An IDEV **Country Strategy Evaluation**



Independent Development Evaluation **African Development Bank**

From **experience** to **knowledge**...
From **knowledge** to **action**...
From **action** to **impact**



Togo: Country Strategy and Program Evaluation 2004-2013

What did IDEV Evaluate?

The evaluation covered the period 2004–2013, during which time four documents provided the framework for cooperation between the Bank and Togo: the 2005 and 2006 Policy Dialogue Notes and two Country Strategy Papers (CSPs) covering the 2009–2010 and 2011–2015 periods. Bank support for Togo amounted to UA 195 million, of which 92 percent was invested in two sectors: Transport (66 percent) and Governance (26 percent), and the rest in water and sanitation, the financial sector, and emergency activities.

What did IDEV Find?

The relevance of the Bank's strategies in Togo has been deemed satisfactory. They are perfectly consistent with Togo's needs and priorities and the Bank's overall strategies. A good practice is that since the conduct of the CSP mid-term review in 2014, aspects related to social inclusion are now being effectively considered in line with the evolution of the Bank's guidelines which prioritize inclusive and green growth (2013–2022 Ten-Year Strategy). Hitherto, issues of gender (although identified) and youth employment were not taken into account and most operations were concentrated

in the capital, Lome. The Bank has implemented its Fragile States Strategy in Togo to address the manifold fragility factors identified. However, no integrated approach has been adopted to address these factors.

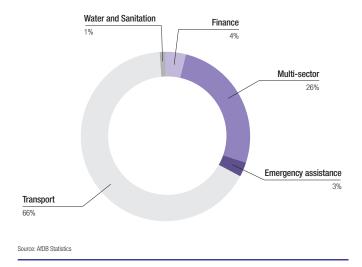
The Bank has been able to adapt its instruments and actions in Togo to the country's changing context, firstly, by supporting the resumption of relations with Togo and attainment of debt relief under the Heavily Indebted Poor Countries Initiative and, secondly, by laying special emphasis on economic factors.

Overall, the effectiveness of the Bank's operations is satisfactory, indicating the contribution of the operations to promoting growth and limiting fragility factors. Concerning road infrastructure, the achievement of outputs is satisfactory. The Bank has opted for multinational projects with a high integration potential, the most important of which, in terms of cost, are ongoing (North-South Lome-Ouagadougou Corridor and the Lome-Cotonou Road Rehabilitation Project).

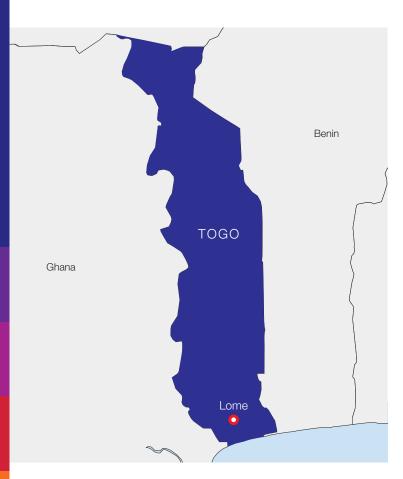




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As regards the construction of the Lome Container Terminal, given the progress made so far and the quality of outputs, the project's objectives can be fully achieved. Concerning the energy sector, the electrical grid projects linking Nigeria, Benin, Togo and Ghana seek to reduce poverty in the ECOWAS region (from 0% to 25%) by increasing the number of people with access to electricity (from 20% to 60%). Concerning the water and sanitation sector, the level of achievement of project outputs with respect to the Integrated Water Management System (SIIEAU) is moderately satisfactory. The performance of economic governance operations is satisfactory. The Bank's emergency



assistance operations are not satisfactory, although there was some improvement in the latest operations. There are difficulties at various levels: project design and right-sizing in keeping with needs, timing, information channels and coordination.

Efficiency is deemed moderately satisfactory. It varied depending on the type of project or criteria used: (i) proper adherence to schedule regarding budget support operations; (ii) highly satisfactory internal rates of return for the two infrastructure projects but with major time overruns; and (iii) inefficiency regarding FSF operations. Implementation delays remain a problem. Weak national capacity and delays in approving procurement documents, difficulties in releasing national counterpart contributions, and delays in issuing the Bank's no objection opinions seem to be the main causes of project implementation delays. Although the establishment of the Bank's Country Office has not eliminated all the causes of delay, it has significantly contributed to improving the situation. The Bank's key portfolio performance indicators in Togo are better than the average of countries eligible for ADF resources.

The sustainability of the outcomes of Bank operations in Togo is deemed moderately unsatisfactory. Regarding infrastructure, Bank projects are well designed and are based on relevant technical options. However, the sustainability of infrastructure is not guaranteed for various reasons (lack of maintenance and overload regarding road projects, erosion at the Lome Port, and lack of ownership of the SIIEAU project). The sustainability of the energy sector project outputs is contingent on Nigeria's capacity to ensure constant energy supply which, according to the project performance evaluation report, seems uncertain. However, the ongoing energy sector reform may minimize this risk.

The issue of sustainability regarding governance projects rather concerns the continuation of the reforms initiated, the retention of trained staff and the maintenance of investments in computer hardware, which is currently ensured by private service-providers. The entities supported by the Bank under Fragile States-Facility (FSF) projects are not prioritized in the national budget, thus compromising their financing at the end of Bank intervention.

What did IDEV Recommend for the New Strategy?

Strengthen the focus of the next CSP on inclusive and green growth by seizing opportunities in sectors where the Bank has a comparative advantage. Redirecting infrastructure investments to the creation of agricultural value chains may help enhance the potential of economic diversification while helping to reducing inequalities by operating in a high growth sector that employs 79 percent of the poor in Togo. Similarly, the sustainable tapping of natural resources may become the blueprint for future strategies by prioritizing green infrastructure. The potential for developing mineral resources can be supported by targeted private sector operations and by specifically redirecting investments into infrastructure.

Improve the use and monitoring of analytical work. Analytical work should be considered a tool in its own right, alongside other

of the Bank's intervention methods. Concretely, this implies that it should be: (1) better mainstreamed into intervention strategies, while maintaining some flexibility; (2) validated based on a systematic analysis of opportunities; (3) assigned adequate resources for implementation, and (4) monitored and evaluated.

Revive policy dialogue by focusing on a few key subjects, specifically: i) the continuation of public finance management reforms with special emphasis on debt sustainability; ii) the sustainability of investments at strategic and sector levels; iii) the effective implementation and functioning of coordination mechanisms, and iv) the mobilization of resources to implement more inclusive policies.

Make sustainability a strategic issue. Besides policy dialogue, sustainability should be carefully analyzed to provide solutions within the framework of the Bank's program. Specific analytical work on sustainability should help strengthen dialogue and promote operations. Topics include for example, road maintenance, the sustainability of capacity building activities, and environmental risks related to Port activities.

Strengthen the results orientation and the assessment of strategies. Weak CSP monitoring and evaluation systems of were challenges for the evaluation because effective monitoring and evaluation is a key aspect for transforming the CSP into a more operational tool. This requires that CSPs and operations have clear and distinct short-, medium- and long-term objectives. One method could be to systematically use various sectoral theories of change to define a common framework for strategy formulation, implementation and evaluation.

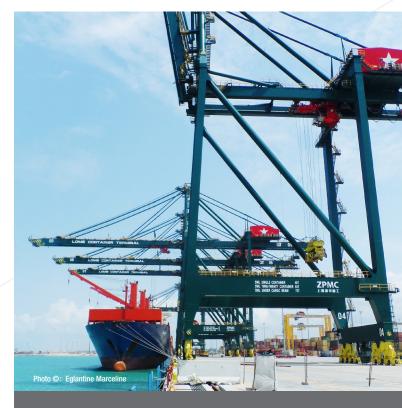
Methodological Approach

The evaluation process focuses on two main themes: (i) the achievement of development outcomes; and (ii) the management of the Bank's performance-based operations. This evaluation is the result of a multidisciplinary approach combining technical and evaluative expertise and based on various qualitative and quantitative information sources.

Individual and group interviews conducted at various levels helped to put the literature review and the processing of quantitative data into perspective. In addition, four visits were conducted to construction sites with concrete realizations (road section and related facilities, the Port Terminal, the Integrated Water Management System and the Lome temporary market). Discussions were held with about one hundred actors from the Togolese Government (at the central and local levels), the private sector, NGOs or other development partners. A large fraction of the actors met are the direct beneficiaries of AfDB operations. Site visits provided an opportunity to meet final project beneficiaries (mainly concerning infrastructure).

As provided for in the methodology, a workshop was organized with stakeholders at the end of the field mission to exchange views on the initial findings. It helped to validate or qualify some analyses and deepen certain aspects such as fragility.

Based on the cross-analysis of the lessons learnt from these multiple sources (triangulation), 10 project outcomes evaluation reports were prepared and sector and strategic analyses were carried out at country level, containing answers to evaluation questions, conclusions and the recommendations of this report.



Support to economic infrastructure is central to AfDB's strategy to achieve its overarching objective of promoting growth in Regional Member Countries. Sixty six percent of AfDB support to Togo between 2004-2013 went to economic infrastructure including the Lome container terminal.



By re-building and cleaning up the Baguida Primary School, which had been flooded and was not being used, the Bank made it possible to more than double school enrollment from 262 students in 2010-11 to 629 in 2014-15.

Evaluation Limitations

In carrying out this essentially results-based evaluation, difficulties were encountered in obtaining specific data in the two key thrust areas (public finance and infrastructure) and in implementing emergency assistance activities. Regarding public finance, where the main

outcome indicators were public expenditure and financial accountability (PEFA) indicators, the main constraint faced was lack of a recent PEFA evaluation (the latest dates back to 2009). The main constraint faced in the infrastructure domain was that 4 of the 5 sector projects (Port, Lome-Ouagadougou Corridor, Lome-Cotonou Corridor, and SIIEAU) were still being implemented at the time of the evaluation.

About IDEV

Independent Development Evaluation (IDEV) of the African Development Bank carries out independent evaluations of Bank operations, policies and strategies, working across projects, sectors, themes, regions, and countries. By conducting independent evaluations and proactively sharing best practice, IDEV ensures that the Bank and its stakeholders learn from past experience and plan and deliver development activities to the highest possible standards.

What did Management Respond?

Management welcomed IDEV's evaluation findings and agreed overall with the report's conclusions. The report acknowledged the effectiveness and relevance of Bank interventions in Togo during the evaluated period but stressed the need for the Bank to henceforth: (i) make a decisive turn towards inclusive growth and green growth, seizing the opportunities where it has an advantage; (ii) ensure that analytical work is better used and monitored, (iii) re-launch the political dialogue and structure it around a limited number of important subjects; (iv) make sustainability a strategic concern, and (v) reinforce the focus on the results and evaluability of strategies. These recommendations will be taken into account when preparing the Bank's new assistance strategy for Togo (2016 –2020) and the various resulting operations.

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