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Country cooperation frameworks and related matters

Second country cooperation framework for Togo (2002-2006)

Contents

<table>
<thead>
<tr>
<th>Paragraphs</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1–3</td>
</tr>
<tr>
<td>I. Development situation from a sustainable human development perspective</td>
<td>4–19</td>
</tr>
<tr>
<td>II. Results and lessons of past cooperation</td>
<td>20–28</td>
</tr>
<tr>
<td>III. Objectives, programme areas and expected results</td>
<td>29–39</td>
</tr>
<tr>
<td>A. Governance</td>
<td>31–35</td>
</tr>
<tr>
<td>B. Poverty reduction</td>
<td>36–39</td>
</tr>
<tr>
<td>IV. Management arrangements</td>
<td>40–48</td>
</tr>
<tr>
<td>Annex</td>
<td></td>
</tr>
</tbody>
</table>

Resource mobilization target table for Togo (2002-2006). | 8 |
Introduction

1. This country cooperation framework for Togo (2002-2006) follows on from the first such framework, which covered the period 1998-2000 and was extended through 2001.

2. It is in line with the general objectives and overall strategies put forward in the United Nations Development Assistance Framework (UNDAF) for Togo and is the result of an extensive process of exchange of views and consultations between the Government, UNDP, civil-society organizations, the private sector and the donor community.

3. Accordingly, it takes into account the technical cooperation requirements that emerge from Togo's national development programmes and UNDP's capacity to respond in the programme areas within its mandate for the promotion of good governance and sustainable human development.

I. Development situation from a sustainable human development perspective

4. By means of the common country assessment (CCA), the agencies of the United Nations system have arrived at the following common understanding of the status of sustainable human development in Togo. For almost a decade Togo has experienced particularly severe crises and great vulnerability. Compounding the structural constraints weighing down its economy, the country has been negatively affected by a deep and enduring socio-political crisis resulting from an unusually difficult transition to democracy. Institutions have been hindered from functioning normally by the recurrent challenges to legitimacy and national political paralysis at election times, the lack of pluralism in the National Assembly, and the structural weakness of the opposition forces.

5. On average, gross domestic product (GDP) has seen negative growth. The first half of the decade was marked by a severe recession and the economy has followed an equally unfavourable course since then, despite some upturns following the devaluation of the CFA franc in 1994 and, particularly in 1999, after periods of greater rainfall.

6. Overall, as a result of the recession and chronic economic stagnation, there has been a decline in all economic indicators. With an investment rate below 14.5 per cent, there is little hope for an upswing of production. The rate of savings is never above 6 per cent, leaving the country almost wholly dependent on outside sources for the financing of investments, although the major donors suspended their assistance in 1993 and the national context is not attractive to private foreign investors.

7. The outstanding external debt has grown on average by 5 per cent annually, totalling 862.8 billion CFA francs in 1999. The outstanding domestic debt amounts to 260.3 billion CFA francs. The country is in arrears for both categories of debt, which perpetuates the measures taken by donors to suspend disbursements and commitments and, at the same time, makes it harder for national enterprises to recover and expand.

8. In the area of public finances, stabilization and reform programmes implemented during the second half of the decade have led to some improvement but the situation remains volatile and marked by shortcomings in the collection of revenues, monitoring of expenditure, and adherence to budgetary procedures. As a result, since 1997 the country has had a negative primary balance of 1 per cent of GDP per year.

9. In the absence of a formal programme with the international financial institutions, Togo's prospects of obtaining the resources needed to finance its national development, including poverty reduction in the context of the HIPC initiative, are even more remote.

10. This critical situation has had a major impact on the country's level of human development. Generally speaking, the human development indicator remained very low throughout the decade: 0.469 in 1995, 0.365 in 1997, 0.468 in 1999 and 0.471 in 2000.

11. The crisis has created and widened divisions within the population. The lack of participation by all parties in the country's socio-economic life, the gender imbalance and the marginalization caused by HIV/AIDS have impaired national cohesion, which offers the best guarantee that people will come forward and join forces for development.

12. In so far as poverty and access to basic social services are concerned, the economic crisis has affected people's standard of living and quality of life.
Insecurity is on the rise and the main social indicators are in decline.

13. In monetary terms, available data suggest that the trend over the past few years is towards pauperization. For example, per capita GDP fell from 59,405 francs in 1997 to 56,398 francs in 1998 and to 55,606 francs in 1999. 72.1 per cent of the population are poor and 57.6 per cent are extremely poor; these figures are significantly higher than the averages seen in Africa. The difficulties encountered by businesses have led to a drop in salaried jobs. As national demand has shrunk, so have entrepreneurial opportunities and hence prospects for income-generating self-employment, particularly in urban areas.

14. In the area of health, the infant mortality rate rose from 78 per thousand live births in 1988 to 80 per thousand in 1998, the child (1-4 years) mortality rate rose from 126 per thousand to 146 per thousand, and the rate of maternal mortality remains very high despite its relative decline between 1988 and 1998 (from 600 to 478 per 100,000 live births).

15. The global and regional goals of eradicating or eliminating neonatal tetanus, dracunculiasis, poliomyelitis, measles, goitre and leprosy by the year 2000 could not be met. The average prevalence rate of HIV infection in the adult population in 2000 was estimated to be 8 per cent. The epidemic, which is still growing despite the effort being set up to mobilize people against it, is beginning to have an impact on life expectancy at birth.

16. In the education sector, the services available fail to meet the demand both quantitatively and qualitatively. Although the net enrolment rate rose from 66 per cent to 77.1 per cent between 1990 and 1999, that figure masks large discrepancies between boys and girls and between regions. Technical and vocational education is available to few people and is ill-suited to the job market.

17. On matters of gender, despite their demographic weight and economic importance, Togolese women face enormous constraints and are the most poverty-stricken. The illiteracy rate among women is 72.6 per cent, as compared with 50.3 per cent among men. Women have little access to education, technical and vocational training, or to information. Their access to the means of production is hampered by cultural constraints and by legislation, much of it adverse. They are victims of physical and psychological violence. Women are under-represented at the political and decision-making level, accounting for only 8 per cent of government officials, 6 per cent of parliamentarians and 11 per cent of mayors. In view of the challenges facing women, UNDP and the Government chose the theme “Women, poverty and the environment” for the national human development report that was published and distributed in the year 2000. The report was a useful tool for advocacy and awareness-raising among the actors of development.

18. The environment is continuing to deteriorate owing to the combined effects of deforestation, soil depletion, water pollution, coastal erosion and deficiencies in sanitation and hygiene.

19. In response to these problems, the Government adopted a national environment policy in 1998 and drew up a national plan of action for the environment followed by the development of a three-phase national environmental management programme. However, implementation has been slowed by financial and technical capacity constraints.

II. Results and lessons of past cooperation

20. The foregoing assessment emerges from the analyses carried out as part of the CCA, which was finalized in September 2000, and from UNDAF, which was approved by the Government in April 2001. More specifically, it derives from the conclusions of the programme review conducted in June 2000 which found, among other things, that the programme was insufficiently targeted and that the projects had little synergy.

21. UNDP cooperation with Togo over the past decade has taken place against a backdrop of deep socio-political crisis and suspension of aid by the country's major donors.

22. Assistance was provided mainly in the context of successive extensions of the fourth cooperation programme and, to a lesser extent, through the first country cooperation framework (1998-2000), subsequently extended to the year 2001. Assistance was built around three strategic intervention areas: poverty reduction, strengthening of capacity for managing development and supporting governance, and mineral and geological exploration.
23. Through its support for the national poverty-reduction programme, UNDP facilitated the formulation of sectoral policies, action plans and the national health development plan. It also contributed to programmes and projects connected with preparations for the round-table meeting on poverty which were carried out with the substantial involvement of the International Labour Office, the United Nations Educational, Scientific and Cultural Organization, the Food and Agriculture Organization of the United Nations, the World Health Organization, and the United Nations Industrial Development Organization. The round-table meeting could not be held because socio-political conditions in the country were particularly unfavourable at the time.

24. Operationally, the programmes and projects implemented with the support of UNDP and other donors, primarily the United Nations Capital Development Fund (UNCDF) and the International Fund for Agricultural Development (IFAD), contributed to building capacity for self-help in grassroots communities by means of income-generating activities, access to basic social services, and the creation of small development infrastructures, particularly in the Des Savanes and Maritime regions.

25. UNDP assistance in the form of training and access to new information technologies also helped strengthen capacities in the technical departments of central government, civil-society organizations and the private sector. In addition, by building up a debt management mechanism and a computerized database for economic and financial analysis and decision-making, UNDP provided support for the Government’s efforts in the area of macroeconomic management.

26. UNDP support for mineral exploration in Togo and for the management of the mineral resources of the Des Plateaux region led to the implementation of a project, co-financed with the European Union (by means of a trust fund), on basic mining information and the development of mineral resources such as gold and diamonds. The results of the project indicate that the prospects for contacts and negotiations with private investors are good. Gold washing and diamond washing are already generating income and jobs for the rural population in the plains area.

27. However, constraints arising from the crisis have affected implementation and prevented cooperation between UNDP and the Government from being fully effective. For example, the country’s absorptive capacity has been weakened by financial collapse and administrative dysfunction, which has resulted in delays and led to unimpressive project implementation rates (70 per cent on average in 1999 and 2000). Suspension of aid by the major donors was not conducive to the co-financing arrangements which UNDP had been expecting to set up. The weak coordination of development assistance and the absence of formal consultation mechanisms such as round-table meetings significantly limited dialogue on resource mobilization policies and activities in aid of development. The targeting and programming of assistance was not helped by the absence of strategic development management and a reference framework of medium- and long-term development policies.

28. Analysis of the manner in which cooperation has previously been executed points to the following major requirements: (a) enhanced and strengthened partnerships with civil-society organizations, and greater involvement of target populations in project and programme design and implementation; (b) interventions that are better targeted and more focused on maximizing the impact of assistance; (c) joint programme and project design and implementation by the United Nations system on the basis of UNDAF; (d) sustainability of programmes and projects in the light of the country’s financial capacity for assuming national ownership; (e) improved monitoring and evaluation of programmes and projects through the use of new results-based management tools.

III. Objectives, programme areas and expected results

29. Since the Government is endeavouring to ease the constraints that have kept the country from developing to its full potential and that have considerably worsened poverty over the past decade, this country cooperation framework singles out programmes and activities whose objectives and strategies are focused on better coordination of poverty reduction, capacity-building for macroeconomic management, and the strengthening of national cohesion and social integration through enhanced institutional and participatory governance.
30. This cooperation framework consolidates and goes beyond the progress made in poverty reduction during the previous cycle, by introducing a more systematic approach, in the spirit of the World Summit for Social Development and the Millennium Assembly. Building on this foundation, the cooperation framework encompasses the following programme areas and results.

**A. Governance**

**Institutional and participatory governance and human rights**

31. The issue of governance has been one of the main constraints on Togo's development and will continue to be crucial in coming years. A positive new momentum has been developing since the end of 2000 with the resumption of dialogue between political protagonists and the reaching of consensus on how the electoral process is to be organized and monitored. Consequently, through its assistance, UNDP together with the other country partners will endeavour to restore national cohesion by focusing on activities that help establish pluralistic democracy more solidly and that strengthen the rule of law.

32. **Promotion of human rights.** The objective is to work alongside national actors (Government, civil society, population groups) to help build a culture of respect for human rights and civil liberties. UNDP will specifically contribute to making legislation more functional and carrying out advocacy, mainly by means of the human development reports and through greater use of IEC (information, education and communication) by institutions and associations working to defend and promote human rights.

33. **Support for the process of decentralization.** Decentralization — the natural foundation and framework for good local governance and citizen participation in the management of public affairs and development — has yet to be put in place effectively, either in provisions for application of the Togolese law enshrining the principle of decentralization, or in the structures of the future decentralized local government authorities. UNDP will thus focus on helping the national and local authorities to arrive at the best possible division of powers and responsibilities, particularly in respect of the provision of basic social services, and on helping the local authorities to acquire a minimum level of operationally by improving functional training for their staff and elected representatives.

**Economic governance: economic and financial management**

34. Through its capacity-building assistance, UNDP will help public and private national institutions to acquire the technical, ethical and moral know-how required for economic and financial management, both strategic and operational.

35. Thus, within a relatively short time, the Government should be in a position to produce regular and reliable basic statistics (national accounts, dynamic economic and social data) and to carry out economic simulation, forecasting and modelling exercises. A computerized economic and financial database in support of economic decision-making will thus become available to all development actors.

**B. Poverty reduction**

36. Poverty reduction is the ultimate objective of UNDP along with the Government. UNDP will intervene at two levels: upstream, by helping to update national poverty-reduction policies, strategies and programmes and mainstreaming HIV/AIDS as a development issue; and downstream, by developing income-generating activities and strengthening local development initiatives.

37. **Poverty-reduction policies and strategies and national poverty-reduction programme.** Over and above encouraging broader and longer-term thinking about the approach to be taken to poverty reduction and the formulation of a forward-looking national vision and policy, the major product for the 2002-2006 planning horizon will be the production and implementation by the Government, with the strong involvement of UNDP, of its poverty-reduction strategy paper. This is part of the enhanced Heavily Indebted Poor Countries (HIPC) Initiative, which should enable Togo ultimately to receive additional resources for poverty reduction.

38. **Development of income-generating activities.** UNDP's objective will be to strengthen the capacity of microfinance organizations to take action and become operationally and financially self-sufficient. As a complementary measure, an effective information,
training and mentoring mechanism will be established within grass-roots communities to create and strengthen the momentum towards self-help, particularly among women.

39. **Strengthening local initiatives for collective social investments.** UNDP’s objective will be to strengthen the capacity of actors at the village level to programme, supervise and take ownership of the various initiatives. By way of support, UNDP may in certain cases decide to allocate some financial assistance for small economic and social projects.

### IV. Management arrangements

40. This second country cooperation framework will continue to be based on the programme approach as regards programme and project formulation and implementation. UNDP will need to develop a strong partnership not only with the Government but with the other agencies of the United Nations system, non-governmental organizations (NGOs) and the private sector in order to facilitate dialogue on development policies. Partnership with United Nations agencies in particular will be based on the initiatives agreed in the framework of UNDAF, one of whose key concepts is the design and implementation of joint projects and programmes. The first such project will be designed and implemented through the Theme Group of the Joint United Nations Programme on HIV/AIDS (UNAIDS).

41. All programmes will be designed in accordance with results-based management techniques in the sense that they will focus on outcomes and products. The latter will have indicators and targets so that progress and the real results of assistance may be easily evaluated.

42. In the context of Togo, priority will be given to programmes and projects that will make a significant contribution to poverty reduction and to technical and administrative capacity-building through training in technical expertise and logistics.

43. Given the limited resources available and UNDP’s comparative advantage, its technical assistance will be directed mainly upstream, towards policies and strategies, and only secondarily downstream in support of pilot projects directly related to poverty-reduction policies.

44. National execution will remain the main modality of programme execution. United Nations Volunteers (national and international specialists) will continue to be used for technical assistance in the field of poverty reduction. In addition, however, in order to aid the Government in implementing certain aspects of the programme, it is intended to make use of assistance from other United Nations agencies and from NGOs, as well as of resources made available through technical cooperation among developing countries (TCDC), by academic institutions and centres of excellence (universities) and by the private sector.

45. Lastly, starting with the design phase and during the implementation process, there will be greater focus on the exit strategy in order to help the national authorities to plan for following up and assuming national ownership of the project once the various partners have withdrawn. The sustainability of achievements, in particular so far as income-generating activities are concerned, will depend on strengthening the capacity of existing microfinance institutions to access appropriate sources of funding.

46. The current monitoring and evaluation mechanism, together with the use of results-based management tools (strategic results framework, results-oriented annual report, country office management plan), will be the main means of monitoring the performance and the quantitative and qualitative results of programme execution. It will entail bipartite, tripartite or quadripartite reviews, site visits, independent evaluation missions, and country reviews.

47. The focus will be on accountability and responsibility in programme and financial management, timely reporting, problem solving, and the revision of projects on the basis of acquired experience. To this end, the reports produced through the management tools described above will be made available electronically, permitting easy access and the dissemination and sharing of knowledge and information.

48. Resource mobilization is the most crucial issue for the country cooperation framework. Over and above the fact that UNDP’s own resources are inadequate, the continuing uncertainty over whether and when Togo’s major donors will resume financial assistance means that UNDP will have to focus intensively on mobilizing the resources — e.g. through cost-sharing systems and trust funds — without which
the programme's success as a whole will be compromised. In this spirit, preference will be given to co-financing and parallel financing arrangements with the Africa Capacity-Building Foundation for general issues of governance and economic management, and with the African Development Bank, UNCDF and IFAD for poverty reduction, in synergy with ongoing projects and the UNAIDS partners. UNDP will likewise take energetic action to ensure cost recovery or cost-sharing by the other agencies in respect of the services provided to them, and by the Government for support to national programme execution.
Annex

Resource mobilization target table for Togo (2002-2006)

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount (In thousands of United States dollars)</th>
<th>Comments</th>
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<tbody>
<tr>
<td><strong>UNDP regular resources</strong></td>
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<tr>
<td>Estimated carry-over into 2000</td>
<td>2,669</td>
<td>Inclusive of AOS.</td>
</tr>
<tr>
<td>TRAC 1.1.1</td>
<td>7,272</td>
<td>Assigned immediately to country.</td>
</tr>
<tr>
<td>TRAC 1.1.2</td>
<td>0 to 66.7% of TRAC 1.1.1</td>
<td>This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.</td>
</tr>
<tr>
<td>SPPD/STS</td>
<td>364</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>10,305</strong></td>
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</tr>
<tr>
<td><strong>UNDP other resources</strong></td>
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<td></td>
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<tr>
<td>Government cost-sharing</td>
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<tr>
<td>Third-party cost-sharing (World Bank, ADB, ACBF)</td>
<td>2,500</td>
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<tr>
<td>UNDP-administered funds, cost-sharing and other funds</td>
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<tr>
<td>UNCDF</td>
<td>2,500</td>
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<tr>
<td>IFAD</td>
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<tr>
<td>UNAIDS</td>
<td>1,000</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>8,000</strong></td>
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<tr>
<td><strong>Grand total</strong></td>
<td><strong>18,305</strong></td>
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* Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: ACBF = Africa Capacity-Building Foundation; ADB = African Development Bank; AOS = administrative and operational services; IFAD = International Fund for Agricultural Development; SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core; UNCDF = United Nations Capital Development Fund.