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President Macky Sall (2012-present) reinstates night-time curfew and declares a state of emergency in the Dakar and Thiès regions following a rapid increase in confirmed Covid-19 cases. Sall provides a review of the country's 2020 socio-economic performance during his New Year's Eve state of the nation address. The International Monetary Fund (IMF) projects 5.2% economic growth for Senegal in 2021 as a result of increased economic activity during the second half of 2020. United Arab Emirates (UAE)-based port operator DP World has signed an agreement with the Senegalese government to develop a deep-water sea port at Ndayane worth \$1.127 billion, making the Ndayane project DP World's largest investment in Africa.

Dakar and Thiès under state of emergency amidst growing Covid cases...

President **Macky Sall** (2012-present) has reinstated a night-time curfew in the **Dakar** and **Thiès** regions and declared a state of emergency for the two regions, following a sharp rise in **Covid-19** cases.¹ Sall announced on 5 January that Dakar and Thiès would be placed under partial curfew from 6 January, as 90% of Senegal's Covid-19 cases are concentrated in the two regions.² Sall said the decision to impose the curfew was made on the recommendation of the **Comité National de Gestion des Epidémies (CNGE)** (national committee for epidemic management).³ Sall blamed the spike in cases on the population's failure to adhere to basic health and safety guidelines.⁴ Since recording its first case on 2 March, Senegal has recorded 23,909 Covid-19 cases in its population of 16.9 million,⁵ with 19,916 recoveries and 552 deaths.⁶

Although the government has received international praise for its Covid-19 response efforts, Sall's decision to implement the curfew led to clashes between protesters and security forces in certain **Dakar** neighbourhoods.⁷ Security forces dispersed anti-curfew protesters with tear gas during the first night of the reinstated curfew.⁸

Interior minister **Antoine Félix Abdoulaye Diome** issued a decree on 7 January providing further details on the government's new restrictive measures. These include a ban on demonstrations as well as public and private gatherings at weekly markets, beaches, bars, cafes and dance halls.⁹ Diome announced on 18 January that the curfew would be extended for an additional eight days, instructing the governors of the two regions to ensure all provisions under the state of emergency are applied.¹⁰ Diome said the government would enact a new law that would permit the head of state to declare a state of emergency without having to refer to the **Assemblée Nationale** (national assembly).¹¹

Despite the spike in new Covid-19 cases, Senegal has received international acclaim for its management of the ongoing pandemic. **United States**-based publication **Foreign Policy** ranked

¹ AA, 6 Jan 2021

² AA, 6 Jan 2021

³ APS, 6 Jan 2021

⁴ RFI, 6 Jan 2021

⁵ Worldometer, accessed 22 Jan 2021

⁶ APS, 21 Jan 2021

⁷ RFI, 7 Jan 2021

⁸ France 24, 7 Jan 2021

⁹ RFI, 7 Jan 2021

¹⁰ AA, 19 Jan 2021

¹¹ AA, 19 Jan 2021

Senegal second globally in its August **Covid-19 Global Response Index** for the country's response tactics.¹² However, the current second wave of infections risks reversing gains made during the first phase of the pandemic in Senegal.¹³ The **Association des Médecins Urgentistes du Sénégal** (association of emergency doctors) has highlighted the growing numbers of Covid-19 cases in the towns of **Diourbel, Saint-Louis** and **Kaolack**.¹⁴

Senegal has established a calendar for procurement of the Covid-19 vaccine. Health ministry prevention director **El Hadj Mamadou Ndiaye** indicated in December that Senegal would receive its first doses of the Covid-19 vaccine by March.¹⁵ Although Senegal is set to procure vaccine doses through the **World Health Organisation**-coordinated **Covax** mechanism, health minister **Abdoulaye Diouf** said during a 13 January cabinet meeting that the government was in discussions with **China**-based **SinoPharm** to potentially acquire its vaccine.¹⁶ In anticipation of the imminent vaccination exercise, Sall instructed Diouf to organise a vaccine awareness campaign and promised to deploy the armed forces in order to support vaccination efforts.¹⁷

Sall gives overview of 2020 economic performance

During the traditional state of the nation address on 31 December, President Sall provided a review of Senegal's economic performance during 2020.¹⁸ Sall acknowledged that the Covid-19 pandemic had dealt Senegal a host of socio-economic challenges and listed the government's initiatives to mitigate the negative effects of the pandemic.¹⁹ The 1,000 billion FCFA (\$1.8 billion) **Programme de Résilience Economique et Sociale (PRES)** (economic and social resilience program) financed Senegal's Covid-19 response plan, which has helped to support 1.1 million households.²⁰ Sall said the government was also able to provide 126,724 Senegalese in the diaspora with financial assistance and facilitated the repatriation of 12,584 Senegalese.²¹ Sectors that were severely affected by the pandemic received support packages, including 50 billion FCFA (\$92.7m) to the hotel and tourism industry, while the budget for agriculture increased from 40 billion FCFA (\$74.2m) to 60 billion FCFA (\$111.3m) for the 2020/2021 harvest season.²² Sall also highlighted initiatives to promote youth and female employment.²³

Sall noted that from 2019 to 2020 electricity production rose by 8.09% to 1,350 MW, and pledged that Senegal would have universal access to electricity by 2025.²⁴ The president also promised the **Train Express Régional (TER)** (regional express train) would become operational in 2021, with work on the second phase from **Diamniadio** to the **Aéroport International Blaise Diagne (AIBD)** to make significant progress, while the start of work at the **Ndayane** multifunctional port is imminent (see below). Sall described the Ndayane project as Senegal's largest private investment so far.²⁵

IMF predicts 5% economic growth for Senegal amidst positive outlook

The **International Monetary Fund (IMF)** predicts that Senegal will experience broad-based economic recovery in 2021 with economic growth set to reach 5.2%.²⁶ Senegal will carry the momentum of increased economy activity from June into 2021.²⁷ Favourable year-end agricultural

¹² USA Today, 6 Sep 2020

¹³ ARC Senegal analyst

¹⁴ RFI, 21 Jan 2021

¹⁵ APS, 15 Dec 2020

¹⁶ RFI, 13 Jan 2021

¹⁷ APS, 19 Jan 2021

¹⁸ Presidence.sn, 31 Dec 2020

¹⁹ Presidence.sn, 31 Dec 2020

²⁰ Presidence.sn, 31 Dec 2020

²¹ Presidence.sn, 31 Dec 2020

²² Presidence.sn, 31 Dec 2020

²³ Presidence.sn, 31 Dec 2020

²⁴ Sika Finance, 4 Jan 2021

²⁵ Presidence.sn, 31 Dec 2020

²⁶ IMF, 10 Jan 2021

²⁷ IMF, 10 Jan 2021

production contributed significantly to increased economic activity and prevented a full year of economic contraction.²⁸

The IMF delivered its report on 10 January after completing its second review under the **Policy Coordination Instrument (PCI)** for Senegal.²⁹ The PCI aims to support the government's development objectives under the PSE, Senegal's flagship economic development plan.³⁰ The main pillars of the PCI include achieving inclusive and private sector-led growth; consolidating macroeconomic stability through prudent fiscal policy and sound debt management; and managing prospective oil and gas revenue in a transparent and sustainable manner.³¹

The IMF predicts that the government's initiation of investments outlined in the **Plan d'actions Prioritaires Ajusté et Accélééré (PAP2A)** (adjusted and accelerated priority action plan) (2021-2023) will help to consolidate the gains made as a result of the implementation of the PRES, which helped to revive economic activity at the height of the pandemic.³² PAP2A, which runs from 2021-2023, intends to accelerate structural economic transformation and enhance economic resilience by promoting domestic production of food and pharmaceutical products.³³ It also aims to improve access to health and education services and expand social safety nets.

However, the IMF also highlighted that Senegal's poverty rate increased from 38% in 2019 to 40% in 2020, while 85% of households suffered income loss as a result of the pandemic.³⁴ The economy contracted by 0.7%, more than the initially projected figure of 1.1% growth.³⁵ Nonetheless, the IMF believes Senegal will experience pre-Covid-19 growth rates from 2021 onwards.³⁶

| Senegal: Economic growth rate ³⁷ | | | | | |
|---------------------------------------------|-------|---------------------|---------------------|---------------------|---------------------|
| 2019 | 2020 | 2021 (projected) | 2022 (projected) | 2023 (projected) | 2024 (projected) |
| 5.3% | -0.7% | 5.2% | 6.0% | 11.9% | 8.4% |

The **Direction de la Prévision et des Etudes Economiques (DPEE)** ((forecasting and economic studies directorate) shares the IMF's positive economic outlook, predicting that Senegal's economy will return to its pre-2020 dynamism due to a more favourable internal and external environment.³⁸

DP World commits \$1.1 billion to develop Ndayane sea port

United Arab Emirates (UAE)-based port operator **DP World** has signed an agreement with the Senegalese government to develop a deep-water sea port at Ndayane worth \$1.127 billion.³⁹ Upon completion, the port will be DP World's largest investment project in Africa and is a further indication of the increasing attractiveness of Senegalese ports to foreign investors and the government's efforts to establish Senegal as a logistics hub and gateway to **West** and north-west Africa.⁴⁰ The fisheries and maritime economy ministry estimates that Ndayane port will cost \$18 billion to develop.⁴¹

²⁸ IMF, 10 Jan 2021

²⁹ IMF, 10 Jan 2021

³⁰ IMF, 10 Jan 2021

³¹ IMF, 10 Jan 2021

³² IMF, 18 Jan 2021

³³ IMF, 18 Jan 2021

³⁴ IMF, 18 Jan 2021

³⁵ IMF, 18 Jan 2021

³⁶ IMF, 18 Jan 2021

³⁷ IMF, 18 Jan 2021

³⁸ Teranga News, 13 Jan 2021

³⁹ Reuters, 23 Dec 2020

⁴⁰ Bloomberg, 23 Dec 2020

⁴¹ Sika Finance, 12 Oct 2020

President Macky Sall attended the 22 December signing ceremony, alongside fisheries and maritime economy minister **Alioune Ndoye**, **Port Autonome de Dakar (PAD)** (Dakar autonomous port) director general **Aboubacar Sedikh Bèye**, and DP World chairman **Sultan Ahmed bin Sulayem**.⁴² In terms of the agreement, **DP World Dakar**, a joint venture between DP World and PAD, will finance, design and develop the land and maritime infrastructure associated with the Ndayane port, which will be built over 600 hectares.⁴³ During the first phase of the project, DP World will invest \$837m, while the remaining \$290m will be used during the second phase of construction.⁴⁴

The Ndayane port will help to decongest Dakar port, which handles 18m tonnes of cargo annually – including 4m tonnes from **Mali** – and amounts to 95% of Senegal’s port traffic.⁴⁵ DP World has operated Dakar port’s container terminal since 2007. On completion of Ndayane port, Dakar port will be converted into a mixed-use residential and commercial waterfront and cruise terminal.⁴⁶

DP World also intends to establish a **Special Economic Zone (SEZ)** next to the port, 20 km from **Aéroport Internationale Blaise Diagne (AIBD)**.⁴⁷ Sulayem said the project is evidence of DP World’s commitment to Senegal as well as recognition of the country’s growth potential.⁴⁸ Bèye noted:

“The development of the new port at Ndayane will provide a strong engine of growth for the next phase of the Plan Senegal Emergent (PSE).”⁴⁹

The Ndayane project is not the only sea port that has attracted major investment commitments. The Port Autonome de Dakar announced on 12 October that it had successfully raised 60 billion FCFA (\$108.3m) through a public offering on the **West African Economic and Monetary Union (WAEMU)** regional financial market (see *ARC Briefing Senegal October 2020*).⁵⁰ Large-scale investments have been made in similar infrastructure across the region in recent years, notably at **Abidjan** and **San Pedro (Côte d’Ivoire)**, **Conakry (Guinea)** **Lomé (Togo)** and **Tema (Ghana)** sea ports.⁵¹

⁴² Reuters, 23 Dec 2020

⁴³ Reuters, 23 Dec 2020

⁴⁴ Reuters, 23 Dec 2020

⁴⁵ Jeune Afrique, 23 Dec 2020

⁴⁶ Reuters, 23 Dec 2020

⁴⁷ Bloomberg, 23 Dec 2020

⁴⁸ Financial Afrik, 23 Dec 2020

⁴⁹ Bloomberg, 23 Dec 2020

⁵⁰ Sika Finance, 12 Oct 2020

⁵¹ ARC Senegal analyst

Planner

2021 **Dakar (Senegal)** Municipal elections (TBA);
 Jul 2021 **Montpellier (France)** France-Afrique Summit;
 2022 **Sangomar** offshore oil field: production of crude oil set to begin
 2023 **Grand Tortue Ahmeyim (GTA)** offshore gas field: production of natural gas set to begin.

Chronology

18 Jan 2021 **Dakar (Senegal)** *APS*. Interior minister **Antoine Félix Abdoulaye Diome** announces the extension of a night-time curfew for an additional eight days in Dakar and **Thiès** regions, in order to control the spread of **Covid-19**;

16 Jan 2021 **Dakar (Senegal)** *RFI*. Foreign minister **Aissata Tall Sall** and her **Gambian** counterpart, **Mamadou Tangara**, hold face-to-face discussions over possible solutions to curb rosewood trafficking, which is prevalent in the **Casamance** region of Senegal;

16 Jan 2021 **Dakar (Senegal)** *Financial Afrik*. Senegal raises 79.8 billion FCFA (\$147.1m) through a treasury bill issue on the **West African Economic and Monetary Union (WAEMU)** regional financial market;

13 Jan 2021 **Dakar (Senegal)** *Seneweb*. President **Macky Sall** orders the renegotiation of the 25-year concession for the operation and management of naval repair infrastructure attributed to **Dakarnave**, a subsidiary of **Portugal-based Lisenave International SA**;

13 Jan 2021 **Dakar (Senegal)** *Teranga News*. The **Direction de la Prévision et des Etudes Economiques (DPEE)** (forecasting and economic studies directorate) predicts Senegal's economy will return to pre-2020 dynamism, due to the implementation of the **Plan d'actions Prioritaires Ajusté et Accélééré (PAP2A)** (adjusted and accelerated priority action plan), the **Programme de Résilience Economique (PRES)** (economic resilience programme) and several structural economic reforms;

13 Jan 2021 **Dakar (Senegal)** *APS*. The **International Monetary Fund (IMF)** projects economic growth of 5% for Senegal in 2021;

10 Jan 2021 **Dakar (Senegal)** *APS*. **Japan** announces during foreign minister **Montegi Toshimitsu's** visit to Senegal that it will grant Senegal 37 billion FCFA (\$68.5m) to support rice production in the **Senegal River Valley**

8 Jan 2021 **Dakar (Senegal)** *Le Soleil*. The budget and finance ministry announces the **International Monetary Fund (IMF)** has approved the second review of the **Instrument for the Coordination of Economic Policy (ICPE)** with Senegal, an IMF economic reform programme;

8 Jan 2021 **Dakar (Senegal)** *Sika Finance*. The **Direction de la Prévision et des Etudes Economiques (DPEE)** (forecasting and economic studies directorate) reports exports at the end of November amounted to 163.6 billion FCFA (\$303.3m), an 18.5% increase compared to 138.1 billion FCFA (\$256m) at the end of October;

7 Jan 2021 **Dakar (Senegal)** *Sika Finance*. President **Macky Sall** instructs cabinet ministers to undertake steps to ensure the effective start of construction of the second phase of the **Diamniadio Industrial Park**, which aims to create 23,000 jobs by 2023;

6 Jan 2021 **Dakar (Senegal)** *AA*. President **Macky Sall** declares a new curfew effective from 6 January in Dakar and **Thiès** regions, following a sharp rise in **Covid-19** cases;

4 Jan 2021 **Dakar (Senegal)** *Sika Finance*. President **Macky Sall** says Senegal has doubled its electricity production over the last 10 years to 1,350 MW, including an 8.09% increase from 2019 to 2020;

4 Jan 2021 **Dakar (Senegal)** *Le Quotidien*. Interior minister **Antoine Diome** threatens to ban opposition **Pastef Les Patriotes** political party, following a party fundraising campaign that raised funds from outside of Senegal, in contravention of Senegalese law;

2 Jan 2021 **Dakar (Senegal)** *Le Soleil*. Senegal exported 37,199 tonnes of cashew nut in 2020, generating 23.7 billion FCFA (\$44.3m) in export revenue;

1 Jan 2021 **Dakar (Senegal)** *Africanews*. The **Cour d'Appel de Dakar** (Dakar court of appeal) has dismissed the corruption case of President **Macky Sall**'s younger brother, **Aliou Sall**, who was accused of receiving bribes from **PetroTim**, a firm owned by **Romanian-Australian** business tycoon **Frank Timis**, in exchange for the latter to obtain oil and gas concessions;

30 Dec 2020 **Dakar (Senegal)** *Teranga News*. The government collected 1,000 billion FCFA (\$1.871 billion) in customs revenue in 2020, compared to 987 billion FCFA (\$.1846 billion) in 2019;

30 Dec 2020 **Dakar (Senegal)** *APS*. The **Agence Nationale de la Statistique et de la Démographie (ANSD)** (national statistics and demographics agency) reports gross domestic product (GDP) rose by 3.8% to 3,231.2 billion FCFA (\$6 billion) at the end of the third quarter;

28 Dec 2020 **Dakar (Senegal)** *Teranga News*. **Air Sénégal SA** director general **Ibrahima Kane** announces passenger numbers dropped from 700,000 in 2019 to 400,000 in 2020 due to the **Covid-19** pandemic, while turnover fell by 20%;

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