



REPUBLIC OF TOGO
Work – Freedom - Homeland

MINISTRY OF TRADE
AND
PROMOTION OF THE PRIVATE SECTOR

**SUBMISSION OF THE TOGOLESE GOVERNMENT'S
REPORT TO THE UNITED STATES
INTERNATIONAL TRADE COMMISSION
UNDER THE THEME :
U.S TRADE AND INVESTMENT WITH SUB-SAHARAN
AFRICA : RECENT DEVELOPMENTS**

Lomé, January 22nd, 2018

ANNEX

Annex 1: 16th AGOA Forum summary report

Annex 2: Togo's AGOA Utilization Action Plan

Annex 3: Togo's flagship project

Togo is honored by the invitation to take part in the United States International Trade Commission's investigation entitled "US trade and investment in sub-Saharan Africa: recent developments".

This invitation comes just in time less than six months after the 16th US-Africa trade and economic cooperation forum (commonly known as the AGOA Forum) jointly organized by the US and Togolese governments from 8 to 10 August 2017 in Lomé- Togo under the theme "Partnership for Prosperity through Trade".

This is an opportunity once again to thank the US administration and its various agencies for the fruitful cooperation that has made this forum a perfect success.

This success was achieved through the key role played by all eligible African countries through their trade ministries and the African Ambassadors Committee and the African Union Representation Mission in Washington D.C and thanks to African sub-regional organizations as well as the African Union and the United Nations Economic Commission for Africa for their support. The government is using this opportunity to acknowledge the important role played by the US private sector and civil society organizations involved, particularly, in the Corporate Council on Africa, the AGOA Civil Society Network and Agoa.info/TRALAC. They worked proactively and constructively with the Togolese private sector, civil society and government for the success of the forum.

Beyond expressing our gratitude, this consultation in Togo offers us the opportunity to share some flagship proposals to better capitalize on the recommendations of the 16th AGOA forum in order to strengthen trade between the United States and Africa, taking the case of Togo. These recommendations are attached to this report and are included in the 16th AGOA Forum report which has been sent in the three languages (French, English and Portuguese).

In addition, the present consultation allows us to present to you major ways to reinforce trade and investment between Togo and the USA in a win-win logic for both parties.

To do this, this document focuses on 6 key points:

- Overview of Togo's Economic Profile;
- Overview of Togo's rank in regional and global trade;
- Synoptic view of trade between Togo and the USA;
- Togo's support for sub-regional and regional economic and trade integration;
- Evolution of Foreign Direct Investment (FDI) in Togo;
- Prospects for the economic and commercial strengthening between Togo and the USA, between the USA and Africa.

This consultation comes to the right time due to the expansion of the global economy and an acceleration of Africa's economic growth. Togo hopes that, the present consultations will lay new foundations to strengthen among these favorable economic times.

I – Overview of Togo's Economic Profile

After years of weak growth in a difficult global context, the Togolese economy performed strongly between 2009 and 2016, supported by an improvement in agricultural productivity, a revival of phosphate production, and public investment, particularly in transport. Thus, despite an international context beset by economic crisis, real GDP growth was 5.5% in 2009, driven by a strong performance in the agriculture sector. Growth remained above 6% in 2010 and 2011, driven by the extractive industries sector (notably clinker). Robust expansion in the cotton and phosphate sectors enabled growth to remain at 6.5% in 2012. Phosphate and cotton production increased by 28.4% and 49.4%, respectively, as a result of the reforms introduced in these sectors.¹⁰ While sustained, real GDP growth then eased gradually to 5% in 2016, driven by the continuation of public investment programmes (rehabilitation of road infrastructure, extension of Lomé International Airport, and port works, among others).

This growth allows the reduction of poverty and creation of jobs as illustrated by the following data. [1]

The results of the recent Core Welfare Indicators Questionnaire survey (QUIBB 2011-2015) show a decline in the unemployment rate from 6.5% in 2011 to 3.4% in 2015. However, the rate of under employment rose from 22.8% in 2011 to 24.9% in 2015.

[1] Trade Policy Review, Report by the Secretariat and the member countries of WAEMU – World Trade Organization, p.476, October 2017.

The analysis of the 2006, 2011 and 2015 QUIBB surveys shows that poverty has declined over the period at the national level. Thus, the incidence of poverty increased from 61.7% in 2006 to 58.7% in 2011 and 55.1% in 2015. In this context, AGOA represents an important opportunity to accelerate the progress of Togo in line with its development objectives.

It is in line with Togo's duty to accelerate its progress and intensify its economic reforms and initiatives to create enabling environment for the development of the private sector.

II. Overview of Togo's ranking in regional and global trade

Togo is a trade hub in the West African sub-region. It ranks 143rd in imports and exports at the global level. At the WAEMU level, Togo ranks 6th in intra-community trade (9.1%). At ECOWAS level, its ranking is 5th in community exchanges (4.9%).

As part of the implementation of the 2030 Vision, the Government, with the support of the International Trade Center, embarked on a process to strengthen its export development and promotion support system. Thus, a feasibility study for the creation of an export and investment promotion agency was elaborated and validated in December 2017 as part of the PACCIR / WAEMU project (Trade Competitiveness Support Project and Regional Integration). An action plan was also developed with related activities covering the period from January 2018 to December 2019.

Main products traded outside the WAEMU area

With regard to non- WAEMU exports (2012-2016), the main products exported outside the WAEMU area are “non-crude petroleum oils or bituminous minerals; preparations at 70% or more” (13.1%), “medicines (3002.3005, 3006 excluded) for retail sale” (4.7%), “hydraulic cements (including non-pulverized cements 'clinkers'), whether or not colored” (3,6%), “Ethylene polymers, in primary forms” (3,6%) and “passenger cars, other passenger vehicles (8702 n/a)” (2.7%). The top five products imported from outside the Union account for 27.7% of average non-EU imports.

1 Main imports from the rest of the world by Togo (%) 2012-2016

Product label	2012	2013	2014	2015	2016	Average 2012/2016	Cumulative Total
Non-crude oils of petroleum or bituminous minerals; 70% or more preparations	14.7	16.5	14.8	10.3	9.8	13.1	13.1
Medicines (3002, 3005, 3006 excluded) for retail sale.	4.2	4.2	3.9	5.3	5.4	4.7	17.8
Hydraulic cements (including non-pulverized cements known as 'clinkers'), whether or not colored	5.7	4.6	4.8	2.4	1.4	3.6	21.4
Polymers of ethylene, in primary forms.	3.4	3.4	3.6	3.8	3.9	3.6	25.0
Tourism cars, other passenger vehicles (8702 n/a)	2.3	1.9	3.0	2.9	3.5	2.7	27.7

Data: National Institute of Statistics and Economic and Demographic Studies, Togo

Based on non- WAEMU exports (2012-2016), the main exported products outside the WAEMU are “natural calcium or alumina calcic phosphates, phosphate chalks” (24.2%), the “cotton, not carted nor combed” (12.7%),

“gold (including gold platinum) unwrought or in semi-manufactured forms” (7.2%), “beauty products; preparations for manicure or pedicure” (7.0) and petroleum coke, petroleum bitumen and other residues of petroleum oils or bitumen” (4.0%).

The first five exported products outside the Union presented in this chart represent 55.1% of the average non- WAEMU exports.

Main products exported to the rest of the world by Togo (%) 2012-2016

Product label	2012	2013	2014	2015	2016	Average 2012- 2016	Cumulative Total
natural calcium or alumina calcic phosphates, phosphate chalks	23.7	20.5	28.2	27.4	23.2	24.2	24.2
cotton, not carted nor combed	12.6	8.9	12.3	17.3	14.6	12.7	36.9
gold (including gold platinum) unwrought or in semi-manufactured forms	6.6	6.5	8.9	7.3	7.0	7.2	44.1
beauty products; preparations for manicure or pedicure	6.1	6.0	6.6	7.7	9.5	7.0	51.1
petroleum coke, petroleum bitumen and other residues of petroleum oils or bitumen	9.2	7.6	0.0	0.0	0.0	4.0	55.1

Data: National Institute of Statistics and Economic and Demographic Studies, Togo

Main trade partners

Globally, China remains the leading suppliers of Togo since 2009. Compare to the non- WAEMU imports, the share of the import of Chinese products has been increased steadily and doubled in five years from 14.4% in 2012 to 29.1% in 2016. Chinese products average imports account for 20.4% of the

average non- WAEMU during 2012-2016. China is followed by France (9.4%), Belgium (4.8%), Netherlands (4.6%) and the United States (4.2%).

Main trade partners for the non-WAEMU imports (%) 2012-2016

Suppliers Countries	Rank (2012-2016)	2012	2013	2014	2015	2016	Average (2012-2016)
China	1	14.4	16.8	18.5	21.0	29.1	20.4
France	2	9.9	8.2	9.9	9.8	9.2	9.4
Belgium	3	7.0	4.2	5.4	4.0	4.0	4.8
Netherlands	4	3.6	7.9	5.0	2.1	4.4	4.6
Unites States	5	8.5	5.4	3.1	2.6	2.0	4.2

Data: National Institute of Statistics and Economic and Demographic Studies, Togo

During 2012 to 2016, India was Togo's first non- WAEMU customer. India mainly imports Togolese phosphate. Exports to India account 13.6% of average non- WAEMU exports. India is followed by Ghana (13.2%), Nigeria (12.9%), Poland (4.7%) and Gabon (4.5%).

Main trade partners for non-WAEMU exports (%)

Country of destination	Rank 2012/2016	2012	2013	2014	2015	2016	Average 2012/2016
India	1	2.9	11.9	23.1	18.0	15.7	13.6
Ghana	2	7.9	17.0	14.5	7.0	19.1	13.2
Nigeria	3	17.3	15.8	10.2	9.4	8.8	12.9
Poland	4	20.2	0.1	0.7	0.0	1.0	4.7
Gabon	5	9.6	7.5	0.7	0.8	0.9	4.5

Data: National Institute of Statistics and Economic and Demographic Studies, Togo

Figures of Togo's imports according to the various economic regions show that Togo exchanges mainly with the European Union (EU) and that France and Belgium are among Togo's main suppliers. At the non-WAEMU

exports level, Togo trades mainly with ECOWAS countries outside WAEMU. Indeed, Togo exports mostly in the ECOWAS area, clinker, cement, mineral waters, wigs and braids, plastic sacks and bags, cosmetics and make up etc.

Togo has significant import and export trades with BRIC's group (Brazil, Russia, India and China). As a result, China and India are respectively Togo's first supplier and customer in recent years.

Data analysis highlights the importance of promoting trade with Africa Economic zones such as the Central African Economic and Monetary Community (CAEMC), the Southern African Development Community (SADC), East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA) and outside Africa such as European Free Trade Association (EFTA), the Dynamic Economies of Asia and the Southern Common Market (MERCOSUR) to be promoted.

Chart 5- Breakdown of non-WAEMU trade by economic zone (%)

Year	Import			Export		
	2014	2015	2016	2014	2015	2016
Economic Zone						
EU(28)	40.5	34.2	31.3	15.0	16.8	13.1
ECOWAS (excluding WAEMU)	4.5	4.3	5.3	25.2	17.6	30.3
CEMAC	0.0	0.1	0.1	4.2	3.9	4.7
EFTA	0.4	0.5	1.3	3.4	1.5	0.5
EDA	5.5	4.7	3.9	5.3	7.6	7.2
MERCOSUR (permanent members)	1.5	1.5	1.0	1.0	0.8	0.0
BRIC	27.5	28.8	36.2	27.6	20.1	18.4
SADC	1.9	5.3	1.3	1.1	0.8	1.0
EAC	0.0	0.0	0.0	0.3	0.5	0.3
COMESA	0.4	0.7	0.3	1.0	0.9	1.3
UMA	1.6	3.6	1.6	0.7	4.0	1.7

Data: National Institute of Statistics and Economic and Demographic Studies, Togo

Breakdown of Togo's total trade exchanges according to the continents

Togolese imports come mostly from Asia because of China. In fact, the share of European products imports from 43.9% in 2014 to 35.6% in 2016 whereas Asian products went from 34.0% to 45.8%. Compared to imports from Europe or Asia, the imports of African products are low and range from 13% to 18% for the last three years (2014-2016).

In export, Togo exports mainly to Africa (especially West Africa) because in the last three years, the share of Togolese exports in Africa has been constantly increasing from 63.4% in 2014 to 71.9% in 2016. The second geographical region that Togo exports its products is Asia, but Togo's share of exports to Asia has declined from 22.6% in 2014 to 20.3% in 2015 and from 16.6% in 2016. The third region is Europe which also imports less and less Togolese products; the share of Togolese exports to Europe is 8.1% in 2016 against 10.8% in 2015 and 13.0% in 2014.

A trade exchange with American's region is still to be promoted and the government's efforts to benefit the country from the AGOA initiative are aimed in particular at boosting Togolese exports to the USA. Togo's imports from the US represented 5.1% in 2016 of its total imports and Togo's exports to the US represented 2.7% in 2016 of its total exports.

For a good understanding of Togo's trade profile, it is important to note that the re-export trade represents a significant part of Togo's total exports. Re-exports accounted for nearly 30% of total exports on average over the period 2008-2016 given the active role played by Togo in sub-regional trade.

Chart 6- Breakdown of trade exchanges according to geographical regions of the world (%)

Geographic Region	Import			Export		
	2014	2015	2016	2014	2015	2016
Europe	43.9	37.1	35.6	13.0	10.8	8.1
Africa	14.3	17.8	13.5	63.4	64.0	71.9
America	7.7	5.2	5.1	1.0	3.5	2.7
Asia	34.0	39.8	45.8	22.6	20.3	16.6
Oceania	0.1	0.1	0.0	0.0	1.4	0.7
Others or unclassified countries	0.0	0.0	0.0	0.0	0.0	0.0

Data: National Institute of Statistics and Economic and Demographic Studies, Togo

III. Synoptic view on trade between Togo and the USA

Trade exchanges between Togo and the United States referring to the importation of American products to Togo are evaluated in USD at 1.021 billion, 309.971 million and 242.222 million, respectively in 2014, 2015 and 2016.

Exports of Togolese products to the United States are evaluated in USD at 9.94 million, 14.211 million and 10.855 million, respectively in 2014, 2015 and 2016.

The main products exported by Togo to the USA are agricultural products including cotton, cashew nuts, cocoa, mining products, wigs, braids and other synthetic products.

The main products imported by Togo from the USA are hydrocarbons, equipment, fuels and thrift clothes.

Chart 7 - Value of Togo's exports to the United States (in thousands of dollars)

Sectors	Exports	2014	2015	2016
Agricultural products	Export	4 320	3 299	2 824
	Export AGOA	178	145	98
Forest products	Export	174	204	105
	Export AGOA			16
Chemicals and the like	Export	900	816	1 145
	Export AGOA		1	15
Textiles and clothing	Export	4	22	50
	Export AGOA			1
Metals and minerals	Export	15	63	7
	Export AGOA			
Electronic products	Export	9	3	2
	Export AGOA			
Diverse products	Export	3 157	7 990	6498
	Export AGOA			4
All sectors	Export	9 094	14 211	10 855
	Import	1.020.563	309.971	242.222
	Export AGOA	178	146	134

Source : <http://www.agoa.info/>

IV. Togo's support for sub regional and regional economic and trade integration

Whether at the regional or continental level, Togo's position in favor of integration has been noticed. At the regional level, Togo was one of the founding members of the Economic Community of West African States (ECOWAS) and is currently the President of the Conference of Heads of State and Government of ECOWAS.

On the continental level, especially in the African Union, Togo plays an active role in their negotiations organized by the AU related to Continent Free Trade and thus will help boost intra-African trade and enhance Africa positioning in the Global trade.

The organization of the second edition of the "integration week" in May 2017 is one of the proofs. For this 2017 edition the main focus has been on African youth and the challenges of integration. It is about highlighting all the actors who contributed to reinforce the economic integration, to create more opportunities for the youth to allow them to work in Togo or elsewhere. Giving the fact that integration implies the free movement of goods and people on the African continent, Togo supports all efforts to help and ensure that the African passport launched few months ago become effective in order to facilitate the movement of people and cross-border trade within the continent.

With regard to sub-regional integration, Togo strongly supports initiatives related to the realization of ECOWAS's economic agenda. In respect of the election of the President of the Republic, HE Mr. Faure Essozimna Gnassingbé at the head of the Economic Community of West African States (ECOWAS), the program of the Togolese Republic during his tenure at the

head of the sub-regional organization was devoted to the following priorities;

- remove obstacles to the free movement of persons and goods, implement the provisions of the Protocol on the Free Movement of Persons, the Right of Residence and Establishment, and introduce the biometric identity card;
- remove non-tariff barriers and promote the implementation of the ECOWAS Common External Tariff (CET);
- strengthen peace, regional security and the enhancement of democracy and crisis resolution;
- advocate for improvement of the health system in West Africa, in order to guarantee a better life for West African citizens and prevent health crisis.

In practical terms, the investments made by Togo with the support of international and regional organizations to strengthen transport infrastructure enable Togo to better facilitate trade within the African sub-region and at the continental level since the port of Togo covers ports beyond West Africa. Togo, in cooperation with other border countries, is working to implement juxtaposed customs posts to speed up formalities for cross-border trade. Togo is also supporting the finalization of work on the elaboration of the ECOWAS Customs Code.

At the reforms level and implementation of policies, Togo supports regional integration efforts that are presented in several aspects:

Implementation of common commercial policy for WAEMU/ECOWAS:

- Joint review of trade policies of the eight WAEMU member states held on 25 and 27 October 2017 in Geneva;
- Adoption of measures in line with the Union's common commercial policy;
- Application of the Common External Tariff (CET), which came into force on January 1, 2015;
- Common ECOWAS trade policy currently under development and the common commercial policy of WAEMU;
- Use of common currency in WAEMU;
- Complementary taxation measures within WAEMU;
- Application of the trade liberalization scheme.

It should also be noted that Togo is also supporting the finalization of work on the elaboration of the ECOWAS Customs Code.

Togo in the context of OHADA:

The 2017 Doing Business Report indicates that in terms of business creation since 2011, Togo is OHADA's most efficient economy and is a prime example of common reforms. To that end, a one-stop center service has been established and the workflow has been streamlined. As a result, the time required to set up a business has been reduced significantly from 84 days to less than 24 hours today. Registration fees were also reduced by more than 100% from 177.2% to 71.2% of per capita income over the same period.

Between 2013/14 and 2015/16, Togo is among the top five member states that adopted the Union regulations governing the licensing and operations of credit bureaus.

Togo is part of the OHADA's economies that adopted the sectorial policy for the women advancement with the goal to promote equity and gender equality, the empowerment of women and the effective participation to the decision-making process at all levels to Togo's development. Togo reformed its family code by abolishing the provisions designating the husband as sole head of the household.

In terms of contract application, Togo is one of the six economies that made significant progress. Togo is also part of the OHADA member state that created a commercial court. In 2014 the Court of Lomé and the Bar Association signed a protocol designed to regulate procedures for disputes brought before the Court's commercial chambers, in particular by reducing time frames and limiting possible number referrals. The average time frame for the handling of disputes has thus been reduced from 300 to 90 days. Also, the implementation, between 2014 and 2016, of a project to strengthen the capacities of commercial chambers has helped to improve the conditions for the settlement of commercial disputes in Lomé.[2]

[2] Trade Policy Review, Report by the Secretariat and the member countries of WAEMU – World Trade Organization, p.482, October 2017.

At WAEMU level

With regard to export diversification, the 2014 WAEMU Commission's Trade Monitoring Report states indicates that only Togo and Ivory Coast have much more diversified exports than the other member states.

Within the WAEMU, Togo ranks among the member states second after Ivory Coast with the highest overall openness rates.

In the field of air transport, ASKY Company established in Togo operates across several West and Central African countries.

The revenues of the WAEMU member states depend highly on tax revenues. And in terms of compliance with EU standards in relation to the overall impact of public revenues, since 2012, the tax-pressure went beyond 16%. In 2013, Togo is one of the three member states that recorded a tax rate above 17% and closer to the WAEMU standards of 20%.

The establishment of the Togolese Revenue Authority (OTR) in 2012 allows for better organization of customs and tax services. The positive effects have been visible in recent years with a greater contribution of tariff revenues to GDP at community level. Togo and Ivory Coast have distinguished themselves among the first WAEMU countries in terms of mobilization of open resources.

To strengthen regional integration, Togo launched a major program of rehabilitation and modernization of its roads, harbors and airports infrastructures. Togo is one of the States showing outstanding cooperation with other member states of the Union's custom services. This notably facilitates transit operations.

With regards to non- WAEMU exports, the 2015 Report on Trade Monitoring in the WAEMU area indicates that in the last three years Senegal and Togo are the two member states exporting just over 25% of their exports are to the regional market.

V- Evolution of Foreign Direct Investment (FDI) in Togo

The Togolese government launched a major program to improve the business climate. This has made Togo one of the top ten (10) reformers in the world.

These efforts have giving new impetus to foreign direct investment. During the 2009-2016 period, Foreign Direct Investment (FDI) flows entering Togo displayed episodes of acceleration and slow down. Starting from a modest level in 2009, FDI inflows peaked at €511.5 million in 2011, before falling to €47.5 million in 2015 (Table 1.3). The stock of FDI stood at €1.2 billion in 2015 (compared to €371.7 million in 2009). [3]

The main beneficiary sectors of FDI are the manufacturing and extractive industries, commerce, telecommunications, and the financial sector. The investment projects included the construction of a third quay, a container terminal and a new sheltered dock in the Autonomous Port of Lomé; the construction of a 100 MW capacity power plant; expansion of the Lomé International Airport; and the renovation of several hotels (Hôtel du 2 Février and Sarakawa Hotel in particular). France, the United States and China are the main sources of FDI in Togo. [4]

FDI from USA benefited the energy sector. In fact, in order to fill the gap in electricity production in Togo, the Togolese government has signed a Concession Agreement with Contour Global Togo SA, a subsidiary of American Group Contour Global LP for the construction and operation of a new Thermal Power Plant with a capacity of 100MW. This plant was built and put into commercial operation since October 14, 2010. This project has received long-term financing from the Overseas Private Investment Cooperation (OPIC) of the United States of America.

The FDI flows received from the US by Togo over the period 2011-2016 are summarized in the following chart:

Chart 9 – Data on Foreign Direct Investment Flows (FDI) received from the United States of America by Togo (in millions of FCFA)

	2011	2012	2013	2014	2015	2016
FDI Flows received from USA	10 880	2 210	15 678	214	8 490	ND

NA: non-available. Data is being finalized. Source: BCEAO

[3] [4] Trade Policy Review, Report by the Secretariat and the member countries of WAEMU – World Trade Organization, p.479, October 2017.

VI – Capitalization Strategy of the AGOA

Togo's exports to the US market under AGOA are estimated at USD 178 thousands, USD 146 and 134 thousand respectively in 2014, 2015 and 2016. They mainly relate to Agricultural, forest, chemical products and likewise.

Togo's exports to the United States are made under the Most Favored Nation (MFN). Special systems, such as the general system of preferences or AGOA, are barely used (chart 1). In another words, Togo has not yet taken full advantage of the opportunities of AGOA.

The organization of the 16th AGOA Forum by the Governments of Togo and the United States infused more dynamism to the commercial partnership between Togo and the USA. During the preparation process, the Togolese government has taken steps to strengthen its trade cooperation with the United States. Especially, initiatives were taken to the finalization and adoption of a decree on AGOA Textile Visa and to the elaboration and adoption of a Togolese operational action plan of the utilization of AGOA in short and medium term. During this forum, Togo's request for a Textile Visa to export apparel and textile in the United States under the growth and business opportunities in Africa was officially approved by the American government.

Moreover, following the 16th AGOA Forum, the Togolese government adopted a series of actions to be undertaken to implement at the national level, the outcome recommendations of the African ministers as well as the Togolese operational action plan for the use of AGOA in a short and medium term. It should be noted that this AGOA Operational Action Plan was developed to mobilize the various actors to achieve the results that

Togo expects through AGOA: increased exports, increased domestic and foreign investment in expanding sectors, improved incomes and job creation for producers, youth and women entrepreneurs, and economic growth. The AGOA Operational Action Plan aims to make Togo a competitive country in the US in trade and investment market, making a significant contribution to sustainable and inclusive economic growth by 2025 and beyond. Through this plan, Togo aims to encourage exports of agricultural products such as shea butter, cashew kernel, coffee and cocoa, soybeans, textile articles, and crafts products such as shoe bags, traditional textiles; and mining products such as phosphates, clinker and iron.

This operating plan for the use of AGOA is based on five (05) strategic axes. These are: (i) the promotion of AGOA; (ii) development of facilitation tools for access to the US market; (iii) promoting compliance with certification, with the strategic track of action setting up a certification laboratory in cooperation with US services; (iv) capacity building; and (v) investment promotion.

As part of the implementation of the action plan use of AGOA in Togo, several capacity building activities were undertaken, the most important one are training and awareness workshops organized with the support of USAID Trade Hub for actors in the apparel sector, including fashion designers, pattern makers, weavers, dyers and agro-producers.

In addition, the following awareness on the Textile Visa, several operators have expressed their interests to benefit from this visa and to work in fulfilling the conditions. A Textile Visa Application is under review.

For the year 2018, several actions are planned in connection with the use of AGOA's nation plan including:

- Capacity-building of the AGOA resource center for strong support to companies wishing to export to the US;
- Dynamism of AGOA's Office managing the Textile Visa process;
- Capacity-building of economic actors on AGOA, Textile Visa and export in the USA prioritizing young entrepreneurs;
- Capacity-building of Journalists;
- Strategy development of AGOA utilization.

In the medium term, to promote Togolese products internationally, Togo is planning to set up a certification laboratory for products to be exported to the global market. This is an important project because it will allow Togolese companies to benefit from the access of Togolese products to the U.S. market under AGOA.

VII. Prospects for the economic and commercial strengthening between Togo and the USA, between the USA and Africa

In line with the recommendations of the 16th AGOA Forum and the measures of the Operational Action Plan for the use of AGO, the Togolese Government will intensify its efforts to strengthen the capacity of the AGOA Resource Center, help businesses based in Togo to fulfill and meet the eligibility criteria for access to the American market, and to be more competitive in encouraging American investments towards Togo with a win-win perspective for Togo and the USA. To that end, Togo can count on

the continued and growing support of the US administration and its agencies and on increased cooperation between private sector players and small businesses in both countries. Togo's strategy is also to promote experiences exchange between African countries.

Broadly speaking, the Togolese Government has launched a strategy of structural transformation and modernization of the national economy to increase productivity and competitiveness of enterprises in priority sectors, encourage investment, facilitate access to international markets for Togolese products and regional and strengthen regional and international trade.

This strategy is based on specific structuring projects; the most relevant for economic and commercial cooperation with the US are outlined below.

In the field of transport, Togo, which serves as a logistical and transport hub for Africa, is considering several structuring projects, including the important ore pier project. Through this project, Togo intends to capitalize on its natural advantage of having a port with the largest draught of West Africa. This is by modernizing its ore mineral quay to expand its offer to the countries of the Hinterland. This ore mineral quay will strengthen Togo's position as a transit land.

Projects to improve access to electricity are planned to boost the productivity of the economy and the well-being of the population. Two areas of investment are considered: first, investment in a thermal power plant (between 50 and 60 MW) to strengthen the available supply and fill the gap in terms of available electricity. An extension of the 50 MW Contour Global plant beyond the already installed 100MW is planned.

Secondly, the Cizo Presidential Initiative, which is the first phase of aiming to bring electricity to populations far from the traditional network. This requires developing autonomous networks based mainly on private investment and renewable energies

A high priority is given to enhancing the productivity and competitiveness of the agricultural sector. The creation of wealth in Togo requires a modernization and a profound transformation of the agricultural sector by a massive injection of private capital and an improvement of yields and incomes. Agro-business is an economic opportunity with high potential because Togo has a young, dynamic and available workforce, and a large amount of arable land. Moreover, this sector contributes substantially to export to the USA. To strengthen this sector, Togo has recently adopted a strategy to build at least 10 agropoles in 5 years throughout the country, agropoles that serve as a base for agribusiness. The investments that will be made for the establishment of agropoles will boost rural entrepreneurship among small producers, young people and women, and enhance the quality and competitiveness of raw and processed agricultural products exported to the United States by companies based in Togo.

To provide a major boost to industrialization, Togo plans to set up an industrial estate in partnership with the private sector and foreign investors. Once the estate is built, it will be important to be able to attract foreign companies to set up and to increase the productive capacities and to share their knowledge with the local companies, thus allowing to gradually densifying the industrial fabric in order to increase the production and exports to the USA. The involvement of US companies also makes it possible to use US inputs, thereby increasing US imports to Togo.

At the end of the 16th AGOA Forum, it was recommended to diversify the sources of companies financing to develop their productivity and their competitiveness. To this end, Togo, which is a leading financial center in West Africa, aims to set up a venture capital fund for SMEs / SMIs to allow US companies to acquire equity stakes in the capital of Togolese companies in order to strengthen their capacities and increase trade between the United States and Togo.

At the same time, Togo is strongly committed to pursuing the necessary reforms to enhance the attractiveness of its business climate and to attract more foreign investment and diaspora. Targeted reforms include strengthening of the telecommunications sector, land reforms, and the operationalization of the investment promotion agency.

Initiatives are avenues for investment and partnership between the US and Togo as they are very important for the expansion of economic and commercial cooperation. This cooperation is already on a positive track with a successful partnership with the US Embassy OPIC, MCC and USAID. The recent visit by the Vice President of OPIC demonstrates, once again, the interest of the US in strengthening the economic partnership with Togo. Moreover, cooperation with MCC will also continue to pursue key reforms to improve the very promising business climate for the expansion of economic cooperation. The strengthening of USAID's commercial capacity support through the USAID West Africa Trade Hub has been fundamental to the progress made at AGOA level and is expected to increase to allow a significant boost in trade between Togo and the USA. The Government expresses the wish for an intensification of its partnerships to strengthen

trade and investment between Togo and the United States for a shared prosperity for our two countries.

At the regional level, in line with the recommendations of the 16th Forum, the Government of Togo invites the United States Government, to extend support to eligible AGOA countries, to strengthen the technical and commercial assistance provided by USAID to African countries to support the regional integration agenda and to increase support for the continent's integration into global supply chains and distribution networks.

For a better impact of the AGOA trade law between the United States and Africa, it is important that off-cycle reviews are done in a way that does not undermine the spirit of AGOA which is characterized by predictability and certainty. Both of these factors are important for eligible African countries to attract the substantial investment needed to significantly increase trade between the US and Africa and to generate substantial and lasting benefits for their respective economies and populations.

The acceleration of global growth in the United States and Africa is a new opportunity to boost trade and investment in Africa and for increased investment returns in the US. "Indeed, according to the forecasts of the African Development Bank, Africa's overall real GDP growth is expected to accelerate to 4.1% in 2018 and 2019, compared with growth of around 2%, respectively, 2% and 3.6%, in 2016 and 2017 ". The experience we have noted with a US company, one of the founders is from the Togolese diaspora, shows that trade and investment between Africa and the US can offer mutual gains to each party if these investments are made in logic of

economic sustainability and social and environmental responsibility. ALAFFIA is based in the Washington State where it operates a production plant in the United States where it distributes its cosmetics and in European countries. This company is so successful that it has managed to have a partnership with Whole Food Markets. In addition, ALAFFIA directly employs 240 people in their US and over 700 people in Togo. Overall, ALAFFIA impacts over 10 000 families both in the US and in Togo through indirect employment.

Furthermore, the company is in the process of building a traditional Shea butter processing facility in one of the poorest region of Togo (Savane region) in order to increase economic opportunity in the community and to certify American market requirement.

It is in this spirit of sustainable, inclusive and mutual gains that Togo registers its economic and commercial cooperation with the USA and invites the American Government and companies to increase trade and investment with African countries. Togo takes the opportunity of this consultation to reaffirm its commitment to play its part with other African countries to tap all the opportunities offered by a favorable economic context and the AGOA law. The Togolese Government renews its deep gratitude to the USA for the opportunity to share its perspectives for boosted trade and investment with increased impact for Africa and the USA in line with the recommendations of the 16th AGOA Forum.