

AFRICA RISK CONSULTING

Senegal Monthly Briefing July 2023

Senegal Summary 20 July 2023

After months of speculation, tension and unrest, President Macky Sall (2012-present) affirms on 3 July that he will not be seeking re-election in the February 2024 presidential elections. The decision leaves the ruling Benno Bokk Yaakaar (BBY) coalition without a presidential candidate just seven months before the elections. On the upside, the decision alleviates concerns over democratic backsliding in Senegal and eases tensions in the political environment. Following Sall's announcement, several candidates declare their presidential aspirations. Questions remain over the candidacy of opposition Patriotes africains du Sénégal pour le travail, l'éthique et la fraternité (Pastef) leader Ousmane Sonko as well as that of former Dakar mayor Khalifa Sall and former minister Karim Wade, who have received prison sentences for embezzlement and corruption. Senegal hosts the first Invest in Senegal forum on 6-8 July, promoting the development of local and regional markets.

Sall rules out third term ...

After months of speculation, tension and unrest, President **Macky Sall** (2012-present) affirmed on 3 July that he will not be seeking re-election in the February 2024 presidential elections. Sall announced the decision during a televised speech, noting he will not be a candidate even though the constitution would allow it.¹ **Senegal's** constitution limits a president's tenure to two five-year terms; however, a constitutional amendment enacted in January 2016 effectively "reset" Sall's terms, as it only came into effect during his second term, allowing him to run for a third term (see *ARC Briefing Senegal Jan 2016*).

While the decision is the correct one to ensure Senegal's continued promotion of democratic ideals, it has created an unprecedented situation. Senegal has never seen an election where the incumbent president did not run for another term.² It has also raised the question of who will succeed Sall as the ruling **Benno Bokk Yaakaar (BBY)** coalition's presidential candidate. Sall's **Alliance pour la République (APR)** holds the majority within the coalition, making it highly likely that the successor will come from the APR. Within the current government, there are three potential candidates:

- Current prime minister **Amadou Ba**;
- **Conseil économique social et environnemental** (economic, social and environmental council) president **Abdoulaye Daouda Diallo**;
- Agriculture minister **Aly Ngouille Ndiaye**.³

The APR secretariat met on 5 July and reiterated its confidence in Sall to nominate a candidate to represent both the APR and the BBY coalition in the elections.⁴ BBY coalition member **Parti Socialiste du Sénégal (PSS)** announced on 6 July that the decision remains with Sall to present a candidate to represent the coalition and that it would not present a candidate.⁵ Fellow BBY coalition member **Ligue démocratique (LD)** has asked that the coalition's stakeholders nominate one candidate and not multiple.⁶ As it stands, Sall could nominate one person, or if there is a lack of consensus, coalition

¹ Lejecos, 3 Jul 2023

² Al Jazeera, 14 Jul 2023

³ BBC, 5 Jul 2023

⁴ Le Soleil, 6 Jul 2023

⁵ Le Soleil, 7 Jul 2023

⁶ Le Soleil, 10 Jul 2023

members could nominate multiple candidates. However, the PSS decision not to put forward a candidate makes the latter scenario less likely.⁷

Sall's announcement of his decision not to pursue a third-term mandate has alleviated concerns over democratic backsliding in Senegal. While Senegal has historically been a beacon of political stability in **West Africa**, over the past two years it has witnessed unprecedented levels of unrest and violence. These events have coincided with the emergence of Senegal's oil and gas sector, with its location making it an ideal supplier to **European** nations. A large push behind the focus on Senegal has been its political stability and stable democracy, promoting values and ideals that European countries cherish. While Sall maintains that he was constitutionally allowed to run for a third term, doing so would have placed many of Senegal's development goals at risk.

... leading to a flurry of presidential candidacy declarations

Following Sall's announcement that he would not be running for a third term, a series of candidates have declared their candidacy for the elections. Social movement **Mouvement Actions** founder **Daouda Ndiaye**, head of the parasitology department at **Cheikh Anta Diop University**, declared his candidacy on 6 July. **Parti démocratique sénégalais (PDS)** member and **Assemblée Nationale** (national assembly) vice president **Aida Mbodj** announced her candidacy on 9 July.⁸ Former commerce minister **Aminata Assome Diatta** has confirmed that she will leave the BBY coalition and launch her own political party ahead of the presidential elections.⁹ Between 12 and 19 July, **Anta Babacar Ngom** (daughter of a businessman), former presidential advisor **Abdoul Aziz Diop** and former minister **Thierno Lô** also announced their candidacy. Thus far, at least 40 people have declared their intention to run for president, but this number is likely to shrink ahead of the elections as the constitutional council will evaluate the candidacies in January.¹⁰

The candidacy of opposition **Patriotes africains du Sénégal pour le travail, l'éthique et la fraternité (Pastef)** leader **Ousmane Sonko** remains in question. The **Dakar** high court criminal chamber sentenced Sonko in June to a two-year suspended sentence for "*corrupting the youth*" (see *ARC Briefing Senegal Jun 2023*). According to electoral rules, this eliminates Sonko from the race; however, the **Commission électorale nationale autonome (CENA)** (election commission) has yet to make a formal declaration on Sonko's eligibility. Regardless of CENA's eventual decision, Sonko's party nominated him on 13 July to be its candidate.¹¹ Sonko had reportedly planned to campaign largely on Sall's decision to run for a third term, a strategy which is now irrelevant given Sall's announcement.

The candidacies of **Karim Wade**, former minister and son of former president **Abdoulaye Wade** (2000-2012), and former **Dakar** mayor **Khalifa Sall** also remain in question. Wade and Sall have respectively received prison sentences for embezzlement and corruption; however, a recommendation made during the national dialogue Sall held in May/June is that the electoral law be amended to allow them to participate in a bid to ease conflict and tensions ahead of the election.¹² The recommendation came before Sall announced his decision and is likely not to see any further political action.

Invest in Senegal success

Senegal hosted its first **Invest in Senegal** forum from 6-8 July, promoting the development of local and regional markets. The event attracted approximately 3,200 delegates from 60 countries including state officials, investors, economic players, investors, international and regional organisations and

⁷ ARC Briefing Senegal analyst

⁸ Le Soleil, 9 Jul 2023

⁹ Le Quotidien, 13 Jul 2023

¹⁰ Le Soleil, 19 Jul 2023

¹¹ Africanews, 15 Jul 2023

¹² VOA Afrique, 17 Jul 2023

other partners of Senegal.¹³ President Macky Sall chaired the opening ceremony and noted that the strong attendance is reflective of investors' confidence in Senegal as a destination for foreign investment.¹⁴ Sall, who brought some peace to the local political environment with his announcement on 3 July not to pursue a third presidential mandate (see above), said in his opening address that "peace, security, stability and rule of law" are prerequisites for creating an attractive business environment.¹⁵ He stated that Senegal will continue to promote these ideals.

Sall also tackled Senegal's customs and tax regime, which he described as "difficult and repressive". Sall told delegates that planned reform of the customs and tax regime include digitising the trade and investment protocols, better protection for investors' rights, tax breaks, a new legal framework for public-private partnerships, and increased access to land. While Sall highlighted the negative aspects of Senegal's customs and tax regime, **United Kingdom** trade commissioner to Africa, **John Humphrey**, praised Senegal and its business climate. Humphrey noted that the ease of doing business in Senegal versus other countries has enabled UK-Senegal trade to grow and companies like oil major **BP** to participate in oil and gas projects in Senegal.¹⁶

Planner

2023 **(Senegal) Grand Tortue Ahmeyim (GTA)** offshore gas field production of natural gas set to begin;

Q4 2023/ Q1 2024 **(Senegal) Sangomar** offshore oil field production set to begin;

25 Feb 2024 **(Senegal)** Presidential elections;

Chronology

19 Jul 2023 **Bokhol (Senegal) Afrik21. Private Infrastructure Development Group (PDIG) and Netherlands Development Finance Company (FMO)** announce it will provide \$35.82m in funding to **French** renewable company **Africa Ren** so it can build a 16-megawatt solar power plant;

18 Jul 2023 **Dakar (Senegal) Lejecos. Autorité de régulation des télécommunications et des postes (Artp)** (telecommunications and postal regulatory authority) reveals **Sonatel** is the provisional recipient of a 5G licence;

18 Jul 2023 **Dakar (Senegal) Crisis24. Civil society movement Forces vives du Senegal (F24)** announces it will hold a demonstration on 21 July to demand free and fair elections and the release of alleged political prisoners;

17 Jul 2023 **Dakar (Senegal) Africanews. Justice ministry** releases an international arrest warrant for opposition leader **Ousmane Sonko's** lawyer, **Juan Branco**, for crimes and offences related to unrest that occurred in early June;

14 Jul 2023 **Dakar (Senegal) Sika Finance. Germany** grants Senegal \$22.49m to produce vaccines;

12 Jul 2023 **Dakar (Senegal) RFI. Opposition Patriotes africains du Sénégal pour le travail, l'éthique et la fraternité (PASTEF) politician Birame Souleye Diop**, confirms via his lawyer that he has been charged with "acts likely to compromise public peace and offending the President of the Republic";

12 Jul 2023 **Dakar (Senegal) Le Quotidien. Amnesty International** publishes a report on corruption in **West and Central Africa**, noting that Senegal is an outlier, scoring between 41% and 43% compared with the regional average of 32%, but that it still needs to work to quash corruption;

¹³ Le Soleil, 7 Jul 2023

¹⁴ Lejecos, 7 Jul 2023

¹⁵ Lejecos, 7 Jul 2023

¹⁶ Reuters, 6 Jul 2023

11 Jul 2023 **Dakar (Senegal)** *Le Quotidien*. **Haut-conseil des collectivités territoriales (HCCT)** (high council of local authorities) says the electrification rate nationally at the end of 2022 stood at 85%, including 60% in rural areas and close to 98% in urban areas;

10 Jul 2023 **Bissau (Guinea-Bissau)** *Agence Ecofin*. **Union économique et monétaire ouest-africaine (UEMOA)** (West African economic and monetary union), which represents countries that use the CFA Franc, anticipates regional economic growth of 7% in 2023 against 5.9% recorded in 2022;

7 Jul 2023 **Dakar (Senegal)** *Sika Finance*. **United Kingdom's British Investment Programme** designates Senegal as a priority country for investment following the **Invest in Senegal Forum** held on 6-8 July;

6 Jul 2023 **Diamniadio (Senegal)** *France24*. Senegal hosts the first **Invest in Senegal Forum**, attracting approximately 3,000 delegates including state officials, investors, international organisation representatives and others;

2 Jul 2023 **Dakar (Senegal)** *RFI*. Opposition leader **Ousmane Sonko** calls on supporters to protest ahead of a scheduled speech by President **Macky Sall** in which Sall is expected to announce whether he will run for a third term in the February 2024 presidential elections;

30 Jun 2023 **Dakar (Senegal)** *Climate Change News*. Senegal commits to reaching 40% renewable energy in its energy mix through a **Just Energy Transition Partnership (JETP)** with **France, Germany and European Union**;

27 Jun 2023 **Dakar (Senegal)** *Le Soleil*. The **European Union (EU)** and the **International Monetary Fund** announce financing for Senegal of new development programmes for three years during a meeting attended by finance minister **Mamadou Moustapha Ba**, EU ambassador to Senegal **Jean-Marc Pisani**, and IMF representative in Dakar **Cémile Sancak**;

26 Jun 2023 **Dakar (Senegal)** *Sika Finance*. Finance and budget minister **Mamadou Moustapha** presents a record 7,000 billion FCFA (\$11.69 billion) budget for the 2023/2024 financial year, an increase of more than 500 billion FCFA (\$831.22m) over the last budget;

26 Jun 2023 **Dakar (Senegal)** *IMF*. **International Monetary Fund's (IMF)** executive board approves a \$1.51-billion 36-month **Extended Credit Facility (ECF)** and \$324m **Resilience and Sustainability Facility** for Senegal, with an immediate disbursement of \$216m;

22 Jun 2023 **Dakar (Senegal)** *Le Quotidien*. Opposition leader **Ousmane Sonko's** lawyer, **Juan Branco**, files a complaint with the **International Criminal Court** against President **Macky Sall** citing crimes against humanity;

22 Jun 2023 **Dakar (Senegal)** *Le Soleil*. Senegal and **Oman** sign a series of agreements in the aviation sector;

21 Jun 2023 **Dakar (Senegal)** *Le Soleil*. The **World Bank** launches its annual report on Senegal's economic situation, devoted to possible response policies to the needs of vulnerable groups to improve their resilience to shocks with fiscal consolidation a priority for Senegal given the tightening of financial conditions on regional and international markets;

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