U.S. Department of State
FY 2001 Country Commercial Guide: Togo

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I. Executive Summary

This Country Commercial Guide (CCG) presents a comprehensive look at Togo's commercial environment, using economic, political and market analysis. The CCGs were established by recommendation of the Trade Promotion Coordinating Committee (TPCC), a multi-agency task force, to consolidate various reporting documents prepared for the U.S. business community. Country Commercial Guides are prepared annually at U.S. Embassies through the combined efforts of several U.S. Government agencies.

Togo is a small country on the coast of West Africa located between Ghana and Benin. The majority of the population depends on subsistence agriculture. Coffee, cotton, and cocoa are the major export crops; phosphate exports have traditionally been the largest source of foreign exchange. The capital, Lomé, was once the bustling hub of an economy buoyed by tourism, banking, and transportation services for its land-locked and coastal neighbors. This position has eroded in recent years because of Togo's own political and economic difficulties as well as competition from its liberalizing neighbors.

Beginning in late 1990, the economy suffered severely as an uneasy democratization process brought unsettled political conditions, including sporadic civil disorder and a nine-month general strike in 1992-93. Togo enjoyed astronomical growth rates in 1994 and 1995 as the country pulled back from overt unrest to an environment permitting the ordinary course of business, and as the government recommitted itself to structural adjustment.

The period leading to presidential elections in June 1998 was seen as an important opportunity for Togo to demonstrate that its evolving political system could peacefully accommodate diverse views and aspirations, calming lingering concerns about the political stability underpinning Togo's commercial environment. While there was improvement in the pre-electoral conduct of political discourse over earlier elections in this decade, the June poll was marred by apparent manipulations of ballot counts; some civil disturbances ensued. These were not as dramatically violent as in the early 1990s, but the experience calls into question the return of a climate of confidence to support renewed investment and economic growth. Prompted by the controversies surrounding the 1998 presidential election and the March 1999 legislative election (boycotted by the opposition), Togo's political protagonists met for two weeks of national reconciliation talks in July 1999 to hash out common principles for transition to a more democratic government.

Progress continues, albeit slowly, on steps agreed to during the reconciliation talks. Dissolution of the ruling party-dominated National Assembly and transparent, fair elections for a new legislative body by the end of 2000 could lead to a resumption of international development cooperation, especially from the European Union.

Togo relaunched its structural adjustment efforts with support from International Monetary Fund and World Bank programs in late 1994, emphasizing privatization, increased revenue generation, and transparent reorientation of government spending toward real investment and social sectors such as health and education. While initial progress was made, Togo has sometimes struggled to meet international financial institution conditions, missing, for example, the middle of three disbursements in a three-year facility with the IMF. While the government got back on track for the third year, continued lack of spending discipline delayed Togo's ability to meet requirements for a follow-on IMF program and strained relations with the World Bank. The privatization program has largely stalled, although the government is working with the World Bank on ways to reinvigorate the process.

Having long relied on electricity imports, Togo shared in the region's crippling power shortages in early 1998. By mid-year, it had installed sufficient capacity to provide about half of its power needs independently, and benefited from increased output from Cote d'Ivoire. However, the impact of the energy crisis and political unrest sharply slowed growth for 1998, when real GDP fell by one percent. In 1999 the economy showed modest growth, by most estimates 2 percent of real GDP.

During the first half of 2000, significant material and human resources of the government were devoted to the hosting of the annual OAU Summit in Lomé from July 4-12. In preparation for the Summit, hotels were renovated, roads were repaired, and the construction of a new complex of luxury villas was begun. The budgetary consequences of such ambitious infrastructure work and the ability of the Togolese government to exploit the new and improved facilities to stimulate business and tourism bear watching.

Near-term prospects are for modest economic growth and restrained inflation, but these projections depend heavily on progress in both economic structural adjustment and political liberalization. Togo's limited domestic market is of little interest to the foreign investor, but the country's traditional role as a transshipment point to neighboring countries once made Togo an attractive base for sales aimed at the West African region. Expatriate living conditions are comfortable, although the political instability of the last several years has been accompanied by a rise in the crime rate.

Best trade prospects for U.S. business will include donor-financed development projects, including multilateral financing from the World Bank, the West African Development Bank, and the African Development Bank. Should Togo's privatization programs again pick up steam, they may offer opportunities in areas from agricultural processing to telecommunications. New investment in energy production is a high priority for Togo.

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II. Economic Trends and Outlook

A. Major Trends and Outlook:

Togo has followed economic reform programs supported by the World Bank and IMF since the early 1980s with moderate success, with the notable exception of a period of political unrest in the early 1990s. Sharp falls in Togo's export commodity prices brought Togo to adjustment programs in the latter 1980s, encompassing measures such as privatization of state enterprises, tax and tariff reform, lifting of price controls, and progressive elimination of import quotas. Successful implementation resulted in lower inflation, increased exports, and moderate GDP growth, and earned the Government of Togo the reputation as an efficient structural adjuster.

From 1991, the problematic political situation, including open civil-military unrest and a nine-month general strike, had a severely negative impact on the economy. Unable to meet IMF and World Bank conditions, disbursements under their respective programs were stopped. Interim efforts to resume programs failed. In the wake of the announcement of the CFA franc devaluation in January 1994, and given political accommodation that brought about more propitious operating circumstances, the government re-launched its structural adjustment efforts. Measures were designed to streamline government operations, improve the incentive environment for private sector growth, rehabilitate essential economic infrastructure, and promote human resource development through enhanced social services such as health and education.

In 1994-95, there was a dramatically robust economic recovery, as rationalization of policies met the return of political calm to create an enormous boost to economic growth. The 1996 slow down of the recovery can be partially attributed to the fact that this initial rebound had been played out; another factor was adverse rains that pushed down cotton production and receipts from that important export crop. Difficulties in meeting international financial institutions program conditions came about as the government of Togo had to face sensitive issues related to discretionary spending, the transparency of parastatals' contributions to the budget, and the partial sale of the phosphates parastatal, a cherished symbol of Togo's national economic sovereignty. In 1996, Togo failed to receive the second arrangement under its three-year Enhanced Structural Adjustment Facility with the IMF. The government made significant progress particularly in revenue collection in 1997 and eventually secured the disbursement for the third year.

In June 2000, after several years of negotiations for future programs, Togo completed a six-month interim program with the IMF that shows promise of leading to a full-scale poverty reduction and growth program.

Certain unpredictable factors such as world commodity prices and rainfall will influence Togo's continued economic recovery, but another primary factor is the political climate. Repeated disturbances in the early 1990s had an unsettling effect on business confidence. Sustained progress in the democratic transition is essential to quelling residual uncertainty, especially given the existence of competitive alternatives in rapidly liberalizing neighboring nations such as Ghana and Benin.

Given the political calm that had prevailed since 1994, a peaceful and successful resolution of the transition through the 1998 presidential elections could have contributed greatly to restoring Togo's climate of business confidence. Unfortunately, many irregularities in the electoral process and the ballot count called into question the legitimacy of the eventual outcome, which gave President Eyadema a new term with 52 percent of the vote. These same irregularities provoked street demonstrations by opposition partisans, which culminated in low-level clashes with security forces before such public displays were banned. This outcome undermined rather than reinforced the climate of confidence that is so important to Togo's future prospects for investment and economic growth. The boycott of legislative elections in March 1999 by the opposition parties did little to alleviate those concerns.

Fair and transparent legislative elections, before the end of 2000 and the eventual transfer of power from President Eyadema in 2003, as he has vowed, to a democratically elected successor, could begin restoring investor confidence.

B. Principal Growth Sectors

Agriculture: The agricultural sector accounts for approximately one-third of GDP and employs over 70 percent of the population. While foodstuffs account for nearly 90 percent of the value of agricultural output, cash crop production accounts for some 40 percent of total export earnings. Since cash crop production is very widely dispersed (cotton, for example, is farmed by an estimated 185,000 small landholders), trends in that sector affect a broad spectrum of the population. Rural populations depend on cash crop income to finance fertilizer and other inputs for their food crops. There are, in short, powerful incentives for both producers and the government to favor agricultural sector growth.

Togo's main food crops include corn, sorghum, millet, cassava, and yams. Subsistence farmers generally operate on family farms of less than three hectares. Togo has a deficit in both fish and meat production, which is being met by imports from West African neighbors. European meat imports have intermittently been banned, first after the Chernobyl disaster, later in response to Mad Cow Disease and recently with concern over Dioxin contamination. U.S. imports have at times been tarred with the same brush as European meat. Even West African meat imports are controlled, as the government hopes to foster domestic meat production. Fish is an important part of the Togolese diet, but the fishing industry is not highly developed.

Togo's major export crops are coffee, cocoa, and cotton. Production levels have fluctuated widely in recent years with the weather. With World Bank support, the government is reorienting marketing and extension arrangements to help provoke increased production. For example, the GOT liquidated its agricultural commodity marketing firm, OPAT, in 1996. Some twenty private firms received marketing licenses for coffee and cocoa. The resulting competition drove down marketing margins, increasing producer returns from less than 60 to more than 80 percent of the FOB price. The cotton sector, once the most promising cash crop, has been in some difficulty for the past few years. Some farmers were not paid for their cotton in 1998 and 1999 and are switching to other crops; production of raw cotton has declined as a result.

Phosphates: Phosphates are Togo's most significant export by value, representing up to a third of total export receipts. Togo has an estimated 130 million tons of phosphate reserves. Its phosphates are of very high quality, distinguished by a small particle size that simplifies further transformation; the proximity of the phosphates to the ocean minimizes transport costs for processing/export. Primary customers are currently Canada, South Africa, and the Philippines, with smaller sales to Greece, Poland, Brazil, and the United States. Maximum capacity of the current phosphates processing plant, the Office Togolaise de Phosphates (OTP), is about 3.3-3.5 million metric tons per year, although production has seldom approached that level. The privatization of 40 percent of OTP shares was scheduled to be completed in 1998, but the sale has not yet occurred.

Industry: Industry plays a relatively small role in the Togolese economy, usually accounting for only about six to eight percent of GDP, but light industry, particularly that installed within the Free Trade Zone, is viewed by the GOT as a key sector for possible growth. The dampening effects of the economic crisis hurt local industries, but the January 1994 CFA devaluation was a boost. The electricity shortage in early 1998 was a particular hardship for light industry. While some companies were able to make up production when the problem was resolved, others in the FTZ were unable to meet standing contracts and lost business.

Much of Togo's industrial base dates back to the government's industrialization program in the late 1970s and early 1980s that resulted in a number of ill-conceived and poorly run parastatals. Reevaluation of parastatals, leading to restructuring, privatization, or liquidation has intensified since the 1995 formation of a privatization committee with World Bank encouragement and support. Shell has taken over the non-functioning oil refinery for storage of refined petroleum products. A Danish company bought the former government-owned dairy in 1995 after operating it for ten years under a lease arrangement. Similarly, the Norwegian multinational Scancem purchased the government parastatal cement plant, renamed Cimtogo, and now successfully exports cement throughout West Africa. Other major industrial concerns that have left or are leaving the government portfolio include a brewery, a spaghetti factory, a flour mill, and an edible oil refinery. The most significant is the potential partial privatization of the phosphates parastatal, OTP.

Commerce: Commerce has traditionally played a leading role in the Togolese economy. Togo's relatively liberal trade policy and good infrastructure, including the port, airport, roads, and telecommunications system, have made it an important transshipment center, particularly for goods going to Nigeria, Ghana, Burkina Faso, Mali, and Niger. About 25-30 percent of Togo's imports are officially re-exported, but actual re-exports are probably higher since many of the goods entering Togo leave the country through informal channels.

Togo's relative advantages as a regional trading center have eroded in recent years due to improvements in the business climates in neighboring countries, political instability in Togo, and insufficient infrastructure maintenance. Trade through the port of Lomé also dropped, although shipping volume had reattained pre-crisis levels by 1995. Ambitious improvements in the north/south road networks in Ghana and Benin will further challenge Togo's prospects for regaining a privileged position in regional trade.

Tourism: Togo's tourist industry was badly affected by the political instability and periodic violence of the early 1990's. The occupancy rate of Lome's hotels remains low. From its heyday of 85-90 percent occupancy of several top quality hotels, Lomé now probably fills its available accommodations by considerably less than 50 percent. The French Groupe Accor took over and renovated Hotel Sarakawa, now known as the Hotel Mercure-Sarakawa. Renovations of the state-owned Hotel 2 Fevrier, in preparation for the July 2000 OAU Summit in Lome, were financed by Libya. The capital's other large, luxury hotels are slated for privatization, but it is uncertain whether Togo's reduced circumstances for tourism can support more than one or two such establishments.

Foreign investment: The Government of Togo approved a new investment code and an Export Processing Zone (EPZ) in late 1989 to encourage foreign investment. Major improvements in the institutional, regulatory, and judicial environment (See section VII, Investment Climate Statement) will be necessary to encourage significant new investment.

Most foreign investment is likely to be made under the EPZ law that covers export-oriented firms. As of July 2000, there are over 35 firms in the zone, although there have been few new firms in the past three years.

C. Government Role in the Economy

Togo's structural adjustment programs are oriented to transform the government into a facilitator of private sector initiative and growth. Thus, these programs stress privatization and liquidation of state-owned enterprises, withdrawal of the government from market mechanisms such as commodity marketing and agricultural input provision, streamlining government operations, and ensuring both administrative and judicial transparency. The programs also call for redirection of government spending toward human resources by improving health and education services, and toward physical infrastructure.

D. Balance of Payments Situation

Togo's export earnings fell in 1998 (due to falling prices for cotton and the reduced volume of phosphate exports). However, with the faltering economy, imports also fell, leaving the trade balance at roughly the same level of deficit as that of 1997. The overall current account deficit barely changed from –5.8 percent in 1997 to –5.9 percent in 1998. The current account deficit is projected to swell to –7.3 percent in 1999. The overall balance of payments deficit reached 9.6 billion in 1998.

E. Infrastructure

Togo once had one of the better business infrastructures in West Africa, which deteriorated because of reduced maintenance. Togo has major paved roads linking Lomé with the Burkina Faso border to the north via the towns of Atakpame, Kara, Mango, and Dapaong, and with the Ghana and Benin borders on its west and east, respectively. Multilateral financing is assisting with their rehabilitation where needed, in particular on the north-south roads. Togo has an excellent telephone system with direct dial to most countries. The Lomé port is modern and efficient. It operates 24-hours a day and can handle most types of cargo vessels. The port handles a significant volume of goods for transshipment to the Sahel.

Togo's reputation for dependable electricity and water supplies was shaken during the regional power crisis in early 1998. Electricity is produced by hydro and thermal power in Togo, but the country imported as much as 85-90 percent of its power needs from Ghana's Volta River Authority (VRA). VRA cut its exports to Togo and Benin (the two countries purchase power through a joint entity) sharply when it had difficulties at its major power generation facility at the Akosomba Dam. Togo purchased a Pratt and Whitney 25-megawatt gas-powered turbine for installation, and a portion of an idle plant was rehabilitated as well. By early July 1998, Togo was self-sufficient for about half of its power needs, and Cote d'Ivoire was reliably furnishing the balance. Alternatives for power generation in Togo and Benin, including increased hydroelectric generation and gas-fired plants, are actively being considered.

III. Political Environment

A. Nature of Political Relationship with the United States

Although France, the former colonial power, is still the dominant foreign political influence in the country, Togo and the United States have maintained generally good political relations for many years. The relationship has been strained by the protracted and difficult transition to democracy, during which the United States suspended bilateral assistance. More normal bilateral relations followed the 1994 parliamentary elections, but bilateral assistance remains much reduced and the USAID mission closed in June

1994. The primary goal of the U.S. government in Togo is to promote respect for democracy and the rule of law.

B. Major Political Issues Affecting the Business Climate:

The most significant issue affecting Togo's commercial climate is the instability that has accompanied Togo's troubled transition to democracy. While overt unrest subsided beginning in 1994, underlying issues related to the political system's openness to minority opinion and aspirations remain unresolved. The 1998 presidential election, with its contested outcome that provoked some civil disturbances, did not contribute greatly to a renewed climate of business confidence nor did the March 1999 legislative elections, which were boycotted by the opposition. Overall the government, while faced by severe economic difficulties, shares the generally free-market orientation of previous governments.

General Gnassingbe Eyadema has been President of Togo since he took power during a coup in 1967. His party, the Rassemblement du Peuple Togolais (RPT), was for many years the sole legal political party. Beginning in late 1990, strike actions and demonstrations led by students and taxi drivers began a movement that demonstrated the Togolese people's wish for a more democratic form of government.

A transition government was named in August 1991 to lead Togo through constitutional, local, legislative, and presidential elections. Demonstrations, an opposition-sponsored general strike from November 1992 through July 1993 which severely shocked the economy, and sporadic outbreaks of violence from elements of the security forces and others created an unsettled atmosphere for much of 1992 and 1993.

A new democratic constitution was overwhelmingly approved in a referendum in September 1992. Seriously flawed presidential elections in August 1993 reinstated President Eyadema for a five-year term; the elections were boycotted by the opposition parties and a majority of voters. After extensive negotiations between the opposition and the presidential side, legislative elections were held in February 1994. The parties opposed to President Eyadema won a slim majority in a poll that was generally held to have been free and fair.

To fulfill the constitution's requirement that the president select a Prime Minister from among the parliamentary majority, President Eyadema chose Edem Kodjo, representing the smaller of the two opposition parties. This provoked a split within the opposition, leading its largest party, the Comite d'Action pour le Renouveau (CAR), to boycott the legislature until August 1995. The RPT party eventually persuaded three opposition Assembly deputies to vote with it, thus gaining an effective majority in the legislature. By manipulating the rules governing the electoral process, the RPT further consolidated its majority in the legislature through by-elections held in August.

The new majority passed constitutionally mandated institutions that favored the RPT, and these institutions were key in the organization of the 1998 presidential elections. Compared to previous elections in the 1990s, the 1998 campaign saw a more favorable, if still imperfect, environment for political dialogue, and certainly much greater and enthusiastic participation across Togo's political spectrum. There were, however, still concerns about equitable media access and free circulation of all candidates. There were also substantial problems with electoral lists and the distribution of voter cards. On election day, many polls opened late or not at all, and the ballot counting was stopped before its completion. When the RPT members on the National Elections Commission resigned, the Interior Ministry took over the electoral results, announcing President Eyadema had won with 52 percent of the vote. The sum of these irregularities called into question the legitimacy of the outcome, and provoked the opposition to street demonstrations, largely peaceful, in the days after the elections. There were some clashes with security forces, but no violence of the magnitude of the early 1990s. Public demonstrations were banned, and the constitutional court declared the results official. In March 1999, the opposition refused to participate in legislative elections, citing the lack of progress in resolving the disputed presidential election. The result was a legislative assembly almost completely dominated by the government party. In July 1999, Togo's political protagonists met for two weeks of national reconciliation talks to hash out common principles for transition to a more democratic government. It is expected that the RPT-dominated National Assembly will be dissolved and legislative elections held by mid-2001.

C. Synopsis of Political System

Togo is a multi-party republic, led by an elected President as Head of State, and a Prime Minister, drawn from the parliamentary majority, as head of government. There is an elected Parliament, with members representing geographic districts. The country is divided into prefectures, administered by prefects supervised by the Minister of the Interior.

IV. Marketing U.S. Products and Services

A. Distribution and Sales Channels: Distribution and sales channels are concentrated in Lomé. Commercial banks, insurance agencies, and some major retailers have branches in Togo's smaller cities. Most smaller retailers purchase goods in Lomé for sale upcountry.

B. Use of Agents and Distributors; Finding a Partner: Most imported goods in Togo are sold via exclusive distributor/agent arrangements. Use of a locally based agent or distributor is crucial for introduction of new products. Many Togolese business people are eager for partnerships with American companies, but most would require significant support for promotional activities and furnishing of adequate stock.

C. Franchising: Franchising is not prohibited in Togo, but it is little known.

D. Direct Marketing: Direct marketing of U.S. products is possible, perhaps to wholesalers, but use of a local agent or partner is more likely to bring results.

E. Joint Ventures/Licensing: The Togolese government encourages joint ventures. Some products are produced and sold in Togo under licensing agreements -- such as Coca-Cola products -- but the practice is not widespread.

F. Steps To Establishing an Office: Establishing an office in Togo is in theory relatively simple, but administrative obstacles and delays are common. If there is to be an expatriate manager, s/he must obtain a residence permit. The authorization to open an office comes from the Ministry of Commerce for about a $33 fee (FCFA 20,000). The company also needs to register with the commercial court at a cost of $20-$30, depending on whether the company is personally operated or incorporated. The firm must also register with the Togolese Chamber of Commerce for a $50 fee. The last step is to obtain an importer’s card from the Ministry of Commerce, about $75-125 per year.

G. Selling Factors/Techniques: In the Togolese market, price is often more important than quality. Product pricing is generally free, although following the January 1994 announcement of the CFA Franc devaluation, the Togolese government briefly attempted to control prices of some primary commodities. The efforts were mostly unsuccessful. Personal visits offer the highest sales potential, especially for retail goods. U.S. exporters interested in the Togolese market should have their products conform to packaging and sizes already available and accepted in the local market.

H. Advertising and Trade Promotion: U.S. firms may place announcements in the Chamber of Commerce monthly bulletin. (For contact information, see Appendix D.) Advertisements can be placed in the government's daily newspaper, the Togo Presse (EdiTogo, BP 891, Lomé, Togo, (228) 21-37-18, Fax (228) 21-14-89). There are also numerous private newspapers which publish more or less regularly. Some of the better established include: Combat du Peuple, L’Eveil du Peuple, le Crocodile, and the Nouvel Echo. Those interested in contacting the private press may wish to first contact the U.S. Embassy Public Affairs Section in Lomé. Advertisements may also be placed with the government-run Radio Lomé, or the private stations Radio Nostalgie, Tropic FM, Kanal FM, etc.

I. Protecting Your Product From IPR Infringement: Togo is a member of WIPO and of the Cameroon-based African Intellectual Property Organization.

J. Need For A Local Attorney: A local attorney is necessary for legal procedures. Firms are not required to have a permanent attorney. The U.S. Embassy Consular Section maintains a list of attorneys who have indicated their willingness to work with American clients. Few speak English, but adequate translation services are available.

V. Leading Sectors for U.S. Exports and Investment

Although the Togolese market is dominated by French goods and lower-cost Asian products continue to win more market share, the Togolese are well-disposed towards American products. In post-devaluation Togo, price and perceived quality is a more important factor than before. American goods currently on the market generally compete successfully with French and other products. Although South African products are not readily available in Togo, many in the business community expect them to become a major factor in many sectors over the next five to ten years.

A. Best Prospects For Non-agricultural Goods and Services:

-- Pharmaceuticals (especially generics) (DRG): The Togolese have traditionally purchased pharmaceuticals from France, but liberalization of the pharmaceuticals market, the CFA franc devaluation, and the Bamako initiative have piqued increased interest in generics. The Togolese market is estimated at about FCFA 8-10 billion (US$16-21 million) annually. Any new drugs entering the market must be registered/approved by the Ministry of Health (a time-consuming, but not especially onerous process). To compete successfully, packaging should be available in French and a local representative should be engaged to promote the products with local physicians and pharmacists.

-- Cosmetics/Toiletries (COS): U.S. products, especially hair and cosmetic products produced for the African-American market, are already sought after in Togo. Much of the current trade is "suitcase" trade with the Togolese vendor purchasing products retail in the United States. Sales points include several boutiques and numerous hair salons. Primary competitors are low-cost knock-offs of U.S. products from Nigeria, although middle and upper class Togolese are wary of their quality. The size of the market is difficult to estimate because so much of the trade is informal. The major local boutiques also re-export to buyers from as far away as Gabon.

-- Used Clothing/Used Shoes (TXP): The U.S. exports US$1.5-2.5 million in used clothing to Togo annually. The business, which is locally dominated by Nigerian traders, is large, with re-exports going to vendors throughout West and Central Africa. Primary sources for importers are the U.S. and Germany.

-- Power Generation (ELP): The World Bank is assisting Togo in devising a long-term strategy to meet its energy needs. The 1998 crisis underscored the importance of self-reliant power generation. Togo’s total energy needs are 65-70 megawatts; it now has the capacity to produce about half that independently, between existing hydroelectric and gas turbine facilities. Extensive studies have already occurred for a proposed new hydroelectric facility at Adjalara, on the Mono river near the Benin border.

-- Financial Services (FNS): Togo’s struggling financial sector is also the subject of a World Bank review, and the partial or complete privatization of the country’s banks is under consideration.

B. Best Prospects For Agricultural Products:

-- Wheat and Wheat Flour: The Société des Grands Moulins du Togo (SGMT), the country's only flourmill, imported some 61,442 MT of wheat in 1999. A portion of this is hard wheat from the U.S., which it uses in its "English Blend" flour. It imports the majority of its supplies, however, in soft wheat from France.

-- Turkey tails: Prior to Togo's 1989 ban on imported frozen meats (since repealed), U.S. turkey tails were very popular with local consumers. (Venders sold fried turkey tails by the piece in the Central Market.) U.S. exporters interested in entering the market should have their product conform to locally desired packaging size.

VI. Trade Regulations and Standards

A. Trade Barriers: There are few restrictions on trade, and Togo has had one of the most liberal tariff regimes in the CFA zone. All imports have traditionally been taxed at one of three tariff rates (5, 10, 20 percent). However, Togo's advantage in the region may disappear with the imposition of the common external tariff for members of the West African Economic and Monetary Union (WAEMU)- theoretically in effect, but not yet widely implemented.

B. Customs valuation: Generally based on the exporter's bill of lading or invoice.

C. Import licenses: Not required in Togo.

D. Export Controls: With the elimination of food export controls and the liberalization of cash crop marketing/exports, there are no remaining export controls.

E. Import/export documentation: Bills of lading and/or invoices are usually sufficient. Safety certificates are required for raw agricultural products.

F. Temporary Entry: There are bonded warehouses available for goods to be re-exported. Items to be used for a specific period are granted Temporary Admission certificates -- i.e. for foreign contractors using equipment for a project or goods imported to Togo for a trade show.

G. Prohibited Imports: Items banned by law such as firearms, narcotics, ammunition, etc.

H. Free Trade Zones/Warehouses: They exist in the port of Lomé and can be established elsewhere in the country as necessary as long as the company is registered with the Export Processing Zone.

I. Membership in Free Trade Arrangements: Togo is a member of the Economic Community of West African States (ECOWAS) and held the organization's presidency in 1999. Togo is also a member of the West African Economic and Monetary Union (WAEMU). WAEMU launched a common external tariff in 1999 and is examining the removal of remaining restrictions on capital transactions.

VII. Investment Climate

A. Elements of an Open Investment Regime

A1. Openness to Foreign Investment.

Togo has traditionally been a very hospitable environment for foreign investment, with a government that distinguished itself through the 1980's as a western-oriented, entrepreneurial hub in a regional environment that then tended markedly toward the centralized, rigid, and state-controlled. Investor interest fell sharply in the early 1990's, a period of overt political unrest in Togo. As the country continues to struggle to emerge from the negative economic impact of that period, foreign investment is if anything even more welcome than it was previously. The government is seeking high-profile fora to promote its investment opportunities, particularly in the free trade zone. A contentious presidential election result in June 1998 brought sporadic civil disorder and legislative elections in March 1999 were boycotted by the opposition. These events have again raised questions about the long-term stability of the underlying environment. The government of Togo also has difficult work ahead of it to improve the climate for private sector activity, particularly in areas such as administrative and judicial transparency, as well as in banking; World Bank programs will support these efforts.

The current investment code was enacted in April 1990. The code and related regulations were designed to encourage foreign investment, and they represented an improvement over the previous code. Foreign investment could be an important element in achieving the government's goals of diversification from traditional exports (agricultural cash crops, phosphates), and in ongoing privatization programs (phosphates, telecommunications, tourism, etc.) The privatization program has largely stalled in recent years, although the World Bank is working with the government of Togo on means of reinvigorating the process.

The investment code will be further improved in the short- to medium-term, and some revisions have already occurred, particularly with regard to incentives. As a member of the west African economic and monetary union (WAEMU, or UEMOA in French), Togo is participating in zone-wide plans to harmonize and rationalize regulations governing economic activity. A common charter on investment is one of the projected elements of that effort. The resulting investment code, being carefully watched in the context of the structural adjustment program being implemented with the international financial institutions will be greatly simplified. It is expected to be limited in content to general dispositions related to non-discrimination, guarantees, and arbitration.

The 1990 code permits investment in the following sectors: (a) agriculture, animal husbandry, fishing, forestry, and activities related to the transformation of vegetable and animal products; (b) manufacturing; (c) exploration, extraction, and transformation of minerals; (d) social and low-cost housing; (e) hotels and tourist infrastructure; (f) agricultural storage; (g) applied research laboratories; and (h) socio-cultural activities. Investment under the code is limited to new investments of at least FCFA 25 million (about $42,000) for foreign companies and FCFA five million (about $8,500) for Togolese companies. The Togolese corporation charter covers investments of less than FCFA five million. The investment code covers the expansions of existing enterprises if the cost of the expansion is at least half the value of the existing enterprise. Investors must provide at least 25 percent of the value of a new investment. At least 60 percent of the payroll must go to Togolese citizens. Applications for approval under the law must be submitted to the planning ministry, which, in consultation with the national investment commission, approves or rejects the applications within 30 days, as compared to three to six months under the old law. In practice, approvals take slightly longer than the required 30 days. The government decree granting approval spells out the conditions of the investment.

A2. Conversion and transfer policies: Togo uses the CFA franc, which is the common currency among the Francophone countries of West Africa. The FCFA is fixed at a rate of FCFA 100 to 1 French franc. The exchange system is free of restrictions on the making of payments and transfers for current international transactions. The investment code provides for the free transfer of revenues derived from investments, including the liquidation of investments, by non-residents. There are no restrictions on the transfer of funds to other West African franc zone countries or to France. The transfer of more than FCFA 500,000 (about $700) outside the franc zone requires Finance Ministry approval. Approvals are routinely granted for foreign companies and individuals, although it often takes as long as a week rather than the two days stipulated in the law. Togolese citizens and companies are not generally allowed to hold bank accounts outside of the franc zone. With its WAEMU partners, Togo is examining removing remaining restrictions on capital transfers. Financial transactions within the franc zone can be more complicated than might be expected, due to certain administrative obstacles to cross-country banking activities. The transfer of funds is also possible through use of the recently introduced ECOWAS Traveler’s Check, which has no amount limitation within the 16 ECOWAS countries.

A3. Expropriation and compensation: The only expropriation in Togo was the 1974 nationalization of the French-owned phosphate mine. Compensation was paid.

A4. Dispute settlement: There are no known investment disputes outstanding in Togo. The investment code provides for the resolution of investment disputes involving foreigners through the provisions of bilateral agreements between the government of Togo and the investor’s government, conciliation and arbitration procedures agreed to between the interested parties, or the international center for the settlement of investment disputes, of which Togo is a member. Lack of transparency and predictability of the judiciary is a serious obstacle in enforcing property and judgment rights, and similar difficulties apply to administrative procedures. Forthcoming World Bank programs hope to devise a strategy to begin to address these shortcomings.

A5. Performance requirements/incentives: The various tax advantages that were previously bestowed under both special conventions and the 1990 investment code are being eliminated. These advantages were often maintained beyond the period prescribed, hampering revenue enhancement efforts. The 1995 finance law terminated all incentives that had been maintained beyond their legal duration. Remaining special conventions will not be renewed, and no new exonerations will be granted. To the extent that some incentives are retained, they will occur within the tax code, and address depreciation, treatment of losses, taxation of capital goods, and relief on intermediate inputs for export goods.

Togo has had one of the most liberal tariff regimes in the CFA zone. As a result of reforms undertaken since 1995, tariffs have been simplified to three rates (5/10/20 percent); there is also a three percent statistical tax. A common external tariff regime for WAEMU members has recently been instated, but is not widely implemented.

Price control and profit margin regulations have been largely eliminated with electricity, water, and telecommunications the only sectors still subject to administrative price controls. Private competition in telecommunications was introduced at the end of 1999, introducing better market-oriented pricing in that area.

While the steps for receiving residence permits are in theory well-defined, in practice foreigners seeking to regularize their status for long-term work and residence purposes have encountered significant administrative obstacles and delays. Such permits, formerly the province of the national police, are now the responsibility of the national gendarmerie, a branch of the Togolese armed forces.

A6. Right to private ownership and establishment: regulations for the establishment of foreign and domestic private enterprises are in theory well-defined, but there is a great deal of discretion in their implementation, and thus discrimination across sectors.

An important trend for private entities is the movement toward privatization of parastatal enterprises, and the gradual removal of monopolies for those state entities that remain in operation. The cotton ginning parastatal, for example, now has private ginning competitors, although the conditions for dividing national cotton production between the ginning enterprises is a matter of regulation rather than open competition. The state pharmaceutical sales company has also lost its monopoly, and a wide range of generic drugs is available from private competitors.

A7. Protection of property rights: Togo is a member of the World Intellectual Property Organization and of the Cameroon-based African Intellectual Property Organization. For specific information on IPR matters, please contact: Mr. Koakou Ata Kato, Chef de Division Propriete Industrielle et Normalisation, Direction de l'Industrie et de l'Artisanat, BP 831, Lomé, Togo. Phone (228) 22-10-08; fax: (228) 22-49-13. Protection of physical property is frequently contentious in Togo, as inheritance laws are poorly defined and property transmission outcomes are frequently challenged. Only Togolese citizens or those granted citizenship by court decision, French citizens, or foreign governments are allowed to possess real property in Togo. Real and chattel property disputes are further complicated by judicial non-transparency, which will often favor national over foreign entities.

A8. Transparency of the regulatory system: lack of judicial and regulatory transparency is a significant obstacle. Togo's structural adjustment efforts foresee a large-scale overhaul of the legal and regulatory framework to address these shortcomings in the climate for economic activity. Measures include regional initiatives regarding business and investment law, such as the common WAEMU investment charter mentioned above. The common business law treaty (OHADA), entered into force as of 1 January 1998, and should in theory reduce judicial uncertainty across the region; in practice it will function well only after an overhaul of the functioning of national judicial systems. A revised labor code that should have been adopted in 1997 is now approaching a final form following consultations with the international financial institutions, and may be presented to the National Assembly in 1999.

Togo made a great deal of progress in 1997 with plans to rationalize the tax system and its administration, bringing about both simplification and revenue enhancement. The value added tax has been unified at 18 percent (as opposed to the previous two-rate structure of 7 percent and 18 percent.) Further revisions that had been expected in 1998 were not enacted. The World Bank continues to strongly encourage revisions to the tax code.

A9. Efficient capital markets and portfolio investment: Togo's political upheavals from 1991-1993 severely weakened the banking system. While there was some improvement beginning in 1995-1996, particularly among the smaller banks, Togo still has not regained its previous reputation or position as a regional banking center. The larger banks, which are either wholly or partially state-owned, face shaky loan portfolios characterized by very high exposure (about one-third of total bank credit) to the government and the phosphates parastatal. The government's domestic payment arrears, while being addressed in the context of international financial institution programs, remain a constraint. In these circumstances, commercial banks have been hampered in financing renewed economic expansion. A bank-restructuring program designed in coordination with the World Bank is defining recapitalization needs, and investigating possible sales of government-held shares to private investors.

A10. Political violence: Although there were incidents of political violence from 1991-1994, none were targeted against Americans, and few were targeted against businesses. In January 1993, elements of the security forces looted several downtown shops, primarily owned by Lebanese or Indian businesspeople. The official results of presidential elections in June 1998 were contested by the opposition, and there were a few days of mostly orderly civil demonstrations followed by one day of clashes between citizens and security forces, confined exclusively to opposition neighborhoods and not targeting foreign concerns. None of these incidents reached the scale of violence that marked the earlier part of this decade. However, Amnesty International published a report in May 1999 alleging that government security forces had committed a significant number of extra-judicial killings around the time of the June 1998 presidential election. An accord between the government and the opposition that was signed on July 29, 1999 brokered by France, Germany, the European Union, and la Francophonie, has not been rapidly implemented, but may yet provide a way out of the country's present political impasse.

A11. Corruption: Although Togo has laws on the books that make corruption a crime, it has spread as a business practice in recent years. Togo is still a more straightforward place to do business than many other African countries, but deals, especially in government procurement and dispute settlements, are more likely to go forward with greased palms than in the past. Bribes, whether to private or government officials, are considered crimes. The police, gendarmes, and courts are charged with combating corruption in Togo. Some Togolese officials have been charged and convicted of corruption-related charges, but these cases are relatively rare, and appear mostly to be those who have in some way lost official favor.

B. Bilateral investment agreements: The United States and Togo signed a guaranty of private investments and an amity and economic relations treaty in 1962. The Togolese government has, in the past, expressed an interest in a bilateral investment treaty with the United States government, but negotiations in 1991 were never concluded. Togo has signed many economic, commercial, cooperation, and cultural agreements with its foreign aid donor countries, including France, Germany, Canada, the Netherlands, Belgium, and Japan.

C. OPIC and other investment insurance programs: OPIC once played an active role in promoting foreign investment in Togo. It co-sponsored (with USAID) the visit of 15 potential investors to Togo in 1990, and it helped establish the Togolese investment promotion center and free trade zone. The French government agency COFACE provides investment insurance in Togo under programs similar to those offered by OPIC. Investment insurance is also available through the multilateral investment guarantee agency (MIGA). Insurance mechanisms involving a government guarantee of debt may carry implications for Togo's commitments to international financial institutions.

D. Labor: There is a large pool of qualified university graduates and unskilled workers, although there are shortages of workers with intermediate technical skills and practical experience. Generally, unemployment and underemployment are high and young Togolese entering the formal sector job market have difficulty finding work. The adult literacy rate is about 40 percent. Most Togolese speak French (the official language). There are a surprising number of English speakers in Togo.

The minimum wage is FCFA 16,692 (approx. $28) a month for unskilled industrial workers. There are separate wage scales negotiated by employers, workers, and the government for industry, construction, public works, commerce, and banking. Non-wage costs (e.g. social security and medical costs) run about 40 percent of wages. Togo was unique among the CFA countries in not introducing a general wage increase after the CFA devaluation in January 1994. Following a five percent wage adjustment in 1996, the government has committed to holding wages constant for civil servants as part of its commitments to the international financial institutions regarding government expenditure restraint. However, salary arrears to government employees is a growing problem. Private sector employers generally follow government wage movements.

After a period of vigorous labor activity in the early 1990's mostly in support of the democratic political transition, capped off by a nine-month general strike in 1992-93, labor activity has been muted. Strikes have not been otherwise common in Togo. Several of the independent confederations banded together to form an 'intersyndicale' to negotiate more effectively with the government and business management in the wake of the CFA devaluation. They have not been notably successful.

E. Foreign trade zones/free ports: Togo has had a free port for many years. It serves as a transshipment facility for goods passing through the post of Lomé to neighboring countries.

In September 1989, the Togolese government approved an export processing zone (EPZ) law. Advantages of the EPZ include a less restrictive labor code, and the ability to hold foreign currency-denominated accounts. The law stipulates that EPZ firms should employ Togolese on a priority basis, and after five years foreign workers cannot account for more than 20 percent of the total workforce or of any professional category. EPZ firms may, with government permission, sell not more than 20 percent of their production in Togo. While there are two EPZ sites, investors may locate outside of these areas and still enjoy EPZ status. Approximately 35 firms are operating in the EPZ. However, there was a severe electricity shortage in Togo from March-May, 1998. This was a serious blow to the manufactures-oriented companies in the zone, one company closed, and others show few signs of recovering.

F. Foreign direct investment statistics

Major foreign investors:

United States

Mobil Oil: Petroleum products distribution. Mobil has 29 service stations in Togo, representing about a 30 percent market share. Total estimated investment is CFA 1.6 billion, with a working capital of CFA 376 million.

Texaco: Petroleum products distribution. Texaco has 30 service stations in Togo and has about 11 percent market share. Total estimated investment is CFA 2.24 billion, working capital CFA 173 million.

There are a very few individual U.S. citizens operating small businesses in sectors such as import-export and retailing.

France

*Societé Togolaise de Produits Marins S.A. (STPM S.A.): majority French-owned seafood processor/exporter that sells fish, shrimp, and lobster. Investment of CFA 430 million.

*Togocrus Sarl: French-owned processor/exporter of seafood. Investment of CFA 545 million.

Societé Generale du Golfe de Guinee Togo (SGGG-Togo): General retail commerce (including SGGG and Goyi Score supermarkets), import-export and CAP gasoline stations. Owned 60 percent by parent company SGGG-France. Annual activity in 1985 valued at CFA 15.8 billion. Capital CFA 2.74 billion.

Cica Togo: Distributor of Toyota and Mazda vehicles. Also involved in household equipment and general trading. Working capital CFA 1.2 billion, investment CFA 145 million. Owned 70 percent by the French Groupe Pinaut.

Societé Togolaise des Gaz Industriels (Togogaz): fabrication and sale of industrial and medical gasses and equipment. Capital CFA 1.1 billion. Owned 60 percent by the French company Air Liquide, but the government’s shares are sold on the Abidjan stock exchange.

UAC Togo: Import-export company. Capital CFA 853.2 million, owned 78 percent by French company UAC.

Satom-Togo: Public works/construction company. Capital CFA 5 million. Subsidiary of French company Satom.

Udecto: Construction and public works. Capital CFA 160 million. Owned 73 percent by French company Campenon Benard.

Total Togo: Petroleum products distribution. Capital CFA 135 million. Has 16 service stations in Togo and about 17 percent of the market.

Nouvelle Industrie des Oleagineux Du Togo (NIOTO): manufacturer of edible oils (primarily cotton seed oil). The company bought two former government-owned oil plants under the privatization program. NIOTO's initial capital of CFA 1 billion was owned principally by the French company CFDT (Compagnie Francaise pour le Developpement des Fibres Textiles). Currently SGGG owns controlling interest.

Societé Ouest-Africaine d'Entreprises Maritimes Togo (SOAEM-Togo): Maritime transport/transit agent. Capital CFA 168 million. Owned 65 percent by French company Saga Transport.

Banque Togolaise pour le Commerce et l'Industrie (BTCI): International commercial bank. Capital of CFA 1.5 billion. Owned 30 percent by the Banque Nationale de Paris and 25 percent by the Societé Financiere pour les Pays d'Outre Mer (SFOM).

Societé Togolaise de Boissons (STB): Soft drink distributor. Previously a parastatal venture with German participation, the French group Castel bought controlling shares in both STB and the Brasseries du Benin (BB), the beer brewery and soft drink processor, under the privatization program.

Societé Generale des Grands Moulins du Togo (SGMT): The only flour mill in Togo. Capital CFA 1.1 billion. Previously 56 percent Lebanese-owned, but that partner bought almost half of the government's shares (the other major shareholder) in May 1997. The rest of the government shares were to have been listed on the Abidjan stock exchange by the end of September 1998, but this has not yet taken place.

Germany

DTG-Societé Allemande du Togo: Import/export, Mercedes Benz dealer, air conditioner and motorcycle dealer. Has capital of CFA 208 million and is 80 percent German-owned.

BENA Development/Marox: Agriculture and livestock raising, delicatessen, restaurant. German family-owned business. Capital CFA 200 million.

Hoechst Togo: Chemical and agricultural product sales. Company is 75 percent owned by Hoechst AG, Germany. Capital CFA 5 million.

Denmark

Fanmilk: The Danish dairy company Emedan has a long-term lease on the former government-owned dairy products company as part of the privatization program.

Industrie Togolaise des Plastiques (ITP): Joint investment by the Danish company FMO, the Danish development agency IFU, and the Dutch company Wavin in capital increase and restructuring of plastics company. Total capital of new company CFA 735 million.

*Atlantic Produce: Exporter of tropical houseplants. Investment of CFA 260 million.

Norway/Germany

Societé des Ciments du Togo (Cimtogo): Cement production company. Previously 50 percent owned by the Scandinavian company Scancem, Cimtogo bought out the government's shares in 1996. Scancem was recently purchased by a German mulitnational, but continues to operate locally under Norwegian management.

Ethiopia

*ITT Co. Sarl: Majority Ethiopian-owned manufacturer of automotive seat covers and shoes. Investment of CFA 103 million.

South Korea

*Amina Togo S.A.: Producer of synthetic hair. Investment of CFA 342 million.

*Sofina Sarl: Manufacturer of fishing nets and ropes. Investment of CFA 13 million.

*Nina: producer of synthetic hair. Investment of CFA 115 million.

Italy

*Crustafric: seafood processor/exporter. Investment of CFA 540 million.

India

*Boncomm International Togo: Indian-owned clothing manufacturer. Exports to Europe and the United States.

*Wacem (West Africa cement company): Originally developed as a joint Togolese-Ivoirian-Ghanaian cement production venture, the factory floundered on intra-country management dissention and losses on Cedi-denominated sales in Ghana. An Indian firm has resurrected the company, which produces clinker (limestone) for Cimtogo and is beginning to manufacture and market cement itself.

Belgium

*Umco Sarl: Belgian-owned manufacturer of leather watchbands and other leather goods. Investment of CFA 32 million.

United Kingdom

Garage Hellel: BMW dealer. Also local representative for Jeep vehicles.

Shell Togo: owned by British subsidiary of Royal Dutch Shell.

*EPZ firms

VIII. Trade and Project Financing

Togo's banking system was well-developed to serve the country's role as a regional trading center. The banks were generally in better condition than their counterparts in other CFA countries, but they were weakened by the economic crisis. Banks' positions, particularly the smaller institutions, improved in 1995 and 1996. The larger banks, wholly or partially state-owned, have over-concentrations of loans to the government and parastatal sector. The World Bank supported a comprehensive review of the financial sector completed at the end of 1997 with a view toward restructuring, determining recapitalization needs and planning for sales of all or part of the government's shares.

All of Togo's major banks have correspondent relationships with U.S. banks.

B. Foreign Exchange Controls

There are no restrictions on the transfer of funds to other West African franc zone countries or to France. The transfer of more than FCFA 500,000 (about $700) outside the franc zone requires Finance Ministry approval. Approvals are routinely granted for foreign companies and individuals, although it often takes as long as a week rather than the two days stipulated by law. There is little outward direct investment from Togo, and the government does not encourage it.

C. Available Export Financing and Insurance: OPIC investment insurance is available for American investors in Togo. OPIC has, in the past, played an active role in promoting foreign investment in Togo. It cosponsored (with USAID) the visit of 15 potential investors to Togo in 1990, and it helped establish the Togolese investment promotion center. The French government agency COFACE provides investment insurance in Togo under programs similar to those offered by OPIC. Investment insurance is also available through the Multilateral Investment Guarantee Agency (MIGA). Any financing arrangement involving a Government of Togo guarantee could carry implications for its commitments to the international financial institutions.

D. Project Financing Available: Multilateral institutions involved in funding projects in Togo include the African Development Bank (AFDB), the ECOWAS fund, the West African Development Bank, and the World Bank. The implementation of existing projects and planning of new projects has been slowed by the Togolese government's difficulties paying arrears to the Bank. Current or planned AFDB projects include Mono River agricultural development, a potable water study for semi-urban centers, and a road project. The regional Foreign Commercial Service office in Abidjan maintains an updated list of AFDB projects.

E. Banks With Correspondent U.S. Banking Arrangements:

Union Togolaise de Banque (UTB)
BP 359
Lomé, Togo
(228) 21-64-11
Fax: (228) 21-22-06

Banque Togolaise de Commerce et de L'Industrie (BTCI)
Patrice Kane Katoua, Directeur General
169 Boulevard du 13 Janvier
BP 363
Lomé, Togo
(228) 21-46-41
Fax: (228) 21-32-65

Banque Togolaise de Developpement (BTD)
Mensavi Mensah, Directeur General
BP 65
Lomé, Togo
(228) 21-36-41/42
Telex: Lome No. 5282
Fax: (228) 21-44-56

Banque Internationale de L'Afrique (BIA) - Togo
Jean Pierre Carpentier, Directeur General
13 Rue du Commerce
BP 346
Lomé Togo
(228) 21-32-86
Fax: (228) 21-10-19

ECOBANK Togo
Abou Kabassi, Directeur General
20 Rue du Commerce
BP 3302
Lomé Togo
(228) 21-72-14
Fax: (228) 21-42-37

IX. Business Travel

A. Business Customs: Doing business in Togo is similar to doing business in other developing countries. The personal touch is often necessary. Official corruption in Togo was formerly much less prevalent than in many other African countries, but the years of economic difficulty have brought an increase in requests for bribes and "gifts" in order to get business done.

B. Travel Advisory and Visas: U.S. citizens require visas to enter Togo. Inoculation against yellow fever is required unless the traveler is arriving from an uninfected area and is staying in Togo less than 2 weeks. Malaria is a risk. In addition, due to the often rapidly-changing political and security environment in Togo, American citizen visitors are encouraged to register with the Consular Section of the U.S. Embassy upon arrival.

C. Holidays:
Jan 1 - New Year's Day
Jan 13 - Togo National Liberation Day
Jan 24 - Economic Liberation Day
Mar (TBA) - End of Ramadan
Apr (TBA) - Easter Monday
Apr 27 - National Independence Day
May 1 - Labor Day
May (TBA) - Ascension Day
May (TBA) - Pentecost
June (TBA) - Tabaski
June 21 - Martyr's day
Aug 15 - Assumption
Nov 1 - All Saint's Day
Dec 25 - Christmas Day

(Note: Business travelers should be advised that the Togolese government occasionally does not announce observance of holidays until the last minute. End note.)

D. Business Infrastructure:
Transportation -- Air travel is the best way to get to Lomé, which has daily international flights to and from Europe and major West African cities. There are paved roads to the Burkina Faso, Benin, and Ghana capitals and taxis are available. Uncertain road conditions and border difficulties can complicate cross-border automobile travel to Burkina, Ghana, and Benin other than via the direct road from Lomé to the capitals. Border crossing points between Ghana and Togo close at 10 PM. The border with Ghana has closed without warning on a few occasions in the period following June's presidential elections. Taxis are available in Lomé and other urban areas.

Telecommunications -- Voice and fax telecommunication improved dramatically when a new satellite ground station came into service in 1981. It is possible to directly dial many countries (including the U.S.) from Togo. Togo boasts several local ISPs and email cafés.

Hotels and Restaurants -- Lomé's several international standard hotels remain in operation, but have declined in quality in recent years. They include the Hotel 2 Février, the Hotel Le Benin, the Hotel Palm Beach, and the Hotel Sarakawa (reopened under French management during the summer of 1999). There are many excellent restaurants.

Health -- Avoid tap water and unwashed fruits and vegetables. Local medical services are limited.

X. Appendices

A. Country Data:

Population: 4.5 million
Population Growth Rate: 3.2 Percent
Religions: Animist, Christian, and Muslim
Government System: Multi-party Republic
Languages: French, numerous local languages
Work Week: Monday through Friday (Most businesses close from 12:30 to 3:00pm for lunch break.)

B. Domestic Economy: (in US$ millions)

	1997	1998	1999
GDP	1434	1420	1463
GDP Per capita (US$)	318	315	325
Inflation (%)	5.3	1.0	0.5
Ave. Exch. Rate*	CFA600/$	CFA600/$	CFA650/$

C. Trade: (in US$ millions)

	1997	1998
Total Country Exports	402	417
Total Country Imports	516	519
U.S. Exports	25.5	25.5
U.S. Imports	9.4	2.2

D. U.S. And Country Contacts

1. Chamber of Commerce
   Yazas Tchoou, Secretaire General
   Angle Ave. De La Presidence, Ave. Pompidou
   BP 360
   Lomé, Togo
   (228) 21-20-65, 21-70-65, 21-47-30
   Fax: (228) 21-47-30

2. For a list of commercial banks, see section VIII E.

3. Banque Ouest Africaine de Developpement (BOAD)
   Boni Yayi, President
   BP 1772
   Lomé, Togo
   (228) 21-42-44, 21-59-06
   Fax: (228) 21-52-67, 21-72-69

   ECOWAS Fund
   Barthemy Drabo, Director
   BP 2704
   Lomé, Togo
   (228) 21-68-64
   Fax: (228) 21-86-84

4. U.S. Embassy

   Economic/commercial Officer: Jennifer Rasamimanana
   Commercial Assistant: Jean-Pierre K. Dessou
   BP 852
   Lomé, Togo
   (228) 21-29-91/4
   Fax: (228) 21-79-52
   E-mail: dessoujp@lomeb.us-state.gov
   Uscomm@cafe.tg

5. Washington Contacts

U.S. Department of State Togo Desk:
(202) 647-3066
U.S. Department Of Commerce
(202) 482-2000

Multilateral Development Bank Office
Janet Thomas, Acting Director
14th and Constitution, NW
Washington, DC 20007
(202) 482-3399
Fax: (202) 482-5179

TPCC Trade Information Center in Washington, DC
1-800-USA-TRADE

US Department of Agriculture, Foreign Agricultural
Service, Trade Assistance and Promotion Office
(202) 720-7420

US Trade Representative
Rosa Whitaker, Assistant Representative for Africa
www.ustr.gov