

AFRICA RISK CONSULTING

Senegal Monthly Briefing March 2025

Senegal Summary 20 March 2025

Commission électorale nationale autonome (CENA) (national autonomous electoral commission) releases its report on the November 2024 legislative elections during March, recommending several reforms to the election process and Senegal's democratic processes. United States (US)-headquartered credit rating agency S&P Global downgrades Senegal's long-term foreign and local currency sovereign credit ratings from B to B+ with a negative outlook on 28 February. Prime minister Ousmane Sonko meets with representatives of trade unions and various employers on 27 February in a bid to ease tensions after weeks of threats by trade unions to go on general strike.

CENA recommends electoral reforms

Commission électorale nationale autonome (CENA) (national autonomous electoral commission) released its report on the November 2024 legislative elections during March, recommending several reforms to the election process and **Senegal's** democratic processes. The first issue the report raised is the large number of political parties in Senegal; in the November 2024 election, 41 parties were listed but only two received more than 10% of the vote and only five achieved 1%.¹ CENA believes that the large number of parties limits meaningful political debate, makes vote choices harder for Senegalese and weakens structured political movements.² Furthermore, the high number of parties means higher costs, as ballot papers are larger. CENA added that many parties refused a reduced ballot format, which cost the state an additional 8 billion FCFA (\$13.3m).

CENA has also recommended that Senegal adopt an online platform for candidates to submit their candidacy in a bid to simplify the process, improve transparency and increase efficiency.³ Currently, candidates have to physically submit their candidacy, along with relevant documentation, to CENA, which can cause delays or lead to lost paperwork.

Another trend CENA highlighted is that only 1% of people aged 18 to 20 are on the electoral register, despite representing 13% of the voting age population.⁴ Even more concerning is that only 6% of those aged between 18 and 24 are registered but represent 26% of the voting age population. This indicates a disengagement by young people with voting and political participation, which CENA recommended be addressed by raising awareness among these age groups on the importance of registering to vote.⁵ CENA has submitted its recommendations to the government, which has yet to comment on whether they will adopt any of them.

S&P downgrades Senegal

United States (US)-headquartered credit ratings agency **S&P Global** downgraded Senegal's long-term foreign and local currency sovereign credit ratings from B to B+ with a negative outlook on 28 February, following the decision of fellow US-headquartered ratings agency, Moody's, to downgrade Senegal on 21 February. S&P noted in its ratings decision that the downgrade is due to Senegal's higher debt and constrained fiscal position and that it is now faced with increased debt repayments, a similar rationale to that in Moody's assessment.⁶

¹ Sene.News, 17 Mar 2025

² Sene.News, 17 Mar 2025

³ Le Soleil, 15 Mar 2025

⁴ Le Soleil, 16 Mar 2025

⁵ Le Soleil, 16 Mar 2025

⁶ S&P, 28 Feb 2025

The decision, like that of Moody's, comes after the **Cour des comptes** (court of auditors) published a report on 12 February revealing that Senegal's debt and budget deficit is far greater than initially reported (*see ARC Briefing Senegal Feb 2025*). The audit found that at the end of 2023, total outstanding debt was equal to 99.67% of GDP, compared to 74.41% reported by the former administration in 2023, and the budget deficit for 2023 stood at 12.3% of GDP, significantly above the 4.9% reported.⁷ S&P has forecast that debt stood at 106% of GDP at the end of 2024, compared to its 77% of GDP estimate made in December.⁸

S&P added that unless Senegal actively seeks new funding, it could face liquidity pressures. Senegal's **International Monetary Fund (IMF)** programme remains suspended but the IMF has maintained that it is actively engaging with authorities on the debt situation, although no fiscal disbursements are to be expected.⁹ The government outlined in its 2025 budget that it plans to reduce the fiscal deficit to 7% of GDP in 2025 and to 3% of GDP by 2027, However, S&P has cast doubt on the government's ability to achieve its fiscal adjustment goals in the timeline it has outlined, citing that the audit revealed weak budgetary management which cannot be immediately fixed.¹⁰

As with the Moody's downgrade, the S&P downgrade will impact Senegal's ability to borrow on international markets and increase the cost at which it does so. S&P has noted that it could change its rating again as budget documents are updated to reflect the new information, which could reveal other issues. It is likely that the final of the big three ratings agencies, US-headquartered **Fitch**, will also downgrade Senegal.

Tensions mount between government and employees

Prime minister **Ousmane Sonko** met with representatives of trade unions and various employers on 27 February in a bid to ease tensions after weeks of threats by trade unions to go on general strike. This comes as approximately 3,000 people who worked for public companies and government departments have been dismissed in recent weeks, including employees from the **Port of Dakar**, **Loterie nationale du Sénégal (Lonase)** (national lottery), **Société d'aménagement et de promotion des côtes et zones touristiques du Sénégal (Sapco)** (coastal development and promotion company), **Office national de l'assainissement du Sénégal (Onas)** (national sanitation office) and **Blaise Diagne** airport.¹¹

The 27 February meeting was aimed at discussing dismissals, improving working conditions and increasing pay.¹² However, Sonko noted during the meeting that the country's economic situation is impacting its ability to meet all demands:

*"Even if we had found the country in a stable situation, we would not have been able to meet all your demands, even less so in the current situation."*¹³

Former employees have described the circumstances of their dismissals as unfair and the group formed the **Rassemblement des travailleurs du Sénégal (RTS)** (rally of Senegalese workers) on 3 March.¹⁴ RTS coordinator **Boubacar Fall** told a press conference on March that while many Senegalese have been let go from their jobs, the government is still hiring members of the ruling **Patriotes africains du Sénégal pour le travail, l'éthique et la fraternité (PASTEF)** to work for government or public companies.¹⁵

⁷ Business Day, 12 Feb 2025

⁸ S&P, 28 Feb 2025

⁹ Agence Ecofin, 7 Mar 2025; S&P 28, Feb 2025

¹⁰ S&P, 28 Feb 2025

¹¹ Jeune Afrique, 5 Mar 2025

¹² Jeune Afrique, 28 Feb 2025

¹³ Jeune Afrique, 28 Feb 2025

¹⁴ Jeune Afrique, 5 Mar 2025

¹⁵ Jeune Afrique, 5 Mar 2025

Adding to tensions, Sonko confirmed in late February that an audit of the civil service workforce would be conducted, which could result in further layoffs. The new government faces a difficult task of balancing its worse than expected economic situation with keeping its workforce – both public and private – happy. However, with the economic situation likely needing to take precedence, the government can expect further pushback from civil society and social unrest cannot be ruled out.

Planner

2027 **(Senegal) Yakaar-Teranga** gas project set to begin production;

Chronology

19 Mar 2025 **Dakar (Senegal) RFI. Dionewar** mayor **Lansana Sarr** appears before the Dakar financial judicial panel to face charges of criminal conspiracy, migrant smuggling, endangering the lives of others, and fraud, amid suspicions that he is a member of a vast smuggling network;

17 Mar 2025 **Dakar (Senegal) Senego.** Foreign affairs minister **Yassine Fall** makes an official visit to **Mauritania** aimed at strengthening cooperation;

15 Mar 2025 **Dakar (Senegal) APA News.** Energy, petroleum and mines ministry confirms that the gas leak from the **Greater Tortue Ahmeyim (GTA)** project has been contained;

13 Mar 2025 **Dakar (Senegal) Sene.News.** Tax authorities launch a legal case against **Australia's Woodside Energy, Air Consulting SARL and Eiffage Génie Civile Marine Sénégal (EGCM Sénégal)** to recover 49.06 billion FCFA (\$81.56m); all three companies have been involved in either the **Sangomar** or the **Grand Tortue Ahmeyim (GTA)** oil and gas projects;

8 Mar 2025 **Dakar (Senegal) Le Quotidien.** **France** begins withdrawing its soldiers from Senegal and handing over facilities, confirming that all bases will be returned by the end of 2025;

7 Mar 2025 **Dakar (Senegal) Agence Ecofin.** **International Monetary Fund (IMF)** says it is actively engaging with Senegal to address its debt situation but that no financial disbursements are expected until discussions are finalised;

7 Mar 2025 **Dakar (Senegal) APA News.** **Port Autonome de Dakar (PAD)** (Dakar port) reports it recorded an overall increase of 6% in tonnage handled in 2024;

6 Mar 2025 **Dakar (Senegal) APA News.** Petroleum ministry reports the **Sangomar** oil site produced 2.7 million barrels in February;

5 Mar 2025 **Dakar (Senegal) Reuters.** **United Kingdom**-headquartered **BP** says it has detected a gas leak from its **Greater Tortue Ahmeyim** gas project offshore Senegal and **Mauritania** but says the environmental impact is negligible and it expects no disruptions;

2 Mar 2025 **Dakar (Senegal) Sene.News.** **United States**-headquartered credit rating agency **S&P** lowers Senegal's sovereign rating from B+ to B with a negative outlook;

28 Feb 2025 **Dakar (Senegal) Jeune Afrique.** Government spokesman and vocational training minister **Moustapha Ndjekk Sarré** says former president **Macky Sall** will face justice for his actions in governing Senegal, likely referring to the outcome of the financial audit which showed discrepancies in financial reporting under Sall's administration;

27 Feb 2025 **Dakar (Senegal) Sene.News.** Police arrest member of parliament (MP) **Mouhamadou Ngom** on charges of embezzlement of public funds, money laundering and criminal association after a **Cellule nationale de Traitement des Informations financières (CENTIF)** (national financial information processing unit) investigation highlighted suspicious transactions worth 125 billion FCFA (\$207.82m);

28 Feb 2025 **Dakar (Senegal)** *APA News*. **Economic Community of West African States (ECOWAS)** approves the **Praia-Dakar-Abidjan** multimodal corridor project, which will connect **Cape Verde, Senegal, Gambia, Guinea-Bissau, Guinea, Sierra Leone, Liberia** and **Côte d'Ivoire**;

About Africa Risk Consulting:

Africa Risk Consulting (ARC) is a pan-African consulting company that provides timely, relevant information and advice that enables its clients to take informed investment decisions and to safeguard their reputations.

ARC's core consulting services include integrity due diligence and corporate investigations, political advisory and country assessments, opportunity monitoring and reputation risk management. Most relevant to private equity firms is ARC's integrity due diligence and corporate investigations capability. Specifically, ARC offers pre-deal integrity checks to highlight red flags before negotiations start; full detailed multi-jurisdictional reputation due diligence; and supplier and senior hire vetting and repeat due diligence for compliance programmes. ARC is unique in that it offers a 10-day delivery for a routine integrity due diligence. ARC also offers a suite of corporate investigations services from immediate investigation, evidence gathering, e-discovery, forensic accounting and whistleblower support on one end to crisis media management and regular monitoring on the other.

www.africariskconsulting.com

About ARC Briefing:

ARC Briefing is ARC's essential business information service.

Companies at any stage in their Africa expansion, whether building or communicating an Africa strategy, investing directly, expanding current operations, financing other investors, doing the legal leg-work or researching the Africa growth trend, need ARC Briefing.

ARC Briefing is an information service keeping you:

- Up to date with Country Chronologies of business-critical events
- In the know via Country Briefings on political, economic, business and operating trends. Written in-country, ARC experts analyse and comment
- Ahead with Country Planner which details future elections, budgets, regulatory changes etc.

www.africariskconsulting.com

Getting in touch

Please contact us by email info@africariskconsulting.com

Africa Risk Consulting (ARC) Pty Ltd expressly forbids the collection of information and content from ARC Briefing as data to train generative artificial intelligence models.

© Africa Risk Consulting (ARC)