

**AGENCY FOR
INTERNATIONAL
DEVELOPMENT**



**Small Program
STRATEGY STATEMENT**

TOGO

1981 - 1985

BEST AVAILABLE

**DEPARTMENT
OF
STATE**

January 1979



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March 29, 1979

TO: See Distribution

FROM: AFR/SFWA, ^{John for} Jim Kelly

SUBJECT: Issues Paper for Small Program Strategy Statement (SPSS)
for Togo

Time and Location: Friday, March 30, 2:30, Room 6944 N.S.

Part I. Introduction

Togo is a small, poor country about half the size of Mississippi, with a per capita GDP of \$250. The Togolese economy is mainly rural with 80 percent of the population employed in agriculture. Only 50 percent of Togo's total land area is considered cultivable, but only 11 percent is actually cultivated. The land is largely cultivated by subsistence farmers, who constitute Togo's poor majority. Communicable diseases are a major public health problem.

AID's development strategy calls for more than \$35 million to be programmed over a 5 year period for essential needs in food grain production, water, health and nutrition, particularly in the northern portion of the country. The SPSS strategy proposes to 1) develop water resources for agricultural use, 2) improve agronomic research, 3) provide rural villages with reliable and safe water supplies, basic sanitation and health education and 4) support an integrated rural health delivery program which will train health agents at the village and district levels, and provide medical supplies and equipment.

Part II. Statement of Issues

Issue 1: The analysis of the poor is inadequate.

Discussion: The SPSS gives a brief profile of the poor majority in Togo, but fails to distinguish among various ethnic groups or discuss the apparent schism between northern and southern groups and what bearing this may have on aid programs.

Issue 2: Whether Togo's economic situation, particularly its debt problem, may not impede future development.

Discussion: The SPSS points out that between 1960 and 1974 Togo had the highest growth rate among African nations of over one million inhabitants. However, as a result of Togo's efforts to promote tourism and industry, it borrowed heavily on the commercial market. The debt service/export earnings ratio estimated at 28 percent in 1978 will likely increase when much of Togo's private debt falls

due between 1979-1981.

Issue 3: Whether the proposed agricultural strategy should be supported.

Discussion: The proposed strategy in agriculture is to develop water resources for agricultural use and to focus on providing appropriate agronomic research and reliable seeds. Given our limited financial and staff resources, should AID rather concentrate its efforts in the health area? Since a large portion of the agricultural strategy consists of a water activity, we need to know the relationships of this water project to the rural water sanitation project proposed in the health sector.

Issue 4: There is insufficient data and information in the SPSS concerning the characteristics of the rural areas, their problems and the nature of the health services in the country to enable AID/W to properly judge the health strategy.

Discussion: Very little is said in the SPSS about prior projects or efforts (e.g., Togo Family Health) as a basis for developing the present health strategy. How appropriate is the health strategy which consists of a rural water supply and sanitation project, and an integrated rural health delivery project?

Issue 5: The SPSS does not sufficiently address the issue of rapid population growth.

Discussion: The SPSS notes Togo's population has been growing at 2.7 percent per year since 1960. It notes that there are overpopulated areas in the north and Maritime regions while the central region is underpopulated due to the shortage of water. What are the GOT's policies in respect to population growth and population density?

Issue 6: The SPSS should elaborate more fully on the possibility for women in development activities and describe such activities.

Discussion: As noted in the SPSS, women have played a dominant and unique role in Togo's domestic trade. Ninety percent of Togolese merchants are women. Togolese women are active in political affairs and play an important role in farming.

Issue 7: Is a housing investment guarantee an appropriate form of assistance for Togo given its other critical needs and already excessive debt service ratio?

Discussion: Aid is presently providing technical assistance in the housing sector. A follow-on HIG loan in the amount of \$5.0 million

is proposed to expand the program to urban centers outside of Lome. The HIG will also finance programs of upgrading, sites and services and small loans for home construction and improvement.

Issue 8: Togo's SPSS planning figures for FY 1981 through FY 85 total \$35 million. Will the Togo Mission be restricted to \$35 million over this period?

Discussion:

It was not intended that the countries which were asked to prepare small program statements be restricted to \$35 million over the period FY 1981-FY 1985. Togo's indicative planning allocation for FY 1985 is \$20 million. In view of this we may wish to revise our proposed funding levels.

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Small Program

Strategy Statement

for Togo

1981-1985

I. Brief Rationale for a U. S. Bilateral Development Assistance Program

The U. S. enjoys a friendly relationship with the republic of Togo. In the 1980 Country Development Strategy Statement (submitted to AID/W on April 30, 1978) and previous messages to Washington (Lome 1178 - dated 4/11/78, Lome 2184 - dated 8/11/78, Lome 4020 - dated 12/27/78), U. S. development assistance strategy and program goals were outlined. As stated therein, the U. S. has an economic interest in Togo's national economic development and its efforts to support regional economic development. U. S. political interest stems from our interest in support of relatively moderate governments in Africa. The Mission believes that every criterion of need and opportunity, and the Government of Togo's (GOT) own efforts in improving its human rights posture make bilateral development assistance cooperation at a meaningful level a realistic and desirable goal. The case for increasing the volume of development assistance aid rests not solely upon the exigencies of economic need. If the current approach to development, that of meeting basic human needs in the context of economic growth with equity, is to be realized, aid must be increased. There is a need for a new assistance strategy that will lead to a more effective program to help the GOT's long-term development goals. An increased volume of aid meets the U. S. policy goal of supporting Togolese development efforts at a sufficient level to establish the U. S. as a relevant partner in GOT's development efforts.

II. Analysis

A. Profile of the Poor Majority

Togo is a small and poor country with an area of 56,500 square kilometers and a population estimated at 2.3 million in 1976. The population has been growing at 2.7 percent per year since 1960. Per capita GDP is only

\$250. Togo's economy is principally rural with approximately 80 percent of the population employed in agriculture—largely subsistence farming. As it is an elongated country with long borders with its neighbors (Ghana, Benin, Upper Volta), trade traditionally figures prominently in overall economic activity. Of the total land area, 50 percent is considered cultivable but only 11 percent is currently cultivated, mostly by subsistence farmers using traditional methods. The lack of water, prevalence of onchocerciasis, and reluctance of farmers to migrate to other areas for cultural and traditional reasons are some of the reasons for much of the arable land being left uncultivated.

The subsistence farmers constitute Togo's poor majority. They are poor because of the antiquated agricultural methods they use and the serious obstacles to increased food and cash crop production: limited availability of water, poor soil conditions and soil depletion, irregular rainfall patterns often resulting in drought conditions, prevalence of river blindness, and overpopulation. While overall population density of 41 inhabitants per sq. Km, this hides large regional and interregional differences. In some areas of the north (within Kara), the population density reaches about 200-300 persons per sq. Km, due principally to potable water availability. By contrast, the central region has only 16 inhabitants per sq. Km. In overpopulated areas of the north and the maritime region, soil depletion and insufficient rainfall prevent a substantial expansion of agricultural production even with further intensification. Uneven population distribution is reflected in the table below:

	Population by Region (in Thousands)		Pop. per Sq. Km.	Annual Growth Rate (PCT)
	1974	Sq. Km.		
Maritime	780.1	6,400	122	3.1
Plateau	532.1	17,000	31	2.7
Central	317.7	20,000	16	3.9
Kara	252.4	4,500	56	1.6
Savanna	260.8	8,600	30	2.4
Total	2,313.1	56,500	41	2.7

¹/World Bank Report 1977

Average income of farm families is only \$100 per capita, about one fifth of the rest of the economy. Farm incomes in the northernmost part of Togo are even lower. Within this poverty group there are substantial sub-groups that are more disadvantaged. In the southern and coastal regions where the most important exploitable natural resources and growth sectors are heavily concentrated, the average per capita income is approximately twice that of the north. The poorest people are located principally in the northernmost region of the country. In this part of Togo there are many different ethnic groupings, among them the Kabre, who are notable for their terracing of hillsides and intensive agriculture. Until the past decade, the various ethnic groups in the north were discriminated against in terms of government services and exploitation of natural resources. Irregular rainfall patterns in the north have put subsistence farming at a precarious level where in many years farm families have had to subsist on one meal a day or less. The groups in the southern regions have received the bulk of government investments and have had longer and more complete exposure to Western technology. This has its effect in terms of quality of life: conditions are marginally better, most people are familiar with simple machinery and are better equipped to accept intermediate and/or modern technology. The very literate Ewes are the leading people of the south. (The adult literacy rate for Togo as a whole is only 12 percent.) Major ethnic groups in Togo are: Ewe 185,000; Ouatchi 152,000; Kabre 236,000.

Health

The pathology of Togo is similar to that of other West African countries. Communicable diseases (malaria, measles, amoebiasis, onchocerciasis, schistosomiasis, yaws, venereal diseases) are a major public health problem

causing high morbidity and mortality rates. The country-wide infant mortality rate (0-1 year) is estimated at 148 per 1,000 live births and the total child mortality rate (0-5 years) approaches 50 percent in rural areas. Life expectancy at birth is estimated at 41 years for both sexes. The crude birth rate is estimated at 50 per 1,000 population and the crude mortality rate at 23. The urban areas have a higher concentration of medical personnel. Based on 1974 statistics, nationwide there was approximately one doctor for every 16,000 people. By region, there were 77 employed in the maritime region giving a density of one physician for 10,000 inhabitants. The Kara region was endowed with one physician for every 40,000 persons. Both the plateau and central regions had only one physician for 60,000. The Savanna was the worst off with only three physicians, a ratio of about one physician to 90,000 persons. The number of nurses (state and auxiliary) of almost 700 yields a satisfactory density of one to every 3,000 inhabitants and actually exceeds WHO's goals. However, about half of the nurses are employed in the Lome area, with very low coverage in the rural areas. The 1977 CDC nutritional survey noted that the nutritional level of the subsistence farmer in the northern region was much lower than that in the other regions of the country.

Togo has a fairly well-developed health infrastructure but the system suffers from inadequate material and logistical support, trained health personnel and administrative/managerial support.

Agriculture

The agriculture sector has not kept pace with other sectors of the economy (see macro-economic section below). This has resulted in a steady rural-to-urban migration, causing population pressures in urban areas and a manpower shortage in many rural areas. Lack of manpower is

a prime constraint on productivity, given the labor-intensive nature of hoe-agriculture practiced by Togolese farmers. Their holdings average two to five hectares and produce low yields. Traditional practices are aimed at minimizing the risk of crop failure by diversification, staggered planting and other techniques. Almost universally, Togolese peasants do not practice modern approaches to plant disease, soil fertility and crop rotation. When appropriate knowledge is available in the government services, the transfer and application of this knowledge is constrained by the lack of adequate institutional support to get technology and inputs (quality seeds, fertilizer, etc.) into the hands of farmers. The delivery/support systems for the purpose of bringing change to the rural areas are poorly managed and underfunded.

Water

Togo suffers from a lack of sufficient water for human consumption and agricultural purposes. Only 16% of the population had access to safe water in 1975. The dry season lasts from five to eight months, causing much surface water to disappear and many wells to go dry. In rural areas, water for both domestic and agricultural use is strictly rationed during the dry season. Drawing and carrying of water (in some areas as far as 20 km) consume much time and energy. The limitation imposed by scarcity of water affects all villagers more or less equally, although by custom women and children have the responsibility for drawing/carrying, and the needs of adult males have priority. The dry season also limits the crop year and agricultural production. Most villagers have little opportunity during the dry season to do productive tasks, and limit their activities to domestic chores. Togolese food and cash crop agriculture is affected by the uncertainties of the rainy season. There are substantial annual

variations in rainfall in all regions of the country and even when a good amount of rain falls, the distribution may be inadequate for good crops. The few modern irrigation systems in Togo are aimed at insuring against variations in the natural rainfall cycle and perhaps extending the growing season by a few weeks. No irrigation system aims at promoting year-round cropping. Thus lack of water not only degrades the quality of life but also limits agricultural production, thereby limiting the acquisition of income through cash crop and surplus food production.

Producer prices and government incentives impact upon food and cash agriculture. Producer prices for cash crops (cocoa, coffee, cotton, palm products and ground nuts) are determined by the government and administered by OPAT (Office for Agriculture Products), a parastatal agency having monopoly for marketing of cash crops. Togograin and Togofruit provide the same for food crops and fruit respectively. Until 1974, producer prices were evolved in such a manner that they tended to discourage production. Despite minor increases in volume, the income of coffee and cocoa farmers declined 11 percent from crop year 1974/75 to 1976/77. This decline was due to the government's conservative producer prices which resulted in net returns per man-day falling well below the minimum wage rate on coffee and cocoa plantations. This policy similarly affected the food crop farmers. Recent increases in official farm gate prices for cash products and higher producer prices have begun to improve the situation.

The Urban Poor

Togo's urban population totals about 350,000. Over 60 percent of urban residents are recent migrants from rural areas whose per capita income is less than the median of \$150 per year. They are primarily

service workers, peddlers, petty traders. Strong ethnic, family and tribal ties have helped ease the transition from the rural to the urban environment. New arrivals are often "lodged for free" with relatives and friends originating from the same villages. Overcrowded housing, inadequate water supply and sewerage systems, and the resulting prevalence of parasitic and infectious diseases are major problems affecting the urban poor.

Employment

Togo's working population is estimated at about 40 percent of total population. Salaried employment in the modern sector (6 percent of active population in 1975) more than doubled during the past decade, due in almost equal measure to both the public and the private sector growth. The number of job-seeking school dropouts has exceeded the number of jobs created for skilled and unskilled workers. Seasonal and structural underemployment is more widespread in the rural areas. Unemployment in Togo is basically an urban phenomenon - possibly around 10 percent in urban areas and largely the result of the rural exodus. The traditional extended family system in Togo tends to mitigate adverse effects of underemployment and unemployment.

Women

Women have traditionally played a dominant and unique role in Togo's domestic trade. These "queens of the market" are engaged in the trade of most consumer goods, including foodstuffs. Approximately 90% of all Togolese merchants are women. Although most of these women are illiterate, they have an intrinsic business sense in trading activities which has greatly added to family incomes and supplemented farm revenues. Togo's dynamic tertiary sector is partially due to this socio-economic phenomenon.

Due to their prominent position in commerce and trade, women have enjoyed considerable freedom of movement.

Togolese women are very active in political affairs, at all levels. Recently the former supreme court judge, a female, was named the Minister of Social Affairs and Feminine Promotion. Women head up the major divisions within this Ministry which has responsibility for family health education, vocational training and women's activities. Women magistrates and lawyers are not a rarity in Togo. In 1975, a national commission was created to study the promotion and protection of women.

In the rural sector the women's lives center around the home, market and field. They play an important role in farming, helping to harvest the family's main crops and taking responsibility for garden plots.

The access of women to education, while rapidly improving, is more limited than for men. Large numbers of girls and women are not acquiring the skills, even functional literacy, which are needed in a modernizing sector.

B. Macro-Economic Trends

Togo has achieved rapid economic growth since independence. Since 1960, real GNP per capita has risen at an annual average rate of 4 percent. Togo's real per capita GNP growth rate over the 1960-1974 period (4.4 percent) is the second highest among African nations of over one million inhabitants (following Libya's), exceeding the Ivory Coast's (3.5 percent), Nigeria's (2.9 percent), and Benin's (0.7 percent). At independence (April 1960), the country's economy was predominately rural. Agricultural production contributed about 60 percent of GDP and consisted mainly of food products. The secondary sector was embryonic, consisting mainly of food processing and artisan activity and accounting for approximately 10 percent of GDP. The "Port" of Lome consisted of a 500-meter pier

from which goods were loaded onto and unloaded from ships anchored offshore. Installed electric generating capacity supplied Lome with a miniscule 5 million KWH per year. Because of geographic configuration - elongated and sharing borders with Benin, Ghana, Upper Volta - overland trade and international movements of labor have traditionally been important in economic activity. Trade and other service activities accounted for approximately 30 percent of GDP.

By 1976, a deep water port was operating at high capacity, road and air transportation had been greatly improved, and electric power was being provided in ample supply at a lower cost from the Volta River Authority than the tripartite Benin Electricity Community (CEB). Togo's real growth until 1976 was attributed to the start-up and expansion of phosphate mining and facilitated also by a rising level of investment, and increased service sector activities including continued transit trade in consumer and agricultural goods, principally cocoa, with neighboring countries. Phosphate mining not only contributed to the growth of output and exports, but also provided a substantial and fast-expanding source of new foreign exchange earnings and public revenues which in turn permitted higher levels of both imports and government services. Economic growth, moderate price increases (generally below inflation rates), and expanding domestic revenue mobilization - primarily through growing public savings - are the principal indicators of Togo's favorable economic performance until 1976.

The agriculture sector, however, lagged. The agricultural growth rate from 1970-75 was 3% as against the industrial rate of 7%. There were few development projects effectively attacking the main causes of agricultural stagnation: low levels of investment and expenditure from both domestic and foreign sources; inadequate extension services, manpower, and technical

assistance; and overly conservative producer prices. The protracted drought conditions, particularly in the northernmost region of the country, hastened this stagnation. The share of agricultural products in total exports declined from 100 percent during the pre-independence period to about 40 percent in recent years. This shift in composition of exports is due exclusively to phosphate sales and does not reflect a broad-based diversification in non-agricultural exports. It does, however, reflect the stagnation in the agricultural sector. Fortunately, during this growth period, the GOT pursued prudent financial policies and kept debt service at manageable levels; however foreign borrowing rose rapidly in 1974 and 1975. This rising flow of foreign funds from diversified public and private sources helped finance the balance of payment resource gap and permitted an adequate level of foreign reserves.

Economic activity in 1977 continued to gain momentum with real growth of GDP estimated at 5.4 percent. The commerce sector, ranking first in contribution to GDP, grew by 8 percent in real terms. Much of the growth was due to the increased volume of phosphate for export. The volume of cocoa and coffee exports stagnated but the increased world market prices for these products added to Togo's resources. The rest of the commerce sector grew only moderately, reflecting the depreciation of the Nigerian naira and the Ghanaian cedi. Food crop production continued to lag and fell by an additional 7 percent in 1977 despite increased planting and investment in this sector.

Togo had an estimated \$205 million in export earnings in 1977, about half of which came from phosphate exports. The 1978 projection is \$250 million. With these resources, external borrowing and foreign assistance, Togo is pursuing an ambitious program of industrialization, tourist development,

infrastructural investment, capitalization of the rural economy and defense spending. Present development plans are aimed accordingly at a variety of sectors including some which benefit the poor majority.

However, the government is now faced with serious financial constraints. Following the rise in phosphate prices in 1974, Togo invested heavily in industry and tourism, obtaining much of the financing on commercial terms. As a result, the private debt portion of total debt has increased significantly (65% of disbursed debt in 1976 and probably a higher percentage in 1977 and 1978). Much of this private debt will begin falling due in the 1979-81 period and the debt service/export earnings ratio of an estimated 28% in 1978 may go higher. Thus the GOT will not be able to depend heavily on private financing in the form of loans or supplier credits to continue its investment plans, either in infrastructure, tourism or basic human needs. Given domestic constraints, the GOT will also be hard-pressed to contribute significantly from domestic resources to investment projects of any type. Likewise, the continued use of earnings from the agricultural marketing agency (OPAT), in order to make up treasury deficits, will limit Togo's ability to finance its share of contributions to programs in rural development involving concessionary aid from external public donors.

Faced with these financial constraints, Togo may be required to make some difficult choices within its "growth with equity" development strategy. A certain reorientation of government policy and action may be inevitable.

C. Progress and Commitment by GOT

Compared with other West African countries, Togo has enjoyed relative political stability the past 12 years. Togo is well managed compared with many African nations. The composition of the Government generally reflects a balance of regional representation and the civil service has been left

basically intact since independence. One of GOT's main socio-political objectives is to overcome the longstanding north-south rivalry, accentuated by the regional imbalances in resource allocations and development and to achieve unity among the various ethnic groups. GOT is making efforts to eliminate regional and tribal differences in order to enhance political and social stability and economic equity.

Under the third five-year development plan (1976-1980), the rural sector has been allocated F CFA 55 billion or 22 percent of the total expenditure and has been given highest priority. More donor projects are being programmed in the north. GOT has placed high emphasis on the development of water resources through the building of several small and medium scale dams (UNDP and FAC financed) with the view to achieving food production self-sufficiency. GOT has also embarked on a program for the renovation of the old cocoa and coffee plantations (World Bank financed through 1985). It is expected that these concrete efforts will help revitalize the once neglected rural sector and help raise real income for the farmers. Food crop production alone has been allocated about 50 percent of the total appropriation for the rural sector and animal production 24 percent. In relative terms, outlays on rural development projects in 1976 remained equivalent to the 16 percent registered in the three previous years; in absolute terms they amounted to F CFA 6.2 billion or three times the average level during the preceding three-year period.

In education, there has been considerable expansion of school enrollment since independence. With a current enrollment ratio of about 65 percent (versus 10 percent in the late 40's), Togo now ranks with the small group of West African countries, such as Ivory Coast and Ghana, where universal primary schooling appears feasible in the foreseeable future. Regional

imbalances and inequities based on sex, unfortunately, remain. GOT is now turning its attention to basic education for adults and training young people in agriculture and the informal rural and urban sectors where a great majority of the labor force will continue to work in the future. Togo has established a university. GOT is trying to correct the uneven regional distribution of school enrollment through national education reform. The 1976-1986 development plan includes the first phase of a long-term program for introducing innovations into the education system. The Ministry of Education has consistently received the largest budget allocation. The 1977 budget was 33.45 percent greater than 1976's. Expenditure on education (F CFA 5.2 billion in 1977) represented 3.1 percent of GDP. The budget for technical education doubled and personnel in junior high schools increased.

In health, the GOT has initiated a program to upgrade basic health infrastructure. Increasing numbers of health service delivery operations are currently being established by the GOT, particularly in the rural areas. The Ministry of Health budget in 1977 was F CFA 2.27 billion (1.4 percent of GDP), a 4.6 percent increase over 1976. The Ministry's employees have increased by 422 persons, mostly due to a 290-person increase in the medical staff (principally midwives). Expenditures on health have grown roughly in line with total expenditure. Health budget (million F CFA):

1972	-	823
1973	-	918
1974	-	1,201
1975	-	1,599
1976	-	1,783
1977	-	2,269
1978 (est.)	-	2,911

The amounts noted hereon under-represent total health expenditures since private health expenditures are unknown.

In the 1976-1980 development plan, approximately 70 percent of the health budget is allocated to the construction, expansion, and functioning of health service facilities: hospitals, clinics, and dispensaries. Rural populations must have access to district or regional hospitals for more complex medical problems which cannot be treated in primary health centers or dispensaries. Eighty percent of the funds for improvement of health facilities are for those facilities that serve the rural areas. A large portion of the planning budget is devoted to campaigns against preventable diseases. Over three-quarters is devoted against tuberculosis and onchocerciasis. Other significant budget items are for sanitation and MCH programs which have as their target the rural population and preventive medicine.

Expenditures on education and health services have grown roughly in line with total expenditures. Expenditures in social services grew by over a fifth in both 1976 and 1977, reaching F CFA 8.89 billion in 1977 (26.5 percent of total expenditures and 5.3 percent of GDP).

Budget (in millions F CFA):

	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978 Est.</u>
Social Services	2,740	3,131	4,094	5,871	7,261	8,894	11,948
Education	1,902	2,116	2,688	3,757	4,321	5,172	7,468
Health	823	918	1,201	1,599	1,783	2,269	2,911
Other	15	97	205	515	1,157	1,453	1,569

Expenditures on economic services, F CFA 2.66 billion in 1977 (7.9 percent of total expenditures, 1.6 percent of GDP) has stagnated in nominal terms since 1975 reflecting a fall in public works expenditures due to postponement of maintenance and devolution of certain GOT responsibilities onto public enterprises. Agriculture expenditure directly financed by the budget amounted to F CFA 1.49

billion in 1977 (4.4 percent of total expenditure, 0.9 percent of GDP).

To this must be added expenditures directly financed by OPAT and by foreign aid.

Budget	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978 Est.</u>
Economic							
Services	<u>1,293</u>	<u>1,724</u>	<u>2,089</u>	<u>2,659</u>	<u>2,412</u>	<u>2,661</u>	<u>4,324</u>
Public Works	738	1,101	1,360	1,632	1,238	1,172	2,620
Agriculture	555	623	729	1,027	1,174	1,489	1,704

Togo's government is in rapid expansion in an effort to provide the services and institutions which will be needed to manage development. But the effort to make progress in all directions at once has produced its own constraints. Individual services are underfunded and understaffed. The ratio of chiefs to executors is high. Coordination between services is often weak and sometimes non-existent. The government is aware of these structural problems and has created an administrative reform agency within a key ministry, the Ministry of Plan and Development, to address this problem. But much remains to be done to streamline the development effort and direct it at the problems of the poor majority.

The high priority being placed on tourism development has resulted in diversion of resources from other sectors that would appear likely to benefit the poor majority more directly. Arguably, the overall Togolese development effort is aimed at achieving economic growth. Present apparent sectoral imbalances must be seen in terms of this goal and of the goal of achieving national security. Togolese investment is taking place in sectors aimed directly at the poor majority (health, agriculture, etc.) but resources are presently so limited that primary consideration is being given to achievement of a larger economic product out of which more resources, in equity terms, can be directed to the poor majority. U. S. assistance in the EHN area thus complements present Togolese investment.

The Togolese rate of population growth is high. It would appear that official Togolese and popular acceptance of the concept of family planning is growing. Evidence is the implementation of the AID-GOT Family Health project, the UNFPA-sponsored program on sex education, and the GOT's promotion of family spacing as a maternal and infant health measure.

Conclusion

Togo is beset by so many problems that it is struggling first of all to achieve greater economic growth and a dispersion of improved BHN services to its entire population. Its development strategy is really an assault on all fronts to achieve both economic improvement and political goals such as enhanced national unity. To ensure that equity keeps pace with the planned growth, a significant amount of infrastructural, institutional and manpower development will be necessary.

III. AID Strategy

Within the limits of a small bilateral program not exceeding \$35 million over a five-year period, AID has the opportunity to establish itself as a relevant partner in the GOT's development efforts and to make a tangible impact in meeting the essential needs of the poor. This will require an increase in annual levels as detailed below. The current bilateral grant program of under \$2 million is, of course, helpful to Togo's development, but it is limited in scope and encumbered by a high ratio of studies, surveys, assessments and what the GOT frankly perceives as difficult procedures, all very demanding of its time and efforts. There is admittedly no escape from a certain amount of such preliminary activity, but it is costly for both donor and donee, and becomes worthwhile only if the resulting projects are implemented in timely fashion and are of sufficient scope to yield widespread and long-term benefits.

The most essential, unmet needs identified above are in the areas of food grain production, water, health and nutrition, particularly in the north. These are sectors to which the GOT has begun to give serious attention as noted in Section II.C. A moderately enlarged program of the type proposed here can provide strong support to these sectors and encourage the GOT to deepen its commitment to them.

Geographic Aspects

All of Togo's development programs are national in scope. However, there are many current development activities, particularly agriculture, which are area-specific because of the crop involved or the technique being used. The greater immediate need of the north, as discussed above, should be kept in mind. For the rural water supply project, GOT requested AID to work in the northernmost part of the country as no other donor (except for a small FED project) is working in that area. Togo is an active participant in the multi-donor river blindness program. As new lands are opened up for new settlements, GOT is directing more of its resources to their economic development. As a relative newcomer to the donor community in Togo in terms of level of resources, AID has been asked by GOT to focus the proposed agriculture water resources development project in the north as the other donors have not exploited this area. Limiting some activities to certain geographic regions has advantages in Togo. Because of important constraints to regional development such as high population density and concomitant soil depletion in two of its regions (Kara, Maritime), a low water table in another (Central), and river blindness in the Kara and Savanna regions, some national programs are not necessarily applicable to all regions. U.S. assistance efforts therefore should be directed, as appropriate, both in support of certain

GOT national development efforts and in support of important localized efforts benefiting those most in need.

Bilateral versus Regional Aid

At a September 1978 review in AID/W, the feeling was expressed that the Togo program should concentrate on health and leave agriculture to other donors. Two comments are offered:

(a) The World Bank, UNDP, the Entente Fund and other donors are implementing a variety of activities in agriculture (see below). However, two areas which have received little attention and for which GOT has requested U. S. bilateral assistance since 1975 are water resources development and agronomic research/seed multiplication. These areas have also been identified as constraints by economic survey teams and the 1974 AID DAP. To verify the validity of these priority selections, and to provide the sectoral knowledge required for sound project design, the Mission has requested an agriculture sector assessment. This request was supported at the June ABS/CDSS review in AID/W, and the Mission hopes the assessment can be undertaken at an early date.

(b) With respect to the Entente Fund (EF), to which AID has given significant support in the past, a further commitment by AID is quite uncertain at this point. An assessment is currently underway by REDSO/WA, with the help of the concerned USAIDs, to determine whether and in what context AID should continue to support the Entente Fund, or whether other regional institutions should be supported instead. The preliminary conclusion reached by REDSO, in a report dated December 8, 1978, and in which this Mission concurs, is that any further AID funds which might be channeled through the EF should be devoted to projects with strong regional aspects rather than to discrete country-oriented projects for

which the bilateral AID missions or offices now established in all Entente countries except Ivory Coast are better suited. Most of the EF/AID projects to date have, in fact, been individual country projects, as the Fund itself has pointed out.^{1/} For the EF to undertake bilateral-type projects on behalf of AID is, we believe, simply to introduce an intermediary donor with its own criteria and procedures to supplement those of AID, and without even the offsetting benefit of strengthening the EF permanently as a regional institution; the EF offices handling AID project funds are temporary units supported almost entirely by AID.

As Togo sees it, the Entente Fund develops rigid regional criteria for projects and then sets out to seek projects in the five participating countries to fit these criteria. In many instances the criteria do not fit the specific needs of Togo. Togo is unique in that it has already developed a shelf of project proposals in support of its own well-defined development objectives that have been promulgated in three five-year social and economic development plans. Togo contends that it is better to come to terms unilaterally with donors in finding solutions to its development problems than to redesign its proposals to fit a regional mold. In Togo's case, particularly in the agriculture field, regionalized solutions to specific development problems are not realistic beyond a certain point. In the case, however, where a regional solution to a problem is applicable, GOT is willing to consider participation. The Entente African enterprise activity is a case in point.

^{1/} Conseil de l'Entente, "Note sur les interventions du Fonds dans les cinq pays membres: leur degré de caractère régional et de complémentarité avec les actions nationales," Sept. 1977, as cited in REDSO/WA's preliminary assessment of AID/Entente Fund Collaboration, Dec. 3, 1978.

Relation to Other Donor Programs

Major programs of other donors are for the most part concentrated on improving Togolese export earnings and in providing basic infrastructure. The Germans have extended loans for the creation and expansion of the Lome port; French efforts are aimed at improving the production of such export crops as coffee, cocoa, and cotton; the European Development Fund has financed the improvement of the north-south road system which is the economic backbone of Togo; and the World Bank and other donors are combining major financial resources to build a regional clinker plant for the supply of cement factories in Togo, Ghana and the Ivory Coast. The long-term effects of these efforts is to improve Togo's economy and generate revenues which can then be applied towards concentrating on the basic human needs of the target population. These other donor efforts deal with major economic constraints to Togolese growth.

The UNDP and FED are executing activities that focus on basic human needs in rural areas. The UNDP and FED are both implementing, in collaboration with GOT, two modest, integrated rural development activities in north Togo. Both activities focus on the resettlement of farm families from overpopulated to less populated areas in an area located in the oncho program zone. Emphasis is given to agriculture. The World Bank is also undertaking a rural development activity in the Maritime region which focuses on increasing farmers' food production output. Other donors - Belgium, Austria, Germany - are providing advisors to GOT to carry out economic studies, to establish cooperatives for farmers, and to develop animal traction activities. Most donors offer scholarships for advanced studies in Europe. UNDP, through WHO and UNICEF, are providing assistance in health. WHO is operating a regional training school for mid-level health

personnel, UNICEF is providing medical supplies for maternities, dispensaries and MCHs principally in the rural areas. Germany, France and Belgium provide medical personnel to work in the regional health centers and medical school in Lome. The World Food Program is operating a small feeding, Food for Work program. The EEC is financing a well construction program in the plateau and central regions.

IV. Proposed Areas for U. S. Development Assistance and Justification for the Magnitudes Proposed in the PAPL

The overall program levels in the attached PAPL show a gradual rise to enable the Mission and the GOT to absorb the program systematically. The project magnitudes proposed are a function of the level of inputs which the Mission believes are required to achieve a lasting impact in overcoming development constraints.

A. Increased Food Production and Rural Incomes

The continued stagnation of the agriculture sector and its effects on the low-income agriculture worker dictate the priority of this target area. GOT is focusing on encouragement of better agricultural practices. Agriculture training is now included in the primary and secondary school curricula. GOT has imported with its own funds substantial amounts of agricultural equipment to be used in the cultivation of new lands in support of its campaign to encourage farmers and cooperatives to expand their cultivable land. GOT sees the development of water for irrigation and concomitant water management practices as key to increased agricultural productivity.

Current AID-funded activities include an OIC agricultural training project to introduce small mechanical farming based on cultivators, and an animal traction AIP to introduce animal-drawn agricultural implements.

The Entente Fund is in the final stages of approving the integrated rural development activities in Notse-Daye and Sirka Atchangbode and a small ruminant livestock project. Development of water resources for agricultural purposes and appropriate water resource management is being proposed for funding in 1981. Support for irrigated agriculture in the zones freed from onchocerciasis (in northern Togo) will help increase exploitability of new lands and farmers' income. Another proposal will focus on one of GOT's key constraints in agricultural productivity--appropriate agronomic research and reliable seeds. Both projects should be preceded and validated by an agriculture sector assessment.

1. Rural Water Resources Development and Management

This activity will assist GOT to create, expand, and improve water delivery systems through irrigation, drainage, management and other water control efforts. The proposed five-year project totalling \$10.5 million will finance the development of medium-size irrigation schemes and train Togolese to design and manage irrigation and water management activities. This program can readily be phased, the success of the first phase and availability of funds determining subsequent phases.

2. Agronomic Research and Seed Multiplication

This project will assist GOT to improve and increase production of cereals and food legume crops through support of a seed multiplication/dissemination unit and support of a national agronomic research unit capable of developing and carrying out research relevant to Togo's needs. Cereal crops are dominant in the relatively less advantaged areas of the north and food legumes are the predominant crops of the peasant farmers in certain impoverished areas of the south. The five-year program at an estimated total cost of \$8.3 million will build up the research capability of the GOT Agronomic Research Unit by training approximately 30 research

scientists/agronomists, finance village field trials (approximately 100 annually), develop new varieties (approximately 3), upgrade local varieties (approximately 6), produce breeder seeds (approximately 8). The other component of this activity is to assist GOT to produce and multiply certified seeds of superior varieties as a means to ensure increased food production. Support will finance a seed facility to establish a self-sustaining regional/nationwide system for the production, distribution and use of improved seed varieties, particularly by the peasant farmer. Using research findings from international research institutes, the activity will select and multiply elite seeds for food crops at GOT research stations. The seeds produced will be sold through regional development organizations (ORFV) which distribute seeds to small farmers. Seeds will also be disseminated for large seed multiplication through other projects such as FED and World Bank integrated rural development activities. The activity will also focus on the development of a capability for the production, processing and control of foundation stocks and the establishment of systems of distribution and guidance of farmers in the use of improved seeds. The activity will finance the establishment of 4-5 seed farms (1 in each geographic region) to produce and multiply certified seeds.

B. Health

1. Rural Water Supply and Sanitation

This is an area of high priority in GOT development planning. In the ministerial reorganization of 1977, the Ministry of Water Resources was created and put under the tutelage of the Government's most senior minister. The project, estimated to cost \$8 million over five years (1979-83), will assist the GOT to provide rural villages with reliable

and safe water supplies, basic sanitation facilities and health education. The project will finance the construction of 350 wells in northern Togo (Dapagno region), provide handpumps, install a maintenance and repair facility for pumps, construct latrines, and construct a water control laboratory to test quality of water before opening of wells for public use. The activity is to be implemented in 200 villages benefiting more than 45,000 people.

2. Integrated Rural Health Delivery

AID's current activity in this area, Togo Family Health, focuses on the training and upgrading of skills of paramedical and social agents to provide more effective health services, including population and nutrition, to its rural populace. The effectiveness of Togo's health infrastructure is hindered by lack of funds and adequately trained personnel to support a nationwide system of health centers and dispensaries. As noted in the Togo Health Sector Assessment, Togo is quite advanced in its health policies. The health structure, manned by Togolese, is in place. It lacks resources to deliver. This project will train and retrain health agents and other deliverors of health services at the village and district levels (250-300), provide medical supplies for these agents, medical equipment and supplies for approximately 14 health centers and 100 dispensaries, and vehicles for supervisors and village health workers (mobylettes and bicycles), including maintenance. The project design should take particular note of the needs of newly settled areas.

C. PL 480

Title II Nutrition Program

There is a need for the continuation of the PL 480 Title II programs in light of the nutrition problems that persist in the rural areas, particularly

in the north. The feeding program should continue to concentrate on children and lactating mothers. Small-scale self-help Food for Work activities should also be continued. The possibility of using nutritional concentrates with local food should be explored. Implementation of this activity will continue under CRS (Catholic Relief Service).

Title III

In the past, GOT has expressed interest in the possibility of commercializing a food donation program to alleviate periodic food deficits and as a means of financing rural development activities. The GOT has already proposed a series of integrated rural development activities focused on the small farmer and aimed at increasing his agricultural output. The financing of social infrastructures are also included. The proposed activities are of the pilot nature type.

D. Other Programs

1. Low Income Shelter

The HIG and related technical assistance in the housing sector is AID's current activity in the housing sector. A follow-on HIG loan in the amount of \$5.0 million is proposed to expand the program to urban centers outside of Lome. The HIG loan will finance infrastructure services to benefit urban families earning less than the median income (\$70/month). The HIG will also finance programs of upgrading, sites and services and small loans for home construction and improvement.

2. Women in Development

A WID program focused on key problem areas such as functional literacy should be considered during the planning period.

3. AMDP

This successful program should be continued and if possible expanded to help meet Togo's large requests and requirements for training in key development areas.

V. Proposed Assistance Planning Levels (PAPL) - 1981-1985

Togo

(\$ millions)

<u>Sectors</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Total 1981-85</u>
<u>Increased Food Production and Rural Incomes</u>								
Rural Water Resources Develop- ment and Management		.3	1.1	2.5	2.7	2.2	2.0	10.5
Agronomic Research and Seed Multipli- cation			1.0	1.2	1.7	2.0	2.9	8.8
<u>Health</u>								
Rural Water Supply and Sanitation	1.0	1.0	2.3	1.6	1.3	.8	-	6.0
Integrated Rural Health Delivery			.8	.8	1.0	2.0	2.1	6.7
<u>Low-Income Shelter</u>	.4							
<u>PL 480 Title III</u>				.5	.5	1.0	1.0	3.0
<u>Total</u>	1.4	1.3	5.2	6.6	7.2	8.0	8.0	35.0
<u>Other - Non-Add</u>								
PL 480 Title II	1.0	1.0	1.0	1.0	.8	.8	.8	4.4
HIG	5.0		5.0					5.0
WED				.5	.7	1.0		2.2
AMDF	.2	.2	.3	.3	.3	.4	.4	1.7
OPG (OIC)	.8	.8	.8					

The following Documents were consulted in writing this paper:

- A. Togo Health Sector Assessment
- B. Togo Shelter Assessment
- C. World Bank Statistical Annex, Basic Economic Report, Togo - 1977
- D. IMF Economic Development Report, Togo - 1978