

# Togo

## Introduction

This note was developed by Global Off-Grid Lighting Association (GOGLA) with the support of the World Bank Group Lighting Global Program, the Energy Sector Management Assistance Program (ESMAP), the Shell Foundation, USAID, Power Africa, the UK Department for International Development (DFID) and Sustainable Energy for All (SEforAll). It is part of a series of briefing notes that provide a high-level overview of the status of different countries' off-grid solar markets, as well as relevant policies and programs<sup>1</sup>.

1,093 people currently using their products to support an income-generating enterprise

9,562,697 additional light hours unlocked for study, productive tasks or leisure time

## Key statistics<sup>2&3</sup>

### Demographics

Total Population	7,797,694
Population Density per km <sup>2</sup>	143
GDP per Capita	USD 617
GDP Growth	5.5%

### Energy Access Deficit

National Electrification Rate	46.9%
Urban Electrification Rate	87.4%
Rural Electrification Rate	19.4%

Number of households without power	1,000,000
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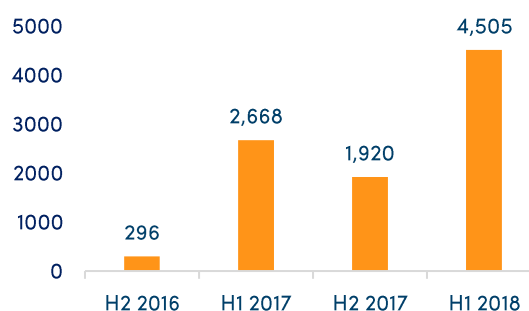
### Electrification Plan

Electrification Targets <sup>4</sup>	Universal access by 2030
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## Impact<sup>5</sup>

40,983 people currently living with improved energy access – clean, safe solar light

## Sales (pico and SHS)<sup>6</sup>



## Current Status

The Government of Togo has developed a unique approach to building the off-grid solar market, with support from the International Finance Corporation (IFC). There is an off-grid plan, which is fully integrated into the national electrification plan<sup>7</sup>. Support to the off-grid solar sector is being provided through the CIZO program ('Light up' in the Guin language).

Under CIZO, companies are licensed to sell solar systems delivering a minimum level of service between Tier 1 and Tier 2 according to the Energy Sector Management Assistant Program's (ESMAP) Multi-Tier Framework. Licensees benefit from an import duty waiver as well as logistical support, which includes

<sup>1</sup> The information and views expressed in this brief are GOGLA's alone and are based on our current understanding of the policy situation in this country. We welcome any updates, revisions or clarifications at [info@gogla.org](mailto:info@gogla.org).

<sup>2</sup> <https://data.worldbank.org/>

<sup>3</sup> <https://www.usaid.gov/powerafrica>

<sup>4</sup> Togo Electrification Strategy, Presentation Document, 2018

<sup>5</sup> These impact numbers have been estimated using the revised [Standardized Impact Metrics for the Off-Grid Solar Energy Sector](#). Data is drawn from the sales of off-grid solar products by GOGLA Members and IFC/Lighting Global affiliates since mid-2014. The impact of sales in previous years and by non-affiliated organizations are not included.

<sup>6</sup> GOGLA and Lighting Global Semi-Annual Data Collection. Data on a specific region, country or product category is only included when it has satisfied the three-data point rule, meaning that at least three separate product manufacturers have reported data for any single data point. When we have fewer than three responses for a region, country or product category, no results are shown to protect the proprietary interests of the companies who have supplied data in support of this industry report.

<sup>7</sup> Togo Electrification Strategy, Presentation Document, 2018

low-cost warehousing nationwide, provided by the Togo Post Office. In return, companies must commit to meeting IEC/Lighting Global quality standards, and to providing sales, energy consumption and repayment data to the Government for monitoring and reporting purposes. This data could be useful in the future for monitoring tax compliance, but also for launching other initiatives in rural areas, for example around access to water or financial inclusion.

Two licenses have been granted under the far with at least 8100 kits sold under the CIZO project so far. Ultimately, solar kits should electrify 555,000 households by 2030.

It is envisaged that only 4–5 licenses will be granted between now and 2030. This way the Government aims to ensure that the potential market available to a licensee is big enough to justify market entry even though Togo is a small country. The risk of market distortion is considered to be minimal since licenses are not geographic, the benefits of being a licensee are identical and licensees are encouraged to compete within the country.

### Promoting Quality

The Government of Togo – as part of ECOWAS – is moving towards adoption of national quality standards, which are harmonised with international IEC/Lighting Global standards. However, there is a recognition that borders are highly porous and standards are unlikely to prevent the influx of generic or substandard products on its own. The government has been promoting quality through stipulating that CIZO licensees only sell Lighting Global quality-verified products, but since CIZO only covers products delivering a level of service above Tier 1, little has been done so far to improve the quality of more basic solar lanterns.

### Taxation

An import duty waiver is in place for CIZO licensees.

### Investments

The Government of Togo is assisting CIZO licensees with access to finance and it helped the first licensee to access a local currency working capital loan from Union Togolaise de Banque (UTB). Access to finance is not expected to be a major constraint in the future as concessional financing is likely to be made available through the World Bank's West Africa Regional Off-Grid Energy project (ROGEP), as well as from the African Development Bank (AfDB) and other development finance institutions.

### Sector Support Programs

Togo is part of the forthcoming World Bank's Regional Off-Grid Electrification Project (ROGEP). The project, with an estimated overall budget of US\$200 million, will support the acceleration of regional off-grid markets and improve access to finance.

### Opportunities and Barriers

The CIZO program is on track, but there may be a need to accelerate recruitment of additional licensees to speed up market growth in order for the ambitious 2030 targets to be achieved. In addition, the value of the licenses is to be demonstrated as it has proven to be difficult for some companies to raise equity despite having a license.

### Further Information

- [Togo Electrification Strategy, Presentation Document, 2018](#)
- [Togo Fact Sheet, USAID Power Africa, 2018](#)
- [Off-grid Solar Market Research for Togo, IFC, 2018](#)
- [Lighting Africa Country Page - Togo](#)
- [Regulatory Indicators for Sustainable Energy \(RISE\) - Togo](#)