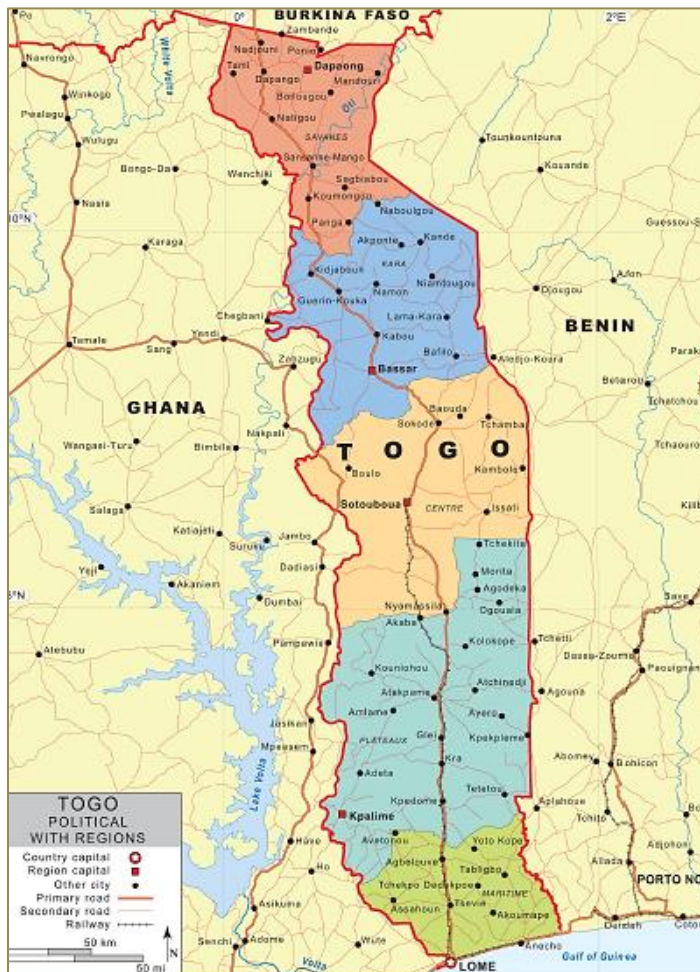


# TOGO

## INSURANCE MARKET OVERVIEW

by Hussein Elsayed



### Official Name:

*Togolese Republic*

### Location:

*Togo is located in West Africa on the Guinea Coast. It is bordered by Ghana to the west, Benin to the east and Burkina Faso to the north.*

### Surface Area:

*56,785 km<sup>2</sup>.*

### Time Zone:

*UTC (GMT)*

### Income Category:

*Low income*

### Religion:

*Christians in the south of the country account for approximately 29% of the total population, Muslims in the north, a further 20%. The remaining 51% hold traditional beliefs.*

### Language:

*The official language as well as the main business language is French. Ewe and Mina are spoken in the south, Kabya and Dagomba in the north.*

### Government:

*Unitary dominant-party | presidential republic.*

### Climate:

*The climate of Togo is tropical, and strongly influenced by the West African Monsoon.*

### Natural Hazards:

*River flood: High | Water scarcity: High |  
Extreme heat: High | Wildfire: High |  
Urban flood: Medium | Coastal flood: Medium |  
Earthquake: Medium | Landslide: Medium |  
Tsunami: Low | Cyclone: No Data |  
Volcano: No Data*

## (1) TOGO: Socio-Economic Information

Region	Western Africa		UN membership date	20 September 1960		
Population (000, 2023)	8 849 <sup>a,b</sup>		Surface area (km <sup>2</sup> )	56 785 <sup>c</sup>		
Pop. density (per km <sup>2</sup> , 2023)	162.7 <sup>a,b</sup>		Sex ratio (m per 100 f)	101.1 <sup>a,b</sup>		
Capital city	Lomé		National currency	CFA Franc, BCEAO (XOF) <sup>d</sup>		
Capital city pop. (000, 2023)	1 785.3 <sup>e</sup>		Exchange rate (per US\$)	615.0 <sup>b</sup>		
<b>Economic indicators</b>	<b>2010</b>	<b>2015</b>	<b>2023</b>			
GDP: Gross domestic product (million current US\$)	4 742	5 751	8 160 <sup>c</sup>			
GDP growth rate (annual %, const. 2015 prices)	5.9	5.5	5.3 <sup>c</sup>			
GDP per capita (current US\$)	721.5	769.6	943.9 <sup>c</sup>			
Economy: Agriculture (% of Gross Value Added) <sup>f,g</sup>	22.9	20.8	21.1 <sup>c</sup>			
Economy: Industry (% of Gross Value Added) <sup>g,h</sup>	22.1	25.1	22.5 <sup>c</sup>			
Economy: Services and other activity (% of GVA) <sup>g</sup>	55.0	54.1	56.4 <sup>c</sup>			
Employment in agriculture (% of employed) <sup>i</sup>	39.9	36.4	30.9 <sup>c</sup>			
Employment in industry (% of employed) <sup>i</sup>	18.0	18.7	20.4 <sup>c</sup>			
Employment in services & other sectors (% employed) <sup>i</sup>	42.1	37.2	48.7 <sup>c</sup>			
Unemployment rate (% of labour force)	2.4 <sup>i</sup>	2.2	4.0 <sup>i</sup>			
Labour force participation rate (female/male pop. %) <sup>i</sup>	55.3 / 61.6	55.6 / 60.9	56.4 / 59.6			
CPI: Consumer Price Index (2010=100)	100	111	115 <sup>j</sup>			
Agricultural production index (2014-2016=100)	90	97	112 <sup>c</sup>			
International trade: exports (million current US\$)	741	792	1 348 <sup>b</sup>			
International trade: imports (million current US\$)	1 350	1 877	2 769 <sup>b</sup>			
International trade: balance (million current US\$)	- 609	- 1 085	- 1 421 <sup>b</sup>			
Balance of payments, current account (million US\$)	- 200	- 461	- 21 <sup>j</sup>			
<b>Major trading partners</b>	<b>2022</b>					
Export partners (% of exports)	India	17.0	Burkina Faso	12.4	Benin	9.4
Import partners (% of imports)	China	19.8	France	8.9	India	6.1
<b>Social indicators</b>	<b>2010</b>	<b>2015</b>	<b>2023</b>			
Population growth rate (average annual %)	2.7	2.5	2.3 <sup>a,b</sup>			
Urban population (% of total population)	37.5	40.1	42.2 <sup>e</sup>			
Urban population growth rate (average annual %) <sup>k</sup>	4.0	4.0	...			
Fertility rate, total (live births per woman)	5.0	4.6	4.2 <sup>a,b</sup>			
Life expectancy at birth (females/males, years)	57.4 / 57.2	59.6 / 59.2	62.2 / 60.9 <sup>a,b</sup>			
Population age distribution (0-14/60+ years old, %)	41.8 / 4.6	41.4 / 4.7	40.0 / 5.1 <sup>a,b</sup>			
International migrant stock (000/% of total pop.) <sup>l,m</sup>	255.6 / 4.0	277.4 / 3.8	279.9 / 3.4 <sup>j</sup>			
Refugees and others of concern to the UNHCR (000)	14.2 <sup>n</sup>	22.6	11.2 <sup>b</sup>			
Infant mortality rate (per 1 000 live births)	60.2	52.4	43.9 <sup>a,b</sup>			
Health: Current expenditure (% of GDP) <sup>o</sup>	4.5	5.0	6.0 <sup>j</sup>			
Health: Physicians (per 1 000 pop.)	0.1 <sup>p</sup>	-0.0	0.1 <sup>c</sup>			
Education: Government expenditure (% of GDP)	4.1	5.1	4.2 <sup>c</sup>			
Education: Primary gross enrol. ratio (f/m per 100 pop.)	120.8 / 133.9	124.9 / 131.2	122.0 / 126.4 <sup>c</sup>			
Education: Lowr. sec. gross enrol. ratio (f/m per 100 pop.)	41.5 / 72.3 <sup>l,q</sup>	... / ...	72.8 / 86.6 <sup>c</sup>			
Education: Upr. sec. gross enrol. ratio (f/m per 100 pop.)	17.2 / 41.1 <sup>l,q</sup>	... / ...	35.3 / 47.6 <sup>c</sup>			
Seats held by women in the National Parliament (%)	11.1	17.6	19.8 <sup>r</sup>			
<b>Environment and infrastructure indicators</b>	<b>2010</b>	<b>2015</b>	<b>2023</b>			
Individuals using the Internet (per 100 inhabitants) <sup>i</sup>	3.0	7.1	35.0 <sup>c</sup>			
Research & Development expenditure (% of GDP) <sup>s</sup>	0.2	0.3 <sup>t,u</sup>	...			
Threatened species (number)	54	66	129 <sup>b</sup>			
Forested area (% of land area)	22.8	22.5	22.2 <sup>j</sup>			
CO <sub>2</sub> emission estimates (million tons/tons per capita)	2.5 / 0.3	1.5 / 0.1	2.1 / 0.2 <sup>j</sup>			
Energy production, primary (Petajoules)	99	112	126 <sup>j</sup>			
Energy supply per capita (Gigajoules)	20	17	18 <sup>j</sup>			
Tourist/visitor arrivals at national borders (000)	202	273 <sup>v</sup>	482 <sup>v,j</sup>			
Important sites for terrestrial biodiversity protected (%)	79.5	79.5	79.5 <sup>b</sup>			
Pop. using safely managed drinking water (urban/rural, %)	23.2 / 0.0	31.0 / 6.8	33.9 / 8.1 <sup>b</sup>			
Pop. using safely managed sanitation (urban/rural %)	7.3 / 2.8	7.2 / 3.7	7.1 / 4.7 <sup>b</sup>			
Net Official Development Assist. received (% of GNI)	11.85	4.62	4.16 <sup>c</sup>			

**a** Projected estimate (medium fertility variant). **b** 2022. **c** 2021. **d** African Financial Community (CFA) Franc, Central Bank of West African States (BCEAO). **e** 2019. **f** Excludes irrigation canals and landscaping care. **g** Data classified according to ISIC Rev. 4. **h** Excludes publishing activities, recycling. Includes irrigation canals. **i** Estimate. **j** 2020. **k** Data refers to a 5-year period preceding the reference year. **l** Including refugees. **m** Refers to foreign citizens. **n** Data as at the end of December. **o** Data refer to fiscal years beginning 1 July. **p** 2008. **q** 2007. **r** Data are as at 1 January of reporting year. **s** Excluding business enterprise. **t** Excluding private non-profit. **u** 2014. **v** Including nationals residing abroad.

## (II) TOGO: Insurance Market

### KEY HIGHLIGHTS

- *The Togolese insurance industry is regulated by the CRCA at the regional level and by the DNA at the national level.*
- *Key classes of compulsory insurance include motor third-party liability insurance and professional indemnity insurance for insurance intermediaries.*
- *Insurance companies from CIMA member states are permitted to operate in Togo without a license.*
- *100% FDI is permitted in the Togolese insurance industry.*
- *Composite insurance is not permitted in Togo.*

## (A) Historical Landmarks and Regulatory Environment

### ➤ Historical Landmarks

- 1920s/30s French insurers began to write business in Togo.
- 1973 The local state-owned Groupement Togolais d'Assurances (GTA) was established.
- 1989 Compagnie Africaine d'Assurances (C2A) was set up.
- 1990s A series of mergers took place and new players entered the market.
- 2000 The state-owned insurer Groupement Togolais d'Assurances (GTA) was privatised in December 2000.
- 2001 GTA merged with C2A to form the biggest insurance group in Togo, with 60% of the non-life market and 65% of the life market. It joined the Compagnie de Financement et de Reassurance pour L'Afrique (COFIRA) group operating in much of West Africa.
- Assurances Generales du Togo (AGT) began business
- 2002 Benin-based Federale d'Assurances (FEDAS) set up a branch in Togo.
- 2004 Union des Assurances du Togo (UAT) was bought by Groupe SUNU. AGT became AGF Togo.
- 2005 Local insurer Fidelia and regional insurer NSIA started non-life operations.
- 2009 AGF Togo became Allianz Togo. Banque Atlantique took a stake in GTAC2A.
- 2012 Togo Assistance was set up, to provide first aid and transport to hospital for victims of motor accidents.
- 2014 Colina Assurance changed its name to SAHAM Assurance.
- Atlantic Business International (ABI) the holding company of Moroccan Banque Atlantique and Banque Centrale Populaire, took a majority stake in GTAC2A.
- 2015 FEDAS was purchased by Gabon-based Ogar Assurances. UAT adopted the name SUNU Assurances IARD Togo.
- 2018 - In April 2018, Conference Inter africaine des Marches d'Assurances (CIMA) issued a regulation amending provisions on reserve requirements for life insurers.  
- Effective March 2018, the Togolese council of ministers issued a decree making Economic Community of West African States (ECOWAS) insurance brown cards mandatory for all vehicle owners, in addition to motor third party liability (MTPL) policies.  
- Allianz announced it was to withdraw from the market and cede its business to SUNU (by the end of 2019).
- 2019 - GTAC2A-IARDT was rebranded as GTA Assurances in March 2019.
- 2022 Parametric insurance and Universal health insurance are some of the key trends impacting the Togo insurance market. For instance, droughts and extended dry spells have become a common phenomenon in West and Central African countries and were again witnessed in the 2022 agricultural season. The African Risk Capacity (ARC) made a more than \$2 million payout to the government of the Togolese Republic in 2023, as part of the sovereign insurance policy of the country. ARC and Togo have been working together since 2017 to develop resilience and to better respond to climate events in the region.  
- Sanlam Assurances Vie Togo has changed its name to NSIA Vie Assurances Togo. This rebranding follows the acquisition of Sanlam's Togolese subsidiary by the Ivorian group.



The transaction, which was finalized in June 2022, involved NSIA taking control of the South African group's life entities in Togo and Gabon as well as its non-life subsidiaries in Congo and Guinea.

## ➤ Regulatory framework

The insurance industry in Togo is governed by the CRCA and the DNA in accordance with the CIMA Code. The CIMA Code (Conference Inter africaine des Marchés d'Assurances) is divided into eight books, with each book dealing with a particular aspect of insurance regulation. Article 326 of the CIMA Code stipulates that any company intending to provide insurance policies in Togo may conduct business only after obtaining a license from the local regulatory authority DNA. Insurers not based in Togo that are licensed in other CIMA member states are permitted to operate in Togo without the need to obtain a license. However, foreign insurance companies that are not based in CIMA member states are permitted to operate only after obtaining a license.



## ▪ Togo Regulatory Bodies

*The key bodies that oversee the Togo insurance industry are:*

- The **Direction Nationale des Assurances (DNA)**, Direction Nationale des Assurances (DNA): The Direction Nationale des Assurances (DNA), which works under the Ministry of Economy, Finance and Privatization, is responsible for monitoring and developing the state policy in the field of insurance in Togo. The powers and responsibilities of the DCA are prescribed under Annex II of the CIMA Treaty.
- **Association Professionnelle des Assureurs Conseils du Togo - APAC Togo**
- The **Commission Regional des Assurances (CRCA)**  
The CRCA is the regional insurance regulatory authority for all the CIMA member states and is established under the CIMA treaty signed by the Francophone African states.

## ▪ Insurance Association:

The insurance association in Togo is the **Comité des Assureurs du Togo (CAT)**. CAT meets at regular intervals or when necessary to discuss matters of common interest. It lobbies the government where appropriate and has a role in making proposals to revise tariffs, proposing measures to ensure professional management, and conducting research to reduce losses. CAT also tries to increase awareness of insurance among the general population, which is important given the low awareness levels and poor overall reputation of the industry.

Those companies operating in Togo are also members of the African insurers' federation (**Federation des Societes d'Assurances de Droit National Africaines - FANAF**), which was set up in 1976. FANAF promotes insurance and reinsurance in Africa, defends the interests of the industry, trains personnel and encourages regional co-operation.

## ▪ Legislations & Regulations:

The CIMA Code, cornerstone of the sectoral integration project, coming into force in 1995, applies to all insurance companies operating in the African member states. It regulates local insurers and branches of foreign insurers domiciled in the region in standardized fashion.



The CIMA Code comprises 9 books:

**Book I:** The insurance contract  
**Book II:** Compulsory insurance plans  
**Book III:** Insurance companies

**Book IV:** Accounting rules applicable to insurance companies  
**Book V:** Provisions pertaining to general agents, brokers and other insurance and capitalization intermediaries  
**Book VI:** Special insurance bodies

**Book VII:** Microinsurance  
**Book VIII:** Reinsurance  
**Book IX:** Takaful insurance

### ▪ Types of Insurance Organization:

Article 301 of the CIMA Code states that any insurer operating in a CIMA member state must be either a joint stock or a mutual company. This includes microinsurers.

A joint stock company with just one shareholder is not allowed, and any shareholder with over 20% of the capital of an insurance company must be approved by the minister in charge of insurance in the member country. Any shareholding reaching 10% of the capital must be notified to the minister in charge of insurance in the member state concerned and the regional regulator CRCA within two months.

Non-life and life business must be written by separate companies. The same shareholders may operate both a non-life and a life company, however.

Microinsurance companies may offer non-life and term life policies.

### ▪ Foreign Ownership

Foreign ownership of companies domiciled in CIMA member states is permitted under Article 328-6 of the CIMA Code. Companies with foreign ownership operate under the same laws as locally owned, locally domiciled companies and must satisfy local legislation.

### ▪ Types of Licence

Licences are issued by class. The classes are listed under Article 328 of the CIMA Code.

There are 19 non-life classes. A company with approval for one of the non-life classes may cover other non-life risks as an extension of a policy covering the classes for which it has approval.

There are seven non-life microinsurance classes.

Healthcare and PA are classed as non-life licences for insurance.

Composite licences are not provided.

### ▪ Capital Requirements

Capital requirements for joint stock companies are set out in Article 329-3 of the CIMA Code and those for mutual companies in Article 330-2.

They are adjusted occasionally in the light of practical experience. The most recent change came into effect on 1 June 2016 when the minimum capital required for a joint stock insurance company operating under CIMA's jurisdiction was increased to XOF 5bn (USD 9mn), up from XOF 1bn (USD 1.80mn). The minimum capital for mutuals was increased from XOF 800mn (USD 1.44mn) to XOF 3bn (USD 5.40mn).



In addition, the equity capital must not be less than 80% of the minimum capital requirement.

### ▪ Position of Non-Admitted Insurers

Non-admitted insurance is not permitted in Togo because the law provides that insurance must be purchased from local authorized insurers with the exception of companies that provide specialized insurance services to one or more CIMA member states, although this is subject to supervisory approval.



■ **Compulsory Insurances**

List of Compulsory Insurances

- Motor third party liability.
- Insurance for imports.
- Professional indemnity for insurance brokers.
- Shipowners' liability for marine oil pollution (financial guarantee or insurance).
- Workers' compensation (part of state-run social security).



■ **Reinsurance Business:**

- There is no state reinsurance company in Togolese market.
- There are no Togolese reinsurers but regional reinsurer CICA-RE has its head office in Lome. It is entitled to a 15% cession of all treaties but may sometimes have a further 15% share in local treaty arrangements. Its Togolese business has not increased markedly since the restriction on overseas reinsurance because the lack of large, technical domestic risks has meant the market has never required large amounts of overseas cover.
- From the 1 January 2020 the regional reinsurer CICA Re's compulsory share of all reinsurance treaties reduced from 15% to 10%, but still receive a 5% share of each and every risk (cession legale au premier franc), excluding health insurance (and savings-related life insurance) risks.
- Africa Re receives a compulsory cession of 5% of all treaties.
- Fronting tends to be used for the risks of French-owned companies operating in Togo but CIMA rules that limit the proportion of business that can be ceded outside the zone are said to be well respected.



**(B) Insurance Market Statistics & Performance**

➤ **TOGO: Market Structure:**

	2019	2020	2021
■ Number of Total Companies	12	12	12
Life Companies	7	7	7
Non-Life Companies	5	5	5
■ Number of Total Workforce	388	410	415



Source: Federation of African National Insurance Companies (FANAF)

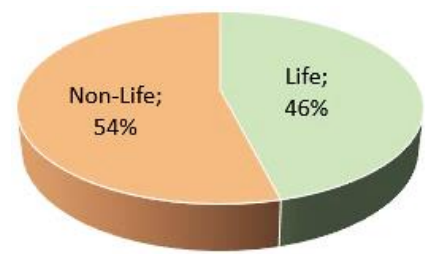
➤ **TOGO: Market Statistics**

■ **TOGO: Life and non-life premiums 2019-2021 (excluding acceptances)**

*Figures in billions FCFA*

	2019	2020	2021
	61.3	67.7	77.4

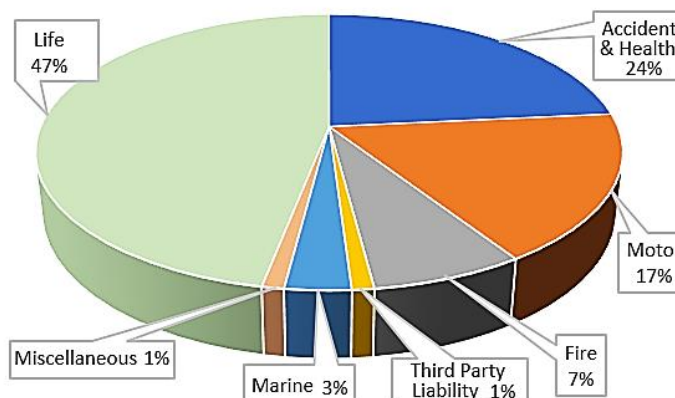
■ **TOGO: Market Segment by Life & Non-Life in 2021**



Source: Federation of African National Insurance Companies (FANAF)

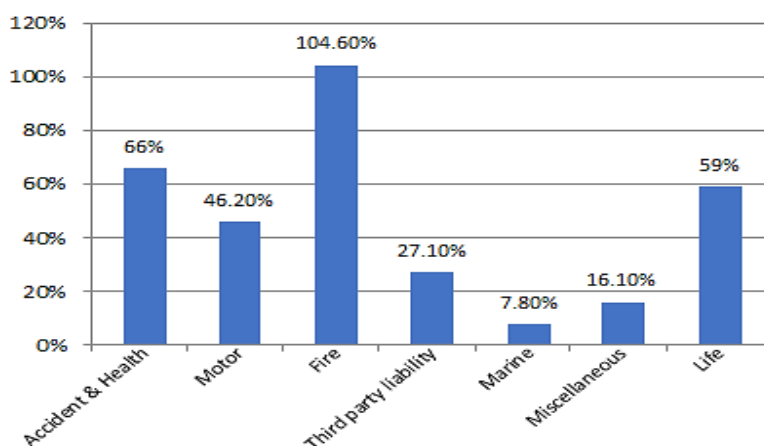
TOGO: Composition of GWP portfolio per class of business in 2021

Accident & Health	23%
Motor	17%
Fire	7%
Third party liability	1%
Marine	3%
Miscellaneous	1%
Life	46%



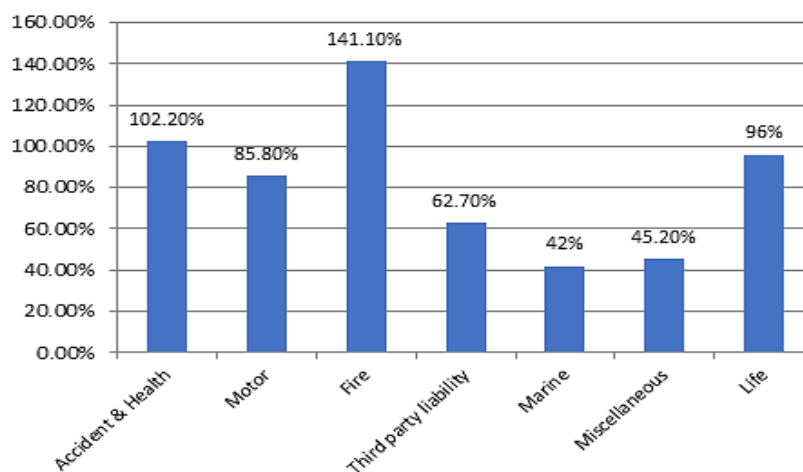
TOGO: Loss ratio per class of business in 2021

Accident & Health	66%
Motor	46.2%
Fire	104.6%
Third party liability	27.1%
Marine	7.8%
Miscellaneous	16.1%
Life	59%



TOGO: Non-life combined ratio per class of business in 2021

Accident & Health	102.2%
Motor	85.8%
Fire	141.1%
Third party liability	62.7%
Marine	42%
Miscellaneous	45.2%
Life	96%



Source: Federation of African National Insurance Companies (FANAF)

▪ **TOGO: Insurance Companies Indicators 2021**

Figures in thousands FCFA

COMPANY	CATEGORY	TURNOVER 2021	OPERATING RESULT 2021	NON LIFE LOSS RATIO 2021	NON LIFE COMBINED RATIO 2021
SANLAM ASSURANCE	NL	14543890	227016	50.4%	81.9%
GTA ASSURANCES VIE	L	12265998	19044	NA	NA
SUNU ASSURANCES VIE TOGO	L	9680829	82563	NA	NA
SUNU ASSURANCES IARD TOGO	NL	9099989	452542	61.5%	97.6%
GTA ASSURANCES	NL	8526953	691949	65.4%	105.9%
NSIA TOGO	NL	6968828	435195	43.4%	89.1%
NSIA VIE TOGO	L	5356780	-122643	NA	NA
PRUDENTIAL BENEFICIAL LIFE INSURANCE S.A.	L	4649306	-114093	NA	NA
FIDELIA ASSURANCES	NL	2701636	509628	48.8%	84.4%
CIF ASSURANCE -VIE TOGO	L	2621306	192456	NA	NA
SANLAM ASSURANCE VIE - TOGO	L	1121440	-39197	NA	NA

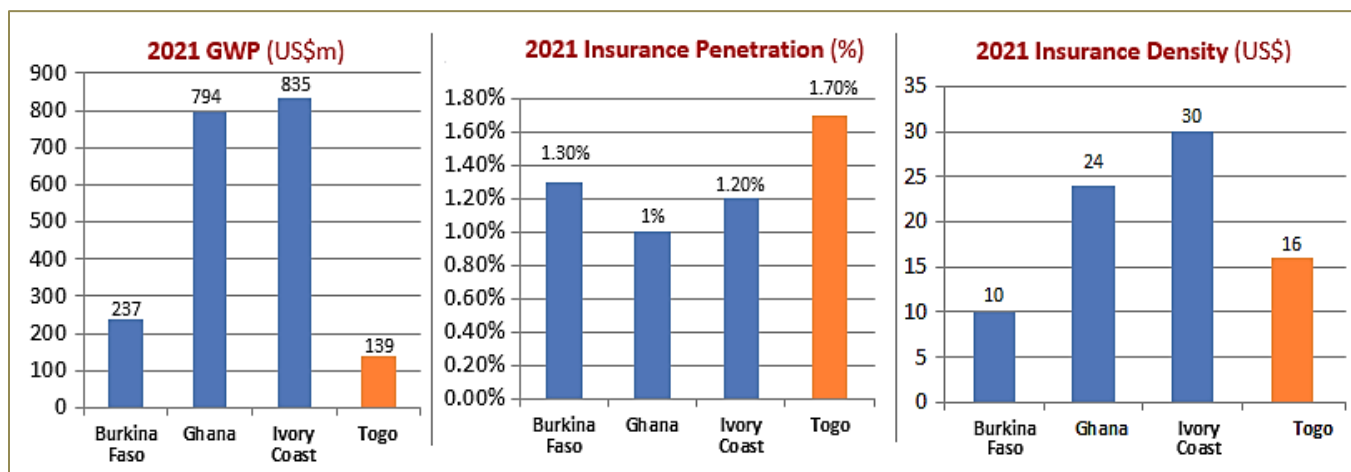
L = Life Company  
 NL = Non Life Company  
 NA = Not Available

**CICA-RE: 2021 Indicators** (Figures in thousands USD)

Turnover		Growth	Net Result		Growth	Shareholder's Equity		Rating
2021	2020	2020-2021	2021	2020	2020-2021	2021	2020	AM Best
176174	158254	11.3%	13361	10441	28%	154060	141798	B+

Source: Federation of African National Insurance Companies (FANAF)

➤ **TOGO Insurance Market: Regional Comparison**



Source: SwissRe Sigma Explorer (<http://www.sigma-explorer.com>)



## SUB-SAHARAN AFRICA INSURANCE RISK/REWARD INDEX

	Industry Rewards	Industry Rewards Non-Life	Industry Rewards Life	Country Rewards	Rewards	Industry Risk	Country Risks	Risks	Insurance Risk/Reward Score	Rank
South Africa	70,00	67,50	72,50	56,75	64,70	65,00	66,57	65,94	65,07	1
Mauritius	30,00	30,00	30,00	61,36	42,54	60,00	69,48	65,69	49,49	2
Botswana	22,50	20,00	25,00	51,43	34,07	60,00	66,30	63,78	42,99	3
Namibia	28,75	20,00	37,50	42,41	34,21	40,00	51,75	47,05	38,07	4
Ghana	20,00	22,50	17,50	40,07	28,03	50,00	58,51	55,11	36,15	5
Kenya	27,50	30,00	25,00	35,87	30,85	45,00	41,59	42,95	34,48	6
Nigeria	13,75	12,50	15,00	41,66	24,91	25,00	47,09	38,25	28,92	7
Senegal	20,00	20,00	20,00	30,80	24,32	30,00	44,96	38,97	28,72	8
Uganda	16,25	17,50	15,00	33,42	23,12	40,00	40,62	40,37	28,29	9
Gabon	8,75	12,50	5,00	39,16	20,92	30,00	48,93	41,36	27,05	10
Zambia	13,75	17,50	10,00	40,66	24,51	15,00	44,30	32,58	26,93	11
Cote d'Ivoire	17,50	20,00	15,00	31,82	23,23	40,00	31,56	34,94	26,74	12
Tanzania	11,25	15,00	7,50	29,47	18,54	40,00	47,68	44,61	26,36	13
Malawi	10,00	10,00	10,00	33,40	19,36	40,00	43,75	42,25	26,23	14
Angola	13,75	20,00	7,50	32,05	21,07	40,00	35,60	37,36	25,96	15
Zimbabwe	21,25	25,00	17,50	29,27	24,46	20,00	21,80	21,08	23,44	16
Burkina Faso	11,25	15,00	7,50	26,49	17,35	30,00	42,25	37,35	23,35	17
Cameroon	13,75	17,50	10,00	24,94	18,23	30,00	36,08	33,65	22,85	18
Benin	7,50	7,50	7,50	25,34	14,64	30,00	43,28	37,97	21,64	19
Mali	7,50	10,00	5,00	27,97	15,69	20,00	42,76	33,65	21,08	20
Togo	10,00	10,00	10,00	26,66	16,66	20,00	35,87	29,52	20,52	21
Rwanda	5,00	7,50	2,50	32,79	16,12	10,00	39,59	27,75	19,61	22
Congo-Brazzaville	7,50	10,00	5,00	23,14	13,76	20,00	37,64	30,58	18,80	23
Madagascar	3,75	5,00	2,50	27,30	13,09	10,00	38,64	27,18	17,92	24
Guinea	2,50	2,50	2,50	23,22	10,79	20,00	35,08	29,05	16,27	25
Ethiopia	2,50	2,50	2,50	29,66	13,36	10,00	31,46	22,88	16,22	26
Niger	3,75	5,00	2,50	25,99	12,65	15,00	30,12	24,07	16,07	27
Burundi	5,00	5,00	2,50	24,61	12,84	20,00	28,39	25,03	16,02	28
Chad	3,75	5,00	2,50	24,07	11,88	20,00	25,58	23,35	15,32	29
Central African Republic	3,75	5,00	2,50	24,38	12,00	20,00	22,34	21,40	14,82	30
DRC	3,75	5,00	2,50	17,34	9,19	10,00	31,48	22,89	13,30	31
<b>Regional Average</b>	<b>14,07</b>	<b>15,24</b>	<b>12,82</b>	<b>32,69</b>	<b>21,52</b>	<b>29,84</b>	<b>41,32</b>	<b>36,73</b>	<b>26,09</b>	

Note: Scores out of 100; higher score = lower risk. Source: BMI

Source: South Africa Insurance Report Q3\_2023 - by Fitch Solutions, April 2023

