

AFRICA RISK CONSULTING

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Senegal Summary 18 December 2025

President Bassirou Diomaye Faye (2024-present) presides over the opening of the MSGBC Oil, Gas & Power 2025 Summit in Dakar on 8 December, using the opportunity to promote regional energy integration and highlight how African countries are becoming active participants in the energy landscape. Senegal and the International Monetary Fund (IMF) continue talks, but have made little progress, raising concerns over Senegal's ability to finance its debt obligations in 2026. A Turkish-owned oil tanker, known as the Mersin and docked 19km off Senegal's coast flying the Panamanian flag, sends a distress signal on 27 November after suffering damage from four external explosions and taking on water, prompting concerns of an oil spill and leading to suspicion over the nature of the incident.

Senegal hosts regional energy summit

President **Bassirou Diomaye Faye** (2024-present) [presided](#) over the opening of the **MSGBC Oil, Gas & Power 2025 Summit** in **Dakar** on 8 December. Faye used the opportunity to promote regional energy integration and highlight how **African** countries are becoming active participants in the energy landscape. The MSGBC summit brought together representatives of **Mauritania**, Senegal, **The Gambia**, **Guinea-Bissau**, and **Guinea**, as well as energy sector stakeholders in these countries. This included **United Kingdom**-headquartered **BP**, operator of the **Grand Tortue Ahmeyim (GTA)** offshore project, which borders Mauritania and Senegal, as well as **Australia**-headquartered **Woodside Energy**, which operates the **Sangomar** oil field. Woodside Energy [used](#) the summit as an opportunity to announce that the company has extracted more than 50 million barrels of oil from Sangomar since it began production in June 2024.

During his speech, Faye [advocated](#) for an integrated regional market, citing GTA as an example of how countries can work together to achieve complex-cross border projects. He also emphasised that Africa's investment environment is stabilising and that investment in the energy sector contributes to job creation, development and innovation.

Energy minister **Birame Souleye Diop** also addressed the summit, causing concern among investors when he commented that Senegal planned to nationalise the other major project in its energy sector – the **Yakaar-Teranga** gas project. **United States (US)**-headquartered **Kosmos Energy** holds a 90% stake in the project, with the remaining 10% held by state-owned **Société des Pétroles du Sénégal (Petrosen)**. The two companies have been seeking a third to help progress the project to development. Media quoted Diop [as](#) stating:

"It's a project we have operators for, and we want to nationalise it and give Petrosen, which has the expertise, the opportunity to develop this project to meet domestic gas needs... without ruling out the possibility of exporting."

Following Diop's statement, Kosmos Energy's shares dropped 6.1%, reaching a five-year low. However, the energy ministry began damage control on 11 December, posting a [message](#) on social media that Diop's comments did not imply nationalisation and that Kosmos Energy remains a key partner. Reassuring investors is key, as the oil and gas sector has become [central](#) to Senegal's economic growth – which, in the first quarter of 2025, was estimated at 12.1%, driven by oil production. The **International Monetary Fund (IMF)** [expects](#) Senegal's real GDP growth to reach 7.9% this year. Driving investment is especially important as the economy struggles with the outfall of the hidden debt scandal that has dominated economic developments this year (see below).

Hidden debts continue to drag IMF negotiations

IMF communications director **Julie Kozack** confirmed in a [press](#) conference on 4 December that the IMF has made progress with Senegal on a new loan programme but that it is also conducting an internal investigation to understand how it did not detect that Senegal had billions of dollars in unreported debt while the country was under an IMF-staff-monitored programme. Senegal is seeking a new programme after the IMF suspended its \$1.8-billion programme in 2024 after the new Faye administration uncovered that the former administration had purposefully misrepresented Senegal's debt levels. According to the IMF, Senegal's total public sector debt reached 132% of GDP at the end of 2024 while the previous administration had reported that at the end of 2023, debt was only 74% of GDP. Additional debt owed is approximately \$7 billion.

Kozack [added](#) that Senegal has significant debt vulnerabilities but that Senegalese authorities would determine whether they will restructure debt. On the same day, **Bank of America (BoFA)** [released](#) a note forecasting that it is increasingly likely that Senegal will restructure external debt in the second half of 2026. This forecast is despite the finance ministry saying in a [statement](#) after an IMF mission ended in November that the country would continue to conventional debt management for both its domestic and external debt, meaning it is not considering restructuring its debt.

Prime minister **Ousmane Sonko** had reiterated this point during a political rally on 8 November, [noting](#) that it would be a “shame” for Senegal to follow this route, and a “humiliation for our people”. However, BoFA has said that while Senegal can rely on the regional debt market to meet obligations in the first half of the year, it would be unable to keep this up in the second half. As talks with the IMF continue to drag, with a suspected point of contention being the decision to not restructure, concerns are mounting over the country's ability to meet its financing obligations in 2026.

Oil tanker damaged off the coast of Senegal, reported as Russia-linked

A **Turkish**-owned oil tanker known as the **Mersin**, docked 19km off Senegal's coast and flying the **Panamanian** flag, sent a distress signal on 27 November after suffering damage from four external explosions and taking on water, prompting concerns of an oil spill and leading to subsequent suspicion over the nature of the incident. The Mersin's owner, **Besiktas Shipping**, [confirmed](#) the ship had departed from a port near the **Kerch Strait**, which separates **Russia** from **Crimea**, and suggested that it was investigating whether **Ukraine** had attacked the Mersin.

Port autonome de Dakar (PAD) (Dakar's port authority) deployed the necessary resources to ensure that the vessel's 39,000 metric tonnes of fuel was not spilt off its shores, while rescuing the 22 crew members shortly after the distress signal was sent. PAD also confirmed that the vessel was not sinking and had been stabilised by 28 November with no signs of an oil leak. They added that an investigation into the incident was in progress and could not rule out the ship's owner's assessment that an attack was a possibility.

Since its war in Ukraine, Russia has been operating what is [termed](#) a ‘shadow fleet’ of oil tankers that help the country to export oil and gas while circumventing sanctions. Ukraine has allegedly been targeting these oil tankers to weaken Russia's oil income. On 28 November, [Ukraine](#) targeted two oil tankers off the coast of Turkey that were headed for Russia's port of **Novorossiysk** to load up with oil. The two tankers were flying the Gambian flag and subject to international sanctions. Ukraine did acknowledge this attack.

Several Russia-focused [analysts](#) have opined that this was an attack by Ukraine and meant to send a message that even further afield, it will target the shadow fleet. However, no outcome of the investigation has been published and no official claim of the alleged attack has come forward. Nevertheless, Besiktas Shipping has confirmed it has suspended all operations with Russia. Senegal's government has also not responded to the incident.

2026 outlook

The upcoming year will be dominated by Senegal's economic developments. The outcome of a new IMF programme will be known next year, and while it remains unclear when this will be, Senegal will be hoping for the first half of the year so it can use the funding to buoy its financing obligations for the rest of the year. The outfall of the hidden debt scandal will continue, and the outcome of the government's current fiscal consolidation plans will reveal either progress with its current plan or a need to pivot in a new direction.

From a political standpoint, the government will be marking two years in power, which has seen much of its attention focused on the hidden debt scandal. Many campaign promises such as oil and gas contract audits and reforms to the justice system have taken a back seat. In addition, the government is facing pressure to deliver on key reforms, mainly job creation, while proving how it is using the country's new natural resource revenues. Should the government secure the new IMF programme, it will be able to move attention to these issues, but if the current trajectory remains, it risks being accused of renegeing on key promises as well as a lack of political progress. This coupled with the last few months of public tensions between Faye and Sonko could see further fracturing in the executive.

Planner

26 – 27 Jan 2026 **Dakar (Senegal)** High-level preparatory meeting for the 2026 **United Nations (UN) Water Conference**

31 Oct – 13 Nov 2026 **Dakar (Senegal)** **Youth Olympic Games**

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

Chronology

15 Dec 2025 **Dakar (Senegal)** *Jeune Afrique*. Senegal accuses **France** of refusing to extradite two of its citizens, including media mogul **Madiambal Diagne** and a businessman whom Senegalese authorities accuse of "serious acts of corruption and embezzlement of public funds";

14 Dec 2025 **Dakar (Senegal)** *APA News*. **Economic Community of West African States (ECOWAS)** holds its 68th **Ordinary Session of the Conference of Heads of State and Government**, electing Senegal as the head of the ECOWAS Commission for the 2026-2030 term;

12 Dec 2025 **Dakar (Senegal)** *Reuters*. Senegal's short-term commercial loans trade at steep discounts due to concerns over the country's ability to meet obligations amid its ongoing debt crisis;

10 Dec 2025 **Dakar (Senegal)** *Energy Capital & Power*. Senegal's sovereign wealth fund, **Fonds Souverain d'Investissements Stratégiques (FONSIS)**, says it has started raising capital for the development and launch of a gas pipeline network, which state-owned **Réseau Gazier du Sénégal (RGS)** will undertake;

10 Dec 2025 **Dakar (Senegal)** *Le Soleil*. Senegal and the **United Arab Emirates (UAE)** sign ten agreements covering major development projects, including the Senegalese gas network, iron-ore mines and a solar power plant;

10 Dec 2025 **Dakar (Senegal)** *APA News*. Senegal and **United Arab Emirates (UAE)** sign ten memoranda of understanding in several sectors, including energy, mining, health and agriculture;

9 Dec 2025 **Dakar (Senegal)** *Energy Capital & Power*. **Australia**-headquartered **Woodside Energy** vice president for Senegal **Clive Jones** announces that Woodside Energy has extracted more than 50 million barrels of oil from the **Sangomar** oilfield since June 2024;

9 Dec 2025 **Dakar (Senegal)** *APA News*. President **Bassirou Diomaye Faye** appoints vice admiral **Oumar Wade** as chief of the general staff of the armed forces, replacing General **Mbaye Cisse**;

6 Dec 2025 **Dakar (Senegal)** *Le Soleil*. Industry and trade minister **Serigne Guèye Diop** meets with representatives of **Saudi Arabia** to discuss a country programme for Senegal worth 1 trillion FCFA (\$1.78 billion), aimed at developing industrial and agro-industrial zones;

3 Dec 2025 **Dakar (Senegal)** *Le Soleil*. Students clash with security forces outside **Cheikh Anta Diop University**, seeking stipends and financial aid as universities suffer under the government's fiscal challenges;

30 Nov 2025 **Dakar (Senegal)** *Reuters*. **Port Autonome de Dakar** (Dakar's port authority) says it is working to prevent a potential oil spill off Dakar's coast after **Turkish** oil tanker **Mersin** began taking on water;

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