



The World Bank

Togo Increased Digital Connectivity and Electricity Access (IDEA) (P176769)

Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 21-Jul-2021 | Report No: PIDC32376



BASIC INFORMATION

A. Basic Project Data

Country Togo	Project ID P176769	Parent Project ID (if any)	Project Name Togo Increased Digital Connectivity and Electricity Access (IDEA) (P176769)
Region AFRICA WEST	Estimated Appraisal Date Mar 28, 2022	Estimated Board Date May 26, 2022	Practice Area (Lead) Energy & Extractives
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance	Implementing Agency Ministry of Energy and Mines	

Proposed Development Objective(s)

The PDO is (i) to improve the reliability of the transmission service in the northern region of Togo; (ii) to increase geographical coverage of electricity services through grid and off-grid access in selected areas; (iii) to increase geographic coverage of broadband networks and access to digital services in selected areas; and (iv) to improve the operational performance of the distribution utility CEET.

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	200.00
Total Financing	200.00
of which IBRD/IDA	200.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	200.00
IDA Credit	200.00



Environmental and Social Risk Classification

Moderate

Concept Review Decision

Track II-The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

1. Togo is a low-income country that has recently progressed from fragile state status and is seeking to become an emerging economy. The Republic of Togo is a small state of 57,000 kilometers square (km^2) in West Africa bordered by Ghana to the west, Benin to the east, Burkina Faso to the north, and the Gulf of Guinea to the south. A small country of approximately 7.8 million people and only 100 km wide, Togo is comprised of over 30 ethnic groups and numerous local languages.

2. Following independence in 1960, Togo was able to achieve economic progress by building an effective public administration and pursuing open, market-oriented economic policies. It established sound governance of the banking sector, exploited its phosphate reserves, and became a sub-regional hub for logistics, trade, and banking. However, Togo was unable to steer a sustained path to development and poverty reduction. In the mid-1970s, growth turned negative in recurrent periods of fiscal or political crisis. The structural transformation out of agriculture into higher-productivity sectors stalled and living standards fell below those of many neighboring countries (for instance, in 2015 Ghana had a level of GDP per capita almost over three times that of Togo)¹.

3. Economic growth averaged over 5 percent during the five years prior to COVID-19, and Togo's GDP per capita reached US\$ 2,223 in 2020. This growth contributed to a decline in the poverty rate from 61.7 percent in 2006 to 53.5 percent in 2017, but poverty and inequality remain extremely high. Togo's score on the human capital index (HCI) remains low at 0.41²; this means that children born in Togo today will be only 41% as productive when they grow up as they could be if they had access to good health, education, and nutrition. The majority of Togo's population lives in rural areas, where the majority of households live below the poverty line and access to basic services, such as health, education, drinking water, and electricity, is lacking. Another factor contributing to the persistently high poverty rate is a high annual population growth rate of 2.7 percent that is outpacing development progress. Poverty is also higher among women because they have fewer economic opportunities. Demographic and economic pressures may presage growing social instability, with elevated levels of youth unemployment and underemployment, 60 percent of the population under 25 years old, and an urbanization rate around four percent per year.

4. Togo's inclusive economic growth prospects are also highly vulnerable to the effects of climate. Togo is ranked as the 46th most vulnerable country and 49th least ready country for climate change³. An increase in the frequency

¹ World Bank, World Development Indicator Database, <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD?locations=TG>

² World Bank, World Development Indicator Database, HCI, <https://data.worldbank.org/indicator/HD.HCI.OVRL.FE?locations=TG>

³ Notre Dame Global Adaptation Initiative, <https://gain.nd.edu/our-work/country-index/>



and severity of extreme weather events would inflict a heavy toll in human lives and welfare, with a high risk of damage to the country's scarce and valuable capital. In addition, should the mean annual temperature rise by over 2°C by mid-century⁴, the poorest, marginalized and most vulnerable households and communities will be hit the hardest, as income and health shocks will drive them deeper into poverty. Energy poverty increases vulnerability to climate change⁵, natural disasters and pandemics, as energy is an important input for water, sanitation, broadband, as well as economic activity, and infrastructure assets are vulnerable to both chronic and acute climate hazards According to the World Bank's Lifelines report, the cost of disruption to power sector due to natural shocks globally was about 2.17 percent of GDP in 2019⁶.

5. Recent economic growth has been driven by growth in commerce, transport, services, and agriculture, and supported by stable macroeconomic conditions and significant improvements in the business climate. However, the country had yet to take full advantage of its potential, as GDP growth remains lower than West Africa Economic Monetary Union (WAEMU) peers and has not lead to corresponding improvements in living standards⁷. While critical Doing Business reforms were achieved, efforts to shift the development model towards private sector led growth have been constrained by poor infrastructure, notably in energy and telecommunications, and weak governance. The potential of digital technology remains untapped and prevents innovation in key economic sectors.

6. COVID-19 halted Togo's strong growth momentum and exacerbated structural constraints that hinder economic growth and economic transformation. There have been 13,741 reported cases of COVID-19 in Togo, with 128 deaths. As of 20 June 2021, a total of 347,246 vaccines have been administered⁸. Real GDP growth in 2020 slowed sharply to 1.8 percent, from 5.5 percent in 2019, reflecting a decline in household consumption and the contraction of the activity in transport, hospitality and catering sectors. The contraction of government revenues, paired with a sharp increase in expenditures to address the COVID-19 crisis and promote the recovery, led to a fiscal deficit of 6.9 percent of GDP, significantly higher than 0.9 percent of GDP recorded in 2019. The economy is projected to recover by 4.8 percent in 2021, supported by public investment and private consumption, with growth projected to stabilize around 6.2 percent over the medium term⁹.

7. The private sector is seen as key to the COVID-19 economic recovery, but reforms will be required to alleviate the constraints faced by the sector. The National Development Plan 2018-2022 (PND) expects 65 percent of its investments to be financed by the private sector. The quality of energy and telecom infrastructure are often cited as key constraints to private sector growth, with their high cost and variable quality of service is a negative impact on businesses competitiveness.

Sectoral and Institutional Context

8. Access to electricity in Togo has increased in recent years, but significant work remains to reach SDG7. The national access rate improved from 45% to 51% between 2018 and 2020, placing it slightly above the SSA average access rate of 48% (Figure 1). However, the country's electricity tariffs are high (at 19 c/kWh) and unaffordable for the poorer

⁴ <https://climateknowledgeportal.worldbank.org/country/benin/climate-data-projections>

⁵ Hallegatte, Stephane; Rentschler, Jun; Rozenberg, Julie. 2019. *Lifelines: The Resilient Infrastructure Opportunity. Sustainable Infrastructure*; Washington, DC: World Bank. © World Bank. <https://openknowledge.worldbank.org/handle/10986/31805> License: CC BY 3.0 IGO." World Bank, 2018. Lifelines, the Resilient Infrastructure Opportunity, Global Facility for Disaster Reduction and Recovery (GFDRR)

⁶ Ibid.

⁷ World Bank Macro Poverty Outlook, Togo, April 2021

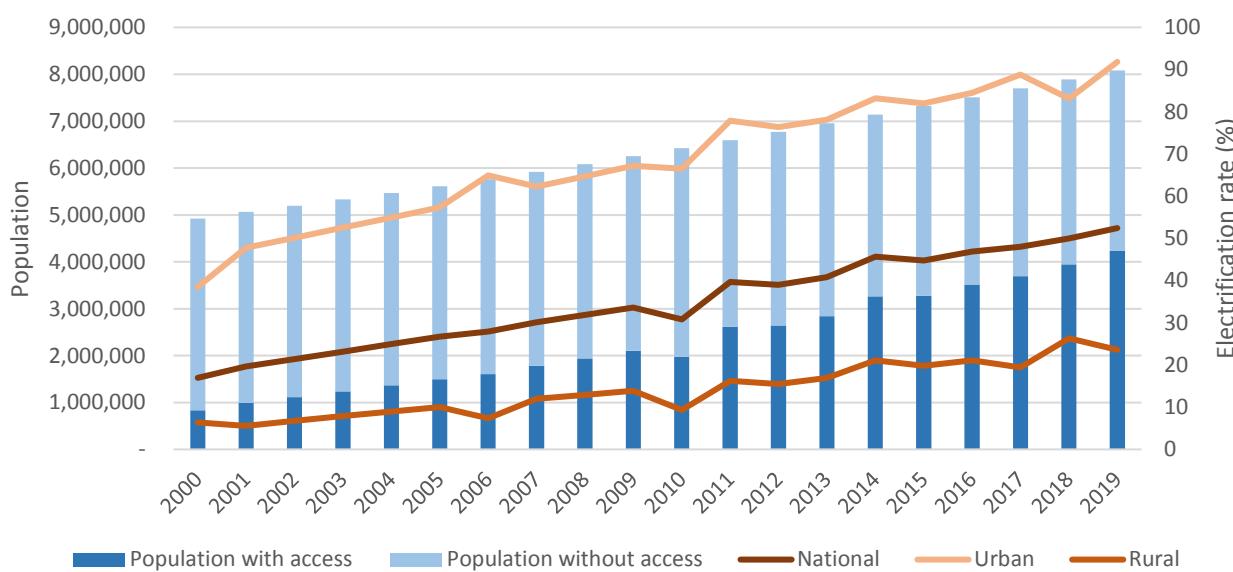
⁸ <https://covid19.who.int/region/afro/country/tg>

⁹ World Bank Macro Poverty Outlook, Togo, April 2021



segment of the population, but also well below the cost of service (of 26 c/kWh). The World Bank Togo Energy Sector Support and Improvement Project (TESSIP, P160377) has begun to address key sector issues through financing grid reinforcements around Lomé, a Management Improvement Plan and Revenue Protection Plan, and key sector strategic studies. The tariff study financed by TESSIP is currently ongoing and will make recommendations on closing the 35% gap between the cost of service and tariffs. The average tariff for low-voltage consumers (US\$0.19/kWh) represents the largest gap to its unit costs (US\$0.32/kWh).¹⁰ A cross-subsidy scheme and tariff adjustment options will be discussed under the ongoing tariff study, and an analysis of the social impact of the tariff restructuring will be considered.

Figure 1: Togo electrification rates



Source: World Bank/ESMAP/SE4all SDG 7 tracking data

9. With an expected demand growth of 8% per year (20-25MW/year), Togo needs to secure additional generation. A least-cost generation plan (PDMC) funded by TESSIP has recently been approved. This will further support an important shift that has begun in the energy mix towards domestic gas generation and solar to complement imports from the WAPP, which continues to be the majority share. The PDMC calls for a total investment of US\$4.6B in generation, transmission, and distribution and off-grid to meet 730 MW peak demand in 2035 (3x current peak demand). Some of the important conclusions of the PDMC include: 1) domestic gas generation remains the most advantageous source of generation due to a favorable cost of gas imports via the West Africa Gas Pipeline; 2) interconnections and electricity imports are the closest least-cost competition to gas. The interconnection with Ghana is particularly important, as depending on the scenario its load factor varies greatly and it can provide electricity to meet peak demand, to provide guaranteed power, or as base power when the thermal generation is at its maximum capacity. Attention to contractual details is important given the range of use cases; and 3) five solar generation plants are under development, totaling 216 MW. The Plan recommends a more phased approach to adding the five projects to ensure the grid has the flexible to manage variability without increasing average generation costs. The optimal amount of battery storage is uncertain and partially depends on the ability of hydro developments to manage variability. Many HV transmission lines will need to be added under the

¹⁰ The business tariff is US\$0.25/kWh (versus a unit cost of US\$0.26/kWh) and medium tension tariff is US\$0.18/kWh (versus a unit cost of US\$0.20/kWh)



PDMC. Important lines include a North-South line to ensure N-1 security and a 161kV line between Lomé Port and Mome Hagou to secure the supply and prevent congestion at the Lomé Port substation/generation.

10. The electricity sector remains under financial distress. The national utility CEET (*La Compagnie d'Energie Electrique du Togo*) had losses in 2019 that amounted to CFAF 15.0 billion in 2019 (US \$30 million). The utility's financial balances had slight improvements in 2020 as the effects of reduced losses began to materialize (a reduction from 16.4 percent to 16 percent), it does not have a medium-term route to profitability. High long-term debt payments remain unsustainable. This has limited the ability of CEET and the binational transmission utility CEB (which also serves Benin), to carry out critical investments to improve the quality and affordability of services. In 2017 CEB had accumulated arrears on imports that amounted to 1.1 % of GDP. Although this was partly addressed by the establishment of a wheeling charge of 10 FCFA/kWh in 2019 to pay for transmission, Togo later indicated that it would only agree to pay transmission costs for imports and not for energy generated domestically. CEB is now in fact set to be dissolved. Negotiations are ongoing as part of the *Inter-etatique Haute Conseil*, but there is not agreement on how it will be unbundled and how Togo will manage electricity transmission.

11. In 2020, the GoT initiated a sector reform program to improve the financial and operational performance of the distribution utility CEET. On governance, GoT replaced all members of the board of directors of CEET in May 2020, which then confirmed the appointment of a new Director General nominated by the President. Following the Cabinet reshuffle in October 2020, the Ministry of Energy and Mining is managed by the President's Office and supported by a minister delegate. Under TESSIP the Word Bank is financing a turnaround plan. The plan will help CEET establish itself as a financially credible and well-performing utility, with a medium- to long-term vision and a roadmap (turnaround plan) to operationalize the vision. The turnaround plan is likely to consist of measures that, among others, improve technical losses, improve the billing rate, enhance the electricity code, and improve oversight of the utility.

12. Supporting these improvements and financing priority electrification investments are essential to the GoT's National Electrification Strategy to move forward toward the achievement of universal access by 2030. The GoT's ambition is to raise the access rate to 60% by 2022 and 74% by 2025 through grid densification (last mile connection) in areas already electrified and grid extension to increase access in non-electrified areas not far from the existing grids, and (iv) to provide access through off-grid Solar Systems for those areas where the grid is not expected for some time through the government CIZO-Cheque program. Reforms to support electrification include: (i) allowing competition for solar home systems; and (ii) setting up a mechanism or fund to subsidize connection charges for both grid and off-grid solutions.

13. The World Bank is also already prepared to play a role in the development of Togo's off-grid sector through the Regional Off-grid Electrification Project (ROGEP, P160708). ROGEP was approved in April 2019 and is supporting the development of a regional market for off-grid products and services to electrify households, business, and public institutions in 19 West African countries. The ROGEP supports access to finance for stand-alone solar system businesses through working capital loans or long-term loans. This is done through a US\$140 million IDA credit, a US\$67.2 million grant from the Clean Technology Fund (CTF), and a US\$7.5 million IDA grant to support start-up entrepreneurs in the off-grid solar sector. With ROGEP beginning implementation, Togo's off-grid sector is set to benefit from these financing mechanisms and policy support.

14. Energy sector reforms have been implemented as part of the DPF series. In the current DPF series, which seeks in part to improve the financial viability of the energy sector, prior actions have been identified regarding the improvement of billing collection, the methodology for tariff setting, planning and the use of renewable energy. These will be updated depending on the approval of the recommendations of the turnaround plan.



15. The rolling out of electrification program through the densification and extension of electricity networks to peri-urban and rural areas offers an opportunity to expand digital connectivity to undeserved area. Increased electricity access would enable more digital coverage because it would facilitate safe deployment by private sector of telecommunication infrastructures such as mobile pylons/towers.

Digital development

16. Togo has a clear strategy for the development of its digital economy, as part of the National Development Plan (PND 2018-2022) in which one of the key strategic objectives is to foster rapid progress toward the digitization of the economy by completing key reforms in the legal and regulatory framework of the ICT sector, reducing costs and improving connectivity. With the support of the WARCIP Togo project, the GoT has also launched in December 2020 the preparation of the Togo Digital Strategy for 2025, a strategic study that will inform accelerated digital transformation in the country.

17. The telecom/broadband market in Togo has experienced several improvements over the last few years, some of them supported by the WARCIP Togo Bank-financed project and the DPO series. GoT has awarded two new Internet Service Providers (ISP) licenses in 2017 and has privatized the incumbent operator Togocom in 2019 (GoT retains a minority stake of 49%). Given the development trends of the broadband market, Togo is on track to doubling broadband penetration by 2021. Internet usage in Togo has picked up rapidly in the past few years, mainly through mobile technologies, with mobile broadband penetration more than doubling from 2016 reaching around 44%¹¹ of the population in 2019. However, and despite the positive progress, this pace of growth is still not up to the government's ambition outlined in its national Togo Plan 2025, i.e. achieving a 95% broadband penetration rate of the population by 2025. There also remains a significant digital gender gap: a 2018 survey found that 74 percent of men had access to a mobile phone compared to 58 percent of women¹².

18. Mobile broadband coverage in the country has improved but requires further progress, as 3G covers 94% and 4G only 67% of the population according to the Ministry of Digital Economy and Digital Transformation (MDEDT). The extension of mobile broadband coverage is one of the main obligations of the Mobile network operators under their recent licenses. The mobile network operators have upgraded their networks to 3G and their licenses require them to provide 4G coverage to at least 40% of the population by 2022. Including coverage obligations in the licenses will help improve the uptake of mobile broadband services yet might not be enough to reach the objective of achieving a 95% broadband penetration rate of the population by 2025 as highlighted in the national Togo Plan 2025. The government must put in place a more comprehensive strategy to complement the required coverage obligations with competition, incentives and potentially direct public intervention.

19. The World Bank also conducted in FY19-FY20 a digital economy country diagnostic for Togo which highlights that deployment of new infrastructure, especially fiber backbone and last mile, can leverage other utilities' network. Today there are several agreements between mobile operators and ISPs to use alternative utilities networks. These include TogoCom and Group Vivendi Africa agreement with the national electricity distribution company CEET (Compagnie Energie Electrique du Togo), to use the electricity towers for last mile delivery of broadband services. Other potential infrastructure networks that can be leveraged to deploy fiber at lower cost are the Togolese Waters, CEB (Communauté Electrique du Benin, the bi-national transmission company), and Togo Rail. Most importantly CEB has a 438 km of transmission network in Togo, including 1,000 km fitted with dark fiber, with links to neighboring countries

¹¹ Source: Regulator ARCEP, Market observatory 2019 (it should be noted that other sources report a similar order of magnitude for mobile broadband, with Telegeography reporting a 41% penetration rate and the GSMA reporting a 36.8% penetration rate; as of September 2020 the mobile broadband penetration rate is estimated by the GSMA at around 46% of the population).

¹² Source: Gallup World Survey.



Benin and Ghana. This network can be leveraged to provide alternative national and international connectivity routes. While limited to date, coordination of deployment of infrastructure by co-operating with these facilities and exploring models for commercializing excess fiber capacity to telecom operators (as it already happening with CEET) would be beneficial.

20. Furthermore, GoT issued the Decree n°2020-116/PR on December 23, 2020 supporting national deployment of fiber-optic networks with increased public and private sector involvement. This decree makes it mandatory for non-telecom utilities (such as electricity companies) to systematically deploy, at their own cost, fiber-optic infrastructure for significant civil works such as water and electricity coverage extension, road, port, airport and railway construction¹³. The decree n°2020-116/PR will support the expansion of the geographic coverage of digital infrastructure that is in dire need of investments¹⁴. The fiber optic backbones that will be deployed by non-telecom utilities will then be transferred to the public infrastructure company *Société d'Infrastructures Numériques*¹⁵ (SIN); SIN will then commercialize the backbone bandwidth capacity to the other telecom operators (through a contract management with a private company). These objectives are aligned with Togo vision to become the country with the most ubiquitous fiber network in the West Africa region and become a regional Digital Hub by 2025.

Relationship to CPF

21. The Togo Country Partnership Framework (CPF) for FY17-20 has been extended through FY22¹⁶. The proposed project is in line with key issues identified in the CPF. The CPF focus area 1 on private sector performance and job creation includes an objective on strengthening energy, ICT, and logistics services. It notes that “the poor quality and high price of electricity and ICT services constrain Togo’s competitiveness and potential for inclusive growth”¹⁷. It further notes that the poor governance of CEET, the lack of cost-reflective tariffs, a lack of investment and maintenance in the distribution system, and a low electrification rate have undermined the sector’s performance, leading to a high share of Togolese firms to cite problems with electricity (both cost and reliability) to be a major constraint. While progress has been made on these issues as part of the TESSIP project, work remains to be done in order to alleviate the problems. The CPF also notes that improving the performance of Togo’s ICT sector is fundamental if Togo wants to improve the business environment, unleash job opportunities, and achieve its ambition of being a logistics platform for the sub-region¹⁸.

¹³ The National Digital Infrastructure Company (SIN, Société des Infrastructures Numériques) is overseeing the implementation of this measure and the incumbent companies and individuals will be providing fiber optic coverage maps to the SIN. The GoT will be responsible for fiber network extension across existing public infrastructure (roads, electricity network...) through the SIN. Mobile operators are required to connect their base transceivers stations to neighboring fiber-optic networks in order to increase connectivity speed and access, especially in rural areas.

¹⁴ According to preliminary work conducted by the WBG to estimate the total cost for universal broadband in sub-Saharan Africa by 2030, about US\$576m is required for universal good quality (4G-level) broadband connectivity for Togo of which US\$113m is for infra investment, \$208m for network operation and maintenance, \$136m for satellite connectivity (CapEx&OpEx) for the least populated areas, \$118m for basic digital skills development, and lastly \$11m for policy costs.

¹⁵ The SIN was created by the Decree n°2016-166/PR of November 24, 2016 (modified by the Decree n°2019-155/PR of November 14, 2019) as part of the ongoing West Africa Regional Communications Infrastructure Program (WARCIP) – APL2 – Togo Project (P123093, closing in October 31, 2021).

¹⁶ The Performance and Learning Review (PLR) for Togo finalized in January 2020 extended the CPF for two years (the PLR for Togo was presented to the Board of Executive Directors on February 27, 2020, cf. Report No. 139734-TG).

¹⁷ CPF, pg 22

¹⁸ The activities to support the deployment of digital infrastructures are also aligned with Togo's Development Plan 2018-2022 and the Government Roadmap 2020-2025 that puts digital transformation at the forefront. The activities are also aligned with the Digital Economy for Africa (DE4A) initiative, which is supporting the operationalization of the African Union's Digital Transformation Strategy for Africa. This Strategy sets out a bold vision to ensure that every African individual, business and government is digitally enabled by 2030 with a goal to drive digital transformation of the continent and ensure its full participation in the global digital economy.



C. Proposed Development Objective(s)

22. The PDO is (i) to improve the reliability of the transmission service by increasing power transmission capacity to the northern region of Togo; (ii) to increase geographical coverage of electricity services through grid and off-grid access in selected areas; (iii) to increase geographic coverage of broadband networks and access to digital services in selected areas; and (iv) to improve the financial performance of the distribution utility CEET.

Key Results (From PCN)

23. The following indicators have been selected to measure progress toward the PDOs:

- PDO Indicator 1: Transmission capacity constructed under the project (MVA)
- PDO Indicator 2: people provided with access to grid electricity under the Program by household connections (number);
- PDO Indicator 3: people provided with access to off-grid electricity under the Program (number);
- PDO Indicator 4: People provided with new or improved broadband services (number)
- PDO Indicator 5: Utility cash-recovery index (billing index multiplied by the collection index).

D. Concept Description

24. The proposed Improved Digital Access and Electricity Access project for Togo (IDEA) project is a US\$ 200 million IPF with Performance-Based Conditions (PBCs). The project will build on prior work in the energy sector (under TESSIP) to further the electrification and sector reform agenda. It will also take advantage of synergies with the digital sector to increase broadband and access to digital services by powering telecom towers which will provide an opportunity for digitally enabled community services, government services and entrepreneurship to develop. With its digital activities related to increasing broadband access and adoption, the project supports the operationalization of the WB's Digital Economy for Africa (DE4A) initiative, which contributes to the operationalization of the African Union's Digital Transformation Strategy for Africa.

25. The project would use Performance-Based Conditions (PBCs) disbursement to be determined and agreed with the GoT during preparation.

Component 1: Transmission network expansion

26. This component will finance a High-Voltage (HV) 161 kV transmission line to strengthen CEET's network and serve as the foundation of expanded access. The LCPDP that was financed by TESSIP has identified eight HV transmission lines that Togo will have to develop to reach its 2030 electrification goals. This component will finance the construction of a total of about 262 km of 161 kV transmission lines of which 134 km between Davie-Atakpamé and of 128 km between Lomé and Kpalimé.

27. The deployment of both lines will be paired with fiber optic cables to expand the footprint of the fiber optic backbone. As per the Decree n°2020-116/PR the fiber optic cables will then be transferred to the SIN and be integrated in its existing fiber optics backbone so that the available bandwidth capacity can be provided to all the active telecom



operators in Togo on an open access basis¹⁹. If needed the project will also support the finalization of the Public Private Partnership PPP agreement between the SIN and the private partner to ensure the commercialization of the capacity on the fiber backbone.

28. This component will also finance the hiring of an owner's engineer to support the project to review the lines construction design and to supervise works.

Component 2: On-grid electrification and extension of the footprint of the national fiber network

29. This component will finance (i) the design, procurement of materials and construction works required to electrify all participating households and businesses in the project target areas; and (ii) the deployment of telecom infrastructures in the areas to be electrified under the project. This component will include:

- a. *Grid densification investments*: these are connections to households, enterprises, or public institutions that are near the existing network infrastructure of the CEET. These connections mostly require short low voltage (LV) expansion, service drops, and meters and/or ready boards for households. The densification of the existing grid under this component will contribute to the monetization of the existing capital assets of CEET. The regions identified for distribution investments include Centrale, Kara, Maritime, Plateau, and Savanne.
- b. *Grid extension investments*: connections for new customers located in the vicinity of the existing grids. These connections will require both medium voltage (MV) and LV extensions and will also include reinforcement of existing substations. Detailed network design for grid expansion will be informed by detailed studies. Least-cost technologies allowing to reach applicable levels on quality of service and safety in each type of area (urban, peri-urban, medium and low density rural) will be adopted to the largest possible extent to minimize life cycle cost of electrification projects.
- c. *Fiber optics extension investments in synergy with the grid extension*: The activity will have a focus on the joint deployment of energy and telecom infrastructures. This will take advantage of synergies between digital development and the power sector to support the extension of fiber optics along the electric lines.

Component 3: Last mile digital connectivity extension and distributed electrification deployment in rural areas

30. This component will include the following:

- a. *Extension of broadband coverage in rural areas*: Extend the coverage of digital access to a selected list of unserved or underserved rural areas. This would be done through the financing of least-cost subsidy "reverse auctions" for deployment, by the private sector, of digital infrastructures in targeted rural areas. The activity will also support a technical assistance to determine which access and technologies are the most relevant and cost efficient (e.g. between mobile broadband services and fixed WiFi hotspots).
- b. *Deployment of smart solar standalone systems in rural areas*: Evaluate local regulatory framework and market readiness for the development of smart solar standalone systems in selected rural areas. The government has started implementing nationwide projects such as CIZO aiming to reach at least 2 million Togolese with affordable Pay-as-you-Go (PAYG) solar home systems by 2022. The proposed project can assess how best to complement such initiatives, including how to leverage ROGEP in Togo, and may also

¹⁹ "Open access" refers to a set principles to ensure the maximum benefits for the digital economy, and includes: (i) access provided at the wholesale level for all market players allowed to operate in the market; (ii) transparency on the terms of the open access arrangements; (iii) non-discriminatory terms between market players wishing to access the infrastructure on the wholesale market; (iv) wholesale tariff-related obligations, with fair and reasonable wholesale tariffs in light of the costs incurred by the undertaking.



explore innovative low-cost and sustainable solar power enabled Wi-Fi solutions for remote areas.

Component 4: Policy and regulatory actions

31. This component will finance the implementation of policy and regulatory actions to support the Government of Togo to continue implementing key sector reforms in complement to the measures included in Development Policy Operations (DPOs).

Component 5: Technical assistance and capacity building, and implementation support

32. Hiring of specialized consultants to support implementing agencies to handle financial management and procurement aspects in an efficient manner, to undertake project external audit, to prepare environmental and safeguards instruments for the investments and supervise their implementation, including health and safety measures during construction. In addition, this support will include the hiring of technical experts to support the project management. Acquisition of vehicles necessary for the supervision of works and of implementation of the project safeguard measures and purchase of office equipment. Financing incremental operating costs for the PIU.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No
Summary of Screening of Environmental and Social Risks and Impacts	

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APPROVAL

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Approved By

Country Director:	Cheick Fantamady Kante	28-Jul-2021
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