

MINISTRY OF ECONOMY AND FINANCE



REPUBLIC OF TOGO

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***ADDRESS OF HIS EXCELLENCY MR. SANI YAYA
MINISTER OF ECONOMY AND FINANCE OF THE REPUBLIC OF
TOGO, GOVERNOR OF THE ISLAMIC DEVELOPMENT BANK***

44th Annual Meeting of the Board of Governors

Marrakech, 5-6 April 2019

In the Name of Allah, Most-Gracious, Most-Merciful

Excellency, Mr. Chairman of the Board of Governors,

Excellencies, Fellow Governors and Alternate Governors,

Excellency, Mr. President of the Islamic Development Bank Group,

Ladies and Gentlemen,

Assalamou Alaïkoum Wa Rahmatoullahi Wa Barakatouhou

It is with great pleasure that I express, on behalf of the Togolese Government, my deepest gratitude to the Moroccan Government and people for the warm welcome and generous hospitality we have been offered since our arrival in this beautiful historic city of Marrakech.

I have great pleasure in conveying to His Excellency Dr. Bandar Bin Mohammed Al-HAJJAR, President of the Islamic Development Bank and, through him, to all the staff of the Bank, the congratulations and the encouragement of the Togolese Government for all the important initiatives taken to increase the efficiency of the management of our institution and that of the project portfolio and thus preserve the triple “A” credit rating, a guarantee of the confidence of the multinational banks in this major institution.

On this occasion, I would like to hail the efforts made by the IsDB Group for the most vulnerable populations through the financing of structuring projects. In particular, Togo expresses its gratitude to IsDB for its multifaceted support and economic and social development policy in financing infrastructure, education, health, and rural electrification and agriculture projects.

The Togolese Government appreciates the support it received from IsDB in its desire to help eradicate poverty in all its forms through the financing of micro-finance institutions.

**Mr. President,
Ladies and Gentlemen, Fellow Governors
Brothers and Sisters,**

In a rapidly changing world, we can only work together and act in a coordinated and constructive way to achieve the goals of sustainable development.

Indeed, global growth prospects have remained moderate since 2017, mainly owing to weak international investment and financial market pressures on emerging economies.

Growth projection in sub-Saharan Africa is 3.4% for 2019 against 2.6% in 2017 and 2.7% in 2018.

For the past ten years, Togo has enjoyed stable macroeconomic framework with an average growth rate of over 5%. Inflation is under control at less than 2% and the budget deficit has been drastically reduced to be under the Community norm of the West African Economic and Monetary Union (WAEMU), which was 3% of GDP in the last two years in the context of the three-year programme concluded in May 2017 with the International Monetary Fund and supported by the Extended Credit Facility (ECF) whose first three reviews were positive and the fourth one which has just ended will hopefully be positive too.

These results reflect the strong commitment and discipline shown by the Togolese government in managing its public finances. Indeed, the government is resolutely committed to a prudent policy of reforms, consolidation of its public finances, fiscal consolidation and stabilization of its macroeconomic framework as well as control of its debt. Thus, in February 2019, the debt ratio was reduced to 70.7% and should fall in 2019 below 70% of GDP, in accordance with the WAEMU community standard.

The Government has adopted the National Development Plan 2018-2022. This plan, which now serves as a reference framework for development policy, is an ambitious five-year project of profound transformation of the Togolese economy. Its implementation will require financing to the tune of CFAF 4,622.2 billion, i.e. about USD 8.3 billion, with a contribution of 65% from the private sector and 35% from the public sector.

This plan aims to improve the standard of living of the population through the creation of agricultural value chains and jobs and is structured around three main tracks:

- *Establishment of a logistics hub of excellence for international trade supporting the development of a first-rate business centre in the sub-region;*
- *Job creation through the development of poles of agricultural processing, manufacturing and mining industries;*
- *Consolidation of social development and the strengthening of the mechanisms of inclusion.*

The Togolese Republic knows that it can, as always, count on IsDB's unwavering support for the implementation of this ambitious plan whose projects are being defined and which will require the financial and technical support of the Bank. In Togo, we are confident, Mr. President, that by combining our efforts in partnership for sustainable development we will achieve the goals of sustainable development.

Already, in support of the agricultural sector, the Government has put in place the incentive mechanism for financing agriculture (MIFA), which is based on risk sharing and intended to provide more financial support from the banks for this sector, which contributes more than a third of GDP and employs more than 70% of the active population, but receives only about 0.3% of bank financing.

We know that we can count on IsDB to muster the resources needed to strengthen this mechanism.

***Mr. President,
Ladies and Gentlemen, Fellow Governors,***

Let me conclude, on behalf of His Excellency Mr. Faure Essozimna GNASSINGBE, President of the Republic of Togo, the Government and people of Togo, by extending my thanks to Dr Bandar Bin Mohammed Al-HAJJAR, President of the IsDB Group, for all its efforts to revitalize and strengthen the Bank's interventions in our respective States.

Thank you for your attention.

Assalamou Alaïkoum Wa Rahmatoullahi Wa Barakatouhou