

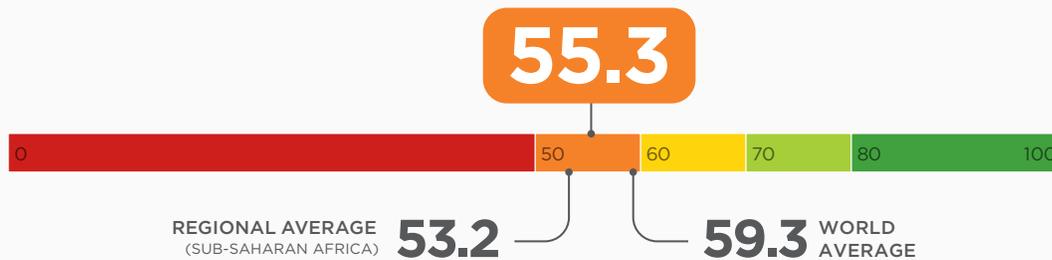
TOGO



Togo's economic freedom score is 55.3, making its economy the 118th freest in the 2023 *Index*. Its score is 1.9 points lower than last year. Togo is ranked 19th out of 47 countries in the Sub-Saharan Africa region, and its overall score is well below the world average.

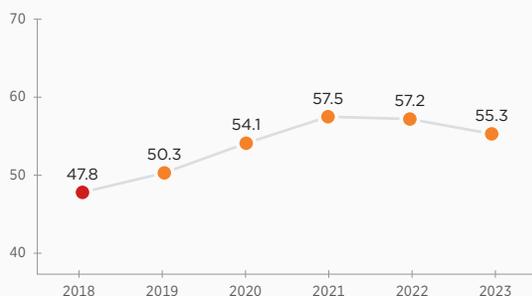
Togo's scores for business freedom, government spending, and freedom from corruption have declined over the past year. The weak judicial system increases investment risk. An opaque regulatory environment, coupled with a lack of policies designed to facilitate investment, discourages the emergence of a vibrant private sector and undermines economic progress.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1999): +7.1

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
8.5 million

GDP (PPP):
\$20.1 billion
5.1% growth in 2021
5-year compound annual growth 4.3%
\$2,373 per capita

UNEMPLOYMENT:
3.7%

INFLATION (CPI):
4.3%

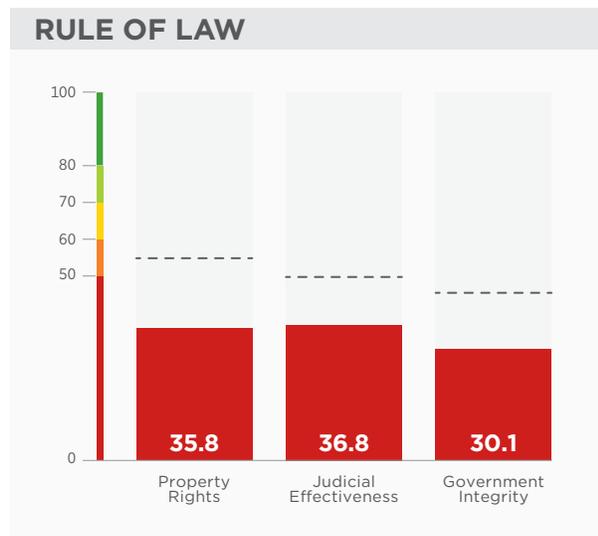
FDI INFLOW:
\$129.9 million

PUBLIC DEBT:
63.7% of GDP

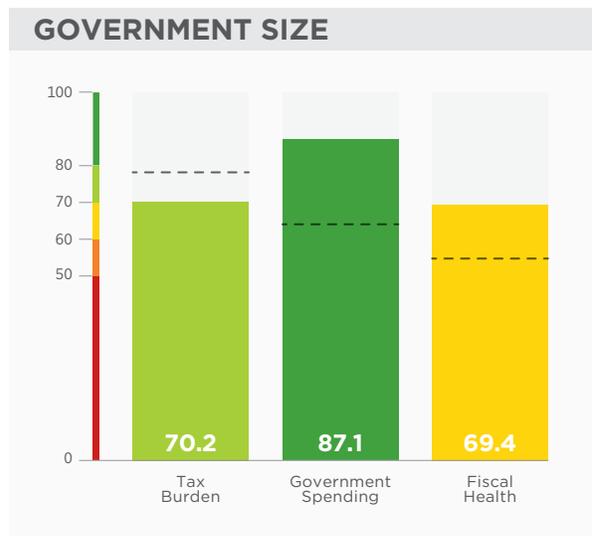
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: French Togoland became Togo in 1960. General Gnassingbé Eyadema remained in power for almost four decades. Faure Gnassingbé, appointed to the presidency by the military in 2005 after his father died, was elected president later that year. His Union for the Republic dominates Togolese politics. In 2020, he won a fourth five-year term following a 2019 constitutional change permitting him to serve two additional terms. Commercial and subsistence agriculture employs about 60 percent of the labor force. Togo has one of West Africa's few natural deep-water ports, and its secure territorial waters are a relatively safe zone for international shippers.

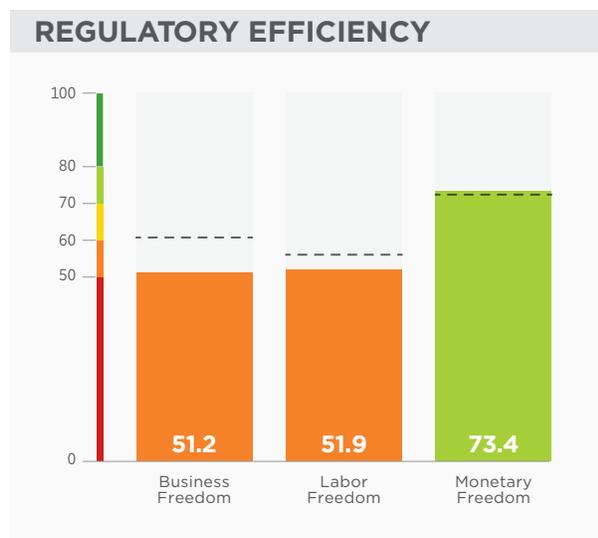
12 ECONOMIC FREEDOMS | TOGO



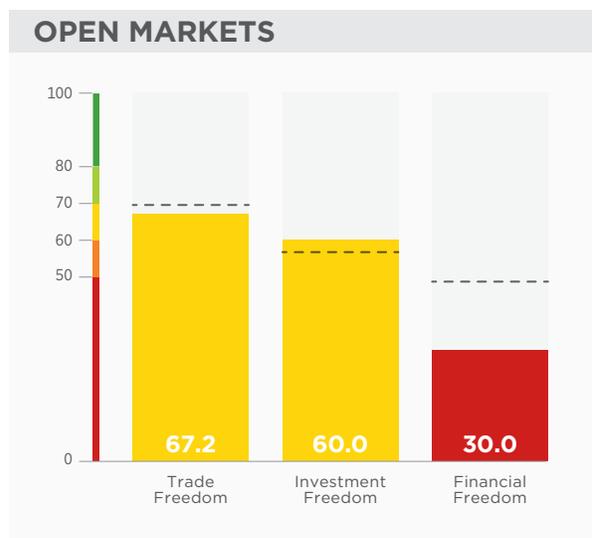
The overall rule of law is weak in Togo. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual and corporate tax rates are, respectively, 45 percent and 27 percent. The tax burden equals 15.0 percent of GDP. Three-year government spending and budget balance averages are, respectively, 20.7 percent and -3.7 percent of GDP. Public debt equals 63.7 percent of GDP.



Measures to improve the entrepreneurial environment have been considered but have not been implemented effectively. The overall business environment remains very burdensome. The labor market is underdeveloped, and informal labor activity remains substantial. Monetary stability has been fragile, and inflationary pressures continue.



The trade-weighted average tariff rate is 11.4 percent, and nontariff barriers further limit trade. Investment is permitted in certain sectors and is screened on a case-by-case basis. The underdeveloped banking system remains subject to government influence and suffers from a lack of liquidity.