

## AFRICA RISK CONSULTING

### Country briefing – Senegal

22 September 2014

#### 1 Summary

*Health authorities effectively manage the first case of Ebola in Senegal. Despite delayed detection of the case, authorities identify and monitor the potential transmission line. Although there are no current Ebola cases in Senegal, the announcement that Ebola was present in Senegal has undermined the business outlook for 2014. The illicit enrichment trial of Karim Wade continues and is increasingly viewed in business, political, media and human rights circles as president Macky Sall's (2012 – present) political vendetta against Wade. Senegal marginally improves its standing on the World Economic Forum's Global Competitiveness Index. However, access to financing, inadequate supply of infrastructure, restrictive labour conditions and corruption remain problematic. The government faces public outcry over the heavy-handed security forces response to protests over late student payments. A policeman reportedly shoots dead a student during clashes at Cheikh Anta Diop University campus in Dakar.*

#### 1.1 Health authorities effectively manage Ebola threat

Health authorities have limited the threat of an Ebola outbreak in Senegal after identifying a single case in **Dakar** on 27 August. A **Guinean** student, **Mamadou Aliou Diallo**, had attended the funeral of his brother – who had died from Ebola – in **Sierra Leone**. Diallo crossed Senegal's southern land border via Guinea to inform his family living in the Senegalese capital.<sup>1</sup> He spent seven days in the heavily populated **Parcelles Assainies** suburb of Dakar and sought treatment for fever at least once before receiving treatment at one of Dakar's largest hospitals, **Hôpital de Fann**, on 27 August. Health authorities traced 67 individuals with whom Diallo had been in contact.<sup>2</sup> They placed several in quarantine and continued twice daily monitoring.<sup>3</sup> In early September, the **French** healthcare non-government organisation (NGO), **Pasteur Institute**, confirmed that Diallo had recovered after receiving treatment.<sup>4</sup> A Senegalese air force plane repatriated Diallo to Guinea on 20 September.<sup>5</sup>

The government reinforced existing measures or re-introduced temporarily suspended ones in the lead up to the detection of the first case on 27 August. It re-closed its land borders with Guinea on 21 August.<sup>6</sup> It had closed the borders with Guinea on 29 March at the start of the outbreak,<sup>7</sup> but reopened the borders on 6 May. However, the local press reported that Senegalese security forces are unable to fully enforce the border closure due to active Guinean and Senegalese people-smuggling networks. Legitimate economic activity, which relies heavily on the cross-border transport of merchandise, has

<sup>1</sup> L'Observateur 13 and 14 Sept 2014. The paper claims having an exclusive interview by phone with Mr Diallo.

<sup>2</sup> Nouvel Horizon, 18 to 24 Sep 2014

<sup>3</sup> Reuters, 9 Sep 2014; Nouvel Horizon, 18 to 24 Sep 2014.

<sup>4</sup> L'Enquête, 11 Sep 2014

<sup>5</sup> Walfadjri, 21 Sep 2014

<sup>6</sup> Jeune Afrique, 24 to 30 August 2014

<sup>7</sup> See ARC Senegal April 2014 Briefing

come to a virtual halt.<sup>8</sup> The border closure has particularly affected Guinean exporters, putting pressure on Senegalese and Guinean border officials.<sup>9</sup>

Dakar's **Aéroport Léopold Sédar Senghor (LSS)**, the country's sole international airport, has increased controls of incoming passengers and aviation authorities have banned flights from the Ebola affected countries of Guinea, **Liberia** and Sierra Leone.<sup>10</sup> However, as travel restrictions hamper the movement of international healthcare personnel and Ebola treatment supplies to the affected countries, **United Nations (UN)** officials have lobbied the authorities to open humanitarian corridors to facilitate the movement of health professionals and supplies.<sup>11</sup> On 16 September **United States (US)** president **Barrack Obama** (2009 – present) declared the epidemic a potential threat to global security and announced that Senegal was to be “*a staging area*” that would be used to distribute aid personnel and material more quickly throughout the region.<sup>12</sup> Health minister **Awa Marie Coll Seck** said LSS airport in Dakar would open as a humanitarian corridor shortly and that talks were under way with NGOs **Médecins Sans Frontières** and the **World Food Program**. Seck said the government would retain strict control of the humanitarian corridor at LSS and made it clear that Senegal had no intention of opening several humanitarian corridors.<sup>13</sup> Seck, a local expert in epidemics, also warned against Ebola sufferers entering Senegal to seek medical attention.<sup>14</sup>

In an interview with the local press, tourism minister **Abdoulaye Diouf Sarr** mentioned there could be a negative impact on the tourism sector and that the government has created a communication strategy to reassure potential visitors that Senegal is a safe destination. The strategy is particularly important in light of the forthcoming 15<sup>th</sup> summit of the **Organisation Internationale de la Francophonie (OIF)**, a bi-annual global conference of countries that use French as an official language, which is due to take place in Dakar from 29 - 30 November.<sup>15</sup>

Seck said on 19 September that “*there is no further risk of Ebola spreading in the country.*” With the case in Senegal removed, four **West African** nations continue to record cases. Liberia, Sierra Leone and Guinea are the worst affected with **Nigeria** less so.

## 1.2 The Karim Wade ‘political’ trial continues

The **Cour de Répression de l'Enrichissement Illicite (CREI)** trial of **Karim Wade**, number two in the administration of his father, former president **Abdoulaye Wade** (2000 – 2012), and his seven co-accused has made little progress.<sup>16</sup> The trial, which started on 31 July, is increasingly viewed in business, political, media and human rights circles as president Macky Sall's (2012 – present) political vendetta against the Wade's. During the early stages of the CREI trial, Wade's defence lawyers highlighted the fundamental flaws of the CREI process and successfully delayed the early stages of the trial.

<sup>8</sup> L'Observateur, 17 Sep 2014.

<sup>9</sup> RFI, 16 Sep 2014.

<sup>10</sup> SenXibar, 23 Aug 2014.

<sup>11</sup> Reuters, 3 Sep 2014.

<sup>12</sup> Washington Post, 16 Sep 2014.

<sup>13</sup> Walfadjri, 21 Sep 2014.

<sup>14</sup> L'Enquête, Walfadjri, Le Quotidien, 11 Sep 2014.

<sup>15</sup> L'Observateur, 15 Sep 2014; Le Quotidien, 18 Sep 2014.

<sup>16</sup> See also ARC Senegal August 2014 Briefing

The Wade's have launched several appeals. Six appeals are reportedly pending before various courts, which may further delay the CREI trial.<sup>17</sup> Wade's lawyers have also launched litigation for damages against CREI investigator **Papa Alboury Ndao** over allegations involving his **Singapore** investigation.

The CREI has produced no new evidence linking Wade to the companies on his alleged asset list. Its case also remains largely based on compromised testimony from disgruntled former employees of the companies.<sup>18</sup> Local human rights monitors have taken a harder line on the political nature of the trial. **Assane Dioma Ndiaye**, president of the **Ligue Sénégalaise des Droits Humains**, told francophone publication *Jeune Afrique* that the Wade trial was effectively Sall's "*settling of accounts*".<sup>19</sup>

### 1.3 Senegal marginally improves business rating

Senegal improved one place to 112<sup>th</sup> from 113<sup>th</sup>, out of 148 economies, on the **World Economic Forum's** annual **Global Competitiveness Index**.<sup>20</sup> The 2014-2015 report indicates improvements in goods and labour market efficiency, and ports (although it says other modes of transport are mediocre). The report lists the four most problematic factors in doing business in Senegal as access to financing; inadequate supply of infrastructure; restrictive labour conditions; and corruption.<sup>21</sup>

The report considers Senegal's education and health services as poor. Senegal's ranking of 131<sup>st</sup> in these categories reduces its overall competitiveness.<sup>22</sup> The report notes that Senegal's main areas of vulnerability involve "*social sustainability*" including limited access to sanitation (52% of the population) and drinking water (74%). In addition, the report notes a number of serious environmental challenges, including overfishing, deforestation and air and water pollution.<sup>23</sup>

Sall's government has focused on improving its ranking in the **World Bank's** *Doing Business* report, due in October.<sup>24</sup> Senegal fell two places in last year's report to 178<sup>th</sup> out of 189 countries. It placed poorly in several categories including enforcing contracts and starting a business. **Mountaga Sy**, who heads the one-stop state investment agency **Agence pour la promotion des investissements et des grands travaux (Apix)** told local media that the government has already put in place measures that will make it easier to start a business, pay taxes and obtain construction licences.<sup>25</sup>

### 1.4 Student unrest points to ongoing university crisis

The government has faced public outcry over the heavy-handed security forces response to protests over late student payments. A policeman reportedly shot dead student **Bassirou Faye** during clashes at **Cheikh Anta Diop University** campus in Dakar on 14 August.<sup>26</sup> Police had reportedly entered the campus and, according to students, ransacked their dormitories, taking electronic equipment including laptops and cell phones with them.<sup>27</sup> Returning from an overseas tour, Sall was forced to cancel an "*economic tour*" in order to manage the crisis and attend the bedsides of wounded

<sup>17</sup> L'Observateur, 18 Aug 2014.

<sup>18</sup> Source, several

<sup>19</sup> 26 Aug 2014.

<sup>20</sup> World Economic Forum Global Competitiveness Index 2014-2015 Rankings

<sup>21</sup> WCR 2014-2015, p 326

<sup>22</sup> World Economic Forum Global Competitiveness Index 2014-2015 Highlights, p 18

<sup>23</sup> World Economic Forum Global Competitiveness Index 2014-2015 Report, pp 72-73

<sup>24</sup> Nouvel Horizon, 28 Nov to 4 Dec 2013; Le Soleil, 18 Jan 2014

<sup>25</sup> Seneplus Economie, 12 Jul 2014.

<sup>26</sup> Jeune Afrique, 24 to 30 Aug 2014.

<sup>27</sup> AFP, 15 Aug 2014.

students.<sup>28</sup> He appealed for calm and promised an enquiry. However, his announcement that police would leave the campus failed to appease students.<sup>29</sup> They renewed their protests and began a strike on 21 August to demand the resignation of higher education minister **Mary Teuw Niane** and interior minister **Abdoulaye Daouda Diallo**.<sup>30</sup>

The latest confrontation stems from the non-payment of scholarships and points to the growing crisis at Cheikh Anta Diop University. The university currently welcomes at least three times the number of students it can accommodate.<sup>31</sup> The university has failed to pay staff salaries and faces a shortage of lecturers.<sup>32</sup> Despite funding problems, the government has announced a teacher recruitment drive.<sup>33</sup>

Cheikh Anta Diop University has a history of student strikes and unrest. The crisis deepened in November 2013 when police installed a permanent base on the campus in response to recurring unrest.<sup>34</sup> The previous government of ex-president Wade introduced an expanded system of scholarships to appease students and quell unrest. The scholarship system has become “*unmanageably large*” and Sall’s administration has sought to restrict access to scholarships, which the current student population at the university resents.<sup>35</sup>

## 2 Implications

The prospect of a large-scale Ebola outbreak in Senegal seems remote. However, the announcement that Senegal was one of the countries where Ebola was present has undermined the business outlook for the country. Several expatriates have delayed their return to Senegal after the August holiday period and some investors are expected to delay and cancel trips. Despite the delayed detection, the effective management of the first Ebola case has reduced the risk of disruptions to the Francophonie Summit in Dakar in November.

The Karim Wade trial is expected to continue over the long term as Wade’s lawyers continue to flag flaws in the case and the CREI’s failure to follow due process. The political nature of the case also brings into question the independence of the judiciary, which may undermine business confidence settling disputes in the local court system.

Senegal's ranking on the Global Competitiveness Index, while showing a marginal improvement, highlights the ongoing barriers to investment in the country. The report's findings on deteriorating education and healthcare conditions highlight the rising social tensions as seen in student unrest at the Cheikh Anta Diop University campus. The student tension increases the overall risk of political and economic related unrest, such as protests over poor service (water and power) provision or political demonstrations.

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<sup>28</sup> Le Populaire, 19 Aug 2014.

<sup>29</sup> SenXibar, 18 Aug 2014; Nouvel Horizon, 11 to 17 Sep 2014.

<sup>30</sup> RFI, Aug 20, 2014.

<sup>31</sup> Le Quotidien, 18 Sep 2014.

<sup>32</sup> Nouvel Horizon, 11 to 17 Feb 2013.

<sup>33</sup> L’Enquête, 13 and 14 Sep 2014

<sup>34</sup> Jeune Afrique, 24 to 30 Aug 2014.

<sup>35</sup> Vision, Sep 2014.