

Togo

Introduction

This note was developed by Global Off-Grid Lighting Association (GONGLA) 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 programs¹.

Key statistics^{2&3}

Demographics

Total Population	7,889,094
Population Density per km ²	145
GDP per Capita	USD 671.8
GDP Growth	4.9%

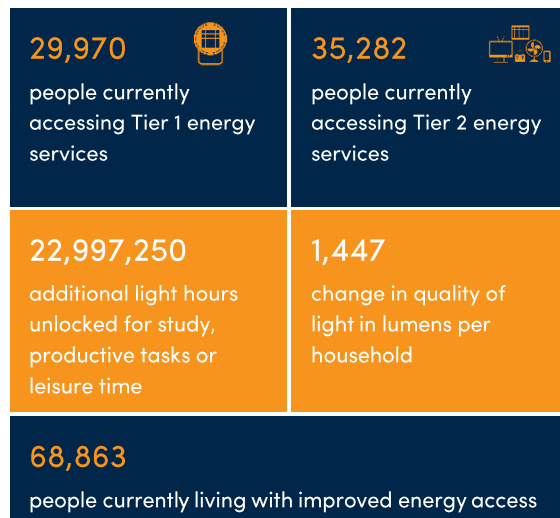
Energy Access Deficit

National Electrification Rate	48%
Urban Electrification Rate	89%
Rural Electrification Rate	19.5%
Number of households without power	1 million
% of quality-verified ⁴ (QV) vs non-QV products in the market ^{5&6} (H1, 2019)	QV: 100% Non-QV: 0%

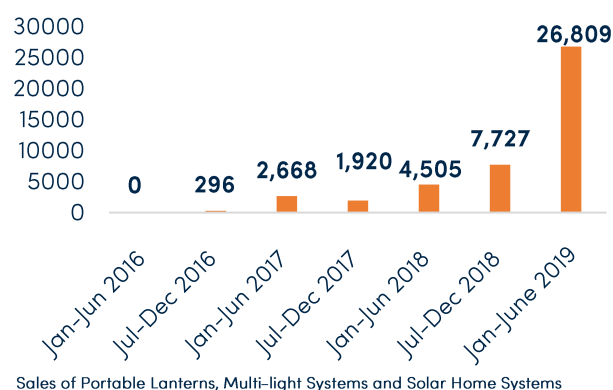
Electrification Planning

Electrification Targets ⁷	Universal access by 2030
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Impact⁸



Sales⁹



¹ The information and views expressed in this brief are GONGLA'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.

² <https://data.worldbank.org/>

³ <https://www.usaid.gov/powerafrica>

⁴ Quality-verified products are tested according to the Lighting Global Quality Standards. For more information please see the [Lighting Global Quality Assurance Program](#).

⁵ Share of quality-verified (QV) and non-QV sold by GONGLA and Lighting Global affiliates.

⁶ 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.

⁷ [Togo Electrification Strategy, Presentation Document, 2018](#)

⁸ Impact numbers have been estimated by plugging the most recent sales data into the [Standardized Impact Metrics for the Off-Grid Solar Energy Sector](#). The reported estimates differ from the previous edition of the country briefings due to the use of a smaller, yet more consistent and recent dataset, considering only products sold by GONGLA members and Lighting Global affiliates since 2016. Note that while the numbers shown represent the aggregate impact of key players in the off-grid solar sector, these estimates do not present the full global impact of off-grid solar lighting products sold.

⁹ All sales data included in this briefing is derived from the "Global Off-Grid Solar Market Report Database", result of a joint primary data collection effort carried out by GONGLA in partnership with IFC Lighting Global and the Efficiency for Access Coalition. The public version of the resulting report of the effort is available [here](#).

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 plan¹⁰. 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 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 8,100 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 & E-Waste Management

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. The Government has adopted the IEC standards for solar products, including the technical specification used by Lighting Global. Imported products are required to come with a certificate of conformity from a third-party, recognised testing centre¹¹.

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).

¹⁰ [Togo Electrification Strategy, Presentation Document, 2018](#)

¹¹ [Off-Grid Solar Market Research for Togo, IFC, 2018](#)



The Voice of the **Off-Grid Solar Energy** Industry

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 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.

Microfinance institutions have a great coverage in rural areas and can therefore support the off-grid solar sector with consumer finance as well as distribution. Local banks have also started to support PAYGo companies. As Togo is a small and densely populated country with a rapidly improving road network, distribution is not a major challenge.

Low ability-to-pay remains the main challenge to the growth of the off-grid sector in Togo. Another challenge is the flow of low-quality products which are a threat to consumer trust and have distorted the price expectations of customers.

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](#)