

BTI 2016 | Togo Country Report

Status Index	1-10	4.70	# 93 of 129	
Political Transformation	1-10	4.80	# 78 of 129	➔
Economic Transformation	1-10	4.61	# 90 of 129	➔
Management Index	1-10	4.84	# 70 of 129	
	scale	score	rank	trend

This report is part of the Bertelsmann Stiftung's Transformation Index (BTI) 2016. It covers the period from 1 February 2013 to 31 January 2015. The BTI assesses the transformation toward democracy and a market economy as well as the quality of political management in 129 countries. More on the BTI at <http://www.bti-project.org>.

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Key Indicators

Population	M	7.1	HDI	0.473	GDP p.c., PPP \$	1428.8
Pop. growth ¹	% p.a.	2.7	HDI rank of 187	166	Gini Index	46.0
Life expectancy	years	56.5	UN Education Index	0.514	Poverty ³	% 74.5
Urban population	%	39.5	Gender inequality ²	0.579	Aid per capita \$	31.8

Sources (as of October 2015): The World Bank, World Development Indicators 2015 | UNDP, Human Development Report 2014. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.10 a day at 2011 international prices.

Executive Summary

The Gnassingbé regime consolidated its hold on power following two peaceful, but unfair elections. These were the 2010 presidential and 2013 legislative elections. In particular, the absolute majority won by the ruling party has radically reduced the likelihood of meaningful constitutional and electoral reform, in spite of demands by the opposition and international donors. Nonetheless, hard-liners within the ruling party and security forces are becoming increasingly agitated. In contrast, although opposition parties have made cursory attempts to bridge the divide between their moderate and radical wings, these attempts have had little impact to date. For example, a broad alliance of political parties and civic groups organized peacefully demonstrations against the regime. In response, the government has used violence and intimidation, such as the January 2013 attacks against the markets in Lomé and Kara, as a means of suppressing these demonstrations. Consequently, there has been no improvement in the government's poor human rights record. The political climate in the run-up to the 2015 presidential election remains tense, with the president determined to stay in power for a third and eventually fourth term whatever the cost. Nevertheless, the president retains support among younger voters who are increasingly impatient with the opposition. Hence, despite some evidence of democratization, governance within Togo remains largely undemocratic. Although the international donor community has expressed dissatisfaction with the lack of reform and persistent postponement of local elections, concern for regional stability in West Africa has proven a greater priority. As such, the international community – including other African countries, the AU, ECOWAS, the Bretton Woods Institutions, China and the EU – has largely followed a *laissez faire* approach to negotiations with Togo. Overall economic growth is promising, with the rate of annual economic growth expected to increase to 6.0% in 2014 and 6.3% in 2015. However, this growth is primarily driven by international aid, and is neither sustainable nor inclusive. Furthermore, this positive forecast is increasingly overshadowed by a rise in regional inequalities, rates of extreme poverty and interpersonal tensions among Togo's elite.

History and Characteristics of Transformation

Togo, established in 1884 as a German colony, became UN trusted territory under French administration after World War II before gaining full independence on 27 April 1960. Sylvanus Olympio became president of the newly independent Togo following the first democratic presidential elections in 1961. His murder on 13 January 1963, by a group of Togolese veterans of the French colonial army led by Sergeant Etienne Gnassingbé (later called Eyadéma), opened up a Pandora's box. It was the first violent coup in the history of independent Sub-Saharan Africa. Although unanimously condemned by the Organization of African Unity (OAU) in the beginning, African statesmen soon turned back to normal. After another coup d'état, ousting President Nicolas Grunitzki, Lt. Col. (later General) Gnassingbé Eyadéma became president of Togo in 1967. Establishing a one-party government, Eyadéma ruled as Togo's authoritarian head of state for 38 years. Taking advantage of the support of Western countries, who appreciated Togo's capitalist orientation and its unwavering backing of Western positions in East-West cleavages General Eyadéma went almost unchallenged until 1990. Over decades, Togo was put on the drip of considerable development aid, which represented 51% of real GDI per annum on average between 1965 and 1992. After the resumption of aid in 2008, aid dependency continued though on a smaller scale. ODA per annum between 2010 and 2012 accounted for a minimum of 7.2% and maximum of 17.0% of GNI (DAC 2014). Any efforts by the mostly clandestine opposition to expand freedom and democratic participation in the country were undermined. In July 1991, influenced by the implosion of the Soviet empire and by apparently successful democratization efforts in a number of African countries – including neighboring Benin – a Sovereign National Conference was organized with the objective of deciding on the country's new constitutional and political order. The assembly opted for a semi-presidential system and elected an interim prime minister. Four months later, however, President Eyadéma ordered the army to attack the interim government, re-establishing his dictatorial power.

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

In 1993 the European Union and other major international and bilateral donors like Germany officially suspended its development cooperation with Togo because of gross human rights abuses, despite the close ties Eyadéma maintained with the French President Jacques Chirac.

Notwithstanding Togo's political support from Paris, largely diminished international aid and the decline in investments had severe effects on the country's economy. These effects were exacerbated by general apathy and the loss of human resources resulting from the out-migration of highly qualified Togolese citizens.

When Gnassingbé Eyadéma died unexpectedly in February 2005 after nearly four decades of autocratic rule, Togo became a test case for indigenous democratization efforts of African states. In defiance of the country's constitution, the military proclaimed Faure Gnassingbé, a son of the late president, the new head of state. Widespread international protests compelled the new president to call presidential elections on 24 April 2005. Despite international protests against massive electoral irregularities, Faure Gnassingbé was sworn in as president on 4 May 2005. The majority of the Togolese population protested against this manipulation of the public will, but the military brutally brought down the protests. About 700 people died, and more than 40,000 citizens migrated into neighboring countries. The economy of the country further declined. Finally, massive international pressure forced the antagonists of Togo's political class into negotiations, which included the opposition political parties and civil society groups. This resulted in the so called Global Political Accord in August 2006. The first free parliamentary elections took place on 4 October 2007. The governing party (then the Rassemblement du Peuple Togolais, RPT) won an overwhelming majority in with 50 seats against 31 for the opposition. The fact the RPT could achieve this broad margin with slightly more than a third of the general vote can be explained by the biased system of representation in which the less-populated north, the fief of the Gnassingbé clan, has more members of parliament than the more populated south. Presidential elections in March 2010 paved the way for a second five-year mandate for Faure Gnassingbé. Although marked by a lack of electoral reform to ensure free and fair elections as well as flagrant electoral irregularities, the elections were largely peaceful and recognized as credible by the international community in the overriding interest of stability in the sub-region. The same pattern applies to the legislative elections held on 25 July 2013.

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 belongs to the category of impoverished fragile states, according to OECD criteria. The state's monopoly on the use of force is guaranteed in principle. However, there exists a long-standing culture of impunity for extralegal killings committed by the security forces. The army, gendarmerie and police are loyal to the incumbent government, though internal rivalries are not unknown. This loyalty goes back to historically strong ethnic (Kabyè) and interpersonal links between the army leadership and the extended presidential family. The power struggle within the Gnassingbé clan and between hard-liners and modernizers in the security forces as well as in the ruling party (RPT) was temporarily decided in favor of the president. In September 2011, the assumed ringleaders of a 2009 coup attempt were convicted by a Lomé court, which re-enforced the command by the president. Faure's younger half-brother and former Minister of Defense Kpatcha, among other family members, and the retired army General Assani Tidjani and a serving commander of the gendarmerie Abi Atti were given prison sentences. However, the president, aware of continuing discontent both within the security forces and the RPT, pushed through reforms. First, the RPT was replaced in April 2012 by a modernized successor UNIR (Union pour la République). Furthermore, while the Ministry of Defense remained attached to the president, a reform of the army (Forces armées togolaises, FAT) was announced in December 2013. Senior officials within the military were replaced by individuals loyal to the president. Thus, by the end of 2013, the Chief of Defense Staff of the Togolese Armed Forces (FAT), Major General Atcha Titikpina, was replaced after three years in office by Colonel, now General, Félix Abalo Kadanga. Kadanga had been promoted only one year previously to the position of Chief of Staff of the Togolese Army (land forces of FAT). Colonel M'Ba Koffi Batanda, former head of the Presidential Guard (RCGP), was now entrusted with the latter post. Kadanga is the brother-in-law of Kpatcha Gnassingbé, the imprisoned former minister of defense. As head of the Rapid Intervention Force (FIR), Kadanga had played a crucial role in the arrest of Kpatcha, who had been accused of a coup attempt

Question

Score

Monopoly on the
use of force

8

against his half-brother Faure in 2009. The navy was entrusted to Captain Adjo Vignon Kwassiv, with Captain Takounadi Nayo appointed Chief of Military Staff of the President. By the end of 2014, two Rapid Intervention Force (BIR) battalions, each with 550 well-equipped troops, will be created in the French model. Raymond Germanos - a military advisor to Gnassingbé, retired French five-star general and freemason, who was dishonorably discharged with a criminal record for pedophilia - will supervise the formation of these battalions in Lomé and Kara. In addition, a fundamental reform of the police, which will include the creation of two regional directorates, was announced at the same time.

According to U.N. reports, Togo has become a major hub of drug trafficking and money laundering in western Africa. This is related to profits from the export of used cars from western Europe to neighboring countries, particularly associated with smuggling to Nigeria. According to the UNODC, the proceeds of trafficking are increasingly used by Islamist terrorist groups. Lomé, which has served as a hub of cocaine trade in West Africa for several years, has now also become a key market for the trafficking of heroin through eastern Africa from Asia. The coast of West Africa – particularly in the Gulf of Guinea around Nigeria, Benin and Togo – has become a new international ‘hot spot’ for piracy.

Aside from the historic domination of Togo’s political administration by northerners, xenophobic tendencies are common. For example, the politics of the “Togolité” are codified in a 2002 constitutional revision, which excludes exiled opponents (like former opposition leader Gylchrist Olympio) and refugees (who are treated as “foreigners”) from running as an electoral candidate. Another example is the differentiation between “authentic,” “original” and “true” Togolese. This differentiation is propagated by government media before and during election periods, which contrasts this group with the “southern immigrants” (i.e., the Ewé ethnic group, who migrated centuries ago from neighboring Ghana). Tensions between ethnic groups still shape access to remunerative and strategically important positions within public agencies. Particularly influential is the tension between the northern Kabyè, who dominate the political and military hierarchies, and the southern Ewé, who dominate economic activity. These ethnic tensions perpetuate nepotism and compromise good governance.

However, a “banal,” everyday nationalism and a sense of belonging to the nation has developed over the past decades among the population. This patriotism can be observed, for example, during international soccer matches. During these matches, the Togolese celebrate their pride in the national team, nicknamed Les Eperviers (The Sparrow Hawks). The national team competed in their first FIFA World Cup in 2006 and reached the quarter-finals of the Africa Cup of Nations for the first time in 2013. The captain of the team, the internationally renowned Emmanuel Adebayor, was the first Togo footballer to be elected African Footballer of the Year in 2008. An example of self-interested nationalism are the calls of trading groups within Togo, like the

State identity

8

influential “Nana-Benz.” The Nana-Benz are a group of politically influential women involved in the trading of cloth who, during the 1970s, earned more revenue than the phosphate industry. Such calls often demand an increase in market access for “foreigners,” particularly Chinese and Nigerians traders who are often also accused of drug dealing.

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

Whereas the state’s basic administration extends throughout the entire territory, it is functionally deficient. It continues to suffer from the parallel structures of formal and informal institutions (e.g. traditional chieftaincies) inherited from colonial rule. The role of traditional chiefs was adapted in decades of despotism to the needs of the ruling elite by the politics of ‘authenticity’ (i.e. the reference to re-invented traditional rules) and by the forced ‘alignment’ of chiefs in the National Confederation of traditional rulers of Togo created in August 1969. In addition, the legitimacy crisis left behind by decades of despotic rule and growing corruption in a fragile economic environment are barriers to good government and a transparent administration. The state’s administrative organizational structure is centralized. Devolution of the administrative system was one of the commitments made to the European Union (2004) before economic sanctions could be lifted. However, the power elite still lacks the political will to force the decentralization of power and resources in order to enhance local autonomy, as demanded by the constitution, the opposition and the donor community. Local elections have been continuously postponed since 1987, when the last local elections were held. Meanwhile, 11% of the population have access to sanitation facilities and 60% to a water source.

No interference of religious dogmas

9

Basic administration

6

2 | Political Participation

Compared to previous elections in Togo, the parliamentary elections of 4 October 2007 were the first reasonably free and fair elections in the country. However, the controversial delimitation of the Togolese constituencies still heavily favors the governing RPT/UNIR in legislative elections. With only 39% of votes cast, the party was able to win 50 out of 81 seats in the National Assembly in 2007. In the legislative elections of 25 July 2013, which had been repeatedly postponed since October 2012 due to disagreements over electoral reforms, the gerrymandering of constitutional borders resulted again in a disproportionate return of seats to votes for the UNIR. While the UNIR won 880,608 or 46.7% of votes, the party won 68.1% of the seats in the legislature. The decline of voter turnout, from 85% in the 2007 legislative elections to 65.79% in 2013, indicates a frustration among the electorate toward the state's inaptness to affect meaningful reforms. Local elections, though demanded by the constitution, have been continuously postponed since 1987 due to a lack of political will on the part of the ruling elite to devolve power. In October 2014, Prime Minister Ahoomey-Zunu ruled out the possibility of local elections before the 2015 presidential elections. The presidential election of 4 March 2010, though overshadowed by an atmosphere of tension and suspicion, passed largely peacefully. This was in contrast to the previous presidential election of 2005, which was rigged and preceded by a bloody period of political persecution. Although the incumbent won all 24 prefectures in four northern regions, and the opposition in the seven prefectures of the densely populated Maritime region, the election results revealed a gradual softening of established voting patterns. For example, configurations of ethnic or regional voting, which reinforce the North-South divide. Both the president and the opposition leader gained historic scores in the former heartland of their adversary. This demonstrates a willingness on the part of the Gnassingbé regime to secure its hold on power through legitimacy provided by peaceful elections, which, though largely credible in the trend of the overall outcome, remain neither free nor fair. The president won the elections with a comfortable margin. Thus, the incumbent president was re-elected for a second five-year term. Furthermore, amendments to the 1992 constitution, during the 'constitutional coup' of the RPT in 2002, allow the president to stand for a third term in 2015. This is strongly contested by the opposition. The Global Political Accord (Accord Politique Global), between government and opposition, of 2006 provided for a return to the 1992 constitution's limitation of two terms. The government agreed to the removal of this revision, but sought to apply this rule starting from 2015 onwards. As such, Faure Gnassingbé's previous two terms would not be counted, allowing him to run for a third and possibly fourth presidential term. Correcting the biased electoral system is one of the opposition's most salient electoral reform demands in the lead up to the next presidential election.

Free and fair
elections

4

In general, decision-makers are not democratically elected. The president has the support of the country's administration as well as that of the security forces. He does faces few major structural constraints in implementing his decisions. However, the president is unable to always command hard-liners within the ruling party, the army and the secret service (Agence Nationale de Renseignement – ANR). Hard-liners who have been accused of torture, among other human rights abuses, and unlawful interference in government processes by the Commission Nationale des Droits de l'Homme (CNDH, February 2012). Prime Minister Gilbert Houngbo resigned from office in July 2012 because of irreconcilable differences with the president concerning arbitrary acts by the ANR. He was replaced by the former Minister for Commerce Arthème K.S. Ahoomey-Zunu on 23 July 2012. In general, the prime minister needs the president's support more than that of parliament if he wants to implement important public policies. However, the president does not yet enjoy full democratic legitimacy. It also remains to be seen whether the powerful military will remain loyal to the president in spite of countervailing pressure by hard-liners within the army.

Effective power to govern

2

The guarantee and protection of the right to freedom of assembly and association have improved since 2007. However, limitations persist, particularly on the right to freely assemble. On 5 May 2011, a new bill on the right to freedom of association and assembly was adopted in parliament by the RPT/UFC majority. The law had been introduced as part of the coalition agreement in order to replace colonial regulations often used in the past to suppress opponents of the regime. The new bill liberalized demonstrations by permitting demonstrations to be held without official permission, though they can still be banned on the basis of being a disturbance of public order. However, the bill was contested by the opposition due to draconian penalties proposed for damage to public property for those who defy the ban. Therefore, the 'radical' opposition suspected that the law could still be used by the government to clamp down on the opposition under the guise of rule of law. In 2013, strikes by teachers, demanding a substantial pay rise and the reversal of proposed school closures, were supported by pupils in often violent demonstrations. This escalated on 15 April 2013, with the shooting of a 12-year-old schoolboy in Dapaong, the northernmost prefectural capital. Police had shot the two individuals while attempting to stop a crowd from storming a government building. The unrest subsequently spread to several other areas. On 22 May 2013, the government issued a two-day ban on public demonstrations after violent demonstrations by university students. Demonstrations by pupils flared up again in early 2015, which prompted the government to close all schools. Regular anti-government demonstrations of the Collectif Sauvons le Togo (CST), an alliance of parties of the 'radical opposition' and civic groups, were harassed by security forces and pro-government militias. Other notable protests, which were harassed by pro-government groups, included a protest against the arrest and imprisonment of opposition leaders due to their alleged involvement in the arson attacks on Lomé and Kara markets in early 2013. Marches

Association / assembly rights

6

and protests over labor issues, proposed media legislation and political issues occurred on a nearly weekly basis in the capital through 2013 and 2014, though without further major incidences.

There is a wide range of daily and weekly newspapers, a vibrant private press, a large number of local radio stations and three TV stations that regularly report on the news. In addition, a number of foreign stations are freely available. Twitter and other online social media networks are increasingly used both by the government and the opposition. Internet access is gradually improving, largely to the associated growth in mobile phone penetration. Between 2008 and 2013, mobile phone penetration almost tripled, but - with 63% of the population having access to a mobile phone - in 2013 it was still the second lowest penetration rate in the West African Economic and Monetary Union. In contrast, 4% of the population had access to the internet in 2012. Freedom of speech and freedom of the press are guaranteed by law, but the law is not always respected. Meanwhile, freedom of expression is often restricted by government interference. The High Authority of Broadcasting and Communications (HAAC), meant to protect press freedom and to ensure basic ethical standards, is heavily biased in favor of the government, notably during election campaigns. The parliament passed a more restrictive media law on 19 February 2013 that would have given the HAAC greater power over media with sweeping powers of censorship. Although the Constitutional Court overturned some of the repressive amendments of the media law, the lack of press freedom remains a central criticism of national and international human rights organizations. In the global ranking of the Press Freedom Index (FPI), produced by the Paris-based 'Reporters sans Frontiers,' Togo ranked 83 out of 179 countries in 2013, but improved to rank 76 in 2014.

Freedom of
expression

5

3 | Rule of Law

The constitution of 1992 established the legal framework for a presidential multiparty system in Togo, which also provides for separation of powers in principle. The prime minister is nominated by the majority group in the unicameral parliament and appointed by the president. However, great deal of power vested in the office of the president makes it difficult for the other sections of government to serve as a counterbalance. The legislature in particular needs much more technical and constitutional authority and capacity if it is to successfully act as a check on the president's power. In addition, the corrupt judiciary has yet to live up to its constitutional role.

Separation of
powers

3

An independent judiciary exists mainly on paper. The Supreme Court and Constitutional Court, the latter inaugurated only in 1997, are dominated by members loyal to the Gnassingbé clan and the ruling party. Various decisions, including decisions on the outcome of elections and the exclusion of nine ANC MPs from parliament in November 2010, have demonstrated a biased tendency within the courts to favor the president, his clan and ruling party. In September 2014, the president and the UNIR majority in parliament, boycotted by the opposition, re-elected most of the incumbent Constitutional Court judges, including its president Abdou Assouma. In early October 2014, Abdou Assouma published a controversial interview, which declared that the Global Political Accord was void on the basis that Togo had a functioning pluralist parliament. Abdou Assouma's evidence for Togo's pluralist parliament was a 30 June 2014 parliamentary vote in which the UNIR and UFC majority voted against a draft law on constitutional changes submitted by its own government. There is a serious discrepancy between constitutional law in theory and in practice. A separation of powers between the judicial and executive branches (attorney and police) of the law is basic. The president of Togo's Judges' Professional Association (APMT) complained, at the association's plenary at the end of 2008, that the Togolese people have to suffer a two-tier judicial system. One for the poor and one for those who are able to buy the judges' conscience. A World Bank survey of businesses (2010) revealed that 60% of respondents believed that the courts were neither impartial nor free from corruption. Moreover, it is still necessary to belong to influential networks, dominated by the ruling party, in order to be nominated for an influential judicial position. It is even difficult for an independent lawyer to run a law firm, because his chances of winning a court case are much lower than for a lawyer associated to the ruling party.

Independent
judiciary
4

Finally, the judicial system suffers from legal pluralism (i.e. the separation of official and customary law derived from colonial times). The majority of the poor have limited access to official law in practice. Traditional chiefs are accepted as brokers between the state and the local population, and as custodians of customary law (*droit coutumier*) by constitutional stipulations. However, many of them are discredited by decades of compliance with the autocratic Eyadéma regime. In addition, the conservative and patriarchal structures of the *chefferie* limit the devolution of power to local people as well as gender equality.

Corrupt office holders are not adequately prosecuted. There exists a long-standing culture of impunity vis à vis human rights abuses of the security forces. Abuse of public office is still endemic in Togolese society, and the embezzlement of public funds remains rampant. However, the political opening has meant that corrupt officeholders are subjected to somewhat more (negative) publicity. Nonetheless, due to the judicial system's shortcomings, these officials are rarely prosecuted.

Prosecution of
office abuse
4

Although the civil rights situation in Togo has improved substantially, serious problems persist. The U.S. Department of State as well as international human rights organizations reported numerous abuses during the period under review. These abuses included allegations of the torture of detainees, harsh and life-threatening prison conditions, arbitrary arrests and detention. Plagued by corruption, the influence of the executive branch and lengthy pre-trial detention periods, the judicial system does not fulfill its function. Civil rights for a number of groups are restricted. Violence against women and the practice of female genital mutilation (FGM) continue, though on a diminishing scale because of donor assisted awareness campaigns. FGM was formally outlawed in 1998 and may have decreased by more than half since 1996. But it still exists on a considerable scale, about 4% nationally (UNICEF 2010), notably in the central and northern regions. There is regional and ethnic favoritism in public services, and among the security forces, which are dominated by northerners (Kabyè). Other problems include child labor and the trafficking of people, especially children.

Civil rights
5

On 23 June 2009 parliament voted unanimously for the abolition of the death penalty. Togo thus became the 15th member state of the AU and the 94th country worldwide to renounce the death penalty for all crimes. However, the bill was rather symbolic since in practice legal executions had ceased 30 years earlier. The thorny problem that remained was the extra-legal killings either committed or condoned by the state in the course of past political persecutions and continued impunity enjoyed by the perpetrators, as shown by the final report of the CVJR published in April 2012.

4 | Stability of Democratic Institutions

Formal political institutions are only partially democratic and their performance remains deficient. The president's conduct of office shows more transparency and commitment to dialogue than has been the case during his father's regime. The question is whether his efforts are sincere and stable given that President Faure Gnassingbé is still surrounded by many figures of the old dictatorial regime. Whereas parliament now engages in controversial debates, its deputies generally lack professional depth of knowledge. This is due, on the one hand, to the legislature's insufficient working conditions and, on the other hand, to the fact that the opposition has yet to move beyond criticizing government and to formulate alternative policy proposals. Judicial reform is underway (a website informs about current developments), but the aforementioned challenges (see "independent judiciary") persisted throughout the assessment period.

Performance of
democratic
institutions
3

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

Commitment to
democratic
institutions
3

5 | Political and Social Integration

The multi-party system was introduced in 1991. Togo is actually heading towards a two-party system split between the ruling UNIR and the ANC (l'Alliance Nationale pour le Changement). The ANC had itself split from the UFC (l'Union des Forces de Changement) following the lost presidential election of 2010. Meanwhile the UNIR replaced the dissolved of the ruling RPT, the former socialist unity party founded in 1969, in April 2012. The external appearance of the UNIR adapted the ruling party to the requirements of a modern democratic multi-party system. This included a gradual democratic opening and regeneration of the party membership. However, internal party structures remained personalized and informal. The UNIR gained an absolute majority in the 2013 legislative elections, winning 62 out of 91 seats, while its the coalition partner, the UFC, won three seats. The reconciliation between the RPT/UNIR and the UFC resulted in a considerable weakening of the opposition.

Party system
4

The opposition is split between 'radical' and 'moderate' wings, descriptive labels which were originally attributed to opposition parties by the government in the 1990s according to their willingness to cooperate with the government. The radical wing, a broad alliance called the Collectif Sauvons le Togo (CST) founded in April 2012, is composed of both political parties and civil society organizations. It is led by the ANC and won 19 seats in the July 2013 legislative elections. In August 2012, a confederation was formed between smaller, more moderate opposition parties. These parties included the Parti Démocratique Panafricain (PDP) led by Bassabi Kagbara, the Convergence Patriotique Panafricaine (CPP) led by the RPT founding member and former Prime Minister Edem Kodjo, the Parti pour la Démocratie et le Renouveau (PDR) led by Zarifou Ayéva and the Nouvel Engagement Togolais (NET) led by Gerry Taama. The formation of this rainbow coalition, called the Arc-en-Ciel, was originally meant to complement the CST. The coalition won six seats in the 2013

elections. NET was expelled from the coalition in December 2014. A number of opposition parties, prominent in the 1990s, fell into insignificance, including the Comité d'action pour le renouveau (CAR) led by Dodzi Apévon and its former president Yaowi Agboyibo, and the Convention démocratique des peuples africains (CDPA) led by Léopold Gnininvi. According to the stipulations of a revised electoral bill of 2013, the leader of the largest opposition party is the official leader of the opposition. Following the 2013 legislative elections, this is Jean-Pierre Fabre, leader of the ANC. However, the other opposition parties are reluctant to recognize this position. The national uprising against president Compaoré in neighboring Burkina Faso in early November 2014 has encouraged the radical and moderate opposition wings in Togo to unite. After quarreling for a month, the different opposition parties have agreed to back Fabre as the opposition candidate for the upcoming presidential elections. Furthermore, the opposition parties have formed a new, common alliance called the Combat pour l'Alternative Politique en 2015 (CAP).

The party system still mirrors to a considerable extent regional and ethnic divisions. Political parties tend to have readily identifiable ethnic and regional bases. For example, the RPT/UNIR party has strong support among northern ethnic groups, while the UFC/ANC and CAR opposition parties have strong support among southern ethnic groups. However, the presidential elections of 2010 indicated a gradual departure from these ethnic or regional voting patterns. Although the incumbent candidate won in all 24 prefectures in the four northern regions and the opposition won in the seven prefectures of the densely populated Maritime region, the election results revealed a gradual softening of established ethnic or regional voting configurations. Both the president and the opposition leader gained historic scores in the former heartlands of their adversary.

Within the realm of informal politics, there exists a broad range of interest groups, many of them biased in favor of the Gnassingbé regime. The most influential Christian churches and the Union of Muslims in Togo (UMT) however, exert a mediating and constructive political influence which has been recognized far beyond their own followers. Earth priests (*chef de terre*) and traditional chiefs still wield a strong influence at the local level. However, their role as guardians of tradition and customary law, as enshrined in the constitution, has not yet been determined by the national decentralization program (Programme National de Consolidation de la Décentralisation, PNCD) initiated by the government in 2004. Student organizations consider themselves as the *avant-garde* of politics and act accordingly. Until 2006, most student organizations were intimately linked to the ruling party. Thus, the High Council of Students' Associations and Movements (HACAME) degenerated into a pro-government militia, which actively supported the incumbent's bloody 'enthronement' in 2005. However, since 2010, oppositional student organizations have come to the fore, staging periodic anti-government demonstrations in the universities of Lomé and Kara. As a result, their leaders have suffered political

Interest groups
5

persecution. In addition, there exist numerous professional representations of traders, farmers, lawyers and judges. A notable example is the Nana Benz, an association of wealthy female cloth traders from Lomé. However, these professional representations are either biased toward the ruling party, the RPT/UNIR, or of little political influence. There are also a large number of labor unions in Togo, though none of them have the strength or capacity to shape or heavily influence legislation. Although unions have been successful in convincing the government to maintain subsidies for fuel, some staple foods and fertilizer to avoid a serious social crisis.

With the democratic renewal of the early 1990s civil society organizations (CSO) mushroomed. According to informed estimates there existed about 2,000 CSOs in 2012, including 638 registered NGOs. Since 1986, the government promotes its federation within FONTGO (Fédération des Organisations Non-Gouvernementales au Togo), which had 144 members in 2014. Many CSOs were created in the 1990s on the initiative of the Gnassingbé regime in order to influence non-partisan political expression in Togo and to circumvent the suspension of development cooperation with state institutions in view of flagrant human rights violations. Some of the most credible NGOs are not represented by this federation. Therefore, two concurrent umbrella organizations were formed. First, the UONGTO (Union des ONG du Togo) was formed in 1996, by 2014 it had 124 members. Second, in May 2012, the FNRRT (Fédération Nationale des Réseaux Régionaux du Togo) was also formed. Many CSOs are income generating operations for their founders, the so-called ONG-valises. Their activities are mostly concentrated in Lomé and the southern regions. Their target-groups, especially the poor and underprivileged, including women, are rarely allowed adequate rights of participation or self-determination. However, there exist a handful of viable and independent national NGOs. These NGOs include the ACAT-Togo (Action des Chrétiens pour l'Abolition de la Torture), which won the France's Human Rights prize in 1997, the human rights organization LTDH (Ligue Togolaise des Droits de l'Homme) and gender equality organization the GF2D (Groupe de Réflexion et d'Action Femmes, Démocratie et Développement). Some of these NGOs co-operate with political parties in broad anti-government movements, like the CST. Finally, there exists a semi-official organization meant to enhance human rights in Togo, the CNDH (Commission Nationale des Droits de l'Homme), which was accredited in 1987 and reformed in 2005. In February 2012, the GNDH submitted a critical report on torture within the ANR, as demanded by the government in view of growing international pressure. In February 2012, CNDH President Koffi Kounté was forced to flee to France, following death threats, after he had uncovered evidence that the government had falsified parts of the report before publishing it.

There are no independent opinion polls conducted in Togo, but there is convincing anecdotal evidence that people indeed want a democratic system. This desire, however, does not so much express a reflected and informed approval of democratic principles and procedures than the profound desire for change. Nevertheless, the high level of participation (85%) at the legislative elections 2007 can be interpreted as an indication of the population's clear commitment to take part in building their democracy. The relatively low voter turnout of 64.7% and 66.1% for the 2010 presidential and 2013 legislative elections, respectively, has been widely interpreted as evidence of a general disappointment of the opposition with the biased electoral process. This was further evidenced by regional variations in voter turnout. For example, voter turnout ranged between 70% and 90% in the northern strongholds of the ruling RPT/UNIR, but was far lower in southern regions during the 2010 presidential election.

Approval of
democracy
n/a

Given decades of repressive authoritarian rule, public trust in political institutions remains limited. However, public trust has begun to recover in recent years.

Social capital
6

The history of informal political institutions in Togo shows the rich base of traditional as well as 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 with representatives of all social strata of the nation. However, because the visions of this conference were dashed by violent political oppression of the dictatorial Eyadéma regime up to 2005, similar social initiatives were difficult to re-establish. On the base of the general political accord of 2006 the opposition and public in general were more inclined to feel free to associate, to express their views and to organize themselves, in spite of the government's attempts to restrict association and assembly rights (see "association and assembly rights"). There exists a variety of traditional associations (including micro-finance and -credit institutions, see "banking"), 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, others have been nurtured by international NGOs, churches or the government (see "interest groups"). It is unclear whether many of the new groups that have emerged rather spontaneously will be strong enough to stand the challenges of time. They suffer from lack of functionality, difficulties concerning its legal demarcation, volatility of supporting financial institutions or other organizational weaknesses.

II. Economic Transformation

6 | Level of Socioeconomic Development

Question
Score

Socioeconomic
barriers

2

The current socioeconomic situation in Togo is precarious. According to the HDI 2013, Togo scored 2.8 out of 10 for overall life satisfaction, the lowest score of any of the 149 countries measured. Overall, Togo ranked 159 out of 187 for 2012, an increase of one place on 2011. Although GNI per capita improved to \$530 for 2013, 59% of the population lived in conditions of poverty in 2011, a slight decrease on the 62% in 2006. However, the depth and severity of poverty has worsened, with about 81% of the population vulnerable to falling into poverty. According to the IMF in 2014, the regional distribution of people living below the poverty line varies from 91% of the population in the northern Savanes region to 33% of the population in Lomé. The urban-rural poverty divide is also pronounced, with 74.3% of the population in rural areas live below the poverty line (i.e., €239 annual income, notably in the Savanes, Central, Kara and Maritime regions) and 36.8% in Lomé (i.e., € 369 annual income). The distribution of regional and inter-household income inequality is increasing, with a current Gini coefficient of 34.4% (HDI 2013). The adult literacy rate for the period 2005 to 2010 was 57.1%, with about 30% of the adult population having received secondary education by 2010.

Discrimination of women is widespread, though decreasing slightly (see “equal opportunities”).

Togo falls short on five of the eight MDGs. Only in the areas of health and education does the country stand a chance of achieving its targets by 2015. According to the third UNDP report on Togo’s MDG achievements, published in April 2010, Togo has one of the highest primary school enrollment rates (87%) in the sub-region. While the introduction of universal free primary education in 2008 has increased the enrollment rate even more. However, endemic corruption and nepotism as well as army and security service expenditure impede the implementation of structural adjustments, necessary to accomplish the MDGs. Until 1991, Togo counted among the countries with the highest military expenditure per capita in Sub-Saharan Africa. By 2011, military expenditure still amounted to 1.6% of GDP (SIPRI 2013). All in all, the changes in the country since 2006 have not yet led to a sensible improvement in living conditions. The subsistence economy that dominates in rural areas, the informal economy in urban areas and remittances from abroad have helped to avoid a more severe crisis. However, on balance, Togolese citizens lack adequate freedom of choice and an effective decentralization policy including a real devolution of power and means.

Economic indicators		2005	2010	2013	2014
GDP	\$ M	2115.2	3172.9	4338.6	4518.4
GDP growth	%	1.2	4.0	5.1	5.7
Inflation (CPI)	%	6.8	1.8	1.8	0.2
Unemployment	%	7.1	7.0	6.9	-
Foreign direct investment	% of GDP	4.5	3.9	1.9	-
Export growth	%	9.4	6.7	7.1	41.0
Import growth	%	-10.1	0.3	18.8	21.4
Current account balance	\$ M	-203.9	-199.7	-	-
Public debt	% of GDP	91.7	50.0	50.1	58.7
External debt	\$ M	1686.9	1284.6	903.4	-
Total debt service	\$ M	21.3	37.0	54.2	-
Cash surplus or deficit	% of GDP	-5.7	0.6	-	-
Tax revenue	% of GDP	13.9	15.7	-	-
Government consumption	% of GDP	11.5	9.0	14.6	14.6
Public expnd. on education	% of GDP	3.4	4.4	4.4	-
Public expnd. on health	% of GDP	1.9	3.8	4.5	-
R&D expenditure	% of GDP	-	0.25	-	-
Military expenditure	% of GDP	1.6	1.8	-	-

Sources (as of October 2015): The World Bank, World Development Indicators 2015 | International Monetary Fund (IMF), World Economic Outlook, October 2015 | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database 2015.

7 | Organization of the Market and Competition

Generally, Togo lacks the foundations for sound market-based competition and good government. Although no reliable statistics exist, the informal sector is large. Insufficient access to credit constituted one of the major barriers to enterprise development, followed by meager results of the fight against corruption on all levels of administration, including the judiciary. Fiscal deficits have increased in recent years, raising concerns about the sustainability of current public expenditure. The revival of the phosphate and cotton sectors by improved governance, the attraction of

Market-based
competition
4

private investors and the capacity building of cotton producer's organizations are still regarded by the World Bank and IMF as major drivers of economic growth. The Bretton Woods institutions in 2014 cautioned that, while economic growth has picked up over recent years, the government should ensure that it is broad-based and sustainable, with dividends widely shared. Regulatory burdens mean that the business climate in Togo is not very investment-friendly. According to the World Bank's Doing Business, the business environment in Togo has improved a little over the past six years. In 2009, Togo had one of the most difficult economies in which to do business, it ranked 166 out of 189 economies. By 2015, Togo ranked 149. Similar to five other member states of the West African Economic and Monetary Union, which also ranked toward the bottom, Togo's political and administrative environment constituted a major barrier to economic growth. Major deficiencies in the tax system (e.g. high taxes and costly customs procedures), the enforcement of contracts, the registration of property and protecting investors have impeded growth in FDI.

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

A World Bank survey of the Togolese economy and trade integration, commissioned by the Lomé government and published in September 2010, revealed a dramatic shift of exports caused by the ailing phosphate and cotton sectors. The former major export products were replaced by cement and clinker (35% and 40% of exports), and exports were increasingly directed to ECOWAS countries (68% of total). Togo is one of the West African 'transit-economies', like neighboring Benin. The so-called entrepôt trade (i.e. trade in which goods may be imported, stored or traded typically with the intention that these goods will be exported again, whether involving legal or illegal trade) amounted to 75% of GDP in 2008. In contrast, total imports amounted to 109% of GDP (Golup 2012). Togo's entrepôt trade consists mostly of petroleum products from Nigeria, cotton from Burkina Faso and used cars from the European Union. The informal character of much of Togo's entrepôt trade has contributed to the development of a culture of corruption and tax evasion. This could be reduced significantly if the ECOWAS would agree to harmonize import taxes and Nigeria would remove particular import bans.

Anti-monopoly
policy

4

Liberalization of
foreign trade

6

Togo's entrepôt trade is based around Lomé's deep-water port, which provides attractive storage capacities for neighboring countries.

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

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

In general, Togo's weighted average tariff rate stood high at 14.2% (2012). Freedom of trade was further restricted by non-tariff barriers of trade. Although Togo's chain-linked economic freedom rating has increased over the past 30 years from a score of 4.70 out of 10 in 1980, to 5.57 out of 10 in 2011, its economy still figured among the lowest ranked. In the 2013 Economic Freedom of the World index by the Fraser Institute, Togo ranked 141 out of 152 economies. This low rank reflects notable deficits in trade, monetary, and investment freedoms. Foreign direct investment was allowed only in certain sectors, while its administration lacked transparency, and was liable to corruption and political interference. The same trend concerning trade and business freedom as well as freedom from corruption is reflected in the Heritage Foundation's rankings for 2014, which ranked Togo's economy 152 out of 165 economies.

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

In addition to formal institutional banking, the microfinance system, and informal traditional African saving and loans schemes (tontines, known as Adakavi in Togo)

Banking system
5

play an important role, especially for SMEs in the informal sector. Informal mutual tontines are estimated to be used by 1,333,934 individuals, including 665,926 men, 577,169 women, across 90,839 groups (Cellule d'appui et de suivi des institutions mutualiste ou coopératives d'épargne et de crédit, Cas-imec, 2014). In 2011, there were 174 certified microfinance initiatives with 736,484 depositors and almost 110,000 borrowers, which had issued a total of \$145m in loans. Loans that had been used, for example, to finance small decentralized solar power projects. Of these institutions, 102 were affiliated to the eight major cooperative networks.

8 | Currency and Price Stability

As a member of the Communauté Financière Africaine's (CFA) franc zone, Togo cannot pursue an independent monetary policy. The CFA franc is pegged to the euro with an exchange rate, at the time of writing, of 655,957 XAF to €1. The central bank of West African Economic and Monetary Union, the Banque centrale des Etats de l'Afrique de l'ouest (BCEAO), is meant to control inflation and ensure the viability of the CFA franc. Integration into the CFA franc zone continues to be largely justified for political, rather than economic, reasons. For example, due to the high risk of West African countries to political crises. According to the international rating agency Fitch (2014), had CFA franc zone member countries not been linked to a strong currency at times of internal political crises (e.g. Togo in 2005, Cote d'Ivoire in 2011 or Mali in 2012), instability would have been aggravated by a sharp depreciation in the country's currency, an increase in inflation and an increase in dollarization. Although monetary union within the CFA franc zone has worked well on balance, the recent volatility of the euro, triggered by the global financial crisis and bad governance in some EU member states, demonstrates some of the structural problems that may also affect the CFA franc zone. According to recent scholarly findings, membership of Sub-Saharan African countries in the CFA franc zone amplified effects of global business cycles. Member countries were more likely to experience a contraction in credit during the financial crisis of 2008-2009 (Price & Elu 2014). Yet, overall, membership in the CFA franc zone has benefited anti-inflation policies, while major structural deficiencies within and between member states cannot be solved by monetary coordination alone. Consumer price inflation has remained low due to the currency peg, moderate harvests and government subsidies on fuel prices. For 2013, it was 1.8% and, at the time of writing, was forecasted to increase slightly to 2.4% for 2014, because of rising administered fuel prices.

Anti-inflation /
forex policy

8

The government pursued a stability oriented monetary and fiscal policy, backed by an IMF Extended Credit Facility Program (ECF), which achieved several key targets. The program had a budget of \$151m for the period 2008 to 2011. In October 2013, an increase in EU financial support to a total of \$292m for period 2014 to 2020 was agreed within the framework of the 11th European Development Fund. This was an increase of more than 70% on the previous 2008 to 2013 period. In addition, the World Bank and other donors continued to provide support to further drive Togo's economic revival. In January 2013, the World Bank provided Togo with its largest FDI via its private-sector funding agency, the International Finance Corporation. The investment, worth €225m, was provided to support the construction of a container terminal at Lomé's deep water harbor. At the end of 2010, Togo became the 31st country to successfully graduate from the HIPC process. The IMF and major bilateral donors, including France, Germany and Italy, approved the cancellation of debts. Following this cancellation, Togo's debt burden fell from 52.7% of GDP in 2009 to 17.2% (or 32.3% including debts owed by parastatal companies) in 2010. However, the cancellation of debt has led to a slowdown in structural reform programs, notably in the banking, phosphate and cotton sectors. The old ECF program expired in 2011 and was meant to be extended by a new ECF program launched by December 2013. However, the IMF executive board did not approve the staff-level agreement of September 2013, which has meant that a new ECF program cannot be agreed upon and launched before the beginning of 2015. In February 2014, the government created a new revenue authority (Office Togolais des Recettes, OTR), which merged the directorates responsible for customs and tax. This initiative had been delayed since being accepted by the legislative in December 2012. Nevertheless, Togo's impressive and upward economic growth rate (5.1% in 2013) is attributable to macroeconomic stability, new investments in physical infrastructure, growth in the construction industry and mining exploration, the continuation of donor support (which is equal to more than 4% of GDP since 2008), and the absence of external shocks and volatility to crucial markets, such as agricultural markets (given that agricultural activities account for about a third of Togo's GDP). The fiscal deficit widened from 4% of GDP in 2012 to 6.8% of GDP in 2013. Yet, it is expected to decline to 5.5% of GDP for 2014, due to improved revenue collection. Although this downward trend is also expected to be temporary, because of election related expenses for 2015. The current account deficit will remain high at 13.4% of GDP for 2014 and 2015, because of an increase in public expenditure that will increase demand for imports. As a result, exports of major foreign exchange earners (e.g. cotton and phosphate) and inward transfer flows will lag behind.

Macrostability

7

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. And where they exist, they are not adequately enforced. As for most of the laws, contracts are difficult to enforce. The ongoing reform of the judiciary needs to address these issues. Because of the state of quasi-lawlessness in many sectors, there is a substantial black market for illegally imported products, mainly electronics, computer software and cosmetics.

The problem of a complex land tenure system in which traditional and modern law coexist and compete is exacerbated by land scarcity. The land tenure regulations are still dominated by traditional African customary laws, re-interpreted by traditional chieftains and local authorities, often to their own advantage, notably in the countryside. Most contracts on agricultural land are still verbal. Disputes over land are extremely common. Only about 36% of arable land is under a tenure system that provides long-term security. Especially poor farmers, migrants and women have no secure rights. The fight against land grabs has gained momentum. Although 25,000 hectares of land is currently at threat of being appropriated, including 23 cases of lease contracts or large-scale land acquisitions (Forum national sur l'accapement des terres, FOPADESC 2012). The rural areas most at risk are those with the highest agricultural potential. These areas include the prefectures of Amou, Ogou, East-Mono, Haho, Kpélé and Kloto in the plateau region as well as prefectures in the central region of the Mò plain. The perpetrators of these land grabs are often affluent public officials, politicians or businessmen. Their methods include provoking inter-community conflicts and intimidation. Much of the at-risk land has not been cultivated for decades and, as such, its value is largely speculative. The consequences of these land grabs include increasing food insecurity among the rural poor, because these land grabs deprive the rural poor of the main factor of production in an agrarian economy. In response, stakeholders have urged the government to implement the legal framework on the right to food proposed within the national Food Security Program (PNIASA) and reform the legal framework to comply with international standards that prevent land grabs and forced evictions (ANoRF-Togo 2013).

A limited sector of SMEs covers a greater part of the Togolese' day-to-day consumption needs. But the private sector is comprised primarily of the agricultural sector, which employs 65% of the country's labor force in both subsistence and small-scale commercial farming. The informal sector still prevails, providing employment for more than three times as many laborers as the formal sector. On a larger scale, there are still too many hurdles to developing a stable private sector. Government procurement contracts and dispute settlements are subject to corrupt practices. In 2012, government adopted a new investment code promising equal treatment of

Property rights

5

Private enterprise

5

domestic and foreign investors. However, investment is permitted only in certain sectors. Every investment must have a minimum value, and is screened on a case-by-case basis, which opens doors to further bribery. The lack of transparency and predictability, and the high informal transaction costs inhibit robust FDI. Foreign exchange accounts need prior government approval.

In November 2010, the government ratified a Charter of Small and Medium Enterprises meant to promote the informal sector by providing a more friendly administrative environment for the development of SMEs. So far, the participation of SMEs in public orders remains negligible. On average, less than 5% of SMEs participate in the West African Economic and Monetary Union. This is because the formal sector was considered as the preserve of big enterprises and multinationals.

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

10 | Welfare Regime

Togo's welfare system is underdeveloped. It is available only to government employees and those employed in the formal sector. The monthly minimum wage (salaire minimum interprofessionnel garanti, SMIG) was increased in August 2008 to 28,000 XAF or €42.68. The updated SMIG of 35,000 XAF or €53 was applied to the Lomé free trade zone in January 2012, by stipulations of the Convention Collective Interprofessionnelle du Togo. Working conditions in the export processing free zone trade of Lomé (SAZOF) are precarious and characterized by poor health and safety conditions. Nevertheless, it generated more than 11,560 jobs with one third of jobs held by women and about 40% by temporarily employed people, according to a 2012 study commissioned by Centrales Yndicales Togolaises (a trade union association). The minimum wage in Togo is low compared with other countries. For example, in 2013, the monthly minimum wage was equivalent to €1 in Côte d'Ivoire and €5 in Nigeria. Furthermore, the minimum wage only applies to the formal sector and is barely enough to feed one person for a month. Approximately 85% of working age people were engaged in some form of economic activity, with an estimated 33% of people under-employed in 2011. Youth unemployment is a major problem in urban centers. The government tried to counteract this tendency with limited success by introducing in 2011 a program for unemployed school leavers (Programme de Promotion du Volontariat au Togo, PROVONAT) of which 65% do not find employment after completing their studies.

Social safety nets

3

Pension schemes in Togo are unable to guarantee beneficiaries a decent income in retirement. Despite a median age of 18.6 years (i.e. almost half of the population is younger than 18), the current system is financially unsustainable. This is why the government has been negotiating with unions to increase the pensionable age for civil servants to 60, which would put further pressure on the labor market. The state of Togo's health services system is lamentable. In February 2011, parliament adopted a new health insurance law covering the 80,000 public servants who have to contribute 3.5% of their monthly wages. Most individuals suffering hardship or accidents rely either on the help of family (or clan) members or traditional mutual assistance schemes. These schemes are self-organized by their members and provide services on a rotating (e.g. rotating savings clubs, tontines) or emergency basis.

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

Equal opportunity
4

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

The exclusion of women from key activities in the economy and politics has not improved remarkably. In 2008, the government introduced a national action plan to correct gender inequality (Plan d'Action national pour l'équité et l'égalité de genre au Togo 2009-2013, PNEEG). However, the means to implement this policy are insufficient. Discrimination of women remains widespread. According to the Women's Economic Opportunity Index (EIO), Togo ranked 122 out of 128 countries in 2012. Meanwhile, in the Gender Inequality Index (GII), Togo ranked 129 out of 187 in 2013. Gender inequality is most pronounced concerning property rights (land tenure), access to credit and employment. However, in education the situation for women has improved since 1990. Although, educational inequalities between girls and boys increase as one progresses through educational levels. Women are underrepresented in the public sector (including parliament), political parties and enterprises. The 2013 legislative elections resulted in the election of 16 female deputies out of a total of 91 deputies or 17.6% of all deputies, compared with nine female deputies or 11% of all deputies in the 2007 parliament. An amendment to the Electoral Code after the 2013 elections requires that political parties submit candidate

lists equally representing men and women. All the same, the representation of women in the cabinet decreased slightly between 2012 and the September 2013 cabinet reshuffle. In 2012, women comprised 28% of the cabinet members. After the September 2013 reshuffle, the six female cabinet members comprised 26% of all cabinet members. However, the socio-cultural environment necessary to support greater female participation in politics is extremely weak.

11 | Economic Performance

Togo still belongs to the low-income countries with an average GNI per capita in 2014 of \$530. However, economic growth remained strong at an annual rate of about 5%, driven by investment in physical infrastructure and the construction sector. Inflation was close to zero in 2014 due largely to a reduction in food prices. Main exports were cement and clinker (14.8%), phosphates (11.2%) and re-exports (25.2%). High rates of underemployment in general (33%), notably a youth unemployment rate of 65%, remain alarming. The current account deficit increased from \$200m in 2010 to \$595m in 2014, with the current account deficit in 2014 equivalent to 14.1% of GDP. This increase in the current account deficit was mainly driven by concessional external loans.

Togo's domestic economic deficiencies include inadequate physical infrastructure causing, for example, an erratic electricity supply and an adverse sociopolitical environment. These internal deficiencies have been exacerbated by external factors, including an increase in imported food and fuel prices between 1991 and 2008, low FDI rates as well as a suspension of international aid. These internal and external factors have seriously undermined Togo's economic development. Efficiency is higher in firms operating inside than outside the export processing zone. Factors like the foreign trade ratio, foreign capital investment and wage incentives have a strong impact on efficiency.

Togo once counted among the largest phosphate producers in Africa. Phosphate provided 40% of the country's revenues from exports and made up more than 20% of Togo's GDP. Since 1997, however, production has fallen from an annual 5.4 million metric tons to 800,000 in 2010. Although, it has recovered slightly to 900,000 metric tons in 2013. This was primarily due to corruption and mismanagement. By 2013, Togo ranked 19th globally for the production of phosphate, before Canada and Syria. However, income from phosphate, which accounted for 14% of all exports (excluding re-exports), was undermined by a 37.9% decline in the world price for phosphate. Privatization and ongoing new investment will contribute to a recovery of phosphate exports.

Output strength
6

Diversification of mining resources and more equal regional distribution of benefits was one of the major objectives promised by the president during UNIR's foundation congress in April 2012. This promise enabled Togo to attract more FDI during the period under review.

Cotton production is the most important cash crop and major income earner for about 275,000 people. The production of cotton is managed by the NCST (Nouvelle société cotonnière du Togo). However, production fell by 18% to 67,000 tons for 2013/14 on the previous cropping season. Consequently, production targets of 200,000 tons for 2022 seem overly ambitious, especially given the volatility of world markets. Togo remains a 'transit-economy' dependent on its larger economic neighbors Nigeria and Ghana. Re-exports, which constitute about 25% of total income from export, continue to play a major role due to improved physical infrastructure (e.g. new container terminal at the deep-water harbor of Lomé and roads).

12 | Sustainability

Increasing environmental degradation and natural resource depletion is mainly due to local factors, such as population pressure, inadequate cropping systems and neglect, but also to global factors, such as climate change. In October 2014, Jeune Afrique ranked Lomé among the 15 most climate change affected locations in Africa. The capital loses about 10 meters of land a year to sea level rises, while many coastal villages, like Baguida, Gbodjomé and Agborrafo, have been entirely swallowed up by the sea. Since 1990, 43.6% of its forest have been lost. Between 2000 and 2005, Togo had one of the highest deforestation rates in the world. According to the 2014 Environmental Protection Index produced by Yale University, Togo ranked 163 out of 178 countries. Although this marked a slight improvement, with an upward trend of 4.65% increase in forested land over the 10-year period. Environmental laws and programs have existed for a long time, but they are insufficient and poorly implemented. The World Bank backed second Interim Strategy Note (2012-13) which focused on growth, governance and poverty reduction, includes environmental protection. Deforestation rates remain high at an annual rate of 1.4%. This trend in deforestation dates back to the colonial period when early colonialists established cotton production as a key export commodity. Attempts at reforestation (226.16 hectares up to 2010) are woefully inadequate to stop this trend. This is attributable mainly to slash-and-burn agricultural techniques, and the use of wood for fuel. The government aims to influence a change in habits by subsidizing kerosene and household gas as a substitute for the domestic use of firewood, but to little avail. Water pollution presents health hazards and hinders the fishing industry. Air pollution is increasing rapidly in urban areas. Yet, the government has yet to formulate more specific policies on pollution. It should be mentioned, however, that the environment in most Togolese towns is much cleaner compared to previous years, as some waste

Environmental
policy
3

management efforts have begun to yield improvements. In general, however, eco-friendly consciousness is not well developed, neither by the population nor by producers, including the mining companies, which results in serious environmental pollution (e.g. by phosphate sludge) and health hazards.

The entire education system suffered under the political and economic crisis of the past decades. Yet, it has recovered remarkably well. Free primary school education was introduced in 2008. The gross enrollment ratio has increased considerably and now compares favorably with neighboring countries. Overall primary school completion rate (TAP) increased from 57% to 77% between 2008 and 2012 (World Bank). Although gender inequality still exists with a primary school completion rate of 52% for girls and 71% for boys between 2005 and 2010 (PRB 2014). The youth (15 to 24 years) literacy rate stands at 87% for men and 73% for girls (2008-2011; UNICEF 2014). However, the quality of schooling is worrying. Particular problems include an insufficient number of teachers, inadequate quality of teacher training and typical class sizes of 50 pupils. Increasingly, children aged between five and 14 are forced into work to help ease the conditions of poverty that many families find themselves living in. Adult literacy rates remain low with an overall literacy rate of 64%, with 76% of men and 53% of women able to read (2008-2012, UNICEF 2014). There are strong regional inequalities in education as well. For example, the adult literacy rate in the Savanes region is just 25%, while in Lomé it is 85%. Similarly, the adult literacy rate in rural areas is 43% compared to 79.2% in urban areas. Furthermore, universities are overcrowded, and lack materials, staff and learning facilities. Private schools are expensive and do not always provide a better quality of education. The rate of those completing secondary level education is still low, at 35% of the population. However, the poor rate of employment of school leavers remains a persistent problem. Overall, public expenditure on education was equivalent to 4.6 % of GDP (2008-2010, UNICEF 2014).

Education policy /
R&D
4

Transformation Management

I. Level of Difficulty

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

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

Structural
constraints

7

Civil society development flourished with the second wind of change since the early 1990s. Today, there are thousands of NGOs and associations in all spheres of public life that exercise their right to freely express their opinion or form self-help groups (see “interest groups”). This has resulted – mainly in the cities – in the creation of a multitude of different associations, often competing against each other for both the right to represent their clientèle 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 microfinancing. This indeed is a clear sign of agency and a vibrant civil society determined to take its fate in its own hands. Some of these civil society organizations should exercise greater transparency in defining their operational mode and objectives. It remains to be seen whether such associations will gain the same strength in rural areas that they have in urban areas, especially Lomé.

Civil society
traditions

6

The high potential for conflict that existed under Gnassingbé Eyadéma’s rule through the ethnic polarization and the militarization of society can no longer be considered the one crucial impediment to Togo’s development. Although, both elements should still 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 groups. Generally, the relationship between Muslims and Christians is amicable. Cooperation is sought by both groups on many occasions. Transnational conflicts between pastoralist and agriculturalist groups continue beneath the surface. Occasional eruptions of violence occur in about one third of prefectures, particularly in northern and central Togo. Thus, violent conflicts between Fulbe nomads and local peasants of Bago (Central Togo at the Benin border) resulted in 50 dead and over 100 injured persons in August 2011. Regional inequalities, and persistent distrust and antipathy between different peoples need to be addressed. This applies especially to tensions between northern and southern peoples. Having enjoyed the spoils of the system throughout much of Togo’s recent history, northern Kabyè still holds an unduly high number of relevant public offices compared to their counterparts in the south. There are sharp and increasing differences between the poor and the rich in Togo, but these have not yet led to a situation of violent conflict. Yet, growing discontent among unemployed school leavers contributes to political unrest in urban centers, notably in Lomé. Recently, health and education sector labor unions supported by pupils have fought running battles with the state security services.

Conflict intensity

5

II. Management Performance

14 | Steering Capability

It remains unclear whether the political leadership as a whole is committed to political democratization, decentralization and economic liberalization. At least, according to the Ibrahim Index of African Governance 2014, Togo is no longer in the group of the 10 worst performers. For 2014, Togo ranked 36 out of 52 African countries, with an overall score of 46.4 out of 100; an increase of 2.8% over the previous 5 year period. Although, Togo still remains in the bottom half of African countries. Trends in the political development of Togo indicate a similar, gradual improvement. However, cleavages between hard-liners and modernizers within the Gnassingbé clan, the ruling party and the security forces continue to simmer. These tensions could explode at any time, especially if the power base of the Gnassingbé regime is threatened. Meanwhile, a broad coalition of radical and moderate political parties together with civic movements are increasingly vigorously demanding an end of decades of the Gnassingbé regime.

Although the government tries to implement policies, it is only partially able to do so successfully. The administration uses the support of the international donor community for these efforts. In September 2011, a new defense partnership between France and Togo came into force, which replaced the outdated secret military assistance agreements of the Eyadéma era. Apart from the traditional partners, such as France, Germany and the United States, China and India also supported the country with development aid during the review period. However, aid by these new global powers is usually not tied to political conditions. In addition to the revitalization of bilateral cooperation, international organizations, like the IMF, World Bank, the BOAD and the European Union, are also reinforcing their assistance in order to promote good government, democratization and inclusive economic growth in Togo. The first IMF financed three-year Extended Credit Facility (ECF), which had replaced the Poverty Reduction and Growth Facility, expired in 2011. However, due to a reluctance to implement the recommendations of the IMF, a new ECF program will only be introduced at the earliest in 2015 (see “macrostability”).

Question
Score

Prioritization
4

Implementation
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The presidential election of March 2010, as well as the legislative election of July 2013, passed by largely peacefully. They were considered largely democratic by African peers and the donor community. This was in stark contrast to the 2005 presidential election, which was followed by a period of bloody political persecution. The Gnassingbé regime has demonstrated some capability to learn lessons from past events. In particular, the regime was eager to secure its irregularly acquired hold on power through increasing its legitimacy, which it sought to strengthen through peaceful and largely free, though not fair, legislative elections in 2007 and 2013, and a presidential election in 2010 as well as through the modernization of the ruling party. Nevertheless, Faure Gnassingbé and his party (RPT/UNIR) successfully employed the same policy of ‘divide and rule,’ which his father Eyadéma had used masterly over decades to weaken the opposition movement both by legal and extra-legal means. However, Gnassingbé’s hold on power is contested by hard-liners from within his own supporters. The international donor community, including the European Union, the IMF, France and the United States, supported the government’s commitment to modernize and consolidate public expenditure by providing substantial aid. Nevertheless, the international donor community was mostly concerned with regional stability, particularly the growing threat of Islamism extremism in the Sahel region of Mali and Nigeria. In general, the transition process remains volatile and might easily be reversed when pressure is put on the president, for example, by hard-liners within the military or ruling party.

Policy learning
5

15 | Resource Efficiency

Togo is still suffering from an underutilization of assets and other opportunities which could be used by the government. The new reform processes, assisted by the international donor community, notably the Bretton Woods institutions and its ECF program, have improved an efficiency oriented governance approach in some areas. For example, in public administration and finance. Similarly, the construction of a new 100MW multi-fuel power plant in Lomé, connected to the West African Gas Pipeline (WAGP), in July 2010 should overcome regular power cuts. Other physical infrastructure projects should improve the telecommunications and transportation networks. However, it will take some time before the effect of these projects will be felt. In the meantime, the continuation of international aid will be crucial to promote the process. Donor confidence remains the most important resource in driving economic development in Togo.

Efficient use of
assets
5

A key sector remains education. Whereas children are now attending school, there are not enough teachers to teach them, despite the high numbers of potential teaching personnel in the country. Most of the qualified Togolese teachers, waiting for an opportunity to work in their own country again, are still abroad because the former government, suspicious of educators, drove them away. Likewise decades of political

crisis and deficient economic freedom discouraged private foreign investment. It is difficult to revitalize confidence of foreign investors, although enhanced competition with new global players like China is good for business.

The government's commitment to further democratization and the consolidation of public expenditure is undermined by president and ruling elite's desire to remain in power. Coordination between the president and prime minister's offices is not smooth. In July 2012, the president replaced the former Prime Minister Gilbert Houngbo. Houngbo was a technocrat well regarded by the donor community, who stepped down following a bitter dispute with the president concerning arbitrary behavior of the intelligence service. He was replaced by the former Minister for Trade K. S. Aboomey-Zunu, renowned as a presidential loyalist. Because the president still lacks overall control of the ANR and the military, he is at pains to restructure the security services' high command. Nevertheless, he still keeps the portfolio of defense for himself, in fear of the potential for future coups d'état. In general, progressive steps have been taken. However, these steps are outweighed by the corrupt and criminal practices (e.g. drug trafficking, capital flight and money laundering) of many members of the current administration – at all levels.

Policy
coordination
5

There exists a national anti-corruption commission (Commission nationale de lutte contre la corruption et le sabotage économique, CNLCSE), which was created in 2001. However, it lacks the political will to combat corruption effectively, which remains rampant. The World Bank survey of businesses in 2010 revealed that 60% of the businesses believed that the courts were neither impartial nor free from corruption. While the whole society is aware of the need to undertake decisive steps to eradicate this problem, this seems to be a difficult policy step to take as it would remove the mechanism that ensures the status of the elite. In July 2007, a law against money laundering was enacted after serious debate in parliament. Yet, until now, it has had little effect. There are serious concerns regarding the link between corruption, money laundering and drug trafficking as Togo becomes a transit country for all forms of trafficking, possibly with involvement of high-ranking members of the Gnassingbé clan. In May 2011, the Inter-Governmental Action Group against Money Laundering in West Africa complained that the government fails to take action against money laundering, despite the existence of a legal framework. The large volume of unaccounted for financial flows, which is a strong indicator for money laundering, has caused concern among the international donor community. According to the most recent 2013 annual report of the renowned international NGO Global Financial Integrity, the illicit outflow of money from Togo averaged \$1,847m between 2002 and 2011, with a peak in 2008 that exceeded a sum equaling four times the country's annual budget.

Anti-corruption
policy
4

16 | Consensus-Building

The Global Political Accord (Accord Politique Global, APG) was established in 2006 by Togo's major political parties and civic organizations, and was assisted by the European Union. However, its implementation by the government has been halfhearted. A population census, the first for nearly three decades, was undertaken in 2010 and 2011. Moreover, the truth and reconciliation commission (Commission Vérité, Justice et Réconciliation, CVJR) delivered a report on human rights violations in April 2012. Meanwhile, important measures meant to guarantee fair and free elections as well as initiating the first local elections since 1987 are still pending. A domestic process of dialogue between major political parties (Cadre permanent de dialogue et de concertation, CPDC), established in 2009, was frequently held-up by a lack of consensus. On 2 October 2014, Assouma, the re-elected president of the Constitutional Court, declared the APG void on the basis that Togo had a functioning pluralist parliament. Assouma's evidence for Togo's pluralist parliament was a 30 June 2014 parliamentary vote in which the UNIR and UFC coalition voted against a draft law on constitutional changes submitted by its own government. Previously, representatives of various Christian churches had appealed to the government and parliament to reopen discussions regarding the contentious constitutional reforms introduced before the 2015 presidential election. Thus, consensus on what the goals of political transformation in Togo should be remains fragile.

The majority of political parties (e.g. the ruling party and most of the opposition parties) agree on the country's need to regain economic strength, a view shaped by the severe hardships experienced by many Togolese everyday. Political change is widely seen as the key instrument to drive urgently needed social and economic development. Without change, the daily hardships experienced by a large proportion of the population may be the catalyst for civil unrest. However, any government that demonstrates a genuine concern for wellbeing of the population is likely to gain substantial public support. In general, the government, the ruling party, opposition parties and CSOs are committed to the basic principles of a market economy. As a transit-economy, Togo depends on open markets and transnational trade, notably within the ECOWAS and the larger, neighboring markets of Ghana and Nigeria. However, because a large part of Togo's trade is informal (including smuggling) compliance with government regulation is weak, especially concerning taxation, tax evasion, money laundering and capital flight. Furthermore, there are divergent views within the ruling elite regarding the need to protect infant industries and the agricultural sector against foreign competition, especially where this foreign competition is imbalanced, for example, the EU's West Africa EPA.

Consensus on goals
5

The main anti-democratic actors can be found within the ruling party and among its allies. Although anti-democratic actors within the ruling party, formerly the RPT and now the UNIR, are no longer as strong as they had been before the presidential election of 2010, they are still strong enough to endanger further democratization and devolution of power. For example, President Faure Gnassingbé's imprisoned half-brother, Kpatcha, could be an important actor in this respect. He and some within the military and ruling party leadership have a lot to lose if there were a change in government. Divisions within the ruling elite of the Gnassingbé family, the ruling party and the security services, have become public in recent years. First, following the modernization of the ruling party in 2012, from the old RPT to the new UNIR. Then, following the refusal of the UNIR majority in parliament to vote in favor of a draft law, proposed by the government, to revise the constitution in June 2014. In addition, it must be noted that democratic norms as well as a culture of transparency and accountability are not well respected among the Togo's elites, whether they are in government or opposition. This was shown by the schism of the major opposition party UFC, from which the ANC was created.

Anti-democratic
actors

5

There are still some key cleavages running through Togolese society, which result from the regional and ethnic tensions, the exclusion of opposition movement and large socioeconomic inequalities.

Cleavage /
conflict
management

5

The Gnassingbé clan and its followers continue to pursue a strategy of violence and intimidation to retain power. For example, the government was complicit in several arson attacks on the central markets of Lomé and Kara in January 2013, which were used by the government to harass opposition leaders. In contrast, a report on findings released by the main opposition coalition, the Collectif Sauvons le Togo, on 11 November 2013 revealed that key figures within the regime were the ringleaders of the arson attacks. This created further cleavages within the political system when media close to the opposition drew comparisons to the Reichstag fire in Nazi Germany in 1933.

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

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 more due to the weakness of NGOs' administration and membership structure than to the government's reluctance to engage with them. Enhanced dialogue between CSOs and government is slowly becoming a reality. Both sides must work hard to overcome the atmosphere of distrust that has developed over the past decades.

Civil society participation
5

In May 2009, the government established the Truth and Reconciliation Commission (Commission Vérité, Justice et Réconciliation, CVJR) with the intention to investigate human rights violations between 1958 and the bloody persecutions of 2005. It was presided over by Nicodème Benissan-Barrigah and supported by the UNHCR office in Lomé. The CVJR's 11 members represented different groups of civil society (excluding political parties) and notably involved religious leaders. During its enquiries, it received over 20,000 petitions, which indicate a high degree of public trust in the commission. It submitted its final report in April 2012. The most important recommendations included reparation, public documentation of h violations, symbolic reconciliation (e.g. public condonation by perpetrators, monuments, memorial days) and the criminal prosecution of perpetrators. The commission demanded the government to publish a White Paper on how it intends to implement the recommendations of the CVJR and suggested two institutions for monitoring and evaluation. Unfortunately, the government is reluctant to implement the recommendations, because high-ranking members within the government, military and administration figure among the perpetrators and continue to benefit from impunity. Apart from publishing a White Paper and the creation in 2013 of a High Commission on Reconciliation (HCR), the government has used delaying tactics. On 17 April 2014, the Council of Ministers published a draft White Paper on the implementation of the CVJR's recommendations, considered to be the precondition of the eventual payment of reparation.

Reconciliation
5

17 | International Cooperation

The provision of aid and support from international donors to the government only resumed in 2007 after the largely free legislative elections. The numerous activities and cooperation programs, such as the ECF, PRGF and HIPC completion point were connected to the progress made in political transformation. The use of international aid was strictly supervised by donors. However, support from donors was not always used efficiently and transparently. Togo is largely dependent on aid, with international aid accounting for 36% of GNI in 2013. However, according to a report by the UK-based NGO Development Initiatives published in September 2013, the bulk of reported aid never gets anywhere near the target groups. Notably, aid programs often lack the necessary involvement of all major societal players in order

Effective use of support
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to gain public support and the international community's confidence, as promised by the Paris Declaration and later reaffirmed in the Accra Agenda for Action. The rise of new Asian powers, notably China and India, has led to a return to the see-saw policy, in which Togo played competing donor countries against one another during the Cold War.

Apart from international aid, remittances play a significant role in Togo's economic development. According to OECD statistics for 2011, Togo ranked 17 globally for ODA per capita (\$91) and seventh globally for remittances per capita (\$52). For 2014, remittances totaled 182bn XAF (\$333m). Remittances constitute an important supplementary source of income for the economy, because they act countercyclical (i.e. they increase during downturns, unlike other capital flows like FDI).

To consolidate its newly acquired credibility among the international community and among the Togolese population, the government must combat corruption at all levels of the state. Currently there are still two deeply contrasting interpretations of the government's actual intentions, both among the Togolese population and the international donor community. There are those who believe that the government is genuinely pursuing transformation and democratization. Meanwhile there are those who believe that the government's attitude is a masquerade camouflaging its attempt to stay in power at all costs.

In November 2014, President Faure Gnassingbé has been charged by fellow West African leaders (ECOWAS) with the supervision of the region's efforts to contain the deadly Ebola epidemic.

Togo is a member of all relevant regional, African and international organizations, notably of ECOWAS and West African Economic and Monetary Union in the West African sub-region. President Faure Gnassingbé and members of his government are trying to return to a situation where Togo plays a constructive role as regional mediator and host to international meetings as in the 'glorious past' of Gnassingbé's father, General Eyadéma. The latter was recognized as mediator in international African conflicts by his African peers, although being the longest serving African dictator. Togo remained a reliable and significant contributor to peacekeeping missions in the sub-region. In May 2012, Nigeria, Togo, Ivory Coast and Senegal contributed to the ECOWAS force's first troop deployment in the failed state of Guinea Bissau. Later on, Lomé contributed to the African-led International Support Mission to Mali (AFISMA) organized by ECOWAS against the growing threat of Islamist extremists in northern Mali. It also contributed to the United Nations' Multidimensional Integrated Stabilization Mission in Mali. Togo committed 500 troops to the total of 3,464 soldiers (commitments) of different ECOWAS states. The mission was authorized by the UN Security Council Resolution 2058 on 20 December 2012. In total, Togo contributed 1,747 troops and security personnel in 2014 for various UN peacekeeping missions (UN 09.2014). In July 2014, the United States offered military equipment worth \$8m to support Togo's peacekeeping mission in Mali.

Credibility

6

Regional
cooperation

7

Strategic Outlook

Like most countries in Sub-Saharan Africa, Togo faces many problems. These problems include a lack of good governance, volatile economic growth, exposure to external price and demand shocks, rising food costs, erratic energy prices and health risks, such as HIV/AIDS and Ebola. However, to achieve a level of economic and social development comparable to its larger, more prosperous neighbors (e.g., Benin and Ghana), there are a few key policy agendas that the government must prioritize.

The government must be careful not to destroy public trust and donor confidence, which it has only recently won following a series of peaceful parliamentary and presidential elections. In addition to these peaceful elections, the government has also recently introduced some reforms that have gained considerable domestic and foreign support. However, it remains unclear whether this record is evidence of a genuine commitment to further democratization. Without public trust and donor confidence, this process of transformation will not be sustainable.

A coalition government, the so-called Government of Recovery, formed in May 2010 between the UNIR (formerly the RPT) and the UFC. It is important that this government pursue a policy agenda of national reconciliation, democratization and sustainable development, while complying with international norms of good governance. For example, the government should ensure that long overdue local elections and the 2015 presidential election should be free and fair. Furthermore, a comprehensive process of decentralization of power must be undertaken to overcome the endemic problems that limit Togo's development. These problems include the over centralization of decision-making, the undemocratic nature of one party rule, the dissociation between the elite and wider population as well as regional inequalities and tensions. The government must, as the constitution demands, devolve power and resources in order to strengthen local autonomy. At present, the government is actively obstructing devolution. Furthermore, the government should complement these efforts to devolve power by providing support to local and national civil society organizations.

However, this process of transformation will not succeed if hard-liners within the government and security services continue to exercise influence over policymaking. It is imperative that the security forces, which include the military, intelligence service and the gendarmerie, remain impartial.

Structural reforms of key economic sectors will be crucial for further economic development. In particular, reforms must target the banking, phosphate and cotton sectors. It is important that international donors provide support for this process of structural readjustment. Furthermore, any process of structural readjustment will also have to address issues of corruption, money laundering, capital flight and embezzlement. Therefore, it is important that international donors demand that any support provided be clearly and thoroughly monitored to reduce the likelihood of corruption

and money laundering. Similarly, international businesses active in Togo must be closely observed, and ensure that they comply with international legal and ethical business practices. Moreover, new policies must support more effective law enforcement. For example, pre-emptive action against the trafficking of illegal commodities and services could address Togo's status as a regional trading hub for trafficking.

Coordination between the government and international donors must be harmonized, so that methods and priorities align. Particular policy areas requiring more effective coordination include governance, health, education and physical infrastructure.

Last, the government and international donors must increase their efforts to support encourage regional integration within West Africa. As such, it is important that any special arrangements, such as EU Economic Partnership Agreements, do not undermine regional integration. Greater exchange between West African countries would benefit all stakeholders economically and politically. In addition, peacekeeping initiatives and monitoring within the West African region should be promoted.