

Togo

intra-Africa trade & tariff profile 2019



1. Introduction

Togo is part of two Regional Economic Communities (RECs) - the Economic Community of West Africa (ECOWAS) and the Community of Sahel-Saharan States (CEN-SAD).

- ECOWAS has 15 member states. All member states are part of the ECOWAS Free Trade Area (FTA), 14 of which are in the process of implementing the ECOWAS Common External Tariff (CET). Qualifying imports from approved ECOWAS producers are imported into Togo duty-free, and Togo applies the ECOWAS CET on imports from outside the REC.
- CEN-SAD currently has 24 member states aspiring to establish an Economic Union which includes the free movement of goods, services and commodities. There is currently no free trade agreement in place.



2. Intra-Africa trade

For 2019, 72% of Togo's world exports & 20% of world imports were to and from the rest of Africa. Intra-Africa exports amounted to US\$740 million (3% more than in 2018) & intra-Africa imports to US\$393 million (6% less than in 2018).

The main export products are electrical energy, cement, goods packaging articles, make-up preparations, motorcycles, palm oil, cotton woven fabrics, & concentrated milk and cream. The main import products are electrical energy, frozen fish, cement, wheat or meslin flour & petroleum oils.

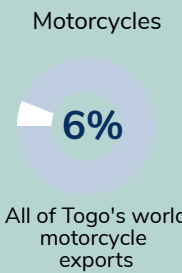
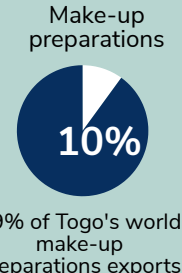
Electrical energy accounts for 30% of Togo's intra-Africa imports. Togo mainly trades with fellow members of CEN-SAD and ECOWAS, except South Africa. Ghana is the main intra-Africa trade partner - accounting for 17% of Togo's intra-Africa trade.

Main destination markets

Benin, Burkina Faso, Niger & Ghana



Exports

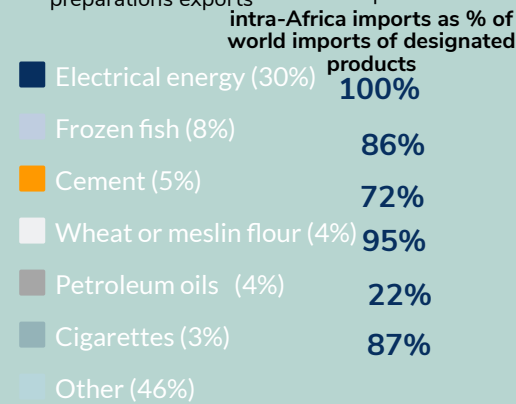


Main source markets

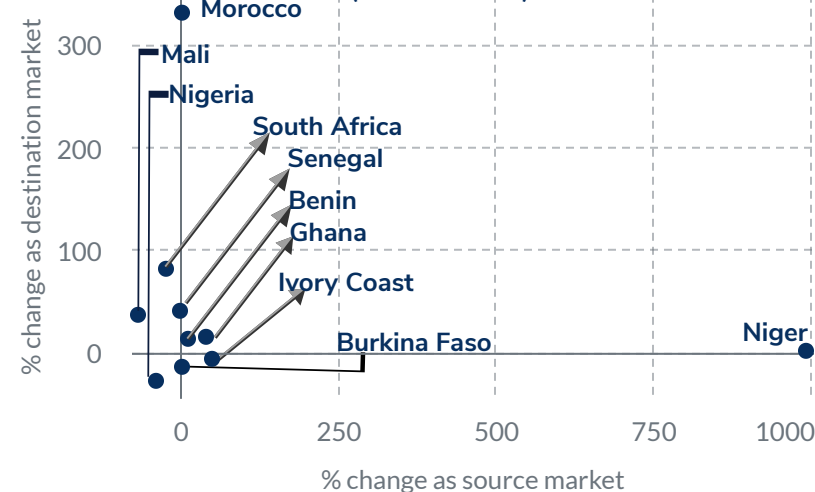
- Ghana
- Ivory Coast
- Nigeria
- Morocco

Imports

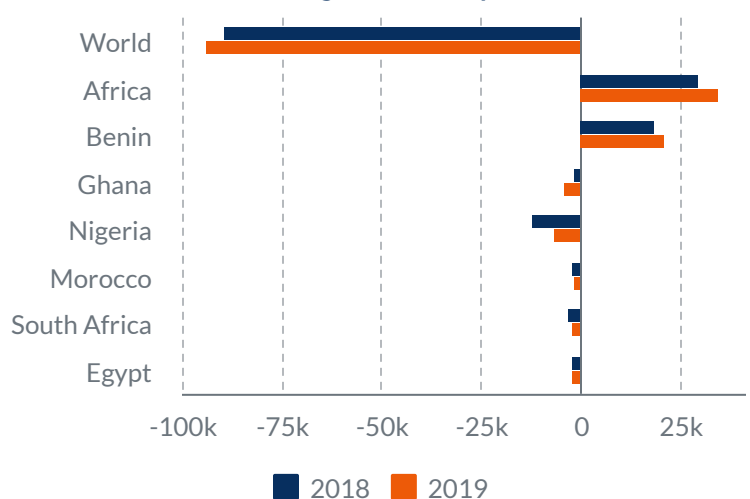
Togo's intra-Africa trade 2019



% change in exports to & imports from main African trade partners (2018 to 2019)



Trade balance with designated trade partners 2018 & 2019



3. Intra-Africa tariffs & non-tariff cost of trade
 Qualifying goods from ECOWAS member states enter Togo duty-free, while imports from CEN-SAD countries, which are not ECOWAS member states (including Egypt, Morocco, Somalia & Tunisia) and the rest of Africa are levied the MFN applied duty, which is the ECOWAS CET. The ECOWAS CET has five tariff bands - duty-free, 5%, 10%, 20% and 35%.

3% of Togo's world exports (4% of intra-Africa exports) are to African countries not ECOWAS member states. Export products include coffee, skin products & bulldozers - accounting for 20%, 12% & 12% of Togo's intra-Africa exports respectively. Other exports include human hair, second-hand clothing & polyethylene bags. 27% of Togo's exports to African countries outside ECOWAS go to Morocco, 19% to Congo, and 14% to Gabon.

5% of Togo's world imports (27% of intra-Africa imports) are sourced from outside ECOWAS. Togo mainly imports pacific salmon, electricity meters, fertilisers, diesel trucks, cane or beet sugar & diammonium phosphate from African countries outside ECOWAS countries. 23% of Togo's imports from non-ECOWAS countries are sourced from Morocco, and 22% from South Africa, 20% from Mauritania and 19% from Egypt.

MFN duty categories & % of national tariff lines in each category

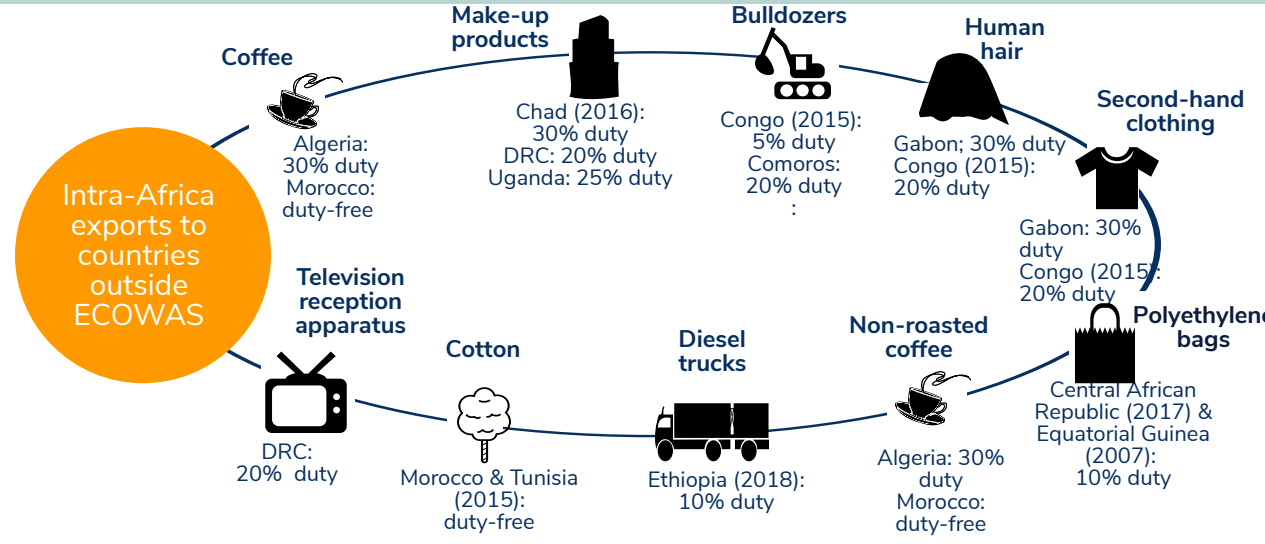
Duty-free 2%
 medicaments; crude petroleum oils; mineral and chemical fertilisers; printed books; newspaper in roll or sheets; newspapers or journals; human blood; articles of apparel and clothing accessories

5% duties 37%
 live beef animals; harvesting machinery; live poultry; copper wire; flat-rolled alloy steel; passenger motor vehicles; motor cycles; sugar or beets seeds; barley seeds

10% duties 23%
 iron, non-alloy or stainless steel wire; fresh fish; animal drawn vehicles; rice; woven cotton fabrics; vegetable oils and fats; cotton yarn; telephone sets; coffee; grand pianos

20% duties 36%
 fish fillets; fruit juices; male suits and shirts; copper wire; flour; fresh grapes; sanitary towels; milk and cream; stoves; curtains; lettuce; woven fabrics

35% duties 2%
 soap; buttermilk; meat and edible offals; groundnuts; oil; sheep or goat meat; bread; pastry; cakes; chocolates

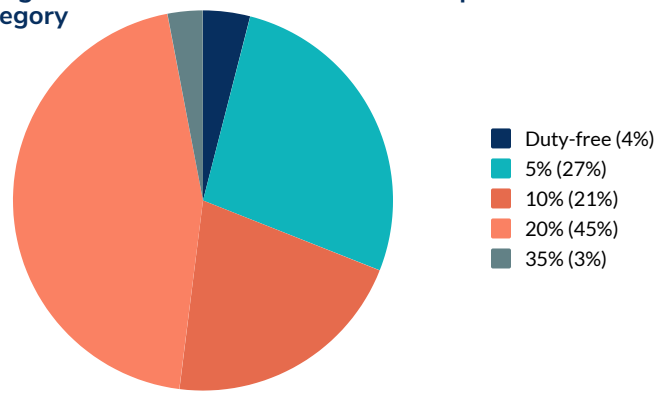


Togo's imports from outside ECOWAS and corresponding import duties

All of Togo's world imports of electricity meters & diammonium phosphate are sourced from non-ECOWAS African countries; also 92% of world imports of fertilisers, and 62% of diesel trucks are sourced from African countries outside ECOWAS.

- Morocco (23%)**
 Fertilisers (2.5% duty)
 Cane or beet sugar (20% duty)
 Pacific salmon (10% duty)
- South Africa (22%)**
 Diesel trucks (10% duty)
 Coal (5% duty)
 Polyethylene (5% duty)
- Mauritania (20%)**
 Pacific salmon (10% duty)
 Frozen fish (10% duty)
- Egypt (19%)**
 Electricity meters (10% duty)
 Control panels (5% duty)
 Odoriferous mixtures for food & beverages (10% duty)
- Eswatini (8%)**
 Diammonium phosphate (duty-free)
 Urea (duty-free)
 Odoriferous mixtures (10% duty)

Categories of MFN duties & % of 2019 imports in each category



Of the top 20 import products, only 2 products are duty-free - diammonium phosphate and urea. The highest tariffs (20%) are applicable to imports of cane or beet sugar, canned sprats & paper bags. A 10% duty is levied on imports of pacific salmon, electricity meters, diesel trucks, frozen fish, odoriferous mixtures for food and beverage, medium oils (n.e.s) & plasters. A 5% duty is applied to imports of fertilisers, polyethylene, coal, polypropylene & control panels.

The non-tariff cost of bilateral trade between Togo & designated trade partners

The ESCAP-World Bank trade cost database includes the cost of transportation and the time to complete import procedures and obtain necessary information as non-tariff costs affecting bilateral trade between trade partners. The data shows that the cost of trade between Togo with African like Tanzania, DRC, Kenya and Egypt is more than the cost of trade between Togo and non-African countries like the UK, France and China. The costs of trade between Togo and fellow CEN-SAD or ECOWAS member states (Ghana, Burkina Faso, Benin, Ivory Coast & Nigeria) is low. However, the cost of trade between Togo and Gambia (a member of CEN-SAD and ECOWAS) is more than the cost of trade Togo and non-CEN-SAD or ECOWAS African countries like South Africa, Algeria & Cameroon), and non-African countries like China and France.

