

REPORT TO G20 COMPACT WITH AFRICA - TOGO'S POLICY MATRIX

GOAL : IMPROVE FRAMEWORK AND CONDITIONS TO SIGNIFICANTLY INCREASE PRIVATE INVESTMENT BY 2020

Compact with Africa: a joint IMF, WBG, and AfDB report		Government Action	Indicators and Targets	Target Date	Partners' support					
Focus areas	AfDB				WB GROUP (incl. IFC)	IMF	EU	Others		
A Macroeconomic framework										
1	Macroeconomic stability	Reduce debt and budget deficit to ensure debt sustainability and external stability	Primary fiscal balance of 2% of GDP. - Overall fiscal balance reduced to 1%. - Total public debt brought back to 70% of GDP.	2019			x	x		
		Reorganise debt management services in line with international good practice to improve the management of debt and its sustainability	Creation of the Debt Directorate in accordance with international good practice	2018			x	x		
		Clearance of arrears and improvement of public financial management to avoid accumulation of new arrears, aiming to support the proper functioning of the private sector activities.	Total clearance of arrears to the private sector	2019			x	x		
2	Mobilisation of domestic revenue	Strengthen the control entities of the Togolese Revenue Office	Reach a liquid tax revenue to GDP ratio of 19% from 2018	2019	x	x	x	x		
		Implement specific controls on businesses operating in the phosphates, clinker and cement sectors.				x	x			
		Expand the tax base by adopting and implementing a new tax policy and by opting for electronic/paperless tax collection				x	x	x	x	
		Strengthen imports valuation and control of customs exonerations through better risk assessment								
		Fight against corruption and fraud Effective functioning of the High Authority for the Fight against Corruption, strengthening of the inspection units				x	x	x	x	
3	Public investment management	Effective use and enforcement of manual of procedures for Public Projects	100% of public investment programme (PIP) projects subject to at least one control by the designated special committees.	2019	x	x	x	x		
4	Performance of public entities	Agriculture sector - Increase productivity and strengthen the competitiveness of the sector	Reduce the agriculture trade deficit Implementation of Agropole's Strategic Plan Operationalisation of first Agropole with private investment by 2019	2019	x			x	x	
		Energy sector Improve the sustainability of the energy sector by reviewing the performance of the Togolese utilities company, CEET	Financial health of the electricity distributor + appeal for private investments CEET's debt recovery rate increased to central government: from 36% in 2016 to 75% in 2019 Financial performance of the CEET increased with an average debt recovery period from 185 days to 60 days in 2019 Improvement of generation capacity (+200MW) with a special focus on renewable energy by 2022	2018/2022		x		x		
		ICT sector - Transform the two telecommunication companies (Togocell & TogoTelecom) into one group with three entities: Infrastructure, Maintenance and Services - Implement an independent regulatory body (ARCEP)	A more effective ICT sector that attracts investments and drives growth in Togo - More than 95% of the of companies have access to broadband Internet - ICT sector contributes at least 10% of GDP (from 6%)	2022		x		x	x	
		Financial sector Programme to address the issues facing public financial institutions	Rehabilitation of the togolese finance and banking sector 100% of State owned Banks have a good capital ratio	2020			x	x		
B Business framework										
6	Business environment and regulation	Draft and adopt the new land code and its implementation orders	Improve the Doing Business indicators - Togo remain within Top 10 of reforming countries in Africa	2018-2020				x		
		Digitise the land registry			x					
		Modernise the building permit issuing system								
7	Investor Protection and dispute resolution	Modernise the judicial sector Fully implement the commercial chambers automation project	Improve Project Achievement with important private sector involvement (minimum of 50% of global investment to GDP ratio)	2019		x		x		
		Mobilise financing for carrying out studies relevant to projects			2018				x	
8	Project preparation facilities	Draft the manual of procedures on project selection and prioritisation	Increase in projects using standard clauses	2018		x		x		
		Mobilise financing for carrying out studies relevant to projects			2018					
8	Use of standard PPP clauses	Order implementing the act on PPPs voted in 2014	Approval of at least 1 PPP per year	2019		x		x		
C Financing framework										
9	Reduce investment risks	Deploy mechanisms, namely the IDA18 Private Sector Window, to reduce investor risk, as well as other multi-lateral mechanisms to secure private investments	De-risking of private investment	2018-2020	x	x		x		
		Coming into effect of the Investment Promotion Agency as one stop shop of investment in Togo	Attraction of more private investments to maintain Investment to GDP ratio at 27% despite decrease of public investment	2018						
		"Invest in Togo" roadshow to present and promote Togo as investment destination		2018						
		Systematically include the private sector in the different development projects		2018-2020						