

AGENCY FOR INTERNATIONAL DEVELOPMENT  
 WASHINGTON, D. C. 20523  
**BIBLIOGRAPHIC INPUT SHEET**

FOR AID USE ONLY  
*Batch 81* ARDA

1. SUBJECT CLASSIFICATION	A. PRIMARY	Urban development and housing	LD00-0000-G224
	B. SECONDARY	Housing--Togo	

2. TITLE AND SUBTITLE  
 Republic of Togo ,shelter sector assessment

3. AUTHOR(S)  
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4. DOCUMENT DATE	5. NUMBER OF PAGES	6. ARC NUMBER
1977	<del>172p.</del> 173p.	ARC

7. REFERENCE ORGANIZATION NAME AND ADDRESS  
 AID/SER/H

8. SUPPLEMENTARY NOTES (Sponsoring Organization, Publishers, Availability)

9. ABSTRACT

This study gives information on the shelter sector in Togo. Conditions in Togo's major urban center illustrate four areas of shelter problems: human settlement patterns, the housing stock, infrastructure, and environmental and health conditions. This report describes Togo and its economic situation, its population characteristics, the dimensions of the shelter problem, the shelter delivery system, and the constraints to the delivery system. Recommendations are offered in the areas of shelter policy, new housing and urbanization institutions, finance, densities, and waste disposal. It recommends that the government focus its intervention on the families below the urban median income level as their need is the most acute. It suggests that these shelters be designed to minimum standards and rely on the ability of low-income families to build and upgrade their own units. This effort requires both land and infrastructure, which low income families cannot totally provide for themselves. Target densities for the development of Lomé as an urban center growing at almost 10% per year, should be a minimum of 220 persons per hectare. Higher densities than those now found in Lomé are a prerequisite for the efficient development of an urban center and for the successful operation of a system of urban infrastructure services. Finally it is recommended that the government give serious consideration to developing low cost waste disposal systems to be used in residential areas of the city. Since the area is only several meters above sea level, these systems might be aerobic or anaerobic digestion systems rather than water flushed waste disposal systems.

10. CONTROL NUMBER	11. PRICE OF DOCUMENT
<i>PN-AAF-454</i>	
12. DESCRIPTORS	13. PROJECT NUMBER
Sector analysis Togo	
	14. CONTRACT NUMBER
	<i>AID/SER/H</i>
	15. TYPE OF DOCUMENT

**AGENCY FOR INTERNATIONAL DEVELOPMENT**



**OFFICE OF HOUSING**

AZP-ER/T  
1 1 1

**REPUBLIC of  
TOGO,  
SHELTER  
SECTOR  
ASSESSMENT**

**September, 1977**

## FOREWORD

This study was conducted by National Savings and Loan League under the auspices of the Office of Housing of the Agency for International Development and through financing provided by this Office. The purpose of the study was to develop information and make recommendations relating to the shelter sector in Togo and was in response to a request from the Government of Togo.

The study team was headed by Joseph Perta with other team members being Royce LaNier, Frank Senold and Sonia Hammam. Field work was completed in July 1977.

While the findings and recommendations of the report have been discussed with representatives of the Government of Togo, the report is not to be interpreted as an official position of either the Government or of the Agency for International Development.

We hope, however, that the Government of Togo will find the report and its recommendations useful to it as it formulates and implements its future shelter programs.



Peter M. Kimm  
Director  
Office of Housing

TOGO SHELTER SECTOR ASSESSMENT

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## ACRONYMS

AGETU	L'Agence d'Equipement des Terrains Urbains
BAD	Banque Africaine de Développement
BCEAO	Banque Centrale des Etats de l'Afrique de l'Ouest
BTD	Banque Togolaise de Développement
CCCE	Caisse Centrale de la Coopération Economique
CCL	Centre de la Construction et du Logement
CEB	Communante Electrique du Benin
CEET	Compagnie Energie Electrique du Togo
CIMAO	Société des Ciments de l'Afrique de l'Ouest
CNCA	Caisse Nationale du Crédit Agricole
CNSS	Caisse Nationale de Sécurité Sociale
CTMB	Compagnie Togolaise des Mines du Benin
EEC	European Economic Community
FNH	Fonds National de l'Habitat
GDP	Gross Domestic Product
GOT	Government of Togo
IBRD	International Bank for Reconstruction and Development
OPAT	Office des Produits Agricoles du Togo
OTP	Office Togolaise des Phosphates
RNET	Régie Nationale des Eaux du Togo
RPT	Rassemblement du Peuple Togolais
SITO	Société Immobilière Togolaise
SNI	Société Nationale d'Investissement
TP	Direction Generale des Travaux Publics
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
UTB	Union Togolaise de Banque

## SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

### I. SUMMARY

#### A. Country Situation

The Republic of Togo is located on the coast of West Africa between Ghana and Benin. Its population is concentrated along the coastal area which has an equatorial climate and two rainy seasons. Togo's urban population, growing at over twice the national average of 2.8% per annum, accounts for one-fifth of the 2.2 million national total. Over half of the urban population now lives in Lomé, the capital and chief commercial center.

A former French trusteeship under U.N. mandate, Togo became independent in 1960. Administratively, the country is divided into five major regions, with twenty-one districts (circonscriptions) and seven municipal centers.

Responsibility for shelter-related activities is divided among several ministries, chief among them the newly reorganized Ministry of Public Works, Housing and Posts and Telecommunications with its recently created Department of Housing and Urbanization.

#### B. Economic Situation

Despite the economic disruption which affected much of the world in the early 1970s, the Togolese economy has remained generally well managed and productive. Between 1970 and 1977, Togo's Gross Domestic Product (GDP) increased at an average annual rate of approximately 12%, supported by a marked increase in the earnings from phosphate mining operations, as well as a variety of other investments. Overall investment in the economy grew at an average annual rate of nearly 20% between

1970 and 1975. Although imports have generally exceeded exports, the GOT has been able to mobilize domestic and foreign financial resources for investments in cement production, port facilities, oil refining and agriculture, which are expected to strengthen the country's economy and exports in the coming years.

The 1974 trebling of world phosphate prices encouraged the GOT to initiate an ambitious increase in its development programs. However, the GOT had to increase its total official debt by 1.5 times to maintain the pace of development when world phosphate prices fell from \$75 to \$35 per ton in 1975. As a result, debt service rose sharply in 1976, from 8% to 25% of export earnings (excluding transfers), which in part reflects the short-term nature of much of the GOT's borrowing. While debt service payments in 1977 continued to be high, the GOT cut actual budgetary expenditures to 80% of appropriations, which appears to have improved the external debt situation. The 1978 budget indicates that the GOT is continuing its traditional policy of prudent economic management, which is expected to result in the decline of debt service payments to approximately 13% of export earnings during the next several years.

#### C. Population Characteristics

Togo's population is made up of 35 different tribal groups, among which the Ewes, Minas and Kabres are the most important. Approximately half of the estimated total population of 2.2 million is under 15 years of age, and the average life expectancy is 41 years.

Seasonal unemployment, regional overpopulation, low levels of investment in the agricultural sector, and lack of services in rural areas have all contributed to the rapid acceleration of rural-urban

migration. As a result, the country's urban population, growing at an annual rate of 6.8%, is doubling every 10 to 15 years. This population is now estimated to be 450,000, with approximately 280,000 people in Lomé alone.

Fifty percent of the urban families have incomes below 15,000 to 17,000 CFAF (\$62.50 to \$70.00) per month, which is estimated to be the Lomé median income level. The average size of families whose incomes fall below the median is estimated to be 5.8 persons, each with approximately 1.5 income earners. Most residents of low-income communities (up to two-thirds in one area) were born outside Lomé and retain their village ties. While 25% of low-income families are reported to be "lodged for free", those who pay for housing services generally spend between 2,000 and 5,000 CFAF per month, or approximately 20% of family income.

Of the total labor force or economically active population, estimated at 900,000, only 6% are salaried non-agricultural workers. Among income earners in such low-income communities as Bé, approximately 30% are salaried workers, and 40% are "revendeuses" (market women), whose incomes derive from petty trade. The remaining income earners include artisans (mostly masons who are informally engaged to assist in "self-built" housing construction) and small-scale entrepreneurs or employers.

#### D. Dimensions of the Shelter Problem

Existing conditions in Togo's major urban center present a variety of problems with respect to shelter. These can be viewed on four major levels: human settlement patterns, the housing stock, infrastructure and environmental and health conditions.

1. Human Settlement Patterns: The original settlement area of Lomé covers a broad and relatively flat sand-bar between the ocean and the saltwater lagoon. This area now includes the major administrative and commercial districts to the west, and the new port area with its industrial zones to the east. In between is the Bé quarter, a predominantly low-income residential area with some upper-income housing located along its periphery. The city has grown to the north of the lagoon, where the mixed-income residential quarter of Tokoin is located, as are the University of Benin, the military camp, the hospital, and several middle- and upper-income residential developments.

In the decade before 1970, the populations of Bé and Tokoin, formerly considered peripheral areas, increased approximately sixfold, and now account for over 30% of Lomé's population. Two-thirds of this growth was attributed to migration of rural people into the urban area, adding problems of underemployment and integration into urban life to those posed by inadequate housing and infrastructure.

The single-story dwellings grouped around courtyards on large lots or compounds have contributed to the sprawl of the Lomé urban area. Among low-income groups, an average of six to nine individual families generally share compounds of 400 m<sup>2</sup> to 600 m<sup>2</sup>, with resulting densities of approximately 220 persons per hectare. Despite the relatively low density there is significant over-crowding, with an estimated six people per room and approximately 45 people per compound which is too high for purposes of health, sanitation and individual well-being.

2. The Housing Stock: Existing tenure patterns in low-income areas are an important component in assessing the housing stock. Among residents of Bé, for example, only 20.5% are owners, while approximately one-quarter are reported as "lodged for free" indicating the continuing strength of extended family ties. Yet there are virtually no squatter settlements in Lomé and the other half of the residents are renters, occupying one- or two-room dwellings in "wagon", long rows of units built along one or more of the walls of a compound. In Bé, the proportion of households renting their shelter is nearly twice as high as that for Lomé and other urban areas, indicating the degree to which the building and renting of "wagon" has been necessary for the absorption of much of the city's growing migrant population.

The GOT surveys, which indicate that over 80% of Lomé's residences are constructed with concrete block walls and tin roofs, do not appear to take account of the extensive use of temporary materials and structures in the city's low-income areas. Low-income families expand or upgrade their units as money for permanent materials becomes available, a process known as "auto-construction", which may require as long as 10 to 12 years to complete a unit, during which families must continue to occupy temporary or inadequate dwellings.

In addition to the need to upgrade much of the existing housing stock, the GOT has estimated that there will be an average annual need for approximately 12,565 new units to accommodate new household formation anticipated in Togo's urban areas from 1976 to 1985. Over 66% of this amount is needed in Lomé alone. For families with incomes below the urban median, the GOT has estimated an average need for approximately 4,400

units during each year of the same decade.

3. Infrastructure: The inadequacy of basic infrastructure services is characteristic of the housing stock throughout Lomé. Bucket latrines are used by almost 70% of the city's population and all of the sewage which is collected is emptied into the ocean without prior treatment of any kind. Only 13% of the city's dwelling units are equipped with running water in the unit. Electricity was estimated in 1971 to reach only approximately 24% of the city's households.

4. Environmental and Health Conditions: The conditions of Lomé's infrastructure contributes to the prevalence of infectious and parasitic diseases among many of the city's residents. This is particularly evident with regard to infant mortality, which is estimated at 12.1%, while the overall mortality rate is 2.9%.

#### E. Shelter Delivery System

The following components of the shelter delivery system in Togo were studied: land, infrastructure, construction, building materials and finance. Whether formally or informally provided, each of these components were addressed in the assessment of Togo's shelter sector.

1. Land: Most land in Lomé and the surrounding Maritime Region has been surveyed, deeds recorded and a system established for legal transfer of title. However, population growth has contributed to rapid increases in the price of centrally located land, and most vacant and undeveloped land in Lomé is being held off the market in expectation of even greater price rises. To counter this trend, the GOT established official prices for urban land several years ago, and requires that all land title transfers be made at the official price. Despite this, speculation

appears to continue, with the result that urban land is too costly for low-income families to purchase for housing which forces them into rental situations.

The GOT is establishing L'Agence d'Equipement des Terrains Urbains (AGETU), a semi-public land development agency to effect greater control over land speculation. All urban land will be sold to AGETU, which will subdivide and build the basic infrastructure; it will then resell the improved land for industrial, commercial and residential uses. The GOT proposes to tax idle and under-utilized land for systematic development of land within the city and to serve as a further disincentive to speculation.

2. Infrastructure: As noted above, basic urban infrastructure has yet to reach most of Lomé's residential districts. It is expensive to provide, accounting for up to 40% of the total unit cost of conventional middle- and upper-income housing. Responsibility for urban infrastructure is shared by several semi-public utility agencies, including the Compagnie Energie Electrique du Togo (CEET) for electricity and the Régie Nationale des Eaux du Togo (RNET) for water, both under the Ministry of Mines, Energy and Water Resources; the Ministry of Public Works, Housing and Posts and Telecommunications for roads and drainage; and the Ministry of Public Health for sanitation.

3. Construction: While construction technologies as applied to residential building remain relatively simple, the Centre de la Construction et du Logement (CCL) has since 1968 experimented with the use of low-cost technology and materials. CCL has planned and supervised the construction of rural housing projects, and of several urban housing projects for middle- and upper-income families under contract with the Banque Togolaise de Développement (BTD) and the Caisse Nationale de

Sécurité Sociale (CNSS), the social security fund.

Construction methods in housing comprise structural masonry walls of cement block, compacted earth block or baked brick set in mortar on a continuous footing of rubble concrete poured directly into trenches. Corrugated, galvanized steel panels are usually used as roofing, over a roof structure of unmilled wood poles. A cement slab on grade is generally used as the finished flooring. Doors, windows, light and plumbing fixtures, and hardware are kept to a minimum as all must be imported.

Effective training programs in such trades as masonry, carpentry, plumbing and electricity are conducted by CCL, but training in construction supervision is generally lacking, as are construction management skills. The system of "auto-construction", self-built housing, under which owners or their families provide some unskilled labor and employ local artisans, provides low-cost shelter for most of the families in Bé.

4. Building Materials: Nearly 80% of the building materials used in urban housing construction are imported. Effective tariff rates of over 40% on wood and iron and steel products further raises the cost of many essential building materials. The construction of the CIMAO cement plant, a joint project being undertaken by Togo, Ghana and the Ivory Coast, is expected to provide 50% to 60% of Togo's annual cement consumption, and to partially insulate the domestic market from changes in the world market price of this basic construction material.

## 5. Finance

The final component of the shelter delivery system, housing finance, is dominated by the activities of the Banque Togolaise de Développement (BTD). The BTD, a semi-public institution, had approximately 60% of its outstanding loan portfolio in long- and medium-term mortgage loans, and 10% in small loans for building materials at the end of 1976. These BTD activities accounted for 85% of the total long-term credits extended by the banking sector to the national economy.

The BTD operates a conventional mortgage lending program, at interest rates ranging from 8% to 13%, for ten years and an average loan size of \$5,600. In addition to its mortgage loans, the BTD in 1976 made approximately 3,500 small loans for building materials with repayment terms of two years, interest rates ranging from 7% to 9% and an average loan size of \$580.

In the past, BTD practices have denied credit to most low-income groups. However, BTD officials have expressed considerable interest in extending credit for housing to low-income groups and in November 1977 approved a number of policy measures designed to broaden the income range of families served by the Bank, and to improve the Bank's management of small loans to low-income borrowers.. BTD is now empowered to grant home improvement loans of up to \$2,500 for terms of ten years, at interest rates ranging from 7% to 13%. The BTD will require that low-income borrowers present certification of property ownership, approved construction plans, and building permits. These procedures are expected to expand the BTD's activities in low-income lending, for which it must mobilize additional resources.

#### F. Constraints in the Delivery System

The result of the substantial migration of rural populations to Lomé has been an increase in room occupancy rates and land-use densities. This, coupled with an inadequate or non-existent system of water and sewer infrastructure, has prevented any significant improvement from taking place in the shelter conditions of Lomé's low-income population.

The high cost of urban and peripheral land is a serious constraint on the expansion of the supply of shelter available to low-income families. Present indications suggest that high land prices and rampant speculation have also precluded the formal sector from undertaking new initiatives in large-scale housing projects.

The expansion of basic water and sewage infrastructure lines is constrained by the physical characteristics of half of Lomé's terrain. That portion of the city which is built along the sand-bar between the lagoon and the ocean, with an elevation of six meters or less, can sustain an expanded population only with the provision of effective waste disposal and potable water supply systems.

While little or no demonstrated capacity to produce housing units for low income families has been evidenced in Lomé to date, there appears to be adequate technical and management capability, especially on the part of the Centre de la Construction et du Logement (CCL). However, no institution with the authority to implement such a program is functioning in Togo at present. The restructuring of the Société Immobilière Togolaise (SITÔ) and the creation of AGETU should provide the GOT with the appropriate institutional vehicles for delivering shelter services to low-income families.

At the present rate of general construction activity, there do not appear to be serious constraints in the availability of building

materials, although the high effective tariff duty on imported materials may be a problem where certain hardware and wood items are concerned. The domestic production of cement which is expected to begin with the start-up of operations by the CIMAO plant at the end of the 1970s, should assure a regular supply of this essential material.

The most important financial constraints to increasing the production of low-cost housing are the lack of access to credit on the part of low-income families and the availability of resources to meet potential demand. Presently, only salaried employees or those who have the guaranty of a salaried worker, can be considered creditworthy. This requirement eliminates most of those who earn less than the median income level from receiving long-term housing credit.

The incomes of families below the urban median may also constitute a financial constraint, unless low-cost shelter solutions are designed which would substantially lower costs. Evidence indicates that appropriate low-cost basic shelter solutions can be designed and built for an amount which this population could amortize were long-term finance available to them.

The GOT intends to establish three new institutions to address the problems of land development (AGETU), the design and implementation of housing projects (SITO), and the financing of these programs (FNH). However, there does not appear to be sufficient professional manpower to staff these new agencies, and therefore adequate institutional capacity and coordination is only now being developed.

## II. CONCLUSIONS

The shelter and urbanization problems which confront the GOT in the Lomé urban area require a well-organized and sustained effort if they are to be addressed. A two-year investigation, completed in 1976 by the Centre de la Construction et du Logement and the United Nations Development Programme, defined and quantified the country's urban conditions and needs. Based on these CCL/UNDP studies, the GOT identified its institutional requirements for an effective approach to urban problems, but has yet to begin implementation of the needed programs. A concerted effort to address urban shelter problems requires further articulation of GOT policies in light of the following conclusions made by the SSA Team:

### A. Income Trends of Low-Income Urban Families

The projected growth of GDP at approximately 7% per year from 1976 through 1985, much of it in the secondary and tertiary sectors favoring urban areas, and the 50% increase in the number of salaried jobs expected during the period of the Third Development Plan (1976-80) may tend to raise the median income level in Lomé. However, the continued high rate of immigration, which swells the ranks of the lowest income groups, may limit appreciable increases in the median.

In addition, there is no evidence to suggest that consumption patterns among low-income groups will be altered significantly in the near future. At present it does not appear likely that families with incomes below the urban median will be able to devote a substantially larger proportion of their earnings to pay for housing, even though increased pressure on the existing stock can be expected. With continued population

growth, therefore, low-income families need an increased supply of shelter solutions which are low enough in cost to suit their limited ability to pay.

B. National Economic Prospects

The impact of Togo's current development plan, and the increased level of investment in the economy, can be expected to increase the country's output as major new industrial projects come on line in the next several years. Investment in the economy is expected to average 25% of GDP between 1976 and 1980. While some of this will require continued foreign financing, it is unlikely that the kind of heavy short-term borrowing which was needed in the wake of the fall in phosphate prices will recur in the near future.

Present indications with regard to the balance of payments suggest that renewed efforts to balance government revenues and expenditures, and strong growth in export earnings, will ease the foreign exchange problems of the past several years. Thus, it appears that recent difficulties in the balance of payments situation can be attributed to unusual swings in world market prices of Togo's major exports, at a time when major investments in development projects were being undertaken. Togolese authorities have been able to maintain an ambitious development program, and have begun to reduce the external debt burden on the economy.

C. Shelter and Urban Development Prospects

To a considerable extent, shelter and urban development prospects can only be analyzed in terms of the GOT efforts to establish the new institutions which will formulate the details and be responsible for the implementation of its recently articulated national housing proposals. The major thrust of the document which defines this policy,

"Proposition d'une Politique d'Habitat", was a description of the authority and responsibility of the semi-public agencies and government ministries needed to address shelter problems in Togo. As such, it contains very little specific information as to the strategies which will be employed in implementing a national housing policy.

The Ministry of Public Works, Housing and Posts and Telecommunications is in the process of establishing a new Department of Housing and Urbanization, which will serve to focus GOT efforts in the shelter sector. It is unlikely, however, that the new semi-public agencies, AGETU and FNH, and a reorganized SITO, the national housing authority, can be adequately staffed with competent professionals simultaneously. The GOT appears to place the highest priority on AGETU, in the hope that it will be able to control the land speculation going on in Lomé. There is little doubt that this is essential, but carrying out the present plan of requiring that all land on the market be sold to AGETU, and imposing heavy taxes on idle and under-utilized land, will necessitate that AGETU be vested with substantial authority, and be given the means to exercise it. Coordination among various public institutions, and the requisite regulatory staff will be needed if the land policy is not to be circumvented. Thus, for its role in controlling land speculation alone, AGETU will need a capable and aggressive staff. While bringing speculation under control will probably take several years of strenuous effort on the part of the new agency, this should not be allowed to preclude its being able to develop the land it acquires and equip it with infrastructure.

In the absence of a massive and successful effort on the part of AGETU to control land speculation, it is likely that low-income families

will have no alternative but to increase both room occupancy rates and land use densities in the effort to provide themselves with some form of shelter.

D. Public Shelter Production and Delivery Systems

At present, the public sector is only beginning to assume a role in meeting the shelter needs of the low-income population. Efforts to date have largely been confined to the provision of some primary water lines, under the authority of the Ministry of Mines, Energy and Water Resources. Virtually no planning has yet begun with regard to providing a comprehensive and sanitary system for the collection and disposal of waste water and sewage. The existing system, which is the responsibility of the Ministry of Public Health, has barely been able to maintain the already low sanitary conditions. However, some elements of the existing system are of value and can be expanded to provide an effective low-cost system for water disposal which would significantly improve sanitary and health conditions, particularly in low-income areas.

With regard to the construction of low-cost shelter solutions, there is no demonstrated capacity to date on the part of the public sector. However, the Centre de la Construction et du Logement (CCL) at Cacavelli has designed and managed the construction of several low-cost housing projects in rural areas, as well as the several large-scale middle- and upper-income projects built by the BTD and others in Lomé. The Center at Cacavelli has a competent professional staff of architects, engineers and construction managers, fully qualified to design low-cost housing projects, using the contracting procedures it has developed, which make excellent use of local artisans and small contractors. In addition, CCL

officials appear eager to design and implement shelter projects which would contain solutions affordable to low-income families.

Underlying the assessment of CCL's capability is the assumption that any large-scale low-cost housing projects which are initiated will not be required to meet the relatively high standards contained in the building codes and regulations. Building to these standards, with individual sanitary facilities and indoor kitchens for each unit, is possible only with substantial subsidies if the units are to be occupied by families with incomes below the urban median. Present indications suggest that GOT resources could not sustain such a level of subsidy and still provide even a significant fraction of the units needed by low-income families in the decade ahead.

E. Credit for Financing of Low-Income Shelter Delivery

The Banque Togolaise de Développement is the only institution capable of extending long-term credit to serve the shelter needs of the low-income population. The recent policy changes designed to expand the BTD's lending to low-income groups, and its considerable experience in short-term lending for building materials, should allow for increased access to housing credit on the part of low-income families.

F. Capability of Low-Income Families to Expand and Improve their Shelter

Low-income groups have proven themselves capable of expanding the supply of housing units available to them. Building incrementally, they have provided basic shelter for themselves with the help of local artisans. This process could be substantially augmented, and the inefficiencies in it which are the result of building over a period as long as ten years could be largely removed, if long-term financing were available to families

below the urban median income level. From the experience of those who rent their shelter and pay 2,000 to 5,000 CFAF, it appears that these families could amortize small mortgage loans or loans for home improvement. As GOT efforts to build primary infrastructure lines extend into low-income areas, small loans will be needed to pay for individual house or compound connections to these systems. Home improvement loans could also be used to speed the completion of housing units presently being built via the incremental process of auto-construction.

G. Role of Policy

While the GOT has identified the institutions needed to address problems in the shelter sector, it is still in the process of determining the extent of government's intervention and the population groups to be served. Families earning less than 30,000 CFAF per month (twice the median income level) have preliminarily been identified as those in need of "economic housing"; however, the standards at which such housing will be built, and the resource requirements to support a given standard, have yet to be determined. An effective effort on the part of the GOT to address urban shelter problems requires that these determinations be made in the process of devising a national housing policy and the programmatic interventions to implement it.

### III. RECOMMENDATIONS

The following general and specific recommendations, based on the conclusions of this assessment, are offered in an effort to assist the GOT in determining its approach to the shelter sector.

#### A. Shelter Policy

As the needs of families below the urban median income level are perceived to be most acute, it is recommended that the GOT focus its intervention on these groups, and devise strategies which will provide them with the means for improving their own shelter conditions. This requires a significant effort to provide and upgrade basic infrastructure which will improve existing environmental and health conditions. In addition, the demonstrated capacity of low-income groups to provide some of their own shelter needs argues persuasively for strategies which encourage low-income families to improve their shelters. The extension of long-term credit to such groups will facilitate this process, and should allow for full recovery of resources invested in the shelter sector.

#### B. New Housing and Urbanization Institutions

Careful planning and exhaustive study have gone into the GOT's formulation of a housing policy statement and the proposed establishment of semi-public institutions to implement this policy. At present the major constraint to making these institutions operational appears to be a lack of trained professional manpower. Given this situation, it is recommended that these institutions be established in a phased sequence, starting with AGETU. This agency will serve several vital functions, including the control of land speculation, the acquisition of land for housing and urban development, and the establishment of a land bank for future growth of the urban area.

It is further recommended that the GOT develop shelter solutions for the low-income urban population which are designed to minimum standards, and rely to a considerable extent on the ability of low-income families to build and upgrade their own units. Such an effort requires both land and infrastructure, which low-income families cannot totally provide for themselves. As provision of land and infrastructure is to be the responsibility of AGETU, it is recommended that AGETU also be delegated the primary responsibility for developing minimum shelter solutions for families below the urban median income level.

With regard to FNH, it is recommended that funds collected through the recently instituted 1% tax on salaries be channeled through FNH as part of the Société Nationale d'Investissement (SNI), to finance those shelter and related activities of AGETU, the BTD and SITO, which benefit low-income groups. These implementing agencies should on-lend FNH resources on a cost recovery basis to the maximum extent possible, by providing long-term credits to low-income borrowers, thereby conserving those resources set aside by the GOT (and those obtained from foreign and domestic sources), in support of housing and urban development for low-income residents.

Finally, the proposed reorganization and re-orientation of SITO should be evaluated in terms of the need for such an agency and its potential utility. While this recommendation is based primarily on the present paucity of professional manpower, the experience in many countries suggests that successfully establishing a public housing authority which provides truly low-cost shelter solutions is often difficult, as housing authorities usually build completed units, which low-income families cannot afford.

Available evidence in Togo indicates that the cost of completed housing units cannot be repaid by families below the urban median income level, even if long-term credits were available, given present land and construction prices. Therefore, it is recommended that the GOT develop SITO as the primary institution which provides housing for middle- and lower-middle-income groups, while AGETU addresses the shelter needs of low-income groups.

### C. Finance

Providing low-cost shelter solutions which are designed to minimum standards requires a source of long-term financing and credit review and collection procedures appropriate to low-income borrowers. Credit reviews of individual low-income borrowers and loan repayments should be the responsibility of the BTD, which needs to adapt its procedures to the economic circumstances of such groups. In this regard, it is recommended that the BTD's credit review procedures be expanded to develop a facility to evaluate the credit capacity of low-income borrowers who may not be salaried workers. The existing mortgage insurance program of the BTD should also be evaluated in terms of its effectiveness in protecting the BTD against what is perceived to be the risk of lending to low-income people.

To assure a regular supply of financial resources for long-term lending to low-income groups, it is recommended that the resources which are allocated to FNH be used to finance low-income shelter projects undertaken by the cognizant institutions, especially AGETU and the BTD. The BTD should be encouraged to raise additional resources from its domestic and international institutional creditors, and to consider the potential for mobilizing savings from low-income groups themselves.

#### D. Densities

Target densities for the development of Lomé as an urban center growing at almost 10% per year, should be a minimum of 220 persons per hectare. This density is approximately that which prevails under present land use patterns in some central sections of the city, although it is recommended that for housing developments, at least 60% of the total land area be set aside for housing sites, as opposed to the 35% for housing reflected by existing standards.

As the population of the urban area grows, serious consideration should be given to further increasing target densities, to prevent the cost of providing infrastructure lines from increasing to the point where it may become an unnecessary constraint on the efforts of the GOT, and a burdensome drain on GOT resources. Higher densities than those now found in Lomé are a prerequisite for the efficient development of an urban center, and for the successful operation of a system of urban infrastructure services.

#### E. Waste Disposal

The GOT is aware of and concerned about the present inadequacy of Lomé's waste disposal system. The SSA concurs with the understanding which all parties appear to have regarding the enormous costs which would have to be incurred if a waterborne waste disposal system were constructed in an area which is only several meters above sea level. Given these factors, it is recommended that the GOT give serious consideration to developing a low-cost waste disposal system which could be used in residential areas of the city. Such appropriate technologies as aerobic and anaerobic digestion systems, among others, should be evaluated in terms

of their suitability to existing physical conditions, and their low cost.

In addition, it is recommended that the GOT undertake an assessment of the environmental costs of, and possible alternatives to, the emptying of raw sewage from the existing 12 kilometer waterborne sewage system into the ocean. If Lomé is to serve as an international center for regional cooperation, and as a tourist center, this condition must be improved.

## I. COUNTRY SITUATION

### A. Geographic and Climatic Conditions

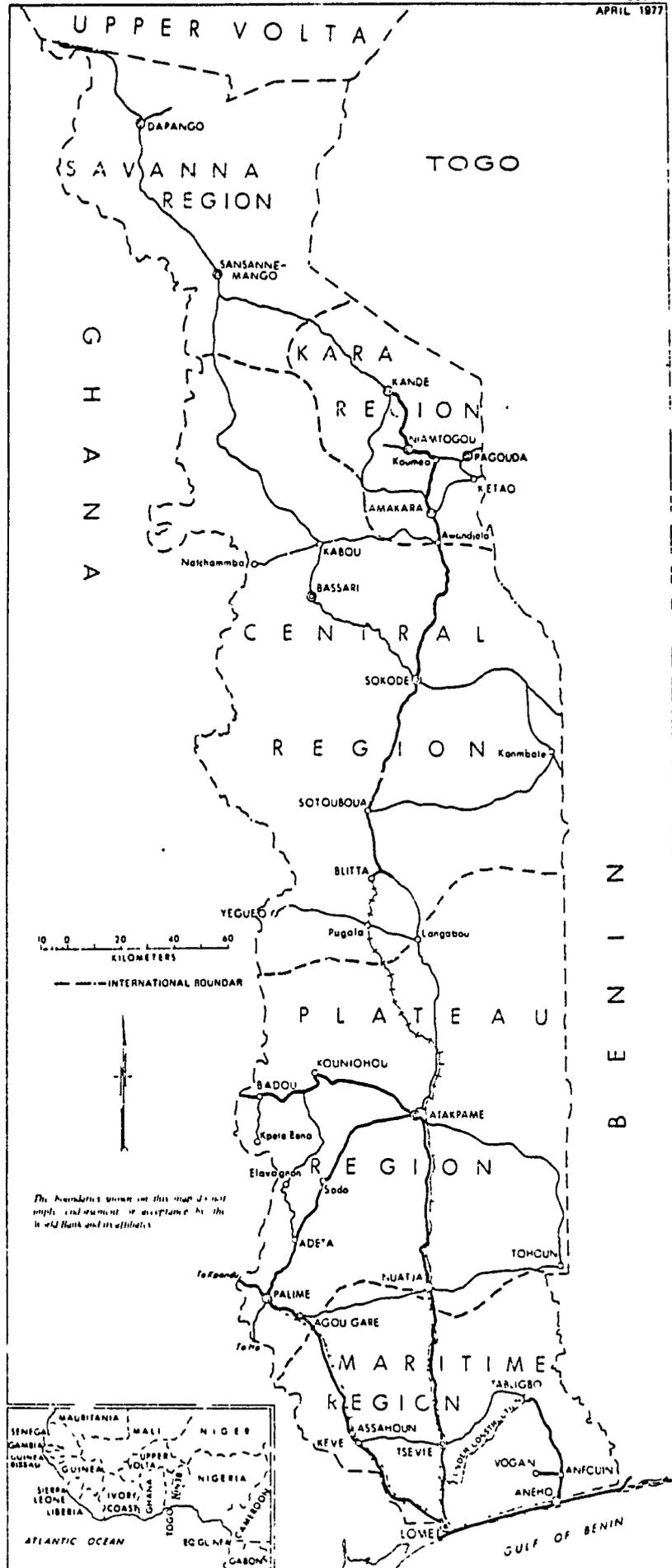
The Republic of Togo, on the West African coast, is a narrow, elongated country which covers an area of roughly 22,000 square miles. It shares long borders with Ghana to the west and Benin to the east, and is bounded by Upper Volta on the north. The coastal area consists of a narrow sandbar separated from the mainland by a saltwater lagoon. Beyond the coastal area lies a gradually rising plateau which extends to the northwest - southeast mountain range, Chaine du Togo, followed by another lower plateau. The northernmost section of the country is open savannah stretching to the Upper Volta border. (Figure 1.1).

Togo's rivers are negligible for navigational purposes but do have potential for both electric power generation and irrigation. While half of the land is arable, only 10% of it is currently under cultivation. The most fertile soil is in and around the mountainous region which receives the most rainfall and contains the country's only rain forest. Water shortages in the north constrain that area's agricultural productivity and development.

Two identifiable climatic zones exist. A tropical climate predominates in the northern section of the country. There are wide temperature fluctuations in the north, and one rainy season extending from April to October. The south is more equatorial in climate. Humidity is high and there are two rainy seasons: April to June and October to November. Average rainfall is over 1,000 mm; however, there are considerable regional variations in the amounts received. Mineral resources include large phosphate and limestone deposits in the south of the country. Cotton, cocoa, coffee, palm oil and peanuts are the main cash crops.

FIGURE 1.1

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APRIL 1977



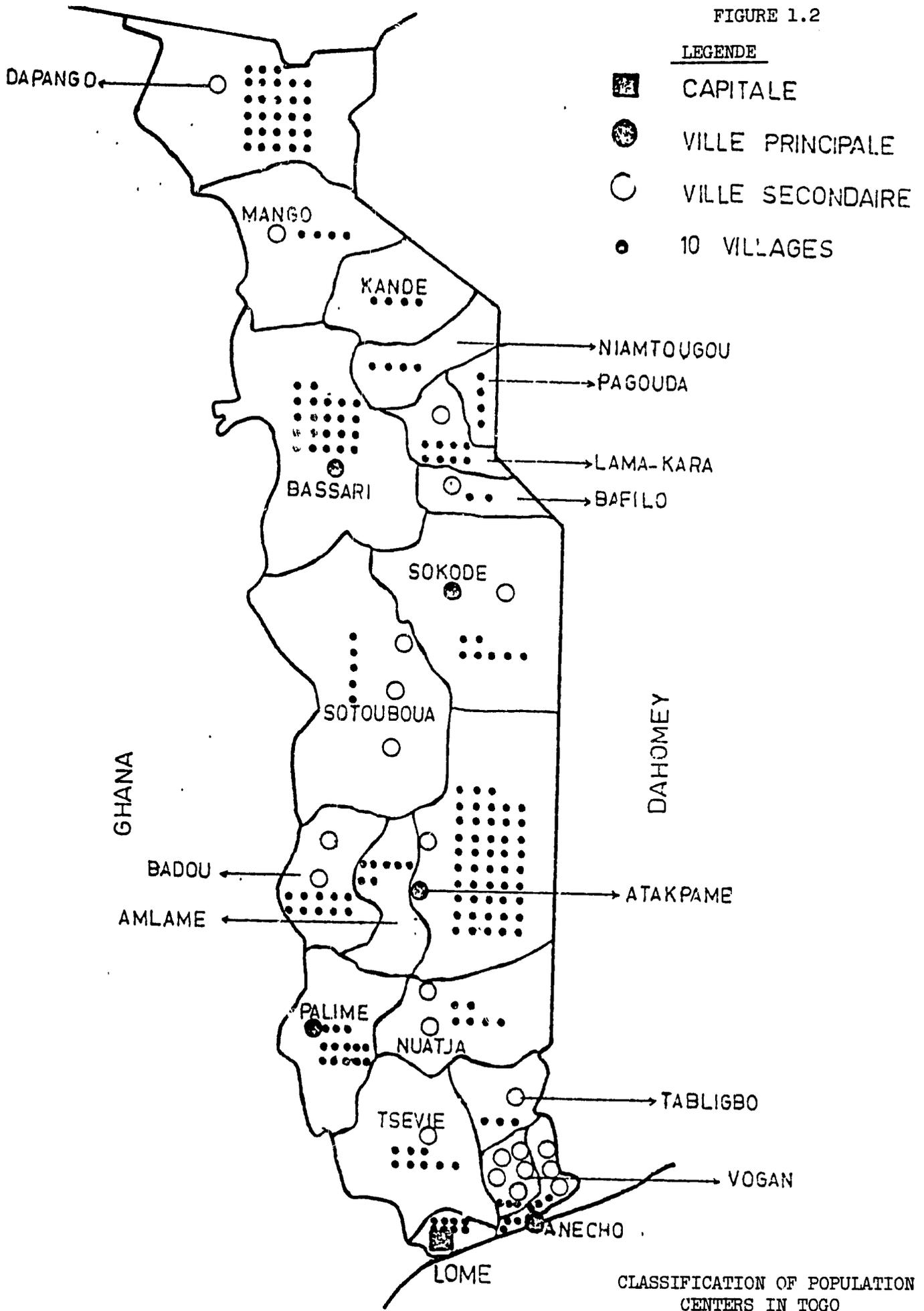
## B. Human Settlement Patterns

The proportion of urban residents (defined in Togo as inhabitants of settlements of 10,000 and above) is currently one-fifth of the Togolese population and is increasing at an annual rate of 6%. As in many of the West African Francophone nations, there is a disproportionate concentration of the urban population within the capital city. Lomé's 280,000 people not only account for more than half the urban population, but also represent over one-tenth of the national population.

The capital's size increased from 86,000 in 1960 to 193,000 in 1970, implying an average annual growth rate of 9.8%. Roughly two-thirds of this increase can be attributed to in-migration from the towns and villages of the Maritime Region as well as the rural areas of the Kara and Savannah Regions. While the rural-urban migratory trend has had its effect on other urban centers, particularly Sokode and Palimé, most of its flow has been drawn towards Lomé.

The boundaries of Lomé have been extended to absorb formerly rural peripheral areas where settlements of urban migrants have been concentrated. Half of the city's population is presently located within the recently annexed quarters of Tokoin and Bé.

The balance of Togo's urban population is located in a cluster of towns that range in size from 10,000 to 45,000 people. These are rather unevenly distributed over the five regions of the country (see Figure 1.2). The Maritime Region, with only 10% of the total land mass, contains one principal town, *...* Aneho, and 10 secondary towns of varying



sizes, all within a 50 km radius of Lomé. This pattern of settlement is superimposed on an already densely populated rural area. In general, the undue concentration of people and towns in the southern zones of the country reflects the north-south imbalance in economic activity, development and income levels.

The principal towns in the other regions include: Dapango and Mango in the Savannah Region; Lama-Kara in the Kara Region; Sokode and Bassari in the Central Region; and Palimé and Atakpamé in the Plateau Region. Each of these functions as a district seat or "circonscription". With the exception of the first three towns, they are all municipalities along with Tsevie and Aneho in the Maritime Region. The agricultural market towns of Sokode and Palimé are regional poles, and the government is attempting to encourage similar roles for both Dapango and Lama-Kara.

### C. Overview of Government Structure

Togo, a German protectorate until World War I when it became a French trusteeship under League of Nations' and subsequently United Nations' mandates, gained full independence in 1960. It has enjoyed relative political stability ever since. A military coup in 1963 was followed by a four-year transitional period of rule under a civilian leader. The present head of government, General Eyadema, came to power in 1967 when the military formally took over from the transitional civilian government. He functions as Chief of State, Minister of Defense and President of the country's single political party, the R.P.T. ("Rassemblement du Peuple Togolais").

In 1971 the party established the following political institutions: the Cabinet Ministries, the "Bureau Politique" consisting of 15 members, the Central Committee with 33 members, and the Council of 100 Members, which were all approved, along with the leadership of President Eyadema, in a national referendum in 1972. The Chief of State heads a centralized bureaucracy, appoints all cabinet ministers, and administers the government by Presidential decrees and ordinances.

The following ministries are represented in the cabinet:

Ministère de la Défense Nationale  
 Ministère des Affaires Etrangères et de la Coopération  
 Ministère des Mines, de l'Energie et des Ressources Hydrauliques  
 Ministère du Plan, du Développement Industriel et de la Réforme  
 Administrative  
 Ministère de l'Aménagement Rural  
 Ministère de l'Information  
 Ministère des Finances et de l'Economie  
 Ministère de l'Intérieur  
 Ministère de l'Education Nationale et de la Recherche Scientifique  
 Ministère de la Jeunesse, de la Culture et des Sports  
 Ministère du Commerce et des Transports  
 Ministère de l'Équipement, des Travaux Publiques, de la Construction,  
 de l'Habitat, de l'Urbanisme et des Postes et Télécommunications  
 Ministère de la Santé Publique, des Affaires Sociales et de la  
 Promotion Féminine  
 Ministère du Développement Rural  
 Ministère de la Justice, du Travail et de la Fonction Publique

Responsibility for various shelter-related activities is divided among several ministries. Housing and urban affairs is a recent addition to the portfolio of the Minister of Public Works. At the same time, the Water Department, which was part of the Ministry of Public Works, has been moved to the Ministry of Mines, Energy and Water Resources. Sanitation falls under the jurisdiction of the Ministry of Public Health, (see Figure 1.3).

Numerous semi-public institutions exist which play an important role in the economy and fall under the jurisdiction of related ministries. The most important among these in terms of resource allocation are the Office des Produits Agricoles du Togo (OPAT), the agricultural marketing and price stabilization agency, and the Compagnie Togolaise des Mines du Benin (CTMB) and Office Togolaise des Phosphates (OTP), which deal with phosphate processing and sales, respectively. Other parapublic agencies include the various development finance institutions such as the Banque Togolaise de Developpement (BTD), the Caisse Nationale de Sécurité Sociale (CNSS), the Société Nationale d'Investissement (SNI), and the Caisse Nationale du Credit Agricole (CNCA). The first three of these have played a role in housing finance for middle- and upper-income groups.

In addition, as part of its recently proposed housing policy, the Government of Togo (GOT) intends to establish L'Agency d'Equipement des Terrains Urbains (AGETU) as a land development agency, and the Fonds National de l'Habitat (FNH) to finance housing investment, and to reorganize the Société Immobiliere Togolaise (SITO) to promote and develop housing in rural and urban areas. Both AGETU and SITO will be under the jurisdiction of the Ministry of Public Works, Housing and Urbanization, while FNH, under the authority of th Ministry of Finance, will be administered by SNI. These new housing and shelter-related institutions, as well as the construction research center at Cacavelli,

the Centre de la Construction et du Logement (CCL), are discussed in detail in Sections V and VI.

Administratively, Togo is divided into five regions, each with its own capital: The Maritime Region (Lomé), Plateau Region (Atakpamé), Central Region (Sokode), Kara Region (Lama-Kara), and the Savannah Region (Dapango). Each capital contains branches of the main national ministries. The five regions are further divided into 21 circonscriptions, or districts, that are administered by Chefs du Circonscription from district seats. Additionally, the seven major urban centers have municipal status, and are headed by mayors. These include: Lomé, Tsevie and Aneho in the Maritime Region; Atakpamé and Palimé in the Plateau Region; and Sokodé and Bassari in the Central Region.

## II. ECONOMIC SITUATION

### A. Structure and Performance of the Economy

Since 1960 the economic structure of Togo has undergone a significant transformation away from agriculture as the major sector in the composition of Gross Domestic Product (GDP) and toward industry, including mining, and services, which now constitute the largest portion of GDP. This change in the structure of economic output has paralleled and contributed to an increase in the concentration of the country's exports among three major commodities. Taken together, these trends contributed to making the Togolese economy particularly vulnerable to the disruptions in the world economy which characterized the first half of the 1970s.

#### 1. Structure

As can be seen in Table II.A, the declining share of agriculture in GDP was largely offset during the period from 1960 to 1975 by growth in both industry, particularly in mining, and the service sector. During the early years of this period, the basis for the structural transformation of the Togolese economy was spurred by the start up of phosphate production and the construction of a new deepwater port, as well as by a rise in mostly foreign-financed capital outlays in such subsectors as the construction industry, power generation, and commerce, which expanded more rapidly than GDP. Mining, manufacturing and services were the leading growth sectors in the economy during the periods of the First (1966-70) and Second (1971-75) National Development Plans. In the industrial sector, phosphate mining was

TABLE II.A.

STRUCTURE OF SOURCES AND USES OF GROSS DOMESTIC PRODUCT  
1960-1977

<u>BY SECTOR</u>	Average Share of GDP					
	<u>1960</u> (%)	<u>1966-70</u> (%)	<u>1971-75</u> (%)	<u>1975</u> (%)	<u>1975</u> billions of CFA francs	<u>1976-80*</u> (Constant Price (%))
AGRICULTURE	60	43	30	27.5	37.2	26
INDUSTRY	10	20	27	29.2	39.6	30
of which mining	(0)	(6)	(12)	(13.1)	(17.8)	-
TERTIARY	30	37	43	43.3	58.6	44
TOTAL	100	100	100	100.0	135.4	100
 <u>BY COMPONENT</u>						
GDP	100	100	100	100	135.4	100
IMPORTS	n.a.	26	29	30	40.7	40
TOTAL RESOURCES	n.a.	126	129	130	176.1	140
CONSUMPTION	n.a.	88	83	84	114.2	85
INVESTMENT	n.a.	13	19	24	31.6	25
EXPORTS	n.a.	25	27	22	30.3	30

SOURCE: IBRD and team estimates

\*Projections are World Bank mission estimates.

the major source of growth, with production capacity and output rising from 1 million tons per annum in 1966 to 2.5 million tons by 1974. Phosphate sales also provided a substantial and fast growing source of foreign exchange earnings and public revenues, especially toward the end of the period, permitting higher levels of imports and government services.

With the completion of the new port in the late 1960s, about ten new enterprises were established in the Lome area, including a brewery and a cotton textile plant; another dozen factories were added in the first half of the 1970s.

Growth in the output of services during the 1960s and 1970s is mainly attributable to the private sector, with Government's share of total services having been approximately 20 percent. Value added in transportation and commerce has been closely linked to the growth of exports and imports, including the important element of unrecorded trade along Togo's elongated borders. At the same time, the accelerating rate of investment has engendered a rise in the demand for a wide range of domestic services, and there has been a major expansion of hotel, restaurant, and tourist facilities in the Lomé area.

## 2. Trade

Togo's foreign trade has undergone major changes during the years since its independence. The concentration of exports among the three major exports, cocoa, coffee and phosphates, increased substantially from approximately 70% in the 1950s to nearly 90% in the mid-1970s. In addition, the share of agricultural products in total exports declined from 100% to about 40% during this period. This shift in the composition of exports is almost exclusively due to phosphate sales. The direction of Togo's foreign trade has also changed, with a decrease in the share of total trade with France, and

an increase in trade with other European countries and Japan. While trade remains concentrated with European countries, the risks associated with such concentration have been partially offset by the European Economic Community's STABEX\* arrangement, which offers some protection against sudden shortfalls of exports to the EEC by providing compensation to countries which experience a decline in export revenues due to major changes in world market conditions. Recent efforts have been made to further diversify the country's export outlets, especially for phosphates, through sales to Canada, China, and several Middle Eastern and Eastern European countries.

Between 1966 and 1970, exports grew at an annual rate of 12% in value mainly as a result of increased prices for cocoa and coffee (8% and 20% respectively), as well as increased cocoa production and exports. The volume of cocoa exports almost doubled, (see Table II.B) due mostly to unrecorded border trade which occurs to take advantage of price differentials. Total unrecorded trade with neighboring countries was estimated at 32% of total export trade between 1966 and 1970.

Imports grew moderately, and net outflows of services remained fairly stable, during the period from 1966 through 1973. A decrease in the share of imported goods in total private consumption has resulted from the higher availability of domestic consumer goods, particularly textiles and footwear. In the early 1970s, the terms of trade deteriorated sharply because of falling cocoa prices in world markets. As a result of some rigidity in the

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\*The STABEX scheme is basically a compensatory finance mechanism for countries which experience difficulties in their balance of payments due to a fall in export earnings. Developed at the 1974 Lomé Convention, it provides financial transfers to developing countries when the exports to the European Community of a major export commodity decline substantially. While the transfers are generally repaid on concessional terms when export earnings revive, they do not have to be repaid by the poorest countries, for which they are net transfers.

TABLE II.B TOGO: TRADE SECTOR<sup>1/</sup>  
(in billions of CFA francs)

	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u> <sup>2/</sup>	<u>1975</u> <sup>3/</sup>	<u>1976</u>
<u>EXPORTS</u>							
<u>TOTAL RECORDED EXPORTS</u>	<u>15.2</u>	<u>13.6</u>	<u>12.7</u>	<u>13.8</u>	<u>45.2</u>	<u>27.0</u>	<u>33.5</u>
of which							
Phosphates	3.7	4.8	4.8	6.3	34.5	17.4	15.7
Cocoa beans	6.3	4.2	3.7	3.4	5.4	4.7	
Coffee	2.7	2.4	2.6	1.8	2.0	1.8	17.8
Other Products	2.5	2.2	1.6	2.3	3.3	3.1	
(Unrecorded Exports)	-	-	-	3.8	2.5	1.5	-
<u>EXPORT</u>							
Growth Rate (per year)	32.2%	(-10.5%)	(-6.6%)	9.5%	227.5%	(-40.3%)	24.1%
Exports as % of GDP	20.7%	17.20%	14.4%	14.8%	33.8%	20.0%	23.7%
<u>IMPORTS</u>							
<u>TOTAL RECORDED IMPORTS (cif)</u>	<u>17.9</u>	<u>19.5</u>	<u>21.4</u>	<u>22.4</u>	<u>28.6</u>	<u>37.3</u>	<u>50.7</u> <sup>4/</sup>
of which							(45.0) <sup>5/</sup>
Consumer Goods	10.4	10.4	11.2	11.4	14.3	18.7	-
Fuels	.8	1.1	1.2	1.2	2.8	3.1	-
Raw Materials	.7	.9	.9	.9	.9	.9	-
Semi-processed Goods	2.8	3.0	2.8	3.6	5.1	8.1	-
Equipment Goods	3.2	4.1	5.3	5.3	5.6	6.5	-
(Unrecorded Imports)	-	-	-	(-0.3)	(-0.9)	0	-
<u>IMPORT</u>							
Growth Rate (per year)	22.6%	8.9%	9.7%	4.7%	27.7%	30.4%	35.92% <sup>4/</sup> (20.6%) <sup>5/</sup>
Imports as % of GDP	24.4%	24.4%	24.3%	24.0%	21.4%	27.5%	35.8% <sup>4/</sup> (31.8%) <sup>5/</sup>
<u>TERMS OF TRADE</u> <sup>6/</sup>							
	100	97	98	96	187	154	-

<sup>1/</sup>Source: IBRD and Togolese Authorities; <sup>2/</sup>Preliminary; <sup>3/</sup>IBRD and Team Estimates

<sup>4/</sup>IMF and Team Estimates; <sup>5/</sup>U.S. Embassy Estimates; <sup>6/</sup>Based on an index of prices; 1970=100.

The terms of trade, an index of export prices over import prices, is a measure of the cost of imports relative to the earnings of exports, or a country's real purchasing power in world markets.

the supply of exports, especially of agricultural exports which suffered from unfavorable weather conditions and declining investment in the sector, Togo has not been able to compensate for some of this loss in purchasing power. The extraordinary and abrupt changes which occurred in the world economy in 1974 and 1975 have significantly affected the country's balance of payments position, the details of which are discussed below in Section B.

### 3. Economic Performance

In evaluating the performance of the economy, it is useful to consider several distinct elements. The growth of Togo's GDP indicates that the economy has expanded rapidly, spurred by a significant effort on the part of the GOT to increase the level of investment in the country's development effort. However, as the low level of salaried employment in the economy suggests, a substantial portion of the Togolese population has not yet begun to participate fully in the modern sector of the economy. This "dualism" is characteristic of the urban population of the country, as well as the rural and it is an important factor to bear in mind when addressing the economy as a whole.

#### a. GDP

From 1960 through 1975, GDP grew at an annual rate of 6% in real terms, reaching a per capita level of approximately \$US 260 by the end of the period. This growth was mainly the result of the start-up and expansion of phosphate mining, but was also facilitated by a rising level of investment, and a rapid increase in activity in the service sector, including border trade in consumer and agricultural goods (notably cocoa) with neighboring countries. However, as can be seen in Table II.C, average real GDP growth in the 1970s was approximately 3.5% per year.

TABLE II.C

TOGO: GDP TRENDS  
(in billions of CFA francs)

	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u> <sup>4/</sup>
<u>GDP</u>								
<u>at current market prices</u> <sup>1/</sup>	73.4	79.9	88.0	93.3	133.8	135.4	-	-
(Annual growth rate)	(5.5%)	(8.9%)	(10.1%)	(6.0%)	(43.4%)	(1.2%)	-	-
<u>IMF estimates</u> <sup>2/</sup>	-	-	-	-	127.9	123.6	141.6	161.8
(Annual growth rate)	-	-	-	-	(39.3%)	(-3.4%)	(14.6%)	(14.3%)
<u>at constant 1970 prices</u> <sup>3/</sup>	73.4	77.8	83.9	87.2	91.6	87.7	-	-
(Annual growth rate)	(2.5%)	(6.0%)	(7.8%)	(3.9%)	(5.1%)	(-4.3%)	-	-

<sup>1/</sup>Source: IBRD and Togolese authorities

<sup>2/</sup>IMF reports: Official national accounts data are available only up to 1973; subsequent series are estimates and projections based on Togolese and other data.

<sup>3/</sup>IBRD tentative estimates; Togo does not publish accounts in constant prices.

<sup>4/</sup>Projections based on data provided by Togolese authorities, and IMF staff estimates.

Economic growth, moderate price increases, and expanding domestic resource mobilization, primarily through growing public sector savings, are indicators of Togo's generally favorable economic performance up to 1975. Throughout most of the period from 1960 to 1975, the GOT pursued basically prudent financial policies and kept debt service at manageable levels. Foreign borrowings, which rose sharply in 1975 and 1976 in an effort to compensate for the decline in revenues due to the fall of phosphate prices and sales, are discussed in Section B.

b. Savings and Investment

Overall, the country's savings performance has been favorable, with an increase in national savings as a proportion of GDP from about 9% in the early 1960s to 16% in 1971-75, (see Table II.D), while gross investment during the period of the Second Five-Year Plan increased to 19% of GDP. During most of the period from 1960 through 1975, Togo enjoyed substantial success in mobilizing both domestic and foreign financial resources, while preserving adequate reserves and external credit to meet the swings in its open economy. Although phosphate revenues were the major new element in the mobilization of resources, their greatest impact did not come until the 1970s. Togolese policies and performance in raising and managing other revenues were also important in preserving financial stability.

While savings were achieved through increased revenues in the early 1960s, an austerity policy applied by the GOT was the primary cause of budgetary savings in the late 1960s. Current expenditures expanded in the early 1970s under a general relaxation of expenditure control, but government managed to keep expenditures below revenues.

TABLE II.D

## INVESTMENT AND SAVINGS

	First Five- Year Plan	Second Five-Year Plan					Third Five- Year Plan	
	<u>1966-70</u> (Average Per Year)	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1971-75</u>	<u>1976-80</u>
	in billions of CFA francs						As % of GDP	
1. Gross Fixed Investment	8.5	13.3	16.0	18.2	21.5	29.6	18.5%	
Private	(4.0)	(6.8)	(8.5)	(9.5)	(10.0)	(11.0)	(10.3%)	
Public	(4.5)	(6.5)	(7.5)	(8.7)	(11.5)	(18.6)	(8.2%)	
2. Changes in Stock	-0.1	1.6	1.5	1.8	1.2	2.0	0.5%	
3. Gross Investment (1 + 2)	<u>8.4</u>	<u>14.9</u>	<u>17.5</u>	<u>20.0</u>	<u>22.7</u>	<u>31.6</u>	<u>19.0%</u>	<u>25.0%</u>
4. Resource Balance	0	-4.8	-7.7	-7.7	18.8	-10.4	-2.2%	-10.5%
5. Gross Domestic Savings (3 + 4)	<u>8.4</u>	<u>10.1</u>	<u>9.8</u>	<u>12.3</u>	<u>41.5</u>	<u>21.2</u>	<u>16.8%</u>	<u>14.5%</u>
6. Net Factor Income	-1.7	-1.5	-1.8	-1.8	-0.1	0.9	-1.0%	
7. Net Current Transfers	0.7	1.3	2.1	1.3	1.7	2.0	0.2%	5.0%
8. Gross National Savings (5 + 6 + 7)	<u>7.4</u>	<u>9.9</u>	<u>10.1</u>	<u>11.8</u>	<u>43.1</u>	<u>24.1</u>	<u>16.0%</u>	

Source: Togolese authorities, IBRD and team estimates.  
\*Tentative IBRD mission estimates

Budgetary savings reached 4% of GDP during 1971-75 as new tax measures, including a special export tax, modifications to make the tax system more progressive, and taxation of public enterprises, strengthened revenues. The tax system as a whole has proved to be responsive to economic growth.

Savings from para-public enterprises, primarily the phosphate mining company (CTMB), in combination with the phosphate sales agency (OTP), and the agricultural price stabilization agency (OPAT) became increasingly important following the commodity price increases of the 1970s and the nationalization of CTMB. Their combined savings nearly equalled average budgetary savings, and assisted in increasing the domestic share of investment to over 50% of total investment during the period from 1971 to 1975, (Table II.E) and the share of public investment in the total from 74.2% during the First Plan period to 83.2% during the Second Plan period.

With regard to investment, the small size of Togo's domestic market has always constituted a serious constraint for prospective private investors, despite the country's liberal policy orientation and investment legislation which is favorable to private domestic and foreign investment. Foreign private funding first became significant in the early 1960s when CTMB's phosphate mining and processing facilities were established with foreign majority participation. In 1974, Togo nationalized CTMB, and entered immediately into compensation negotiations with the former (French and U.S.) shareholders, and concluded compensation payments during 1974-75. Togo has attracted private foreign capital in such sectors as food processing (brewery, soft drinks), textiles, banking, public works, and tourism, and

TABLE II.E

	<u>INVESTMENT FINANCING</u> (Actual Investment)			
	<u>First Five-Year Plan</u> 1966-1970		<u>Second Five-Year Plan</u> 1971-1975	
	<u>CFAF Billion</u>	<u>% of Total</u>	<u>CFAF Billion</u>	<u>% of Total</u>
<u>PRIVATE INVESTMENT</u>	<u>8.5</u>	<u>25.8%</u>	<u>13.2</u>	<u>16.8%</u>
<u>Domestic Financing</u>	<u>5.1</u>	<u>15.5%</u>	<u>8.2</u>	<u>10.4%</u>
Households and Enterprises	(4.7)	(14.2%)	(6.2)	(7.9%)
Financial Institutions	(0.4)	(1.3%)	(2.0)	(2.5%)
<u>Foreign Financing</u>	<u>3.4</u>	<u>10.3%</u>	<u>5.0</u>	<u>6.4%</u>
Direct Investment	(2.1)	(6.4%)	(2.7)	(3.5%)
Other	(1.3)	(3.9%)	(2.3)	(2.9%)
<u>PUBLIC INVESTMENT</u>	<u>24.4</u>	<u>74.2%</u>	<u>65.2</u>	<u>83.2%</u>
<u>Domestic Financing</u>	<u>7.6</u>	<u>23.1%</u>	<u>31.6</u>	<u>40.3%</u>
Government	(5.1)	(15.5%)	(21.3)	(27.1%)
Other Public Entities	(2.5)	(7.6%)	(10.3)	(13.2%)
<u>Foreign Financing</u>	<u>16.8</u>	<u>51.1%</u>	<u>33.6</u>	<u>42.9%</u>
Governments and International Agencies	(16.8)	(51.1%)	(29.9)	(38.2%)
Suppliers' and Private Banks	-	-	(3.7)	(4.7%)
<u>TOTAL</u>	<u>32.9</u>	<u>100.0%</u>	<u>78.4</u>	<u>100.0%</u>
of which				
<u>TOTAL DOMESTIC</u>	(12.7)	(38.6%)	(39.8)	(50.7%)
<u>TOTAL FOREIGN</u>	(20.2)	(61.4%)	(38.6)	(49.3%)

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SOURCE: IBRD based on data provided by Togolese authorities

has recently secured foreign funds for equity participation in the CIAMO cement clinker factory and an oil refinery from the Governments of Ghana and the Ivory Coast (CIAMO) and Libya (oil refinery). These innovative public/private sector arrangements and regional cooperation have begun to help overcome the limitations imposed by the size of Togo's domestic market.

The Government's investment priorities during the ten years of the First- and Second-Five Year Plans present a generally uniform picture of both targets and results, (see Table II.F). Top priority was consistently given to infrastructure (on the average 50-60% of total investment), followed by the secondary/tertiary sector (15-25%), human resource development (10-15%), agriculture (10-15%), and public administration (2-5%). The relatively low level of actual investment as a proportion of planned investment (or implementation ratio), in the agricultural sector reflected the GOT emphasis on indirect assistance to the primary sector through improved infrastructure (primarily roads). While the implementation ratio as a whole improved from 82.3% during the First Plan to 103.3% during the Second Plan, significant shortfalls appeared in both agriculture and urban water supply, especially during the period of the Second Plan.

c. Employment

Togo's active population, defined as those over 14 years of age, was estimated to be 892,000. While the agricultural sector accounted for 75% of the labor force, and salaried employment in the modern sector more than doubled in the decade from 1966 to 1975, (see Table II.G), the relatively small percentage of salaried

TABLE II.F

**SECTORAL COMPOSITION OF INVESTMENT**  
in billions of CFA francs and percentages

	FIRST PLAN (1966-70)				SECOND PLAN (1971-75)				THIRD PLAN (1976-80)	
	Planned Investment	Actual Investment	Implementation Ratio	Percentage Distribution	Planned Investment	Actual Investment	Implementation Ratio	Percentage Distribution	Planned Investment	Percentage Distribution
1. Administration	<u>1.3</u>	<u>1.6</u>	<u>123.1%</u>	<u>4.9%</u>	<u>2.9</u>	<u>1.4</u>	<u>48.3%</u>	<u>1.8%</u>	<u>16.8</u>	<u>7%</u>
2. Primary Sector	<u>5.2</u>	<u>4.5</u>	<u>86.5%</u>	<u>13.7%</u>	<u>11.2</u>	<u>4.8</u>	<u>42.9%</u>	<u>6.1%</u>	<u>56.2</u>	<u>22%</u>
3. Secondary/Tertiary Sectors	<u>3.8</u>	<u>5.4</u>	<u>142.1%</u>	<u>16.5%</u>	<u>15.5</u>	<u>23.9</u>	<u>154.2%</u>	<u>30.5%</u>	<u>75.1</u>	<u>30%</u>
4. Infrastructure	<u>26.5</u>	<u>19.1</u>	<u>-</u>	<u>58.1%</u>	<u>38.0</u>	<u>37.3</u>	<u>-</u>	<u>47.5%</u>	<u>81.3</u>	<u>33%</u>
of which:										
Urban Development	<u>6.5</u>	<u>6.6</u>	<u>101.5%</u>	<u>20.1%</u>	<u>11.1</u>	<u>15.0</u>	<u>135.1%</u>	<u>19.1%</u>	<u>-</u>	<u>-</u>
-Housing	<u>3.1</u>	<u>3.4</u>	<u>109.7%</u>	<u>10.4%</u>	<u>3.2</u>	<u>8.0</u>	<u>250.0%</u>	<u>10.2%</u>	<u>-</u>	<u>-</u>
-Water	<u>0.6</u>	<u>0.5</u>	<u>83.3%</u>	<u>1.5%</u>	<u>2.4</u>	<u>1.5</u>	<u>62.5%</u>	<u>1.9%</u>	<u>-</u>	<u>-</u>
-Electricity	<u>0.6</u>	<u>0.5</u>	<u>83.3%</u>	<u>1.5%</u>	<u>1.3</u>	<u>2.3</u>	<u>176.9%</u>	<u>2.9%</u>	<u>-</u>	<u>-</u>
-Tourism	<u>0.1</u>	<u>0.1</u>	<u>100.0%</u>	<u>0.3%</u>	<u>1.5</u>	<u>3.2</u>	<u>213.3%</u>	<u>4.1%</u>	<u>-</u>	<u>-</u>
-Other	<u>2.1</u>	<u>2.1</u>	<u>100.0%</u>	<u>6.4%</u>	<u>2.7</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5. Human Resources	<u>3.2</u>	<u>2.3</u>	<u>68.8%</u>	<u>7.0%</u>	<u>8.3</u>	<u>11.0</u>	<u>132.5%</u>	<u>14.1%</u>	<u>21.2/</u>	<u>8%</u>
<b>TOTAL INVESTMENT</b>	<b>40.0</b>	<b>32.9</b>	<b>82.3%</b>	<b>100.0%</b>	<b>75.9</b>	<b>78.4</b>	<b>103.3%</b>	<b>100.0%</b>	<b>250.6</b>	<b>100%</b>

SOURCE: IBRD and data provided by Togolese authorities.

TABLE II.G

	<u>EMPLOYMENT POPULATION</u>									
	<u>In Thousands</u>			<u>% of Total Population</u>			<u>% of Active Population</u>			<u>Average Annual Growth Rate (%)</u>
	<u>1966</u>	<u>1975</u>	<u>1980</u>	<u>1966</u>	<u>1975</u>	<u>1980</u>	<u>1966</u>	<u>1975</u>	<u>1980</u>	<u>1966-75</u>
TOTAL POPULATION	1,714	2,225	2,541	100.0	100.0	100.0	296.0	249.4	252.8	2.9
ACTIVE POPULATION	<u>579</u>	<u>892</u>	<u>1,005</u>	<u>33.8</u>	<u>40.1</u>	<u>39.6</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>4.9</u>
Agriculture	449	670	754	26.2	30.1	29.7	77.5	75.1	75.0	-
Unemployed	n/a	22	25	-	1.0	1.0	-	2.5	2.5	-
Non-Agricultural	<u>130</u>	<u>200</u>	<u>226</u>	<u>7.6</u>	<u>9.0</u>	<u>8.9</u>	<u>22.5</u>	<u>22.4</u>	<u>22.5</u>	<u>4.9</u>
Non-Salaried (Traditional Sector)	102	150	161	6.0	6.8	6.3	17.6	16.8	16.0	4.4
Unemployed	5	n/a	n/a	0.3	-	-	0.9	-	-	-
SALARIED	<u>23</u>	<u>50</u>	<u>65</u>	<u>1.3</u>	<u>2.2</u>	<u>2.6</u>	<u>4.0</u>	<u>5.6</u>	<u>6.5</u>	<u>9.0</u>
Public	16	32	n/a	0.9	1.4	-	2.8	3.6	-	8.8
Private	7	18	n/a	0.4	0.8	-	1.2	2.0	-	9.5

SOURCES: Data for 1966: "Population active et emplois au Togo", E. Vlassenko, 1966.  
Data for 1975-80 provided by Togolese authorities.

positions in the labor force indicates the extent to which much of the population remains outside the modern sector of the economy. The growth of salaried employment, from 4% of the active population in 1966 to 5.6% in 1975, cannot be said to have significantly altered the degree of participation in the modern sector. Estimates of private sector employment indicate that commerce, construction, and services were the leading areas of employment activity. Approximately 4% of the salaried employees were women, and 3% were expatriates.

The public and para-public sectors accounted for larger absolute increases in salaried workers than did the private sector. Government personnel nearly trebled between 1966 and 1975, reaching 22,500 employees by the end of the period. The expansion of Government personnel, primarily in the social services, was due to several factors, including (1) the need to hire more teachers for an increasing school population, (2) the necessity to staff health and social centers, and (3) the need to employ university graduates who are overqualified for the middle-level management jobs offered in the private sector. While approximately 17,000 jobs for skilled and unskilled workers were created between 1970 and 1975, the number of job-seeking school leavers was estimated to be as high as 45,000. Official employment figures for skilled and unskilled workers show that in 1973, only 27% of total job applicants were placed. While the rural exodus in search of salaried employment and higher living standards continues to bring more untrained workers into the urban centers than can be absorbed by growing employment opportunities, the traditional extended family system common in Togo appears to mitigate some of the adverse effects of underemployment and unemployment.

Women in Togo have traditionally dominated domestic trade in almost all consumer goods and foodstuffs. In 1960, almost 90% of all Togolese merchants were estimated to be women, a percentage believed to prevail at present. While most of these "revendeuses" have no formal education, their skill in trading activities has greatly added to family incomes and supplemented farm revenues.

Current estimates indicate that approximately 25,000 new jobs for skilled and unskilled workers will be created during the period of the Third Plan (1976-80). There are expected to be approximately 95,000 new job applicants during these years, for a ratio of 1:3.8 of jobs to applicants, up from 1:2.6 during the period of the Second Plan. Togolese estimates of specific manpower demand and supply factors indicate that there will be a shortage of approximately 6,000 middle-level and skilled blue- and white-collar workers between 1976 and 1980, and a surplus of approximately 75,000 unskilled workers during the same period. This employment situation constitutes a compelling argument for programs and policies which seek the application of labor-intensive methods of production.

Wages in Togo are primarily determined by government authorities. While uniform nationwide wage increases (of approximately 15% each) were granted in January 1974, 1975, and 1977, wages have in general increased less than inflation. As a result, skilled workers have increasingly tended to emigrate to neighboring countries in search of higher incomes, thus exacerbating the problems identified above. The GOT intention to grant wage increases in the future which are pegged to increases in productivity, should help to improve this situation. At present, the minimum wage is approximately 13,700 CFAF per month, although some workers (such as domestics) may earn less. Table II.H presents the present range of monthly salaries for selected positions.

d. Inflation

Prices, which had been relatively stable prior to 1974, have since risen substantially. The rate of inflation, as measured by the consumer price index, averaged 5.8% per year from 1969 through 1973, then increased to 13% in 1974, 18% in 1975, and 13% in 1976. During the first three months of 1977 it rose to an annual rate of 30%. Although a portion of the price increase reflects imported inflation, the rise was largely due to expansionary fiscal policies and was aggravated by lagging domestic staple food production, border closures of neighboring countries, and shortcomings in the domestic distribution system, which together tended to reduce supplies for consumers. The GOT has attempted to restrain the increase in consumer prices by subsidizing essential commodities and by strengthening price controls, with a view toward preventing monopolistic practices. In certain instances the GOT has taken over the importation and distribution of specific commodities.

TABLE II.H

GROSS MONTHLY SALARIES  
(1977)

<u>MANAGEMENT</u>	<u>Base Monthly Salary</u>	
	<u>(CFAF)</u>	<u>(US Dollars)</u>
Categories:		
A.1 (University Graduates)	84,958	\$353.99
A.2 (Generalists)	71,887	\$299.53
B. (Secondary-School Graduates)	49,058	\$204.41
C. (Some Secondary Schooling)	36,211	\$150.88
D. (Primary School Graduates)	17,645	\$ 73.52
<u>PERMANENT SALARIED WORKERS</u>		
Categories:		
-First Level	13,687	\$ 57.03
-Second Level	16,051	66.88
-Third Level	19,422	80.93
-Fourth Level	22,469	93.62
-Fifth Level	25,700	107.08
-Sixth Level	34,371	143.21

SOURCE: Direction Générale du Plan, Lomé. Exchange  
rate used: 240 CFAF = \$1.00 U.S.

## B. Balance of Payments

### 1. Recent Developments

In the past several years changes in world prices for Togo's three major export commodities have had a considerable impact on the country's economic performance in general and its balance of payments situation in particular. The quadrupling of phosphate prices in 1974 encouraged an expansion of government expenditures in expectation of continued high revenues from booming phosphate sales. The weakening in world phosphate prices in early 1975 resulted in sharp declines in both the volume and earnings of phosphate exports, as Togo's export price for phosphate rock was adjusted only slowly to changes in the world price. As a result, real GDP in 1975 declined to the 1973 level, (See Tables II.B and II.C). However, the GOT's expansionary investment policies continued through 1974 and 1975, associated with a rise in short- and medium-term foreign borrowing, which increased the overall level of external debt and prospective debt service.

In addition to the increase in government expenditures in 1974, private investment was attracted because of the country's apparent credit-worthiness. In the wake of the 1974 phosphate boom, when public expenditures increased to CFAF 50 billion, equivalent to a third of GDP in 1976, the overall government deficit grew to a fourth of its expenditures and over 8% of GDP.

Greatly increased current expenditures, as well as a rapid rise in development expenditures, also contributed to the weakening of the fiscal position. Successive increases in tax rates and revenues, and increased contributions from OPAT, the agricultural marketing board, and OPT, the phosphate marketing agency, did little to ameliorate this situation. The CFAF 12 billion (or \$US 50 million) overall deficit incurred in 1976 was partly covered by the use of previously accumulated balances held abroad, but also through accumulating arrears with the non-banking sector, which were equivalent to over half the deficit. The expansionary fiscal policy in 1976 was reflected in a 45% increase in the money supply, which was significantly above the growth of GDP. Although credit extended by the private sector grew by CFAF 7.6 billion (or 31%) in 1976, about half of this increase was absorbed by the public sector through the accumulation of unpaid government bills

In 1976 the current account deficit continued to widen as imports increased at a faster rate than exports. The deficit recorded on the trade account, however, was largely offset by special inflows on capital and official transfer accounts related to the cement clinker plant and other new projects. The overall balance of payments recorded only a small deficit of slightly less than CFAF 300 million (approximately \$US 1 million) as compared to a surplus of CFAF 2 billion (\$US 9 million) in 1975. Prospects for the overall balance of payments for 1977 are judged by the IMF to be generally favorable, and the trade deficit is expected to be somewhat smaller. An overall balance of payments surplus of approximately CFAF 1.7 billion is forecast, mainly because of the expectation of continued high inflows of foreign transfers and capital.

External public debt amounted to \$US 222.3 million by the end of 1976, (See Table II.I), equivalent to approximately 20 to 25% of export earnings on

TABLE II.I

OFFICIAL EXTERNAL DEBT STRUCTURE AND SERVICE  
(in millions of U.S. dollars)

	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
<u>TOTAL OFFICIAL DEBT</u>	<u>42.9</u>	<u>55.1</u>	<u>79.4</u>	<u>196.8</u>	<u>222.3</u>	-	-	-	-
(annual increase)	-	(28%)	(44%)	(148%)	(13%)	-	-	-	-
<u>OFFICIAL CREDITORS</u>	<u>37.7</u>	<u>47.0</u>	<u>47.8</u>	<u>55.1</u>	<u>77.3</u>	-	-	-	-
International Institutions	-	6.1	7.3	12.2	28.3	-	-	-	-
Governments	-	40.9	40.9	42.9	49.0	-	-	-	-
<u>PRIVATE CREDITORS</u>	<u>5.3</u>	<u>8.1</u>	<u>31.6</u>	<u>141.7</u>	<u>144.9</u>	-	-	-	-
Banks	-	0	18.6	48.0	40.0	-	-	-	-
Others	-	8.1	13.0	93.7	104.9	-	-	-	-
<u>DEBT SERVICE</u>	<u>4.0</u>	<u>4.5</u>	<u>6.5</u>	<u>9.7</u>	<u>30.0</u>	<u>30.8</u>	<u>30.4</u>	<u>34.4</u>	<u>36.4</u>
(annual increase)	(43%)	(13%)	(44%)	(49%)	(209%)	(3%)	(-1%)	(13%)	(6%)
-as % of Government Revenues	8.0%	8.2%	9.9%	7.9%	14.8%	13.8%	12.9%	13.5%	12.9%
-as % of Export Earnings (excludes transfers)	8.1%	7.7%	3.2%	8.1%	25.6%	24.5%	16.4%	13.6%	13.6%

SOURCES: IMF, U.S. Embassy, Bulletin d'Afrique Noire, and Togolese authorities. Projections from 1977 through 1980 are based on Togolese estimates, and assume that export earnings will increase by approximately 23% per year, that debt service expenditures will increase at a modest rate after 1976, and that approximately \$U.S. 170 million in foreign assistance will be available from 1976 through 1980.

Unofficial estimates of external debt suggest that the total as of January, 1977 may be as high as \$US 363 million. Such a figure may include arrears and unpaid Government bills which may be considered a form of suppliers' credits.

goods and services. Togo's gross foreign exchange reserves at the end of 1976 amounted to \$US 66.6 million, equivalent to approximately four months' projected 1977 imports.

## 2. External Debt Structure

Table II.I also reveals a shift in the composition of Togo's external debt with sharp increases in the country's borrowing from private creditors in 1974 (an increase of \$US 23.5 million) and 1975 (an increase of \$US 110.1 million or 350% over 1974 levels). Borrowing from official creditors grew at a far slower rate. Loans from official creditors accounted for 88% of Togo's external debt in 1972, and only 35% in 1976.

While total external debt increased five fold between 1972 and 1976, debt service payments increased over 7.5 times during the same period, indicating a disproportionately larger increase in short-term borrowing. The increase in borrowing during 1975 is reflected in the service requirements for 1976, which are equivalent to 25.6% of export earnings and nearly 15% of 1976 GOT revenues. Togolese estimates of debt service payments for 1977 indicate that these will be nearly 14% of current revenues, and again equivalent to nearly 25% of export earnings.

The two major projects for which loans were granted during 1975 are the port of Lomé and the Lomé petroleum refinery, which together accounted for approximately one-third of the total debt at year end. Repayments on the loan for the refinery increased substantially in 1976, causing the GOT to move to reschedule this debt. A two year moratorium on repayments has been granted. Repayments on loans for military equipment and aircraft accounted for an additional one-third of 1976 debt service payments.

Additional repayments are for loans on the CIMAO project, tourist hotels being constructed in Lomé, and other projects.

The increased debt service requirements have been aggravated by shortfalls in projected budgetary receipts, estimated to be as much as 30% below the 1976 projections, which caused sharp reductions in the 1976 equipment budget and civil service operating budget. For 1977, original budgetary expenditure appropriations provided for an increase of only 10%, which would have represented a decline in real terms. It became apparent, however, that financing for the projected 1977 budget would be difficult to secure, particularly as the GOT had accumulated arrears in 1976 which it had to begin to reduce. Consequently in January 1977, a decision was made by Togolese authorities to reduce actual expenditures to 80% of appropriations.

The Togolese apparently intend to give priority to investments in the agricultural sector and to reduce other investments in order to keep the overall budgetary deficit from exceeding CFAF 4 billion. While this is well below the CFAF 7.4 billion line of credit provided to Togo by the Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO), which functions as the central bank for Togo and five other member countries of the West African Monetary Union, the GOT intends to keep its borrowing from BCEAO below the authorized ceiling in order to provide for a liquidity reserve. Any liquidity margin available

on this line of credit will be used in the event that payments for exports and related taxes are delayed, as well as to reduce arrears if it becomes apparent that, as a result of a liquidity shortage in the private sector, expansion of economic activity and growth of output may be impaired.

C. Summary of Economic Situation

While GOT expenditures and revenues under the 1977 budget should be carefully monitored, and a thorough review undertaken of the appropriations in the 1978 budget, it appears that recent problems in the balance of payments situation can be attributed to unusual swings in the world market prices of Togo's major export commodities, at a time when major investments in development projects were begun. Togolese authorities appear to recognize the difficulties of the present situation, and are attempting to rectify it, while maintaining the country's ambitious development program. As such projects as the cement clinker plant and the oil refinery come on line, and as improvements in transportation infrastructure and increased investment in the agricultural sector combine to raise output and productivity, the economy can be expected to recover from the recent balance of payments and budgetary difficulties. The IMF judgement is that over the next several years, with prudent management of the GOT budget, the economic outlook is promising.

### III. POPULATION CHARACTERISTICS

#### A. Overall Population Characteristics

The Togolese population has been growing at 2.8% annually. It increased from 1.5 million in 1960 to almost 2,000,000 in 1970 when the last census was taken. Current estimates place it at approximately 2,200,000 with an almost even distribution of males and females. The population is projected to reach 3,000,000 by 1985.

At present, the infant mortality rate, at 12.1%, is high, and life expectancy is 41 years at birth.

The Togolese population is basically young. Approximately half of the population is below 15 years of age, while 75% are under 30. The labor force or "active population" is defined in Togo as those over 14 years of age.

Ethnically, Togo is a diverse country with 35 different tribes which speak 25 distinct languages and dialects. The most dominant among these are the Ewes and Minas in the south who are well represented in government and commerce, and the Kabres, which are the most numerous tribe in the north.

Ethnic and tribal land ties have generally inhibited the growth of inter-regional migration. Yet, some north-south movement is apparent, particularly among the Kabres of the Kara Region in the direction of the richer agricultural land in the center of the country.

A more general and significant migratory trend has been the acceleration of the rural exodus to the cities, particularly Lomé. Seasonal unemployment, regional overpopulation, a low-investment in the agricultural sector, and the lack of services in rural areas have all contributed to the increase in

rural-urban migration. This trend has been strongest among rural inhabitants of the high density Maritime Region, as well as parts of the Kara Region. The overall national population density of 34 inhabitants/Km<sup>2</sup> covers a broad range of extremes, and hides considerable regional disparities as well as relatively high population concentrations in some areas of the Kara and Savannah Regions and most of the Maritime Region.

Urban population represents 20% of the national population and has been doubling every 10-15 years. In 1974, taking an average household size of 5.8 persons, the number of urban households was estimated to be approximately 119,200.

As no nationwide census has been undertaken since 1970, data such as those presented in Table III.A below for the years since the 1970 census are only estimates. These estimates generally assume that the growth rates which prevailed between 1960 and 1970 will remain relatively stable throughout the present decade. While such an assumption can easily be challenged, the Team found no other more reliable data from which to estimate the present population or to make projections. It has been particularly difficult to calculate the total urban population, that is, the population resident in centers of at least 10,000 people, for several reasons. The most important of these is the fact that population centers with less than 10,000 people are included in estimates of the urban population before they grow to be that size. When a town is projected to reach 10,000, its entire population is added to the urban pop

TABLE III.A

URBAN POPULATION  
(in thousands)

	<u>1960</u>	<u>1970</u>	<u>1975</u>	<u>1980</u>	<u>1985</u>
<u>NATIONAL POPULATION</u> (average annual growth rate)	1,447 -	1,954 (2.8%)	2,243 (2.8%)	2,575 (2.8%)	2,956 (2.8%)
<u>URBAN POPULATION</u> (average annual growth rate) <sup>2/</sup>	173.1 <sup>1/</sup> -	377.1 (8.9%)	451.1 (6.8%)	603.7 (6.8%)	- -
- as percent of National Population	12.3%	19.3%	20.1%	23.4%	-
<u>LOME POPULATION</u> (average annual growth rate) <sup>2/</sup>	86.4 -	192.7 (9.8%)	280.0 (9.8%)	440.0 (9.8%)	700.0 (9.8%)
- as percent of Urban Population	48.5%	51.1%	62.1%	72.9%	-
- as percent of National Population	6.0%	9.9%	12.5%	17.1%	23.7%

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SOURCES: 1960 and 1970 data are the national census for those years. Data for 1975 through 1985 are projections based on the UNDP/CCL study "La Croissance Demographique Dans L'espace Togolais".

<sup>1/</sup>The urban population for 1960, includes population centers which were less than 10,000 in 1960, but more than 10,000 by 1970.

<sup>2/</sup>Average annual growth rates are those reported in the UNDP/CCL study.

ulation category, thus inflating the size of this category. In addition, a number of towns with populations initially below 10,000 have annexed neighboring villages, and the enlarged municipal area's population is then added to the urban category. These difficulties notwithstanding, Table III.A does indicate that Lomé, with a population in 1975 of approximately 280,000, contains over 60% of the urban population, making it by far the most significant urban center in the country.

B. Demographic Characteristics

Census data for 1970 reveal that the Lomé population's age structure and sex distribution are similar to that of the national population. Females represented 52% of the city's population of 193,000 in 1970. About 46% of the residents were below 15 years of age, while 80% were under 30. As is to be expected in a city with a large number of rural migrants, there is a significant increase in the number of young people flowing into the city.

The proportion of males between the ages of 15 and 30 years is a third of the male population, and 16% of the total Lomé population. About 80% of the men within that age bracket were born outside Lomé, compared to 64% of the women.

In addition, women between the ages of 15 and 30 years are 32% of the city's female population, almost the same proportion as men of this age group to the male population.

While the 1970 census does not provide a breakdown of demographic data for specific quarters of Lomé, a series of surveys conducted by UNDP and CCL (Centre de la Construction et du Logement) teams in 1974 in Bé, a representative quarter of Lomé, makes it possible to outline a social and economic profile of low-income groups.

These surveys indicate that approximately 25,000 households in Lomé had incomes below the urban median income level in 1974. (As can be seen in Section C below, the Team estimates the median income to be approximately 15,000 to 17,000 CFAF per month at present (\$62.50 to \$70). The occupational categories of the low-income groups surveyed include artisans, construction workers, taxi drivers, seasonal workers, unskilled or semi-skilled port laborers, salaried public and private lower-level employees, service sector employees and petty traders, i.e. the "revendeuses" or street vendors, almost all of whom are women.

#### C. Target Group Identification

AID's mandate in its development assistance programs requires it to address the needs of a specific segment of the population. The "target population" is defined as those families whose incomes are below the median income level of the population center in which they reside.

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### 1. Income Distribution

During the past ten years, two studies have been undertaken on family incomes and expenditure patterns in Togo. The first, Enquete Sur Les Budgets Familiaux et la Consommation des Menages au Togo, published in November 1967 under the auspices of the Service de la Statistique du Togo, was a broad and comprehensive survey of family expenditure and consumption patterns for the entire country. The second, Les Categories de Revenus-Menage au Togo, completed in January 1975 as a joint UNDP/CCL study, was based on the 1967 effort and the 1970 census, and on sample surveys made in 1973 and 1974 of several urban areas, notably the Bé quarter of Lomé, and Sokode, the second largest urban center. No more recent data on income levels are available at present.

While it would generally be expected that income levels would have risen during the six or seven year interval between the two studies, both the 1967 and 1975 studies report the median family income in Lomé to be CFAF 10,000 per month, (approximately \$US 40.00). Although no formal explanation has been provided by Togolese authorities regarding the apparent absence of an increase in the median income level in Lomé, several factors should be taken into account. The 1975 study was not an in-depth inquiry, but rather a brief effort undertaken as part of a series of joint UNDP/CCL background papers in the preparation of a national housing policy, and as such, it relied heavily on the 1967 survey for its estimates of income levels. More importantly, with the rapid growth of Lomé, due in large part to the arrival of an average of approximately 7,600 rural migrants per year (from 1960 to 1970), it is reasonable to assume that the population growth among the

lowest income groups was significantly greater than it was among other income groups. The disproportionate growth among low-income groups, and the increases in families designated as "lodged for free", and in the number of non-salaried workers (which grew by nearly 50% from 1966 to 1975 - Table II.G) substantially increased the number of families earning very low incomes, with the result that little or no change occurred in the median income levels reported in the 1967 and 1975 studies.

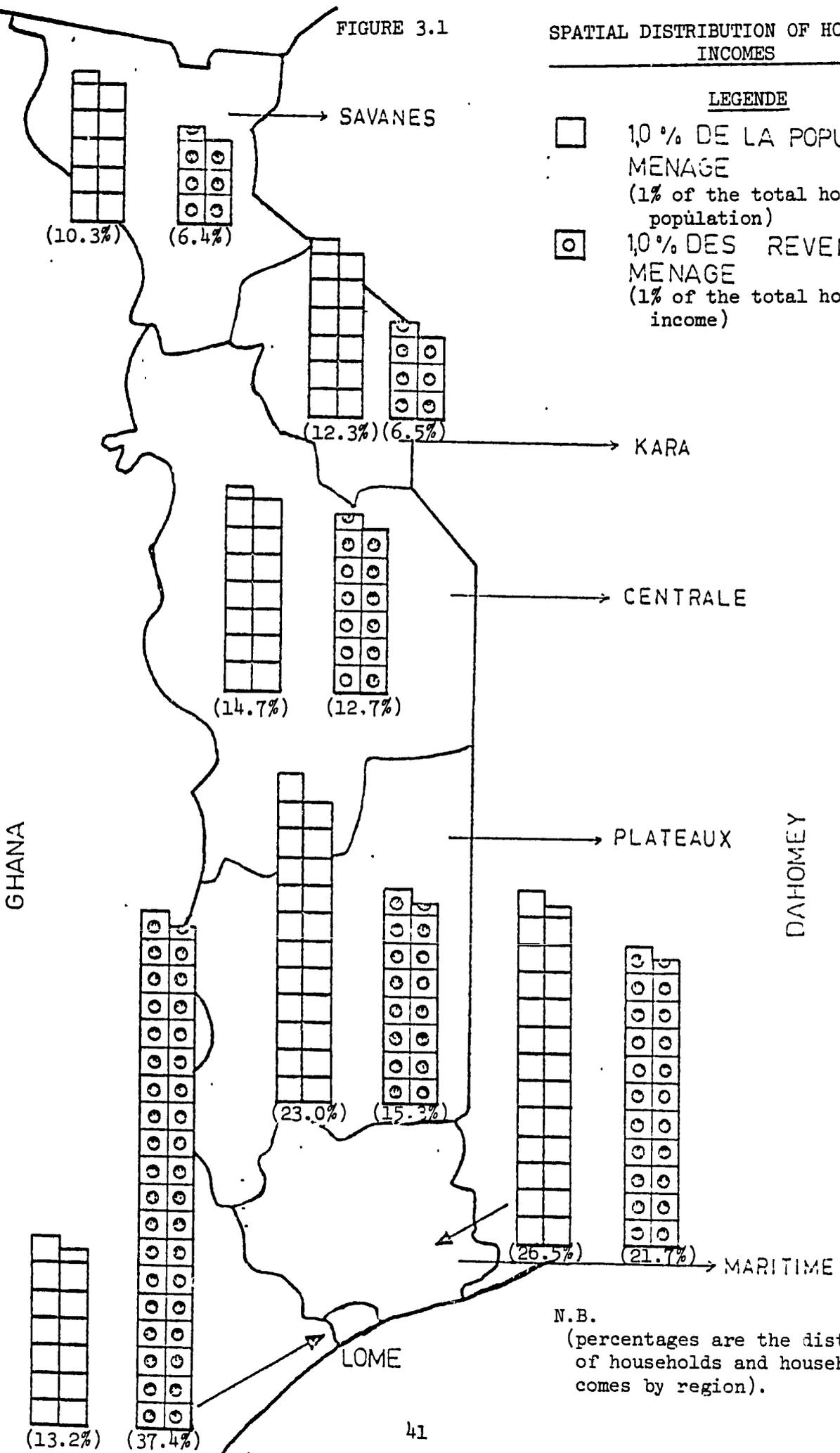
This conclusion, however, makes it difficult to justify the present estimates of the median income level in Lomé made informally by many Togolese officials. These suggest that the median family income in Lomé is now approximately CFAF 15,000 to 17,000 /per month, and represents a 50% increase over the level reported in the 1975 study, which as noted above relied on studies made in 1973 and 1974. Several significant factors may explain this apparent increase. Since 1974, several across-the-board wage increases have been instituted, which together have raised salary levels by nearly 50%. While salaried workers are very much a minority of the active population, this substantial increase in wages can be expected to have a strong impact on the median income level in the Lomé area. In addition, as noted in Section II on the Economic Situation, 1974 was an extraordinary year for the Togolese economy, with GDP increasing by approximately 40% over the previous year. With the general boom in the economy, per capita GDP rose from approximately \$US 187 in 1973 to \$US 259 in 1976, an increase of nearly 40% over the period. As nearly all of the economic growth was biased toward the secondary and tertiary sectors, the major benefits of this growth can safely be assumed to have favored the urban population far more than the rural. As can be seen from Figure 3.1, the spatial distribution of incomes in Togo indicates that residents of Lomé in general receive a disproportionately larger share of family income than those in any other region of the country. Thus it appears

FIGURE 3.1

SPATIAL DISTRIBUTION OF HOUSEHOLD INCOMES

LEGENDE

- 10 % DE LA POPULATION MENAGE  
(1% of the total household population)
- 10 % DES REVENUS - MENAGE  
(1% of the total household income)



N.B.  
(percentages are the distribution of households and household incomes by region).

that the present estimate of the median income level in Lomé of approximately CFAF 15,000 to 17,000 per month (US\$ 62.50 to \$70) is as reasonable an estimate as can be expected in the absence of more recent comprehensive data.

If the CFAF 15,000 to 17,000 monthly family income for Lomé is indeed an accurate up-date of the 1975 figure, the same general characteristics of family size, etc. can be assumed to apply. The 1975 data was based on an average of approximately 5.8 persons per family, each with an average of approximately 1.5 income earners. The median income level in Lomé is significantly higher than the nationwide median income level; it was estimated in the 1975 study that approximately 70% of all Togolese families earned less than the Lomé median,

It should be clear from the discussion above that an accurate projection of the median income level for Lomé would be a difficult, if not an impossible, exercise. In the absence of new initiatives to survey income levels, projections will have to be made on the basis of per capita growth in GDP, increases in wages, and the continued rate of migration of rural families into the capital. Each of these factors, in turn, will be affected by the success of present GOT efforts to stabilize the economy following the swings of the past several years, and to speed economic development in the rural sector.

## 2. Expenditure and Consumption Patterns

The data available on consumption patterns in Lomé are both out-of-date and incomplete. In general, housing expenditures are often under-estimated because statistics fail to take account of the value of self-help efforts. The only breakdowns available are those included in the 1967 Enquete sur les Budgets Familiaux et la Consommation des Menages au Togo, which provides a distribution of expenditures for

families earning the median income of CFAF 10,000, and the weights used by Togolese authorities in constructing the African Consumer Price Index for Lomé, which has values for 1963 as its base line data. Both of these are presented in Table III.B, below.

TABLE III.B

LOMÉ EXPENDITURE PATTERNS

	<u>C.P.I. Weights</u>	<u>1967 Expenditures</u>	<u>1975 C.P. Index (1963 = 100)</u>
Food	47.0%	45.8%	193.2
Tobacco and alcoholic beverages	10.6%	8.2%	152.7
Clothing	7.7%	7.3%	175.7
Housing	6.8%	6.6%	154.2
Fuel, light and domestic maintenance	8.1%	7.8%	173.1
Services	6.6%	5.8%	157.1
Miscellaneous	<u>13.2%</u>	<u>18.5%</u>	<u>175.0</u>
Total	100.0%	100.0%	Overall Index 177.8

These sources indicate that families in Lomé spend an average of slightly less than 7% of monthly income on housing. This proportion is substantially lower than the 20% estimate made by the joint 1974 UNDP/CCL study. It does not adequately reflect expenditures on housing because it is based on an average of all households, 25% of which are lodged for free, and does not account for self-help efforts. Both Togolese authorities and an informal survey undertaken by the Team in Lomé suggest that low-income families which rent their housing spend between CFAF 2,000 and CFAF 5,000 per month, a range which seems consistent with the UNDP estimate of 20%.

D. Social and Cultural Characteristics

1. Kinship System

Given the high rate of in-migration, it is not surprising to find that in certain quarters, such as Bé, the proportion of residents whose birth-place was outside the city is about two-thirds of the population. The solidarity of such groups based on kinship, ethnic or geographic ties is significant in socializing the migrants into the wider urban society while providing them with a buffer against the impersonal social aspects of urban life. Assistance is provided in the form of meeting the shelter needs of recent arrivals, helping them find employment, and meeting various responsibilities for their welfare during the initial phase of their introduction to city life.

The survival of many of the urban low-income groups is buttressed by a strong system of dependency on members of the extended family both within the city and in the village. Trade in-kind is commonly practiced in urban areas among various households. At the same time, strong links to the village allow for an exchange of staple goods for money. In time, these social groupings grow less particularistic, and are based on occupational association, such as trade and crafts, becoming more entwined with the urban environment.

The traditional position of a patriarchal chief in village compounds is commonly replaced by younger men who have been in the city for the longest period of time, or by more educated members of the migrant families.

## 2. Women in the Labor Force

Women, who make up a mere 4% of the salaried labor force, are economically significant among low-income groups. The wives are frequently left behind in the village with the younger children until the husband is established in a job in the city, and are also sent back to the villages to help during harvest time, as a means of contributing to the family's support. Once in the city, the women are expected to contribute towards their own, and, to a certain extent, their children's support. Despite their illiteracy and lack of training, these women have a strong business sense and many of them manage to provide for themselves and their families by purchasing small franchises to sell a number of goods such as prepared foods, imported canned goods, cloth, cigarettes and matches. The women also tend vegetable gardens for their families' use, and sell or exchange the remaining balance for other goods. While other women train as seamstress apprentices, or hairdressers, from the small number of such businesses evident within low-income neighborhoods, their supply probably exceeds the demand for their services.

## 3. Educational Attainment

Educational attainment, low among the urban poor, is significantly lower for women than it is for men. The overall rate of illiteracy for men is 80%, compared to 90% for women. Cultural attitudes prevent the participation of larger numbers of school age girls in the educational system.

#### 4. Employment Opportunities and Prospects

As noted in Section II, (Table II.G), salaried workers constitute only a small percentage of the active labor force, approximately 5.6% in 1975, and a projected 6.5% by 1980. While the growth of salaried employment is expected to continue to exceed that in other employment areas, projections indicate that between 1975 and 1980 for each new salaried job generated by both the public and private sectors, there will be approximately four applicants. Salaried employment opportunities throughout the country are limited, and while these cannot be expected to become a major source of income for low-income families on a nationwide basis in the next several years, they will provide some income opportunities in the Lomé urban area.

While very little data are available on the employment situation for the target population, the UNDP/CCL study Les Catégories de Revenu-Ménage au Togo (January 1975), does provide a breakdown of sources of income for the residents of the Bé quarter of Lomé. The study estimates that approximately 30% of those earning an income in Bé are employed as salaried workers, and an additional 40% are "revendeuses", market women, whose incomes derive from petty trade. Of the remaining 30%, approximately 5% are small-scale entrepreneurs or employers, and 15% are artisans, most of whom are masons informally engaged to assist in the construction of "self-built" housing. Bé's proximity to the newly developed and expanding port facility has benefited the employment situation of the community as one quarter of the salaried workers in Bé are employed at the port. Future growth of the port and related industrial development will continue to provide incomes for the residents of Bé and other low-income areas of the city, as will the general growth of Lomé's economy, if it develops, as the GOT hopes, into a regional center for West Africa.

#### IV. DIMENSIONS OF THE SHELTER PROBLEM

##### A. Human Settlement Patterns

The traditional pattern of patrilineally related families pooling resources and building their homes in a common compound is beginning to break down in Togo's largest urban area, as the costs of land and construction materials make this an increasingly infeasible solution for the poor. Moreover, the family groups among migrants are less complete than those found in the villages, or in the older quarters of the city, which were once traditional villages. Nevertheless, the compound still remains a common form of housing, with members of the same ethnic or geographic origin or various members of the same family who have left the village living together on large lots. Doubling up of families is common, and recent arrivals are often lodged for free with members of their family or village (see Table IV.A) To an increasing extent, low-income groups are resorting to rental of units in compounds, or in "wagons". The latter are rows of 5 to 15 rental compartments, one or two rooms deep, built against the wall of a compound surrounding a common courtyard. Facilities such as the well, w.c., and shower, when they exist, are shared by all households.

The courtyard continues to function as the center for a variety of activities ranging from social gathering space to communal kitchen. The separate kitchen structure where the various households keep their utensils is normally used only during the rainy season when the weather does not permit cooking outdoors on a wood or coal-burning fire. One fire pit serves all household in the compound. Meals are frequently eaten in the courtyard with each family defining the space directly at its doorstep for its own private use as an extension of its living quarters. The dwelling units, particularly in the "wagons", are used primarily as bedrooms.

Social life remains family-centered, and it is not common to find recreational facilities in the city. The markets, however, provide a large social gathering place, and they exist in all neighborhoods where they function as both a

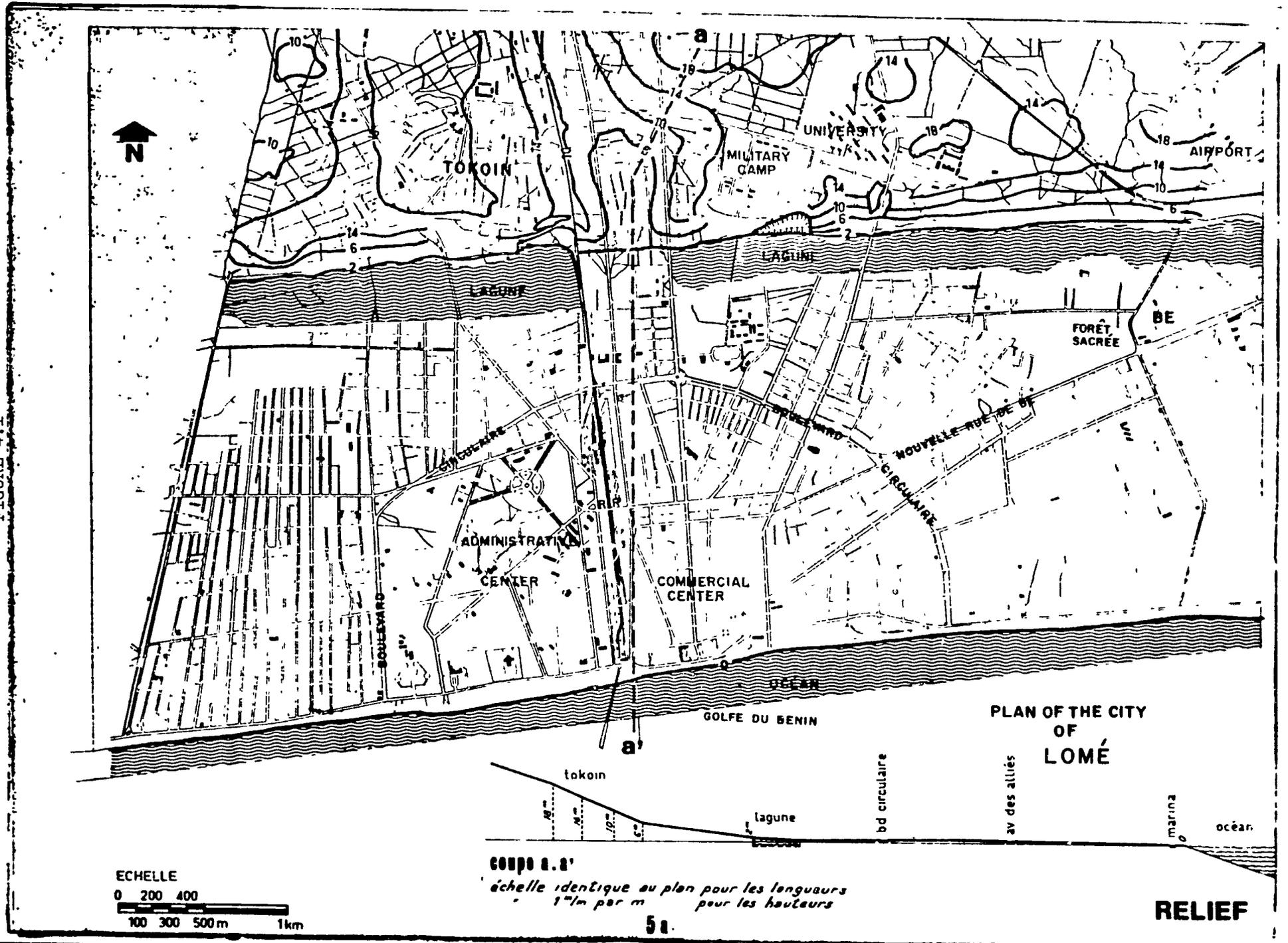
commercial center and a focal point for social activity. Across from these neighborhood markets are the taxi stands which frequently run as minibuses travelling along the main roads only. These are the prime mode of transportation in the city.

The rapid growth of Lomé as the chief commercial and industrial center of the country, and as the predominant recipient of rural-urban migration, has had a significant impact on the human settlement patterns observed there. To a considerable extent, the city of Lomé

is presently being transformed from a collection of large traditional villages around an administrative and commercial town, into a major urban center along the West African coast. To date, the city's growth has been marked by its expansion into peripheral areas, both along the coast toward the new port facility east of the city center, and northward toward the higher terrain beyond the lagoon. (Expansion toward the west is constrained by the border with Ghana, which is a kilometer from the center of the city.) Part of this expansion has been caused by the administrative annexation of the villages of Bé to the east, and Tokoin to the north (see map, Figure 4.1). In addition, over the past ten years, the GOT has undertaken a major effort to correct the unsanitary conditions arising from the stagnant water in the lagoon. A new outlet from the lagoon has been cleared to improve drainage, and large portions of the lagoon have been filled, creating broad open spaces which are slated for recreational uses.

While no recent planning has been undertaken with regard to the overall growth of Lomé, a master plan drawn up in 1968 appears to be the only documentation available as to GOT intentions in directing the expansion of the city. While this master plan seems to underlie current planning strategies for Lomé, a better indication of actual practices

FIGURE 4.1



5 a.

can be inferred from the effort to resettle the Zongo quarter of the city. This densely populated area is composed of permanent dwellings built on government owned land for which the residents do not pay rent. The GOT has determined that this centrally located parcel of nearly five hectares is needed for the expansion of government facilities. With an estimated 730 people per hectare, building coverage of over 70% of the land surface, and very few infrastructure services, the GOT has chosen to relocate the residents of Zongo on a site 15 kilometers from the center of Lomé. The new site has been subdivided and tenure given to specific households of Zongo without cost to the residents as compensation

for their dwellings in the central area of the city. While some infrastructure has been provided, the water line which the GOT extended - at considerable cost - to the new site, has been determined to be inadequate to provide piped water for each compound.

The Zongo case raises several important issues in land-use planning. The selection of a site which is not contiguous with the present population concentrations indicates that a broad peripheral area has been jumped, mostly because land closer to the present population areas was determined to be too costly for government purchase. The GOT hopes to bring the cost of land in peripheral areas under control by creating L'Agence d'Equipement des Terrains Urbains (AGETU), which will acquire and develop land for housing and undertake a land-banking program. While AGETU may well be able to control land speculation in the future, the selection of more distant and less costly sites for housing development should be weighed against the increased transportation costs which residents must incur. The public transportation system in Lomé is just being developed. As the new Zongo site is not served by this system, its location must be viewed as a considerable constraint for potential residents.

The provision of a piped water system with a limited capacity in the primary line precludes the GOT from extending the piped water supply to each compound unless it constructs an additional line. While cost constraints may reasonably curtail the provision of water taps for each compound under present conditions, it appears somewhat short-sighted to have built a major line (over 8 kilometers long) which cannot be used for expanded service in the future. Future planning should take account of some of the issues apparent in the relocation of Zongo.

#### 1. Migration

Lomé's rapid increase in size, stimulated in large measure by a high level of in-migration, has created pressures on the city's ability to provide adequate services and housing, particularly among the low-income groups. As the capital, and major commercial and industrial center, Lomé is the primary pole of attraction for both rural migrants and the urban élites of smaller Maritime towns. Three quarters of the rural-urban migratory flow has been directed towards Lomé, adding to the numbers of lower-income groups and creating a demand for housing that is within their means.

Lomé's population rose from 86,000 in 1960 to 193,000 by 1970, an annual average growth rate of 9.8%. Two-thirds of the annual increase is attributable to the rapid influx of migrants. During the decade from 1960 to 1970, Lomé received an average of 7,600 migrants per year. Projections made by a UNDP/CCL study, based on the 1970 census and the average 9.8% annual growth rate, suggest that the present population is 370,850, and estimate that the population of Lomé will be 780,000 by 1985. As no more recent surveys of the Lomé population were undertaken after the 1970 census, these estimates for 1977 cannot be verified. However, information available from other sources within the GOT suggests that the present population is approximately 280,000 to 300,000. Based on these data, the Team estimates that the population of Lomé will reach approxi-

mately 700,000 by 1985, (see Table III.A)

The city has expanded to accomodate its growing numbers and absorbed peripheral areas where settlements have been concentrated. Extension of the city's limits to include areas such as Tokoin and Bé merely formalized Lomé's effective boundaries. Both Tokoin and Bé experienced a rate of growth that was significantly higher than that which occurred within the older 1960 municipal boundaries. Saturation and lack of land in the older quarters, along with the tendency for migrants to concentrate in ethnically or geographically related settlements, seem to account for this.

Bé and Tokoin had populations of 8,000 and 7,000 respectively according to the 1960 census, before they became part of the Lomé municipality. By 1970, these populations rose to 50,000 in Bé, and 40,000 in Tokoin. The number of residents whose birthplace was Lomé represented 50% of those living in the older quarters of Bé, and only 6% of those in the more recently developed quarters, compared to a proportion of 52.8% for the city of Lomé as a whole. Figures for the geographic origin of Tokoin residents are not available; however, it is useful to note that Tokoin, unlike Bé, has been the site of a number of upper-income suburban residential projects, as well as an area of concentrated low-income migrant settlements.

## 2. Densities

Consideration of the problems of densities in Lomé must take into account both land-use densities and room-occupancy. These two factors shed light on various dimensions of the shelter problem.

The influence of Togolese cultural and traditional patterns is apparent in the pattern of land-use. Large lot sizes are favored, as are single-level dwelling units which normally cover a third of the surface within a walled-in compound. Average lot sizes in Lomé range from 400 M<sup>2</sup> to 600 M<sup>2</sup>, and rarely

fall below 130 M . In Bé, which is generally regarded as a representative low-income quarter of the city, average lot size is 400 to 470 M . Given the relatively spacious size of the compounds, present overall densities are reported to be below 220 persons per hectare. This figure, however, does not take into account the Zongo quarter located in the center of the city on government-owned land to which the residents have no tenure. This squatter settlement of essentially permanent dwellings is not typical of the pattern of land use. Lot sizes in Zongo are relatively small, averaging 136 M , with over three quarters of the surface covered by buildings, resulting in densities of 730 people per hectare.

While Zongo is an anomolous case in terms of population densities, the low overall densities throughout the city must be viewed in the context of single level dwelling units and large amounts of unoccupied space within the compounds. The problem of overcrowding, however, has not been avoided by the spread of the city into peripheral areas and the subdivision of land into relatively large lots in those areas. Room-occupancy rates, particularly among low-income groups, and the doubling-up of households categorized as "lodged for free" reveal extensive over-crowding. GOT data and the surveys conducted

by UNDP/CCL as part of the Projet Togo 72/007 on housing deal primarily with land-use densities and do not address room-occupancy rates. It is possible, however, to assess the scale of overcrowding by taking into account the several factors including the average number of rooms per household, and the average number of households per compound, as reported by the UNDP/CCL teams in 1974. These indicate that the lowest income groups are mostly tenant and "lodged for free" households. A little over half of the tenants and those lodged for free occupy one room units. In addition, approximately 95% of the tenants and 80% of the households which are lodged for free live in units of not more than 2 rooms, as can be seen in Table IV.A, below.

TABLE IV.A

<u>Type of Tenure</u>	<u>ROOM OCCUPANCY LEVELS IN BE</u> (in percentages)				
	<u>Number of Rooms</u>				
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5+</u>
Owners	9.4	21.7	11.5	11.5	45.9
Tenants	54.6	40.4	3.1	1.1	0.2
"Lodged for Free"	55.8	25.7	10.3	3.9	4.3
Occupancy Levels for all Types of Tenure	46.2	32.1	7.3	3.8	10.6

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SOURCE: UNDP/CCL studies, and Togolese authorities.

Another dimension of the crowding is the larger number of households per compound in low-income neighborhoods. While the survey conducted by GOT authorities on housing lists about half of the compounds as having one household, this figure seems to be skewed toward upper-income groups. A more realistic estimate is that single-family compounds account for 15% to 20% of the total number of households in Lomé. The same GOT survey cited above found that in those compounds housing more than one family, there were an average of 4 to 5 households per compound. UNDP/CCL surveys estimate an overall average of 3 households per compound assuming one to two family compounds among those earning over 15,000 CFAF in 1974, and nine households per compound among those below that income level. Given these figures, the number of people per compound in low-income neighborhoods would appear to range from 36 to 54, or an approximate average of 6 people per room.

As these statistics indicate, the density question is quite complex. On the one hand, land coverage and the number of people per hectare are relatively low, which increases the cost of providing urban infrastructure. On the other hand, room occupancy levels are far too high for purposes of health, sanitation and individual well-being.

## B. Housing Stock

### 1. Tenure Patterns

Home ownership in Lomé occurs principally among upper-income groups. The increase in land, construction, and materials prices, along with the lack of credit availability for non-salaried groups, make home-ownership and auto-construction of houses using permanent materials increasingly prohibitive for low-income groups. According to the GOT survey on housing in 1971, only 10% of the respondents had participated in the construction of their homes. This figure, however, is difficult to interpret given that the proportion of non-respondents was 67%, and that the amount of auto-construction in Lomé has never been fully evaluated. Despite the lack of comprehensive data, it is reasonable to assume that a large share of the formal housing construction in the city is being undertaken by upper-income groups. Investment in the building of rental units has become an extremely lucrative enterprise as real estate values and the demand for housing have risen, and the number of such units has grown proportionately. Those who are able to afford such investments frequently prefer to remain within their compounds, and rent out the properties, or alternatively build "wagons" and occupy one of the compartments.

In 1971, 41% of the houses in Lomé were reported to be owned by their residents, while 29% were occupied by tenants; another 25% of the households were "lodged for free". However, in Bé, these proportions are largely reversed with home ownership representing 20.5% of the residents, and 52.5% of the households renting their shelter. The trend towards a larger number of rental units is apparent in Lomé as a whole, and in Bé in particular when one looks at tenancy figures in other cities, as can be seen in Table IV.B below.

TABLE IV.B

HOUSING TENURE PATTERNS  
(in percentages)

	<u>OWNERS</u>	<u>TENANTS</u>	<u>LODGED FOR FREE</u>	<u>OTHER</u>
LOMÉ	41.1 <sup>1/</sup>	29.0	25.7	4.2 <sup>2/</sup>
BÉ	20.5	52.5	27.0	-
SOKODE	36.9	21.8	26.5	14.8 <sup>3/</sup>
OTHER URBAN CENTERS (excluding Lomé)	47.0	24.4	26.1	2.5 <sup>2/</sup>

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SOURCES FOR Lomé and Other Urban Centers are based on data from the GOI 1971 survey "L'Enquete de l' Habitat". Data for Bé and Sokode are based on the 1974 UNDP/CCL study "Observations Ponctuelles Sur la Situation du Logement au Togo."

<sup>1/</sup>Data for "owners" in Lomé may be over-estimated as the survey appears to be skewed in favor of upper-income households which occupy single-family compounds.

<sup>2/</sup>"Others" in Lomé and Other Urban Centers are comprised of non-respondents.

<sup>3/</sup>"Others" in Sokode are primarily households which own the land through traditional inheritance patterns but do not necessarily have title to the structure built on it.

The Table indicates that in Bé the proportion of households renting their shelter is nearly twice as great as in other urban areas. In these other urban areas, which reflect more traditional tenure patterns and have not experienced the same rates of growth as Lomé, approximately one quarter of the households rent their shelter, while nearly half are owner-occupants and slightly more than 25% are lodged for free, which is an indication of the continuing strength of traditional extended family ties. In Lomé, the combination of building rental units in "wagon", and lodging families for free, has in the past made possible the absorption of much of the city's rapidly increasing migrant population.

## 2. Quantity and Condition

While no official estimate has been made of the number of dwelling units in Lomé, it is possible to calculate an approximation from data collected for the 1971 GOT study "Enquete de l'Habitat". The study was based on a sample size of one-tenth of the compounds in Lomé, or approximately 1,150 compounds.

Taking an average of three household units per compound, there were approximately 34,500 dwelling units in Lomé in 1971. This estimate roughly corresponds to the city's population at that time, with an average of 5.8 persons per household. Subsequent estimates of the housing stock made by the UNDP and CCL assume that each household in Lomé was housed in its own unit.

Working from this assumption, and the average of 5.8 persons per household, the UNDP and CCL estimated there to be approximately 50,000 households and dwelling units in Lomé in 1974, which estimate was in turn based on a projected population size of 280,000 people in the city in that year.

One of the reasons that a more reliable estimate of the housing stock cannot be made is that many of the city's households do not register the title to their land. The survey on which "Enquete de l'Habitat" was based found that only 21.6% of those interviewed had certification of land title. Another 22.2% reported that they had no registered certification of title, while 56.2% of the households were listed as non-respondents. Direct observation by the Team suggests there is evidence of construction in progress in approximately one out of every ten compounds. It is significant that GOT estimates indicate that roughly one-fourth of the housing units constructed in both Bé and Lomé were built in the decade from 1960 to 1970. The common pattern of constructing units over an extended period of time makes it difficult to estimate the number of units which can be considered as "completed units" in a given period.

The most common construction materials for the houses in Lomé are concrete blocks for the walls, iron sheets for the roofs, and concrete flooring, according to the survey conducted by GOT authorities in 1971. Table IV.C gives a distribution of the housing units by construction materials for outer walls for Bé and Lomé.

TABLE IV.C

<u>DISTRIBUTION OF CONSTRUCTION</u> <u>MATERIALS USED IN HOUSING</u> (in percentages)		
	<u>LOME<sup>1/</sup></u>	<u>BÉ</u>
Wood	1.3%	N.A.
Concrete Block	74.7%	84.2%
Brick	15.9%	4.2%
Thatch	4.0%	2.3%
Adobe	2.4%	9.3%

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N.A. Data not available.

SOURCES: Lomé data are based on the GOT survey "Enquete de l'Habitat" conducted in 1971. Bé data are based on UNDP/CCL "Enquetes Socioeconomiques Sur l'Habitat 1974-1975".

<sup>1/</sup>Lomé data does not include 1.4% for other materials and 0.3% who did not respond.

Because the figures in Table IV.C relate to completed units only, they may well over-represent the permanent materials used in housing construction. Direct observation reveals that many units in low-income areas are constructed with a variety of "temporary" materials for both walls and roofs ranging from thatch to mud bricks and wood. While no sound data are available with which to refute the high proportion of permanent dwellings indicated in the figures for Lomé, the Team's observations strongly suggest that the surveys on which they are based probably under-estimate the quantity of temporary structures, particularly in such areas as Bé.

The high proportion of cement or concrete block construction indicates a preference for building with permanent materials, which is a matter of prestige as it represents a change from rural to urban dwelling forms. About 11% of the dwelling units in Lomé had concrete roofs, while the majority used iron-sheeting. The extreme discomfort of this type of masonry construction in a warm and humid climate is alleviated to a small extent by putting in a false ceiling, or allowing for some form of ventilation.

The inadequacy of services and infrastructure is apparent throughout the city. According to the GOT survey on housing in 1971, 24% of the households had electricity, used primarily for lighting. This proportion is most likely higher at present as a result of the city's extension of lines, although in areas such as Bé where service was available in 1974, only 12% of the households had electrical connections, due to their high cost relative to the incomes of the residents.

The 1971 GOT survey points out that 13% of the dwelling units were equipped with running water, while the majority used wells of poor water quality located within the compound. An estimated 20% of the households surveyed were found to be dependent on public fountains and/or wells located outside the compound (see Table IV.D) and most of these are located at a distance of between 500 to 1000 meters from the housing units.

The predominant system for the disposal of human waste is the use of bucket latrines which serve an estimated 69% of the households in Lomé. The night soil is collected several times each week by the sanitation department, under the Ministry of Health, and dumped into the ocean about 15 kilometers east of the city. Only 13% of the homes are equipped with flush toilets. Of

TABLE IV.D

DISTRIBUTION OF UTILITIES  
IN LOMÉ (1971)

Percentage Distribution

<u>ELECTRICITY</u>	24%
<u>WATER</u>	<u>100%</u>
In-house taps	13.0%
Public fountain only	9.9%
Wells in compound only	30.5%
Wells outside compound only	7.1%
Public fountain plus wells in compound	18.6%
Public fountain plus wells outside compound	2.4%
Other	18.5% <sup>1/</sup>
<u>SEWAGE</u>	<u>100%</u>
Water-borne system	10.3%
Septic tanks	2.7%
Bucket latrines	69.0%
Pit latrines	4.0%
None	14.0%

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SOURCE: "L'Enquete de l'Habitat", 1971.

<sup>1/</sup>Others include a variety of combinations of the sources noted in the table, plus river water and rain water collected in cisterns.

these, 10.3% were hooked up to the existing 12 kilometer water-borne sewage system which empties out into the ocean at the center of the city without treatment. As this system has not been expanded since 1971, the proportion of houses linked to it is probably smaller at present. The remaining 2.7% of the houses with flush toilets used septic tanks in 1971. This proportion has increased as most of the upper-income housing units as well as many of the public buildings constructed since that time are equipped with their own septic tanks. These tanks are emptied out periodically using vacuum pump trucks provided by the Sanitation Department of the Ministry of Health, for a fee of approximately 3,500 CFAF (\$US 14.60) each time. The waste collected by vacuum pump trucks is also dumped into the ocean without treatment. Additionally, 14% of the households surveyed in Lomé in 1971 had no sanitary facilities whatsoever, and while there are a few public latrines, the beach and lagoon serve as alternative toilet facilities.

Numerous occupied lots, primarily in the urban centers, are equipped with cesspools (dug-out holes often filled with rocks) for the disposal of water used for washing, cleaning, etc. However, lack of strict control, ineffective maintenance and the improper use of these facilities for garbage disposal, frequently causes effluent to overflow into the streets.

The combination of an insufficient supply of clean water, an inadequate waste disposal system, a minimal water-borne sewage system, and poor surface drainage, contributes to the prevalence of parasitic and infectious diseases among a large proportion of the population.

### 3. Projected Housing Need

The Ministry of Plan has recently set forth a proposed program for meeting the housing needs of low-income groups in Togo. This program draws heavily on data provided by the 1974-75 UNDP/CCL surveys in determining housing needs. It estimates a need for 125,650 new units in urban centers from 1975 to 1985, (See Table IV.E). Of these, 83,000 new units will be

TABLE IV.E

PROJECTED HOUSING NEED FOR URBAN  
AREAS BY REGION 1975-1985

	<u>Number of Units</u>	<u>Percent of Total</u>
<u>MARITIME REGION</u>	<u>100,980</u>	<u>80.4%</u>
of which:		
Lomé	83,000	66.1%
Other Urban	17,980	14.3%
<u>PLATEAU REGION</u>	<u>8,180</u>	<u>6.5%</u>
of which:		
Atakpamé	2,670	2.1%
Palimé	1,690	1.4%
Other Urban	3,820	3.0%
<u>CENTRAL REGION</u>	<u>12,800</u>	<u>10.2%</u>
of which:		
Sokodé	6,950	5.5%
Other Urban	5,850	4.7%
<u>KARA REGION</u>	<u>740</u>	<u>0.6%</u>
of which:		
Lama-Kara	740	0.6%
<u>SAVANNAH REGION</u>	<u>2,950</u>	<u>2.3%</u>
of which:		
Dapango	2,500	2.0%
Other Urban	450	0.3%
<u>TOTAL URBAN</u>	<u>125,650</u>	<u>100.0%</u>

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SOURCE: Ministry of Plan based on UNDP/CCL studies.

needed in the Lomé area alone. Such projections are calculated on the basis of the UNDP/CCL 1974 estimates of urban populations and projected growth rates, and assume that all households were adequately lodged in 1974, and that each new household formed between 1975 and 1985 will require its own unit, and express a potential demand for housing. Table IV.E indicates that 66.1% of the total urban housing need over the next decade will be the need experienced in Lomé.

In its proposed program, the Ministry of Plan has determined that the GOT should provide housing for of all those households with incomes below 30,000 CFAF per month. As can be seen from Table IV.F, there will be a need for over 90,000 families in all urban areas at or below this income level, with approximately 60,000 of these in Lomé. A further breakdown of the income distribution indicates that there will be a need for housing units for over 70,000 urban families in Togo whose incomes are below the median income level of 15,000 CFAF per month, 43,860 of them in Lomé.

These projections assume that there will be no change in the relative distribution of household incomes over the next decade, and that the population of Lomé will grow from an estimated 300,000 in 1975 to 780,000 by 1985. Other sources within the GOT suggest that the Lomé population was no greater than 280,000 in 1975 (see Table III.A), and that it will grow to approximately 700,000 by 1985. Based on these projections, the Team estimates that there will be approximately 38,000 to 44,000 new households formed in Lomé during the decade from 1975 to 1985, whose incomes are at or below the median income level.

While it is difficult to estimate the effective demand for housing (that is, both the ability and the willingness to pay), it can be assumed that approximately half of the new households will express an effective demand for housing units during the decade in question. Such an assumption is consistent

with the housing tenure patterns for Bé, as a representative low-income urban area, (see Table IV.B), where 20% of the households are owner-occupiers, and over 50% are tenants paying from 2,000 to 5,000 CFAF per month for housing. Thus, it appears that from 1975 to 1985, there will be an effective demand for an average of approximately 2,000 new units per year expressed by families whose incomes are at or below the Lomé median income level.

TABLE IV.F

PROJECTED HOUSING NEED FOR HOUSEHOLDS  
EARNING BELOW 15,000 and 30,000 CFAF PER MONTH  
(1975 to 1985)

	<u>Households Earning</u> <u>Below 15,000 CFAF/Mo.</u>		<u>Households Earning</u> <u>Below 30,000 CFAF/Mo.</u>	
	<u>Number of</u> <u>Households</u>	<u>Percent of</u> <u>Total</u>	<u>Number of</u> <u>Households</u>	<u>Percent of</u> <u>Total</u>
TOTAL NATIONAL	<u>80,490</u>	<u>100.0%</u>	<u>101,290</u>	<u>100.0%</u>
RURAL	9,000	11.2%	9,600	9.5%
URBAN	71,490	88.8%	91,690	90.5%
(of which Lomé)	(43,860)	(54.5%)	( 59,690)	(58.9%)

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SOURCE: Ministry of Plan document "Project de Participation á la Construction Maisons des Maisons d'Habitations a Loyers Moderes au Togo", 1977.

The GOT proposal cited above indicated that the government would attempt to provide approximately 300 new "economic housing" units (that is, units affordable by households with incomes of less than 30,000 CFAF per month) in Lomé in 1977, and an additional 500 units in five other urban centers, for a total investment of 2 billion CFAF (\$US 8.3 million), or approximately \$US 10,000 per unit.

As the new housing institutions which are to implement this program have not yet been established or staffed, none of this construction has begun. In addition, the GOT intends to make a request for 90% of the financing for this program from the French Government agency, the Caisse Centrale de la Cooperation Economique (C.C.C.E.).

While the GOT is presently in the process of setting forth a national housing policy, and establishing the institutions which will determine the specific objectives of this policy and its implementation strategies, several points should be made with regard to the adequacy of the program proposed by the Ministry of Plan in "Projet de Participation à la construction des Maisons d' Habitations a Loyers Moderes au Togo." The initial phase of this program proposes to meet less than 5% of the annual need for new housing units in Lomé for families earning less than 30,000 CFAF per month. At a cost of 2,500,000 CFAF per unit (approximately \$US 10,000), these units could be amortized only by households with a monthly income of approximately 100,000 CFAF, at the lending terms presently available in Lomé, if 20% to 25% of monthly income is allocated to housing. Alternatively, if one uses the Togolese rule-of-thumb that a household can sustain a mortgage roughly 2.5 times its annual income, then the proposed units could be afforded by households earning approximately 80,000 CFAF per month, if the cost of the units is to be fully amortized by the occupants.

The title of the proposal suggests, however, that the GOT intends to rent units built under this program. The strong preference among Togolese for homeownership notwithstanding, rental payments on these units would exceed the ability to pay of households earning 30,000 CFAF per month, if the GOT intended to recover its investment costs over 20 to 25 years. The strong implication is that even if the proposed units were heavily subsi-

dized, they would certainly not be affordable by families earning less than the Lomé monthly median income level of 15,000 CFAF. Even so, the GOT would be burdened with large increases in its budget allocations on a continuing basis, which would only benefit a very small portion of those households thought to require assistance to meet their shelter needs.

### C. Public Utilities and Services

#### 1. Electric Power:

Two corporations are responsible for the Togolese power sector: Communauté Electrique du Benin (CEB) was created in 1968 to supply electric power to Togo and Benin and to large industrial customers. It became fully operational in 1973 after completion of the high voltage line connecting Togo and Benin to the Akosombo Dam Power plant in Ghana. The Compagnie D'Energie Electrique Du Togo (CEET) distributes power for residential, commercial and small industrial use.

The GOT investment in public electric power production has been relatively small: only 2.5% of the total 1966-75 plan budgets, or 0.3% of GDP. This low level of investment appears consistent with the large increase in power consumption which has occurred since 1960. The present per capita consumption level is 60 KWH per year. There are, however, two basic reasons for the low level of investment. Two major industrial users, CMTB and ITT, have installed independent, relatively large thermal power generating facilities for their own use. More important, since 1960 the GOT has held a guaranty for importing electric power from Ghana which has proved to be financially advantageous to Togo. Power from Ghana is being imported at 25% of the cost of locally generated power in Togo.

Projected domestic and industrial power demand shows a rapid increase in Togo's requirements for the next several years. The GOT has commissioned a study on power supply alternatives that would satisfy the future demand of Togo, as well as Benin.

Table IV.G below shows the projected electric power consumption and supply requirements from 1976 to 1985.

Table IV.G

<u>PROJECTED DEMAND AND SUPPLY</u> <u>FOR ELECTRIC POWER 1976-1985</u>						
	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1980</u>	<u>1983</u>	<u>1985</u>
<u>DEMAND</u>						
(power consumption GWH)	<u>138</u>	<u>185</u>	<u>266</u>	<u>408</u>	<u>502</u>	<u>542</u>
of which:						
TOGO <sup>1/</sup>	88	125	266	408	502	542
CTMB <sup>2/</sup>	50	60	-	-	-	-
<u>SUPPLY</u>						
(power supply GWH)	<u>138</u>	<u>185</u>	<u>266</u>	<u>408</u>	<u>502</u>	<u>542</u>
of which:						
HYDRO (GHANA)	88	125	266	313	313	313
HYDRO (MONO) <sup>3/</sup>	-	-	-	-	65	130
THERMAL	50	60	0	95	124	99
Fuel Oil Required for Thermal Power Generation <sup>4/</sup> (in 000 M. tous)	12.5	15.0	0	23.8	31.0	24.8

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SOURCES: IBRD and UNDP/CCL study "Normes et Grilles des Equipements Pour les Agglomerations Togolaisas", 1974.

<sup>1/</sup>Excluding CTMB through 1977.

<sup>2/</sup>Before joining CEB in 1977.

<sup>3/</sup>Mono River hydro-electric power plant project to start in 1979-80; the Kara River plant project is projected to start in 1979-80, but future capacity of production is not included.

<sup>4/</sup>Assumes 250 grams per KWH.

CEET's tariffs have been in force without change since 1967, making a basic review of its rate structure necessary in the near future. The average price in 1974 was CFAF 18.4/KWH, about 10% less than in the late 1960s.

The GOT is facing several difficult decisions with regard to power supply which are likely to have far reaching effects on the country's future development. It must decide whether to invest in new power sources or to continue long-term purchasing arrangements. It must also review the tariff structure and consider a revision of rates. Further study is to be undertaken on these issues, as well as a detailed review made of a project with potentially high savings which would link Ghana, Togo, Benin and Nigeria, in order to establish a definite investment program for the period up through the early 1980s.

## 2. Water Supply

The responsibility for water supply has recently been shifted to the Ministry of Mines, Energy and Water Resources. The majority of Togo's population relies on water from shallow wells, rivers and streams, most of which are polluted and unreliable during the dry seasons. Only about 15% of the population in seven urban centers is served by piped water supply systems. It has been determined, however, that while the pumping and filtration stations from which the water is distributed and the chlorination may be basically adequate, the quality of the water eventually deteriorates. This is due to old distribution mains which permit leakage, as well as to the limited capacity of the filtration and chlorination system which is particularly noticeable after heavy rains.

The country's capital, Lomé is serviced by the pumping and filtration station at Cacavelli, which draws its supply from four deep-drilled wells with an output of about 13,000 M<sup>3</sup> per day. Table IV.H shows the sources and quantities of water supply in nine of Togo's population centers as of 1973.

Table IV.H

SOURCES/AND CAPACITY OF WATER SUPPLY  
IN URBAN CENTERS - 1973

Location	Source	Daily Capacity M3	No. of Users	Total Population	% of Users	Local - street - Shallow wells
Lomé	4 wells	13,000	3,540	240,000	1.48 %	139
Anécho	1 well	2,050	89	11,800	0.75 %	16
Vogan	1 well	(N.A.)	(N.A.)	29,700	(N.A.)	(N.A.)
Tabligbo	1 well	(N.A.)	(N.A.)	4,800	(N.A.)	(N.A.)
Tsévié	2 wells	2,000	102	14,000	0.72 %	14
Palimé	Reservoir	2,600	214	21,400	1. %	16
Atakpamé	Reservoir	520	212	18,200	1.67 %	(N.A.)
Sokodé	Reservoir	2,400	(N.A.)	31,500	(N.A.)	(N.A.)
Dapango	1 well	22	137	11,000	1.25 %	21

(N.A.) - Data not available

SOURCE: UNDP/CCL study "Aspects Sanitaires de la Politique de l'Habitat au Togo", 1974.

The Second Development Plan (1970-1975) provided only 2% of the investment budget for the water supply sector. The Third Development Plan (1976-1980), however, gives high priority for water resource development and control for several purposes, including urban and rural consumption, as well as agriculture uses and power generation. Virtually all municipal water supply sys-

tems seems to require improvement and extension because of the urban population growth and slow development of the sector in the past.

Water charges are low and favor large consumers. The government pays an annual lump sum for supplied water which however, is below the actual price of consumption. The water corporation is reluctant to increase the rates or to strictly enforce payments for service, because water supply is considered a social service. Due to such tariff policies, government subsidies are necessary to pay the operating deficits. While it is not possible to determine the actual amount of GOT subsidies because of inadequate accounting, it is nevertheless essential that the tariff, costs and financial structure of water supply be reviewed as part of the overall study of improvements in the sector's management and planning.

### 3. Sanitary Sewer Systems

The only municipal sewage disposal system in Togo serves the Central Administrative quarter of Lomé. This section includes the Railroad Station, Avenue des Allies, Rue d'Aneho, Rue de Marseille and part of the coastal area. This is also the only case where storm and sanitary sewers have been separated. Upgraded in 1965, this water-born sewer system consists of  $\phi$  80 cm main collectors where, due to the topography, the gravity flow is assisted by three lift stations. Untreated sewage is discharged into the ocean through a 40 M embankment.

In the Tokoin quarter of Lomé, the Centre Hospitalier Universitaire, Cité Avenir and the military camp have an independent sanitary sewer system while the high-school (Lycée) is served by an 80 cm collector com-

bining the sanitary waste and storm water, both of which discharge untreated into the lagoon.

The majority of the urban population uses public toilets installed by the community, or "tinettes" (containers for the depositing of human waste which are located in a screened area in each compound) which are emptied once or twice per week by the municipal sanitation department and then disposed in the ocean, a system which contributes to serious health problems among the population.

#### 4. Storm Sewer System

The only piped storm sewer installation in Togo serves the Administrative quarter of Lomé. Built simultaneously with the sanitary sewer system for the same area, it consists of two  $\phi$  100 cm collector mains both discharging in the coastal waters. Another limited storm sewer facility, however, combined with the sanitary sewer, serves the high school (Lycée), and discharges into the lagoon.

Elsewhere, the surface drainage is as effective as the natural topography, (which in the coastal region is basically flat and therefore inadequate for this purpose), or dependent on the capacity of a limited number of drainage ditches. Due to such conditions and the heavy rainfall of the two rainy seasons, numerous areas in the coastal region are periodically flooded, thus increasing the already critical health hazard for the population.

D. Environmental and Health Conditions

Environmental constraints to land development are relatively minor in the undeveloped land around Lomé. Except for the narrow sand bar along the coast, the land rises gently toward the north, and provides relative good building sites, although surface drainage is inadequate and ponding is common. Natural vegetation cover in the area surrounding Lomé consists of scattered trees and grasses. Much of the area is under cultivation, although the clay soils are relatively poor for agricultural purposes.

The major health problems are infectious and parasitical diseases associated with poor sanitary conditions. Malaria, riverblindness, infectious gastro-intestinal diseases and measles, followed closely by bronchial pneumonia, infectious pneumonia, infant diarrhea, tetanus and malnutrition, are responsible for the high rate of mortality particularly among infants. The most recent (1973) statistics list the mortality rate among infants as 12.1% (121 per thousand) while the overall mortality rate of the Togolese population is shown to be 2.9% (29 per thousand).

Cholera and small pox have been virtually eliminated through large scale vaccination programs. In certain parts of the country, however, the population is exposed to diseases inherent to specific environmental and sanitary conditions, including:

Dracunculosis - foot worm of Guinea in Nuatja, Klouto,  
Bassari and Kandé;  
Meningitis in the Savannah and Kara Regions;  
Trypanosomiasis - sleeping sickness, mainly in the Savannah Region.

The major cause for these widely spread diseases can be traced to the poor hygienic conditions among the population, which result from limited or non-existent sanitary facilities and poorly distributed potable water, much of which is contaminated by human and animal waste.

The GOT, through the Ministry of Public Health, has made considerable progress in establishing and expanding basic health care infrastructure and services, as can be seen from Table IV.I below:

Table IV.I

	<u>SELECTED HEALTH INDICATORS</u>		
	<u>1961</u>	<u>1965</u>	<u>1973</u>
<u>NATIONAL POPULATION</u> (in thousands) (of which Maritime Region)	1,507 (518)	1,659 (566)	2,090 (761)
<u>POPULATION</u> (in thousands) <u>per Physician</u> (of which Maritime Region)	49 (24)	32 (15)	22 (11)
<u>POPULATION PER HOSPITAL BED</u> (of which Maritime Region)	735 (605)	717 (585)	702 (591)
<u>NUMBER OF PHYSICIANS</u>	31	52	95
<u>NUMBER OF HOSPITAL BEDS</u>	2,050	2,315	2,979
<u>NUMBER OF DISPENSARIES</u>	141	147	226

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SOURCE: IBRD based on data in Togolese publications.

The national health service is insured by the GOT, through the Ministry of Public Health which provides medical assistance services, and through Togopharma, the para-public company which distributes medical supplies. The health infrastructure system comprises the main National University Hospital Center in Lomé, and is divided into the following five categories according to the location and type of medical service:

- I. Regional Hospital Center (First Category)
- II. Hospital Center of Health Subdivision (Second Category)
- III. Primary Health Center (Third Category)
- IV. Secondary Health Center or Dispensary (Fourth Category)
- V. Maternity and Child Care Clinic (P.M.I. or "Centre de Protection Maternelle-Infantile) (Fifth Category)

The following table (IV.J) classifies the regional health services in accordance with the above categories, by their location and the number of hospital beds as of January, 1974.

Table IV.J

REGIONAL DISTRIBUTION OF HEALTH SERVICES

<u>REGION</u>	<u>CATEGORY</u>	<u>CITY</u>	<u>NUMBER OF BEDS</u>
<u>MARITIME:</u>	Special-Main National University Hospital Center	Lomé	850
	II	Aneho	162
	II	Tabligbo	42
	II	Tsevie	136
	III	Vogan	40
	III	Attitougou	20
	III	Assahoun	21
	Special (Phychiatry)	Zebe	16
	Special (Private)	Afagnan	80
	Maritime Region Total		

Table IV.J Continued

<u>REGION</u>	<u>CATEGORY</u>	<u>CITY</u>	<u>NUMBER OF BEDS</u>
<u>PLATEAU:</u>	I	Atakpame	280
	II	Nuatja	62
	II	Palimé	166
	III	Tohoun	40
	Special (Leper Village)	Akata	<u>130</u>
	Plateau Region Total		678
<u>CENTRAL:</u>	I	Sokode	250
	II	Bassari	102
	III	Kambole	12
	III	Bafilo	12
	Special (Leper Hospital)	Koloware	<u>16</u>
	Central Region Total		392
<u>KARA:</u>	I	Lama-Kara	228
	II	Pagouda	88
	II	Niamtougou	68
	II	Kaude	24
	III	Siou	<u>48</u>
	Kara Region Total		456
<u>SAVANNAH:</u>	I	Dapango	160
	II	Mango	130
	III	Bombouaka	<u>20</u>
	Savannah Region Total		310

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SOURCE: UNDP/CCL study "Normes et Grilles des Equipement Pour les Agglomerations Togolaises", 1974.

Nutrition is another important factor in the health conditions of the Togolese population. Although the current average caloric intake (approximately 2,300 calories) would not indicate a nationwide nutrition deficit, regional disparities are substantial and the seasonal availability of food is highly variable. Two basic diets are found in Togo: in the north, the Sudanian type, containing mostly grains, prevails; in the south, the Guinean type is most common, with roots and corn dominating. Diets in the south appear to be better balanced with greater consumption of corn, spinach, meat, and fish. Meat consumption is highest in the Central Region due to its greater availability. The people of the northern regions consume mainly cassava, millet and sorghum.

As a result of the low consumption of animal proteins (with the exception of the Central Region) and the reliance on cereals for protein, the diets of much of the population are presumably deficient in essential amino acids.

Finally, the location of cemeteries in the urban centers, and traditional burial practices - especially in rural areas - contribute substantially to general health problems. There are twelve cemeteries in Lomé, De La Plage being the oldest. All of them are located within less than the regulated distance from existing dwellings and none of them is fenced. The city government is anticipating the opening of a new central cemetery located to the northwest of the Lomé Airport and intends to discontinue use of the twelve existing cemeteries. In rural areas, traditional burial practices are often still followed. Deceased persons are sometimes

buried in their huts or backyards, although most of the larger rural settlements now have cemeteries. Burial without coffin is still a traditional practice for over half of the population.

## V. SHELTER DELIVERY SYSTEM

### A. Land

Ownership patterns and the processes of transferring title to land are in a transitional stage in Togo. Traditionally all lands around a settlement were owned communally by the villagers with rights to farm or occupy specific plots clearly understood to belong to individual families. The rights to occupy or farm these specific plots passed from generation to generation without recorded transfer of title but alienation (or sale) of property was not possible. Payment for the use of land (leasing) has, however, become a common practice even in rural areas and small villages. In the Lomé area and much of the Maritime Region, land has been surveyed, deeds recorded, and a system established for legal transfer of title. The tradition of holding land remains strong but is giving way to economic pressures. Land prices in the Bé area of Lomé have increased significantly in recent years. Most of the underdeveloped land near the center of the city has been bought and is being held with the expectation of even greater price rises.

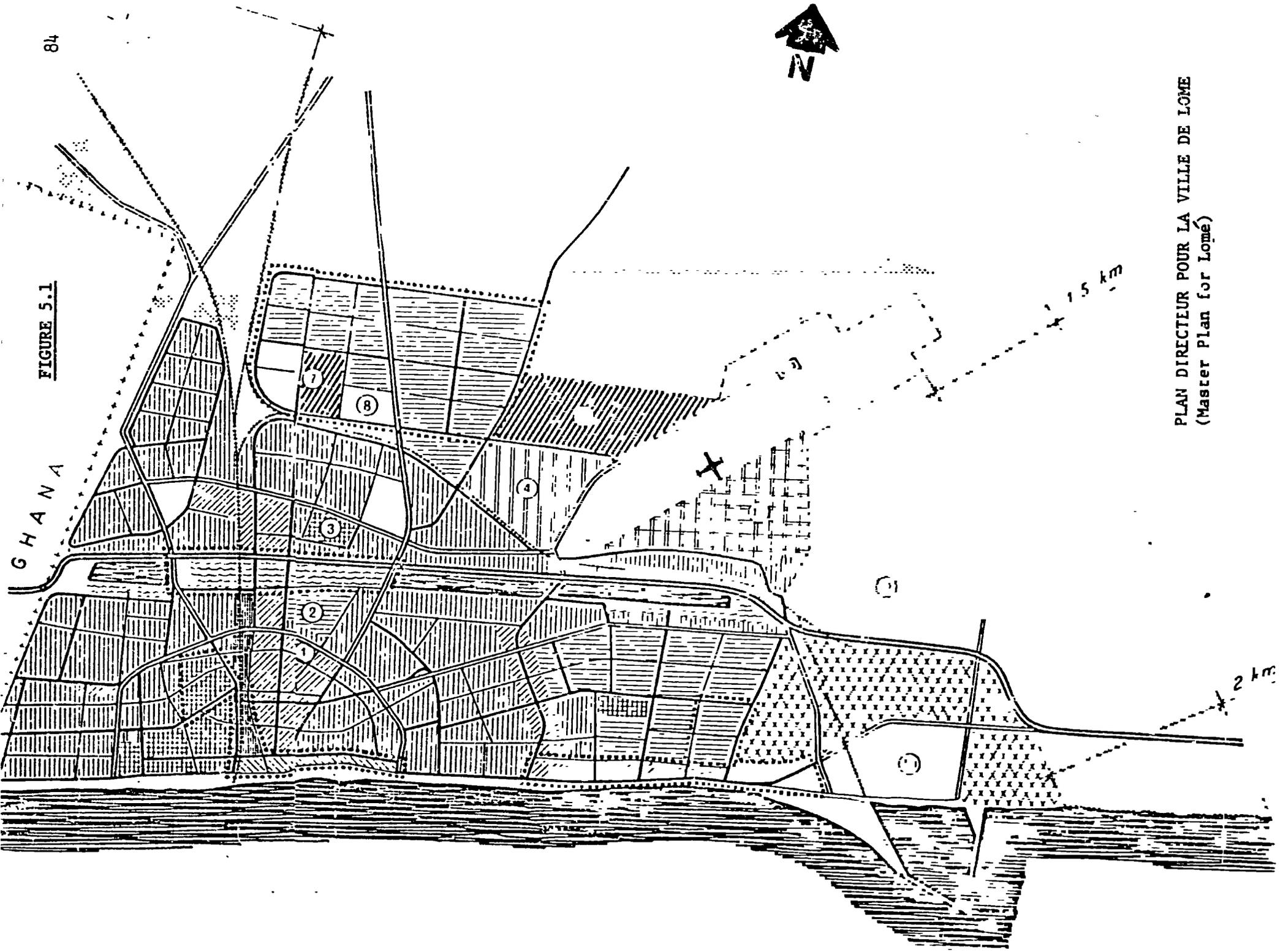
In order to make land available for housing and urban development to accommodate Lomé's rapidly growing population, the GOT intends to establish several new para-public agencies. The most important of these, L'Agence d'Equipement des Terrains Urbains (AGETU), is intended to be the mechanism through which control over urban land development and speculation will be exercised. It will be established as a public institution but will have financial autonomy and will be empowered to undertake commercial ventures.

Its primary responsibilities will be the purchase, sub-division, development, and sale of urban land, and the provision of tracts of land equipped with infrastructure for the operations of SITO, the proposed housing authority.

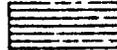
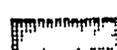
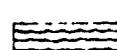
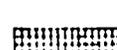
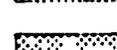
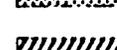
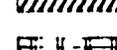
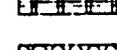
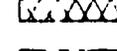
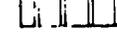
It is hoped by GOT authorities that AGETU can control the land speculation which has developed in the Lomé area in recent years by requiring that all vacant land on the market be sold to AGETU at the official price. Togolese authorities report that although a scheme setting official prices has been in operation, most land is sold for several times the official price. The GOT proposes to tax idle and under-utilized land as a further disincentive to land speculation.

A Master Plan for Lomé was completed in 1968 and remains the official basis for development of the urban area. It is reproduced as Figure 5.1 followed by a translation of the key. In addition to the Master Plan there is an ordinance governing the subdivision and use of land as well as the building codes. This document has been translated and is contained in the Appendix. The ordinance covers such basic principles as building height restrictions and set-back requirements, describes the process of obtaining a building permit, and lists the special provisions which apply to the Urban District of Lomé.

FIGURE 5.1



PLAN DIRECTEUR POUR LA VILLE DE LOMÉ  
(Master Plan for Lomé)

	<i>voie primaire</i>	primary road
	<i>voie de desserte</i>	secondary road
	<i>voie de pénétration</i>	minor road
	<i>secteur soumis à plan masse</i>	areas governed by detailed studies
	<i>secteur d'habitation basse</i>	low density residential sector
	<i>secteur d'habitation évolutive</i>	mixed density residential sector
	<i>secteur de commerce d'artisanat et d'habitation 1</i>	mixed cottage industry, business, and residential sector 1
	<i>secteur de commerce d'artisanat et d'habitation 2</i>	mixed cottage industry, business, and residential sector 2
	<i>secteur d'habitation collective et de bureaux en immeubles hauts</i>	multi-family dwellings, offices, and high-rise area
	<i>secteur de culture de loisir et d'habitation</i>	cultural, leisure, and residential sector
	<i>secteur d'administration et d'habitation</i>	governmental and residential sector
	<i>zone rurale</i>	rural zone
	<i>zone de sport</i>	sports zone
	<i>cimetière</i>	cemetery
	<i>zone industrielle</i>	industrial zone
	<i>terrain militaire</i>	military zone
	<i>plage</i>	beach
①	<i>opération de rénovation</i>	renovation project
②	<i>déménagement de la gendarmerie création d'un nouveau zongo</i>	relocation of police headquarters and rebuilding of Zongo
③	<i>déménagement du BIT aménagement de la gendarmerie</i>	relocation of BIT and police headquarters
④	<i>réserve pour aménagement BIT</i>	land dedicated for BIT relocation
⑤	<i>réserve pour stade olympique</i>	land dedicated for olympic stadium
⑦	<i>réserve parc urbain et sports</i>	land dedicated for urban parks and recreation
⑧	<i>réserve de zone universitaire</i>	land dedicated for the university
⑩	<i>réserve zone franche</i>	land dedicated for free trade zone
⑪	<i>réserve pour extension zone industrielle</i>	land dedicated for extension of industrial zone
⑬	<i>réserve pour extension cimetière</i>	land dedicated for addition to cemetery

## B. Infrastructure

The delivery of serviced lots for housing construction is one of the principal objectives of the newly formed urban policy. Responsibilities for this aspect of housing development will be handled by AGETU which is described in the preceeding section. The present status of urban infrastructure development has been described in Section IV,C. Very little information was available to the Team concerning the costs of providing new roads, waterlines, sewers, storm drainage, street lighting or other infrastructure facilities related to housing development. An estimate of 40% of the cost of a completed unit was quoted as the percentage share of full infrastructure servicing for housing units presently being produced in projects for middle and upper income groups. Included in this figure are the costs of running primary as well as secondary lines to the site, thus the costs of servicing lots in adjacent areas should be substantially lower.

C. Construction Technology, Labor and Management

At the governmental level, efforts in the field of housing are relatively recent initiatives, with the exception of the Centre de la Construction et du Logement (CCL) at Cacavelli. This institution is attached to the Ministry of Public Works which has responsibility for housing, construction of roads and public facilities, as well as for general town planning.

The Center was created in 1968 with the assistance of the UNDP to design and execute model projects in rural areas, and conduct research into building materials and traditional design methods, as well as to train artisans at various levels of proficiency and skill in the building trades. CCL activities have been conducted on both the theoretical and applied levels since its inception. At present it is the sole GOT institution with experience in various aspects of shelter delivery. Its mission has involved it deeply in defining the extent of the housing problem as well as proposing solutions and elements of a housing policy. Perhaps its most useful role to date has been in the training of artisans, and in the field of designing pilot projects in rural housing.

Since housing construction practices differ in urban and rural areas, each of these is described in a separate section below.

### 1. Rural housing

In the central and northern sections of Togo, the traditional rural house consists of a number of individual circular rooms grouped around an open court and a partially enclosed cooking area. These clusters are occupied by members of an extended family and may house as many as twenty to thirty individuals. Walls are usually made of compacted earth blocks with a thatch roof (Figure 5.2). The "modern" rural house in this region consists of a long, narrow main structure built of sun-dried adobe bricks with a corrugated metal roof. It opens directly onto a court which is surrounded by service structures: kitchen, shower, and storage rooms built in the traditional circular style of compacted earth blocks with thatch roof.

The extended family consists of the elder head of household, his wives, his sons and their wives and children. A man will generally have his own room while his wife will share a separate room with the younger children. Food is prepared communally in an outdoor kitchen. A clay fireplace where wood or coconut husks are burned to heat an iron pot is considered preferable, but charcoal pits are used for cooking in some areas. Women and children usually eat outside in the kitchen area. Younger men eat together but separate from the women and children. The elder head of household eats alone before any of the other members of the family.

In the southern part of Togo where humidity is considerably higher, the traditional rural house consists of groups of individual rectangular one-room structures with walls of coconut palm branches and thatch roofs. Spatial organization is similar to that described above, and the structures



are certainly well-suited to the climate, but have for the most part disappeared except as temporary structures for recent urban migrants.

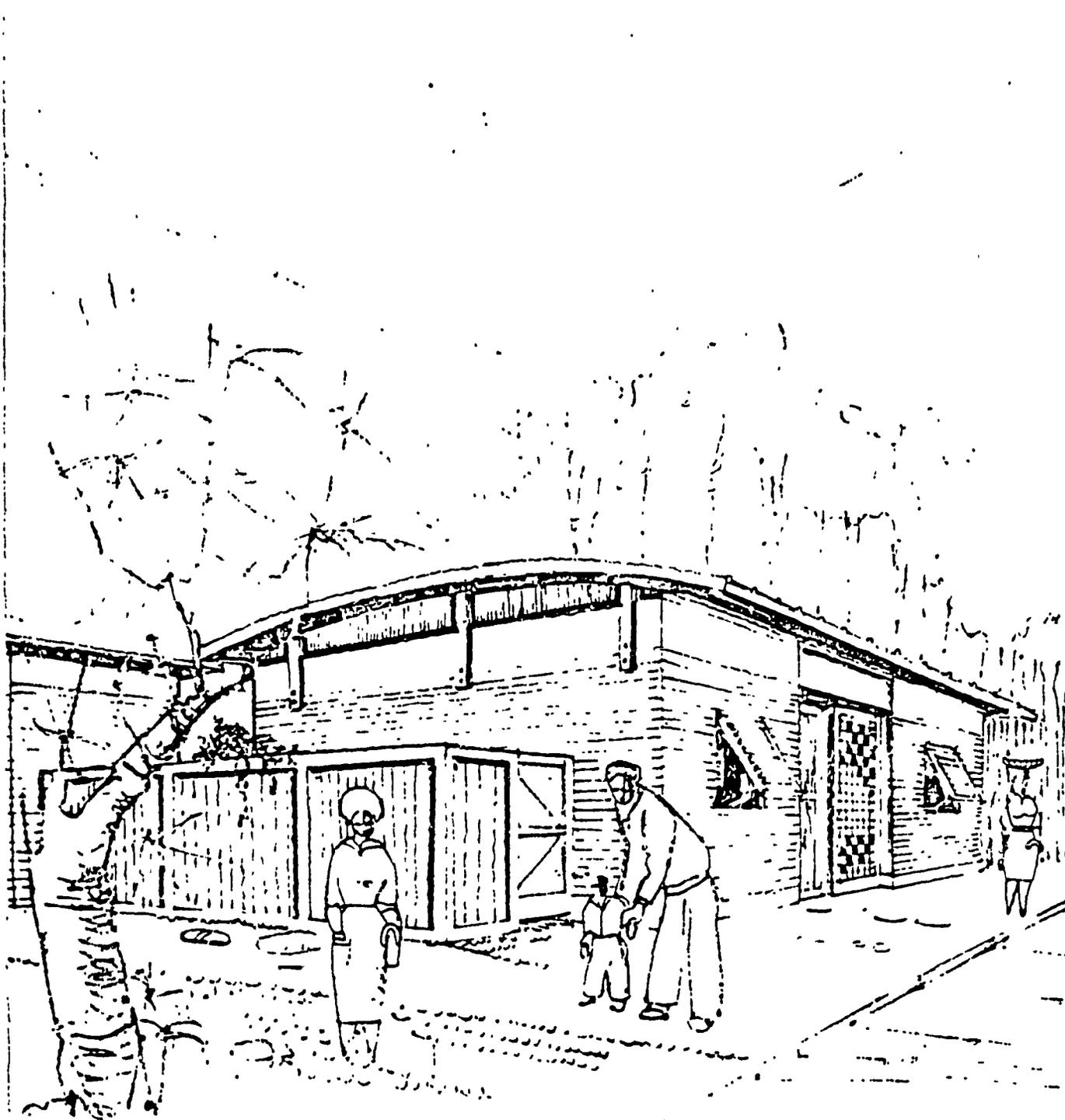
The traditional houses have been replaced with "modern" houses similar to those described above. Two types predominate--one built of adobe bricks as in the north, and a second type built of cement block copied after those found in Lomé and Aného. These houses are sometimes enclosed within walled compounds even in rural areas and small villages. (See Figure 5.3.)

ii. Urban Housing

In the larger market towns and more particularly in Lomé, the transition from rural to urban setting has had a marked effect on living patterns and house types. The extended family remains in principle the household unit, but it is seldom complete as some members usually remain in the village. When additional family members migrate to the city, facilities within the compound are expanded to accommodate the several related households, but some facilities remain common, such as kitchens, showers and toilets as well as most of the outdoor space within the compound. Temporary structures to house new arrivals may be built of compacted earth in the circular style of rural areas in the north, or even using palm branches for walls with a thatch roof. Such structures can usually be built by the owner himself until finances allow for more permanent construction. In Lomé,

FIGURE 5.3a

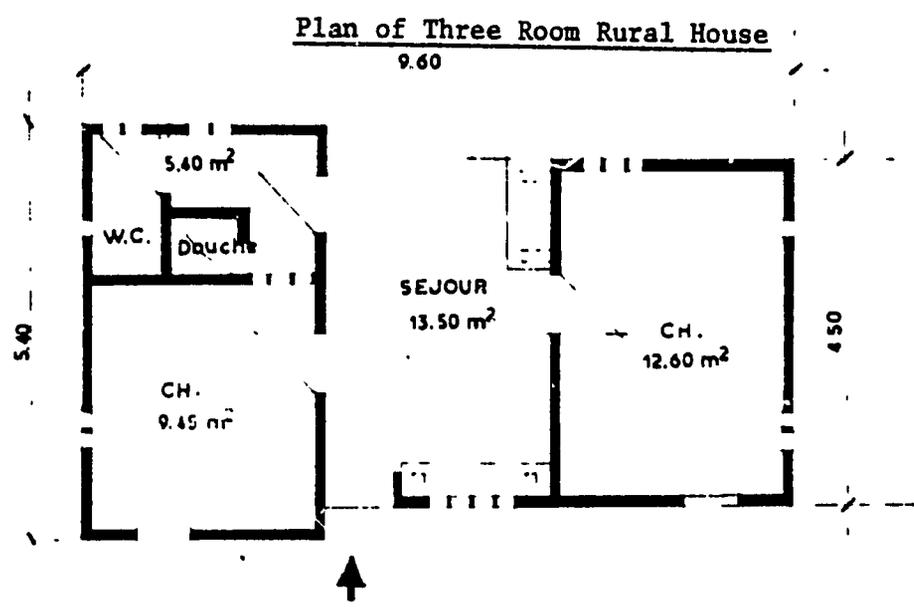
Rendering of Three Room Rural House



# LOGEMENT RURAL à 3 pièces

Type CR 4  
 Refér. L 14 c

FIGURE 5.3b



<u>SURFACES</u>		<u>PRIX EN 1971</u>	
Bâtie	46.20 m <sup>2</sup>	Total moyen	300.000 FCFA
Couverte	8.20 "	au m <sup>2</sup> bâti	6.500 "
			1200 doll. U.S.
			26 "

- FONDATION : semelle 30/10 cm en béton à 250 kg sous-sèment. briques TERSTA
- SOLS : Béton 5 cm tassé
- MURS : briques et cloustras TERSTA linteaux et banquettes en béton armé à 350 kg. mortier cimenté
- TOITURE : tôle nervurée Alu. charpente, bois dur d'Afrique.
- SANITAIRE : V.C. receveur tubé en ciment, fosse septique et puis de puis types maçonnés
- MENUISERIE : très grandes banquettes et persiennes en bois dur. impostes moustiquaires
- PEINTURE : 4 l de peinture blanche au lait de chaux. menuiserie couleur à l'huile

permanent structures are almost always cement block or brick with corrugated (and galvanized) steel roofing. (See Table IV.C.) The addition of one- or two-room rental units, "wagon", along one side of the compound, or the construction of a two-story "villa" with its own private walled garden at one corner, are becoming increasingly common.

#### 1. Housing Construction Technology

The construction methods used in housing are relatively simple but do require tradesmen with a minimal level of skill. Structural masonry walls of cement block, "Cinva Ram" (compacted earth) block or baked brick are set in mortar on a continuous footing usually of rubble concrete poured directly into trenches and capped by a course of concrete block at the ground level. Lintels over windows and doors and the perimeter beam at the top of the walls are usually of reinforced concrete. Corrugated, galvanized steel panels are almost always used as roofing, although aluminum and asbestos cement panels of a similar design are used occasionally. The roof structure is generally wood of unmilled "cakers," round poles made from a locally grown hard wood, "bois de ronier," being the least expensive. A cement slab on grade is generally used as the finished flooring. Doors, windows, light fixtures, plumbing fixtures and hardware are kept to a minimum as all must be imported. Jalousie windows, which allow maximum ventilation are best suited to the climate and are widely used. Figures 5.5 and 5.6 are examples of prototypical urban houses designed by CCL.

FIGURE 5.5a

Rendering of Four Room Urban House

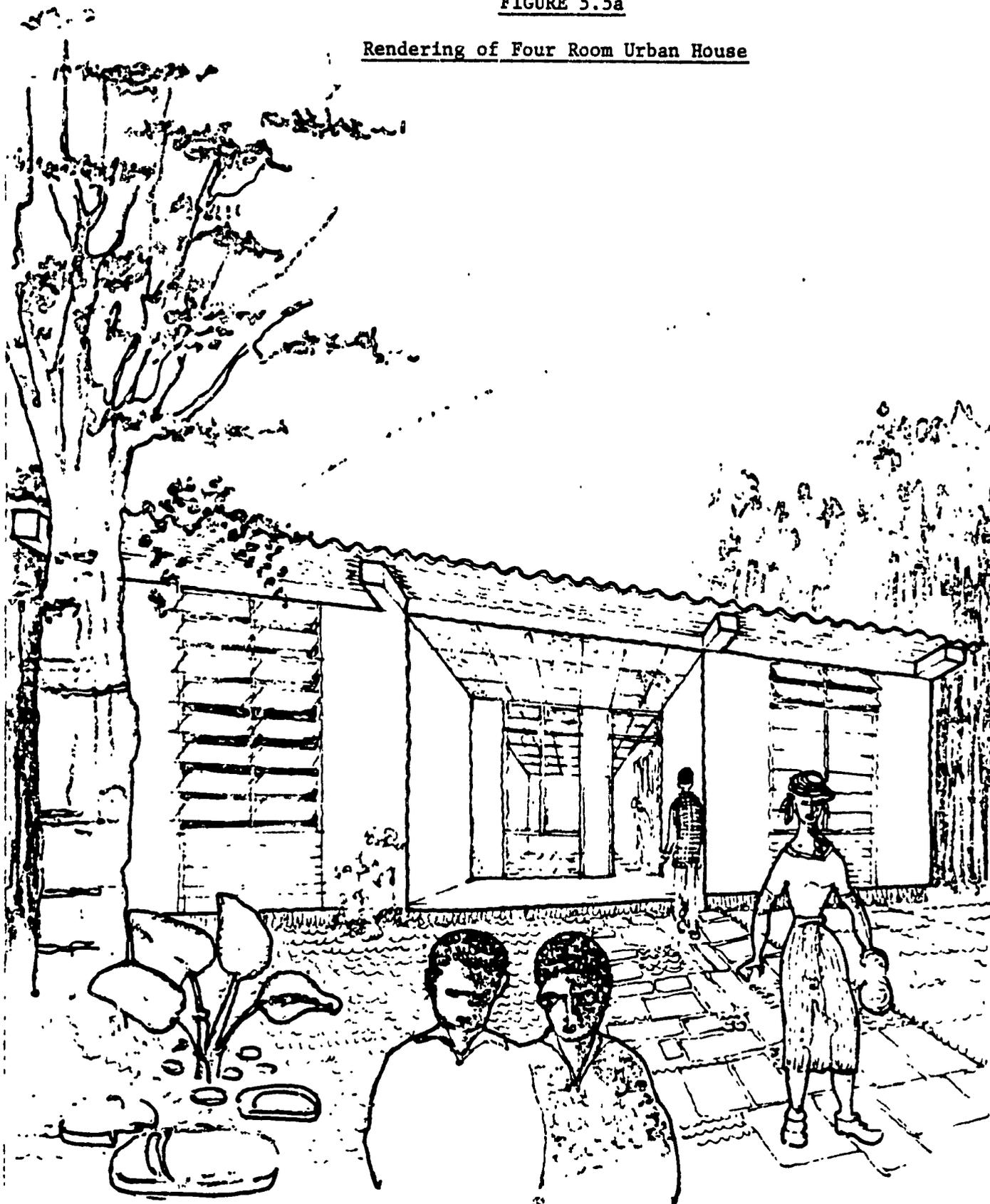
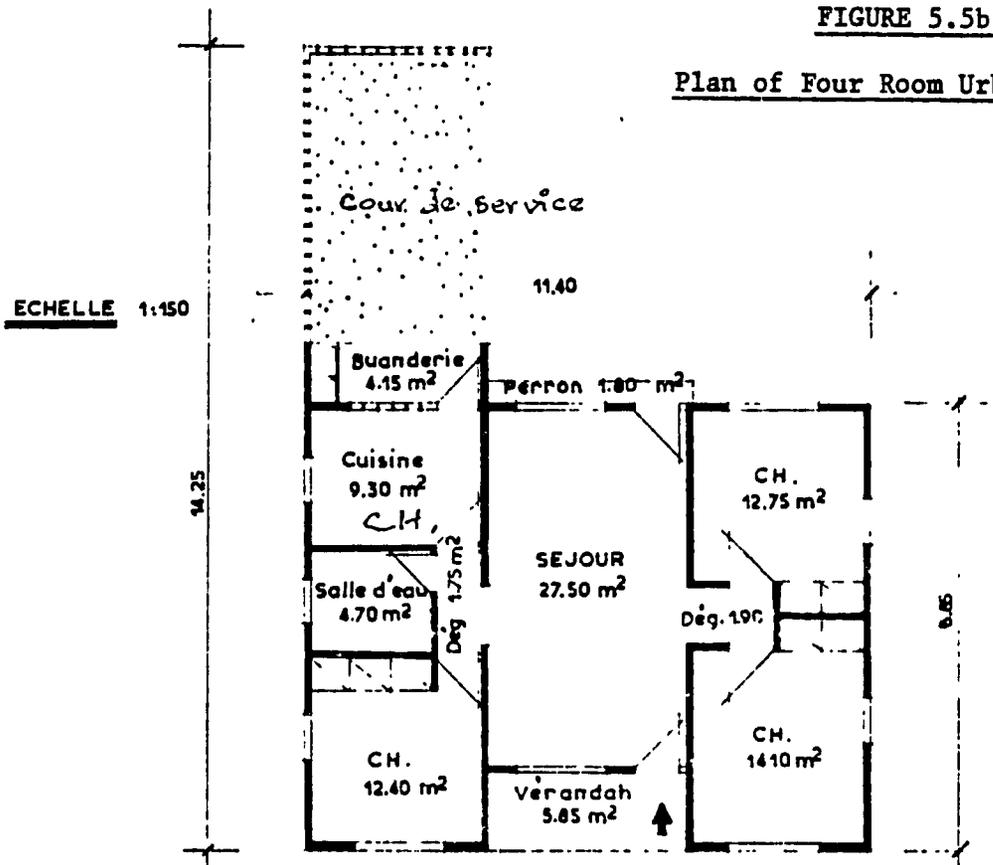


FIGURE 5.5b

Plan of Four Room Urban House



**SURFACES**

Bâtie

107 m<sup>2</sup>

Couverte

132 "

**PRIX EN 1972**

Total moyen

1.450.000 FCFA

5.800 Doll. U.S.

Au m<sup>2</sup> bâti

13.550 "

54 "

- FONDATION** : Semelle béton armé, soubassement argiles ciment
- SOLS** : Chape ciment lisse sur béton de forme
- MURS** : Briques et cloîtres TERSTA, chaînage haut béton armé, paillasses cuisine et douche carrelage, enduit ciment
- TOITURE** : Tôle ondulée galvanisée, charpente bois d'Afrique
- PLAFONDS** : Panneaux isorel, caïnes mouslinquaires, solives bois d'Afrique
- MENUISERIE** : Portes isolées, châssis lino, persiennes bois, châssis mouslinquaires ouvrants et fixes, penderies, lingères
- SANITAIRE** : Lavoire, douche, évier, bacs à linge, w.c., fosse septique, puits perdu
- ELECTRICITE** : 10 Points lumineux, 12 prises de courant
- PEINTURE** : Chaulage, huile de lin, couleur à l'huile.

FIGURE 5.6a

Rendering of Five Room Urban House

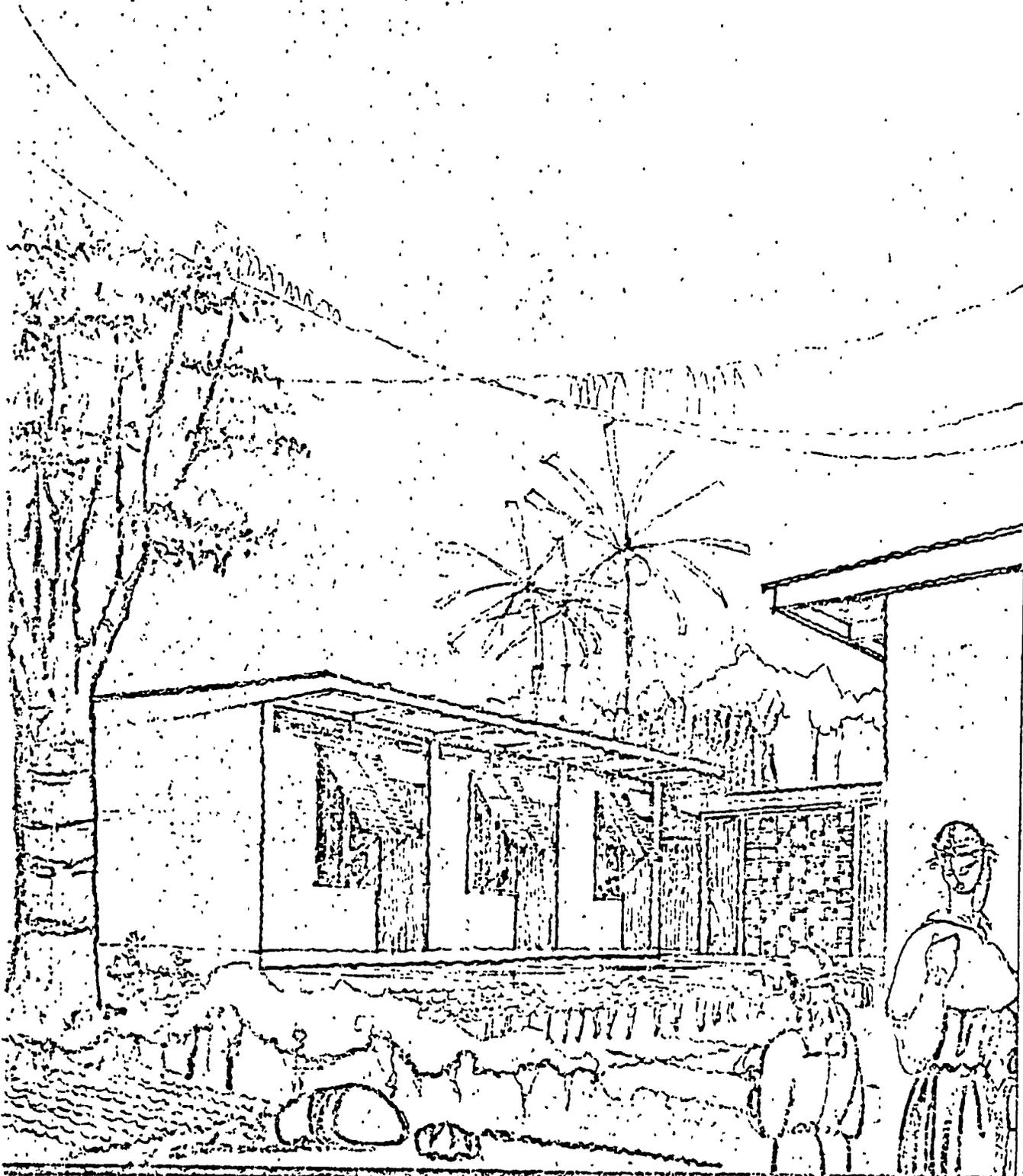
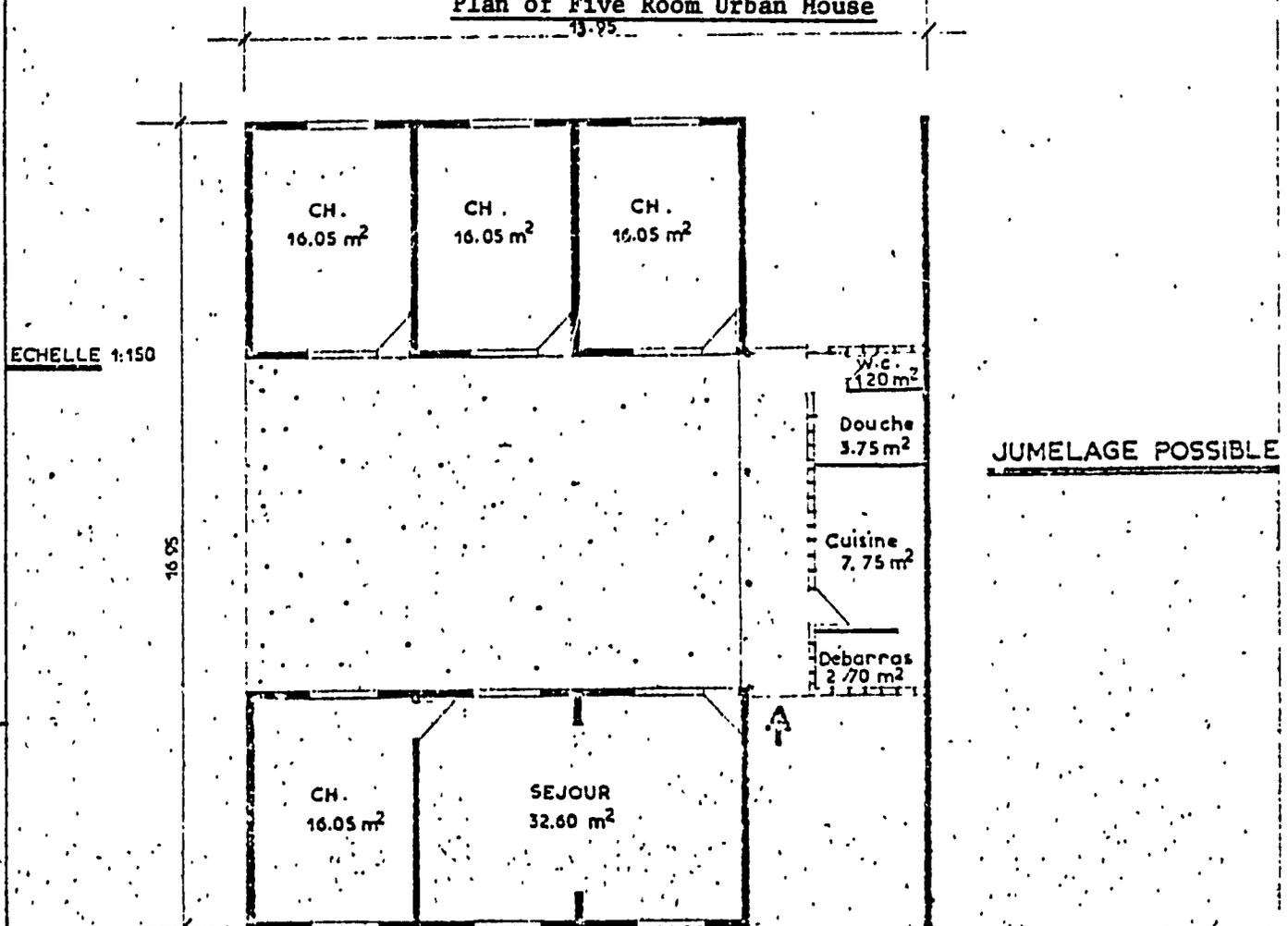


FIGURE 5.6b.

Plan of Five Room Urban House



**SURFACES**

Bâtie

127 m<sup>2</sup>

Couverte

168 "

**PRIX EN 1972**

Total moyen

1.100.000 CFA

4.400 Doll. US

Au m<sup>2</sup> bâti

8.700 "

35 "

- FONDATION : Semelle béton, soubassement Agglos ciment
- SOLS : Chape lisse sur béton de forme
- MURS : Briques et Claustres TERSTA, Agglos ciment, plinthes béton U préfabriquées, pareurs terre gale
- TOITURE : Tôle alu. ondulée, charpente bois d'Afrique
- PLAFONDS : Panneaux isorel, solives "
- MENUISERIE : Portes isoplan, persiennes bois, châssis moustiquaires
- SANITAIRE : Douche, bac à laver, w.c. turc, fosse septique
- ELECTRICITE : 10 points lumineux, 6 prises de courant
- PEINTURE : Huile de lin, chaulage et couleur à l'huile

Most of the work takes place on the actual site. There is very little prefabrication with the exception of doors, windows and fixtures. Even the blocks for the masonry walls are generally fabricated on site. Cinva Ram blocks require a special apparatus and a trained operator but most of the material for these (earth) is available on the site, while cement block requires more costly materials and a trained tradesman, but little equipment.

## 2. Construction Labor

Workers in the construction trades in Togo have been classified into three categories:

- i) Urban: These are skilled urban construction workers who are employed by large and increasingly specialized contracting companies. They are generally skilled in the use of modern technologies which are applied in major projects.
- ii) Intermediary: These are artisans who work in urban projects of limited scale, as well as in rural areas. They are frequently trained in the use of local materials and their skills are limited to traditional construction methods, or to relatively simple technologies. Some of these artisans have become small-scale local contractors with specialized functions.
- iii) Rural: These are semi-professionals or untrained laborers in rural areas where they constitute a pool of seasonal workers engaged in construction or in limited development projects.

A 1974 survey of the supply of laborers in the construction trades undertaken by the UNDP/CCL study teams, estimated there to be 2,000 workers in the first two urban categories described above. This survey found that the level of skills among the skilled workers in the first category was generally satisfactory in technical terms, although training in construction supervision seemed to be lacking. The workers classified as artisans, mainly carpenters and masons, were judged to be generally lacking in suitable skills and training in the use of modern materials, and in the organization of work methods. The UNDP-CCL study noted that

urban artisans are primarily concentrated in the two southern zones of the country. Table V.A below indicates the geographic distribution of independent artisans, excluding those working in the administrative sector.

TABLE V.A

REGIONAL DISTRIBUTION OF INDEPENDENT ARTISANS

	<u>Masons</u>	<u>% of Total</u>	<u>Carpenters</u>	<u>% of Total</u>
Savannah	12	6.0%	18	6.7
Kara	9	4.5%	13	4.9
Central	24	12.1%	11	4.1
Plateau	41	20.6%	34	12.7
Maritime	37	18.6%	52	19.5
Lomé	76	38.2%	139	52.1
Totals:	199	100%	267	100%

SOURCE: "Résultats de L'Enquête Sur la Situation de la Main D'Oeuvre du Batiment et l'Etat de l'Enseignement Professionnel au Togo," 1974, a UNDP/CCL study.

The labor market in the construction trades has fluctuated widely in recent years, exacerbated by some migration of skilled Togolese workers in search of better income opportunities in neighboring countries. This was especially so during the first several years of the 1970's, as can be seen from Table V.B below, which shows the number and percent of workers in Lomé seeking and gaining employment for selected skill categories. (It can be assumed that since the general economic boom which followed the

phosphate price rises of 1974, a larger percentage of construction workers have found employment in Togo.)

TABLE V.B

SUPPLY AND DEMAND OF  
CONSTRUCTION WORKERS IN LOME  
1970-1972

		<u>Masons</u>	<u>Welders &amp; Iron Workers</u>	<u>Carpenters</u>
<u>1970</u>	Demand*	270	109	418
	Placement	14	8	3
	% of Total	5.2%	7.3%	0.7%
<u>1971</u>	Demand*	445	148	569
	Placement	187	139	176
	% of Total	42.0%	93.3%	30.9%
<u>1972</u>	Demand*	282	123	390
	Placement	111	18	93
	% of Total	39.4%	14.6%	23.8%

Source: "Annuaire de la Statistique du Togo."

\* The "Demand" category comprises workers seeking employment.

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Manpower needs in the construction industry have never been fully studied partly because the number of workers classified as "intermediary" and their input into the housing industry have not been evaluated. However, a UNDP study which was part of the preparation of the Second Development Plan (1970-1975) did attempt to compute construction manpower needs based on the projected housing need during the plan period. This study assumed that under tropical conditions, in a non-industrialized labor-intensive housing industry, an average of one man-year is required for the construction of one housing unit. Based on the projections in Table IV.E, an average of approximately 8,000 new housing units per year will be needed for all income groups in Lome during the decade from 1976 to 1985. The

UNDP estimated that approximately 25% of the workers needed to produce these units should be semi-skilled, skilled, semi-professional, or professional. Thus to produce the 8,000 new units needed in Lomé each year, approximately 6,000 unskilled workers, and 2,000 skilled workers and professionals would be needed. Using the UNDP formula, these 2,000 workers would fall into the following groups:

46 Architects  
136 Engineers  
364 Foremen  
1,454 Masons, Carpenters, Concrete Workers, etc.

It should be clear that this number of workers will be needed only at such time as the rate of new housing construction reaches 8,000 units per year in order to meet all of the projected housing need during the period from 1976 to 1985. Initial efforts to increase the output of new units will certainly not reach this level, although toward the end of the period, significant progress should be made toward achieving the needed level of new housing construction.

CCL is contributing substantially to the training of professionals by providing short, practical courses for the architects (about 10 per year) who are studying at the University, and for masons, carpenters, plumbers, electricians and other tradesmen (about 60-80 per year in several different programs), as well as for construction foremen and supervisors. This latter program has had a sporadic history and is not presently in operation. The training courses at CCL appear to be exceptionally well conceived and executed. Furthermore, it seems that the number of trainees could be substantially increased using the present staff and facilities if sufficient funds were to be made available for their stipends.

### 3. Construction Management

#### a. Auto-construction

Very little housing in Togo today, either rural or urban, is totally "self-built" by an owner or his family, although the vast majority of the housing, particularly for low-income families, is produced using a process called auto-construction, which might be best translated as owner-contracted construction. The process usually extends over a period of several years. Materials are purchased when financial resources permit and stored until an adequate supply is accumulated to complete one step, such as the construction of the walls. A tradesman is then hired to do the work, usually with the assistance of the owner and members of the family.

The auto-construction process has numerous inherent problems. Individual owners will almost always be inexperienced in managing construction and therefore susceptible to overcharges and poor performance. Numerous cases were cited of individuals who had lost their family savings when a mason or other tradesman failed to complete work for which he had been paid. Small contractors who may well have the necessary skills are hard pressed to operate effectively on the sporadic time schedule which is so closely related to available finances.

#### b. Contracting Practices

In contrast to the informal system of auto-construction, CCL has developed a procedure for construction management which makes use of the small contractors and tradesmen who generally work within the informal housing construction sector. Plans and specifications are sent

to those contractors who have indicated an interest in submitting a proposal (bid). The CCL list of interested contractors presently includes fourteen firms in Lomé. These are for the most part individuals who work as construction managers and hire the necessary tradesmen from the general labor pool. Upon acceptance of a proposal, a contract is signed (see Appendix for complete copy), and a 10% advance is given to the contractor to allow him to hire the necessary workers. Payments for all materials for the job are made by CCL directly to the supplier, although the contractor is responsible for ordering and for negotiating the price. CCL will pay up to 40% of the total bid price for materials. Payments to the contractor are made at the end of each month for work completed, less sufficient retentions to reclaim slowly the 10% advance over the duration of the project. The contract also includes a scheduled date of completion with a penalty clause assessing 1/500 of the bid price for each day of delay.

These CCL contracting procedures differ rather significantly from those used by the Department of Public Works ("Travaux Publics", T.P.) on large projects. The normal T.P. contract provides for the 10% advance which is recovered through retentions in the first two or three months of construction, and makes no provision for direct material payments. These more stringent terms preclude from the bidding many small contractors who do not have large cash reserves or access to bank credit. The T.P. system is designed for large public work projects and public buildings, whereas the CCL system is designed specifically for housing construction. Using the system described, CCL has completed several middle and upper income housing projects in the Lomé

area for the Banque Togolaise de Développement (BTD) and other quasi-governmental clients.

#### D. Building Materials

Commonly used building materials and their distribution in housing construction in Lomé and in Bé are described above in terms of the quantity and condition of the housing stock (Section IV, part B). The supply and availability of these materials are described below. It has been estimated that approximately 80% of the building materials used in housing are imported, which has increased the cost of construction as world prices for these materials have increased. While a few of the materials are currently being produced locally, the CIMA0 cement clinker plant which is to be completed in the early 1980s and reach full production capacity of 1.2 million tons per annum by the middle of the decade, is expected to provide 50 to 60% of Togo's annual consumption. This will result in a substantial reduction of imports, and will protect the economies of Togo and its partners in the project (Ivory Coast and Ghana) from the wide swings in world cement prices which occur with changing economic conditions in industrialized producing countries. However, the three governments have agreed to purchase all of CIMA0's output at a uniform price at the ports of entry in Ghana and the Ivory Coast and at the plant in Togo. Therefore, it is unlikely that cement prices in Togo will be any lower than they are at present.

Other possible import substitution items include sanitaryware, tile, pipe, and long spanning asbestos cement sheets. In addition, CCL has been experimenting with local building materials. To date, stabilized earth used for Cinva Ram blocks has been the most promising of these. Cinva Ram blocks suitable for single-story housing construction can be produced quickly and inexpensively by a trained technician using a relatively mobile piece of equipment. Greater use of Cinva Ram block for low-cost housing would lessen the demand for cement and allow both the imported cement, and that produced by the

CIMAO plant, to be used for larger construction projects. In addition, while increased use of this material may only slightly reduce the cost of such housing, it offers the potential for savings on internal transportation costs as the blocks are fabricated from stabilized earth available at the building site. More importantly, the use of Cinva Ram blocks is more labor-intensive than other materials, and therefore allows for the possibility of generating additional employment in low-cost housing construction.

Table V.C below gives an indication of the relative share of imported building materials for several selected months of 1974, 1975 and 1976. While the wide variations reflect differing supply and demand conditions which prevailed during these particular months and therefore do not give evidence of any trends, it is estimated that over 65% of the materials were used in housing construction. As can be seen from Table V.D, prices for construction materials have increased significantly since 1969. Many of the increases occurred during the early 1970s, a period commonly characterized by major increases in commodity prices in world markets. While some building material prices declined during 1975 and 1976, the general increase in construction activity which followed the boom in Togo's phosphate earnings, has caused prices to remain higher than they had been at the beginning of the decade. This is particularly evident in prices of wood, (over 90% of which is imported), which increased at an average annual rate of 25 to 30% during the period from 1969 to 1977. The domestic prices in Table V.D also reflect an effective tariff duty of 41.5% levied on imports of wood and iron and steel products. If the GOT policy of granting an exoneration of the duty on certain imported items which are considered essential to the country's development effort, were extended to building materials used in the production of housing for low-income families, the cost of such items would be substantially reduced.

Table V.C

IMPORTS OF SELECTED BUILDING MATERIALS  
(Monthly Basis in CFA Francs)

	<u>Oct. 1974</u>	<u>May 1975</u>	<u>May 1976</u>
CEMENT	815,000	26,484	9,286,595
CLINKER	-	27,350,000	7,984,000
STEEL BARS	331,414	940,901	135,974
WOOD	86,782	16,038	-
IRON	205,734	847,727	992,968
SHEET METAL	268,800	238,782	914,251
PIPE	121,842	121,295	33,792
BRICKS	-	1,125	-
PLYWOOD	14,500	5,300	28,280
TILES	67,977	42,140	150,188

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SOURCE: "Bulletin Mensuel de la Statistique", 1975 and 1976.

CONSTRUCTION MATERIALS PRICES 1969-1977  
(in CFAF and percentages)

	<u>1969</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1969-77</u> <u>Average Annual</u> <u>Change</u>
<u>CEMENT</u>	7,700	11,000	12,000	11,650	12,000	
per metric ton (% change from previous period)	-	( 42.9%)	(9.1%)	(-3.0%)	(3.0%)	7.0%
<u>GALVANIZE METAL ROOFING</u>	5,500	13,850	13,850	12,500	15,900	
per packet of 20 sheets (% change from previous period)	-	(151.8%)	(0.0%)	(-9.8%)	(27.2%)	23.6%
<u>CONCRETE FORMWOOD</u>	600	750	750	900	1,800	
per board: .025 x .3 x 4.0 M (% change from previous period)	-	(25.0%)	(0.0%)	(20.0%)	(100.0%)	25.0%
<u>HARDWOOD BOARDS</u>	900	1,200	1,200	1,300	2,700	
.025 x .3 x 4.0 M (% change from previous period)	-	( 33.3%)	(0.0%)	( 8.3%)	(120.0%)	30.5%
<u>HARDWOOD FOR ROOF TRUSSES</u>	1,600	2,500	2,500	2,500	5,500	
.05 x .3 x 4.0 M (% change from previous period)	-	( 56.3%)	(0.0%)	( 0.0%)	(120.0%)	30.5%
<u>STEEL REINFORCING RODS:</u>						
.006 diameter x 6 M	100	264	251	221	189	
(% change from previous period)	-	(164.0%)	(-4.9%)	(-12.0%)	(-14.5%)	11.1%
.008 diameter x 6 M	175	434	440	308	333	
(% change from previous period)	-	(146.0%)	(1.4%)	(-30.0%)	( 8.1%)	11.3%
.010 diameter x 6 M	250	642	650	440	477	
(% change from previous period)	-	(156.8%)	(1.3%)	(-32.3%)	( 8.4%)	11.4%
<u>GALVANIZED ROOFING NAILS</u>	195	340	340	320	295	
per kg. (% change from previous period)	-	( 74.4%)	(0.0%)	(-5.9%)	(-7.8%)	6.4%
<u>ORDINARY NAILS</u>	165	283	283	180	266	
per kg. (% change from previous period)	-	( 71.5%)	(0.0%)	(-36.4%)	(47.8%)	7.7%

### E. Finance

As a member of the West African Monetary Union, Togo shares a common currency and a common central bank, the Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO) with Upper Volta, Benin, the Ivory Coast, and Niger. Togo's financial sector continues to be dominated by foreign financial institutions. The allocation of bank credit is heavily concentrated on commerce and other service activities, and on industry, including mining and major government-sponsored construction projects. Fully 80% of the credits extended by the banking sector are short-term, and only 8% are long-term.

The major commercial banks in the country are the following:

- Union Togolaise de Banques
- Crédit Lyonnais
- Banque Nationale de Paris
- Deutsche Bank
- Banque Internationale d'Afrique Occidentale (BIAO, partly owned by Citibank of New York)
- Arab Libyan Bank

The five foreign banks account for approximately 85% of the assets held by the banking system, and 90% of the liabilities. The expansion in credit which has taken place in recent years has been dominated by credits to the private sector for short-term lending to finance inventories, and some agricultural operations. While it had not borrowed from the banking sector before 1975, the GOT began accumulating substantial debit balances with the Central Bank (BCEAO) in that year when its revenues declined with the fall in phosphate sales. By early 1977, these reached nearly 4 billion CFAF (approximately \$US 17 million).

Several development finance institutions have been created in recent years to help allocate credit according to Government sectorial priorities.

These include:

- Banque Togolaise de Développement (BTD)
- Caisse Nationale du Crédit Agricole (CNCA)
- Société Nationale d'Investissement (SNI)

The Caisse Nationale du Crédit Agricole has concentrated to date on short-term lending for crop marketing or the purchase of fertilizers and seeds. Its total credit activity is 1.2 billion CFAF (\$US 5 million) as of December 1975. In addition, CwCA's collection performance is reported to be poor, which has led to new efforts to strengthen its staff, funding activities, and organization.

The Société d'Investissement was established in 1971 to mobilize domestic savings and foreign funds and to accelerate the investment process through an incentive system which combines taxation and reinvestment. SNI also administers such public funds as the Guarantee Fund for credits to small and medium-sized enterprises, as well as a public debt fund. As all of these activities are still in a relatively early stage of operation, SNI's impact on resource allocation as well as on savings mobilization has been modest to date.

The Banque Togolaise de Développement finances housing construction and purchases of home equipment and small machinery. Its housing-related activities are described in detail below. Recent efforts are underway to assist the BTB in the preparation and implementation of projects in support of the informal and small enterprise sector, for which it has received financial assistance from Germany and the US Agency for International Development.

There is also a postal savings system, the Caisse d'Epargne, which remains quite small, having accumulated a balance of approximately 1,900 billion CFAF (\$US 8 million) as of December 1976.

These institutions notwithstanding, the financial sector remains largely undeveloped, suggesting that many of the country's resources have yet to be mobilized in support of the modern sector of the economy. One measure of financial depth (i.e., the existence of well-developed financial market) is the ratio of currency in circulation to total liquid financial assets. This ratio indicates the extent to which financial assets have been pooled, and thus become subject to financial intermediation. The ratio tends to be higher where the financial sector of an economy is shallow, and lower when the financial sector has deepened. In the United States, this ratio has ranged between .06 and .07 during the past decade, while for an unweighted average of all countries in Latin America, it has declined from .32 to .23 during the same period.

As can be seen from Table V.E, in the case of Togo the ratio of currency in circulation to total liquid financial assets has remained relatively constant at about .33 from 1970 through 1976. While this ratio is lower for Togo than for many developing countries, (Niger, for example, had a ratio of .46 in 1976, and Upper Volta had a ratio of .38 in the same year), it does not indicate the extent to which Togo's is a "dualistic" economy. Even in Lomé, where salaried employment is higher than in any other area of the country, the majority of the city's population does not participate directly in the modern sector of the economy. Thus the economic and financial aggregates which are commonly used to measure a country's financial development do not reflect the extent to which the economic activity of low-income families in Togo is either not monetized, or not accounted for in the measurement of economic and financial activity.

TABLE V.E

FINANCIAL DEVELOPMENT IN TOGO  
(in millions of CFAF and ratios)

	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>
(1) Currency in Circulation	4,560	5,583	5,447	6,032	8,374	9,991	14,195
(2) Demand Deposits	5,591	6,295	6,377	5,528	16,710	11,569	18,742
(3) Time and Savings Deposits	2,529	2,234	2,075	4,354	5,384	6,718	8,270
(4) Postal Savings	744	887	1,002	1,097	1,272	1,557	1,897
(5) Broadly Defined Money Supply (1+2+3+4)	13,424	14,999	14,901	17,011	31,740	29,835	43,104
Currency Ratio $\frac{(1)}{(5)}$	.34	.37	.37	.35	.26	.33	.33

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SOURCES: IMF, International Financial Statistics, and BCEAO Bulletin, April 1977.

Togo's economy, and the financial sector which mobilizes and allocates the resources for its growth, are basically dominated by the role which the Government has come to play as a kind of paramount entrepreneur in the country. Public investment was approximately three times greater than private investment during the First Plan, and nearly five times greater during the Second Plan period, which indicates that the financial activity which does take place in the context of the formal sector largely reflects the massive role of Government, rather than wide-spread participation in the modern sector of the economy.

#### 1. Informal Finance

Several indicators exist which suggest that both savings and lending activities are relatively common among the target population of Lomé. Information available from the National Institute for Scientific Research suggests that many of the "revendeuses", or market women, extend credit to each other and to regular customers. Formal studies of other West African urban centers report that "rotating credit associations" are common among such market women. It can be assumed that these associations exist in Togo as well, with groups of market women making voluntary contributions to a common fund at regularly held meetings. The collection is then distributed to each member in turn for her own use. Each contribution is recorded, and the members are required to contribute the same amount to the fund for each member as that member made to their funds. Through this kind of system, capital for business expansion or the construction of a house, or part of a house, is available to members of the association.

Revolving credit associations are also common among artisans engaged in the same trade, and among members of a compound, who typically use the funds collected for the purchase of such consumer goods as bicycles, etc. It is likely that landlords who build "wagon" on their compounds have access to informal finance of this kind. Some "loan sharking" activities are known to take place in Lomé at interest rates of 20% to 30% on an annual basis, but have not been studied in any comprehensive manner. Much more indicative of both the shallowness of the Togolese financial sector,

and the economic dualism prevalent in Lomé, is the extensive barter among market women. Trade in foodstuffs especially is often in-kind, with vendors exchanging one food commodity for another.

Financing from the formal sector for housing construction is not generally available to low-income families as a salaried job, or a guaranty provided by a salaried person, is regarded as an essential qualification for credit worthiness. However, it is evident that significant savings are held by low-income families in the form of building materials, which can be seen in large and small stockpiles on what appears to be a substantial percentage of the compounds in virtually all low-income areas of Lomé. With the cost of building materials rising at an annual rate of 7% to 30% (see Table V.D), as compared to the 3.5% to 5.5% paid on savings deposits, consumers are making economically rational decisions by purchasing such commodities. To a considerable extent, the typical pattern of incremental construction among low-income families is a method of extending the time-rate of payment for housing units. Without access to long-term credit, low-income families complete their units by saving to purchase enough materials for construction of a wall or a roof. Over a period of as many as 10 to 12 years, they are able to acquire enough materials to complete their dwellings. The inefficiencies of such a system (as opposed

to one in which the units were completed in a period of 6 to 12 months, and then amortized over 10 years), require low-income families to occupy temporary shelters on a long-term basis as the construction process proceeds.

## 2. Formal Sector Financing - Banque Togolaise de Développement

The 1971 GOT housing survey, "Enquête de l'Habitat," indicates that only 6% of the houses in Lomé were built with some form of loan financing. The primary source of such housing finance in the formal sector of the Togolese economy is the Banque Togolaise de Développement (BTD). Established in 1967, the BTD is a para-public institution, 51% owned by the GOT, whose interests are represented by six of the ten members of the Board of Directors. The other board members include two representatives of the Caisse Centrale de la Cooperation Economique (CCCE), a French government agency; one from the Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO), which functions as the central bank for Togo and five other member countries of the West African Monetary Union; and one representative of the BTD's other shareholders, including the Caisse Nationale de Sécurité Sociale (CNSS) and the Union Togolaise de Banques (UTB). A permanent committee, made up of five members of the Board of Directors, is empowered to approve loans up to 20 million CFAF, while the Director General of the BTD is authorized to approve loans of up to 5 million CFAF.

As can be seen from Table V-F, the BTD greatly increased its lending activities in 1976. New loans for housing were double the new loans granted for housing in 1975, while new loans for small equipment and construction materials were nearly triple the 1975 level. The balance of all BTD loans outstanding at the end of September 1976 had reached 6.4 billion CFAF, which was a 29% increase over the 1975 level. Of this amount the balance on housing loans was 3.9 billion CFAF (approximately \$US 16.25 million), half of which was long-term and half medium-term, and the balance on loans for small equipment

TABLE V.F

TOGOLESE DEVELOPMENT BANK:  
LOANS AND CREDITS GRANTED: 1970-1976  
(in millions of CFAF)

	as of September 30						
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>
Industry and Handicrafts	83	242	494	149	262	132	592
Commerce	50	120	35	35	122	75	137
Housing	222	262	550	387	647	645	1,236
Small Equipment and Building Materials	157	298	351	410	419	201	593
Automobiles	25	33	31	15	22	41	51
Local Authorities	10	-	245	-	-	75	12
Social Credits	19	26	35	65	108	171	199
<u>TOTAL</u>	<u>566</u>	<u>981</u>	<u>1,741</u>	<u>1,061</u>	<u>1,580</u>	<u>1,340</u>	<u>2,820</u>
of which:							
Short Term	195	482	452	420	520	480	-
Medium-Term	129	246	315	324	340	370	-
Long-Term	242	253	974	317	720	490	-

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SOURCES: IBRD and Banque Togolaise de Développement.

and building materials was 583 million CFAF (\$US 2.4 million), all of which was short term. These two categories accounted for 61.1% and 9.2% respectively of the total outstanding loan balance of 6.4 billion CFAF.

The BTM has long relied on foreign official agencies for its loanable funds, as can be seen from Table V-G. While some of these funds can be loaned by the BTM at its own discretion, it is common that the funds are for uses designated by the lending agencies. In this regard the "Rapport d'Activités de la B.T.D. - Exercice 1975-1976" notes that since 1975, the CCCE has stopped making its funds available for housing. In addition to its foreign financed resources, the BTM holds approximately one billion CFAF in capital, reserves, and guaranty funds provided by the GOT. At present, the BTM is not empowered to collect savings directly from depositors, and must continue to rely on its foreign benefactors, as well as on loans it receives from other para-public enterprises, and from the Postal Savings Bank.

The BTM built a "middle-income" housing project, "Cité de l'Avenir" in Tokoin in two stages of 100 units each, with 80% of the 500 million CFAF financing provided by the BCEAO at 3.5% to 5.5% for ten years. The units in Cité de l'Avenir are occupied on a lease-purchase arrangement, with average monthly payments of 9,000 CFAF to 15,000 CFAF for the units built under the first phase of the development, and 15,000 to 25,000 CFAF for the second phase. Units built during the first phase cost an average of 1.5 million CFAF, with the lease-purchase payments amortizing the units at an average of 8.5% over 15 years. Units built under the second phase cost approximately 2.5 million CFAF each, and were amortized over the same term and at the same average rate of interest. The second phase of Cité de l'Avenir was completed in the early 1970's, but the BTM has no plans for additional projects of this type at present.

MEDIUM AND LONG TERM LOANS  
GRANTED TO THE B.T.D.  
(in millions of CFA francs)

	<u>1970</u>	<u>1971</u>	<u>1972</u>	1973	<u>1974</u>	<u>1975</u>	<u>1976</u>
<u>LONG TERM</u>	<u>798.8</u>	<u>794.7</u>	<u>849.5</u>	<u>1,365.4</u>	<u>1,630.6</u>	<u>1,682.2</u>	<u>1,660.6</u>
of which:							
CCCE <sup>1/</sup>	632.3	570.9	650.5	827.4	876.3	894.4	976.9
OPAT	166.5	223.8	199.0	163.1	218.9	97.1	80.1
BAD	-	-	-	374.9	374.9	374.9	281.2
KFW	-	-	-	-	-	74.9	81.5
USAID	-	-	-	-	160.5	240.9	240.9
<u>MEDIUM TERM</u>	<u>83.5</u>	<u>14.6</u>	<u>94.7</u>	<u>70.7</u>	<u>46.7</u>	<u>22.4</u>	<u>2.5</u>
of which:							
OPAT	81.3	12.5	12.5	8.5	4.4	-	-
Caisse D'Epargne	-	-	80.0	60.0	40.0	20.0	-
Dépôt des Mutuelles	2.2	2.1	2.2	2.2	2.3	2.4	<u>2.5</u>
<u>TOTAL</u>	<u>882.3</u>	<u>809.3</u>	<u>944.2</u>	<u>1,436.1</u>	<u>1,677.3</u>	<u>1,704.6</u>	<u>1,663.1</u>

SOURCES: Data for 1970 through 1973: UNDP/CCL study "Modalités de Financement d'un Fonds de l'Habitat"; data for 1974 through 1976: "Rapport Annuel (1974-75)" and "Rapport d'activités de La B.T.D. (1975-76)".

1/ Key to Agencies:

CCCE: "Caisse Centrale de la Cooperation Economique" (French Government Agency)

OPAT: "Office des Produits Agricoles du Togo", (Produce Marketing Agency)

BAD: "Banque Africaine de Développement", (African Development Bank)

KFW: "Kreditanstalt für Wiederaufbau", (West German Development Agency)

USIAD: US Agency for International Development, as part of Entente Fund

Caisse d'Epargne: Togo's Postal Savings Bank

Dépôts des Mutuelles: Deposits of Insurance Companies

From October 1, 1975 through the close of its fiscal year on September 30, 1976, the BTD granted 920 mortgage loans for a total of 1,236 million CFAF, or an average loan amount of approximately 1,340,000 CFAF (\$US 5,600). The loan application procedure requires that construction plans, building permits, cost estimates, etc., be submitted to the BTD, which considers loan amounts of up to 2.5 times the applicant's annual salary, or a maximum of 90% of the value of the completed unit. The Bank's Technical Department reviews the cost estimates, and together with the Loan Department, which determines the applicant's credit worthiness, adjusts the design of the unit to the applicant's credit capacity. The BTD applies two interest rates to the mortgages it grants: the "privileged" interest is computed on the basis of the central bank (BCEAO) discount rate, currently 5.5%, plus up to 3.5% more, depending on the applicant's income. The privileged interest rate is granted to applicants seeking financing for their first homes. For loan applicants who are building a second home, or a unit costing more than 10 million CFAF (approximately \$US 40,000), a non-privileged interest rate applies, calculated on a base of 8%, plus up to 5% more. A term of 10 years is generally applied to mortgage loans, with mortgage life insurance required and provided by the BTD at a cost of 3/4 of 1% of the loan amount.

The BTD granted approximately 3,500 loans for building materials during its 1976 fiscal year, for a total of 486 million CFAF, or an average loan amount of approximately 140,000 CFAF (\$US 580). These loans must be repaid within two years, at interest rates ranging from 6% to 9%. The BTD does not monitor the use of these small loans because of the expense involved, and officials of the Bank indicated that many of them may not be used to purchase building materials. Some of these loans are thought to be used by shopkeepers to

purchase inventories, as well as by small contractors who have no access to other sources of construction and equipment financing.

The BTD notes that approximately 5% of its total loans can be classified as "doubtful", but most of these (3.4% of the total) are loans on which full repayment is anticipated. With no credit bureau in Togo, the Bank has not yet developed credit review procedures with which it is fully satisfied.

### 3. Other Formal Sector Financing

Financing for the purchase of existing units is not available from the BTD as its Board of Directors has determined that its housing finance activities should assist in increasing the housing stock. Apparently some financing for existing homes is available from the commercial banks, which since January 1977 have been obliged by the Central Bank to make mortgage loans, but the extent of this activity has yet to be measured. In addition, the Caisse d'Epargne (Postal Savings Bank) can grant mortgages to applicants with savings accounts of at least 25,000 CFAF (\$US 104), but no measurement of the extent or its activity in this field is available.

#### a. CNSS

In the mid-1970's, the Caisse Nationale de Sécurité Sociale (CNSS) provided the financing for the construction of approximately 100 units in a development called Cité Benin, north of the university. CNSS regarded its participation as an investment, and the units, priced at 12 million CFAF (\$US 50,000), are among the most expensive to be found in Togo. The subdivision of land in Cité Benin follows the more western style of suburban development, with open lots as opposed to walled compounds. Many of the units in the project are leased to expatriates.

b. F.N.H.

As part of its recently developed housing policy, the GO<sup>T</sup> began, in January 1977, to collect a 1% tax on payrolls, with the proceeds being held for the Fonds National de l'Habitat (FNH). This fund, intended to specialize in the financing of housing, will be administered by SNI (Société Nationale d'Investissement), under the authority of the Ministry of Finance. FNH will be responsible for the financing of secondary lines for infrastructure services, and the individual connections for low-income groups. It is also responsible for making funds available for the construction of housing units for low-income families, and for the training of professionals in the housing sector. Once FNH becomes operational, plans exist for it to receive additional revenue from budgetary allocations, as well as a tax of 1% of salaries (paid by employees), taxes on vacant and under-utilized land, special issues of the national lottery, and a variety of special taxes on liquor, cigarettes, and gasoline.

## VI. CONSTRAINTS IN THE DELIVERY SYSTEM

While many of Lomé's recent low-income migrants appear to have found shelter by lodging with relatives or by renting rooms in "wagons", the result has been an increase in room occupancy rates and land-use densities. Imposed as they are on an inadequate or non-existent system of water and sewer infrastructure, these conditions have prevented any significant improvement from taking place in the shelter conditions of Lomé's low-income population during the past decade. Certainly the number of families in Lomé now living with inadequate basic urban services has grown tremendously, and it is likely that shelter conditions for the target population may have deteriorated recently.

With Lomé's population projected to increase 2 1/2 times by 1985, an enormous number of new housing units will be needed, at least 2,000 to 4,000 per year for the target population alone. What major constraints in the shelter delivery system must be addressed if this level of production for meeting the needs of low-income families is to be achieved?

### A. Land

The scarcity of peripheral land available on the market, and the Togolese preference for one-story dwellings on large compounds, have combined with continued population growth and migration to increase the demand for land. In the face of a fixed supply, prices have soared. Indications suggest that a typical 400 M<sup>2</sup> lot in the Lomé area would presently sell for at least 300,000 CFAF, even though it carries an official price of 150,000 CFAF. While such a price, over twenty times the monthly median income level, would be prohibitive for a low-income family, it is likely that such a parcel would be on the market for a very short period of time, or not offered for sale at all. Officials report that everyone with the means to do so is involved in the intense land speculation which is taking place in Lomé.

In the past, a considerable expansion of the housing stock in Lomé was achieved in the informal sector when families sold a portion of the land which they had inherited (especially in Bé and Tokoin), and the new owner built a dwelling or dwellings via the incremental construction process described in Section V. This method of expanding the housing stock does not appear to be viable in the immediate future. The increased value of land has, as noted, raised prices substantially and caused speculators to hold land off the market in anticipation of future price increases. Thus unoccupied land is no longer available to low-income families. In addition, the potential for expanding the housing supply through a major increase in the construction of rental units in "wagon" appears to be limited, because the resulting increased densities - in areas without adequate water and sewage infrastructure - would worsen the already poor environmental and health conditions.

The high cost of urban and peripheral land is a serious constraint on the expansion of the supply of shelter available to the target population, and effectively limits the largest sources of new units in the past: the building of "wagon", and "auto-construction" on owner-occupied land. Present indications suggest that high land prices and rampant speculation have even precluded the formal sector from undertaking new initiatives in large scale housing projects.

#### B. Infrastructure

The expansion of basic water and sewage infrastructure lines is constrained by the physical characteristics of half of Lomé's terrain. That portion of the city which is built along the sand bar between the lagoon and the ocean, with an elevation of two meters or less, can sustain adequate sanitary conditions for a large population only with the provision of an effective waste disposal system. The GOT has no definite plan for the construction of such a system, as a water-borne sewage system with the required pumping stations, is considered extremely costly, and does not have high priority in the country's long-

term development planning. Yet, basic urban infrastructure services cannot be extended to the low-income population until primary systems for the delivery of potable water and the collection of waste water and sewage are built.

To a considerable extent, this is a problem of both resource allocation and design. The GOT has received assistance from the Canadian Government for the extension of primary water supply lines, and a program is presently under way. However, a comprehensive and sanitary system for the collection and disposal of sewage and waste water, perceived by the GOT to be too costly to address at this time, remains essential for the improvement of shelter conditions. It appears to the Team that a viable low-cost sewage system could be developed for Lomé.

### C. Construction

While no large-scale efforts to produce housing units for low-income families have been undertaken in Lomé to date, there appears to be adequate technical and management capability, especially on the part of the Centre de la Construction et du Logement (CCL). However, no institution with the authority to implement such a program exists in Togo at present. The restructuring of the Société Immobilière Togolaise (SITO), and its staffing and re-orientation towards mass construction of low-cost housing units, should provide the GOT with an appropriate institutional vehicle for delivering shelter units to low-income families.

While it is not a constraint at present, institutional efforts to build low-cost units may well be constrained once production is under way by an attempt to reach too ambitious a set of construction standards. Decree

No. 67-228 which governs the subdivision and use of urban land and details building codes (included in the Appendix), requires both a sanitary facility and an indoor kitchen for each housing unit built in Lomé. As most of the units in Lomé have been built by the informal sector, usually without construction permits, the existing codes have not been fully enforced. However if an official GOT para-public agency is to build low-cost units, it is likely that it will be required to follow the existing building codes. The preliminary planning exercises which have been undertaken by GOT authorities with regard to low-cost housing projects (by CCL and the Department of Town Planning in particular) indicate that the standards which are specified by the building codes will be used in the construction of units for low-income families.

If such standards are employed, and each low-cost unit is equipped with an individual sanitary facility and an indoor kitchen, the cost of the units will be considerably higher than that which families below the urban median income level can afford. While the GOT has no official policy with regard to subsidizing of housing at present, the implications are that substantial subsidies will become necessary if units for low-income families are built to the regulated standards. With its resources as limited as they are, the GOT will thus be able to provide only a small number of units each year, and will incur an increasing financial burden as its low-income shelter program is implemented.

Construction standards, therefore, may well present a significant constraint on the GOT's capacity to expand the supply of low-cost housing units, when its own production efforts get under way.

#### D. Building Materials

At the present rate of general construction activity, there do not appear to be serious constraints in the availability of building materials, although

the high effective tariff duty on imported materials may be a problem where certain hardware and wood items are concerned. The domestic production of cement which is expected to begin with the start up of operations by the CIMAO plant at the end of the 1970s, should assure a regular supply of this essential material. If, However, large scale housing programs also get under way at the same time as the general increase in construction activity expected with the full implementation of the Third Development Plan, the supply of cement may become inadequate. Pressure on the supply of cement could be relieved by greater use of "Cinva Ram" blocks made with stabilized earth, especially in the production of low-cost housing units. CCL's experiments to date reveal that this material is entirely adequate for low-cost housing, and its greater use would alleviate any constraint which may arise from increases in the demand for cement.

#### E. Finance

The most important financial constraint to increasing the production of low-cost housing is the lack of access to credit on the part of low-income families. The requirement that only salaried employees or those who have the guaranty of a salaried worker, can be considered creditworthy eliminates most of those who earn less than the median income level from receiving long-term credit. It appears possible, however, that low-income families could effectively participate in the formal financial sector.

To do this requires a workable collection mechanism as well as credit review techniques and procedures which are appropriate for low-income borrowers. As part of its mortgage lending activity, the Banque Togolaise

de Développement has a conventional system of credit review procedures and collections mechanisms, which could be adapted to the specific economic circumstances of low-income borrowers.

Closely allied to the problems of credit review and collections is the issue of resource mobilization. With low interest rates paid on savings, and no system which links savings performance to credit availability, the financial sector cannot be expected to attract capital from low-income groups. Yet savings in the form of commodities, particularly building materials, are being accumulated by low-income families, which build their dwelling units over the same period of time that it would take to amortize a loan for housing. The development of a system which could tap private savings with the incentive of offering long-term housing finance offers the potential for generating resources to support the shelter sector, and eventually could relieve the sector of its total reliance on official and foreign capital.

Finally, the incomes of families below the urban median income level may also constitute a financial constraint, unless low-cost units are designed with common facilities which would substantially lower costs. Evidence available to the Team indicates that appropriate low-cost basic units can be designed and built for an amount which the target population could amortize were long term finance available to them. In addition, such techniques as escalating payment mortgages could be employed to augment the level of indebtedness which low-income families can sustain.

F. Institutions

While the GOT has proposed to establish three agencies to address the problems of land development (AGETU), of the design and implementation of housing projects (SITO), and of financing for these programs (FNH), there does not appear to be sufficient professional manpower available to staff these institutions. The generally capable professionals who served on the special commission to draft the "Proposition d'une Politique d'Habitat", (Proposals For A Housing Policy), already hold important posts in existing government ministries and para-public institutions, and cannot be expected to be available to staff the proposed agencies. Such a constraint must be viewed as a relatively long-term one, which probably cannot be relieved quickly or easily. However, it does seem likely that the gradual and sequential establishment of the new agencies would to some degree relieve the GOT from the need to develop a full range of professional staff in the immediate future.

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DRAFT

APPENDIX 1

TRANSLATION FROM THE FRENCH

Ministry of Public Works and Mines  
-----

Togolese Republic  
Work-Liberty-Country  
-----

Center for Construction and Housing  
in Cacavelli  
-----

B.P. 1762 - Tel. 24-03/04  
-----

CONTRACT FOR PIECE WORK NO. \_\_\_\_\_

Between:

The General Director of the Center for Construction and Housing, the person named below acting in his name and on behalf of the Center designated as representative of the Center

on the one part,

and:

Mr. ....  
.....  
named below, designated as contractor

on the other part,

THAT WHICH FOLLOWS HAS BEEN AGREED UPON:

Article 1: The Center entrusts the following tasks to the contractor who agrees to perform them.....  
.....  
.....  
.....  
.....  
.....  
.....

Article 2: The contractor undertakes execution of all the manual labor called for in compliance with the project file and the Rules of the Trade, and to do this must supply all necessary skilled or unskilled workers as well as all necessary materials.<sup>1</sup> He alone is directly responsible for the recruitment and hiring of all workers required as well as for payments in connection with them. He must comply with the legislation in effect.

All materials and appurtenances, both local and imported, necessary for the construction will be furnished by the Center.

<sup>1</sup>The attached statement determines which material is supplied by the Center and which is supplied by the contractor.

Article 3: The contractor alone will be responsible for various possible injuries which might result from his actions or those of his workers or the methods used in fulfilling this contract.

Article 4: The period allotted for the work is set at ..... starting from the date the contractor receives notification of this contract. A penalty of 1/500th is established for each day the work is unjustifiably overdue and will be applicable at the time of payment of the next to last billing after one notification to the contractor.

Article 5: The amount of this contract is fixed at the exact total contractual sum of CFA Frs.....(.....) without any possibility of raising or varying the price for the performance of the contractor. Otherwise this last.....all work and supplies which might be ordered by an Order from the Service, a requisition or P.V. de chantier will not be included in this contract. In this case reference will be made to the unit prices on the estimate, or to new base prices, changed by mutual agreement, if necessary.

The attached estimated bid gives the breakdown of the total amount.

Article 6: Settlement will be arranged in the following manner:

- \* an advance installment of .....% of this contract when signed;
- \* by monthly installments upon satisfactory completion of the work, after deduction of the advance made on said work and the retainer for the guaranty set at .....%;
- \* by a final installment upon provisional acceptance of the work, possibly accompanied by settlement for supplementary work and supplies;
- \* and finally by the balance, being .....%, representing the retainer for the guaranty upon final acceptance of the work which shall be delivered ..... (.....) months after the provisional acceptance.

Article 7: The remainder of the supplies shall remain the property of the Center, and the contractor shall release them and return them in good condition to the representative of the Center.

Article 8: During a period of ..... months following the provisional acceptance, the contractor will be charged with complete maintenance of the work which he will have performed.

Repairs and restorations must also be performed without charge by him and under his supervision.

Article 9: The representative of the Center must guarantee the role of supervisor and consequently he will share control and review with the Director of the Center of Construction and Housing.

Article 10: Settlement for the work will be guaranteed by the Center from the credit it received designated for that purpose. Payment for work and possible additional supplies, if there are any, will be made upon presentation of the corresponding bills and invoices after obtaining the authorization described in Article 11 below. Bills and invoices must be accompanied by certificates verifying completion of work or receipt of supplies, according to the purpose of each settlement.

Article 11: This contract will not become effective until signed and approved by the interested parties: the General Director of the Center and the contractor.

We have read, approved and signed:

for the Center;  
The General Director

Lomé, \_\_\_\_\_  
(date)

The Contractor

Lomé, \_\_\_\_\_  
(date)

NOTE: The words "read and approved" (lu et approuvé) apply to both of the co-signers.

DRAFT

Translations from the French

Office of the President

Republic of Togo  
Work--Liberty--Country

DECREE NO. 67-228  
On the Subject of Town Planning and  
Building Permits in Urban Districts

THE PRESIDENT OF THE REPUBLIC

In view of Ordinances #1, January 15 and 16 and April 14, 1967;

In view of Resolution #38/APA of January 10, 1948 from the Colonial Governor ;

On the Proposition of the Minister of Public Works, Mines, Transportation, Postal  
Services and Telecommunications

DECREES:

CHAPTER 1

TOWN PLANNING PLANS

Article 1. --The list of urban districts which are supposed to have a master plan has been established by decree. This list is not definitive and can be modified by new decrees. The master plan becomes effective on the date of the decree.

Article 2. --The building permit provided for by Article 26 below can not be issued unless the plan for the construction project attached to the request complies with the provisions established in the master plan after its adoption or approval.

Article 3. --The master plan describes specifically:

The perimeter of the urban district;

The division of the urban district into zones characterized by their physical description and their nature, including zones in which construction is not allowed in Article 7 below;

The principal squares and public pedestrian and vehicular traffic routes, and if there are any, the vehicular parking areas on the public domain:

Railroad installations  
Harbor installations  
Aeronautical installations  
Open Space, landscaped or not  
A Plan for a System of Drawing and Distribution of Potable Water  
A Plan for a Sanitation System  
A Plan for a System of Distribution of Electrical Power.

The master plan can include the perimeters of certain sections in which action is urgent and require the establishment of detailed plans.

Article 4. --Attached to the master plan is a town planning regulation which specifies precisely the following: services, location, construction, size, nature and appearance of the constructions.

Article 5. --Detailed plans pertaining to certain sections of the master plan can be put in effect while the master plan is in effect or after it has been approved. These plans are accompanied by regulations which apply only to those sections and establish town planning provisions which are too detailed for inclusion in the master plan.

## Chapter 2

### GENERAL PROVISIONS PERTAINING TO TOWN PLANNING

Article 6. --The master plan for urban districts and the detailed plans along with the accompanying rulings must comply with the following general provisions:

Article 7. --No building can be erected on land which is not appropriate for building--unstable, subject to erosion or flooding, or unhealthy.

All construction must be located in the zone on the master plan which corresponds to its nature: i.e., low-density residential, high-density residential, governmental, diplomatic, commercial, industrial, educational, health, transportation, arts, sports, police or military.

Article 8. --When the placement of a building coincides, in one or more points, with the alignment of a public road, the height above the ground of every point of this building must be at most equal to the horizontal distance from the point of the alignment on the other side of the road, unless there is an exception or an ordonnance expressly contrary to the town planning ruling.

Article 9. --Any building erected on a plot can be built either on the border of a boundary which separates that plot from another or behind this boundary. Such a building can not be built on the border of the boundary except in the following circumstances:

- there is no building on the contiguous plot, nor is any proposed;
- there is no building on the border of the boundary of the contiguous plot, nor is any proposed;
- there is no building within a four-meter distance of the boundary on the contiguous plot, nor is any proposed.

Article 10. --If a building is to be built behind a separating boundary, the distance of each point of the building at this boundary, must be at least equal to half the height of this point (measured from the ground). In no case can this distance be less than three meters.

Article 11. --If two buildings are constructed on a plot belonging to the same owner, the height above ground of each point of each of these buildings must be at least equal to the horizontal distance from this point to all points of the other building.

Article 12. --When a building must be built at the intersection of two public thoroughfares of unequal width and inside the boundary of the alignments of these thoroughfares, the height of every point of the building located on the wider street must comply with the provisions in Article 8 above.

The same height is allowed on the narrower street only at a length, at most, equal to the width of the street, from the intersection.

Article 13. --The provisions of Articles 8, 9, 10, 11 and 12 above do not apply to the gable of a detached building which has a width at most equal to two-thirds of the horizontal distance separating it from another building.

Article 14. --Under the conditions of the provisions of Article 11 above, and when an enclosed courtyard only lights premises of a single dwelling, the smallest side of this courtyard can not be less than 4 meters. In other cases and under the conditions of the same provisions, the smallest side of a courtyard can not be less than 8 meters.

Article 15. --Exceptions to Articles 8-14 above can be granted by the Minister of Public Works with a favorable opinion from the C.P.U.

Article 16. --If utilization of a building to be constructed is likely to result in parking of one or more vehicles in the area, the building permit provided for in Article 26 below will only be granted if parking space has been planned on land belonging to the builder.

Article 17. --Said building permit can be refused if the proposed construction is injurious to a classified monument or a natural or urban site or to the interests of neighboring places due to its location, construction, size, nature, color or appearance.

Article 18. --The building permit provided for in Article 26 below can not be granted unless the construction complies with the provisions in the following articles.

Article 19. --Any principal room intended for human occupancy day or night must have an area equal to 10.2 meters at least. This rule does not apply to kitchens, bath rooms, toilets, or storage areas.

Article 20. --The height of rooms to be lived in must be from floor to ceiling at least 2 meters 24 centimeters. Commercial enterprises located on the ground floor and directly accessible to the public must be at least 3 meters 50 centimeters high.

Article 21. --Each principal room to be lived in must be lighted by one or more openings in the wall, the area of which must be equal to at least one-sixth of the room.

Article 22. --The width of any interior exit passage, hallway, or stairway must be at least one meter.

Article 23. --Each room to be lived in must be equipped with an efficient ventilation system, specifically due to the composition of the plan (?) which permits a large transversal ventilation system in housing. In cases of rooms in central positions a ventilation system of conduits, shafts or mechanical means approved by the Administration must be provided for.

Article 24. --Every dwelling must be equipped with a minimum of one water faucet and one W.C. If there are no sewers, a septic tank must be built which complies with the regulations in effect.

Article 25. --Any multi-family dwelling higher than four stories above ground level must be equipped with an elevator.

#### CHAPTER IV

##### BUILDING PERMITS

Article 26. --Anyone who wants to build in an urban district which is supposed to have a plan must begin by requesting a building permit. This requirement applies to annexed buildings and enclosures. It also applies to exterior and interior transformations to existing buildings, as well as vertical or horizontal additions.

Article 27. --Construction work must be begun during a six-month period starting from the date of the issuance of the building permit. After this period, the building permit is invalid. In the event of an interruption of work for a period of more than a year, a new building permit must be requested.

Article 28. --The request for a building permit should be addressed to the Mayor of the Commune, or, in his absence, to the District Chief, who after having verified that the file attached to the request is complete passes it on to the local Minister of Public Works for his examination and opinion.

The local representative of the Department of Public Works proceeds with the processing of the request by verifying that the project complies with the legislative and regulatory provisions in effect and with the plans (either in effect or approved) and by consulting, if appropriate, the advice of local departments, especially the Land Registry, Public Lands, Public Health, etc.

Then he writes his final opinion and returns the file to the Mayor or to the District Chief.

Article 29. --The Mayor or the District Chief either grants, refuses, or conditionally grants the building permit. His decision must agree with the opinion of the local Minister of Public Works. In cases of disagreement, he sends the file to the Minister of Public Works for his decision.

Every refusal requires an explanation.

Article 30. --The Mayor's decision, or possibly, that of the District Chief or the Minister of Public Works, must be made in a period of two months after receipt of the request. After this period, the building permit is considered granted provided the project complies with the legislative and regulatory provisions in effect and there is a written reminder of the request.

Article 31. --Infractions of building permit regulations are stated in verbal testimony conducted by qualified agents from the Department of Public Works, commissioners, policemen and deputies. These are followed up by the Mayor or District Chief.

Article 32. --The Mayor, or in his absence, the District Chief, can order a halt to construction and seizure of materials and tools on the building site without incurring legal penalties.

Article 33. --When construction has been completed, agents from the Department of Public Works proceed to check it out through verbal testimony. If it is found that the building complies with the building permit, the verbal testimony check automatically authorizes a permit for habitation, occupancy, and use. If compliance is not confirmed, such permits can not be issued.

Article 34. --The contents of the file attached to the request for a building permit should include the following:

- An estimate in summary form of anticipated expenditure
- A description of the materials to be used, the exterior appearance and the color of the proposed project
- A site plan drawn on a small scale clearly indicating the location of the proposed project within the district in relation to the most characteristic landmarks which should be clearly marked on the plan
- A plan of the total area of proposed buildings drawn to a scale of 2 millimeters per meter (1/500) which indicates directional orientation, contour of the land, the direction of predominating winds, existing neighboring buildings and the proposed set-up for adjacent properties.
- The construction project on a scale of 1 centimeter per 1 meter (1/100), including plans of the different levels and the facades. Necessary cuts to show exactly the proposed provisions will be drawn to a scale of 2 centimeters per meter (1/50).

## CHAPTER V

### SUBDIVISION

Article 35. --Subdividing is the act of dividing a plot of land into two or more lots for their sale, for their rental, or division, and in order to build dwellings or industry.

Article 36. --No one can proceed with subdividing more than two lots without authorization from the Minister of Public Works. Implementation and sale of lots are subject to this preliminary approval.

Article 37.--All subdivisions must comply with the provisions in the master plan or the detailed plan (either in effect or approved). Lots can not be sold unless they have road access and are equipped with water, sewers, electricity, street lighting or can be so-equipped in the future.

Article 38. --Any carriage drive must be at least 10 meters wide.

Article 39. --Any corner created by the intersection of two roads must have a radius which is at least 3 meters wide.

Article 40. --Land dedicated for public interest installations, Highway Department, construction of social or cultural establishments, parking lots, athletic fields, landscaping, etc., can be ordered with no limitation on size. However the subdivider must give over to the municipality without reimbursement 20 percent of the reserved land. The remainder may be sold for just compensation except for land needed by the Highway Department.

In the event that work on secondary roads has not begun, the subdivider must give over to the municipality without reimbursement 50% of the land for subdividing before any lots are sold.

Article 41. --The area of the lots is determined according to the nature of the zone involved on the master plan. The area can in no case be less than 340 square meters.

Article 42. --The depth of each lot must be at least one and a half times its width as measured on the right-of-way. The width of a lot can in no case be smaller than fifteen meters. Exceptions can be made in cases of construction with a special permit.

Article 43.--The request for authorization to subdivide should be addressed to the Mayor or to the District Chief who sends it to the local representative of the Department of Public Works, who will study it and pass it on to the Minister of Public Works, who, with the opinion of the C.P.U., will make a decision to authorize either from the reserve or elsewhere or to refuse authorization.

Article 44. --A description stating in particular the services and the characteristics of the construction must be attached to the file.

Article 45. --If a subdivision is made contrary to the regulations in effect, the Minister of Public Works can nullify through judiciary channels the sale of lots without incurring legal penalties provided for in the law. In such a case, rights as perceived by the Title Inspector can be reinstated.

## CHAPTER VI

### SPECIFIC PROVISIONS FOR THE URBAN DISTRICT OF LOME

Article 46. --In accordance with the first article of this decree, the district of Lomé is supposed to have a master plan.

Article 47. --In the District of Lomé, the request for a building permit provided for in Article 26 above should be addressed to the Mayor who will pass it on to the President of the Permanent Commission on Building Permits.

The Commission makes a determination and returns the file with the explanation of the determination to the Mayor.

Article 48. --The Mayor grants, conditionally grants, or refuses the building permit. His decision must agree with the Building Permit Commission. In cases of disagreement, the file will be sent to the Department of Public Works for a decision.

All refusals require an explanation.

Article 49. --The Mayor's decision or possibly that of the Minister of Public Works must be issued within a two-month period after receipt of the request. After this period, the building permit is considered granted provided the project complies with the legislative and regulatory procedures in effect.

Article 50. --Infractions of the regulations on building permits are stated in verbal testimony conducted by the Chief of Public Roads or his representatives acting in his name, such as commissioners, policemen and duly authorized agents. These are followed up by the Mayor, or in his absence, the Minister of Public Works.

Article 51. --Without fear of penal action, the Mayor, or, in his absence, the Minister of Public Works, can order a halt to construction and seizure of materials and tools at the work site.

Article 52. --When construction has been completed, agents from the Department of Public Works proceed to check it out through verbal testimony. If it is found that the building complies with the building permit, the verbal testimony check automatically authorizes a permit for habitation, occupancy, and use. If compliance is not confirmed, such permits can not be issued.

Article 53. In the urban district of Lomé, the request for authorization to subdivide provided for in Article 43 above should be addressed to the Mayor, who will pass it on to the Minister of Public Works, who, with the opinion of the National Commission on Town Planning (la Commission Nationale d'Urbanisme) will decide to authorize or refuse permission from the reserved land or elsewhere.

Article 54. --Any provision contradictory to this decree is invalid.

Article 55. --The Minister of the Interior, and the Minister of Public Works, Mines, Transportation, Postal Services, Telecommunications are both charged with implementing this decree which will be published in the officieal paper of the Togolese Republic.