was re-appointed again on December 30, 2019. On March 3, 2020, the court confirmed that incumbent President Faure Gnassingbé won the February 22 presidential election.

There is a sharp discrepancy between constitutional law and its implementation. The separation of powers between the judiciary and executive branches (attorney and police) is rudimentary. Togolese people suffer from a two-speed judicial system, one for the poor and another one for those who are able to buy the judges' decisions. The judiciary system also suffers from lack of human, material and financial resources to achieve their goals.

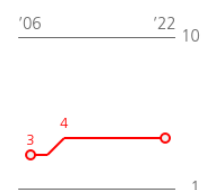
Separation of powers

4



Independent judiciary

4



There is a long-standing culture of impunity vis à vis human rights abuses by security forces. Abuse of public office is still endemic in Togolese society, and the embezzlement of public funds remains rampant. A recent example was the Pétrolegate-affair, where the manager of the committee to monitor petroleum product price fluctuations, Fabrice Adjakly, was accused of being responsible for the diversion of XOF 500 billion. In the end, it was not the accused who was prosecuted, but rather the journalist who had uncovered the scandal (s. Q 2.4).

However, an increasingly open political climate 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. Although Amnesty International recognized slight improvements relating to human rights, a culture of impunity still prevails, notably concerning security forces, trafficking and money-laundering (see "anti-corruption policy"). A constitutional reform that was voted in May 2019 in the National Assembly grants immunity for life to all former presidents. According to the Afrobarometer survey (Round 8) two-thirds of Togolese citizens think that people are treated unequally under the law and that officials who commit crimes go unpunished.

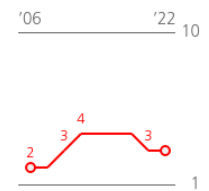
In August 2019, the parliament passed a law on national security that enabled the Minister of Territorial Administration, and even local authorities in some cases, to order house arrests, identity checks and interrogations of up to 24 hours. It also granted the right to evict foreign nationals, to ban assemblies, suspend associations, and close establishments. According to a report from Amnesty International, the human rights situation in Togo deteriorated sharply due to growing political and social tensions related to the prospects of the head of state running for fourth and fifth terms and the contested 2019 constitutional reforms. The U.S. State Department reported serious human rights violations such as arbitrary deprivation of life, the use of excessive force by security forces, lack of due process, harsh and life-threatening conditions in prisons and detention centers, arbitrary arrest, criminalization (without enforcement) of same-sex sexual conduct, and human trafficking. Moreover, laws were revised to further curtail peaceful dissent. Thus, Lomé failed to revise its criminal procedure code to build in fair trial standards and legal safeguards against torture and other ill-treatment.

The new political movement Dynamique Monseigneur Kpodzro (DMK), which was formed by supporters of archbishop Kpodzro to back former prime minister Gabriel Agbéyomé Kodjo for the 2020 presidential election, was targeted by the security services of the regime. Some of its leading members, including the lawyer and human right activist Brigitte Kafui Adjamagbo-Johnson, who became the first woman to stand for presidential elections in Togo in 2010, were imprisoned because of an alleged attack on the internal security of the state on November 27 and 30, 2020.

Prisons continued to be overcrowded. As of August 28, 2019, there were 5,277 convicted prisoners and pretrial detainees (including 158 women) in 13 prisons and jails designed to hold 2,720 inmates. Human trafficking, especially of children,

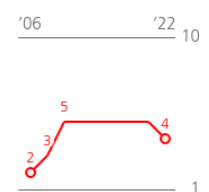
Prosecution of office abuse

3



Civil rights

4



persisted both internally and across the borders, such as to Nigeria and Gabon. The new penal code of 2015 had increased penalties for human trafficking and established penalties for the worst forms of child labor. However, the government did not devote sufficient resources to fight child labor, and enforcement of laws related to child labor remained weak.

Most Togolese rely on informal institutions of justice. Access to the national judicial system is reserved for those with more wealth and power. However, decisions made by traditional authorities, many of them hand-selected by the ruling regime, all too often correspond to the interests of the local power elite. The police and gendarmerie are reported to regularly use torture to extract confessions. Plagued by corruption, strong executive influence and lengthy pretrial detention periods, the judicial system functions poorly.

Violence against women and the practice of female genital mutilation continues, though factors including donor-assisted awareness campaigns have caused a decrease. Female genital mutilation (FGM) was formally outlawed in 1998. According to UNICEF data from 2017, FGM/C had been performed on 3.1% of girls and women between the ages of 15 and 49.

There were no significant and enduring additional restrictions on fundamental rights based on the COVID-19 pandemic. The temporary restrictions mentioned above (see “rule of law”) largely met the requirements of being time-bound, legal, necessary, and proportional. However, Amnesty International reported injuries and killings by security forces that happened during the policing of COVID-19 curfews. Authorities investigated these incidents.

4 | Stability of Democratic Institutions

Formal political institutions are only partially democratic, and their performance remains deficient. The president’s conduct in office shows more transparency and commitment to dialogue than was the case during his father’s regime. However, given that President Faure Gnassingbé is still surrounded by many figures from the old dictatorial regime, it is unclear how sincere and consistent these efforts may be. Though parliament now engages in controversial debates, its deputies often lack professional depth of knowledge. This is caused both by the legislature’s insufficient working conditions and the fact that the opposition has remained at the stage of criticizing the government, rather than beginning to formulate alternative policy proposals.

Performance of democratic institutions

3

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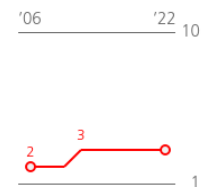


Political opening and the continuing pressure of international donors has undoubtedly increased commitment to democratic institutions. The Gnassingbé regime seems to have learned from the past. Having acquired power through irregular means, the regime was eager to strengthen its legitimacy through peaceful legislative (2007, 2013, 2018) and presidential (2010, 2015, 2020) elections. The democratic character of those elections is questionable. Afrobarometer data over the four rounds conducted in Togo shows very mixed results on these elections. The elections of 2010, 2013, and 2020 are considered free and fair by the majority of people (respectively 47%, 61% and 57%) while 37%, 27% and 37% said they weren't free and fair or were free and fair with major problems. For the 2015 election, 47% citizens think that the election wasn't free and fair or was free and fair with major problems (47%), while 40% said that they were free and fair or free and fair with minor problems. But throughout all the Afrobarometer's rounds, the majority of Togolese (55%-68%) believed that their country is not a democracy or is a democracy with major problems.

However, a high degree of skepticism remains concerning existing institutions, since the president was not elected democratically and parliament, which is still dominated by the president's party UNIR, has not yet shown its real potential. In fact, a significant majority of citizens feels a strong sense of dissatisfaction (68%-73%). The cult of personality around the president is still present in daily life. All this, together with the unpredictable attitude of the hardliners within the UNIR and the security forces, raises further doubts about the level of commitment to democratic institutions. However, the executive unwillingness to uphold its commitment to democratic institutions (parliaments, judiciary, oversight and watchdog institutions) did not seem to be reinforced by introducing a temporary state of emergency due to the COVID-19 crisis.

Commitment to democratic institutions

3

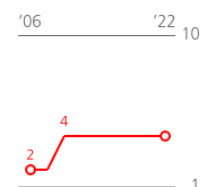


5 | Political and Social Integration

Togo's party landscape features a total of 34 noteworthy political parties (2020). However, the party system is dominated by the ruling Union for the Republic (UNIR). The opposition is split between a more radical and a moderate wing, labels which were originally attributed by the government in the 1990s, with moderates more willing to cooperate with the government. The radical wing, which was represented in parliament until the boycotted legislative elections of December 2018, is the Let's Save Togo Collective (CST), which was founded in April 2012. Led by the oppositional National Alliance for Change (ANC), CST includes various political parties and civil society organizations. The moderate wing, a confederation of smaller moderate opposition parties, among them the Action Committee for Renewal (CAR) joined the rainbow coalition, Arc-en-ciel. A new political movement formed by supporters of archbishop Kpodzro, the Dynamique Monseigneur Kpodzro (DMK), emerged in 2020 to back his bid for the presidential elections scheduled for February of that year. The 2018 parliamentary election boycotted by the radical wing allowed

Party system

4



the New Togolese Commitment (NET), Organization to Build a United Togo (OBUTS), and Movement of Centrist Republicans (MRC) to win some seats in the National Assembly. In the extra-parliamentary opposition, the Pan-African National Party (PNP) and over 80 other smaller parties play an important role.

The party system still mirrors regional and ethnic divisions to a considerable extent, which means that political parties tend to have readily identifiable ethnic and regional bases. The UNIR party generally finds greater representation among northern ethnic groups than among southern groups, while the reverse is true for the ANC and CAR opposition parties.

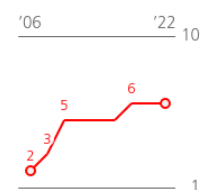
A broad range of interest groups are present in Togo. The most influential Christian churches and the two Muslim organizations, the Union of Muslims in Togo (UMT, founded in 1964) and the Association of Muslim Executives of Togo (ACTM, founded in 2003), exert a mediating and constructive political influence that has been recognized far beyond their own followers. Christian and Muslim organizations closely cooperate in combating terrorism. Earth priests and traditional chiefs still wield a strong influence at the local level. Yet, many traditional chiefs are still so entangled with the Gnassingbé regime by which they had been manipulated and instrumentalized for generations that they hardly dare to take an independent stance, in contrast to the Christian bishops, for example.

Student organizations consider themselves to be the political avant-garde and act accordingly. Until 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 takeover in 2005. Since 2011, oppositional student organizations have come to the fore, staging periodic anti-government demonstrations in the universities of Lomé and Kara. There are also many professional representations of traders (such as the renown female cloth traders of Lomé, Nana Benz), farmers, lawyers and judges. However, most of them are either biased and closely linked to the former unity party RPT/UNIR, or they have little political influence. Although there are a large number of labor unions in Togo, none of them has the strength or capacity to significantly influence the policymaking process. The unions nevertheless succeeded in convincing the government to continue paying subsidies for fuel, some staple foods and fertilizers to avoid a serious social crisis.

With the democratic renewal of the early 1990s civil society organizations (CSOs) mushroomed. According to informed estimates, about 41% of the population are organized in one or more CSOs. Many CSOs exist to create work and income for their founders (so-called ONG-valises). Their activities are mostly focused on Lomé and Togo's southern regions. Their target groups are rarely allowed adequate rights of participation or self-determination, a problem that is particularly affects women and the poor and underprivileged. However, there are a handful of CSOs that are influential, viable and independent and operate nationally. These include the human

Interest groups

6



rights association targeting the abolition of torture ACAT-Togo, which won the French Republic's human rights prize in 1997, the human rights organization Togolese League for Human Rights (LTDH), the Women, Democracy and Development Study and Action Group (GF2D) and the Collective of Associations against Impunity in Togo (CACIT), which are groups concerned with human rights, including gender rights and impunity issues. Some of these organizations cooperate with political parties in broad anti-government movements, such as the Let's Save Togo Collective (CST).

The COVID-19 pandemic severely affected CSO activities. The most common challenge has been the loss of funding, bringing operations to a standstill. Reduced funding led also to major operational and structural changes and the inability to implement program activities because of the government's preventive measures against the pandemic.

According to a representative survey by Afrobarometer that will come out later in 2021, 73% affirmed that democracy would be the best of all forms of government. Meanwhile, 87% of respondents "agreed" or "strongly agreed" that there should be a two-term limit on the presidential mandate. These figures are quite consistent across the board. The constitutional reform of May 8, 2019 limits the number of presidential terms to two and the number of parliamentary terms to three. The relatively low turnout in elections indicates some voter fatigue, reflected in the only 61% and 59% participation during the presidential election of 2015 and the legislative elections of 2018, and just 52.5% participation in the 2019 local elections. The latter is the lowest participation rate since the presidential election of 2005 that brought Faure Gnassingbé to power. These figures were also interpreted by independent observers as a sign of general disappointment by the opposition with the biased organization of the electoral process. However, the high turnout (76.62%) during the presidential election of February 2020, 15 points more than in 2015, suggested the reverse. The government's response to COVID-19 did not have any significant effect on people's attitude toward democratic institutions. Afrobarometer (2021 upcoming) shows that 65% Togolese citizens agreed with postponing elections or restricting political campaigns during the pandemic.

The history of informal political institutions in Togo shows the rich base of traditional and modern institutions, which participate actively at all levels of society. The most visible outcome of people's participation was the Sovereign National Conference of 1991, which had representatives from all social strata of the nation. However, because the visions of this conference were dashed by the violent political oppression of the dictatorial Eyadéma regime that persisted until 2005, similar social initiatives were difficult to re-establish. On the base of the general Global Political Accord (APG) of 2006, the general public was once 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

Approval of
democracy

n/a

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Social capital

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and assembly rights”). There is a variety of traditional associations (including many microfinance or credit institutions, see banking sector), trade unions, human rights, religious and media organizations as well as numerous local associations. Many of these self-help groups are based on traditional systems of mutual support, while others have been stimulated by international NGOs, churches or the government (see “interest groups”). Afrobarometer data (2021) shows that more than eight in ten Togolese are willing to live with neighbors from different religions, ethnic groups and nationalities. Conversely, 87% of Togolese are not ready to live with neighbors engaged in same-sex relationships.

However, there was no evidence that the COVID-19 pandemic had affected the sense of solidarity and trust and the self-organizational capacities of civil society.

II. Economic Transformation

6 | Level of Socioeconomic Development

Although the current socioeconomic situation in Togo remains precarious, it improved considerably over the past decade. Thus, Togo’s HDI trend progressed over the past three decades from 0.4 in 1990 to 0.51 for 2019. The country belongs to the low human development category, positioned at 167 out of 189 countries. However, when the value is adjusted for inequality, the HDI falls to 0.350, a loss of 31.7% due to inequality in the distribution of the HDI dimension indices. The 2018 female HDI value for Togo is 0.459, in contrast with 0.561 for males, resulting in a Gender Development Index (GDI) value of 0.818.

Generally, inequalities have continued to widen, with the Gini index rising from 0.380 in 2015 to 0.427 in 2017 according to the African Economic Outlook. Moreover, the depth and severity of poverty worsened, with about 80% of the population now at risk of falling below the poverty line. The rate of extreme poverty (49.2%) in Togo was almost twice the poverty rate in Ghana (25.2%). In addition, there was an alarming variation in poverty between the so-called leading and lagging areas of Togo. Poverty in the far north of Togo was up to three times as high as in the south.

Afrobarometer data shows that at least seven in ten Togolese have never experienced unfair treatment due to their economic situation, religion or ethnic group or have experienced it once or twice. Afrobarometer’s Lived Poverty Index measures respondents’ levels of material deprivation by asking how often they or their families have had to live without basic necessities (enough food to eat, enough water for household needs, medical care, enough fuel for cooking meals, and cash income)

Question
Score

Socioeconomic
barriers

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during the previous year. Only 3% of Togolese citizens are not experiencing any kind of poverty, and 26% of them are experiencing low lived poverty. At the other end of the spectrum, 40% are considered to be experiencing moderate lived poverty and 32% high lived poverty.

The COVID-19 pandemic had discernible effects on the level of social exclusion, notably of people employed in the informal sector. Poverty rates, inequality and human development will most likely be additionally aggravated.

Economic indicators		2017	2018	2019	2020
GDP	\$ M	6395.5	7112.2	7220.4	7574.6
GDP growth	%	4.3	5.0	5.5	1.8
Inflation (CPI)	%	-1.0	0.9	0.7	1.8
Unemployment	%	3.7	3.7	3.6	4.1
Foreign direct investment	% of GDP	1.4	-2.5	4.8	-
Export growth	%	-0.7	2.0	2.1	-4.7
Import growth	%	-11.4	5.3	1.4	0.8
Current account balance	\$ M	-96.6	-184.9	-55.4	-
Public debt	% of GDP	56.6	57.0	52.4	60.3
External debt	\$ M	1645.8	1719.6	2010.1	2546.4
Total debt service	\$ M	106.9	116.5	114.7	105.3
Net lending/borrowing	% of GDP	0.2	-0.6	1.7	-
Tax revenue	% of GDP	13.0	12.7	13.2	-
Government consumption	% of GDP	12.9	14.9	13.7	13.8
Public education spending	% of GDP	3.8	4.0	5.0	-
Public health spending	% of GDP	0.9	1.1	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.9	2.0	3.1	2.0

Sources (as of December 2021): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Togo still lacks the foundations for credible market-based competition and good governance, although there have been undeniable improvements. According to the most recent country-wide business survey conducted by the national statistics institute (INSEED) in January and March 2018, released on June 24, 2019, more than 85% of business in Togo operates in the informal sector. The Lomé region hosted by far the most businesses (63.4%), while the Plateau region followed far behind (10.1%), as did the Maritime region (outside Grand Lomé) (8.3%), Kara (6.8%), the Central region (6%) and the Savanes region (5.4%).

In the 2020 World Bank index of trade and business freedom, the best improvers were Togo (rank 97 of 190). According to the Doing Business Report, it took 2.5 days and 3 procedures to start a business in 2019. It required an investment of 8.1% of the GNI per capita.

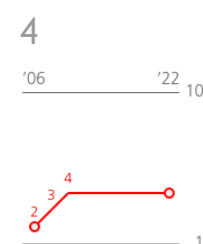
Economic freedom, as measured by the Heritage Foundation's Economic Freedom Index for 2019 also improved, but only slightly, with an increase of 2.5 points to 50.3. This was due to improvement in fiscal health and rising scores for tax burdens and property rights. Yet Togo's economy still ranks at the bottom (158th freest) of the 2019 index, and its overall score was below the regional and world averages. In short, Togo's economic freedom also remained with the overall status of "mostly unfree."

In summary, Togo's political and administrative operating environment constituted a barrier to the growth of private direct investment and private sector activities. A thorough reform was prevented by vested interests, a lack of administrative and judicial transparency and widespread corruption.

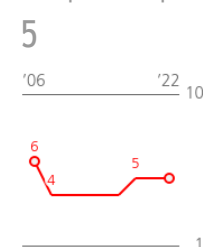
Key sectors of the economy, notably the banking, cotton and phosphate sectors, are still in the hands either of a few individuals or of parastatals. The electricity sector is still characterized by high costs and limited penetration. The privatization of the state-owned banks was further delayed (see "banking system"). Reforms of the mining, telecommunications and energy sectors progressed slowly because of obstruction by vested interests. The mining industry has the potential to develop into one of Togo's largest economic sectors, with the country being the world's fourth largest phosphate producer. Phosphate production is managed by the New Phosphate Company of Togo (SNPT), a public-private venture (60% state- and 40% private-owned), supplemented by the construction of a phosphoric acid and fertilizer plant built by Elenilto, an Israeli mining company. However, the SNPT apparently underperformed because of large-scale corruption (see "anti-corruption policy").

At present, there is no domestic competition law in most ECOWAS member countries, including Togo. Countries with insufficient resources like Togo find it more effective to rely on antitrust enforcement by regional authorities than to

Market organization



Competition policy



establish their own national authorities. The West African Economic and Monetary Union (WAEMU), including Togo, adopted competition legislation in May 2002 that became operative from January 1, 2003. In early July 2019, the ECOWAS launched a new competition regulator, the ECOWAS Regional Competition Authority (ERCA), as announced in Banjul, Gambia. The process to set up this new authority is currently underway.

Foreign trade is liberalized in principle, but significant limitations persist. Togo's major agricultural exports are cotton, cocoa and coffee. These exports generate about 40% of export earnings, with cotton being the most important cash crop. Moreover, Togo is among the world's largest producers of phosphate. Re-exports are significant as well, as Togo is one of West African's most important transit-economies, along with neighboring Benin. Foreign trade is therefore decisive to Togo's economy. The combined value of exports and imports of the so-called entrepôt trade (legal transit and mostly illegal re-export/smuggling combined) amounted to 105% of GDP according to the Heritage 2018 Index of Economic Freedom. It consisted mostly of petroleum products from Nigeria, cotton from Burkina Faso and used cars from Europe. The informal (illicit) entrepôt trade contributed to a culture of corruption and tax evasion.

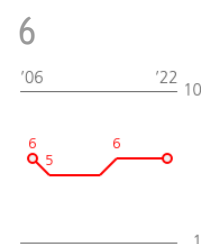
In 2015, Togo ratified the WTO free-trade agreement; a third of the least-developed countries have now signed the treaty. Togo's average simple MFN applied was 12.1% in 2019. However, multiple non-tariff barriers to trade impede foreign trade.

Togo has four Export Processing Zones (EPZ): three in Lomé and one in Kara, managed by the company SAZOF. The African Continental Free Trade Area (AfCFTA) was signed by Togo in March 2018. On April 2, Gambia became the 22nd state to sign, triggering the agreement's ratification. It was a key element of the AU's ambitious Agenda 2063 and had been heralded as a milestone for regional integration and continental unity, ultimately leading to a future African Economic Community (AEC).

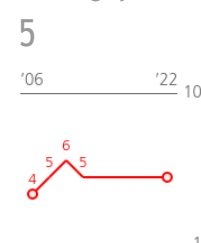
The Togolese formal banking system has undergone some transformative processes, but progress is very slow. In 2018, the National Assembly finally authorized the privatization of the two remaining state-owned banks, the Bank for Trade and Industry (BTCI) and the Union of Togolese Banks (UTB). The IMF had called for this step for years, but it had been opposed by the government. However, the government extended the deadline for submitting bids for the privatization of BTCI and UTB even further. The new deadline for bids was shifted to December 6, 2019. In October 2020, five possible candidates had been selected for the takeover of the banks.

As a member of WAEMU, Togo also participates in the transition to Basle II/III bank prudential requirements. However, WAEMU has extended the five-year transitional period initiated in 2018 by one year. In particular, the regulatory capital adequacy

Liberalization of foreign trade



Banking system



ratio will remain unchanged at end-2020 from its 2019 level of 9.2%, before gradually increasing to 11.5% by 2023, instead of 2022 as initially planned. On March 21, the Central Bank of the West African States (BCEAO) had already announced the extension of the collateral framework to access central bank refinancing to include bank loans to 1,700 prequalified private companies and a framework inviting banks to accommodate demands from firms with COVID-19-related repayment difficulties to postpone for a three month renewable period debt service.

According to available data, the banking sector has not yet been affected by a credit crisis caused by non-performing loans from clients not meeting their repayment commitments because of the COVID-19 crisis.

No data on the bank capital to assets ratios and non-performing bank loans is available.

The penetration rate of the banks is low, as 59% of Togolese households have no member with a bank account, according to the most recent Afrobarometer survey. Therefore, the microfinance system (SFD) and informal traditional African saving and loans schemes (tontines, known as Adakavi in Togo) play an important role, especially for small and medium-sized enterprises (SME), notably in the informal sector.

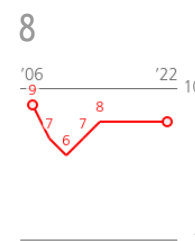
On October 21, 2019, the Minister of Economy and Finance, Sani Yaya, deplored the high-risk investment structures operating illegally in Togo and ordered them to immediately cease their activities. The 200 formal microfinance initiatives, with approximately 500 service points nationwide, were also viewed unfavorably. In October, the government banned seven microfinance structures.

8 | Monetary and fiscal stability

As a member of the West African Economic and Monetary Union (WAEMU), Togo cannot pursue an independent policy on currency and foreign exchange rates. The currency is pegged to the euro at a rate of XOF 657.88 to €1, and the Central Bank of West African States (BCEAO) is fully independent but heavily influenced by the European Central Bank's anti-inflation policy. Integration into the franc zone is still mainly justified for political rather than economic reasons. Accordingly, the eight West African nations of the WEAMU (UEMOA in French), adopted a proposal at a meeting of Economic Community of West African States (ECOWAS) in November 2019 to withdraw their currency reserves from the French central bank, which evoked controversy.

The Real Effective Exchange Rate index was at 93.7 in 2019. The XOF has not yet been affected by a pandemic-driven withdrawal of foreign capital, an increase in the current account deficit or the growth of monetary aggregates due to preferential loans,

Monetary stability



nor have significant inflationary tendencies been discerned. Consumer price inflation remained low, ranging from 0.4% in October 2019 to 2.7% in June 2020, caused by the economic effects of the COVID-19 crisis.

In the past, the government pursued a stability oriented monetary and fiscal policy. According to the IMF, Togo complied with the WAEMU convergence criterion of a fiscal deficit not exceeding 3% of GDP. For 2020, the fiscal deficit and the balance of payments financing gap were forecast to widen due to additional health care spending and other impacts of COVID-19 on the economy. The estimated costs of a total multi-phase health plan amounted to XOF 110 billion (\$187 million; 3.3% of GDP), of which XOF 20.8 billion (\$ 34 million, 0.6% of GDP) would go to the immediate COVID-19 response and the remainder to strengthening of the health system. Subsequently, growth projections for 2020 were lowered from 5.5% to 3%. The fiscal deficit was expected to widen from an initial projection of 1.9% of GDP to 3.6%, due to higher health care spending and revenue loss. Public debt stood at 70.9% of GDP in 2019, and external debt amounted to a total of \$2,205.1 million. The current account balance was -\$184.9 million in 2018.

On October 24, 2020 Togo entered the public securities market of the West African Monetary Union (UMOA) for the first time, for the first exit under the last semester of 2020. The country collected XOF 27.5 billion from investors, according to the Agence UMOA-Titres.

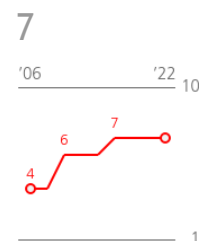
The role of the private sector in driving economic growth was overshadowed by increasing individual and regional inequality as well as environmental degradation, which more than offset economic growth (see “environmental policy”). All in all, the economy and government budget remain volatile and prone to external shocks.

Concerning Togo’s huge Chinese debts, Beijing considered expanding Chinese banks’ bad debt write offs for certain African countries from interest-free loans due by the end of this year in September 2020. However, at a summit about how China and Africa could fight the COVID-19 pandemic together, President Xi Jinping did not say which African countries would be exempt or how much debt would be erased outright.

There are no data available yet on the likely decline of state revenues due to a lockdown-related contraction of domestic economic activity or a reduction of global demand and limited export earnings. For 2020, the fiscal deficit and the balance of payments financing gap were forecast to widen due to additional healthcare spending and other impacts of COVID-19 on the economy. One in three Togolese declared that they suffered a loss of revenue due to the COVID-19 crisis according to an Afrobarometer survey.

The World Bank and IMF envisaged additional support to counteract the economic impact of the COVID-19 crisis. On April 29, the World Bank approved \$ 8.1 million in financing from the International Development Association (IDA) to help Togo combat COVID-19 and better respond to public health emergencies. One day before,

Fiscal stability



the World Bank had approved \$273 million in International Development Association (IDA) financing for Togo, Benin, Burkina Faso and Niger to facilitate access to services for vulnerable people (especially women and the poorest segments of society) through the West Africa Unique Identification for Regional Integration and Inclusion (WURI) Program. And on April 3, the IMF had authorized an immediate disbursement of \$ 131.1 million to Togo in line with the completion of the 6th and final review of the country's economic performance under the program supported by the Extended Credit Facility (ECF) agreement. The disbursement was four times greater than what was initially planned (\$ 35 million) due to the human and economic implications of COVID-19.

9 | Private Property

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. Where they exist, they are not adequately enforced. The new land code of 2018 was meant to check this development. However, as for most of Togo's 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 customary 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 chieftains and local authorities. These interpretations are often to their own advantage, especially in the countryside. Most contracts about agricultural land are still verbal. Disputes over land are extremely common. According to the CVJR-Togo, 80% of court cases concern questions about land-tenure. Only about 36% of arable land is under a tenure system that provides long-term security. Land conflicts and instances of fraud in which land is sold twice are steadily increasing. According to a common saying, conflicts over land are the third important cause of death, behind malaria and HIV. Property rights to land are complex (see traditional authorities) because of the plurality of legal rights and asymmetrical power relationships (between men and women, migrants and locals, elders and young people). In addition, land-tenure has changed over time because of the historical impact of the introduction of cash crops, the impact of public projects (resettlement, forest reserves, etc.) and contested land privatization through the registration of property titles. Poor farmers, migrants and women, who have no secure rights, are especially vulnerable. Since 2018, the Togolese Revenue Office (OTR) has been in charge of managing land tenure in Togo. The creation of a national cadaster is ongoing, with the intent of securing land transactions.

Property rights

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Land grabbing threatened 25,000 hectares in Togo, including 53 cases of lease contracts or large-scale land acquisitions. In August 2019, the government expropriated more than 10,000 hectares in the Zio river flood valley (North of Lomé) in order to protect the population against the harmful effects of recurrent floods. The area had already been classified as a “non-building area” by the Master Plan and Urban Planning (PDU) of Lomé in 1981. But the population had continued to erect precarious dwellings there, subject to recurrent floods.

A limited sector of small- and medium-sized enterprises cover a greater part of 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 many laborers as the formal sector (see “market organization”).

The protection of real property is frequently contentious because of Togo’s mix of civil and traditional law. Property registration remains difficult, despite recent reforms, and contracts are difficult to enforce. The judicial system lacks resources and is heavily influenced by the presidency.

On May 29, 2019, the government adopted a bill for a new investment code to “make the country’s legal investment framework more appealing to investors.” The new code aligns with the three axes of the 2018-2022 national development plan (PND).

Nevertheless, the 2020 index of trade- and business freedom improved, mainly due to improvements in starting businesses, dealing with construction permits, getting electricity, property registration and getting credit (see above). The reform of the investment code was inspired by Rwanda’s progress over the past 10 years in this respect. Several Togolese delegations visited Kigali to learn about successful reforms. President Faure Gnassingbé apparently held the vision to be number one in West Africa in Doing Business 2020. To achieve this target, Togo made significant reform efforts in the areas of starting businesses, registering property, and getting credit.

The government was not yet taking equity stakes in troubled firms or nationalizing companies to prevent bankruptcies that would otherwise be caused by the COVID-19 crisis.

Private enterprise

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10 | Welfare Regime

Togo's welfare system is underdeveloped. Life expectancy at birth is low (male, 60.2 years, female, 61.9). Current health expenditure is equal to 6.2% of GDP. The welfare system is available only to government employees and those few employed in the formal sector. The COVID-19 crisis accelerated the establishment of a universal solidarity income, referred to as "Novissi" by the National Solidarity and Economic Fund in April. To support individuals and households that had been affected by the COVID-19 pandemic, a mobile-based cash transfer program for informal workers was introduced. Recipients will receive a state grant of at least 30% of the minimum wage directly through mobile enrollment. In total, 1.4 million individuals had registered and nearly 600,000 received a "Novissi" payment, at a total cost of XOF 11.4 billion (\$19 million; 0.3% of GDP) so far. It was paid twice a month and was mainly intended for people who were living on daily earnings, had no social security and were affected by a decline in activity. According to the Afrobarometer survey (2021), 29% of the population of Togo received government subsidies during the pandemic.

On October 9, 2020, the government announced that the Togolese minimum wage (guaranteed minimum wage, SMIG) might soon be increased. In force since 2012, the minimum wage, which hovered around 35,000-38,000 XOF (€ 64.03), is not always applied. Workers complained regularly about precarious working conditions characterized by bad hygienic and security conditions and non-payment of the minimum wage. The SMIG is hardly enough to feed an individual for a month, and it only applies to the formal sector. Of the economically active population (85%), just 9.3% were employed in the formal sector.

In Togo, pension schemes do not guarantee beneficiaries a decent living. Only about 6% of the social security programs concern pensions. In practice, most informal sector workers do not have access. The pension entry age for civil servants is 60, which puts further pressure on the labor market. Most individuals suffering hardship or accidents rely either on the help of family (or clan) members or that of 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 (see "banking system").

Social safety nets

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Discrimination against women remains widespread. In the most recent UNDP Gender Inequality Index (GII, 0.567, 2017), Togo ranked 140 out of 189 countries.

According to the World Bank's Women, Business and the Law 2020 report, Togolese women enjoy 84% as much rights as men. This is above the average in sub-Saharan Africa. Togolese women and men enjoy the same rights in respect to freedom of movement, employment, wages, and retirement pensions. However, with respect to property and inheritance, women only have 80% of the rights that men have. The gap is even larger when it comes to marriage and entrepreneurship. In the area of entrepreneurship, there are still barriers impeding business creation and management by women. According to data from the Togolese center for business formalities (CFE), women held only 27% of businesses created in 2019.

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 in the foreseeable future. In 2019, women were 48.3% of the total labor force.

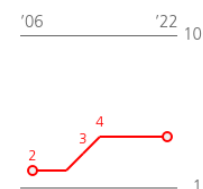
While access to education has improved for girls, there are still severe disadvantages, notably with regard to secondary and higher education. Mean years of schooling of females was only half (3.3 years) of that of males (6.6 years). The ratio of female to male enrollment (GPI) stands at 1.0 for primary, at 0.7 for secondary and at 0.5 for tertiary education. A share of 77.3% of Togolese men are literate in comparison to 51.2% of Togolese women.

Representation of women in the political arena (i.e., government, parliament and political parties) improved significantly when Victoire Tomegah Dogbé (61 years) became Togo's first female prime minister on October 29, 2020. She appointed a new government with a record 30% of the 33 ministerial positions given to women, including Essozimna Marguerite Gnakade as defense minister – the first time a woman has held that role (Reuters, 2020). In the National Assembly, there were 17 women MPs (19%) out of 91 (December 20, 2018; IDEA 2020). And on January 20, 2019, a woman was elected as head of the Togolese parliament for the first time in history. The candidate, Chantal Yawa Tségana, replaced Dama Dramani, also from the ruling party UNIR.

Most Togolese express tolerant attitudes toward people of different ethnic origins, religions, and nationalities. However, very few extend the same tolerance toward people in same-sex relationships. Lesbian, gay, bisexual, and transgender (LGBT) persons in Togo face legal challenges. Both male and female same-sex sexual activity is illegal in Togo. LGBTI persons faced societal discrimination in employment, housing, and access to education and health care. LGBTI groups may register with the Ministry of Territorial Affairs as health-related groups, particularly those focused on HIV/AIDS prevention. Activists reported that violence against LGBTI people was common, but police ignored complaints.

Equal opportunity

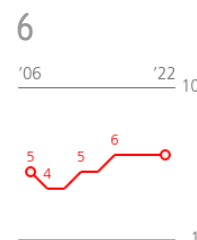
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11 | Economic Performance

With a per capita income of \$995 or less, Togo still belongs to the low income countries. The per capita income in Purchasing Power Parity (PPP) in constant 2017 prices was \$1,553, according to the World Bank. Before the COVID-19 pandemic, economic prospects were encouraging, with growth expected to reach 5.3% in 2020 and 5.5% in 2021, on the basis of good performance in agriculture and sound monetary management. However, due to the effects of COVID-19, Togo is likely to record a loss of growth of between 4.6% and 6.8% points in 2020, though recession is likely to be averted. Real GDP in 2020 would grow by just 0.9% if the pandemic subsides by July (baseline) and contract by 1.3% if it continues through December (worst case). In the worst-case scenario, the fiscal deficit, initially forecast at 1.5% of GDP in 2020, will widen to up to 6.4% due to the increase in health expenditure and the fall in tax revenues caused by the fall in the general level of economic activity. The current account deficit is expected to follow a similar trajectory. Forecast at 3.2% of GDP, it is projected to worsen to 5.7% or possibly 7% of GDP in 2020 under the effect of lower exports, migrant remittances, and FDI in the main economic sectors. Togo's main exports include re-exports, cotton, phosphates, coffee, and cocoa. The unemployment rate is estimated at 4.1% for 2020 by the ILO.

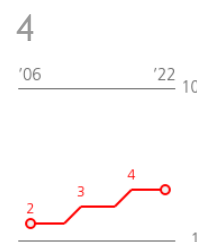
Output strength



12 | Sustainability

A National Environmental Policy Executive Policy was first enacted in 1998. It attempted to define specific actions to protect the environment in Togo and ensure sustainable growth to the country in the medium to long term. However, it has had little effect to date.

Environmental policy



Environmental degradation and natural resource depletion are caused mainly by population pressure, outdated and neglected farming systems and global climate change. According to the IMF, the current economic growth rates are offset by environmental degradation, primarily through soil and forest resource depletion, coastal erosion and ambient air and water pollution.

Coastal erosion is a major problem. The waterside of the capital losses about 10 meters a year because of man-made erosion. The shoreline of Togo has been receding to the east since the extension of the port of Lomé in 1968.

In the global country ranking of deforestation, Togo ranked in the bottom range. From 2001 to 2019, Togo lost 55.9 kha of tree cover, equivalent to a 10% decrease in tree cover since 2000, and had 11.3 Mt of CO₂ emissions. From 2002 to 2019, the total area of humid primary forest in Togo decreased by 82%. The top regions in Plateau and Centrale regions were responsible for 58% of all tree cover loss between 2001 and 2019.

Togo joined the Climate and Clean Air Coalition (CCAC) in 2014. According to WHO guidelines, the air quality in Togo is considered unsafe. Contributors to poor air quality in Togo include the mining and cement industries, vehicle emissions, and waste burning.

In February 2020, the ECOWAS, including Togo, agreed to adopt a regional standard on imported gasoline and diesel fuels of 50 parts per million (ppm) starting in January of 2021, with local refineries given until January 2025 to comply. Four years before, in December 2016, Togo and four neighboring countries (Nigeria, Ghana, Benin, Côte d'Ivoire) had already agreed in principle to ban imports of dirty fuels from Europe. The WHO ranked these health risks among the top global health risks, associated with heart disease, lung cancer and respiratory problems.

In general, eco-friendly consciousness is not well developed by the population or by producers, including the mining companies, which results in serious environmental pollution and health hazards.

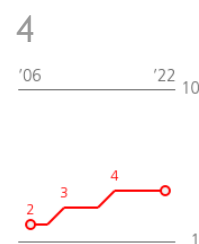
After having suffered under the political and economic crises of the past decades, the entire education system has since recovered with remarkable success. In 2019, Togo scored 0.517 in the UN education index. In the same year, the government spent XOF 174 billion (€36.3 million) on education, seven times more than the amount spent in 2005. It also used a \$27.8 million (€24.6 million) grant from the Global Partnership for Education, a World Bank fund for education in lower-income countries, to strengthen girls' enrollment in school.

Togo's gross primary school enrollment was 124.3% in 2019. Compared with African standards, this is high. For secondary education, it stood at 61.8% (2019) and for tertiary education, at 14% (2017, most recent data). The large enrollment gap between primary and secondary education is due to costly secondary education fees, poor quality of primary education and the lack of access to schooling in rural areas.

The literacy rate in Togo is 77.26% for men and only 51.24% for women. Early or forced marriages contribute to this difference. Low educational equality is also present for the rural population and the poor. In rural areas, 69% of households live under the poverty line. Secondary schools also tend to be sparse in rural areas with few resources, while urban areas tend to have more clusters of secondary schools with more resources. 68% of eligible males and 54% of females in urban areas enroll in secondary education, while only 45% of eligible males and 33 % of females enroll in rural areas. Adult literacy is around 64% while the literacy of the younger population aged 15-25 is significant higher (84%). The government's education strategy for 2014 to 2025 includes developing quality universal primary education by 2022 and extending pre-primary education coverage to rural and poorer areas.

Research and development remains a neglected area. According to the latest available World Bank figures, R&D expenditure stood at only 0.3% of GDP in 2014 (no update available, December 2020).

Education policy /
R&D



Governance

I. Level of Difficulty

Togo is a small country with promising natural resources. The population still depends on subsistence farming to a large extent. The major foreign exchange earners of Togo are the phosphate sector, clinker, cement and cotton production and (mostly illicit) re-exports, all of which are dependent on volatile trade conditions 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 its electricity and gas supply.

Migration, accelerated by the political crisis, has had a dramatic impact on the country's labor force in the last two decades. According to the UNHCR, there were a total of 11,968 refugees in the country as of January 31, 2020, most of them from Ghana. There were 1,391 asylum-seekers as of September 30, 2020. Hundreds of thousand Togolese refugees also migrated to Europe due to political persecution during the political crises of the 1990s and 2005, notably to France and Germany. However, many of them had to return. Many qualified Togolese can be found in Europe as well as in neighboring West African countries.

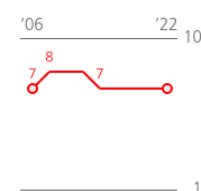
The lack of good governance, including the ruling elite's unwillingness to devolve political power, still constitutes the largest single barrier to development.

According to available data, no disruptive shock has been caused by the COVID-19 pandemic (infection rate, excess death rate, effects on economic performance) up to now, and the limitations it imposes on political and economic transformation are negligible so far.

Civil society flourished with the second wind of change in play 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 (see "interest groups"). This has resulted – mainly in the cities – in the creation of a multitude of different associations, which often compete 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. However, these associations are

Structural
constraints

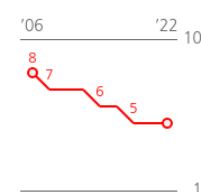
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Civil society
traditions

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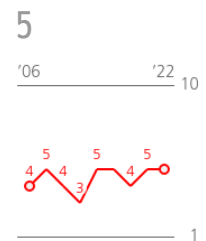
mainly focused on urban centers, especially Lomé, and seldom gain ground in rural areas. OECD shows the youth engagement in a broad range of associations and groups of their area. Collective and individual benefits are the drivers of that engagement.

The high potential for conflict that existed under Gnassingbé Eyadéma's rule due to ethnic polarization and the militarization of society can no longer be considered the one crucial impediment to Togo's development. However, both elements still need to be considered. 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 or ethnic groups. Generally, the relationship between Muslims and Christians is amicable. Cooperation is sought by both groups on many occasions. Between 13% and 28% of Togolese declare that they have been victims of other citizens due to their economic conditions, their religion or their ethnicity, according to the most recent Afrobarometer survey. From the same source, between 16% and 22% of Togolese declare that they have been unfairly treated by the government because of their economic conditions or their ethnic group. This represents embers smoldering under the ashes that could explode at any time in the event of unfortunate circumstances or deliberate attempts to ignite conflict.

Transnational conflicts of transhumance between pastoralists and agriculturalists are still virulent beneath the surface. Occasional instances of violence occur in about one-third of prefectures, notably in northern and central Togo. According to the 2019 transhumance campaign review there had been no deadly conflicts as there were in 2018 and 2017, and only eight minor incidents. The 2019/2020 transhumance campaign that came to an end on May 31, 2020 also went off without a major incident.

Regional inequalities and sentiments of distrust and mutual antipathy between people in the south and 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, notably in the security services. 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. However, growing discontent among unemployed school-leavers contributes to political unrest in urban centers, notably in Lomé.

Conflict intensity



II. Governance Performance

14 | Steering Capability

It remains unclear whether the political leadership as a whole is committed to political democratization, decentralization and economic liberalization.

Togo's National Development Plan (PND, 2018-2020) focused on establishing Togo as a financial and logistics hub in the Gulf of Guinea and a first-class business center in West Africa. Its goals were creating jobs, developing agricultural processing, manufacturing and the extractive industries, and stimulating inclusive growth.

Additional mechanisms to enhance strategic capacities have been implemented with the assistance of the World Bank and IMF. However, they are unlikely to impact on the basic unwillingness of the regime in power to promote democratization and to give power to the population.

The administration has the support of the international donor community for the implementation of the NDP (see "steering capability"). The orientation of the government in Lomé for greater implementation was also confirmed by the World Bank Doing Business Report 2020. It stated that Togo counted among the ten economies worldwide that improved the most in reforms that made it easier to do business after implementing regulatory reforms for better use of resources. The most notable reforms concerned the following five categories: starting a business, dealing with construction permits, registering property, getting credit and access to electricity. In short, the new reform processes, assisted by the international donor community, notably the Bretton Woods institutions, have improved an efficiency-oriented governance approach in areas like public administration and finance as well as infrastructure rehabilitation.

The transformation of the political system from an autocratic government to democratization is not yet in sight. Nevertheless, major improvements are undeniable. According to the Ibrahim Index of African Governance 2020, Togo counted among the top five best improvers over the past decade for overall governance (rank 30 out of 54 in 2019; score 49.1, +5.2, since 2008). Actual politics point in the same direction. However, cleavages between hardliners and modernizers within the Gnassingbé clan, ruling party, and security forces are still simmering. These cleavages have the potential to erupt at any time, especially if the regime's power base in politics and economy is threatened by an electoral defeat.

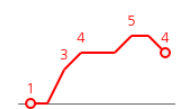
The implementation of major policy priorities identified by the government has not been delayed, postponed or shelved in reaction to the COVID-19 pandemic up to now.

Question
Score

Prioritization

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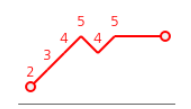
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Implementation

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The presidential elections of 2010, 2015 and 2020 and the legislative elections of 2013 and 2018 passed by largely peacefully and were considered basically democratic by African peers. This was in stark contrast to the previous 2005 presidential election, with its aftermath of bloody political persecution. Apparently, the Gnassingbé regime had learned from the past. The regime was eager to boost the legitimacy of its irregularly acquired power through largely peaceful elections and the modernization of the ruling party. In addition, it confirmed its outward legitimacy by raising international political support. Concerning domestic legitimacy, Faure Gnassingbé and his party (RPT/UNIR) successfully employed the same divide and rule policy that his father Eyadéma had used for decades to weaken the opposition movement both by legal and extra-legal means.

However, the international donor community, especially the EU, the IMF, France and the United States, were less concerned with democratization than with regional stability, the growing terrorist threat of Islamism in the Sahel region (Mali), and Nigeria and Togo's support to combat it. Therefore, they supported the government's commitment to political modernization by providing substantial aid. In general, the transition process remains volatile.

Another example of policy learning in the economic sector was Togo's stance in the currency question. Lomé joined increasing African sentiments against any post-colonial institutions by supporting the replacement of the XOF by a truly African currency. West African countries adopted a proposal to withdraw their currency reserves from the French central bank at a meeting of Economic Community of West African States (ECOWAS) in November 2019. In September 2020, Alassane Ouattara, president of Côte d'Ivoire, announced that they would proceed with the implementation of the ECO, the common new currency to replace the XOF, "within three to five years."

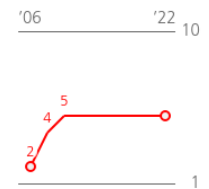
Apparently, the government has not been willing to improve institutional learning with respect to democratization in response to COVID-19; it still strives to preserve its political and economic power at all cost.

15 | Resource Efficiency

The IMF fourth review of Togo under the Extended Credit Facility Arrangement (2019) confirmed that public financial management reforms in Togo were advancing. Thus, a methodological guide for the cost-benefit analysis of public investment was finalized and a comprehensive review of public expenditure was completed. Overdue debts were gradually being cleared in line with program objectives. However, the IMF also underlined that further efforts would be needed to strengthen permanent revenue in order to consolidate the reforms and to create the fiscal space for much-needed social and infrastructure spending.

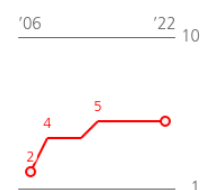
Policy learning

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Efficient use of assets

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Other testimonies of a more efficient use of assets concern public-private partnerships, e.g., the agreement between the government and the Nigerian tycoon Dangote to develop and transform Togolese phosphate by a \$2 billion phosphate project in Togo, positioning itself to become a main supplier of fertilizer in West Africa. Dangote will be the largest ammonia producer in Africa with the completion and commissioning of the Dangote Petroleum Refinery and Fertilizer complex in Ibeju-Lekki, Lagos (see “output strength”).

Donor confidence constitutes the most important resource in pushing development in Togo. Nevertheless, decades of political crisis and deficient economic freedom still discouraged private foreign investment, although enhanced competition with new global players like China is good for business. The reallocation of resources because of the COVID-19 pandemic has apparently been largely done in an efficient and transparent manner.

The Togolese government had delayed the decentralization of administrative and political structures as demanded by the constitution, the opposition and the donor community for years, but in June 2019, the first local election since 1987 took place. While the election of mayors and municipal councilors is an important formal step in the decentralization process, the de facto power of the local level is still very limited and administrative processes on the local level are still controlled by powerholders on the central level.

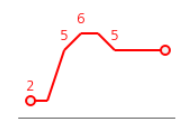
Recruitment processes for administrative personnel are guided by political motives rather than by merit of the candidates. On the highest political level, incumbent Gnassingbé rearranged the group of his closest advisors with young and technocratically qualified consultants. While this potentially improves policies, it is still a highly informal style of government.

The commitment of the government to democratization and consolidation of public finances vis à vis the donor community conflicts with the determination of the president and his followers to remain in power whatever the cost. The coordination between the presidency and the prime minister’s office, which had not always been smooth, improved significantly with the nomination of Victoire Tomegah Dogbé, who became Togo’s first female prime minister on October 29, 2020. The secret service and the military still lack parliamentary control and are still dominated by members from the Kabye Gnassingbé clan in Pya and Kara, its homeland and spiritual center. Faure Gnassingbé still manages the portfolio of defense himself, for fear of coup attempts. The new guard of young and dynamic councilors, including a liaison-officer of the army, may alleviate the problem (see “separation of powers”). However, enhanced alertness by the donor community still seems advisable in view of high levels of corruption and criminal practices (drug-trafficking, capital flight and money-laundering) at all levels, including members of the current administration. While the COVID-19 pandemic brought additional challenges in policy coordination and coherence, they have been handled in an effective and transparent manner.

Policy
coordination

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The 1992 constitution prohibits corruption (Art. 46). Moreover, Togo has a money-laundering law, a procurement law and a criminal code adopted in 2015 that strengthened anti-corruption measures. Togo has also adopted legislative and regulatory texts and created control institutions such as the General State Inspectorate, the General Inspectorate of Finance (IGF), the Court of Accounts and the Togolese Revenue Office (OTR). However, the independence of the supreme audit institution is restricted by jurisdictional limitations in the constitution and the lack of freedom to publish an annual report. Thus, the overall inherent risk of the Togo's public financial management (PFM) system was rated high.

The High Authority for the Prevention and Fight against Corruption and Similar Offenses (HAPLUCIA), founded as independent organization in 2015, replaced the National Commission for the Fight against Corruption and Economic Sabotage (CNLCSE) created in 2001. The HAPLUCIA became operational in 2017. It is equipped with powers of investigation, prosecution and corruption prevention. However, it has no budget autonomy, and at \$20,000, its annual budget is rather low.

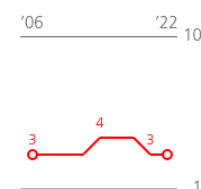
According to the electoral code, vote-buying is forbidden (Art. 72 and 136) and the expenses incurred by parties during the election campaign are limited. For example, any list of candidates for a local election is prohibited from incurring more than XOF 5 million in election campaign expenses per candidate (Art. 120). However, there are apparently no limits on the amount that third parties can spend on election campaign activities or on media advertising spending, including online media.

Despite all declarations and formal commitments, the government lacks the political will to combat corruption effectively. Apparently, members of government and the civil service were involved in corruption up to the highest ranks. This was indicated by instances such as the 'Pétrole-gate-affaire' (2020, see "freedom of expression"), the Bolloré-affaire and the high level of illicit financial flows (IFF) that attracted the concern of the international donor community because it strongly correlates with money-laundering.

Since 2018, the Gnassingbé clan has been probed by the French legal system in connection with the Bolloré-affaire. The notorious French tycoon Vincent Bolloré was accused of having secured port concessions in Lomé by undercharging services to help get Faure Gnassingbé elected in 2010. Allegedly, the deal was in exchange for the concession to construct a third container terminal of the port of Lomé by Africa Bolloré Logistics. In early 2021, Bolloré pleaded guilty to active corruption. As for the IFF, it came mainly from three sources, i.e., commercial tax evasion, trafficking of bills in international trade and abusive transfer prices, criminal activities such as drug dealing, illegal transactions on weapons, smuggling, active corruption and the conclusion of corrupt civil servants. In comparison, IFF represented almost 500% of tax revenues. This ranks Togo second in the world, although it unanimously adopted a bill on money-laundering and against financing terrorism (AML/CFT) in the member states of ECOWAS on April 24, 2018.

Anti-corruption policy

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16 | Consensus-Building

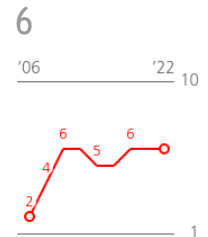
Overall, the consensus on transformation goals remains fragile. There are continuing conflicts about reforms that are meant to increase electoral integrity and to constrain the power of the presidency. Representatives of the Christian churches appealed repeatedly to the political class to reopen the discussions on contentious institutional and constitutional reforms. However, the government does seem to be putting some effort into building more consensus, especially when it comes to elections. A consultation of political parties, National Concertation between Political Actors (CNAP) was set up by the government. Its first meeting took place on December 14, 2020. The CNAP is a framework that allows political actors to discuss and to agree on the modalities of organizing better elections in Togo.

The Catholic church took sides with the opposition. The Episcopal Conference denounced the wave of repression as well as “the excessive use of force against fellow citizens, sometimes even in their homes.” Last, but not least, it urged the army to adopt a republican attitude of political neutrality in accordance with the constitution. There are still some key cleavages running through Togolese society as a result of regional and ethnic discriminations, the exclusion of opposition movements, and socioeconomic disparities.

In general, the government, ruling party, opposition parties and CSOs are dedicated to the basic principles of a market economy. However, 85% of the country’s economic activity is in the informal sector. The ruling party and 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 as well as by the economic effects of the COVID-19 pandemic. Political change, demanded by many, is seen as an instrument for achieving urgently needed social and economic development. On one hand, daily hardships may lead 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.

As a transit-economy, Togo depends on open markets and transnational trade, notably within ECOWAS, and with the markets in neighboring Ghana and Nigeria. However, because a large part of this trade is informal (including smuggling), the recognition of official rules and regulations on taxation, tax evasion, money-laundering, capital flight is rather weak. Apart from this, there are divergent views within the ruling elite on the need to protect infant industries and commercial agriculture from unfair foreign trade policies, e.g., within the framework of the controversial EU-West African Economic Partnership Agreements (EPAs).

Consensus on goals



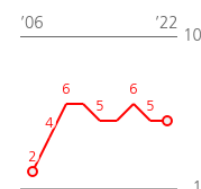
The RPT/UNIR's purely anti-democratic elements are no longer as important as they were before the presidential elections of 2010 and 2015. UNODC and Togolese authorities are also working together to develop a national strategy to prevent violent extremism. On September 10, 2020, experts from the UNODC Terrorism Prevention Branch held an initial consultative meeting with the Interministerial Committee on Preventing and Combating Violent Extremism (CIPLEV) of Togo within the framework of the Global Counter-Terrorism Forum (GCTF) project on capacity-building in the West African region.

However, anti-democratic actors within the ruling elite are still strong enough to endanger any serious attempt by President Faure Gnassingbé to further democratization and devolution of power. President Faure Gnassingbé's imprisoned half-brother, Kpatcha, might play an important role in this respect. Kpatcha and some within the military and RPT/UNIR leadership know about the disadvantages they will have to face in the event of political alternance. The murder of Colonel Bitala Madjoulba, Commander of the 1st Rapid Intervention Battalion (BIR), a senior officer responsible for the protection of senior state officials, on May 4, 2020, indicated the simmering unrest among the army. Besides, divisions within the ruling elite, i.e., the Gnassingbé clan, the RPT/UNIR and the security services, have become apparent before, such as during the modernization of the ruling party in 2012 and in the refusal of the UNIR majority in parliament to vote in favor of a draft law on changes of the constitution introduced by its own government in June 2014.

The Gnassingbé clan and its followers continue to pursue a policy of creating or stimulating conflicts in order to exercise authoritarian power, as evidenced by the Kodjo-affaire in 2020 (Q14.3). There are no consistent policies in place to systematically address emerging conflicts in the country. Nevertheless, there have been some positive steps taken. Beside the nationwide capacity-building of CSOs promoted by the African Peer Review Mechanism (APRM) initiative, 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 by the practice. The government is actively considering putting an end to conflicts caused by transhumance by planning the establishment of pastures for cattle in certain regions of the country. 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 two notable exceptions in the Truth and Reconciliation Commission (CVJR) and the Catholic Church. In general, the NGOs that specialize in conflict prevention and management are not yet strong enough to play a decisive role. Approaches designed to prevent institutional crises can be found also in UNDP-backed conflict prevention programs such as those concerning the training and deployment of national election observers and mediators. In addition, some few trade unions, NGOs, religious

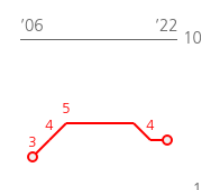
Anti-democratic actors

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Cleavage / conflict management

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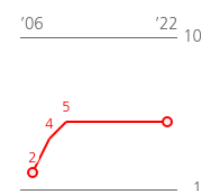
organizations and media outlets created transnational partnerships for conflict prevention such as the West African Network for Peacebuilding (WANEP-Togo) and the Togolese section of WPP-Africa (Women Peacemakers Program – Africa).

The present government seems to be much more open to civil society participation than any previous government. The inefficient use of civil society organizations' capacities is sometimes due more to the weakness of the NGOs' administration and membership structure than to the government's reluctance to engage with them. An enhanced dialogue between CSOs and government is becoming a reality within the APRM initiative. The APRM initiative is composed of 37 CSOs, in addition to members of the public administration. Donors like World Bank Group and European Union also included CSO participation as core component of their funding process to enable for more accountability. However, the CSOs are hand-selected by the government, which means that more critical parts of civil society tend to be excluded. Both sides must work hard to overcome the deep-rooted distrust in the present situation. To date, there have been few attempts to actively involve civil society actors in the government's response to the COVID-19 pandemic.

In May 2009, the Truth and Reconciliation Commission (CVJR) was established to investigate human rights violations dating from 1958 to the bloody persecutions of 2005. It was presided over by Mgr. Nicodème Benissan-Barrigah and supported by the UNHCR office in Lomé. A High Commissioner's Office for Reconciliation (HCRRUN) installed in March 2015 was meant to speed up the implementation of the recommendations, assisted by a CSO-platform (PCJV). In 2020, the HCRRUN contacted people who had suffered damage during the 1990s in the context of wildlife protection, and the Barkoissi incident between Anoufo and Moba, in order to implement the reparations recommended by the Truth, Justice, Reconciliation Commission (CVJR) whose goal was to achieve better living together between communities. The implementation of the recommendations of the CVJR in this part of Togo was spread over several days in different localities (Tône, Cinkassé, Mandouri, Kpendjal etc) in order to respect the precautionary measures in the context of the fight against COVID-19. Nearly 35,000 people, victims of sociopolitical violence from 1958 to 2005 have been identified so far throughout Togo.

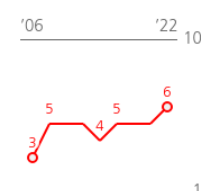
Civil society participation

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Reconciliation

6



17 | International Cooperation

Togo remains dependent on development cooperation. Aid fluctuated (in current \$, millions) between 258.2 in 1990, 165.0 in 2017 and 296.4 in 2018, according to the OECD. Europe (EU, France, Germany) is by far the biggest provider of development assistance to Togo beside China (see Q7.1). The numerous activities and cooperation programs of international donors, such as the ECF, PRGF, SCAPE and HIPC completion point, were connected to the progress made in political transformation. Togo's performance under the ECF-supported program had been broadly satisfactory according to the IMF. Economic recovery progressed until it was hindered by the COVID-19 pandemic in 2020.

However, support from donors was not always used efficiently and transparently. The increasing influence of Asian donors in recent years, notably China and India, allowed Togo to re-adopt a see-saw policy, which it had practiced masterfully during the Cold War, playing competing major donor countries against one another.

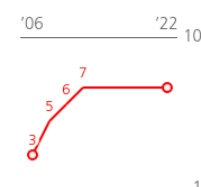
Apart from aid, remittances from Togo's diaspora (estimated two million people) play a significant role in development. Remittances soared steadily from \$34 million in 2000, 337 million in 2010 to 402 million in 2017. Remittance inflows to GDP (%) in Togo was reported at 8.5% in 2017, according to the World Bank collection of development indicators. Although no direct link between remittances and economic growth is discernible, remittances constitute an important supplementary source of financial inflows because as a rule, they act countercyclical (i.e., remittances increase during downturns) unlike other capital flows like FDI. It is considered to be a more effective means for poverty-alleviation than aid or FDI. However, growing xenophobia in Europe and Africa and the impact of the global COVID-19 pandemic could threaten future flows of remittances. The World Bank estimates global remittances fell by 7% in 2020, surpassing the 5% decline seen during the global financial crisis in 2009.

The government's use of external support from the World Bank and IMF in connection with the fight against the COVID-19 pandemic has had no visible impact on the strategy of development so far.

International actors appear increasingly trusting of the current government. Traditional partners, such as France, Germany and the United States, and new partners, such as China and India, supported the country with development aid during the review period. In addition to the revitalization of bilateral cooperation, international organizations like the IMF, World Bank, the West African Development Bank and the European Union are also reinforcing their assistance in order to promote good governance, democratization and inclusive economic growth in Togo. To consolidate the government's newly acquired credibility among the international community and among the Togolese population, the government's most important tasks are to tackle corruption and money-laundering at all levels of the state, to facilitate political competition and to devolve power.

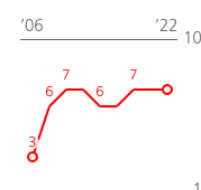
Effective use of support

7



Credibility

7



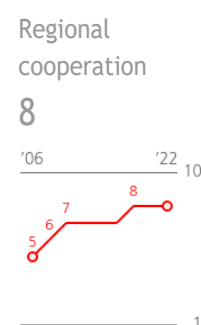
There are currently two deeply contrasting interpretations of the government's actual intentions, both among the Togolese population and the international donor community. One perspective holds that the government is genuinely pursuing political transformation and that a democratic era has begun, while a second perspective holds that the government's attitude is camouflaging its attempt to stay in power at all costs. Given security concerns in the region, international donors increasingly trust – or want to trust – the Togolese government.

International credibility has been so far not affected by the government's engagement in international or multilateral efforts to coordinate the COVID-19 response (transparency in reporting, provision of additional support). In addition to multilateral organizations, the Togolese government also received the support of GiveDirectly, an American based NGO specialized in cash transfers to populations in need, to continue their effort to ease the hardships of the vulnerable population.

Togo is a member of all relevant regional, African and international organizations, notably of ECOWAS and WAEMU in the West African subregion. Togo remained a reliable and significant contributor to peacekeeping missions in the subregion. It participates in peacekeeping missions of the AU and ECOWAS with about 1,400 soldiers and policemen, especially in Mali. However, attempts to mediate in the Togolese crisis failed because the mediators proposed by ECOWAS apparently were not neutral. From March 17 to 21, 2018, African leaders held an extraordinary summit in Kigali (Rwanda) to create an African Continental Free Trade Area (AfCFTA / ZLECA, in French). Togo signed all three agreements that were relevant in this respect.

Yet trade is a significant and contentious issue with Togo's neighbor Nigeria. On August 20, 2019, Nigerian president Muhammadu Buhari surprisingly closed Nigeria's borders and suspended imports and exports across all of Nigeria's land borders. His primary goal was to stop rampant informal trade and smuggling from Togo and Benin across the notoriously porous frontiers. Shortly before this, on June 24, the Nigerian government had warned Ghana and Togo to stop attacking Nigerian traders in these countries who had been accused of breaking the law and unfair competition practices in these countries. The closure, which was partial in nature as maritime exports of things like crude oil were continued, pointed early on to a lack of confidence in the AfCFTA. The closure, with no timeline for the reopening of the borders, not only had devastating effects on neighboring Benin and Togo – key exporters of foodstuffs to Nigeria – but also pushed up prices for staples such as rice at markets around Nigeria.

Togo engages in regional efforts to combat illicit drug trafficking and abuse. On January 19, 2020, seven African leaders from the Republic of Congo, Gambia, Ghana, Niger, Senegal, Uganda and Togo signed an agreement for stronger legislation to criminalize the sale of fake drugs at the two-day France-Africa summit on counterfeit medicines, a deadly trade that claims hundreds of thousands of lives every year in Africa and funds transnational crime and terrorism.



Strategic Outlook

Like most sub-Saharan African countries, Togo faces several substantial challenges, including a lack of good governance, volatile economic growth, exposure to external economic shocks, rising food costs, erratic energy prices and major environmental risks. But there are key issues the country should address if it is to reach a level of development on par with that achieved by more successful West African countries (e.g., Ghana). In view of the turmoil of the large-scale anti-government protests, Togo's government should not reduce its democratization efforts, in order to win the trust and confidence of its own population and the international community. Democratic and institutional reforms implemented over the recent years are not sufficient to gain the confidence of the vast majority of the people, at least concerning the major issue of content, the retroactive limitation of the mandate of the president and political alternation. Many Togolese citizens and observers remain skeptical of whether these reforms reflect a genuine attempt by the Gnassingbé regime to promote democracy in Togo. The government should transparently pursue national reconciliation, democratization and inclusive economic development on the base of internationally accepted principles of good governance.

The transition process will not succeed if the government remains under pressure from hardliners within the ruling party and security services. Therefore, it is imperative to guarantee the strict political neutrality of the security forces, notably the military, intelligence service and gendarmerie.

Concerning economics, structural reform of the banking, and mining and cotton sectors is crucial. Donors should make additional efforts to support this process. The fight against corruption, money-laundering, capital flight and embezzlement of public funds in Togo's public administration constitutes another significant step on the road to good governance. Last, it is important to support the process of regional integration in West Africa. Any attempts to undermine political initiatives of regional integration (e.g., by special arrangements within the negotiations on EU-West African EPAs) should be prevented. Greater economic and political integration would benefit all stakeholders. In addition, peacekeeping initiatives and observation measures in the West African region should be promoted.

The new gain in domestic legitimacy of the government because of its largely satisfying handling of the COVID-19 pandemic will reduce the pressure by the opposition for more democratization on the short- and medium-run. In addition, the health and economic impact of the Corona-crisis superimposed the simmering discontent of the opposition. However, the negative global economic effects of the COVID-19 pandemic will have also long-lasting negative impact on the domestic labor market and social security, notably in the informal sector.