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Togo—Recent Economic Developments

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TOGO

Recent Economic Developments

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Approved by the African Department

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TOGO - BASIC DATA

Area, Population, and GDP Per Capita

Area	56,600 square kilometers
Population: Total (1995)	4.0 million
Growth rate	3.3 percent
GDP per capita (1995)	SDR 213.5

	1991	1992	1993	<u>Est.</u> 1994	<u>Est.</u> 1995
Gross Domestic Product (in current prices)	(In billions of CFA francs)				
Total	452.0	434.0	342.6	513.1	646.7
	(In percent of GDP)				
Primary sector	32.8	36.4	45.0	33.4	32.0
Secondary sector	25.2	22.8	20.2	22.9	23.3
<i>Of which</i>					
mining	5.9	4.0	3.9	5.5	5.0
Tertiary sector	42.0	40.8	34.8	43.7	44.6
Consumption	91.0	95.0	102.7	90.7	89.9
Investment	17.1	14.5	5.1	13.2	14.0
Gross domestic savings	9.0	5.0	-2.7	9.3	10.1
	(Annual change in percent)				
Real GDP	-0.7	-4.1	-18.5	15.2	8.1
Nominal GDP	-0.7	-4.0	-21.1	49.8	26.0
Prices					
Implicit GDP deflator	0.0	0.2	-3.1	30.0	16.6
Consumer price index; (low-income index for Lomé)	5.1	-2.1	2.3	48.5	6.4
Export prices (CFA francs) 1/	-1.0	-9.3	-9.7	95.0	11.5
Import prices (CFA francs)	2.0	-5.2	1.1	100.6	-1.2
Terms of trade	-2.9	-4.3	-10.7	-2.8	12.8

1/ Excluding reexports.

TOGO - Basic Data (continued)

	1991	1992	1993	<u>Est.</u> 1994	<u>Est.</u> 1995
Government finance	(In billions of CFA francs)				
Revenue	78.9	72.6	38.2	66.6	97.1
Grants	6.7	7.9	1.0	7.6	8.9
Expenditure and net lending	115.0	98.7	93.0	137.0	147.2
<i>Of which</i>					
current expenditure	94.6	83.0	84.8	124.6	124.3
Overall surplus/deficit (-) 2/	-36.1	-26.2	-54.8	-70.4	-50.1
Payments arrears (decrease -) 3/	11.6	8.6	38.4	32.4	-48.2
<i>Of which</i>					
external interest	4.2	2.9	9.4	21.7	-39.1
Foreign financing (net)	13.6	3.6	1.7	18.9	67.6
<i>Of which</i>					
amortization arrears	0.9	3.7	10.5	28.1	-26.8
Domestic financing (net)	4.3	6.2	13.7	11.5	21.8
<i>Of which</i>					
banking system	3.9	3.4	8.8	12.9	8.9
	(In percent of GDP)				
Revenue	17.5	16.7	11.2	13.0	15.0
Current expenditure	20.9	19.1	24.8	24.3	19.2
Capital expenditure and net lending	4.5	3.6	2.4	2.4	3.5
Overall surplus/deficit (-), excluding grants	-8.0	-6.0	-16.0	-13.7	-7.7
Money and credit	(In billions of CFA francs; end of period)				
Net foreign assets	81.3	58.6	23.2	36.8	24.5
Net domestic assets	123.6	118.2	128.2	163.0	207.2
<i>Of which</i>					
credit to the private sector	118.7	114.4	103.9	103.2	131.5
Broad money	198.3	170.7	145.3	190.9	221.3

2/ Excluding grants; on a payment order basis.

3/ Reduction through net cash payments.

TOGO - Basic Data (continued)

	1991	1992	1993	<u>Est.</u> 1994	<u>Est.</u> 1995
	(Annual change in percent)				
Net domestic assets	7.3	-4.4	8.5	27.1	27.1
<i>Of which</i>					
credit to the private sector	14.6	-3.6	-9.2	-0.7	27.4
Broad money	4.1	-13.9	-14.9	32.3	16.0
Balance of payments	(In millions of SDRs)				
Exports, f.o.b.	287.3	232.0	154.0	158.3	228.2
<i>Of which</i>					
phosphates	92.3	56.3	37.9	46.3	54.6
Imports, f.o.b.	-330.7	-290.5	-179.9	-148.5	-217.2
Trade balance	-43.5	-58.5	-25.9	9.8	11.5
Services (net)	-73.7	-71.8	-61.1	-71.4	-69.7
Private transfers	10.5	6.2	6.8	5.9	7.3
Current account 4/	-106.7	-124.1	-80.2	-55.6	-50.9
Official transfers (net)	66.8	57.6	22.3	16.3	27.2
Capital (net)	38.0	-10.6	-80.7	-6.4	92.9
Overall surplus/deficit (-)	-35.4	-120.6	-156.5	-49.8	-66.6
Payments arrears (decrease -)	13.1	16.3	49.0	62.9	-87.0
Net foreign assets (increase -)	-11.2	60.9	89.6	-17.2	16.2
	(In percent of GDP)				
Exports, f.o.b.	25.3	19.6	17.6	24.8	26.2
Imports, f.o.b.	29.1	24.6	20.5	23.3	24.8
Current account balance					
(excluding official transfers)	-9.1	-10.7	-8.8	-8.6	-6.0
Overall surplus/deficit (-)	-0.2	-6.5	-15.8	-11.1	-10.9
	(In millions of U.S. dollars; end of period)				
Gross international reserves					
(IFS; end of period)	364.7	272.4	156.2	94.4	126.1

4/ Excludes official transfers (net).

5/ Includes errors and omissions and rescheduling and cancellation of external debt.

6/ Includes net use of Fund resources, net of counterpart of revaluation.

TOGO - Basic Data (concluded)

	1991	1992	1993	<u>Est.</u> 1994	<u>Est.</u> 1995
External public debt 7/	(In millions of SDRs)				
Disbursed and outstanding (end of period)	868.0	882.1	898.7	919.4	974.9
Interest due before rescheduling	33.6	30.6	34.2	34.4	27.0
Debt rescheduling	33.5	43.5	18.5	0.0	135.8
Arrears (end of period)	12.8	31.8	163.8	143.4	52.9
Debt service ratio 8/	8.9	6.4	7.0	6.9	5.6
Exchange rates	(CFA francs per SDR)				
End of period	370.5	378.6	404.9	780.4	728.4
Period average	385.9	372.8	387.5	809.8	757.1

7/ Including IMF.

8/ Debt service paid after rescheduling and arrears accumulation and repayment, as per cent of exports of goods and nonfactor services including reexports.

I. PRODUCTION AND INCOME

A. Introduction

Togo has a small, open economy that is heavily dependent on agriculture (cotton, coffee, cocoa, and food crops), mining (phosphate), and regional trade; its population was estimated at 4.0 million in 1995. Agricultural production is mainly provided by small-scale productive units; this sector accounted for about one-third of gross domestic product (GDP) and over one-half of domestic exports, while supporting approximately 80 percent of the population in 1995. The secondary sector contributed 23 percent of GDP, as manufacturing industries accounted for some 10 percent, and construction and energy combined about 8½ percent, while phosphate mining, which generated about one third of domestic export earnings, accounted for some 4½ percent of GDP. The tertiary sector was responsible for 45 percent of GDP, of which half, or about 22 percent of GDP, was in commerce and tourism. Lomé, the capital city, has a natural-deep water harbor that can handle some 2 million tons of merchandise a year. The country also is endowed with a relatively sophisticated banking system, and a dynamic trading/entrepreneurial class, key factors behind Togo's well-developed services sector, which also serves neighboring countries.

Economic growth in Togo is affected to a large extent by the evolution of world commodity prices and economic developments in neighboring countries. After experiencing a rapid increase in real per capita income during most of the 1970s, when commodity prices were favorable and the government undertook a major program to expand public investment and the role of public enterprises, per capita GDP stagnated following the decline in commodity prices at the end of the 1970s; Togo's economic and financial difficulties were exacerbated by an increase in the burden of its external debt-service obligations. In response, the authorities undertook a sustained adjustment effort during the 1980s that led to a significant improvement in Togo's financial situation by the end of the decade, although economic growth, which averaged only 2½ percent over the 1986-90 period, remained relatively modest.

B. Overview of Developments, 1991-95

The progress of the previous decade was reversed beginning in 1991, signaling the advent of a three-year decline (Appendix I, Tables 1 and 2). Economic and financial conditions deteriorated as a result of the widespread disturbances caused by social and political unrest that had begun to emerge in 1990 when pressures to establish a multiparty political system began to build up. The increasing domestic tensions culminated in a general strike that brought the formal economy to a virtual standstill from November 1992 until the middle of 1993. From 1991 to 1993, real GDP experienced a cumulative decline of 22 percent. The tertiary sector was particularly hard hit, falling by 38 percent, as the political turmoil provoked an exodus of traditional regional services activity, previously based in

Togo, to neighboring countries; thus commerce and tourism, and transport and communications value added fell by a cumulative 47.7 percent and 50.0 percent, respectively. The secondary sector contracted by some 35.0 percent over the period, as phosphate production declined in 1992 and 1993 owing to the combined impact of the loss of many export markets beginning in 1992 and the effects of the strike in 1993, while the manufacturing sector, which had been able to sustain relatively modest growth in 1991 and 1992, plunged by some 38.2 percent in 1993, also mainly reflecting the adverse impact of the social strife. In the agricultural sector meanwhile, poor weather depressed agricultural output by 1.1 percent in 1991; there was a limited (1.2 percent) recovery in 1992, which accelerated to 6.0 percent in 1993; the latter was the result of favorable weather and an increase in the area under cultivation brought about by a mass exodus of urban dwellers to rural areas to escape from the political and social unrest.

Togo's economic difficulties were exacerbated by a terms of trade deterioration of some 20 percent between 1990 and 1994, mainly reflecting the decline in the prices of cotton, cocoa and phosphate. The problem was particularly severe in 1992 and 1993, when the export price index dropped by 9.3 percent and 9.7 percent, respectively.

With a view to reversing the sharp downturn in economic activity, and to counter the continuing adverse evolution in the terms of trade, Togo adopted in mid-1994 a strategy centered on the zone-wide correction of the parity of the CFA franc and the acceleration of structural reforms, with the aim of restoring economic growth and achieving financial viability over the medium term. The improvement in the political and security conditions, together with the impetus from the devaluation, contributed to a robust economic recovery. Real GDP grew by 15 percent in 1994 and 8 percent in 1995, driven principally by a strong expansion of mining, and commerce and transportation. After an initial surge following the devaluation, inflation was brought under control; the increase in the consumer price index (CPI), on an end-of-period basis, declined from 48.5 percent in 1994 to 6.4 percent in 1995.

C. Agricultural Production¹

The primary sector is the second largest in Togo, contributing about 36 percent of GDP on average over the 1991-95 period. The agricultural sector is composed almost entirely of small-scale land holders who produce both cash and food crops, often on the same plot. Food crops (mostly cassava, sweet potatoes, corn, millet, and sorghum) and cash crops (mostly cotton, cocoa, and coffee) account respectively for about 62 percent and 10 percent of value added in the primary sector. Forestry, fishing, and livestock account for the remaining 28 percent of the sector (Appendix I, Table 1).

¹Reported agricultural production for a given calendar year corresponds to the first calendar increment of the relevant crop year.

Although the cash crops' contribution to GDP is relatively minor, this subsector plays a significant role in the economy, first, because cash crops account for more than 40 percent of domestic exports on average, and second, because the rural population depends on these crops to earn the income necessary for the purchase of both domestic consumer goods and the inputs needed in food crop production. The official agriculture trading agency (OPAT) had a monopoly on the internal and external marketing of the cotton, cocoa, and coffee until early 1996.

In order to ensure a strong supply response by the export crop sector to the 1994 devaluation, the government liberalized the internal and external marketing of cotton, cocoa and coffee, and allowed competition in the processing of cotton. In February 1995, the state-owned enterprise, SOTOCO (Société Togolaise de Coton), lost its monopoly on ginning when a private company, SICOT (Société Industrielle de Coton),² was given the right to process cotton. SOTOCO started to export the cotton fiber it processes, in competition with SICOT³ in early 1996. In order to improve further the efficiency of the cotton subsector and increase rural income, the authorities have been exploring ways to encourage greater involvement of the private sector, including farmers' organizations. To reinforce incentives to producers, they have decided to distribute 50 percent of SOTOCO's after-tax profits to cotton farmers.

Cotton

Since 1991, cotton has accounted for 60-70 percent of total cash crop production, and ginned cotton has represented about one-third of the value of domestic exports. Cotton is produced mostly in the central plateau and in the southern part of Togo by an estimated 185,000 small land holders, each cultivating on average about one-half hectare. The production costs for cotton compare favorably with world averages, although they are relatively high by regional standards. Producer prices, which are fixed by the government through SOTOCO and did not reflect trends in world market prices, were increased from CFAF 90 in 1992/93 to CFAF 145 in 1994/95 (Appendix I, Table 6), and this contributed to an expansion in output to a record level of 131,700 tons in 1994/95 (Appendix I, Table 7). The growth in production since the mid-1980s has been rather steady except for the 1993/94 crop year, when the harvest declined because of strike-related delays in payments to producers for the 1992/93 crop, which apparently weakened farmers' confidence in the efficiency of the marketing system. Despite relatively difficult natural conditions, the yield in 1994/95, at 1.4 ton/ha, compared favorably with that of neighboring countries. However, the 1995/96 crop was much lower than initially expected. Despite a 4 percent increase in the area under

²In addition to SICOT's private shareholders, SOTOCO has twenty 25 percent of the shares, and OPAT owns an additional 10 percent of the shares.

³The law transferring the export of cotton to SOTOCO was approved in September 1994, but its implementation became effective only in March 1996.

cultivation and an increase in the producer price of 17 percent, production fell by 22 percent to 102,000 tons, and the yield fell to 1.1 ton/ha, while the output in neighboring countries continued to grow. Unfavorable rains certainly contributed to the decline in yield.⁴ Moreover, the poor weather reportedly caused many farmers to divert fertilizers away from cotton to other crops. The 1996/97 production started well; the area cultivated has increased by some 12 percent relative to 1995/96 and, with adequate rains, yields are expected to return to their normal level.

Coffee and cocoa

Officially recorded coffee and cocoa production has fluctuated widely since 1991/92, reflecting in part changes in the weather (Appendix I, Tables 6 and 7). Coffee and cocoa production was particularly low in 1992/93, a period during which the producer prices were at their lowest. Coffee production increased by 90 percent in 1993/94 when the producer price rose by 66 percent. In 1994/95, following the devaluation, the nominal producer price for coffee was raised by almost 180 percent, and production increased by another 20 percent. Cocoa production increased modestly in response to a 125 percent rise in producer prices in 1993/94, but picked up in 1994/95, as prices were raised by a further 10 percent, when it reached 6,400 tons, twice the level of 1992/93. The 1995/96 crops, particularly that of coffee, were adversely affected by unfavorable rainfalls.

Food crops, livestock, forestry, and fishing

Cassava, sweet potatoes, and corn together account for more than half of total value added in the food crops sector (Appendix I, Table 11). Food crop cultivation is usually integrated with that of cotton. This is done on a rotating basis for cassava, sweet potatoes, and cereals in the center and northern regions, and as intercropping with corn in the south. In 1991 and 1992, nominal value added in food crops accounted for about 20 percent of GDP (Appendix I, Table 2). In 1993, the nominal value added in the food crop sector increased by about 4 percent, but as total nominal GDP declined by 21 percent, the share of food crops in GDP soared to 31 percent. There was a large migration of civil servants and other urban dwellers to rural areas during the strike, which also contributed to the increase in production.

In 1994, the share of food crops fell to 18 percent of GDP, reflecting an 11.7 percent drop in nominal output and the very strong (50 percent) recovery of nominal GDP. The normalization of the political situation, and high prices for the main cash crops, encouraged farmers to shift production away from food crops, and constituted the major factors in the resulting changes in the relative shares of the various subsectors in the overall primary sector.

⁴Because cotton is produced mostly in the central and southern part of Togo, while it is produced in the Sahel region in neighboring countries, the production cycle is later in Togo than in other countries of the area. As a result, Togolese farmers were more seriously affected than their neighbors by excessive rainfalls in August and September.

In 1995, the share of food crops in GDP increased to 19 percent, reflecting some reallocation of land to food crops in a year when conditions for cash crops were particularly difficult. Food crops, which in constant prices accounted for about 20 percent of real GDP on average in 1991-92, surged to 31 percent in 1993, and then returned to an average of about 20½ percent of real GDP in 1994-95.

The contribution of the livestock, forestry, and fishing subsectors, which together accounted for some 9 percent of GDP in 1995, has been falling slightly since 1992 (Appendix I, Table 2). Estimates for livestock are made on the basis of the number of animals vaccinated each year; sheep and goats account for the largest share of the herds (Appendix I, Table 12).

D. Industrial Production

Overview

Political instability over the 1991-93 period, combined with the lingering effects of an overvalued exchange rate constrained output in the industrial sector, causing its share in GDP to fall from 25 percent in 1991 to 20 percent in 1993 (Appendix I, Table 14). The contribution from the manufacturing subsector shrank from 11 percent of GDP to less than 9 percent of GDP, while that of the construction subsector fell from 3 percent of GDP to less than 2 percent of GDP over the same period. In 1994, with public order restored and following the devaluation of the CFA franc, output in the sector grew by 26 percent, as many manufacturing firms started to operate again at near-normal capacity, and construction activities picked up strongly. Growth in 1995 remained strong, led by construction-related activities and mining.

Mining

Phosphate deposits were discovered in Togo in 1952. The ore formation that is currently being exploited is about 36 km long, 2.5 km wide, and 5 m thick. Togo's phosphate production costs are reportedly among the lowest in the world as a result of the geological characteristics of the ore and the location close to the sea. The public enterprise that is responsible for the mining and export of phosphate is OTP (Office Togolais des Phosphates).⁵ Production, which had reached a peak of 3.4 million tons in 1989, was particularly hard hit by the turmoil of the 1991-93 period. By 1993, phosphate production dropped to 1.8 million tons (Appendix I, Table 14). In 1994 and 1995, production recovered strongly but, at 2.6 million tons, remained below the 1991 level. Export prices in CFA francs in 1994 and 1995 were, respectively, 75 percent and 50 percent higher than in 1993 as a result of the devaluation. Consequently, OTP, which had incurred losses in 1992 and 1993, was able to generate net profits of CFAF 3.8 billion in 1994, and CFAF 1.9 billion in 1995. In order to compensate for

⁵In early 1995, the Togolese government decided to sell 40 percent of OTP's total capital to the private sector, with the objective of ensuring management autonomy and obtaining substantial capital infusion.

a weakening world demand for fertilizers and growing competition from South Africa, OTP is actively trying to penetrate new markets, in particular in the United States and Europe, while expanding exports to its traditional customers in Canada and the Philippines. Production prospects remain good in the near future; however, major capital investments will need to be made in order to keep extraction costs competitive over the medium term.

Manufacturing

The manufacturing sector benefited from real growth rates of 24 percent and 10 percent in 1994 and 1995, respectively, and accounted for some 10 percent of GDP in 1995 (Appendix I, Tables 2 and 15). The expansion of output was particularly strong for construction-related activity. Cement, produced by the public enterprise, CIMTOGO, and metallic goods, produced by another state enterprise, SOTOTOLES, together accounted for some 13 percent of value added in the sector. Food processing (beer, edible oils, and flour), textiles, and wood industries, with a combined contribution of 74 percent to total value added in the sector, also responded favorably to the stimulus provided by the devaluation, which induced a switch in consumption preferences from imported to locally produced goods. Production is still mainly undertaken by "informal" enterprises. Among the firms in the formal sector, the most important contributors include those engaged in food processing (beer, oil, and flour) and textile production, primarily for the local market, and a small but growing number of textile enterprises located in the duty-free export processing zone.

The duty-free export processing zone program was launched in 1990. The Free Zone Authority (SAZOF) was given the responsibility, through a "one-stop-shop," of assisting individuals with the installation process, provided they could guarantee the export of at least 80 percent of their production, and could give priority to the creation of permanent jobs for nationals. The number of firms active in the tax free zone increased from 17 in 1993 to 31 in 1996. The zone's contribution to industrial value added and employment is still relatively low,⁶ but is expected to become more significant within a few years.

Construction and energy

The construction sector responded particularly well to the improved political and economic environment in 1994 and 1995, and this is reflected in the growth in domestic cement and metal production and in the importation of construction material. There was a housing boom, particularly in the capital city, and new public investments also contributed to the recovery of the sector.

⁶In 1995, with exports of CFAF 8.7 billion and imports of primary and intermediate goods of CFAF 5.9 billion, the contribution of the zone represents less than 4 percent of value added in the manufacturing sector. In 1995, 3,300 nationals were employed by the zone. This number compares favorably with the 5,200 jobs in the formal manufacturing sector recorded in 1994 by the Social Security Agency (CNSS), but remains small relative to informal employment.

The electricity public utility, CEET, is responsible for the generation, transmission, and distribution of electricity in Togo. It purchases a major proportion of the electricity consumed in Togo from the regional distributor for Togo and Benin, the CEB. Electricity consumption rose steadily through 1992, when domestic consumption peaked at 282 million kilowatt-hours. (Appendix I, Table 16). In 1993, as a result of the disruptions caused by the social turmoil, total consumption fell by 14.9 percent, with the sharpest decline for medium/high voltage consumers (-18 percent). Domestic consumption fell by a further 3.6 percent in 1994. The growth in electricity consumption since 1994 mainly reflects a return to normal levels of consumption. In 1996, CEET's total sales are expected to recover to their 1991-92 level, and the CEET is now facing a need to expand its capacity.

Both the domestic consumption of petroleum products and their import for reexport were severely depressed by the social tension in 1991-93; in 1993 domestic consumption had declined to 70,700 cubic meters from an average of 139,392 cubic meters during 1986-90, while transit imports, which had exceeded 105,000 cubic meters on average in the 1986-90 period, had practically ceased (Appendix I, Table 17). According to the petroleum trading companies, imports of petroleum products increased by some 230 percent from 1993 to 1995, to about their level in 1986-90.

Wood remains an important source of energy in the traditional sector. In order to protect the environment and provide adequately for future needs, the ODERF (Office de Développement et d'Exploitation des Ressources Forestières) has recently completed its current reforestation projects.

E. Commerce, tourism, transport, and communications

Togo covers a surface area of 56,600 square kilometers, and possesses a 50-km coastline. The country is endowed with a natural deep-water harbor with port facilities operated by the Port Autonome de Lomé. The port, which can handle some 2 million tons of merchandise a year, caters to trade and transit needs of landlocked neighboring countries, many of which own and operate storage facilities within the port's free zone.

Commerce and transportation contributed 21 percent of nominal GDP in 1991, but their share dropped to 15 percent in 1993. The service sector in particular was hard hit by the sociopolitical turmoil that culminated in the strike that shut down formal activity for more than six months starting in November 1992. By 1995, the sector had fully recovered, and thus contributed 30 percent of nominal GDP. The volume of imports grew by 14 percent in 1994 and by 60 percent in 1995 (Appendix I, Table 18),⁷ and transit trade may have grown even

⁷Of these imports 63 percent are petroleum goods and clinker used in cement production.

faster.⁸ Export volumes also grew by 30 percent in 1994 and by 16 percent in 1995, reflecting the general recovery in economic activity.

F. Supply and use of resources

Over the 1991-93 period, the supply of resources available to the economy shrank by some 29 percent, as nominal GDP decreased by 24 percent and imports of goods and nonfactor services fell by 40 percent. In terms of the use of resources, exports of goods and nonfactor services fell by the same order of magnitude in nominal terms as imports, declining by some 44 percent between 1991 and 1993, and thus the resource gap remained essentially unchanged at about 8 percent of GDP (see Appendix I, Table 3). While gross domestic investment dropped by 77 percent in nominal terms, falling from 17 percent of GDP in 1991 to about 5 percent of GDP in 1993, consumption was reduced by only some 14.4 percent in nominal terms over the period, and thus the consumption rate increased from 91 percent of GDP in 1991 to about 103 percent of GDP in 1993, with both private and government consumption rising sharply as a share of GDP; in conjunction with this trend, the domestic savings to GDP ratio shifted from 9 percent in 1991 to a dissavings equivalent to about 3 percent of GDP by 1993.

With the buoyant economic recovery in 1994-95, and a vigorous expansion of imports expressed in nominal CFA franc terms following the devaluation, available resources nearly doubled from 1993 to 1995. Domestic demand strengthening over the 1994-95 period was led by a surge in domestic investment, which returned to near-historical levels. The resource balance improved by some 4 percent of GDP. This improvement reflected an increase in the ratio of the exports of goods and nonfactor services to GDP from 25 percent of GDP in 1993 to 34 percent in 1995, while the imports to GDP ratio grew only by about 5 percentage points of GDP, from 33 percent to 38 percent over the same period.

Public consumption, investment, and saving

Government revenues plummeted in 1993, while domestically financed expenditures declined less rapidly. As a result, national public dissaving increased to 15 percent of GDP (Appendix I, Table 5). By 1995, government revenues had increased by almost 4 percentage

⁸Transit imports accounted for about one-fourth of total import volumes in 1995. Information on disembarkment volume for transit merchandise before 1994 is not available. According to the Port de Lomé, the major destinations for transit merchandise include Burkina Faso (57 percent of transit imports, mostly petroleum goods) and Niger (29 percent of transit imports, of which 47 percent represents petroleum goods and motor vehicles). Foodstuffs account for 34 percent of the trade to Benin and 41 percent of the trade to Ghana (together only 3 percent of Togo's transit imports). Textiles imported for Nigeria and Mali represent another 2 percent of transit imports.

points from 11 percent to 15 percent of GDP, and current expenditures had been reduced by 6 percentage points to 19 percent of GDP. With more program grants available (0.7 percent of GDP in 1995) and a Paris Club rescheduling, which reduced the weight of interest obligations on external debt to 3 percent of GDP in 1995, national public dissaving was reduced to less than 3 percent of GDP, a level similar to the one in 1991 and 1992. In 1995, public investments started to increase again, but in real terms they remain below their 1991/92 levels.

Private consumption, investment and saving

Private investment dropped between 1991 and 1993 from 13½ percent of GDP to less than 9 percent of GDP,⁹ but recovered slightly in 1994 and 1995 (Appendix I, Tables 3 and 5). With real GDP declining by some 22 percent between 1990 and 1993, private consumption's share in GDP increased by 9 percentage points, to 85 percent in 1993. In 1994, following the devaluation of the CFA franc, the share of consumption fell to 76 percent of GDP, while enterprises' profits grew strongly. The resulting increase in private saving contributed to a strong reduction in the resource gap, paralleling an increase in domestic investment. In 1995, the resource gap remained unchanged, as the increase in domestic investment was compensated by a further slight decline in consumption, mainly in government consumption. Gross domestic saving was 10.1 percent of GDP in 1995, compared with 9 percent in 1991, and gross national saving, at 11.2 percent of GDP, was under its 1991 level.

II. PRICES, WAGES, AND EMPLOYMENT

A. Prices

Following the devaluation, inflation (as measured by the consumer price index)¹⁰ was rapidly brought under control (Appendix I, Table 19), mainly through prudent wage and monetary policies. In particular, Togo was the only country in the CFA zone not to grant a general salary increase to civil servants in 1994. Prices of domestic goods were virtually free

⁹Construction value added declined from 3.3 to less than 2 percent of GDP, while the import of investment goods dropped from CFAF 32 billion to CFAF 17 billion.

¹⁰Since 1994, only one consumer price index has been compiled in Togo. It is based on the results of a 1987 household survey on consumption patterns of African families in Lomé. Besides limitations in terms of geographic and social coverage, the index also suffers from periods where data compilation was incomplete (in particular in 1993, and during the first three months of 1994). A household survey is currently being completed with EU financial and technical assistance. This survey covers only African families in Lomé, but it attempts to evaluate the impact of the devaluation on consumption patterns. The results will allow the authorities to design a new CPI, which should be available in January 1997.

of control, except for a limited number of sensitive items;¹¹ and in August 1995, the government eliminated all price control and profit margin regulations, except for electricity, water, and petroleum products. Moreover, tariffs for electricity and water were raised by 20 percent and 15 percent, respectively, in October 1995. Despite these administered price increases, average inflation declined from 35.3 percent (48.5 percent on an end-of-period basis) in 1994, to 15.7 percent (6.4 percent end-of-period) in 1995. Over the first six months of 1996, prices increased by 2.7 percent.

B. Wages and Labor Income

By law, all workers in Togo are guaranteed a minimum wage; at present it is CFAF 13,758 a month, unchanged since 1990 (Appendix I, Table 20). Salaries for public employees, which are established on a scale based on educational background, also have not changed since 1990. This scale distinguishes between civil servants and other contractual government employees (Appendix I, Table 21).

Relative changes in income distribution were strongly influenced by the devaluation and recent structural measures. Farmers benefited from higher producer prices, which more than compensated for the increase in the cost of inputs, while the position of civil servants deteriorated over the last two years, as their wages did not rise from the time of the devaluation until July 1996, when a 5 percent increase took effect. Wages in the private sector also declined in real terms as salary adjustments mirrored the evolution of wages in the public sector, although there is no formal indexation of private sector wages to the levels prevailing in the public sector.

C. Employment

Togo's population was estimated at 4.0 million in 1995, and is growing at an annual rate of about 3.2 percent. The government is the largest employer (Appendix I, Tables 22 and 23). In 1994, employment in the formal sector was estimated to be only 88,270, including about 32,000 (36 percent) in the public sector. Most of the nongovernment jobs in the formal sector were found in the trade, tourism, and other services sectors.¹² Agriculture is estimated to employ about two-thirds of the economically active labor force, while the contribution of the informal sector in commerce is also particularly important.

The authorities have been carrying out a number of actions to promote employment, including, inter alia: (i) encouraging public works with high labor content in urban areas, in the context of a comprehensive urban rehabilitation program; (ii) promoting employment of

¹¹Wheat flour, cement, reinforcing bars, petroleum products, and water and electricity.

¹²According to CNSS, six companies alone provided more than 50 percent of nongovernment jobs in the formal sector.

young graduates, through a program of contractual employment with a reduced wage scale; (iii) allocating resources to a Social Fund, which aims at promoting employment in the rural areas; and (iv) improving financial and technical assistance to small-scale employment-creating projects, with foreign donors' participation. Moreover, the labor code is being revised with World Bank assistance in order to allow greater flexibility of the labor market, and thus facilitate labor mobility.

III. PUBLIC FINANCE

A. Overview of Recent Developments

Togo's fiscal situation had improved by the end of the 1980s as the authorities had pursued structural adjustment efforts during the decade, albeit with intermittent setbacks, related in particular to delays in responding to the sharp decline in the terms of trade in 1986-87. Nevertheless, with the substantial progress in implementing structural reforms a significant degree of financial adjustment had been attained, so that by 1989-90, the overall fiscal deficit had been brought down to 6.1 percent of GDP on average, and a current fiscal surplus was achieved.

Since 1990, developments fall into two distinct phases. The first phase (1991-93) was characterized by a marked weakening of public finances in the aftermath of the social and political unrest that began in mid-1991. The second phase (1994-95) witnessed a significant improvement in public finances, as the economy, bolstered by favorable political and security conditions and the added stimulus of the 50 percent devaluation of the CFA franc in January 1994, rebounded sharply from the severe contraction of the previous three years.

B. Fiscal Deterioration in 1991-93

Togo's fiscal deterioration was mainly attributable to a collapse of government revenue. Over the 1991-93 period, the tax-to-GDP ratio (which had averaged some 19.7 percent of GDP in 1986-90) fell dramatically, to 9.0 percent in 1993 (Appendix I, Tables 24-26). This decline reflected a general weakening of revenue performance, principally as a result of the economic and financial consequences of the social and political disruptions that had become particularly severe in 1991. Total government expenditure, which had averaged CFAF 126 billion a year (about 30 percent of GDP) during the 1986-90 period, declined steadily at the beginning of 1991 falling to CFAF 93 billion in 1993 (Appendix I, Tables 27 and 28). The declining trend was mainly due to the collapse of investment spending over this period because of the sharply reduced level of foreign-financed investment in response to the political uncertainties. The fiscal situation was particularly severe in 1993, primarily because of the impact on economic activity of the prolonged general strike. The authorities introduced several measures to enhance revenue collection and improve public finances with the 1993 budget. However, passage of the budget was delayed until July 1993, thereby hampering effective implementation the new measures. For the year, revenue was down sharply, while current expenditure actually rose slightly, mainly because of higher

scheduled interest payments on external debt. The wage bill alone (CFAF 39 billion) exceeded total revenue by CFAF 0.3 billion.

The overall fiscal deficit, excluding grants, had doubled to 16.0 percent of GDP in 1993 from 8.0 percent of GDP in 1991. To finance these deficits, the Treasury drew down deposits it held abroad; sought extraordinary financing from large public enterprises; and increased its borrowing from the central bank, thereby exceeding the statutory ceiling. Despite these efforts, there were further large accumulations of both domestic and external payments arrears; by end 1993, domestic arrears reached an estimated CFAF 41 billion, including CFAF 19 billion of salary arrears to civil servants reflecting six months of unpaid wages and social security contributions, while external payments arrears to multilateral institutions had risen to CFAF 6.8 billion, and arrears to Paris Club creditors amounted to CFAF 18.7 billion.

C. Fiscal Recovery and Developments in 1994-95

Togo's public finances improved significantly in 1994 as the robust economic recovery made it possible for the budgetary revenue objectives to be slightly exceeded, while total expenditure remained below budget, owing mainly to lower-than-expected capital expenditure. In 1994, government revenue increased by 74 percent, mainly on the strength of a 96 percent increase in tax revenue. The direct tax component in particular surged (by 126 percent), primarily reflecting the renewed contributions from OPAT and OTP, while the growth of indirect tax revenue was attributable to a doubling of receipts from taxes on international trade in the aftermath of the January 1994 devaluation of the CFA franc. The improvement in revenue performance in relation to GDP was somewhat less striking, given the robust (50 percent) growth of nominal GDP in 1994. On the expenditure side, the fact that the authorities had not been able to compress expenditure over the 1991-93 period in line with the reduction in revenue dampened the pressures for a more rapid expansion in the context of the recovery. It is noteworthy that, in contrast to other CFA franc zone countries, there was no post-devaluation general wage increase in Togo.

The primary fiscal deficit and the overall fiscal deficit (on a payment order basis, before grants) were both slightly lower than budgeted in 1994, at 6.1 percent of GDP and 13.7 percent of GDP, respectively. However, because of a shortfall in external program assistance,¹³ and a constraint on net financing from the domestic banking system as the government's borrowing already exceeded the statutory limit, the deficit was financed mainly by a further accumulation of domestic and external payments arrears.

¹³ The program had envisaged CFAF 44 billion in bilateral and multilateral budgetary financing; instead only CFAF 22 billion was received, mainly because of delays in concluding negotiations with key donors on the conditions for disbursement of their financial support.

The government's financial situation continued to improve in 1995, as revenue growth was buoyant, while expenditure, particularly with respect to capital outlays, was restrained. Total revenue increased by 46 percent to CFAF 97 billion (15 percent of GDP), as all tax revenue categories, except direct taxes of public enterprises, slightly exceeded the budget objectives. Meanwhile, the growth of public spending was held in check; current expenditure was essentially unchanged at about CFAF 124½ billion, while there was a jump of 84 percent in capital spending; thus total outlays rose by about 7½ percent to CFAF 147 billion. The primary fiscal deficit was reduced to 2 percent of GDP, and the overall fiscal deficit on a payment order basis, before grants, was brought down to the equivalent of 7.7 percent of GDP. In February 1995, Togo obtained debt relief from Paris Club creditors, calling for the rescheduling of CFAF 104 billion of current and past due debt-service obligations; and there was a net reduction of both domestic and external arrears.

D. Revenue Trends, 1991-95

The sharp decline in government revenue from 1991 to 1993 mostly stemmed from lower direct and indirect taxes. Receipts from direct taxes plunged by some 25 percent from 1990 to 1991, and continued to decline in each year over the 1992-93 period, mainly reflecting the absence of contributions from OTP and OPAT, and a 68 percent decrease in receipts of the petroleum product price stabilization fund (CPSPP); the receipts from these entities, which had averaged 4 percent of GDP in 1986-90, were thus reduced to less than 0.7 percent of GDP by 1993. The OTP contribution was adversely affected by a sharp drop in phosphate export earnings, as both the volume and unit value of phosphate exports plummeted in 1992 and 1993. Meanwhile, the direct contribution of OPAT averaged less than CFAF 1 billion in 1991-92, and was nil in 1993, as a result of the persistent weakness of world prices for its exports. The revenue from the petroleum product stabilization fund, which had averaged CFAF 6.9 billion over the 1991-92 period, dropped precipitously to only CFAF 2.3 billion in 1993, because of a sharp decline in domestic consumption. Receipts from direct taxes on income and profits of individuals remained relatively buoyant through 1992, but fell by 64 percent in 1993 because of the stagnation of economic activity and a significantly reduced collection effort, whereas the yield of the profits tax for enterprises declined steadily from CFAF 8.5 billion in 1990 to CFAF 1.6 billion in 1993, given the steady erosion of companies' profitability as a result of the social and political turmoil.

Indirect receipts also experienced a decreasing trend over the period, the pattern of which was consistent with the accelerating decline in the level of economic activity, as total indirect tax receipts declined by 11.4 percent in 1991, 27.2 percent in 1992, and 41.7 percent in 1993, reflecting Togo's progressively worsening economic and financial situation under the impact of the sociopolitical disturbances. Receipts from taxes on international trade, which had peaked at CFAF 38 billion (8.5 percent of GDP) in 1990, fell each year thereafter, declining to a low of CFAF 13.5 billion (3.9 percent of GDP) by 1993. The 64 percent decrease in receipts from these taxes was more pronounced than the 50 percent reduction in imports, in part because of weakened collection efforts in 1993. Indirect tax receipts on domestic goods and services remained relatively buoyant through 1991 (averaging CFAF 9.9

billion) before plunging to less than a third of this level (CFAF 3.2 billion, or less than 1 percent of GDP) by 1993.

The authorities had begun to introduce a series of revenue-neutral tax reforms starting in 1990 which aimed at rationalizing the tax system by, *inter alia*, (a) reducing the number of import taxes, and aligning the rates of the general turnover tax (TGA) levied at customs with domestic rates; (b) simplifying the import tax structure by reducing the number of applicable rates to four; (c) restructuring the TGA to make it similar to a value-added tax, with only three rates; and (d) reducing the number of exemptions. As the fiscal situation deteriorated further, a series of revenue-enhancing measures were initiated in 1992 and 1993.¹⁴ These additional measures included (a) the generalized use of procedures for spontaneous payment of income and profits taxes, (b) improved taxpayer identification and registration procedures, (c) a simplified business tax on small enterprises, (d) improved collection of taxes from the informal sector through the application of a withholding tax at the level of customs and at the time of wholesale purchases, with the proceeds being applied to the income and profits tax liabilities of the taxpayers, (e) introduction of a tax on the purchase of airline tickets, and (f) increased rates for various stamp taxes. However, effective implementation of these initiatives was hampered, as their introduction coincided with the sociopolitical crisis, and tax revenue continued to decline. To compensate the government came to rely increasingly on nontax revenue. The share of the latter ¹⁵ in total revenue increased from an average of 12.6 percent in the 1986-90 period to 21.9 percent in 1992-93. These revenues correspond mostly to dividends from parastatals, proceeds from the sale of government assets, and transfers from public enterprises in payment of their debt service obligations.

Beginning in 1994, the buoyant economy together with the positive impetus from the devaluation of the CFA franc contributed to a sharp recovery of revenue performance. From 1993 to 1994, total fiscal revenue surged by 74 percent, led by a 96 percent increase in tax revenue. Direct tax receipts increased by 126 percent to 12 percent of tax revenue on the strength of renewed contributions from OTP and OPAT, a 257 percent rebound in revenue from the CPSPP, as well as a doubling of the tax receipts from individuals and companies. Indirect tax receipts grew by some 76 percent from 1993 to 1994, because whereas receipts from taxes on international trade doubled mainly as a result of the devaluation, the 67 percent increase in receipts from domestic taxes on goods and services more nearly mirrored the nominal increase in domestic economic activity, as GDP in current prices grew by 50 percent.

The vigorous growth of revenue continued in 1995, with total revenue rising by some 46 percent to the equivalent of 15 percent of GDP, again, thanks primarily to a strong

¹⁴ An action plan to improve tax collection and strengthen tax administration was prepared in 1992. It was only partially implemented because of the political uncertainties.

¹⁵ Excluding the direct contribution of OTP to the government investment budget, which had averaged about CFAF 6 billion (1.5 percent of GDP) in the 1986-90 period.

(47 percent) increase in tax revenue. Direct tax receipts increased by 51 percent from 1994 to 1995, with vigorous growth registered in all key categories, while receipts from indirect taxes rose by 45 percent. After doubling in 1994, the growth of receipts from taxes on international trade slowed to 34 percent in 1995, in line with the nominal increase in the CFA franc value of imports. Meanwhile, receipts from domestic taxes on goods and services more than doubled, primarily as the result of the imposition of excise taxes on consumption of petroleum products. Thus, tax revenue accounted for 91 percent of total fiscal revenue on average in 1994-95, with nontax revenue falling to 9 percent of total revenue.

The improvement in revenue performance beginning in 1994 also reflected the impact of several tax measures implemented with the 1994 budget, including, *inter alia*, (a) the introduction of the withholding tax on imports at customs and on wholesale purchases, which can be used to offset the assessed tax liability of registered taxpayers; (b) the creation of a single unit responsible for tax assessment and collection for major taxpayers; and (c) the assignment of a single taxpayer identification number and creation of a single taxpayer registry, and a strengthening of tax administration, particularly the domestic tax service. The tax reform effort was intensified and expanded in 1995 with the introduction of a value-added tax (VAT) at rates of 7 percent and 18 percent to replace the more complicated general sales tax, further simplification of the customs tariff structure, and conversion of the remaining specific taxes (on rice, sugar, wax prints, alcoholic beverages, and tobacco products) to ad valorem rates.

E. Expenditure Trends, 1991-95

Current expenditure, excluding interest on external debt, had increased slightly in the second half of the 1980s, reaching CFAF 82 billion in 1990; it remained at this level in 1991, before falling to an average of CFAF 72 billion in 1992-93. Regarding the structure of current expenditure, the share of wages and salaries in the total increased from about 39 percent on average in 1986-90 to an average of over 45 percent in 1991-93. This reflected in part the impact of the substantial wage concessions granted in 1991 to meet demands associated with the heightened political activism of the civil service; but the trend was exacerbated because civil service staffing rigidities prevented the government from scaling back wage outlays when economic activity collapsed. In order to partially compensate for this expansion, the government curtailed the increase in spending for materials and supplies, which, after having remained constant from 1990 to 1991, declined by about 20 percent and 9 percent in 1992 and 1993, respectively. Thus, the share of the latter in total current expenditure fell to about 16 percent in 1993, from more than 19 percent in 1991. In relation to GDP, wages and salaries increased from about 8½ percent on average in 1986-90 to more than 11 percent in 1993, whereas spending on materials and supplies fell to about 4 percent of GDP in 1993.

During 1986-90, investment spending had averaged CFAF 36 billion (equivalent to just under 9 percent of GDP), of which the foreign project financing component averaged CFAF 21 billion; however, by 1993, investment outlays had fallen to less than CFAF 9 billion or, about 2.4 percent of GDP, with a foreign project financing of only CFAF 2.2 billion.

Total expenditure ballooned by some 47 percent in 1994, to CFAF 137 billion,¹⁶ mainly reflecting (a) the doubling of scheduled interest due on external debt following the devaluation, (b) a 52 percent increase in investment spending that largely was due to a four-fold increase in foreign project financing, and (c) a 35 percent rise in wage and salary expenditures that was mainly attributable to a return to work by civil servants for the whole year, when compared with the strike-induced reductions of 1993. For 1995, total expenditure rose by a modest 7.5 percent (CFAF 10 billion), reflecting mainly the offsetting effects of the 27 percent drop in scheduled interest on external debt (i.e., CFAF 7.5 billion), as against a 85 percent increase in government investment (i.e., CFAF 10.5 billion) and small increases for wages and materials and supplies. With the broad recovery in spending, the share of the wage bill in total government expenditure receded to 35.6 percent in 1995 from an average of 38.8 percent in the 1991-93 period; in relation to GDP, wages and salaries of civil servants declined to 8.1 percent of GDP in 1995.

Interest on external debt decreased from CFAF 16.9 billion in 1989 to about CFAF 13 billion in 1990 and 1991, and to CFAF 11.4 billion in 1992, reflecting the impact of the French debt cancellation under the Dakar initiative in 1989, and subsequent Paris Club reschedulings on Toronto terms; however, in the absence of a Paris Club rescheduling in 1993, scheduled interest payments on external debt increased by CFAF 2 billion. After doubling in 1994 as a result of the impact of the devaluation of the CFA franc, scheduled external interest payments declined by 27 percent as Togo benefited from a Paris Club rescheduling in February 1995.

IV. MONEY AND CREDIT

A. Institutional Framework

Togo is a member of the West African Economic and Monetary Union (WAEMU), together with Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, and Senegal. The WAEMU was established by a treaty signed in January 1994 and ratified in early August 1994. The new union preserves the monetary functions of the Western African Monetary Union (WAMU), which had been established in 1962, while extending its institutional purposes to encompass free intraregional trade, liberalization of capital movements, and harmonization of policies in the areas of taxation, human resources, urban and rural development, transportation and telecommunications, environment, agriculture, energy, industry, and mining. The WAEMU provides for centralized foreign currency reserves and a single currency, the CFA franc, which is issued by a common central bank, the Central Bank for West African States (BCEAO) which has its headquarters in Dakar, and agencies in the capitals of each of the member countries. The CFA franc has been pegged to the French franc since 1948. On January 12,

¹⁶ In relation to GDP, total expenditure declined slightly from 27.2 percent in 1993 to 26.7 percent in 1994, as the growth of total expenditure was less than the increase in nominal GDP.

1994, the fixed rate at which France guarantees the free convertibility was devalued for the first time from CFAF 50 = FF 1 to CFAF 100 = FF 1. As part of an agreement with France, the BCEAO is required to deposit the equivalent of at least 65 percent of its foreign assets in an operations account with the French Treasury, and the French Treasury in turn provides it with overdraft facilities. The BCEAO maintains a subaccount for each member state.

A Council of Ministers, composed of two ministers from each country, determines the monetary and credit policy in the WAEMU; it fixes the minimum ratio between the BCEAO's gross international reserves and its foreign liabilities, and determines the level of credit expansion compatible with this ratio. Each country also appoints two persons to the Board of Directors of the BCEAO, as does France. This board implements the monetary and credit policies based on the guidelines provided by the Council of Ministers, to achieve the targets for the external position of the union as a whole. In accordance with the decisions of the Board of Directors of the BCEAO, a national credit committee is responsible for the management of monetary and credit policy in each member country. Each national committee is chaired by the minister of finance, and comprises the country's two representative on the Board of Directors of the BCEAO; four other senior officials appointed by the government; and since March 1988, a representative appointed by France. The WAEMU has a common interest rate policy, and there are no restrictions on capital transactions within the Union.

In 1995, Togo, which produced 5.2 percent of the union's aggregate GDP, accounted for about 7.4 percent of its broad money, and contributed 5.1 percent of the union's pooled foreign reserves. The lingering effects of the political and social turmoil led to a surge in credit to the government, raising Togo's share to 7.0 percent of the BCEAO's combined lending to the central governments of union members. With the economic recovery, credit granted by the Togolese banking system to the private sector rose to 7.7 percent of total credit to the private sector in the WAEMU.

Since October 1989, the BCEAO has gradually undertaken significant reforms in the implementation of monetary policy by replacing direct instruments with indirect instruments. The principal objective of these reforms was to foster a more efficient and flexible monetary policy that contributes toward developing a market-oriented system, through the use of money market auctions and minimum reserve requirements. In June 1994, the BCEAO issued secured bonds on behalf of the governments; these bonds represent only that part of the BCEAO's consolidated claims on member governments arising from restructuring operations of the national banking systems in the late 1980s. They are expected to serve as a basis for the development of open market operations in the future.¹⁷ However, the increase in reliance on

¹⁷ The securities issued each have a nominal face value of CFAF 50 million with a 12-year maturity at 5 percent tax-exempt interest rates payable semiannually; they can be used to meet the reserve requirements of banks and are repayable at any time by the BCEAO. The Togolese share in the total scheme is CFAF 7.2 billion, representing about 2 percent of total

(continued...)

indirect instruments, and the expansion of money and interbank markets have altered the BCEAO's ability to conduct country-specific monetary policies. Moreover, given the constraints dictated by the fixed parity of the CFA franc, the BCEAO enjoys only a limited degree of independence in the conduct of its monetary policy at the regional level.¹⁸ In a major step forward, the BCEAO started auctioning central bank bills to commercial banks in the zone, in July of 1996.

Banking supervision in Togo was reinforced with the establishment in 1990 of a regional banking supervision commission (Commission Bancaire de l'Union Economique et Monétaire Ouest Africaine) to oversee all banks operating within the union (55 banks and 19 other financial institutions). To carry out its mandate, the Banking Commission conducts on-site inspections and off-site analysis of monthly statistics; it is empowered to enforce its objectives through sanctions ranging from intensified monitoring bank's activities to disciplinary decisions, such as removing managers or withdrawing a bank's operating licence.¹⁹ The commission also covers the national entities charged with recovering nonperforming loans in the context of restructuring the respective banking systems. The most recent examination of banks in Togo took place in 1996. Some banks did not respect the various prudential ratios; furthermore, Togolese banks as well as other banks in the union face obstacles in the courts in enforcing their rights as creditors.

¹⁷(...continued)

consolidated loans to the governments of the WAEMU.

¹⁸ Prior to the initiation of reforms, the conduct of monetary policy in the union relied primarily on quantitative credit ceilings, limits on access to central bank refinancing, the level of the discount interest rate, and intervention in the interbank money market. For a discussion on the monetary policy framework in the WAEMU as well as an overview of the BCEAO's monetary policy instruments, see Annex III of the IMF Occasional Paper No. 138, *Aftermath of the CFA Franc Devaluation*, Washington, May 1996. In addition, the latest report on recent economic developments in Togo (SM/94/243) provides a comprehensive description of the previous system of monetary control and the beginning of the reform process.

¹⁹ The prudential regulations that were introduced in 1991 include the following ratios: (a) a risk-weighted capital asset ratio of 4 percent, which in the future is to be raised gradually to the international standard of 8 percent; (b) a maximum ratio of 100 percent of fixed assets and participation relative to the capital base. (c) a maximum ratio of 100 percent of loans and commitments to a single borrower relative to the capital base; (d) a minimum liquidity ratio of 60 percent, defined as liquid assets in relation to short-term liabilities; (e) a maximum rate of 20 percent of the capital base for loans and commitments to a bank's staff and management; (f) a minimum ratio of long-term bank resources to long-term credit of 75 percent, intended to prevent maturity mismatching; and (g) a ratio measuring the structure and quality of a bank's credit portfolio, defined as the quotient of credits admissible to central bank refinancing to total credit, to be at least 60 percent.

The Togolese financial system²⁰ is composed of six commercial banks, a development bank, three nonbank financial institutions, and a network of savings and loan cooperatives (Appendix I, Table 39). Commercial banks dominate the market, since they account for more than three-fourths of the total assets of the system. The government holds a portion of the capital of the development bank and the two largest commercial banks and plays an active role in their management. The government, indirectly through its holdings in other public institutions, still retains of a 50 percent share of Banque Togolaise pour le Commerce et l'Industrie (BTCl). Since the departure of Crédit Lyonnais in June 1994, the government has full ownership of Union Togolaise de Banque (UTB, the other major bank in Togo). Until mid-1992, Togo benefited from a healthy and liquid financial sector. The sector was severely affected by the deepening political turbulence and economic decline. Most banks were closed for more than six months, from November 1992 until the summer of 1993, during which time the quality of assets deteriorated substantially and liquidity in the system was reduced by almost half. Togo's role as a regional business diminished.

Over the period 1994-95, Togolese banks succeeded in reversing this downward trend. Their balance sheets have started to grow again, and with operations returning to profitable levels for most banks, there has been a gradual restoration of the net worth position of banks. This improvement in profitability was attributed to the sharp decline in interest expenses paid by Togolese banks to their foreign counterparts, as a consequence of the decline in the level of international interest rates, and (to a greater extent) the relative increase in non-interest-bearing demand deposits in the banks' funding base. At end-December 1995, the net foreign position of commercial banks had returned to equilibrium as a result of the strong economic recovery that contributed to a surge in exports. This economic recovery stimulated credit demand throughout the period; thus between December 1994 and December 1995, credit to the economy rose by 28.7 percent, thanks in large part to the increased trading activity. The trade and mining sectors received the bulk of bank credit (36.4 and 32.7 percent respectively), followed by manufacturing and services (Appendix I, Table 38). Meanwhile, total bank deposits remained stable at CFAF 146 billion.

Despite its recent recovery, the banking system is plagued by serious problems. Togolese banks have a large exposure to the public sector. Difficulties in public finances triggered the accumulation of sizable arrears by the government and public enterprises. The indebtedness of the public sector to banks amounted to almost 10 percent of GDP of 1995. Most of this outstanding debt is owed by state-owned enterprises, and has been recently rescheduled. For most of the banks, loans outstanding to Office Togolais des Phosphates (OTP) account for the largest share of the total loans to the public enterprise sector. Net provisions outstanding represented almost three times the aggregate net worth of banks at

²⁰ The most recent report on recent economic developments in Togo (SM/94/243) provides a more detailed description of this and outlines the evolution of the banking system.

end-December 1995. In addition, Togolese banks continue to be burdened with high operating costs and overstaffing.

B. Recent Monetary and Credit Developments

During 1991-93, monetary developments were marked by a significant decline in the external position of the banking system. Net foreign assets fell from CFAF 81.3 billion in 1991 to CFAF 23.2 billion in 1993 (Appendix I, Tables 33), primarily because of a decrease in the net foreign assets of the central bank, from CFAF 69.6 billion at end-1991 to CFAF 24.1 billion at end-1993. Consequently, the Togolese position in the operations account with the French Treasury decreased sharply. During the same period, net domestic assets increased by the equivalent of 2.3 percent of broad money at end-December 1991, to CFAF 128.2 billion at December 1993, owing mainly to a rise in net credit to the government. At the same time, credit to the private sector decreased by 7.5 percent of broad money at end-December 1991 despite a 27.7 percent increase in credit to OTP. Reflecting these developments, broad money fell from CFAF 198.3 billion at end-December 1991 to CFAF 145.3 billion at end-December 1993.

The net foreign assets of the banking system increased by 21.9 percent of the beginning-of-period money supply in 1994. Improved export receipts, and the return of flight capital, were the most important factors behind this rise. In spite of a marginal decrease in credit to the private sector, an increase in credit to the government contributed to the growth of net domestic assets (10.2 percent of the beginning-of-period money stock). As a result, broad money increased by 32.3 percent in 1994, reflecting buoyant activity in the real sector.

The trend in net foreign assets was reversed in 1995, when they decreased from CFAF 35 billion at end-March to CFAF 24.5 billion at end-December, principally because of a decline in the external position of commercial banks. Despite an improvement in gross foreign reserves resulting from higher export receipts, the net foreign assets of these banks shrank by 47.3 percent between end-December 1994 and end-December 1995 because of an increase in their external liabilities (from CFAF 19.9 billion in 1994 to CFAF 33.7 billion in 1995), in part to finance the substantial increase in imports. In 1995, net domestic assets rose to CFAF 207.2 billion from CFAF 163 billion in 1994, owing to an increase in both net credit to the government and credit to the private sector. The rate of growth of credit to the private sector accelerated to 14.8 percent of beginning-of-period money supply in 1995, reflecting a sharp expansion in economic activity and investment. Broad money expanded by 16 percent between end-December 1994 and end-December 1995, as currency in circulation rose by 66.5 percent, while bank deposits remained unchanged.

Immediately following the devaluation, the BCEAO raised its discount rate to 14.5 percent to support the credibility of the new peg. Money market and interbank rates rose to a lesser extent in view of the zone-wide surge in liquidity in the banking system stemming from the rapid return of flight capital and sluggish credit demand. Accordingly, the BCEAO was able to lower its discount rate to 10 percent by August 1994, and to 7.5 percent by

December 1995. During the same period the average money market rate fell from 7.9 percent to 5.5 percent, while the range of interbank rates was roughly halved, to 5-6 percent (Appendix I, Table 40). However, given the comfortable liquidity position of most of the banks in the zone, trading volumes in both markets remained limited and only picked up toward the end of 1995, when financing pressure emerged in some countries of the zone as a result of an exceptionally buoyant agricultural production. For these reasons, deposit interest rates declined substantially and there was a shift in the composition from long-term deposits to short-term deposits. In addition, lending rates have declined by 2 percentage points (to 12-14 percent).

V. BALANCE OF PAYMENTS

A. Overview

The external sector of the Togolese economy is characterized by its reliance on primary commodity exports, and Togo's traditional role as a regional trade center. Adverse terms of trade developments through most of the 1980s and political disruptions from 1991 to 1993 contributed to widening current account deficits. However, the 1994 devaluation of the CFA franc brought about a reversal of the previous trend, which gained added impetus from an improvement in the terms of trade in 1995.

Domestic exports accounted for some 69 percent of total exports of goods on average over the 1991-95 period, while reexports represented about 31 percent of the total. The main domestic export commodities are phosphates, cotton, coffee, and cocoa, which together represented 83 percent of total domestic exports of goods, or 46 percent of total exports of goods and nonfactor services (GNFS) over the 1991-95 period (Appendix I, Tables 42-44.). Phosphate was Togo's most important export in 1991-93, constituting 44.1 percent of total exports on average; however, with the continuing strong growth of cotton, the share of phosphate in overall domestic exports fell to an average of 35.6 percent in 1994-95. Cotton accounted for an average of 33.2 percent of total domestic commodity exports over the 1991-95 period (and 36.6 percent in 1994-95). The combined share of coffee and cocoa averaged some 10.2 percent, down substantially from the levels of 1980s.

Togo is an important center of regional trade and finance, in part because of its port facilities. Recorded re-exports, particularly of consumer goods, which had increased from 12.6 percent of exports of goods and nonfactor services in 1985 to 27.5 percent in 1990, averaged 31.4 percent of exports of goods in 1991-95. However, part of the rapid growth is probably due to improved recording of these types of transactions. The expanding role of Togo as a service economy resulted in a declining deficit of the service balance up to 1990. The share of services in total of exports of goods and nonfactor services rose from 21.1 percent in 1985 to an average of 23.7 percent between 1991 and 1995 (Appendix I, Table 46).

B. Developments in 1991-93

During the 1991-93 period, the adverse terms of trade and the dislocations caused by the social and political turmoil led to a deterioration of Togo's balance of payments. The over-valuation of the exchange rate continued to hinder export diversification, causing export receipts to plummet, while facilitating an excessive reliance on imports. Export receipts including re-exports decreased steadily during the period under review, reflecting both price and volume declines (Appendix I, Table 44). The prices of the main export commodities plummeted in 1992-93 (cotton prices fell by 21.7 percent, and phosphate prices by 16.9 percent, while prices of coffee and cocoa dropped by 2.9 percent and 43.7 percent, respectively). Accordingly, the export price index fell by 20.0 percent over the period. The nationwide strike also depressed the level of both the production and the distribution of export commodities, as the volume of phosphates (which accounted for about 26 percent of total exports) fell drastically, from 3.1 million tons in 1991 to 1.6 million tons in 1993, while products other than cotton registered a major drop between 1992 and 1993. Meanwhile, re-exports were diverted to other regional ports because of the strike-induced interruption of activities at the Port of Lomé. Consequently, export earnings decreased by a total of 45.1 percent throughout the period.

The political and social unrest contributed to the deterioration in Togo's economic situation, which in turn brought about a 44.2 percent decline in the value of imports over the period under review. In particular, the disruptions to the Lomé harbor activities because of the sociopolitical turmoil and reduced inflows of both public and private capital investment were chiefly responsible for a decline in volume of imported goods (10.5 percent in 1992 and 35.2 percent in 1993), which more than offset an increase in the import price index. The 1993 trade deficit was correspondingly lower, dropping by the equivalent of 3.4 percent of GDP.

The services account followed a similar pattern, as service receipts fell from CFAF 48.6 billion in 1991 to CFAF 32.5 billion in 1993, mainly reflecting a decrease in re-exports to landlocked neighboring countries. Service expenses, in particular those related to imports of goods (freight, transportation, and insurance) shrank from CFAF 77.1 billion to CFAF 56.7 billion in line with the depressed domestic demand for imported goods. Thus, during the period under review, the deficit of the balance of services averaged 6.5 percent of GDP. When international assistance to Togo was interrupted, as mentioned above, inflows of public assistance and private sector remittances dwindled. Moreover, the net transfer surplus declined by two-thirds (from CFAF 29.8 billion to CFAF 11.5 billion), and the current account deficit, excluding grants, therefore reached the equivalent of 9.3 percent of GDP.

The net capital account, which had been in surplus in 1991, shifted into a deficit in 1992-93, reflecting a lower level of international assistance, and a standstill in private investment. The expectation of a devaluation also contributed to private capital outflows. Thus, the capital account deficit, which amounted to the equivalent of 4.7 percent of GDP in 1992, widened to 11.4 percent in 1993. In 1991, the overall deficit of the balance of payments was essentially financed by a rescheduling of debt vis-à-vis the Paris Club creditors.

The large 1992-93 deficit was covered by gross reserves, which decreased by CFAF 22.7 billion and by CFAF 35.4 billion, respectively, in 1992 and 1993. As a result, gross reserves represented 4.3 months of imports in 1993, down from 5.5 in 1991.

C. Recent Developments

The 1994 exchange rate devaluation has had positive effects in the external sector. Following the January 1994 devaluation of the CFA franc, the real effective exchange rate, based on relative consumer prices, declined by 34.5 percent, thus contributing to an improvement in the competitiveness of the Togolese economy. This development, combined with an amelioration of political and security conditions, led to a strong rebound in earnings from key exports. Moreover, as a result of a shift in domestic demand toward local products, the volume of imports dropped by 18.3 percent, thus contributing to a trade account surplus and an improvement in the current account balance. The resumption of external assistance, particularly project loans, together with a rise in private capital inflows, also resulted in a strengthening of the capital account after two years of massive outflows, with an ensuing increase in the Togolese contribution to the BCEAO reserves. As an important regional trade center, Togo also benefited from the economic recovery in neighboring landlocked countries (Burkina Faso, Mali, and Niger), which fostered a pickup in harbor activity in Lomé and related services provided by Togolese companies.

In 1995, the trade balance also improved, reflecting an improvement in Togo's terms of trade, as export prices (excluding phosphates) rose on average by 14.9 percent, while import prices fell by 1.1 percent. Meanwhile, service receipts increased, principally because of the continued recovery of services related to the re-exports of goods, and official grants rose by 62.6 percent. Thus, the current account deficit, excluding grants, improved markedly in terms of GDP. At the same time, the capital account deficit widened, owing to a slowdown in the disbursement of nonproject loans and an outflow of private capital. Accordingly, the overall balance of payments recorded a large deficit; however, Togo benefitted from a debt rescheduling vis-à-vis Paris Club creditors in 1995. Overall, the external position strengthened throughout the period.

D. Trends in Merchandise Trade

Exports

Export receipts for goods, which had declined in 1992 and 1993, rose sharply in 1994, reflecting predominantly favorable developments in prices in CFA franc terms and a pickup in re-exports to the neighboring countries. Compared with 1993, exports (f.o.b.), excluding reexports, expanded vigorously (from CFAF 39.8 billion in 1993 to CFAF 92.4 billion in 1994), mainly on the strength of a surge in key commodities prices. In addition, the volume of phosphate exports grew by 37.5 percent in 1994, as Togo was able to recapture a large part of the market share lost during the strike. Re-export trade recovered as the Lomé harbor

resumed its activities and the neighboring countries experienced economic recovery. On the whole, export receipts amounted to CFAF 125.5 billion in 1994 (24.5 percent of GDP), rising from CFAF 60.9 billion in 1993 (17.7 percent of GDP) and CFAF 86.5 billion in 1992 (19.9 percent of GDP).

Developments in 1995 were characterized by a further surge in export receipts, particularly for cotton, coffee, and phosphate. Cotton receipts expanded strongly, owing to improved export prices, and the startup of a private ginnery (SICOT). Cotton volume increased by 22 percent as a result of a rise in production (a record 132,000 tons in 1994/95, from 84,400 tons in 1993/94). The re-export of ginned cotton imported from Benin and processed by SICOT, also helped to raise the volume of total cotton exports. Meanwhile, the volume of phosphate exports grew by almost 15 percent, reflecting the continued effort by OTP to retain its traditional clients and to capture new markets; nevertheless, the volume of phosphate exports remained below the 1991 level. Attractive producer prices led to an increase of 16.5 percent in the volume of coffee, while the volume of cocoa declined by 14.5 percent. With the exception of phosphates, which suffered a price decline of 5.2 percent, all major export commodities benefited from significant world market price increases: cotton prices climbed from CFAF 638/kg in 1994 to CFAF 759.8/kg in 1995, coffee from CFAF 509.5/kg in 1994 to CFAF 831.7/kg in 1995, and cocoa rose from CFAF 685.4/kg in 1994 to CFAF 710.3/kg in 1995. Re-exports increased by 39.8 percent in 1995, owing to an improvement in the management of the Lomé harbor. Thus, the share of re-exports to total exports remained unchanged at almost 27 percent in 1995.

Imports

In response to the realignment of the exchange rate in January 1994, the value of imports (f.o.b.) expressed in local currency rose by 65.5 percent (from CFAF 71.1 billion to CFAF 117.1 billion) in 1994 from the exceptionally low level in 1993. In relation to GDP, imports rose from 20.7 percent in 1993 to 22.8 percent in 1994, thanks primarily to a surge in imports of intermediate goods and capital equipment, in line with the economic recovery. In contrast, there was a shift in domestic demand of consumer goods toward local products brought about by a 101 percent increase in import prices (expressed in local currency), thus contributing to an 18.3 percent decrease in the overall volume of imports. The value of imports (f.o.b.) rose significantly in 1995, mainly reflecting a 41.3 percent increase in volume that stemmed from a rebound in the import of foodstuffs, as well as a continued strong demand for intermediate and capital goods. With a 30 percent share of total imports (c.i.f.) in 1995, consumer goods continue to account for the largest proportion of total imports. The share of intermediate goods expanded from 17.1 percent in 1992 to 25.1 percent in 1994, before dropping to 21 percent in 1995. Capital equipment reached a record level of 23.2 percent of imports by 1995, following the devaluation and a resumption of foreign project financing. The share of petroleum products imports increased steadily from 6.8 percent in 1991 to 10.4 percent in 1995, driven by the growth in economic activity. Total imports (f.o.b.) rose to CFAF 164.4 billion in 1995, up from CFAF 117.7 billion in 1994.

Terms of trade

Togo's terms of trade deteriorated in 1992-93, owing to a fall in prices of its principal commodities. After declining by 4.3 percent in 1992, the terms of trade tumbled by another 10.7 percent in 1993, reflecting mainly a decrease of 9.7 percent in export unit prices. This was principally due to the decreases in cotton and phosphate prices of 21 percent and 4 percent, respectively. The relative increase in import unit prices of 1.3 percent corresponded almost entirely to an appreciation of the CFA franc vis-à-vis Togo trading partners' currencies. In 1994, import prices increased by more than export prices, resulting in a depreciation of 3 percent in the terms of trade. In spite of a decline in phosphate prices (in CFA franc terms), the terms of trade improved markedly (16.6 percent) in 1995.

E. Services and Unrequited Transfers

During the period 1991-93, the deficit of the balance in the services account was broadly stable, averaging CFAF 26.5 billion. This development resulted from the interaction of three factors: a decline in expenses (freight, insurance, and transport) related to imports of goods, lower scheduled interest payments due, and a shift into deficit of the balance of services for travel and tourism. The deficit increased in 1994, reflecting a higher scheduled interest payments in CFA franc terms and higher service costs related to imports. In 1995, despite an increase in import-related service costs, this deficit shrank, owing to a reduction in scheduled interest payments (Appendix I, Table 46.).

Net private transfers gained momentum in 1994, when emigrants' remittances rose by 74.1 percent in CFA franc terms, in spite of constraints put on transfers from subregion countries hosting Togolese emigrants. Private transfer inflows are estimated to have increased by 17 percent in 1995 because of an improved economic environment. The balance on public transfers fell sharply in the period 1991-93, reflecting a substantial decrease in external budgetary and project assistance. In 1994, inflows picked up sharply as Togo implemented an adjustment program, and they continued to recover in 1995, returning to their 1992 level.

F. Capital Account and Financing

The capital account weakened over 1991-93, shifting from a modest positive inflow of CFAF 1.7 billion in 1991 to a large outflow of CFAF 39 billion in 1993. This was attributable to a slowdown in official disbursements because of the sociopolitical problems indicated above; private capital outflows that stemmed from a growing lack of confidence in Togo's economy; and rumors of an impending devaluation. Private capital outflows reached 6.9 percent of GDP in 1993. In 1994, the capital account balance turned into a large surplus (CFAF 12.9 billion) because of a resumption in disbursements of international loans (4 percent of GDP), capital repatriation in the wake of the devaluation, and the reduction of sociopolitical tensions. In 1995, the capital account reverted to a deficit, owing to sharply lower international loan disbursements (in particular delays from the World Bank) and a reversal in the direction of private short-term capital flows.

The deterioration of the balance of payments in 1992-93 brought about a substantial decrease in gross external reserves. However, the improvement in the external situation in 1994 led to an increase in Togo's contribution to the net foreign reserves of the regional central bank. In spite of a decline in the external situation of the country's commercial banks, owing to a rise in foreign liabilities in 1995, the national agency of the central bank was able to achieve a modest strengthening of its international reserves.

VI. EXTERNAL DEBT

From end-1993 to end-1995 the outstanding stock of public and publicly-guaranteed debt (including arrears) increased from CFAF 363.9 billion to CFAF 710.1 billion. Adjusted for the effect of the 1994 devaluation, however, the stock of debt decreased by CFAF 15.7 billion. In terms of GDP, the stock of debt increased from 106.2 percent to 109.8 percent (Appendix, Table 47). No new loans were contracted during this period; however, of four loans that had been contracted in 1992, with the International Fund for Agricultural Development, the African Development Bank, and the African Development Fund, the first disbursements were delayed until 1995. All the recorded debt was owed by the central government.

At the end of 1995, 54.2 percent of the stock of debt was owed to multilateral institutions, especially IDA (36.8 percent of the total), 33.3 percent to bilateral creditors, 8.9 percent to the IMF, and 3.6 percent to commercial banks. Almost all bilateral debt was owed to Paris Club creditors.

The debt-service ratio (measured in terms of exports of goods and nonfactor services) increased slightly between 1993 and 1994, from 38.2 percent to 38.8 percent, and fell sharply in 1995, to 22.9 percent. This decrease reflected the absence of late interest charges, and lower scheduled principal payments to Paris Club creditors. An agreement was reached with the Paris Club in February 1995 to reschedule on Naples terms the country's debt service and arrears on previously rescheduled debt.²¹ The consolidation period covers January 1, 1995 through September 30, 1997. France forgave CFAF 25 billion of its loans to Togo in 1994. Negotiations with the London Club on a commercial debt buy-back operation which is mostly in arrears, have not yet been concluded.

²¹The agreement covers debt previously rescheduled on nonconcessional terms or on Toronto terms. Concerning the latter category, the already attained reduction in the net present value of arrears is topped up to 67 percent, while current maturities were reprofiled nonconcessionally over 23 years with a 6-year grace period. Debt previously rescheduled on London terms in 1991 is not covered by the new arrangement.

The net accumulation of external arrears totaled CFAF 49.9 billion in 1994. By contrast, rescheduling (CFAF 102.8 billion) and some cash payments (CFAF 12.3 billion) led to a net reduction of arrears of CFAF 65.9 billion in 1995, with the stock of arrears falling to CFAF 13.4 billion.

CHART 1

TOGO
SELECTED ECONOMIC INDICATORS, 1991-95

Sources: IMF, World Economic Outlook; staff estimates and projections.

CHART 2
 TOGO
 NOMINAL AND REAL EFFECTIVE EXCHANGE RATES, JANUARY 1990-SEPTEMBER 1996
 (Base 1990 = 100)

Source : Information Notice System, IMF.

Table 1. Togo: Gross Domestic Product by Sector of Origin, 1991-95 1/

(In billions of CFA francs)

	1991	1992	1993	Est. 1994	Est. 1995
(In current prices)					
Primary sector	148.4	158.0	154.2	171.1	207.2
Foodcrops	88.6	101.0	105.0	92.7	125.4
Cash crops	14.2	10.3	13.0	28.3	22.1
Other 2/	45.5	46.8	36.2	50.1	59.6
Secondary sector	113.7	98.9	69.1	117.7	151.1
Mining	26.8	17.2	13.4	28.1	32.3
Phosphate rock	24.7	15.1	12.5	26.5	29.7
Other	2.1	2.1	0.9	1.6	2.6
Manufacturing	50.2	47.5	29.9	49.0	64.0
Construction	14.7	13.6	6.1	15.9	24.4
Energy	22.0	20.6	19.6	24.8	30.5
Tertiary sector	189.9	177.2	119.3	224.2	288.4
Commerce and tourism	93.3	86.3	49.8	104.8	143.2
Transport and communications	27.6	25.4	14.3	37.3	49.5
Public services	36.7	36.7	27.5	36.1	37.3
Other services	32.3	28.8	27.7	46.0	58.4
GDP at market prices	452.0	434.0	342.6	513.1	646.7
Change in percent	-0.7	-4.0	-21.1	49.8	26.0
(In 1978 prices)					
Primary sector	76.3	77.3	81.9	72.6	74.0
Foodcrops	42.0	43.1	54.2	41.1	44.5
Cash crops	9.6	7.4	7.2	10.4	7.7
Other 2/	24.7	26.8	20.5	21.1	21.8
Secondary sector	51.6	47.6	33.7	42.5	48.3
Mining	17.3	12.4	10.4	12.9	15.2
Phosphate rock	16.6	11.7	10.1	12.2	14.4
Other	0.7	0.7	0.3	0.6	0.7
Manufacturing	19.3	19.9	12.3	15.3	16.9
Construction	6.9	7.0	3.1	6.1	7.9
Energy	8.0	8.3	7.8	8.2	8.4
Tertiary sector	94.9	88.8	58.6	85.5	94.4
Commerce and tourism	48.4	44.7	25.3	38.1	43.9
Transport and communications	12.3	11.3	6.2	12.3	13.8
Public services	20.4	20.4	15.3	20.4	21.0
Other services	13.9	12.4	11.7	14.7	15.7
GDP at 1978 prices	222.9	213.7	174.1	200.6	216.7
Change in percent	-0.7	-4.1	-18.5	15.2	8.1
GDP deflator	202.8	203.1	196.8	255.8	298.4
Change in percent	0.0	0.2	-3.1	30.0	16.6

Sources: Ministère du Plan et de l'Aménagement du Territoire, Direction de la Statistique; Banque Centrale des Etats d'Afrique de l'Ouest (BCEAO); and staff estimates.

1/ At market prices.

2/ Includes forestry, fishing, livestock, and hunting.

Table 2. Togo: Sectoral Composition and Growth of GDP, 1991-95 1/

	1991	1992	1993	Est. 1994	Est. 1995
(In percent of nominal GDP)					
Primary sector	32.8	36.4	45.0	33.4	32.0
Foodcrops	19.6	23.3	30.6	18.1	19.4
Cash crops	3.2	2.4	3.8	5.5	3.4
Other 2/	10.1	10.8	10.6	9.8	9.2
Secondary sector	25.2	22.8	20.2	22.9	23.4
Mining	5.9	4.0	3.9	5.5	5.0
Phosphate rock	5.5	3.5	3.6	5.2	4.6
Other	0.5	0.5	0.3	0.3	0.4
Manufacturing	11.1	10.9	8.7	9.5	9.9
Construction	3.3	3.1	1.8	3.1	3.8
Energy	4.9	4.8	5.7	4.8	4.7
Tertiary sector	42.0	40.8	34.8	43.7	44.6
Commerce and tourism	20.6	19.9	14.5	20.4	22.1
Transport and communications	6.1	5.9	4.2	7.3	7.7
Public services	8.1	8.5	8.0	7.0	5.8
Other services	7.1	6.6	8.1	9.0	9.0
GDP at market prices	100.0	100.0	100.0	100.0	100.0
(Annual growth rate in constant prices)					
Primary sector	-1.1	1.2	6.0	-11.4	2.0
Foodcrops	-5.1	2.6	25.9	-24.2	8.2
Cash crops	8.5	-23.1	-2.7	44.5	-25.5
Other 2/	2.6	8.3	-23.6	3.0	3.4
Secondary sector	7.1	-7.7	-29.3	26.3	13.8
Mining	19.7	-28.6	-15.9	23.4	17.9
Phosphate rock	21.6	-29.8	-13.5	21.2	17.8
Other	-13.6	2.1	-55.7	95.4	20.0
Manufacturing	5.2	2.8	-37.9	24.4	10.1
Construction	-13.5	2.1	-55.6	95.4	28.7
Energy	9.3	3.7	-6.6	5.2	3.0
Tertiary sector	-4.1	-6.5	-34.0	46.0	10.4
Commerce and tourism	-4.8	-7.5	-43.4	50.3	15.2
Transport and communications	-8.0	-8.0	-44.7	97.1	12.0
Public services	1.0	0.0	-25.0	33.3	3.0
Other services	-5.6	-11.0	-5.5	25.8	7.0
GDP at 1978 prices	-0.7	-4.1	-18.5	15.2	8.1

Sources: Ministère du Plan et de l'Aménagement du Territoire, Direction de la Statistique; Banque Centrale des Etats d'Afrique de l'Ouest (BCEAO); and staff estimates.

1/ At market prices.

2/ Includes forestry, fishing, livestock, and hunting.

Table 3. Togo: Supply and Use of Resources at Current Market Prices, 1991-95

	1991	1992	1993	Est. 1994	Est. 1995
(In billions of CFA francs)					
Supply of resources	639.8	596.0	454.7	699.9	891.7
Gross domestic product at market prices	452.0	434.0	342.6	513.1	646.7
Imports of goods and nonfactor services	187.7	162.0	112.1	186.9	245.1
Use of resources	639.8	596.0	454.7	699.9	891.7
Total consumption expenditure	411.2	412.4	351.8	465.5	581.1
Private sector	342.1	351.8	290.5	389.8	495.8
Government	69.1	60.6	61.3	75.6	85.4
Gross domestic investment	77.4	62.9	17.6	67.8	90.5
Fixed capital formation	81.6	70.0	38.0	58.4	86.5
Nongovernment	61.1	54.3	29.8	46.0	63.7
Of which					
Public enterprises	25.9	12.4	3.9	3.6	13.3
Government	20.4	15.7	8.2	12.4	22.9
Changes in stocks	-4.2	-7.1	-20.4	9.4	4.0
Exports of goods and nonfactor services	151.2	120.7	85.2	166.7	220.1
Resource balance	-36.6	-41.3	-26.9	-20.2	-25.0
Memorandum items:					
Gross domestic savings	40.8	21.6	-9.3	47.6	65.5
Gross national savings	61.9	38.1	-5.2	36.6	72.6
(In percent of nominal GDP)					
Total consumption expenditure	91.0	95.0	102.7	90.7	89.9
Private sector	75.7	81.1	84.8	76.0	76.7
Government	15.3	14.0	17.9	14.7	13.2
Gross domestic investment	17.1	14.5	5.1	13.2	14.0
Fixed capital formation	18.0	16.1	11.1	11.4	13.4
Nongovernment	13.5	12.5	8.7	9.0	9.8
Of which					
Public enterprises	5.7	2.9	1.1	0.7	2.1
Government	4.5	3.6	2.4	2.4	3.5
Gross domestic savings	9.0	5.0	-2.7	9.3	10.1
Gross national savings	13.7	8.8	-1.5	7.1	11.2
Resource balance	-8.1	-9.5	-7.9	-3.9	-3.9

Sources: Ministère du Plan et de l'Aménagement du Territoire, Direction de la Statistique; Banque Centrale des Etats d'Afrique de l'Ouest (BCEAO); and staff estimates.

Table 4. Togo: National Income at Market Prices, 1991-95

	1991	1992	1993	Est. 1994	Est. 1995
(In billions of CFA francs)					
Gross domestic product at factor costs	408.3	402.7	324.7	481.9	603.5
Indirect taxes minus subsidies	43.7	31.3	17.9	31.2	43.2
Gross domestic product at market prices	452.0	434.0	342.6	513.1	646.7
Net factor income from the rest of the world 1/	-8.7	-7.3	-7.5	-28.6	-19.1
Gross national product at market prices	443.3	426.8	335.1	484.5	627.6
Net transfers from the rest of the world	29.8	23.8	11.5	17.6	26.1
National income at market prices	473.2	450.6	346.6	502.1	653.7
National income at 1978 prices	233.3	221.8	176.2	196.2	219.0
<u>Memorandum items:</u>					
(In units indicated)					
Population (in millions)	3.589	3.693	3.807	3.928	4.052
Per capita income (in thousands of CFA francs)	131.8	122.0	91.0	127.8	161.3
Real per capita income at 1978 prices (in thousands of CFA francs)	65.0	60.1	46.3	50.0	54.1

Sources: Ministère du Plan et de l'Aménagement du Territoire, Direction de la Statistique; Banque Centrale des Etats d'Afrique de l'Ouest (BCEAO); and staff estimates.

1/ Net investment income minus interest on external debt. The major component of the former is accrued interest on central bank reserves held on deposit in the operations account of the French Treasury.

Table 5. Togo: Investment-Saving Balance, 1991-95 1/

(In percent of GDP)

	1991	1992	1993	Est. 1994	Est. 1995
Gross investment	17.1	14.5	5.1	13.2	14.0
Government investment	4.5	3.6	2.4	2.4	3.5
Nongovernment investment 2/	12.6	10.9	2.8	10.8	10.5
Domestic savings	9.0	5.0	-2.7	9.3	10.1
Government savings	-1.1	-1.4	-11.5	-6.5	-2.4
Nongovernment savings	10.1	6.3	8.8	17.2	15.2
Investment-savings balance	8.1	9.5	7.9	3.9	3.9
Government	5.6	5.0	13.9	9.0	5.9
Nongovernment	2.5	4.5	-6.0	-6.4	-4.8
National savings 3/	13.7	8.8	-1.5	7.1	11.2
Government savings	-4.0	-3.7	-15.3	-11.3	-4.8
Nongovernment savings	17.7	12.5	13.8	18.4	16.0
Memorandum items:					
Unrequited transfers	6.6	5.5	3.4	3.4	4.1
<i>Of which</i>					
Project grants	1.5	1.6	0.3	0.8	0.6
Program grants	0.0	0.3	0.0	0.7	0.7
Net service income from abroad	-1.9	-1.7	-2.2	-5.6	-2.9
<i>Of which</i>					
Net interest on external debt	-2.9	-2.6	-3.9	-5.4	-3.2

Source: Staff estimates.

1/ The nongovernment sector includes public enterprises

2/ Includes changes in stocks.

3/ Defined as domestic savings plus unrequited transfers, excluding project grants, plus net factor income from abroad.

Table 6. Togo: Price Structure of Coffee, Cocoa, and Cotton
Marketed by OPAT, 1991/92-1995/96 1/

(In CFA francs per kilogram)

	1991/92	1992/93	1993/94	1994/95	1995/96
Coffee					
1. Producer price	185.0	140.0	350.0	650.0	750.0
2. Marketing and distribution costs	71.8	73.6	150.5	83.6	90.5
Middlemen's commission	15.5	12.0	14.5	19.5	19.5
Transport	10.7	10.7	10.7	13.4	13.4
Fixed general charges	2.0	2.0	2.0	3.0	3.0
Other distribution costs	43.7	48.9	124.0	47.7	54.6
3. F.o.b. cost price 3/ (1+2)	256.8	213.6	500.5	733.6	840.5
Cocoa					
1. Producer price	250.0	225.0	550.0	550.0	450.0
2. Marketing and distribution costs	50.8	40.2	143.0	64.5	66.1
Middlemen's commission	14.7	12.0	14.5	19.5	19.5
Transport	11.0	11.0	11.0	13.8	14.0
Fixed general charges	2.0	2.0	2.0	3.0	3.0
Other distribution costs 2/	23.1	15.2	115.5	28.2	29.6
3. F.o.b. cost price 3/ (1+2)	300.8	265.2	693.0	614.5	516.1
Cotton 4/					
1. Producer price	100.0	90.0	110.0	145.0	170.0
Equivalent price for fiber	238.1	214.3	265.1	349.4	409.6
2. Marketing and ginning costs	155.0	57.9	258.0	174.1	172.4
Transport	8.0	11.6	11.6	11.6	11.6
Ginning and packaging costs 2/	147.0	46.3	246.4	162.5	160.8
3. F.o.b. cost price 3/ (1+2)	393.1	272.2	523.0	523.5	582.1

Source: Office des Produits Agricoles du Togo (OPAT).

1/ October 1 to September 30.

2/ Including some administrative expenses.

3/ Excluding handling, storage costs, input subsidies, and OPAT's administrative costs. Also excludes export and sales taxes.

4/ The price was raised from CFAF 90 to CFAF 110 in February 1994.

Table 7. Togo: Marketing Operations of OPAT by Main Export Crops,
1991/92-1995/96 ^{1/}

	1991/92	1992/93	1993/94	1994/95	<u>Estimate</u> 1995/96
(In thousands of metric tons)					
Coffee					
Purchases by OPAT	24.9	6.3	11.0	10.2	5.0
Exports	18.9	13.0	10.0	11.5	5.0
Cocoa					
Purchases by OPAT	4.1	6.0	7.2	2.0	5.0
Exports	6.1	5.5	5.1	4.3	5.0
Cotton					
Purchases by SOTOCO (unginned cotton)	93.0	99.9	84.4	131.7	102.1
Purchases by OPAT (ginned cotton)	40.7	42.0	38.8	50.0	2.0 ^{2/}
Exports by OPAT (ginned cotton)	37.1	43.4	45.0	53.2	2.0 ^{2/}
(In CFA francs per kilogram)					
Coffee					
F.o.b. cost price ^{3/}	256.8	213.6	500.5	733.6	840.5
Average export price, f.o.b	248.0	249.3	509.5	832.5	1,069.6
Profits/Losses (-) ^{4/}	-8.8	35.7	9.0	98.8	229.1
Cocoa					
F.o.b. cost price ^{3/}	300.8	265.2	693.0	614.5	516.1
Average export price, f.o.b	444.0	277.1	685.4	716.6	739.2
Profits/Losses (-) ^{4/}	143.2	11.9	-7.6	102.1	223.2
Cotton (Allen)					
F.o.b. cost price ^{3/}	393.1	349.7	523.0	523.5	582.1
Average export price, f.o.b	386.0	342.1	638.0	761.4	713.8
Profits/Losses (-) ^{4/}	-7.1	-7.5	115.0	237.9	131.7

Sources: Office des Produits Agricoles du Togo (OPAT); Société Togolaise du Coton (SOTOCO); and staff estimates.

^{1/} October 1 to September 30.

^{2/} In 1995/96, 31,017 tons of ginned cotton were produced and exported by SOTOCO, and 27,250 tons of ginned cotton were produced by the Société Industrielle de Coton (SICOT).

^{3/} Excluding handling, storage costs, input subsidies.

^{4/} Before deduction of handling, storage costs, and subsidies.

Table 8. Togo: Balance Sheet of OPAT, 1991/92–1994/95 ^{1/}

(In billions of CFA francs; end of period)

	1991/92	1992/93	1993/94	1994/95
Assets	<u>10.28</u>	<u>14.97</u>	<u>15.70</u>	<u>20.24</u>
Liquid assets	0.39	0.57	0.09	2.23
Currency and other demand deposits	0.39	0.57	0.09	0.23
Deposits with Treasury	0.00	0.00	0.00	0.00
Other time deposits	0.00	0.00	0.00	2.00
Claims to be recovered	3.86	6.15	9.59	13.61
Stocks	3.63	5.87	3.65	1.18
Export products	3.25	5.45	3.40	1.13
Raw materials	0.38	0.42	0.25	0.05
Investments	2.40	2.38	2.37	3.22
Long-term credit to public sector	0.00	0.00	0.00	0.00
Participation in enterprise share capital	0.48	0.48	0.54	2.17
Net fixed assets	1.92	1.90	1.83	1.05
Liabilities	<u>10.28</u>	<u>14.97</u>	<u>15.70</u>	<u>20.24</u>
Debts	10.70	12.90	12.45	15.41
Profit tax due	0.00	0.00	0.00	3.07
Other items	10.70	12.90	12.45	12.34
Net capital	-0.42	2.07	3.25	4.83
Accumulated reserves	1.90	1.28	1.55	1.69
Legal reserves	0.00	0.00	0.00	0.01
Provisions ^{2/}	0.00	0.00	0.36	0.00
Net profits	-2.32	0.79	1.70	3.13

Source: Office des Produits Agricoles du Togo (OPAT).

^{1/} The financial year of OPAT runs from October 1 until September 30.^{2/} Mainly for price-support operations.

Table 9. Togo: Income Statement of OPAT, 1991/92–1994/95 ^{1/}

(In millions of CFA francs)

	1991/92	1992/93	1993/94	1994/95
Gross sales	<u>22,695</u>	<u>17,845</u>	<u>38,250</u>	<u>53,981</u>
Cocoa	2,436	1,509	3,783	3,486
Coffee	5,207	3,237	5,587	10,533
Cotton	15,050	13,099	28,827	39,945
Groundnuts	0	0	0	0
Palm products	0	0	0	0
Other	2	0	53	17
Crop purchases ^{2/}	<u>22,260</u>	<u>15,441</u>	<u>24,417</u>	<u>33,848</u>
Trading profits	<u>435</u>	<u>2,404</u>	<u>13,833</u>	<u>20,133</u>
Nontrading revenues (including investment income)	<u>22</u>	<u>37</u>	<u>112</u>	<u>538</u>
Gross profits	<u>457</u>	<u>2,441</u>	<u>13,945</u>	<u>20,671</u>
Subsidies paid	85	225	1,461	1,001
Other charges	2,357	1,162	10,398	13,468
Net profits before taxes	<u>(1,985)</u>	<u>1,054</u>	<u>2,086</u>	<u>6,202</u>
<u>Memorandum item :</u>				
Transfers to the budget ^{3/}	<u>340</u>	<u>49</u>	<u>0</u>	<u>0</u>

Source: Office des Produits Agricoles du Togo (OPAT).

^{1/} Fiscal year: October 1 to September 30.^{2/} Includes various related expenses.^{3/} On a calendar-year basis.

Table 10. Togo: Income Statement of SOTOCO, 1993/94–1995/96

(In millions of CFA francs)

	1993/94	1994/95	1995/96
Total revenues	<u>17.91</u>	<u>23.21</u>	<u>38.56</u>
Sales of ginned cotton	13.85	17.27	29.46
Sales of cotton seed	0.66	0.86	0.30
Accumulation of stocks	0.15	0.05	0.03
Sales of agricultural inputs	2.08	2.70	2.91
Other sales	0.12	0.01	0.81
Other revenues	1.05	2.33	5.07
Total costs	<u>17.94</u>	<u>23.14</u>	<u>36.91</u>
Crop purchases	8.96	10.77	18.96
Variations in stock of cotton seeds	0.04	-0.06	0.00
Purchases of agricultural inputs	2.77	2.71	4.63
Other purchases	1.09	1.40	3.60
Personnel costs	1.34	1.58	1.98
Taxes	0.07	0.37	1.17
External services	0.86	1.80	3.51
Transportation	0.49	0.54	0.52
Overhead costs	0.14	0.05	0.08
Interest	0.20	0.21	0.17
Other financial costs	0.03	0.00	0.00
Other costs	1.95	3.77	2.30
Profit/Loss	<u>-0.03</u>	<u>0.07</u>	<u>1.65</u>

Source: Société Togolaise de Coton (SOTOCO).

Table 11. Togo: Foodcrops – Acreage, Production, and Yield, 1991/92–95/96 ^{1/}

(Area in thousands of hectares; production in thousands of metric tons;
yield in tons per hectare)

	1991/92	1992/93	1993/94	1994/95	<u>Estimate</u> 1995/96
Cassava					
Area planted	65.6	65.7	56.8	70.1	77.0
Production	510.5	452.0	389.4	411.8	466.8
Yield	9.70	9.40	9.00	8.10	9.50
Sweet potatoes					
Area planted	41.7	44.2	51.3	38.2	45.3
Production	376.5	368.0	530.4	375.2	411.2
Yield	9.10	8.70	10.30	9.90	10.40
Corn					
Area planted	255.4	274.2	338.9	289.6	260.4
Production	231.4	278.1	393.1	269.4	225.1
Yield	0.89	0.98	1.20	0.99	0.85
Millet and sorghum					
Area planted	324.6	280.1	345.7	277.4	250.7
Production	191.2	187.6	201.5	129.8	191.6
Yield	0.67	0.76	0.68	0.60	0.61
Rice					
Area planted	24.2	13.7	28.2	41.0	28.7
Production	39.3	25.3	34.0	38.8	39.7
Yield	2.10	2.00	1.40	1.20	2.00
Beans					
Area planted	88.2	97.7	180.1	66.6	103.2
Production	17.0	23.8	38.6	21.5	22.5
Yield	0.35	0.24	0.43	0.43	0.35
Groundnuts					
Area planted	39.7	44.1	73.5	79.1	58.1
Production	21.8	33.2	34.7	29.9	27.2
Yield	0.54	0.90	0.57	0.46	0.50

Source: Direction des Enquêtes et Statistiques Agricoles.

^{1/} Crop year from April 1 to March 31. Yield adjusted to take multicropping into account.

Table 12. Togo: Number of Livestock, 1991-95

(In thousands of head)

	1991	1992	1993	1994	<u>Est.</u> 1995
Cattle	247	251	248	244	239
Sheep and goats	2,650	2,703	2,676	2,730	2,740
Pigs	425	434	429	421	408
Poultry	5,920	5,742	5,685	5,571	5,738

Source: Direction des Enquêtes et Statistiques Agricoles.

Table 13. Togo: Balance Sheet of OTP, 1991-95

(In billions of CFA francs; end of period)

	1991	1992	1993	1994	1995
Assets	69.06	70.72	76.74	74.77	104.32
Liquid assets	4.81	4.60	3.71	6.10	3.62
Accounts receivable	23.96	16.53	28.89	23.82	15.20
Stocks	6.91	6.08	5.92	8.20	6.98
Investments	32.58	34.51	31.77	36.65	78.52
Physical investments	19.43	19.24	17.14	15.90	38.51
Other	13.15	15.27	14.63	20.75	40.01
Losses	0.80	8.54	6.44	0.00	0.00
Liabilities	69.06	70.72	76.54	74.77	104.32
Debts	50.23	55.23	67.71	72.38	69.37
Bank debt	20.28	20.49	28.82	29.77	15.94
Accounts payable	5.77	2.78	3.73	4.16	6.98
Incurred expenses	9.12	17.66	22.04	14.54	14.74
Medium- and long-term debt	15.07	14.30	13.12	23.90	31.71
Capital and reserves	18.63	15.49	9.02	1.22	17.51
Profits	0.00	0.00	0.00	1.17	1.26

Source: Office Togolais des Phosphates (OTP).

Table 14. Togo: Financial Operations of OTP, 1991-95

(In billions of CFA francs)

	1991	1992	1993	1994	1995
Total receipts	<u>35.82</u>	<u>25.22</u>	<u>15.90</u>	<u>39.13</u>	<u>44.16</u>
Export receipts ^{1/}	35.24	21.24	14.84	37.26	40.84
Other	0.58	3.98	1.06	1.87	3.32
Operating costs	23.68	21.47	12.29	24.66	...
Other administrative expenses	0.57	0.66	0.88	0.61	...
Amortization and provision	4.00	5.83	3.77	4.81	...
Financial costs	4.24	5.46	4.90	5.22	...
Of which:					
interest on short-term bank credit	3.00	3.03	3.36	3.10	...
Net margin before transfers to the government	<u>3.33</u>	<u>-8.20</u>	<u>-5.94</u>	<u>3.83</u>	<u>1.85</u>
Gross transfers to the government	<u>8.80</u>	<u>2.26</u>	<u>0.87</u>	<u>0.85</u>	<u>4.22</u>
Transfers to the Treasury	3.00	0.00	0.00	0.00	0.00
Participation in government investment	3.80	0.15	0.00	0.00	0.00
Other tax and nontax transfers to the government	2.00	2.11	0.87	0.85	4.22
Memorandum items:					
Production of phosphate rock (in millions of metric tons)	2.96	2.08	1.79	2.18	2.57
Exports of phosphate rock (in millions of metric tons)	3.07	2.09	1.57	2.23	2.65
Export price of phosphate rock (in millions of CFA francs per metric ton)	11.66	11.39	10.13	17.40	15.40

Source: Office Togolais des Phosphates (OTP).

^{1/} Export receipts reported by OTP may not correspond exactly to those of the balance of payments (Table 46) because of different assumptions regarding both export volume and price.

Table 15. Togo: Value Added of Manufacturing Industry, 1991-95

(In billions of CFA francs at current prices)

	1991	1992	1993	Estimates	
				1994	1995
Food, beverages, and tobacco	24.5	30.1	18.9	30.7	40.1
Textiles, clothing, and leather goods	7.0	4.8	2.7	3.5	4.5
Wood industry, and wood products	5.6	3.2	1.6	2.2	2.8
Paper, printing, and publishing	2.0	1.9	2.1	2.8	3.3
Chemical industry	2.8	2.7	1.9	3.6	4.6
Nonmetallic products	5.2	2.9	1.7	3.3	4.8
Steel industry	0.6	0.0	0.0	0.0	0.0
Metallic goods	2.2	1.6	0.9	2.5	3.6
Other	0.3	0.2	0.1	0.3	0.4
Total	50.2	47.5	29.9	49.0	64.0

Sources: Ministère du Plan et de l'Aménagement du Territoire, Direction de la Statistique Générale; and staff estimates.

Table 16. Togo: Availability and Consumption of Electrical Energy, 1991-95

(In millions of kilowatt-hours)

	1991	1992	1993	1994	1995
Total electricity available	349.7	342.8	295.6	334.5	373.2
<i>Of which:</i>					
domestic production	83.1	35.3	54.4	81.5	43.3
purchased from Compagnie Electrique du Benin	266.6	307.5	241.2	253.0	329.9
Consumption of electricity	280.7	281.8	239.6	231.1	271.0
<i>Of which:</i>					
low tension	128.0	135.2	119.5	100.9	119.6
medium and high tension	152.7	146.6	120.1	130.2	151.4

Source: Compagnie Energie Electrique du Togo (CEET).

Table 17. Togo: Imports and Domestic Consumption of
Selected Petroleum Products, 1991-95

(Volume in cubic meters, value in millions of CFA francs,
price in thousands of CFA francs per cubic meter)

	1991	1992	Estimates		
			1993	1994	1995
Imports					
Volume					
Super	53,649	57,503	20,387	40,071	79,078
Regular	31,578	29,831	9,951	33,660	54,598
Kerosene	35,906	32,802	15,346	30,884	51,715
Gas-oil	70,555	46,842	33,302	57,986	82,242
Total	191,688	166,978	78,986	162,601	267,633
Value					
Super	2,687	2,818	836	3,446	6,031
Regular	1,479	1,342	368	2,625	3,935
Kerosene	1,751	1,542	660	2,532	3,926
Gas-oil	3,562	2,155	1,399	4,523	6,063
Total	9,479	7,857	3,263	13,126	19,955
Unit price					
Super	50	49	41	86	76
Regular	47	45	37	78	72
Kerosene	49	47	43	82	76
Gas-oil	50	46	42	78	74
Domestic consumption					
Volume					
Super	51,205	48,118	24,200	50,343	60,540
Regular	20,217	20,554	11,800	34,789	40,065
Kerosene	19,041	12,157	6,300	22,283	24,178
Gas-oil	41,077	32,380	28,400	31,500	41,273
Total	131,540	113,849	70,700	138,915	166,056

Sources: Société Togolaise d'Entreposage (STE); Société Togolaise de Stockage de Lomé (STSL); and Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO).

Table 18. Togo: Activity of the Transport Sector, 1991-95

(In thousands of metric tons)

	1991	1992	1993	1994	1995
Port of Lomé					
Merchandise disembarked <u>1/</u>	1,050.3	1,113.8	619.8	709.0	1,133.1
<i>Of which:</i>					
petroleum products	319.0	358.0	254.5	243.1	313.3
cement	0.4	0.7	...	0.2	0.1
clinker	288.9	287.1	...	242.9	404.1
fish	31.7	26.0	...	29.7	48.8
Merchandise embarked <u>1/</u>	161.8	178.4	113.3	148.3	172.1
<i>Of which:</i>					
cocoa	6.4	6.2	5.7	5.7	4.6
coffee	9.4	15.3	13.4	10.3	13.3
cotton	36.8	36.3	35.5	45.0	50.4
Airport of Lomé					
Merchandise and airmail (tons)	5.9	5.1	3.0	3.3	3.1
Passengers (thousands) <u>2/</u>	360.0	327.2	212.3	191.1	202.1

Sources: Direction du Port de Lomé and Société Aéroportuaire de Lomé-Tokoin (SALT).

1/ Excluding transit.2/ Including transit.

Table 19. Togo: Consumer Price Indices, 1991-95

(1987=100; 1987 weights; annual averages)

	Weight (percent)	1991	1992	1993	1994	Est. 1995
Food	41.1	104.5	107.7	107.3	132.9	157.4
Beverages	4.8	93.2	95.2	95.4	168.8	193.8
Household supplies and maintenance	13.4	85.4	88.4	88.7	115.1	142.9
Clothing	11.4	112.1	107.0	106.8	162.0	183.2
Housing	5.9	55.7	57.1	57.6	118.4	141.4
Services	20.5	114.1	115.3	115.6	151.5	161.6
Miscellaneous	3.0	117.2	119.1	118.5	172.4	214.1
General index	100.0	101.7	103.4	103.3	139.7	161.8
Percent change		0.3	1.6	-0.1	35.3	15.7
<u>Memorandum item:</u>						
CPI end-of-period		5.1	-2.1	2.3	48.5	6.4
GDP deflator		0.0	0.1	-3.1	30.0	16.6

Source: Ministère du Plan et de l'Aménagement du Territoire, Direction de la Statistique Générale.

Table 20. Togo: Official Salary Scales for Workers
in Major Sectors, 1987 – 1995

(In thousands of CFA francs per annum) 1/

	January						
	1987–89	1990	1991	1992	1993	1994	1995
Agriculture							
Minimum 2/	157.3	165.1	165.1	165.1	165.1	165.1	165.1
Maximum	204.4	214.6	214.6	214.6	214.6	214.6	214.6
Industries not subject to a specific scale							
Minimum 3/	157.3	165.1	165.1	165.1	165.1	165.1	165.1
Specific scales							
Construction and public works							
Minimum (unskilled workers)	157.3	165.1	165.1	165.1	165.1	165.1	165.1
Minimum (others)	229.9	241.4	241.1	241.1	241.1	241.1	241.1
Maximum	1,185.7	1,245.0	1,245.0	1,245.0	1,245.0	1,245.0	1,245.0
Industry							
Minimum	190.7	200.3	200.3	200.3	200.3	200.3	200.3
Maximum	1,998.9	2,098.8	2,098.9	2,098.9	2,098.9	2,098.9	2,098.9
Commerce							
Minimum	190.7	200.3	200.3	200.3	200.3	200.3	200.3
Maximum	1,317.4	1,383.3	1,383.3	1,383.3	1,383.3	1,383.3	1,383.3
Transport							
Minimum	157.2	165.1	165.1	165.1	165.1	165.1	165.1
Maximum	1,317.4	1,383.3	1,383.3	1,383.3	1,383.3	1,383.3	1,383.3
Banks							
Minimum	201.3	211.3	211.3	211.3	211.3	211.3	211.3
Maximum	2,657.4	2,790.2	2,790.2	2,790.2	2,790.2	2,790.2	2,790.2

Source: Ministère du Travail et de la Fonction Publique, Direction de la Gestion Informatique, du Personnel et de l'Emploi.

1/ Based on 2,080 working hours a year, except for SMAG.

2/ SMAG (minimum guaranteed agricultural wage), based on 2,400 working hours a year.

3/ SMIG (minimum nonagricultural wage).

Table 21. Togo: Salaries of Civil Servants, 1987-95 ^{1/}

(In CFA francs per month)

	1987-89		1990-95	
	Minimum	Maximum	Minimum	Maximum
Civil servants <i>(fonctionnaires)</i>				
Category A	103,032	221,914	108,184	233,010
Category A	87,180	166,435	91,540	174,758
Category B	59,441	138,696	62,413	145,632
Category C	43,590	83,218	45,770	87,379
Category D	21,399	53,101	22,469	55,756
Permanent employees <i>(agents permanents)</i>				
Category 1	17,390	20,393	18,260	21,413
Category 2	20,393	24,675	21,413	25,909
Category 3	24,675	28,547	25,909	29,974
Category 4	28,547	32,652	29,974	34,285
Category 5	32,652	43,668	34,285	45,851
Category 6	43,668	60,144	45,851	63,151

Source: Ministère du Travail et de la Fonction Publique, Direction de la Gestion Informatique, du Personnel et de l'Emploi.

^{1/} Minimum and maximum level within each range.

Table 22. Togo: Employment in the Public Sector, 1991-95 ^{1/}
(Number of employees)

	1991	1992	1993	1994	1995
Civil servants	20,954	21,514	21,756	21,709	21,792
Category A1	1,803	1,838	1,852	1,881	1,923
Category A2	2,401	2,468	2,474	2,526	2,700
Category B	6,930	7,053	6,990	7,293	7,362
Category C	6,567	6,483	6,498	6,026	5,902
Category D	3,253	3,672	3,942	3,983	3,905
Permanent government employees	6,347	7,040	6,755	6,748	6,394
Technical assistants	79	91	89	60	63
Guards	564	562	567	948	938
Contractual employees	27	30	32	33	32
Teachers in religious schools	2,465	2,447	2,408	2,398	2,436
Others	133	143	129	136	141
Total	30,968	31,827	31,736	32,032	31,796

Source: Ministère du Travail et de la Fonction Publique, Direction de la Gestion Information, du Personnel et de l'Emploi.

^{1/} Based on the civil service survey completed in December 1983 and regularly updated since then; data are for December 31 of each year, excluding military personnel.

Table 23. Togo: Distribution by Type of Economic Activity of Employers and Employees Subject to CNSS

	1991			1992			1993			1994		
	Less than 20 workers	More than 20 workers	Total	Less than 20 workers	More than 20 workers	Total	Less than 20 workers	More than 20 workers	Total	Less than 20 workers	More than 20 workers	Total
(Number of employers)												
Agriculture, sylviculture, fishing and livestock raising	79	29	108	86	30	116	80	26	106	101	32	133
Mining	0	2	2	0	3	3	1	1	2	0	2	2
Manufacturing	102	34	136	111	34	145	112	33	145	132	36	168
Construction	222	23	245	244	21	265	322	21	343	383	19	402
Energy	28	5	33	29	5	34	26	5	31	29	5	34
Commerce and tourism	725	65	790	813	66	879	734	59	793	894	64	958
Transport and communications	92	26	118	90	23	113	88	21	109	119	22	141
Services	2,159	126	2,285	2,191	132	2,323	2,101	143	2,244	1,821	135	1,956
Total	<u>3,407</u>	<u>310</u>	<u>3,717</u>	<u>3,564</u>	<u>314</u>	<u>3,878</u>	<u>3,464</u>	<u>309</u>	<u>3,773</u>	<u>3,479</u>	<u>315</u>	<u>3,794 *</u>
(Number of employees)												
Agriculture, sylviculture, fishing and livestock raising	246	4,046	4,292	265	4,135	4,400	326	4,265	4,591	307	4,430	4,737
Mining	0	3,106	3,106	0	3,130	3,130	13	2,931	2,944	0	2,823	2,823
Manufacturing	331	5,765	6,096	341	6,997	7,338	380	4,657	5,037	323	4,844	5,167
Construction	510	1,656	2,166	613	1,643	2,256	702	1,692	2,394	776	1,625	2,401
Energy	88	2,309	2,397	83	2,279	2,362	97	1,905	2,002	80	1,875	1,955
Commerce and tourism	1,955	5,820	7,775	2,098	5,778	7,876	2,159	4,902	7,061	2,067	4,937	7,004
Transport and communications	335	4,123	4,458	311	4,506	4,817	376	4,276	4,652	383	4,167	4,550
Services	4,107	24,350	28,457	3,863	24,680	28,543	4,474	26,591	31,065	3,632	24,198	27,830
Total	<u>7,572</u>	<u>51,175</u>	<u>58,747</u>	<u>7,574</u>	<u>53,148</u>	<u>60,722</u>	<u>8,527</u>	<u>51,219</u>	<u>59,746</u>	<u>7,568</u>	<u>48,899</u>	<u>56,467</u>

Source: Caisse Nationale de Sécurité Sociale (CNSS).

Table 24. Togo: Consolidated Government Operations, 1991-95 ^{1/}

	1991	1992	Estimates		
			1993	1994	1995
(In billions of CFA francs)					
Revenue and grants	85.6	80.5	39.2	74.2	106.0
Revenue	78.9	72.6	38.2	66.6	97.1
Tax revenue	68.9	54.8	30.8	60.3	88.8
Nontax revenue	10.0	17.8	7.4	6.3	8.3
Grants (project and program)	6.7	7.9	1.0	7.6	8.9
Expenditure and net lending	115.0	98.7	93.0	137.0	147.2
Current expenditure	94.6	83.0	84.8	124.6	124.3
Of which:					
primary expenditure	80.1	70.3	70.1	94.6	101.7
Investment expenditure and net lending	20.4	15.7	8.2	12.4	22.9
Of which:					
financed by domestic resources	2.3	6.9	6.0	3.5	8.5
Primary balance (excluding grants)	-3.5	-4.6	-37.9	-31.4	-13.1
Current balance (excluding grants)	-15.7	-10.4	-46.6	-58.0	-27.2
Overall deficit (commitment basis)					
Excluding grants	-36.1	-26.2	-54.8	-70.4	-50.1
Including grants	-29.4	-18.4	-53.8	-62.8	-41.2
Payment arrears, net (decrease -)	11.6	8.6	38.4	32.4	-48.2
Domestic - Treasury	5.4	7.3	28.0	11.2	-9.1
Other domestic arrears	2.0	-1.6	1.0	-0.6	0.0
Interest on external debt	4.2	2.9	9.4	21.7	-39.1
Overall deficit (cash basis)					
Excluding grants	-24.5	-17.6	-16.4	-38.0	-98.3
Including grants	-17.9	-9.8	-15.4	-30.4	-89.4
Financing	17.9	9.8	15.4	30.4	89.4
Domestic financing	4.3	6.2	13.7	11.5	21.8
Banking system	3.9	3.4	8.8	12.9	8.9
Of which:					
net use of Fund resources	-2.4	0.0	-2.1	4.7	10.5
Nonbank financing	0.4	2.8	4.9	-1.3	12.9
External financing	13.6	3.6	1.7	18.9	67.6
Borrowing	16.0	1.8	1.2	20.6	14.5
Amortization due	-16.2	-18.1	-17.2	-33.0	-24.2
Rescheduling and cancellation obtained	12.9	16.2	7.2	3.2	104.0
Arrears on amortization, net	0.9	3.7	10.5	28.1	-26.8
Financing gap	0.0	0.0	0.0	0.0	0.0
(In percent of GDP)					
Total revenue	17.5	16.7	11.2	13.0	15.0
Total expenditure and net lending	25.4	22.8	27.2	26.7	22.8
Primary balance	-0.8	-1.1	-11.1	-6.1	-2.0
Current balance	-3.5	-2.4	-13.6	-11.3	-4.2
Overall deficit (commitment basis)					
Including grants	-6.5	-4.2	-15.7	-12.2	-6.4
Excluding grants	-8.0	-6.0	-16.0	-13.7	-7.7

Sources: Data provided by Togolese authorities; the BCEAO; and staff estimates.

^{1/} Includes treasury operations, external government debt service and payments arrears, government operations directly financed by OTP, and expenditures financed by foreign grants and loans; excludes the Social Security Fund (CNSS); apparent discrepancies are due to rounding.

Table 25. Togo: Classification of Government Revenue, 1991-95

(In billions of CFA francs)

	1991	1992	Estimates		
			1993	1994	1995
Tax Revenue	68.9	54.8	30.8	60.3	88.8
Direct taxes	24.0	22.2	11.8	26.7	40.2
Taxes on income and profits of individuals ^{1/}	9.0	9.5	3.4	8.3	9.3
Of which:					
salaries	3.2	2.6	1.1	1.9	2.4
Taxes on enterprises	5.6	3.7	1.6	3.0	5.2
Direct contribution and taxes of public enterprises	8.0	7.5	2.3	12.9	18.1
Of which:					
OTP	0.4	0.0	0.0	2.3	3.5
OPAT	0.9	0.5	0.0	4.7	7.9
Petroleum Fund	6.7	7.0	2.3	5.9	6.7
Other direct taxes ^{2/}	1.5	1.5	4.6	2.5	7.7
Indirect taxes	44.8	32.7	19.0	33.6	48.6
Domestic taxes on goods and services	10.0	6.5	3.2	5.4	11.0
General sales tax (TGA)	6.5	5.3	2.9	4.8	5.5
Excise taxes (on fuel consumption)	2.5	0.2	0.1	0.1	4.5
Other taxes on goods and services	1.0	1.0	0.3	0.6	1.1
Taxes on international trade	32.3	25.3	13.5	27.2	36.3
Import duties ^{3/}	25.7	19.7	10.3	21.1	29.7
Export duties	0.0	0.0	0.0	0.0	0.0
Statistical tax	4.7	3.7	1.8	4.0	5.4
Other taxes on international trade	2.0	1.9	1.3	2.1	1.2
Other indirect taxes	2.5	0.9	2.3	1.0	1.3
Of which:					
registration and stamp duties	2.5	0.9	2.3	1.0	1.3
Nontax revenue	10.0	17.8	7.4	6.3	8.3
Property income ^{4/}	1.0	5.4	0.4	0.7	1.9
Net income from fees and charges of autonomous entities and organizations	3.8	3.2	1.7	3.0	0.0
OTP contribution to government investment	0.3	0.0	0.0	0.0	0.0
Other nontax revenue ^{5/}	3.9	9.2	5.3	2.6	6.4
Of which:					
debt service of public enterprises	3.1	1.8	4.5	0.3	0.8
proceeds from sale of assets	0.0	0.0	0.7	0.7	0.8
Total revenue	78.9	72.6	38.2	66.6	97.1

Sources: Trésorerie du Togo; Office Togolais des Phosphates (OTP); and staff estimates.

^{1/} Includes taxes on wages and salaries, on business income of individuals, rental income, and professional income. Also includes national solidarity tax.^{2/} Includes receipts from previous years and various other direct taxes.^{3/} Includes the turnover tax (TGA) applied to the value of imports.^{4/} Includes dividends from public enterprises and the BCEAO, interest income on treasury deposits, revenue from the sale of government assets, including shares in public enterprises, and other miscellaneous revenue.^{5/} Includes contributions to government investment by autonomous agencies. From 1990, includes the contribution of seven key public enterprises to their debt service.

Table 26. Togo: Government Revenue, 1991-95

(Percentage change and selected ratios)

	1991	1992	Estimates		
			1993	1994	1995
(Annual percentage change)					
Total revenue	-21.4	-8.0	-47.4	74.3	45.8
Tax revenue	-16.6	-20.4	-43.7	95.5	47.3
Direct taxes	-24.8	-7.7	-46.7	126.2	50.5
Indirect taxes	-11.4	-27.2	-41.7	76.4	44.7
Domestic taxes on goods and services	7.8	-35.1	-50.3	66.8	104.0
Taxes on international trade	-15.0	-21.7	-46.7	101.5	33.6
Nontax revenue	-43.8	77.0	-58.6	-14.5	31.7
(In percent of GDP)					
Total revenue	17.5	16.7	11.2	13.0	15.0
Tax revenue	15.2	12.6	9.0	11.8	13.7
Direct taxes	5.3	5.1	3.4	5.2	6.2
Indirect taxes	9.9	7.5	5.6	6.5	7.5
Of which:					
Domestic taxes on goods and services	2.2	1.5	0.9	1.1	1.7
Taxes on international trade	7.1	5.8	3.9	5.3	5.6
Nontax revenue	2.2	4.1	2.2	1.2	1.3
(In percent of total revenue)					
Tax Revenue	87.3	75.5	80.7	90.5	91.5
Direct taxes	30.4	30.5	30.9	40.1	41.4
Of which:					
OTP and OPAT ^{1/}	1.6	0.7	0.0	10.5	11.8
Indirect taxes	56.8	45.0	49.8	50.4	50.0
Of which:					
Domestic taxes on goods and services	12.7	9.0	8.5	8.1	11.3
Taxes on international trade	41.0	34.8	35.3	40.8	37.4
Nontax revenue	12.7	24.5	19.3	9.5	8.5

Source: Table 25.

^{1/} OTP, Office Togolais des Phosphates; OPAT, Office des Produits Agricoles du Togo.

Table 27. Togo: Classification of Government Expenditure, 1991-95

(In billions of CFA francs)

	1991	1992	Estimates		
			1993	1994	1995
Current expenditure (excluding external debt service)	<u>81.6</u>	<u>71.6</u>	<u>71.6</u>	<u>96.7</u>	<u>103.9</u>
Economic classification					
Wages and salaries	42.0	38.6	38.5	49.4	52.4
Of which:					
military	8.7	10.2	10.7	11.0	11.5
Materials and supplies	18.5	14.8	13.5	13.6	14.9
Of which:					
military	5.1	2.8	3.0	3.0	3.9
Subsidies and transfers	5.9	5.8	4.3	12.3	9.8
Interest due on domestic debt	1.5	1.3	1.5	2.1	2.2
Other budgetary expenditure	8.7	7.2	9.3	12.6	18.1
Extrabudgetary expenditure	5.0	3.9	4.4	6.6	6.5
Functional classification					
Ministries 1/	<u>60.4</u>	<u>55.2</u>	<u>53.0</u>	<u>63.0</u>	<u>67.3</u>
General administration	5.9	4.7	3.7	8.5	8.5
Defense	13.7	13.0	14.2	14.1	15.4
Education	22.4	20.7	7.3	25.2	23.8
Health	5.0	4.3	2.2	5.8	5.9
Agriculture	2.5	2.1	1.4	3.3	2.8
Other 2/	11.0	10.2	24.2	6.1	10.9
Other economic services	...	...	...	...	...
Not allocated to ministries	<u>21.2</u>	<u>16.4</u>	<u>18.6</u>	<u>33.7</u>	<u>30.8</u>
Common expenditures	2.8	1.0	3.0	5.3	5.6
Scholarships and training	2.3	2.2	2.1	3.4	3.7
Interest on domestic debt	1.5	1.3	1.5	2.1	2.2
Contribution to state agencies	2.8	2.7	2.9	1.2	1.5
Subsidies and transfers	5.9	5.8	4.3	12.3	9.8
Extrabudgetary expenditure 3/	5.0	2.1	3.4	5.6	5.5
Other	0.8	1.3	1.4	3.7	2.4
Interest due on external debt	<u>13.0</u>	<u>11.4</u>	<u>13.3</u>	<u>27.9</u>	<u>20.4</u>
Investment expenditure	<u>20.4</u>	<u>15.7</u>	<u>8.2</u>	<u>12.4</u>	<u>22.9</u>
Of which:					
financed by domestic resources	2.3	6.9	6.0	3.5	8.5
Unclassified expenditure and net lending	<u>0.0</u>	<u>0.1</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total expenditure and net lending	<u>115.0</u>	<u>98.8</u>	<u>93.0</u>	<u>137.0</u>	<u>147.2</u>

Sources: Trésorerie du Togo; Société Nationale d'Investissement; et Ministère du Plan et de l'Aménagement du Territoire.

1/ Expenditure budgeted for or directly allocable to ministries.

2/ Includes social and economic services not classified elsewhere.

3/ Excludes net expenditures of the University Hospital Center (CHU) reallocated to the Health Ministry

Table 28. Togo: Government Expenditure, 1991-95

(Percentage change and selected ratios)

	1991	1992	Estimates		
			1993	1994	1995
(Annual percentage change)					
Total expenditure	-9.95	-14.07	-5.87	47.29	7.46
Current expenditure (excluding external debt service)	-0.42	-12.26	-0.04	35.11	1.39
Wages and salaries	14.85	-8.08	-0.25	28.50	5.96
Materials and supplies	-0.05	-19.77	-8.56	0.43	9.56
Subsidies and transfers	4.97	-2.20	-25.00	184.31	-20.41
Interest due on domestic debt	1.99	-14.48	12.30	44.02	3.76
Interest due on external debt	0.34	-12.26	16.35	110.42	-26.76
Investment expenditure	-36.60	-23.12	-47.80	51.62	84.07
(In percent of GDP)					
Total expenditure	25.44	22.76	27.15	26.70	22.78
Current expenditure (excluding external debt service)	18.05	16.49	20.89	18.85	16.07
Of which:					
Wages and salaries	9.28	8.88	11.23	9.64	8.10
Materials and supplies	4.08	3.41	3.95	2.65	2.31
Subsidies and transfers	1.31	1.33	1.27	2.40	1.52
Interest due on domestic debt	0.34	0.30	0.43	0.42	0.34
Interest due on external debt	2.87	2.62	3.87	5.43	3.16
Investment expenditure	4.52	3.62	2.39	2.42	3.54
Of which:					
financed by domestic resources	0.51	1.58	1.75	0.67	1.32
(In percent of total current expenditure, including external debt service)					
Wages and salaries	44.36	46.47	45.36	39.68	44.22
Materials and supplies	19.52	17.85	15.97	10.92	12.58
Subsidies and transfers	6.25	6.97	5.11	9.89	8.28
Interest due on domestic debt	1.63	1.59	1.74	1.71	1.87
Interest due on external debt	13.72	13.72	15.62	22.38	17.24
Other	14.52	13.40	16.20	15.42	15.82

Source: Table 27.

Table 29. Togo: Composition of the Government Wage Bill, 1991-95

(In billions of CFA francs)

	1991	1992	Estimates		
			1993	1994	1995
Wages and salaries ^{1/}	<u>37.24</u>	<u>34.18</u>	<u>37.72</u>	<u>43.57</u>	<u>40.55</u>
Base salaries of government civil servants (<i>fonctionnaires, agents</i>)	33.27	30.42	...	38.98	35.98
Employer's contributions	3.96	3.76	...	4.59	4.57
Allowances	<u>3.62</u>	<u>3.35</u>	...	<u>4.61</u>	<u>8.71</u>
Family allowances	1.86	1.56	...	1.70	2.68
Various compensations	1.55	1.59	...	2.78	5.31
Travel allowances	0.21	0.20	...	0.14	0.72
Salary expenditure of municipalities	<u>0.40</u>	<u>0.33</u>	<u>0.05</u>	<u>0.56</u>	<u>2.42</u>
Contribution to CNSS ^{2/}	<u>0.70</u>	<u>0.70</u>	<u>0.70</u>	<u>0.70</u>	<u>0.70</u>
Total wage bill	<u>41.96</u>	<u>38.57</u>	<u>38.47</u>	<u>49.43</u>	<u>52.38</u>
Of which:					
military	8.67	10.21	10.66	10.97	11.49
Base salary (1982 = 100)	112.74	113.66	...	...	...
Average wage bill, in thousands of CFA francs per month, excluding the military ^{3/}	97.31	80.43	79.02	108.16	116.06

Sources: Ministère de l'Economie et des Finances, Direction de l'Economie; and staff estimates.

^{1/} Because of lack of disaggregated data, the 1993 figure includes allowances.^{2/} CNSS, Caisse Nationale de Sécurité Sociale.^{3/} Total wage bill minus the military wage bill divided by the number of nonmilitary civil servants.

Table 30. Togo: Government Investment, 1991-95

(In billions of CFA francs)

	1991	1992	Estimates		1995
			1993	1994	
Investment expenditure ^{1/}	20.2	15.7	8.2	11.9	20.6
Rural development	7.8	8.1	2.4	2.0	2.4
Economic infrastructure	4.1	1.5	1.7	4.0	9.1
Administration and social sectors	7.2	5.4	3.8	5.4	8.4
Other ^{2/}	1.1	0.7	0.3	0.6	0.7
Phosphate counterpart trade ^{3/}	0.3	0.0	0.0	0.0	0.0
Other ^{4/}	0.0	0.0	0.0	0.5	2.2
Total	<u>20.4</u>	<u>15.7</u>	<u>8.2</u>	<u>12.4</u>	<u>22.9</u>
Financing					
External project financing	11.9	8.6	2.2	9.0	14.4
Grants	6.7	6.8	1.0	4.0	4.1
Loans	5.2	1.8	1.2	4.9	10.2
Other ^{5/}	8.5	7.1	6.0	3.5	8.5
Of which:					
financed by domestic resources ^{6/}	2.3	6.9	6.0	3.5	6.3
Rate of implementation ^{7/}	57.3	46.3	56.9	53.5	60.5

Source: Ministère du Plan et de l'Aménagement du Territoire.

^{1/} Investment expenditure of the government as included in the public investment program (PIP).^{2/} Includes industry, mining, crafts, commerce, tourism, and environment.^{3/} Investment financed through phosphate countertrade or executed by the state phosphate company (OTP) for the account of the Government. It involves trucks and fertilizers transferred to projects and public enterprises, or mining research and small rural projects executed by OTP. Since 1989, the value of the goods transferred, the investment expenditure for the account of the government by OTP have been estimated.^{4/} Includes spending by localities, and capital subscription in African Development Bank.^{5/} Includes domestic resources from the budget or non earmarked external program grants or loans.^{6/} Budget d'Investissement et d'Équipement—Budget Général (BIE—BG).^{7/} Actual investment expenditure relative to programmed expenditure (excluding phosphate countertrade).

Table 31. Togo: Key Data on Public Enterprises, 1993-95

(In billions of CFA francs)

Activity		Type <u>1/</u>	Turnover			Employment <u>2/</u>	Value added <u>3/</u>			Operating profits <u>4/</u>		
			1993	1994	1995 <u>5/</u>	1993	1993	1994	1995	1993	1994	1995
OTP	Phosphate mining	SE	14.8	37.3	41.7	2,812	8.5	22.3	19.0	-6.4	3.4	1.3
OPAT	Agricultural marketing	SE	17.8	38.2	54.0	261	--	11.8	13.6	0.9	1.7	3.1
CEET	Electricity	SE	13.6	14.1	18.1	1,018	4.9	-3.3	--	0.3	-6.6	1.2
SOTOCO	Cotton production	SE	16.9	20.9	32.9	1,299	2.6	6.1	2.8	0.3	0.2	1.6
CIMTOGO	Cement	SEM	4.3	11.5	17.8	216	0.9	2.3	2.3	-0.5	0.9	0.5
CNSS	Social security	SE	7.8	10.1	9.0	678	2.1	2.7	1.0	2.9	12.4 <u>6/</u>	2.9
BB	Beverages	SEM	6.7	8.1	13.0	445	2.4	4.4	6.6	-0.9	-0.2	0.5
OPTT	Postal services	SE	12.8	14.1	15.9	1,380	5.9	11.7	12.7	0.7	-3.4	1.4
TOGOPHARMA	Medicine distribution	SE	6.0	5.6	3.8	577	1.8	1.5	0.3	--	-0.7	0.9
SGMT	Milling	SEM	3.4	5.5	8.2	107	0.9	1.5	1.5	0.3	0.5	0.5
UTB	Banking services	SEM	6.9	4.3	8.2	330 <u>7/</u>	2.3	1.8	6.8	-1.2	-2.2	4.2
PAL	Port	SE	3.4	7.0	8.0	1,441	2.6	5.8	6.0	-3.4	0.2	0.6
LONATO	Lottery	SE	3.5	8.6	9.9	195	0.4	0.7	1.1	--	0.2	0.3
BTCI	Bank	SEM	5.0	4.6	6.4	274	3.1	3.1	5.0	--	--	0.1
GTA	Insurance	SEM	1.7	2.3	2.8	97	0.7	0.7	0.7	0.5	0.2	0.2
SOTONAM	Naval transport	SEM	0.1	0.3	0.2	68	--	0.2	0.1	-0.1	--	-0.1
RNET	Water	SE	3.6	3.7	4.1	633	2.8	2.5	2.6	-0.2	-0.3	-0.1
Totoa of 17 listed firms			128.3	196.2	254.0	11,831 <u>7/</u>	41.9	75.8	82.1	-6.8	6.3	19.1
Total of 41 public sector firms			135.4	205.1	266.4	13,433	43.5	79.1	87.0	-13.2	3.1	14.8
Of which:												
4 largest hotels <u>8/</u>			1.0	2.1	2.9	...	-1.0	-0.4	0.8	-4.3	-3.3	-2.2

Source: Ministère de l'Industrie et des Sociétés d'Etat.

^{1/} SE: Société d'Etat; SEM: Société d'Economie Mixte; status according to new public enterprise law of December 1990.^{2/} Number of persons employed includes both permanent and temporary employees, and refers to the level of employment in September.^{3/} Value added excluding import tax.^{4/} Operating profits (résultat d'exploitation) plus net other results gives net profits before taxes (résultat avant impôt).^{5/} Provisional data.^{6/} Includes exceptional foreign exchange gain on investment held abroad following devaluation of CFA franc in January 1994.^{7/} Staff estimate.^{8/} Hotel 2 février, Hotel Ecole le Benin, Hotel Sarakawa, and Hotel de la Paix.

Table 32. Togo: Public Enterprise Privatization Process
(As of end-1996)

I. Initial Program (30 enterprises)			
a. Liquidation completed		b. Liquidation in process	
Direct	With sale of assets	Direct	With sale of assets
1. AGETU	1. ITT 1/	1. CNPPME	1. TOGOROUTE 1/
2. SOMAT	2. IOTO 1/	2. Cie du Benin	2. SBHT 1/
3. SOTEXMA	3. SODETO 1/	3. SALINTO	3. Le Moteur 1/
4. SOTOPROMER	4. TOGOTEX 1/	4. TOGOFRUIT	4. STH 1/
5. STALPECHE	5. SOTOMA 1/	5. Hotel le Benin	
6. TOGOPROM	6. Huileries		
7. FAB	7. Togolaises 1/		
	8. SOTOTOLES 1/	c. Leasing	d. Sale of holdings
	9. SOTCON 1/	1. Complexe	1. STB
	10. OTODI 1/	Sucrier d'Anie	2. ITP
	10. SOPROLAIT 1/	2. SNS	
II. Supplementary Program (29 enterprises)		III. Decision pending	
a. Liquidation in process	c. Divestiture pending		
1. CNCA	1. Brasserie du Benin	14. CIMTOGO	1. Hotel 2 Fevrier
2. SONACOM	2. SIT	15. SGMT	2. LNBTP
	3. TOGOGAZ	16. CAAN	3. CNSS
	4. SOTONAM	17. Hotel Sarakawa	4. BALTEX
b. Restructuration	5. SITO	18. Hotel La Paix	5. BTCl
1. ODEF	6. OTP 2/	19. ONAF	6. BTD
2. TOGOGRAIN	7. OPAT 2/	20. SOTED	7. UTB
	8. Hotel Kara	21. SONAPH	8. GTA
	9. Hotel le Lac	22. SATAL	9. CET
	10. Hotel le Roc	23. Nouvelle SOTOMA 3/	10. SNI
	11. Hotel du 30 Aout	24. Hotel Tropicana	
	12. Hotel Central	25. UPRONA	
	13. Hotel Fazao		
IV. Enterprises to be retained in the government's portfolio			
1. CEET	4. OPTT	7. RNET	9. SOTOCO
2. EDITOGO	5. LONATO	8. SALT	10. TOGOPHARMA
3. Hotel-Ecole le Benin	6. PAL		

Sources: Ministry of Industry and State Enterprises.

1/ Liquidation includes sale of assets to a new company.

2/ Minority government participation.

3/ The new company was established following the liquidation of SOTOMA.

Table 33. Togo: Monetary Survey, 1991-95

	1991	1992	1993	1994	March	June	Sep.	Dec.
					1995			
(In billions of CFA francs; end of period)								
Net foreign assets	81.3	58.6	23.2	36.8	35.0	36.2	30.6	24.5
Central bank	69.6	53.8	24.1	-2.5	0.3	-0.9	-3.8	3.8
Commercial banks	2.7	-0.1	-0.9	39.3	34.7	37.1	34.4	20.7
Treasury	9.0	4.9	0.0	0.0	0.0	0.0	0.0	0.0
Net domestic assets	123.6	118.2	128.2	163.0	166.9	178.5	184.9	207.2
Net claims on government	12.5	12.6	23.6	57.4	64.9	63.1	69.5	71.5
Net claims on central government	26.1	29.4	38.2	72.4	71.4	75.8	79.1	81.2
Other ^{1/}	-13.5	-16.8	-14.6	-14.9	-12.7	-12.7	-9.6	-13.0
Credit to the private sector	118.7	114.4	103.9	103.2	110.7	115.0	122.5	131.5
Claims on OPAT and OTP	24.0	26.0	28.3	32.2	30.7	31.5	33.7	40.0
OPAT	2.0	1.3	0.2	1.4	1.7	0.0	0.0	4.5
OTP	22.0	24.7	28.1	30.8	29.0	31.5	33.7	35.5
Other	94.7	88.4	75.6	71.0	80.0	83.4	88.8	91.5
Other items (net)	-7.6	-8.9	0.6	2.3	-8.7	0.5	-7.1	4.2
Broad money	198.3	170.7	145.3	190.9	193.0	206.0	207.0	221.3
Currency in circulation	36.3	22.1	10.5	44.2	43.4	56.1	57.6	73.6
Demand deposits	...	...	98.5	96.5	91.7	92.5	95.1	91.3
Time deposits	...	...	36.4	50.2	57.9	57.4	54.3	56.4
SDR allocation	4.3	4.2	4.2	8.9	8.9	8.5	8.5	8.5
Medium- and long-term foreign borrowing	2.3	1.9	1.9	1.7	1.8	1.9	1.7	3.5
Revaluation account	0.0	0.0	0.0	-1.7	-1.7	-1.7	-1.7	-1.7
<u>Memorandum items</u>								
(Change in percent of money stock at beginning of period)								
Net foreign assets	-0.2	-11.4	-20.7	21.9	-0.9	-0.3	-3.2	-6.4
Net domestic assets	4.4	-2.7	5.9	10.2	2.1	8.1	11.5	23.1
Credit to the government	13.7	1.7	5.1	10.9	3.9	3.0	6.3	7.4
Credit to the economy	14.6	-3.6	-9.1	-0.5	3.9	6.1	10.1	14.8
Broad money	4.1	-13.9	-14.9	32.3	1.1	7.9	8.5	16.0
(Annual increase in percent)								
Nominal GDP	2.2	-4.0	-17.1	49.8	...	...	...	26.0
GDP deflator	3.3	1.9	-3.5	30.0	...	...	...	16.6
Nominal GDP (billions of CFA francs)	452.0	433.8	342.6	513.1	...	...	...	646.7
Velocity ^{2/}	2.3	2.4	2.2	3.1	...	...	...	3.1

Sources: Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO); and staff estimates and projections.

^{1/} Deposits related to foreign-financed projects.

^{2/} Computed as the ratio of GDP (in the year n) to the average of broad money at the end of the year n-1 and n.

Table 34. Togo: Net Banking System Claims on the Government, 1991-95

	1991	1992	1993	1994	March	June	Sep.	Dec.
					1995			
(In billions of CFA francs; end of period)								
A. Assets (1+2+3+4+5)	62.8	66.1	50.5	49.8	42.4	50.6	45.6	46.2
1. Currency	0.2	0.3	0.3	0.6	0.3	0.2	0.4	0.6
2. Deposits at the BCEAO	2.3	6.2	6.2	9.3	5.6	5.6	2.6	7.3
French deposits	0.0	2.0	2.0	2.4	0.5	0.3	0.2	5.1
EEC deposits	0.0	2.7	2.7	2.7	2.7	2.7	1.6	0.4
Treasury	2.3	1.5	1.5	4.1	2.4	2.6	0.8	1.8
3. Deposits at commercial banks	49.8	53.2	43.1	39.3	36.0	44.1	41.8	37.4
CNSS	31.1	33.2	29.6	25.5	24.0	24.3	22.1	19.5
FNI	1.3	1.4	0.3	0.1	0.1	1.3	1.2	1.2
Projects	1.0	1.0	1.0	1.0	1.0	0.3	0.3	0.3
Public agencies	16.4	17.6	12.3	12.7	11.0	18.3	18.1	16.4
Of which :								
Ministries accounts	7.9	6.9	5.1	2.2	2.0	2.0	1.9	1.6
Treasury	2.9	5.5	2.4	3.0	1.4	8.6	8.9	9.0
Others	5.6	5.2	4.8	7.6	7.5	7.7	7.4	5.8
4. Customs duty bills	1.4	1.5	0.9	0.7	0.5	0.7	0.8	0.9
5. Treasury deposits abroad	9.0	4.9	0.0	...	...	...	...	...
B. Liabilities (6+7+8)	41.8	43.1	43.2	63.2	59.1	71.9	74.4	78.9
6. BCEAO credit to the government	39.5	40.0	40.4	49.8	47.0	60.8	63.8	67.7
Legal overdraft	16.8	17.9	21.1	24.0	21.7	28.1	31.4	28.6
Discount of customs duty bills	1.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0
Counterpart of IMF purchases	21.7	21.7	19.3	25.8	25.2	32.7	32.4	39.2
7. Commercial banks	1.4	2.1	1.9	12.4	11.6	15.2	14.4	12.3
Commercial bank credit to the Government	...	...	...	...	10.6	10.0	9.3	9.5
Bonds from consolidation operation	...	...	...	...	1.0	5.2	5.1	2.8
8. Postal checking deposits	1.0	1.0	0.9	1.0	1.5	1.1	1.3	1.7
Net claims on the government								
I. Net claims on central government (BCEAO definition: B - A + 5)	11.9	18.1	7.3	-13.4	-22.9	-21.4	-28.8	-38.8
II. Net claims on central government IMF definition: (1 + 2c + 3dii + 4 + 5) - (B+7ii)	-26.1	-29.4	-38.2	-72.4	-71.4	-75.8	-79.1	-81.2
III. Project deposits (2 - 2c + 3d - 3dii)	13.5	16.8	14.6	14.9	12.7	12.7	9.6	13.0
IV. Total credit to the government II + III	-12.5	-12.6	-23.6	-57.4	-58.7	-63.1	-69.5	-68.2

Sources: Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO); and staff estimates.

Table 35. Togo: Summary Accounts of the Central Bank, 1991-95

	1991	1992	1993	1994	March	June	Sep.	Dec.
					1995			
(In billions of CFA francs; end of period)								
Net foreign assets	69.6	53.8	24.1	-2.5	0.3	-0.9	-3.8	3.8
Assets	94.5	75.1	46.1	50.5	50.7	53.7	47.4	63.9
Liabilities	24.9	21.4	21.9	53.0	50.4	54.6	51.2	60.1
Use of Fund credit 1/	21.7	21.4	18.9	45.4	44.2	49.4	48.8	54.4
Trust Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	3.2	0.0	3.1	7.7	6.2	5.2	2.4	5.7
Net claims on the government	36.9	33.5	34.0	62.6	61.2	74.0	78.2	79.9
Net claims on deposit money banks	-67.4	-61.9	-44.5	-11.1	-14.4	-8.8	-9.8	-5.3
Claims	6.4	6.4	6.4	7.2	0.7	0.7	0.6	2.1
Claims on money market	0.0	0.0	0.0	...	0.0	0.0	0.0	0.0
Rediscount	6.4	6.4	6.4	7.2	0.7	0.7	0.6	2.0
Other	0.0	0.0	0.0	...	0.0	0.0	0.0	0.0
Liabilities	73.8	68.3	50.9	18.3	15.1	9.6	10.4	7.4
Deposits with money market	68.5	65.9	38.8	2.7	2.0	1.6	1.7	0.3
Other deposits	2.6	1.0	10.1	12.5	10.7	5.6	6.7	3.5
Currency held by banks	2.7	1.3	1.99	3.2	2.4	2.4	2.1	3.6
Net claims on other financial institutions	1.6	1.6	1.5	1.3	0.1	0.2	0.3	0.2
Claims	1.6	1.6	1.5	1.3	0.3	0.3	0.3	0.3
Liabilities (demand deposits)	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Other items (net)	0.2	0.7	0.4	3.0	5.2	0.1	1.2	3.5
Other deposits	0.0	0.0	0.1	0.1	0.1	0.0	0.1	0.1
Currency outside banks 2/	36.3	22.1	10.5	44.2	43.4	56.1	57.6	73.6
Counterpart of SDR allocation	4.3	4.2	4.2	8.9	8.9	8.5	8.5	8.5

Source: Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO), as reported to the IMF Statistics Department.

1/ BCEAO valuation.

2/ Excluding currency held by the Treasury.

Table 36. Togo: Summary Accounts of the Deposit Money Banks, 1991-95

	1991	1992	1993	1994	March	June	Sep.	Dec.
					1995			
(In billions of CFA francs; end of period)								
Net foreign assets	2.7	-0.1	-0.9	39.3	34.7	37.1	34.4	20.7
Assets	24.3	24.3	15.8	59.2	60.0	65.0	58.6	54.4
Liabilities	21.6	24.3	16.7	19.9	25.2	27.9	24.1	33.7
Net money market position	68.5	65.9	38.8	2.7	2.0	1.6	1.7	0.3
Deposits	68.5	65.9	38.8	2.7	2.0	1.6	1.7	0.3
Advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other reserves	5.3	1.8	14.7	13.0	14.5	7.5	4.7	12.3
Currency holdings	2.7	1.3	2.0	3.2	2.4	2.4	2.1	3.6
Deposits at the central bank	2.6	0.5	12.7	9.8	12.1	5.2	2.6	8.7
Net claims on the Government	-15.0	-15.5	-10.4	-0.4	-0.3	-8.3	-8.8	-5.3
Credit to private sector	115.7	111.3	101.5	101.3	110.0	114.0	121.4	130.4
Short-term	68.0	61.4	53.4	55.7	50.7	51.5	56.3	65.9
Long-term	38.5	39.4	48.2	45.6	59.3	62.5	65.0	64.5
Nonperforming assets	9.2	10.0	15.2	17.6	15.7	13.4	13.7	17.7
Claims on other financial institutions (net)	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposits 1/	161.0	147.6	133.9	145.6	147.8	148.8	148.1	147.7
Demand deposits	43.9	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Time deposits	117.1	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Central bank rediscount	6.4	6.4	7.1	7.4	0.7	0.9	0.6	2.0
Long-term foreign liabilities	2.3	1.9	1.9	1.7	1.8	1.9	3.5	3.5
Other items (net)	8.6	7.6	0.9	1.1	10.6	0.3	1.1	5.1
<u>Memorandum items</u>								
CNSS deposits	31.1	33.2	29.6	25.5	24.0	24.3	22.1	19.5
FNI and CNCA deposits 2/	2.3	2.4	1.2	1.1	1.1	1.5	1.5	1.4
FNI deposits	1.3	1.4	0.3	0.1	0.1	1.3	1.2	1.2
CNCA deposits	1.0	1.0	1.0	1.0	1.0	0.3	0.3	0.3

Source: Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO), as reported to the IMF Statistics Department.

1/ Revised data, with the Social Security Fund (CNSS) as a nonbank financial institution, rather than part of the government sector.

2/ FNI, National Investment Fund; CNCA, Agricultural Credit Agency.

Table 37. Togo: Selected Deposit Money Bank Ratios, 1991–95

	1991	1992	1993	1994	1995
	(In percent; end of period)				
Cash ratio <u>1/</u>	45.8	45.9	40.0	10.8	10.2
Advance ratio <u>2/</u>	71.9	75.4	75.9	69.6	80.3
Refinancing ratio <u>3/</u>	5.5	5.8	7.0	7.3	1.6

Source: Table 36.

1/ Ratio of deposits in the money market and other reserves to deposits.

2/ Ratio of credit to the private sector (including doubtful and litigious loans) to deposits.

3/ Ratio of credit from the central bank, including money market advances and rediscounts, to credit to the private sector (including doubtful and litigious loans).

Table 38. Togo: Credit to the Private Sector, Sectoral Distribution, 1991-95 ^{1/}

	1991	1992	1993	1994	1995
(In millions of CFA francs; end of period)					
Short-term					
Agriculture	71	281	312	413	808
Energy and water	53	477	258	613	2,255
Mining	20,924	22,324	26,876	31,313	24,217
Manufacturing	5,560	7,670	5,874	8,918	9,021
Construction 2/	2,360	3,156	3,389	2,373	2,711
Transport	1,584	1,395	1,226	1,623	2,065
Commerce	26,908	27,195	22,740	23,988	33,082
Of which: crop credit	2,349	...	...	2,145	3,103
Other	2,485	1,903	871	939	1,340
Total	60,145	64,401	61,546	70,180	75,499
Of which:					
Public and semipublic enterprises	25,086	27,566	29,785	36,628	32,989
Medium-term					
Agriculture	826	716	680	334	493
Energy and water	941	726	576	350	250
Mining	5,097	4,848	3,822	3,381	13,859
Manufacturing	5,625	5,750	5,525	4,975	7,293
Construction 2/	1,359	5,741	5,291	4,617	5,099
Transport	2,221	1,765	1,468	1,631	1,450
Commerce	11,235	11,114	10,480	9,859	9,273
Other	6,169	1,590	1,611	1,597	1,489
Total	33,473	32,250	29,453	26,744	39,206
Of which:					
Public and semipublic enterprises	7,253	6,676	5,445	4,736	15,231
Long-term					
Agriculture	43	51	51	52	52
Energy and water	...	...	...	...	...
Mining	...	83	...	...	...
Manufacturing	129	132	129	130	128
Construction 2/	...	1,138	1,237	1,246	1,248
Transport	8	9	9	10	10
Commerce	165	141	139	12	76
Other	1,423	186	183	172	174
Total	1,768	1,740	1,748	1,622	1,688
Overall total	95,386	98,391	92,747	98,546	116,393
Public and semipublic enterprises	32,339	34,242	35,230	41,364	48,220
Of which:					
OTP 3/	23,467	24,701	28,144	29,349	32,548
OPAT 3/	1,386	1,749	...	11,709	4,148
Total without OTP and OPAT	70,533	71,941	64,603	57,488	79,697

Source: Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO).

^{1/} As declared to the Centrale des Risques du Togo. Totals are lower than credit to the private sector included in the monetary survey because loans of less than CFAF 5 million are not declared.^{2/} Includes loans to individuals for residential buildings.^{3/} OTP, Office Togolais des Phosphates; OPAT, Office des Produits Agricoles du Togo.

Table 39. Togo: Capital, Size, and Structure of Individual Deposit Money Banks, End—1995.

Names	Acronym	Date of creation	Capital	Private deposits	Credit to economy	Deposits in money market	Employees	Branches
(In billions of CFA francs)								
Union Togolaise de Banques	UTB	1964	2.0	39.2	27.8	0.0	246	10
Caisse Nationale de Crédit Agricole 2/	CNCA	1967	1.1	0.3	0.3	0.0	0	0
Banque Togolaise de Développement	BTD	1967	3.1	9.7	15.3	0.0	191	11
Banque Commerciale du Ghana—Togo 2/	BCGT	1970	0.6	0.5	0.1	0.0	0	0
Société Nationale d'Investissement	SNI	1971	1.3	3.5	8.6	0.0	85	2
Banque Togolaise pour le Commerce et l'Industrie	BTCI	1974	1.7	35.1	41.0	0.0	246	8
Société Inter—Africaine de Banque 3/	SIAB	1976	5.8	0.5	1.3	0.3	34	1
Banque de Crédit et du Commerce International 2/	BCCI	1979	0.5	4.4	3.1	0.0	0	0
Banque Internationale pour l'Afrique au Togo	BIA—TOGO	1965	1.6	16.4	22.1	0.0	185	6
ECOBANK—Togo	ECOBANK—TG	1988	1.5	15.5	10.8	0.0	60	1
Total			19.2	125.1	130.4	0.3	1047	39

Source: Banque Centrale des États de l'Afrique de l'Ouest (BCEAO).

1/ Capital and allowance.

2/ CNCA, BCGT, and BCCI are in liquidation.

3/ Former Banque Arabe Libyenne Togolaise du Commerce Extérieur.

Table 40. Togo: Central Bank Lending Rates, 1975-95

	Normal discount rate (TEN)	Advances against securities (TEN + 1.5 %)	Rediscount rate (TES)	Special rate for advances to Treasury ^{1/}	Repurchase rate	Avg. monthly money market rate (TMM)	Interbank rate
(Percent per annum, end of period)							
1975 - July	8.000	9.500	...	...	...	...	...
1980 - April	10.500	12.000	...	...	...	...	...
1982 - April	12.500	14.000	...	...	...	...	...
1983 - April	10.500	12.000	...	...	...	...	...
1986 - March	9.500	11.000	...	...	...	...	...
September	8.500	10.000	...	...	...	...	...
1988 - December	9.500	11.000	...	...	...	...	...
1989 - March	10.000	11.500	...	...	...	...	...
October ^{2/}	...	...	10.500	9.250	...	10.250	...
November	...	...	11.000	9.625	...	10.625	...
December	...	...	11.000	9.975	...	10.975	...
1991 - November	...	...	11.000	9.725	...	10.725	...
1992 - August	...	...	13.000	9.725	...	12.725	...
November	...	...	12.500	9.725	...	11.975	...
1993 - April	...	...	12.500	9.725	...	11.225	...
May	...	...	12.500	9.725	...	10.225	...
October ^{3/}	...	...	12.500	9.725	10.500	9.350	...
November	...	...	12.500	9.725	9.250	8.500	...
December	...	...	10.500	9.725	8.750	7.510	...
1994 - January	...	...	14.500	7.799	12.750	7.940	8.190-12.000
February	...	...	14.500	7.799	12.750	9.250	6.000-11.750
June	...	...	12.000	8.118	10.250	8.850	2.500- 9.250
July	...	...	12.000	5.224	8.750	7.040	3.750- 8.250
August	...	...	10.000	5.224	7.750	5.940	3.750- 7.250
September	...	...	10.000	5.224	7.250	5.670	2.750- 6.750
December	...	...	10.000	4.500	7.000	5.500	3.750- 7.000
1995 - January	...	...	9.000	4.500	7.000	5.500	5.000- 6.250
June	...	...	8.500	4.500	6.500	5.500	5.000- 6.500
August	...	...	8.500	4.500	6.500	5.500	5.000- 7.000
September	...	...	8.500	4.500	6.500	...	...
October	...	...	8.500	4.500	6.500	...	...
November	...	...	8.500	4.500	6.500	...	...
December	...	...	7.500	4.500	6.500	...	...

Source: Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO).

^{1/} Rate applicable to advances to government under Article 16 of the BCEAO statutes.^{2/} Reform of lending rate structure, involving the abolition of the preferential discount rate and the creation of a special rate for advances to the Treasury.^{3/} Introduction of a weekly auction system in the money market on October 18, 1993.

Table 41. Togo: Commercial Bank Interest Rates, October 2, 1989–Current

	Rates applicable after										
	Oct. 2, 1989	Nov. 1989	Aug. 1992	Nov. 1992	Oct. 1993	Jan. 19, 1994	Jul. 1994	Sep. 1994	Dec. 1994	March 1995	June 1995
	(In percent per annum, end of period)										
Demand deposits ^{1/}	free	free	free	free	free	free	free	free	free	free	free
Time deposits from CFAF 500,001 to 5,000,000 ^{2/ 3/}											
Less than six months	6.50 min.	7.00 min.	9.00 min.	8.50 min.	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}
Six months to one year	7.50 min.	8.00 min.	10.00 min.	9.50 min.	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}
Over one year	8.50 min.	9.00 min.	11.00 min.	10.50 min.	free	free	free	free	free	free	free
Certificates of deposit over CFAF 500,000 ^{2/ 3/}											
Six months to one year	7.50 min.	8.00 min.	10.00 min.	9.50 min.	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}	TMM-2% ^{4/}
More than one year	8.50 min.	9.00 min.	11.00 min.	10.50 min.	free	free	free	free	free	free	free
Passbook savings	6.50	7.00 fixed	9.00 fixed	8.50 fixed	4.50 min.	8.00 min.	5.00 min.	4.50 min.	4.50 min.	4.50 min.	4.50 min.
Lending rates ^{5/}	15.50 max.	16.00 max.	18.00 max.	17.50 max.	21.00 max.	29.00 max.	24.00 max.	20.00 max.	20.00 max.	18.00 max.	17.00 max.

Source: Banque Centrale des États de l'Afrique de l'Ouest (BCEAO).

^{1/} From January 1, 1985 to October 2, 1989, the payment of interest on demand deposits was suspended.

^{2/} Until October 2, 1989, rates on deposits exceeding CFAP 2 million were half a percentage point higher, at a minimum.

^{3/} Effective October 1, 1993, rates on deposits exceeding CFAP 5 million were completely liberalized.

^{4/} TMM is the average monthly money market rate published by the BCEAO.

^{5/} Until October 2, 1989, narrower ranges of lending rates applied to different uses and maturities of bank credits; since October 2, 1989, only one maximum rate has been established.

Table 42. Togo: Balance of Payments, 1991-95

	1991	1992	1993	1994	Est. 1995
(In billions of CFA francs)					
Trade balance	<u>-16.8</u>	<u>-21.8</u>	<u>-10.2</u>	<u>7.8</u>	<u>8.7</u>
Total exports	110.9	86.5	60.9	125.5	173.2
Domestic exports	70.0	52.7	39.8	92.4	126.9
Cotton	18.4	14.8	13.1	28.7	51.6
Coffee	2.5	4.8	3.2	5.1	9.6
Cocoa	3.1	2.7	1.5	3.5	3.1
Phosphates	35.6	21.0	15.0	36.7	41.3
Other	10.4	9.4	6.9	18.4	21.2
Reexports	40.8	33.8	21.1	33.1	46.3
Imports, f.o.b.	-127.6	-108.3	-71.1	-117.7	-164.4
Services (net)	<u>-28.4</u>	<u>-26.8</u>	<u>-24.2</u>	<u>-56.6</u>	<u>-52.8</u>
Credit	48.6	42.5	32.5	44.9	52.4
Debit	-77.1	-69.3	-56.7	-101.4	-105.2
Of which:					
Interest on external debt	-13.0	-11.4	-13.3	-27.9	-20.4
Unrequited transfers (net)	<u>29.8</u>	<u>23.8</u>	<u>11.5</u>	<u>17.6</u>	<u>26.1</u>
Private	4.0	2.3	2.7	4.7	5.5
Public	25.8	21.5	8.8	12.9	20.6
Of which:					
Project grants	6.7	6.8	1.0	4.0	4.1
Current account balance (excluding grants)	<u>-15.4</u> <u>-41.2</u>	<u>-24.8</u> <u>-46.3</u>	<u>-22.9</u> <u>-31.7</u>	<u>-31.2</u> <u>-44.1</u>	<u>-18.0</u> <u>-38.6</u>
Capital movements (net)	<u>1.7</u>	<u>-20.2</u>	<u>-39.0</u>	<u>-8.3</u>	<u>-32.4</u>
Public, medium- and long-term	5.8	-13.9	-16.0	-12.5	-9.7
Disbursements	22.1	1.8	1.2	20.6	14.5
Project loans	9.5	1.8	1.2	4.9	10.2
Nonproject loans	12.6	0.0	0.0	15.6	4.3
Amortization	-16.2	-15.7	-17.2	-33.0	-24.2
Public enterprise borrowing	4.1	0.0	0.0	2.5	2.5
Long-term private capital	3.3	5.0	0.5	3.5	2.5
Short-term private capital and errors and omissions	-11.5	-11.3	-23.5	-1.8	-27.7
Overall balance	<u>-13.7</u>	<u>-45.0</u>	<u>-61.8</u>	<u>-39.5</u>	<u>-50.4</u>
Financing	<u>13.7</u>	<u>45.0</u>	<u>61.8</u>	<u>39.5</u>	<u>50.4</u>
Change in net foreign assets (- increase)	-4.3	22.7	35.4	-13.6	12.3
Of which: net use of Fund resources	-2.2	-0.0	-2.4	4.7	10.5
Change in arrears (reduction -)	5.1	6.1	19.4	49.9	-65.9
Principal	0.9	3.2	9.9	28.1	-26.8
Interest	4.2	2.9	9.4	21.7	-39.1
Rescheduling obtained	12.9	16.2	7.2	0.0	102.8
Debt cancellation	0.0	0.0	0.0	3.2	1.2

Sources: Data provided by Togolese authorities; and staff estimates.

Table 43. Togo: Balance of Payments, 1991-95

	1991	1992	1993	1994	<u>Est.</u> 1995
(In millions of SDRs)					
Trade balance	<u>-43.5</u>	<u>-58.5</u>	<u>-25.9</u>	<u>9.8</u>	<u>11.5</u>
Total exports	287.3	232.0	154.0	158.3	228.7
Domestic exports	181.5	141.4	100.6	116.5	167.5
Cotton	47.7	39.7	33.2	36.2	68.1
Coffee	6.6	12.9	8.2	6.4	12.7
Cocoa	8.0	7.2	3.8	4.4	4.1
Phosphates	92.3	56.3	37.9	46.3	54.6
Other	26.9	25.2	17.5	23.2	28.0
Reexports	105.8	90.7	53.4	41.7	61.2
Imports, f.o.b.	-330.7	-290.5	-179.9	-148.5	-217.2
Services (net)	-73.7	-71.8	-61.1	-71.4	-69.7
Credit	126.0	114.0	82.2	56.6	69.2
Debit	-199.7	-185.8	-143.3	-128.0	-138.9
Of which:					
Interest on external debt	-33.6	-30.5	-33.5	-35.2	-27.0
Unrequited transfers (net)	77.3	63.8	29.1	22.2	34.5
Private	10.5	6.2	6.8	5.9	7.3
Public	66.8	57.6	22.3	16.3	27.2
Of which:					
Project grants	17.3	18.2	2.5	5.1	5.4
Current account balance (including grants)	<u>-39.9</u>	<u>-66.5</u>	<u>-57.9</u>	<u>-39.4</u>	<u>-23.7</u>
Current account balance (excluding grants)	-106.7	-124.1	-80.2	-55.6	-50.9
Capital movements (net)	4.5	-54.1	-98.6	-10.5	-42.9
Public, medium- and long-term	15.1	-37.2	-40.4	-15.7	-12.0
Disbursements	57.2	4.8	3.0	25.9	19.2
Project loans	24.5	4.8	3.0	6.2	13.5
Nonproject loans	32.6	0.0	0.0	19.7	5.7
Amortization	-42.1	-42.1	-43.4	-41.7	-32.0
Public enterprise borrowing	10.7	0.0	0.0	3.2	3.3
Long-term private capital	8.4	13.4	1.3	4.4	3.3
Short-term private capital and errors and omissions	-29.8	-30.3	-59.5	-2.3	-36.6
Overall balance	<u>-35.4</u>	<u>-120.6</u>	<u>-156.5</u>	<u>-49.8</u>	<u>-66.6</u>
Financing	<u>35.4</u>	<u>120.6</u>	<u>156.5</u>	<u>49.8</u>	<u>66.6</u>
Change in net foreign assets (- increase)	-11.2	60.9	89.6	-17.2	16.2
Of which: net use of Fund resources	-5.8	-0.1	-6.1	5.9	13.8
Change in arrears (reduction -)	13.1	16.3	49.0	62.9	-87.0
Principal	2.3	8.4	25.1	35.5	-35.4
Interest	10.9	7.8	23.9	27.4	-51.6
Rescheduling obtained	33.5	43.5	17.9	0.0	135.8
Debt cancellation	0.0	0.0	0.0	4.1	1.6

Sources: Data provided by Togolese authorities; and staff estimates.

Table 44. Togo: Value, Volume, and Unit Price of Major Exports, 1991-95 ^{1/}

	1991	1992	1993	1994	1995
Ginned cotton					
Value	18.4	14.8	13.1	28.7	51.6
Percentage Change	21.8	-19.6	-11.5	-119.1	79.8
Volume	42.2	38.6	43.4	45.0	54.9
Percentage Change	27.1	-8.5	12.4	3.7	22.1
Unit value	436.3	383.6	302.5	638.0	759.8
Percentage Change	-4.2	-12.1	-21.1	110.9	19.1
Coffee					
Value	2.5	4.8	3.2	5.1	9.6
Percentage Change	-47.8	92.0	-33.3	59.3	89.0
Volume	9.2	18.8	13.0	9.9	11.6
Percentage Change	-30.6	104.3	-30.8	-23.8	17.1
Unit value	275.0	255.6	249.3	509.5	831.7
Percentage Change	-18.7	-7.1	-2.4	104.3	63.2
Cocoa					
Value	3.1	2.7	1.5	3.5	3.1
Percentage Change	-24.4	-12.9	-0.44	133.3	-11.4
Volume	6.3	6.1	5.4	5.1	4.4
Percentage Change	-19.6	-3.2	-11.5	-5.5	-14.3
Unit value	493.0	439.6	277.1	685.6	710.3
Percentage Change	-6.7	-10.8	-36.9	147.3	3.6
Phosphate					
Value	35.6	21.0	15.0	36.7	41.3
Percentage Change	26.7	-41.0	-28.6	144.6	12.6
Volume	3.1	2.1	1.6	2.2	2.7
Percentage Change	24.8	-32.2	-23.8	37.5	20.5
Unit value	115.8	100.6	962.8	164.4	155.8
Percentage Change	1.2	-13.1	-4.4	70.8	-5.2

Sources: Data provided by the Togolese authorities and staff estimates.

^{1/} Value in billions of CFA francs, volume in thousands of tons; and f.o.b. unit value in CFA franc per kilogram.

Table 45. Togo: Imports by Main Product Category, 1991-95

	1991	1992	1993	1994	1995
(In billions of CFA francs)					
Imports, c.i.f. ^{1/}	<u>145.4</u>	<u>120.3</u>	<u>79.2</u>	<u>125.5</u>	<u>177.3</u>
Consumer goods	<u>76.8</u>	<u>62.3</u>	<u>40.6</u>	<u>58.9</u>	<u>80.4</u>
for domestic consumption	49.2	40.8	26.7	41.7	53.1
for reexport	27.6	21.5	13.9	17.2	27.3
Intermediate goods	<u>26.8</u>	<u>20.6</u>	<u>14.2</u>	<u>31.5</u>	<u>37.2</u>
Petroleum products	<u>9.9</u>	<u>9.9</u>	<u>7.5</u>	<u>12.3</u>	<u>18.5</u>
Capital goods	<u>31.9</u>	<u>27.5</u>	<u>16.9</u>	<u>22.8</u>	<u>41.2</u>
(As percentage of total)					
Consumer goods					
for domestic consumption	33.8	33.9	33.7	33.3	30.0
for reexport	19.0	17.9	17.6	13.7	15.4
Intermediate goods	18.4	17.1	17.9	25.1	21.0
Petroleum products	6.8	8.2	9.5	9.8	10.4
Capital goods	21.9	22.9	21.3	18.2	23.2

Source: Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO), and staff estimates.

^{1/} Excluding exports of Compagnie d'Electricite de Benin (CEB), the regional distributor of electricity for both Benin and Togo.

Table 46. Togo: Balance of Services, 1991-95 1/

	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
	1991	1991		1992	1992		1993	1993		1994	1994		1995	1995	
(In billions of CFA francs)															
Freight and insurance	1.6	17.4	-15.8	1.4	15.7	-14.2	1.1	11.8	-10.7	1.5	22.9	-21.4	1.8	23.8	-22.0
Passenger services	0.0	6.4	-6.4	0.0	5.8	-5.8	0.0	4.7	-4.7	0.0	8.5	-8.5	0.0	8.8	-8.8
Port services	6.7	2.4	4.3	5.8	2.2	3.7	4.5	1.8	2.7	6.2	3.2	3.0	7.2	3.3	3.9
Travel	13.6	13.0	0.6	11.9	11.7	0.2	9.1	7.1	2.0	12.6	12.7	-0.1	14.7	15.6	-0.9
Investment income	8.8	3.7	5.0	7.7	3.4	4.3	5.9	2.8	3.1	8.1	4.9	3.2	9.4	5.1	4.3
Direct investment income	0.0	3.3	-3.3	0.0	2.9	-2.9	0.0	2.4	-2.4	0.0	4.3	-4.3	0.0	4.5	-4.5
Dividends, BCEAO	7.0	0.0	7.0	6.1	0.0	6.1	4.7	0.0	4.7	6.5	0.0	6.5	7.6	0.0	7.6
Other	1.7	0.5	1.3	1.5	0.4	1.1	1.2	0.3	0.8	1.6	0.6	1.0	1.9	0.6	1.2
Interest on external debt	0.0	13.0	-13.0	0.0	11.4	-11.4	0.0	13.3	-13.3	0.0	27.9	-27.9	0.0	20.4	-20.4
Other official services	9.8	6.3	3.5	8.6	6.0	2.6	6.5	7.3	-0.7	9.0	13.0	-4.0	10.6	13.5	-3.0
Other private services 2/	8.1	14.8	-6.7	7.1	13.3	-6.2	5.4	8.0	-2.5	7.5	8.3	-0.8	8.7	14.8	-6.0
Total	48.6	77.1	-28.5	42.5	69.3	-26.8	32.5	56.7	-24.2	44.9	101.5	-56.6	52.4	105.2	-52.8
Memorandum item:															
Total services, excluding freight and insurance and interest on external debt	47.0	46.7	0.3	41.1	42.2	-1.1	31.4	31.6	-0.2	43.4	50.6	-7.2	50.2	56.4	-6.2

Sources: Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO); and Société Nationale d'Investissement (SNI); and staff estimates.

1/ Estimates.

2/ The electricity purchases by the Togolese electricity company (CEET) from the Compagnie d'Electricité du Bénin (CEB), now considered as a nonresident, are no longer included in "other private services." The BCEAO has revised the balance of services retroactively from 1986.

Table 47. Togo: Exchange Rate Developments, 1991-95

	1991	1992	1993	1994	1995
Exchange rates					
Period averages:					
CFA francs per U. S. dollar	282.1	264.7	283.2	555.2	499.1
CFA francs per SDR	385.9	372.8	387.5	809.8	757.1
End of period					
CFA francs per U. S. dollar	259.0	275.3	294.8	534.6	490.0
CFA francs per SDR	370.5	378.6	404.9	780.4	728.4
Indices of exchange rates: 1/					
Period averages: 2/					
CFA francs per U.S. dollar	62.8	58.9	63.0	123.0	111.1
CFA francs per SDR	84.6	81.7	84.9	177.5	186.4
Indices of effective exchange rates, period average: 3/					
Nominal trade-weighted	186.5	210.5	231.6	131.6	63.1
Real trade-weighted	105.1	110.2	103.2	69.0	89.9

Sources: IMF, *International Financial Statistics*, and Information Notice System.

1/ Base 100: 1985.

2/ A decline in the index indicates an appreciation of the CFA franc.

3/ An increase in the index indicates an appreciation of the CFA franc.

Table 48. Togo: Gross International Reserves, 1991–95

	1991	1992	1993	1994	1995
(In millions of U.S. dollars; end of period)					
Total	364.7	272.4	156.2	94.4	126.1
SDRs	0.3	0.2	0.1	0.1	0.4
Reserve position in the Fund	0.3	0.3	0.2	0.3	0.4
Foreign exchange	364.1	271.9	155.9	94.0	125.3
<u>Memorandum item:</u>					
Months of imports c.i.f. (of the following year) covered by gross official reserves	8.7	10.9	6.7	4.3	5.3

Sources: Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO); and IMF, *International Financial Statistics*.

Table 49. Togo: External Public Debt Outstanding by Type of Creditor, 1991-95 1/

	1991	1992	1993	1994	1995
(In billions of CFA francs; end of period)					
Bilateral loans 2/	118,328	115,807	128,345	235,720	236,758
Multilateral loans (excluding IMF)	168,159	180,142	197,880	401,850	385,200
IMF (including Trust Fund)	20,600	21,700	20,250	43,180	62,927
Financial institutions	14,152	15,817	17,410	36,780	25,260
CIMAO 3/	339	499	--	--	--
Total	321,578	333,965	363,885	717,530	710,145
(In percent of total)					
Bilateral loans	36.8	34.7	35.3	32.9	33.3
Multilateral loans (excluding IMF)	52.3	53.9	54.4	56.0	54.2
IMF (including Trust Fund)	6.4	6.5	5.6	6.0	8.9
Financial institutions	4.4	4.7	4.8	5.1	3.6
CIMAO	0.1	0.1	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0
Memorandum item:					
Debt-to-GDP ratio	71.1	77.0	106.2	139.8	109.8

Source: Société Nationale d'Investissement (SNI).

1/ Medium- and long-term. Disbursed and outstanding debt, including principal and interest in arrears.

2/ After cancellation of French ODA debt after the Dakar initiative.

3/ Société des Ciments de l'Afrique de l'Ouest.

Table 50. Togo: External Public Debt Service, 1991-95

	1991	1992	1993	1994	1995
(In billions of CFA francs)					
Interest	12.98	11.39	13.25	27.88	20.42
Multilateral (excluding IMF)	1.80	1.83	1.74	3.56	3.66
IMF	1.34	0.55	0.36	0.19	0.36
Paris Club 1/	8.04	7.69	10.19	13.00	13.03
Other bilateral	0.50	0.20	0.19	0.32	0.32
Commercial banks	1.30	1.12	0.77	1.11	3.05
Interest on new borrowing	--	--	--	0.20	--
Interest moratorium	--	--	--	--	--
Late interest	--	--	--	9.50	--
Principal	18.48	18.62	19.26	36.75	29.99
Multilateral (excluding IMF)	2.30	2.19	1.87	4.88	5.10
IMF	2.24	2.94	2.10	3.70	5.84
Paris Club 1/	11.84	10.47	11.28	20.79	12.19
Other bilateral	2.10	0.63	0.53	0.92	0.92
Commercial banks	--	2.39	3.48	6.46	5.94
Principal moratorium	--	--	--	--	--
Total debt service due	31.46	30.01	32.51	64.63	50.41
Interest	12.98	11.39	13.25	27.88	20.42
Principal	18.48	18.62	19.26	36.75	29.99
Rescheduling obtained	12.94	16.21	7.18	--	102.80
Cancellation obtained 2/	--	--	--	3.23	1.21
Change in arrears (reduction -)	5.10	6.10	19.40	49.90	-65.91
Total debt service paid	13.42	7.70	5.93	11.50	12.31
(In percent of exports of goods and nonfactor services)					
Total debt service due	20.81	24.86	38.17	38.78	22.91
Interest	8.6	9.4	15.6	16.7	9.3
Principal	12.2	15.4	22.6	22.1	13.6
Total debt service paid	8.88	6.38	6.96	6.90	5.59

Sources: Société Nationale d'Investissement (SNI); and staff estimates.

1/ Including the Caisse Française de Développement.

2/ Cancellation obtained from France.

Togo: Summary of Tax System
(As of September 30, 1996) 1/
(All amounts in CFA francs)

Tax	Nature of Tax	Deductions and Exemptions	Rates
1. Taxes on income and profits			(In CFA francs)
1.1 Tax on individual income (<i>impôt sur le revenu des personnes physiques-IRPP</i>)	Tax on overall net income of individuals from labor, pensions, property, and from capital gains (other than on their own residence, vehicles, agricultural land, real estate valued at less than CFAF 2 million, and movable assets valued at less than CFAF 1 million).	Net taxable income below CFAF 17,000 per month is exempted from the IRPP. In this case, a single standard amount of CFAF 250 per month is withheld as the only additional tax (TSA minimum tax). Taxable retirement pensions are taxed on only 50 percent of the gross pension payments received. Wages and salaries: to determine the net taxable amount before deductions for dependents, the following formulae should be applied to the gross base X (after deductions authorized by Art. 27, paras. 1-4 of the General Tax Code):	0 - 180,000 Exempt
			180,000 - 250,000 10 percent
			250,001 - 400,000 14 percent
			400,001 - 600,000 18 percent
			600,001 - 1,000,000 22 percent
			1,000,001 - 1,600,000 26 percent
			1,600,001 - 2,500,000 30 percent
			2,500,001 - 5,000,000 35 percent
			5,000,001 - 7,500,000 40 percent
			7,500,001 - 10,000,000 45 percent
			10,000,001 - 12,000,000 50 percent
			Over 12,000,000 55 percent
		1. Monthly schedule	Withholding at source for income from securities: 15-25 percent of gross revenue. Minimum tax (IMF): 2 percent of BIC turnover, 3 percent of BNC.
		(a) For x < CFAF 740,740: multiply x by 0.765	
		(b) For x > CFAF 740,740: multiply x by 0.855 and deduct CFAF 66,666	
		2. Annual schedule	Since 1993 economic agents engaged in commercial activity, and liable for the IRPP, are subject to a withholding tax at the customs or at the time of wholesale purchases at a rate of 3 percent of the value of the transactions.
		(a) For x < CFAF 8,888,889: multiply x by 0.765	
		(b) For x > CFAF 8,888,889: multiply x by 0.855 and deduct CFAF 800,000	
		Exemptions for dependents	
		Net taxable income is reduced by:	
		48,000 for one dependent	
		120,000 for two dependents	
		216,000 for three dependents	
		288,000 for four dependents	
		360,000 for five dependents	
		432,000 maximum for six dependents or more.	

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Togo: Summary of Tax System (continued)
(As of September 30, 1996) 1/
(All amounts in CFA francs)

Tax	Nature of Tax	Deductions and Exemptions	Rates
	<p>Taxable profits on industrial and/or commercial activities, (<i>bénéfices industriels et commerciaux</i>—BIC) are assessed presumptively for taxpayers with a turnover of up to CFAF 30 million whose chief business is the sale of goods for the provision of housing (CFAF 10 million for the provision of services and other businesses).</p>		<p>15 percent; withheld from payments to individuals and companies subject to the individual income tax or company tax and having no permanent facilities in Togo.</p>
	<p>Tax on profits of self-employed persons carrying out a noncommercial activity as well as on profits not falling under any other income category (<i>bénéfices non commerciaux</i>—BNC).</p>		<p>15 percent; withheld from payments to individuals and companies which have no permanent facilities in Togo. 20 percent of revenue of individuals and companies with permanent facilities in Togo.</p>
<p>1.2 Company tax (<i>impôt sur les sociétés</i>—IS)</p>	<p>Tax on income and profits of companies.</p>	<p>Cooperatives, mutual farm credit banks, low-cost housing associations, and other mutual institutions are exempt. Special treatment: parent companies and subsidiaries, mergers, and splits. Companies established under the free-zone statute are exempt for 10 years.</p>	<p>37 percent of taxable profits for industrial concerns and 40 percent for others.</p> <p>Minimum tax (<i>impôt minimum forfaitaire</i>—IMF): 0.5 percent of turnover. The IMF is deductible from the IS.</p>
<p>1.3 Tax on road transport income (<i>impôt sur le revenu des transporteurs routiers</i>—IRTR)</p>	<p>Presumptive taxation of profits of highway carriers (individuals who do not keep regular and complete accounting records).</p>	<p>Togo government vehicles. Privately used passenger cars. Vehicles registered outside Togo and used occasionally in Togo. Vehicles in international transit for which a customs transit bond has been obtained. Vehicles not in use, provided a prior statement has been filed with the tax authorities. Vehicles specially equipped for nontransportation use, including ladder trucks, crane trucks, and forklifts. Tractors for agricultural use.</p>	<p>Economic agents are subject to withholding as described under the IRPP.</p> <p>10 percent of presumptive turnover set by law. This tax includes IRPP, IMF, and the business tax (<i>taxe professionnelle</i>).</p>

Togo: Summary of Tax System (continued)
(As of September 30, 1996) 1/
(All amounts in CFA francs)

Tax	Nature of Tax	Deductions and Exemptions	Rates
1.4 Supplementary tax on individual income (<i>taxe complémentaire à l'impôt sur le revenu</i>)	Supplement to the tax on individual incomes.		25 percent of IRPP. Minimum: CFAF 6,000 Maximum: CFAF 200,000 (wage earners: maximum CFAF 3,000 or CFAF 1,500, depending on the individual case.)
2. Social security contributions	i) Retirement pensions	No ceiling	Employer: 3.6 percent. Employee: 2.4 percent.
	ii) Family allowances	No ceiling; payments in kind are excluded.	Employer: 10.0 percent (plus 2 percent maternity allowance).
	iii) Workmen's compensation (accidents at work).		Employer: 2.5 percent.
3. Employers' payroll taxes (<i>impôts sur les salaires versés par les employeurs</i>)		Central government. Nonprofit public establishments. Diplomatic missions. Private schools. Private persons employing domestic servants.	7 percent of gross salary, reduced to 6.5 percent for enterprises which filed and conducted in the previous year a training program for senior and middle-level managers. The rate can be reduced in cases specified in the Code des Investissements and the Charte des Entreprises Togolaises, and for entities under the free-zone statute engaged in processing for export.

Togo: Summary of Tax System (continued)
(As of September 30, 1996) 1/
(All amounts in CFA francs)

Tax	Nature of Tax	Deductions and Exemptions	Rates
4. Taxes on real property			
4.1 Tax on buildings (<i>taxe foncière sur les propriétés bâties</i>)	Real annual tax based on net property register income, i.e., 50 percent of rental value.	Buildings used for public religious services. Buildings used for medical or social assistance. Buildings and facilities used for farming purposes. Buildings used solely as residences for their owners and having an annual rental value of less than CFAF 360,000. Buildings belonging to foreign governments and used as the official residences of their diplomatic missions. Buildings belonging to local authorities (<i>collectivités publiques</i>).	10 percent of net cadastral revenue for tenant-owned. 25 percent of net cadastral revenue for others.
4.2 Property tax on unimproved land (<i>taxe sur les propriétés non bâties</i>).	Real annual tax based on the market value of unimproved urban land.	Real property used for farming, schools, state railways, and the land of the buildings exempted under 4.1.	2 percent of market value.
4.3 Real property surcharge (<i>surtaxe foncière</i>)	As above.	As above.	1 percent of market value.
4.4 Garbage removal tax (<i>taxe d'enlèvement des ordures</i>).	Real annual tax for services rendered, same base as real property taxes.	Business and other establishments which make their own arrangements for waste removal and destruction. Premises rented by the central government. Premises located where no municipal services exist for refuse removal.	Buildings: 2 percent of property register income. Unimproved land: 0.2 percent of market value.
4.5 Filing fees (<i>droits d'enregistrement</i>)	Property transfers, capital increases, and company mergers.	Companies established under the free-zone statute engaged in processing for export.	Fixed duty of CFAF 2,000-30,000 plus proportional duty of 2-15 percent.
4.6 Stamp-duty (<i>droits de timbre</i>)	Tax on shares and bonds of companies established in Togo.	Companies established under the free-zone statute engaged in processing for export.	1-1.5 percent of nominal value. 0.1-0.15 by annual subscription.

Togo: Summary of Tax System (continued)
(As of September 30, 1996) 1/
(All amounts in CFA francs)

Tax	Nature of Tax	Deductions and Exemptions	Rates
5. Taxes on goods and services			
5.1 Value-added tax (<i>Taxe sur la valeur ajoutée-TVA</i>)	Tax on transfers of good and on services (value before tax).	Exports in general; and banking and financial activities subject to the financial activity tax--TAF. Road transportation, agriculture, fishing, liberal professions (excluding accounting and architecture, government, craft men, pharmaceuticals, breeding stock, seeds, fertilizer, insecticide, pesticides, and books and newspapers.	7 percent on essential consumer products (meat, fish, milk, tomatoes, root plants, foodgrains, vegetable oil, canned goods, bread, salt, plain soap, school tablets); 18 percent on other products.
5.2 Financial activity tax (<i>Taxe sur les activités financières-TAF</i>)	Tax applied to gross profits realized from all banking and financial activities.	Loans to the central and/or local government; medium- and long-term loans for companies' investments and housing loans.	10 percent.
5.3 Levy on income from gambling (<i>prélèvement sur les produits des jeux de hasard</i>)	Duty on income from gambling.		Progressive by brackets, from a minimum of 5 percent to a maximum of 40 percent. Minimum payable per annum: CFAF 1,200,000. 7 percent of gross receipts of national lottery (LONATO).
5.4 Entertainment tax (<i>taxe sur les spectacles</i>)	Duty on income from entertainment or from possession of automatic equipment for games, amusement, etc.	Certain cultural and sports events are exempt under municipal arrêtés.	Ranges from 5 percent to 20 percent depending on entertainment category and commune. CFAF 500-6,000 depending on activity and commune. CFAF 5,000-25,000 per month depending on activity and commune.
5.5 Consumption duties (<i>droits de consommation</i>)	Specific tax based on quantity of taxable products delivered for consumption in Togo.	Consumption duties were eliminated for cement and petroleum products. (These products are now taxed under the value-added tax, VAT).	CFAF 5-250 per bottle for alcoholic and nonalcoholic beverages; CFAF 20 per packet of cigarettes; CFAF 200 per ton of cement.

Togo: Summary of Tax System (continued)
(As of September 30, 1996) 1/
(All amounts in CFA francs)

Tax	Nature of Tax	Deductions and Exemptions	Rates
5.6 Tax on insurance (<i>taxe sur les assurances</i>)	Levied on insurance premiums.		Fire: 25 percent Accident: 6 percent Maritime: 5 percent Life: 3 percent Export credit: 0.2 percent
5.7 Business tax (<i>taxe professionnelle</i>); (formerly <i>patentes</i>).	Levied on all self-employed persons and enterprises carrying on a business activity or profession. Tax base: turnover and rental value of business premises.	Various exemptions specifically stated in the law (including artisans in the tax sense, the government, local governments, farmers, agricultural cooperatives, new enterprises eligible in the investment code).	Ranges from 1 per mill to 2 percent of turnover, depending on nature of business, plus 1-5 percent of the rental value of the business premises. Another range of rates has been added for peddlers and others who sell in the markets and on public thoroughfares.
5.8 Special tax on the manufacture and sale of beverages (<i>taxe spéciale sur la fabrication et le commerce des boissons</i>) (formerly <i>licences</i>).	As for the business tax.		CFAF 5-50 per bottle.; depending on nature of beverage business, kind of beverages, and the commune of location.
6. Taxes on international trade			
6.1 Import duties			
6.1.1 Fiscal import duty (<i>droit fiscal d'entrée</i>)	Levied on the c.i.f. value of all imports regardless of origin.	Imports of the government, embassies, and equipment goods, materials, and supplies imported by enterprises benefiting from the Investment Code are exempt.	0 - 30 percent.
6.1.2 Turnover tax on imports (<i>taxe sur les transactions-TT</i>)	Levied on the c.i.f. value of raw materials of companies granted concessions under the Investment Code prior to the 1989 reform. This tax is levied on wax cloth.		3 to 25 percent for raw materials and 6 percent for wax cloth.

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Togo: Summary of Tax System (concluded)
(As of September 30, 1996) 1/
(All amounts in CFA francs)

Tax	Nature of Tax	Deductions and Exemptions	Rates
6.1.3 Transport tax (<i>Taxe de circulation</i>)	Applied to foreign-owned vehicles with capacity exceeding 1,500 kg, or tractor-trailers. The tax is levied on foreign owned vehicles transiting through Togo, whether empty or loaded.		CFAF 3,000 CFAF 5,000

Source: General Tax Code and Customs Code.

1/ The 1996 budget law was approved in May 1996.

LIST OF ACRONYMS

A. General

BA	Impôt sur les bénéfices agricoles
BCEAO	Banque Centrale des Etats de l'Afrique de l'Ouest
BIAO	Banque Internationale pour l'Afrique de l'Ouest
BIC	Impôt sur les bénéfices industriels, commerciaux, artisanaux et agricoles
BIE	Budget d'Investissement et d'Equipement
BNC	Impôt sur les bénéfices des professions non-commerciales
CCCE	Caisse Centrale de Coopération Economique
CCP	Compte Courant Postal
CEDEAO	Communauté Economique des Etats de l'Afrique de l'Ouest
CENETI	Centre National d'Etude et de Traitement Informatiques
CFA	Communauté Financière Africaine
CFD	Caisse Francaise de Developpement
CHU	Centre Hospitalier Universitaire
CNET	Caisse Nationale d'Epargne du Togo
CNPPME	Centre National de Promotion de la Petite et Moyenne Entreprise
CTI	Centre Togolais des Investisseurs
CTMB	Compagnie Togolaise des Mines du Bénin
DRDR	Direction Régionale pour le Développement Rural
EU	European Union
EDF	European Development Fund
ENA	Ecole Nationale d'Administration
FNADP	Fonds National pour l'Amortissement de la Dette Publique
FNI	Fonds National d'Investissement
FPP	Fonds de Préinvestissement Public
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IFC	International Finance Corporation
IMF	Impôt minimum forfaitaire
IRPP	Impôt sur le revenu de personnes physiques
IRTR	Impôt sur le revenu des transporteurs routiers
MISE	Ministère de l'Industrie et des Sociétés d'Etat
MPM	Ministère du Plan et des Mines
SAC	Structural Adjustment Credit (IDA)
SAP	Structural Adjustment Program (IDA) du Togo
SIG	Système d'Informations de Gestion
SMAG	Salaire Minimum Agricole Garanti
SMIG	Salaire Minimum Interprofessionnel Garanti
STABEX	Stabilization System for Export Earnings

LIST OF ACRONYMS (continued)

TEN	Taux d'Escompte normal
TEP	Taux d'Escompte préférentiel
TERR	Taxe d'Entretien du réseau routier
TFRTT	Taxe forfaitaire représentative de la taxe sur les transactions à l'importation ou à l'Exportation
TGA	Taxe générale sur les affaires
TS	Taxe statistique (import tax)
TT	Taxe sur les transactions (import tax)
UB	Université du Bénin
UEMOA	Union Economique et Monétaire Ouest Africaine
UMOA	Union Monétaire Ouest Africaine
UNDP	United Nations Development Programme
WAEMU	West African Economic and Monetary Union
WAMU	West African Monetary Union

B. Public or Privatized Enterprises

AGETU	Agence d'Equipment des Terrains Urbains
ASECNA	Airport Security Agency
BALTEX	Banque Arabe-Libyenne-Togolaise du Commerce Extérieur
BB	Brasserie du Bénin
BCCI	Banque de Crédit et du Commerce International
BCGT	Banque Commerciale du Ghana-Togo
BTIC	Banque Togolaise de Crédit et de l'Industrie
BTD	Banque Togolaise de Développement
CAAN	Centre Artisanal Agou-Nyogbo
CEB	Compagnie d'Electricité de Bénin
CEET	Compagnie Energie Electrique du Togo
CET	Caisse d'Epargne du Togo
CFT	Chemins de Fer du Togo
CIMTOGO	Ciment du Togo
CNCA	Caisse Nationale de Crédit Agricole
CNSS	Caisse Nationale de Sécurité Sociale
CREAT	Centre de Recherche et d'Elevage d'Avetonou
EDITOGO	Editions du Togo
FAB	Ferme Agricole de Baquida
GTA	Groupement Togolais d'Assurance
HT	Huileries Togolaises
IOTO	Industrie d'Oléagineux du Togo
ITP	Industrie Togolaise des Plastiques

LIST OF ACRONYMS (continued)

ITT	Industrie Textile Togolaise
LNBTP	Laboratoire National des Bâtiments et des Travaux Publics
LONATO	Loterie Nationale Togolaise
NIOTO	Nouvelle Industrie des Oléagineux
Nelle	
SOTOMA	Nouvelle Société Togolaise de Marbrerie
ODEF	Office de Développement des Exploitations Forestières
ONAF	Office National des Abattoirs Frigorifiques
ONPT	Office National des Postes et Télécommunications
OPAT	Office des Produits Agricoles du Togo
OPTT	Office des Postes et Télécommunications du Togo
OTODI	Office Togolais du Disque
OTP	Office Togolais des Phosphates
PAL	Port Autonome de Lomé
RNET	Régie Nationale des Eaux du Togo
SALINTO	Société des Salines du Togo
SALT	Société Aéroportuaire de Lomé-Tokoin
SATAL	Société d'Agriculture Togolaise Arabe-Libyenne
SATELIT	Société Autonome de Télécommunications Internationales du Togo
SBHT	Société Boutiques Hors-Taxes
SGMT	Société Générale des Moulins du Togo
SIT	Société Industrielle du Togo
SITO	Société Immobilière du Togo
SNI (-FA)	Société Nationale d'Investissement (et Fonds Annexes)
SNS	Société Nationale de Sidérurgie
SODETO	Société des Détergents du Togo
SOMAT	Société Maritime de l'Atlantique
SONACOM	Société Nationale pour le Commerce
SONAPH	Société Nationale pour le Développement des Palmeraies et des Huileries
SOTCON	Société Togolaise de Confection
SOTED	Société Togolaise d'Etudes et de Développement
SOTEXMA	Société d'Exploitation de Machines Agricoles
SOTOCO	Société Togolaise de Coton
SOTODAS	Société Togolaise et Danoise des Savons
SOTOMA	Société Togolaise de Marbrerie et de Matériaux
SOTONAM	Société Togolaise de Navigation Maritime
SOTOPROMER	Société Togolaise pour la Promotion des Produits de Mer
SOTOTOLES	Société Togolaise de Galvanisation de Tôles

LIST OF ACRONYMS (concluded)

SRCC	Société Nationale pour la Rénovation et le Développement de la Cacaoyère et de la Caféière Togolaises
STAL-PECHE	Société Togolaise Arabe-Libyenne de Pêche
STB	Société Togolaise de Boissons
STE	Société Togolaise d'Entreposage
STH	Société Togolaise des Hydrocarbures
STS	Société Togolaise de Sidérurgie
STSL	Société Togolaise de Stockage de Lomé
TC-BHT	La Togolaise de Commerce et des Boutiques Hors-Taxes
TOGOGAZ	Société Togolaise de Gaz Industriel
TOGOGRAIN	Togo Grain Marketing Board
TOGOPHARMA	Office National Togolais de la Pharmacie
TOGOPROM	Société Togolaise de Promotion pour le Développement
TOGOROUTE	Société Nationale de Transport Routier
TOGOTEX	Société Togolaise de Textile
UPROMA	Unité de Production de Petit Matériel Agricole
UTB	Union Togolaise de Banques