

AFRICA RISK CONSULTING

Senegal Monthly Briefing January 2026

Senegal Summary 30 January 2026

President Bassirou Diomaye Faye (2024-present) embarks on a five-day economic tour of the Casamance Region to promote his administration's plans to consolidate peace in the region, a stronghold of prime minister Ousmane Sonko. The visit is viewed as Faye's attempt to drum up political support amid persistent tensions between him and Sonko. Finance minister Cheikh Diba tells lawmakers on 30 December that the government is hoping to finalise a programme with the International Monetary Fund (IMF) quickly, adding that discussions with the IMF are going well and agreements have been reached on issues such as data correction. However, days later, Sonko once again emphasises that Senegal will not pursue debt restructuring. Sonko and his Moroccan counterpart, prime minister Aziz Akhannouch (2021-present) co-chair the Senegalese-Moroccan Joint High Commission on 26 to 27 January in Rabat (Morocco), signing 17 cooperation agreements across various sectors and emphasising their bilateral ties.

Faye tours Casamance

President **Bassirou Diomaye Faye** (2024-present) [embarked](#) on a five-day economic tour of the **Casamance Region** from 20 to 25 December to promote his 53 billion FCFA (\$96.8m) **Plan Diomaye pour la Casamance** (Diomaye plan for Casamance). The plan seeks to consolidate peace in the region where a separatist conflict remains a risk. The separatist **Mouvement des forces démocratiques de Casamance (MFDC)** has been waging a low-level separatist insurgency in the region since 1982, claiming that successive governments have economically and politically marginalised the region.

A peace agreement was [reached](#) between the government and MFDC in February 2025, leading to the creation of the Diomaye plan, which focuses on opening up isolated areas in the region, reintegrating displaced persons, and reviving the economy. Former president **Macky Sall's** (2012-2024) administration began several projects in the region but many have not been completed, requiring the new administration to complete these while providing aid for the reconstruction of areas destroyed in the conflict and promoting stability. Regional stabilisation is a priority, as the MFDC has not been dismantled. In addition, the MFDC's [use](#) of neighbouring **Guinea-Bissau** as a base raises security risks, particularly following a coup d'état there in November,

Aside from promoting the plan, the Casamance region is also highly [symbolic](#) for the current administration. Faye and prime minister **Ousmane Sonko**, who is from the region, started their election campaign in Casamance shortly after Sonko and Faye were released from prison in March 2024 after benefiting from an amnesty bill for political prisoners. While the region supported their ticket in the March 2024 election, Faye's tour was reportedly met with little enthusiasm as the region remains Sonko's stronghold. This emphasises once again that while Faye may have run for the presidential role – at Sonko's request – popular support is still for Sonko, a notion Faye appears to be trying to change, especially if he wishes to run for a second term in 2029. Sonko [implied](#) in a 7 December speech that he plans to do so.

Tensions between the two have been high for months. While they have attempted to showcase that they remain a strong team despite their disagreements, Sonko has continued to give speeches that indicate otherwise. Most recently, during a visit to the so-called '**Peanut Basin**', which encompasses the regions of **Kaolack, Diourbel, Kaffrine** and **Fatick** where peanuts are grown, Sonko took another swipe at Faye and his allies in government. During his visit to Kaolack, Sonko [attributed](#) the peanut marketing campaigns' funding difficulties to failures within the government, specifically that finance minister **Cheikh Diba** (considered close to Faye) is not fulfilling his responsibility to ensure that operators and state-owned **Société Nationale de Commercialisation des Produits Oléagineux du**

Sénégal (SONACOS) (national company for marketing Senegal's oilseed products) have the funds to buy seeds. These tensions are creating instability within the government, which can also be seen in the government's messaging around Senegal's economic problems (see below).

Government sends mixed signals on debt restructuring and IMF programme

Finance minister Cheikh Diba [told](#) lawmakers on 30 December that the government is hoping to finalise a programme with the **International Monetary Fund (IMF)** quickly, adding that discussions with the IMF were going well and agreements had been reached on issues such as data correction. Diba called the programme a "*pressing need*"; Senegal's debt reached 132% of GDP at the end of 2024 after it was revealed that the former administration had misconstrued debt levels, leading the IMF to freeze its \$1.8-billion programme with Senegal.

Diba's hope for a new programme contrasts with the executive's views. Sonko told a political rally on 8 November [that](#) it would be a "*shame*" for Senegal to follow this route, and a "*humiliation for our people*" (see *ARC Briefing Senegal Nov 2025*). Sonko [addressed](#) the issue again on 8 January, stating that the country did not need to implement a debt restructuring programme, despite IMF pressure to do so. Sonko acknowledged that the country has a difficult repayment schedule in 2026 but that it would be able to find solutions. According to the 2026 finance law, Senegal's financing [needs](#) are 6.07 trillion FCFA (\$10.95 billion) this year, and it is facing limited access to capital.

However, a **Bank of America (BofA)** note [released](#) on 4 December stated that it is increasingly likely that Senegal will restructure external debt in the second half of 2026. The BofA noted 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. While Senegal succeeded in [raising](#) \$254m in a regional debt auction on 16 January, Senegalese economist **Seydina Alioune Ndiaye** echoed the BofA's sentiments, [noting](#):

"Debt restructuring is no longer an option, but a strategic necessity to avoid a disorganised default with devastating economic and social consequences."

The IMF [appointed](#) a new mission chief for Senegal, **Mercedes Vera Martin**, in January, who travelled to Senegal the week of 19 January to meet with Senegalese authorities. However, it was emphasised that no substantive negotiations would take place. Notably, Vera Martin previously served as mission chief for **Zambia** and oversaw its debt restructuring process from 2023 to 2025.

The government's mixed signals on debt restructuring is likely not helping the negotiations process, especially with Sonko politicising the decision. The outlook is not positive for Senegal and the likelihood of restructuring is increasing.

Senegal and Morocco bolster ties

Sonko and his **Moroccan** counterpart, prime minister **Aziz Akhannouch** (2021-present) co-chaired the **Senegalese-Moroccan Joint High Commission** on 26 and 27 January in **Rabat** (Morocco), signing 17 cooperation agreements across various sectors and emphasising their bilateral ties. Morocco is a key economic partner for Senegal, with bilateral [trade](#) reaching \$307m in the first 11 months of 2025, climbing from \$286m in 2024. Senegal's [exports](#) to Morocco rose by 26.2% while Morocco's imports to Senegal made up \$234m of their bilateral trade relationship in 2024, making Morocco Senegal's top **African** supplier. Moroccan banks rank among Senegal's largest lenders by assets, while Morocco's **OCF Group**, one of the world's largest phosphate and fertiliser producers, plays a key role in supporting Senegalese agriculture through fertiliser supply and investment.

Sonko [noted](#) during his visit that while trade figures show progress, they are short of "*its strategic potential*". Sonko advocated for their economic cooperation to start including co-production, local processing, and integration of value chains. Akhannouch also addressed investors, highlighting that Morocco has a secure and attractive investment environment.

Aside from economic cooperation, Sonko's visit was highly symbolic. Prior to the meeting, Morocco played Senegal in the **Africa Cup of Nations (AFCON)** football tournament final, which Senegal won after a contentious match. Morocco's main human rights advocacy group, **Association Marocaine des Droits Humains (AMDH)**, [said](#) on 23 January that following the final, there has been "a serious surge in racist and hate speech" directed against migrants from **sub-Saharan Africa**, and some had called for their expulsion from public areas, cafes and workplaces, with this rhetoric "even appearing on some radio programmes". During his opening speech, Sonko said that the AFCON events have not weakened the centuries-old ties between the two countries and that his visit [will](#) "affirm and reaffirm that sports have not divided our peoples".

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

28 Jan 2026 **Dakar (Senegal)** *Senenews*. Former president **Macky Sall** issues a series of decisions to restructure and renew his **Alliance pour la république (APR)** party's leadership, signalling his renewed political offensive;

26 Jan 2026 **Dakar (Senegal)** *AP News*. **Morocco** and Senegal pledge to strengthen their diplomatic and economic ties, signing 17 agreements to boost trade and investment in sectors such as agriculture, infrastructure, fisheries and mining;

16 Jan 2026 **Dakar (Senegal)** *Senenews*. **International Monetary Fund (IMF)** publicly rebukes prime minister **Ousmane Sonko** over his recent statements rejecting the IMF's suggestions on debt restructuring, as debate intensifies over the country's rising public debt;

15 Jan 2026 **Dakar (Senegal)** *Senenews*. **International Monetary Fund (IMF)** appoints **Mercedes Vera Martin** as the new mission chief for Senegal;

8 Jan 2026 **Dakar (Senegal)** *Senenews*. Prime minister **Ousmane Sonko** reports that while the country is struggling with the impacts of its high debt, debt restructuring is not required and that debt levels remains sustainable;

6 Jan 2026 **Dakar (Senegal)** *Senenews*. Senegal's financial markets are showing early signs of recovery in 2026, with the country's 2028 **Eurobond** rising about 6.5% since 2 January, following weeks of volatility;

6 Jan 2026 **Dakar (Senegal)** *RFI*. The distribution of vehicles to **Assemblée nationale** (national assembly) members causes controversy, as the opposition criticises the necessity of these vehicles amid the country's strained debt position;

1 Jan 2026 **Dakar (Senegal)** *Jeune Afrique*. State-owned power utility **Société nationale d'électricité du Sénégal (Senelec)** lowers its tariffs, effective 1 January, in response to public anger over its pricing policy that saw an average increase of 16.72% in 2023;

30 Dec 2025 **Dakar (Senegal)** *Senenews*. Finance minister **Cheikh Diba** announces that discussions with the **International Monetary Fund** are at an advanced stage, with a new programme expected to be finalised soon, emphasising that technical adjustments rather than tensions explain the current lack of a formal agreement;

18 Dec 2025 **Keur Massar (Senegal)** *Senenews*. Street vendors and stallholders in Dakar are organising a peaceful protest march on 19 December in Keur Massar to oppose eviction operations, which they say threaten their livelihoods;

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Getting in touch

Please contact us by email info@africariskconsulting.com

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