



## Doing Business in Senegal: 2014 Country

### Commercial Guide for U.S. Companies

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## Chapter 1: Doing Business in Senegal

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### Market Overview

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As one of the most stable countries in West Africa with relatively well developed infrastructure and ambitious plans for private investment, Senegal offers growing trade and investment opportunities for U.S. firms and an attractive location for companies to serve the West African regional market. Senegal has developed strong democratic institutions since gaining independence in 1960. Free and fair elections in 2012 brought President Macky Sall to power and consolidated Senegal's role as an example of democracy following the 12-year tenure of Abdoulaye Wade.

Under its "Emerging Senegal Plan", the government of Senegal is pursuing ambitious plans for economic reforms and a series of investments intended to double economic growth in 2014-2017. The plan calls for concerted efforts to promote private sector investment in agri-business, mining, tourism, housing and infrastructure. The government has made progress in several reforms to facilitate private investment, including business climate improvements, a new law on public-private partnerships and land tenure reforms.

A semi-arid country slightly smaller than South Dakota, Senegal has a stable macroeconomic environment. Senegal has a GDP of \$15.5 billion (2014), a population of 13.9 million and annual growth of nearly 5 percent. The International Monetary Fund (IMF) projects Senegal's economy to grow 4.9 percent by the end of 2014 while inflation will remain below 2 percent. Its budget deficit declined from 5.9 percent of GDP in 2012 to 5.4 percent in 2013 and is expected to reach 5.1 percent in 2014. Monetary policy is controlled by the regional central bank, the West African Monetary Union Central Bank, headquartered in Dakar and its regional currency (FCFA) is pegged to the Euro.

With its capital city of Dakar located on the westernmost point of Africa, Senegal is well positioned to expand its role as a regional business hub. Dakar has become an aviation hub of West Africa region, with a number of airline connections with North and West Africa, Europe and the U.S. Delta and South African Airways ensure daily flights between the U.S. and Senegal. Senegal has an excellent telecommunications infrastructure with around 14 million cell phone accounts and 361,000 landlines for 13.9 million inhabitants.

The Port of Dakar is the first major port-of-call from Europe and is well served by major shipping lines. The Port serves as a transshipment center for landlocked nations in

West Africa. The Port of Dakar has deep draft at 11 meters and a wide access channel allowing around-the-clock access.

Senegal's major export industries include fish, phosphates, fertilizer and peanuts (in the form of peanut oil) while tourism is another important source of foreign exchange. Senegal also receives substantial remittances from nationals living abroad, estimated at \$1.6 billion or more than 10 percent of GDP in 2013.

The Investment Promotion Agency (APIX), created in June 2000, works to facilitate investment, including through a single window ("one-stop shop") for government services. APIX has successfully reduced the number of days it takes to start a business from 58 to 2 and it has made progress in reducing the cost and time involved in purchasing land, acquiring a building permit and other Doing Business indicators.

The Senegalese are generally well disposed towards Americans, and actively seek U.S. trade and investment. While its commercial ties to France and its relatively small domestic market have limited U.S. commercial relationships, this is changing. U.S. trade and investment in Senegal has expanded, particularly in the energy sector. U.S. exports to Senegal rose by 48 percent from USD 149.3 million in 2012 to USD 221.9 million in 2013. Other important trading partners include France, India, Dubai, Morocco, Nigeria, and China.

Senegal is eligible for U.S. market access benefits under the African Growth and Opportunity Act (AGOA) allowing more than 6,000 products from eligible African countries to be exported to the U.S. duty free. In 2013, Senegalese exports to the U.S. reached USD 17 million, up from USD 6.8 million in 2011.

## Market Challenges

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Senegal has a challenging business environment, ranking 178 out of 189 countries in the 2014 World Bank ease of doing business survey, down 2 places from the 2013 index. While Senegal has made it easier and quicker to register a new business, it has scored poorly in other indicators, including registering property, getting electricity, dealing with construction permits and paying taxes. The government is implementing a program to improve its ranking.

High costs for real estate, energy and some other factors of production have undermined Senegal's competitiveness. Senegal's bureaucracy remains slow and difficult to navigate for projects requiring government approval. A slow legal system and challenges in resolving commercial disputes are an impediment to investment in Senegal. Senegal has a procurement regulatory agency (ARMP) and standardized procurement practices, however, application of these rules has been inconsistent.

The domestic market remains small by U.S. standards with 14 million consumers and per capita GDP (PPP) of \$1200. As a result, U.S. companies interested in this market may want to consider a regional strategy using Dakar as a hub for West Africa.

## Market Opportunities

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The top sectors offering potential for U.S. companies include power generation systems and equipment, automobiles/trucks and automotive parts, construction equipment, agricultural equipment, cosmetics and toiletries, medical equipment and accessories, telecommunications equipment, computers and peripherals.

With high energy costs constraining economic growth and competitiveness, Senegal has developed plans to expand power production from 500 MW to 1500 MW while diversifying energy sources to cheaper sources including coal, gas and renewable sources. Senegal has ambitious plans to increase energy access from 35% in 2013 to more than 60% by 2016.

Key commercial opportunities in the agricultural sector include farming equipment, expanded irrigation systems, post-harvest handling systems, storage and silo facilities.

The new *Aéroport International Blaise Diagne* (AIBD) is intended to reinforce Senegal's role as a major regional aviation hub with the latest technology in airport safety and security. Scheduled to open by 2016, the AIBD project may offer additional trade opportunities for U.S. firms.

Senegal has plans to create a Dakar Special Economic Zone located adjacent to the new airport, as well as nearby energy projects and port facilities, with the ambitions of developing a regional hub for logistics, services and industry. The Dakar SEZ is expected to be operational by early 2015.

## Market Entry Strategy

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The specific type of representation that a U.S. firm establishes in Senegal should be tailored to fit the individual requirements of the product and its potential market. U.S. firms may employ the services of an agent, appoint a distributor or dealer, and/or establish a direct sales branch or subsidiary. Preferably, the agent or the distributor should be a local business/firm, fluent in French, and aware of Senegal's business practices. If the product requires some servicing, the U.S. exporter should make available a reasonable inventory of spare parts to his agent or distributor. U.S. companies also should provide brochures and marketing literature in French.

After-sales support and service are critical for sophisticated and heavy industrial equipment such as telecommunications products, industrial machinery, computer hardware, and photocopiers. Product recalls are virtually unknown in Senegal.

Once the decision to open a business in Senegal is made, the U.S. company will require legal counsel and a notary for all the legal formalities associated with the incorporation of a company. The Embassy has available a list of lawyers and notaries. It is advisable that U.S. firms approach firms specializing in financial and tax advisory services. Well-qualified representatives of major U.S. and international audit and business consulting firms are located in Senegal. There is no substitute for face-to-face contact.

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## Chapter 2: Political and Economic Environment

For background information on the political and economic environment of Senegal, please click on the link below to the U.S. Department of State Background Notes:

<http://www.state.gov/r/pa/ei/bgn/2862.htm>

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### Using an Agent or Distributor

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U.S. firms may employ the services of an agent, appoint a distributor or dealer, and/or establish a direct sales branch or subsidiary. The specific type of representation that a U.S. firm establishes in Senegal can be tailored to fit the individual requirements of the product and its potential market. Preferably, the agent or the distributor should be a local business/firm, fluent in French, and aware of Senegal's business practices. If the product requires some servicing, the U.S. exporter should make available a reasonable inventory of spare parts to his agent or distributor. U.S. companies also should provide brochures and marketing literature in French.

The U.S. Embassy's Economic/Commercial Section provides a range of fee-based services to help U.S. companies identify and evaluate suitable partners in the region. Please contact your nearest [Export Assistance Center](#) or the U.S. Commercial Service in Johannesburg at [www.buyusa.gov/southafrica](http://www.buyusa.gov/southafrica) for further details on these services.

### Establishing an Office

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Senegal's Investment Promotion Agency (APIX) maintains a "Guichet Unique," or one-stop-shop to assist foreign investors interested in establishing a business in Senegal and qualifying for investment incentives. The Guichet Unique has merged seven start-up procedures into one, and the time required to register a business has fallen from 58 days to 2. APIX was created in June 2000 and is the linchpin of Senegal's foreign investment promotion policy. APIX has also reached agreements with Senegal's main utility

companies to facilitate power, water and sewage connections for new investment projects.

Home to 22 percent of the population and 80 percent of the country's economic activity, Dakar's 550 square kilometer peninsula has become one of the most expensive cities in the region given the limited space available in the city. Locating suitable office space in downtown Dakar has become a challenge. More and more companies are leaving the crowded downtown Plateau district for less crowded midtown locations. The concept of serviced office space for rent is making headway in Dakar's real estate market. Regus and other international relocating companies have opened shop in Dakar.

Foreign investors also need the assistance of a "notary" in order to register and incorporate their company. In French practice, the notary differs from those of a U.S. notary and can be more accurately compared to those of a commercial lawyer. The notary is a specialist in contracts and legal documents. The most common legal forms of incorporation are as the branch of a foreign company ("succursale"), a limited liability company ("société à responsabilité limitée – SARL") and a public corporation ("société anonyme – SA"). Once registered, a branch is regarded as a Senegalese judicial entity.

All SARLs must have a minimum capital of CFA francs (CFAF) 1 million (\$2,000) and at least one shareholder. The minimum capital required to create a public corporation is CFAF 10 million (\$20,000) with a minimum of one shareholder. Other types of business structures include sole proprietorship, regional office, local agency and distributorship.

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Senegal offers a small franchising market with growing potential due to the emergence of a middle class population mostly concentrated in Dakar. The construction of modern commercial centers in Dakar including the opening of Dakar's first upscale shopping mall bodes well for franchises interested in the market. Franchises in food distribution, apparel, dry cleaning and car servicing, mostly French brands, have opened in Dakar. Grocery and office supply stores have begun to franchise their businesses in Senegal.

U.S. franchises have limited presence in Senegal, except for a few car rental agencies, such as Hertz and Avis. Many Senegalese entrepreneurs are familiar with the legal intricacies of a franchise contract and some are vying for U.S. master franchises, though entry costs remain a deterrent. Several entrepreneurs have created a franchise association to develop the sector and attract international franchises.

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A number of advertising agencies may perform direct marketing services.

## **Joint Ventures/Licensing**

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The Senegalese investment code provides incentives for joint venture business operations. Joint venture partnerships should specify the responsibility of each party,

since many local entrepreneurs expect that all costs will be borne by the foreign investor. Although increasingly interested in joint venture activities, Senegalese entrepreneurs often have limited equity to offer.

Senegalese law does not contain any specific provision for licensing. The primary consideration is the formalization of a remittance procedure for any fees and royalties to the licensor, in compliance with local tax laws. In Senegal, licensing agreements are common in the tobacco, consumer products and soft drink industries.

## **Selling to the Government**

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Government procurement normally follows a public tender and competitive selection process supervised by the Public Procurement Regulatory Agency (ARMP). However, the government often authorizes non-competitive procurement for large and small projects in order to expedite the project development process. Competitive tender requirements also may not apply to procurement relating to national security emanating from the Presidency, the Ministries of the Armed Forces, Health and Homeland Security.

Prospective bidders may learn of upcoming World Bank projects in Senegal by subscribing to the World Bank's monthly operational summary. Descriptions of newly approved AfDB projects are also available on a subscription basis. The AfDB is eager for bids from U.S. companies. For further information on AfDB projects, U.S. companies may consult the following website: <http://www.buyusa.gov/afdb>.

Requests for proposals are usually posted online, published in local newspapers, and sometimes advertised internationally. Information in French on upcoming public tenders can be found at: [www.marchespublics.sn](http://www.marchespublics.sn) The Economic/Commercial Office monitors requests for tenders and reports those that may be of interest to U.S. suppliers to the Department of Commerce and the [bids.state.gov](http://bids.state.gov) website. Bid specifications are usually in French, and proposals must also be submitted in French.

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The capital city, Dakar, is the hub of economic activity and the largest consumer market in Senegal with 90 percent of its manufacturing base and 22 percent of its population.

Almost all goods entering Senegal transit through the Port of Dakar and are distributed by truck or by rail, to interior areas and the neighboring landlocked country of Mali. The Dakar-Bamako railway link has fallen into disrepair but the government has plans to renovate this rail line. Dubai Ports World (DP World) is managing an efficient container terminal under a 25-year concession.

Distribution occurs both by modern and by traditional systems. Lebanese and Turkish merchants play an important role in the import-export business. Existing alongside these companies are extremely competitive small-scale traders specializing in the wholesale and retail distribution of various consumer goods. Senegalese merchants selling popular consumer goods, such as textiles and electronics, are gradually replacing Lebanese traders. A growing Chinese immigrant community is making headway in



Dakar's street markets, selling cheap consumer goods. In recent years, there has been a growing presence of more formal distribution channels as modern retail outlets have sprung up throughout the city of Dakar.

A dynamic informal sector engages roughly 80 percent of the workforce and carries out a sizable portion of domestic trade. Sandaga, a sprawling unregulated market in the heart of Dakar, is the capital's principal distribution center for manufactured goods ranging from textiles, footwear, and cosmetics to high-tech stereo equipment.

### **Selling Factors/Techniques**

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Most local distributors of imported merchandise expect their suppliers to provide advertising and promotional support, particularly when introducing a new product or brand name. Sales promotion material and technical documentation should be in French. There is no direct mail marketing.

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E-Commerce is still at an early stage of development, but has a potential to grow with the development of Facebook and other social networks. There have been some sporadic endeavors by private entrepreneurs marketing Senegalese-made artisanal products via the Internet. Some private companies are offering online food products. There has been a growing demand for online food and restaurant ordering services. There also exist websites such as [www.seneweb.com](http://www.seneweb.com), which offer to the Senegalese Diaspora a means to buy certain items online. Some Senegalese have started using French versions of U.S. retail sites to shop online.

### **Trade Promotion and Advertising**

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Although advertising has not yet achieved the sophistication typical of European and North American markets, Senegal offers a variety of advertising outlets, including seven television channels, numerous private radio stations and newspapers. The internet, billboards, and phone messaging services offer additional options. Advertising is in either French or Wolof. There are no large-scale English-language media outlets in Senegal. Many leading international advertising agencies have local affiliates.

Television accounts for 57 percent of advertising spending, with newspapers and radio taking up 16 percent each. Local production of TV commercials is far cheaper than in the US. The major agencies in Dakar that work with multinational companies such as Nestle, Maggi and Coca Cola tend to take advertisements filmed in Europe and the US and adapt them slightly to the local market.

Radio advertising is very efficient for consumer products. Radio is the medium of choice for much of the population outside major cities because of its easy accessibility. Senegal has a lively and diverse press, but newspaper circulation is, for the most part, limited to greater Dakar. National newspapers are in French.

There are also a few specialized trade exhibitions in Dakar in agriculture and food processing, housing and construction, IT, medical equipment and renewable energy. Every other year the American Chamber of Commerce, along with the U.S. Embassy, organizes “USA Week” to showcase U.S. products and services. The U.S. Economic and Commercial Service can assist U.S. companies in organizing product launches or technical seminars through the Single Company Promotion service.

## **Pricing**

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Senegalese companies and consumers are extremely price-sensitive and have limited access to credit. U.S. exporters usually price their products on a CIF (cost, insurance and freight) basis. Liberal credit terms and a range of financing packages, e.g., supplier credit, made available by European competitors, have disadvantaged U.S. firms.

## **Sales Service/Customer Support**

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After-sales support and service are critical for sophisticated equipment such as telecommunications products, industrial machinery, computer hardware and photocopiers. It is highly recommended to use a local distributor for products requiring after-sales services or customer support. French-language user manuals, personnel training and a large inventory of spare parts are crucial components for successful after-sales services in Senegal. Product recalls are virtually unknown in Senegal.

## **Protecting Your Intellectual Property in Senegal**

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Several general principles are important for effective management of intellectual property (“IP”) rights in Senegal. First, it is important to have an overall strategy to protect your IP. Second, IP is protected differently in Senegal than in the U.S. Third, rights must be registered and enforced in Senegal, under local laws. Your U.S. trademark and patent registrations will not protect you in Senegal. There is no such thing as an “international copyright” that will automatically protect an author’s writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, most countries do offer copyright protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so you should consider applying for trademark and patent protection even before selling your products or services in the Senegal market. It is vital that companies understand that intellectual property is primarily a private right and that the US government generally cannot enforce rights for private individuals in Senegal. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in Senegalese law. The Economic and Commercial Service can provide a list of local lawyers upon request

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a lawsuit. In no instance should U.S. Government advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Companies may work with legal counsel familiar with Senegal laws to create a solid contract that includes adequate provisions for IP protection.

Companies may work with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both Senegal or U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

## **IP Resources**

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at [www.StopFakes.gov](http://www.StopFakes.gov).
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**.
- For more information about registering for copyright protection in the US, contact the US Copyright Office at: **1-202-707-5959**.

- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, a free online training program is available at [www.stopfakes.gov](http://www.stopfakes.gov).
- For US small and medium-size companies, the Department of Commerce offers a "SME IP Advisory Program" available through the American Bar Association that provides one hour of free IP legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and . For details and to register, visit: [http://www.abanet.org/intlaw/intlproj/iprprogram\\_consultation.html](http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html)
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: [www.StopFakes.gov](http://www.StopFakes.gov) This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.
- The U.S. Commerce Department has positioned IP attachés in key markets around the world. There is no IP attaché per se in Senegal. The Economic officer at Post covers IP issues.

### **IPR Climate in Senegal**

Senegal is a signatory to the Bern Copyright Convention. It also is a member of the African Organization of Intellectual Property (OAPI), a grouping of 15 Francophone African countries, which has established among its member states a common system for obtaining and maintaining protection for patents, trademarks and industrial designs. Therefore, rights registered in one member country are valid in all. Patent validity is 20 years. Registered trademarks are protected for 20 years at each registration, renewable without limit.

Senegal is a signatory to the World Trade Organization and its Trade Related Aspects of Intellectual Property Agreement (TRIPS). Since January 2000, Senegal theoretically has been working towards full compliance with the TRIPS accord, but has yet to deposit its instruments of ratification for WIPO Copyright Treaty and the WIPO Performances and Phonograms.

As in most developing countries, Senegal has limited capacity for IPR protection and enforcement of IP rights. In 2006, Senegal created a Piracy and Counterfeit Enforcement Division, but due to limited resources, it has had difficulties fulfilling its mandate. Laws governing IPR protection were reinforced by the voting of a national IPR law in January 2008 and the revision of the Bangui Convention, but the application of the sanctions remain limited due to the delays in the judicial system, the budget constraints of the enforcement unit and the lack of training of the judges on IPR issues.

### **Local contacts**

Industrial Property and Technology Service Office  
Ministry of Industry

104, rue Carnot - Dakar  
Tel: 221-33-822-04-43/33-821-15-44  
Fax: 221-33-823-14-04

BSDA (Copyrights Office)  
44, rue Jules Ferry - Dakar  
Tel: 221-33-889-01-86  
Fax: 221-33-823-14-04  
Mr. Mounirou Sy, Director

Association of the Music Industry  
758 Sicap Baobabs - Dakar  
Tel: 221-33-824-47-02  
Email: [midimuse@orange.sn](mailto:midimuse@orange.sn)

## Due Diligence

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The U.S. Economic and Commercial Section offers several services to assist U.S. companies in conducting due diligence on companies based in Senegal. These services range from verification of the existence and reputation of a local company to a more sophisticated search through the fee-based International Company Profile (ICP) service.

## Local Professional Services

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Once the decision to open a business in Senegal is made, the U.S. company will require legal counsel and a notary for all the legal formalities associated with the incorporation of a company. The Embassy has available a list of lawyers and notaries. It is advisable that U.S. firms approach firms specializing in financial and tax advisory services. Well-qualified representatives of major U.S. and international auditing and business consulting firms are located in Senegal.

## Web Resources

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- List of Notaries: [www.creationentreprise.sn/sites/default/files/u118/liste\\_notaires\\_senegal\\_version\\_mars\\_2014.pdf](http://www.creationentreprise.sn/sites/default/files/u118/liste_notaires_senegal_version_mars_2014.pdf)
- American Chamber of Commerce: [www.amchamsen.org](http://www.amchamsen.org)
- APIX: [www.APIX.sn](http://www.APIX.sn)
- [www.marchespublics.sn](http://www.marchespublics.sn) (list government tenders)
- Dakar International Trade Fair: [www.cices.sn](http://www.cices.sn)
- Specialized Fairs: [www.sencomane.sn](http://www.sencomane.sn)
- Senegal's Bar Association: <http://www.jurisint.org/en/asc/9.html>
- Trade Point Senegal: [www.tpsnet.org](http://www.tpsnet.org)
- Embassy Dakar's Business website: <http://dakar.usembassy.gov/doing-business-local.html>.

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## Chapter 4: Leading Sectors for U.S. Export and Investment

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## Electrical Power Systems

### Overview

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As Senegal pursues plans to double energy access and triple energy supply, the energy sector offers growing opportunities for U.S. firms to provide services and equipment to power generation, transmission and distribution projects. In its Electricity Sector Policy Development Letter, the Government of Senegal outlined ambitious plans to reduce energy costs through private investment in diversified energy sources, including natural gas, coal, and renewable energy, as well as through regional energy integration.

The state-owned power company, Senelec, holds a monopoly for transmission and distribution of electricity. Senelec still produces electricity, but priority is now given to private sector investors licensed as Independent Power Producers (IPPs) for new power generation projects. Senegal is currently dependent primarily on diesel and heavy fuel oil for most of its power supply. Senegal has some natural gas resources, which provide a small percentage of fuel for turbines. Some hydroelectricity generated from the 200 megawatt (MW) Manantali Dam in Mali provides roughly 100 MW to Mali, 33 MW to Mauritania and 66 MW to Senegal. Two regional organizations implement this and other regional hydropower projects on the Senegal and Gambia rivers.

Due to dependence on expensive liquid fuels for 90 percent of power generation, Senegal has some of the highest generation costs in Africa. While electricity generation costs range from 34 to 38 cents per kilowatt hour, consumers pay roughly 24 cents per kilowatt hour with the difference covered by government subsidies that are a major drain on scarce fiscal resources. Senelec has signed power purchase agreements for several

private sector generation projects, including coal, heavy fuel oil, and renewable projects that will reduce generation costs.

The government plans to expand its installed generation capacity from 500 MW in 2014 to 1,490 MW by 2017, contingent on timely completion of several new generation projects. The Government has mapped out a large power investment program that focus on the development of two coal-fired power plants, and the large introduction of renewable energy in the grid as well as for off-grid projects.

Senegal is undertaking additional reforms to the state-owned power company, Senelec, to modernize its infrastructure and improve its financial position. The World Bank is supporting an \$80 million project to reduce Senelec's technical and commercial losses by improving transmission and distribution infrastructure. To achieve some of these objectives, the project has developed a performance contract for Senelec involving quantitative benchmarks for technical and financial performance.

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The supply of generators, high tension power cables and energy sector services are good prospects for U.S. companies.

### **Opportunities**

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- Senegal's long-term needs for more electricity, upgraded power plants and increased levels of rural electrification are still unmet. The 2013-2017 power investment plan calls for the expansion of the country's generating capacity from roughly 500 MW in 2013 to 1,490 MW by 2017, including 375 MW from coal and 276 from renewable energy sources. This plan dovetails with the country's objective to diversify its mix of electricity generation and lower costs.
- Opportunities exist in the replacement of SENELEC's obsolete turbine generating capacity, in upgrading the distribution system as well as the construction of new transmission lines and sub-stations. The government estimated funding needs of \$1.47 billion for the 2013-2017 power investment plan.
- Opportunities exist in the procurement of smart meters. Energy efficiency and demand side management is part of the government's strategy to reduce the gap between the electricity supply and the country's electricity consumption. From 2015 to 2017, Senelec plans to supply and install 450,000 smart meters for households and 17,000 ones for large consumers and industries. The economic and commercial section will demand side-related tenders.
- OMVS, the Senegal River Development organization – a joint organization between Senegal, Guinea, Mali and Mauritania – has plans to add hydroelectric capacity.

### **Web Resources**

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Senelec: [www.senelec.sn](http://www.senelec.sn)



OMVS – [www.omvs.org](http://www.omvs.org)

Agence Sénégalaise d'Électrification Rurale - <http://www.aser.sn/>

Electricity Regulatory Board - [www.crse.sn](http://www.crse.sn)

## Renewable Energy Equipment

### Overview

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- In December 2010, the Senegalese parliament unanimously passed a new law, called the Guidance on Renewable Energy, aimed at promoting and developing renewable energy. However, the application decrees of the law have yet to be passed. The law offers a wide range of fiscal and customs incentives for the importation and/or the production of renewable energy products and equipment.
- Among the objectives of the law, is to seek supplies of renewable energy that can be developed and delivered at an affordable cost, increase people's access to what the government deemed "modern energy services", and to reduce the nation's vulnerability to pollution caused by fossil fuels.
- Senegal receives 30000 hours of sunshine per year at an intensity of 5.8 Kwh per square meter per day, making Senegal a perfect location for solar energy development.
- Senegal has been moving toward making renewable energy a significant part of its energy mix. By 2017, renewable energy will account for 18.5 percent of the country's total installed capacity of 1,490 MW.

### Sub-Sector Best Prospects

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- Small roof-mounted solar projects including roof panels, solar heating systems
- Photovoltaic power systems

### Opportunities

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- The Senegalese Government wants to extend coverage of electricity to rural areas and has launched an ambitious program (Programme d'Urgence de l'Électrification Rurale) to expand energy access in rural areas from 25 percent in 2014 to 60 percent by 2015.
- In conjunction with the World Bank, the Agency for Rural Electrification (ASER) awards rural concessions through open tenders. Concessionaires are responsible for providing power to rural communities as well as billing and revenue collection. Companies are expected to provide service using the most appropriate technology to connect the concession to the grid, with the addition of off-grid solar systems where possible.



- Renewable energy equipment for domestic or self-consumption will be exempt for import duties when the application decrees of the Guidance Law will come into effect.
- Senegal is exploring possibilities to produce biofuels including ethanol and biodiesel. Private ventures for the construction of biofuel plants are welcome. As leaders in the bio-fuel field, Brazil has provided technical support and encouraged these initiatives. Opportunities in the agricultural sector can also potentially supply a biofuel industry.

## Web Resources

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Minister of Renewable Energy: [www.gouv.sn](http://www.gouv.sn)

Guidance Law on Renewable Energy: <http://www.jo.gouv.sn/spip.php?article8906>

## Telecommunication Equipment & Services/Computers & Peripherals

### Overview

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Unit: USD millions

	2012	2013	2014 (estimated)	2015 (estimated)
Total Market Size	37.4	25.3	26	27
Total Local Production	1	1	1	1
Total Exports	0.6	0.4	1	1
Total Imports	25.5	25.	27	28
Imports from the U.S.	1	1.1	1.3	1.4

Source: Direction of Statistics

This table refers to the HS 8471 and HS 8473 – computers and peripherals. Exports are mainly re-exports to neighboring countries (Mali, Guinea-Bissau and Mauritania).

Senegal offers a thriving market for telecommunications services with relatively strong infrastructure and a rapidly expanding mobile telephone market. Senegal's mobile phone users reached 14 million customers in 2013, up from 10.7 million in 2012, leading to an increase in the mobile penetration rate to 93.6 percent in 2013 compared to 76.84 percent in 2011. In contrast, the fixed-line market penetration stood at 2.53 percent in 2013. Internet penetration rate reached 9 percent in 2013, with the doubling of internet subscribers from 2012 to 2013 reaching 1,220,738 lines in 2013.

Sonatel, Senegal's main telecommunications operator, continues to dominate the market. Privatized in 1997 with France Telecom as the strategic partner, Sonatel is the only Senegalese company quoted on the regional stock exchange. Liberalization of some services accompanied privatization. Three companies now provide cellular

telephone services but Sonatel is the lone wholesale internet service provider. Notwithstanding the lack of competition in internet services, Senegal has seen steady growth of internet-related services including mobile internet services. Sonatel Mobile has 58.15 percent of mobile customers, ahead of Sentel (Tigo – Millicom) with 24,2 percent and Espresso (Sudatel – Sudanese) with 20.25 percent.

A mobile phone operator license awarded to Sudan's Sudatel for USD 200 million started operating in January 2009 with the latest CDMA 2000 technology. The license also permits Sudatel to offer fixed-line telephony and internet service (for which Sonatel currently has a monopoly). Note: Sudatel, being controlled by the Sudanese government, falls under a U.S. embargo. U.S. sanctions prohibit U.S. persons from engaging in transactions with the Government of Sudan or with entities owned or controlled by the Government of Sudan.

An independent regulatory agency for the telecommunications sector – the Agency for Telecommunications and Postal Regulation (ARTP) - was created in early 2002. Besides regulating providers of telecommunications services, the Agency assigns and controls band spectrum. The long-awaited telecommunications sector deregulation became effective in July 2004. Telecommunications entrepreneurs who had hoped for a sweeping deregulation will be facing a regime of guided deregulation instead.

The Senegalese computer market is very competitive. Total imports reached \$25.3 million in 2013 with the twofold increase of the US market share. All major U.S. brand names are well-represented via their regional offices (IBM and Hewlett Packard) or via local distributors and/or agents.

### **Sub-Sector Best Prospects**

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- Sales opportunities remain in the procurement of desktop computers, routers, PBX and switching equipment for networks.
- Best opportunities for U.S. companies remain in providing value-added services such as Voice over Internet Protocol (VOIP), WIFI technology and call termination for international calls. The regulatory framework governing VOIP remains unclear. ARTP recognizes that VOIP is used on an individual basis but does not permit commercial use of VOIP.
- The cellular market in Senegal is growing exponentially. Sales prospects remain in the supply of cellular handsets. Other best prospects include switching equipment and routers.

### **Opportunities**

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- The government plans to open further the telecommunications market by allocating two additional licenses to cellular operators.
- The Senegalese government, under the auspices of the Presidency, has launched the E-government strategy which places IT at the heart of the country's development strategy.

- The Government wants Senegal, with its advantageous geographic position, good telecommunications infrastructure and low wages, to be a haven for teleprocessing services. A number of joint venture call centers and telemarketing businesses have sprung up, most of them servicing the French market.

## Web Resources

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Regulations Agency: <http://www.artp-senegal.org/>  
 NTIC Agency [www.adie.sn](http://www.adie.sn)

## Automobile/Light Trucks/Vans & Automotive Parts/Services Equipment

### Overview

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Unit: USD millions

	2012	2013	2014(e estimate d)	2015 (estima ted)
Total Market Size				
Total Local Production	N/A	N/A	N/A	N/A
Total Exports	16.8	14	20	20
Total Imports	347	329	350	400
Imports from the U.S.	18.11	22.6	25	30

In April 2012, Senegal eased the ban on imports of automobiles older than 5 years, allowing import of vehicles up to 8 years old. The U.S. market share has increased to 6.8 percent in 2013 up from 5.2 percent in 2012. It has a potential to increase since the U.S. remains a strong partner for the used vehicles segment. In recent years, there has been an emerging interest among Senegalese for U.S.-brand automobiles. The growing number of these vehicles offers market opportunities for the supply of parts. Senegal still has a strong trade link with Europe – mostly France, Germany and Belgium – although parts have been coming from Romania, and lately with China and Korea.

Along with a very active second-hand automobile market segment, the market has a growing need for auto parts for the existing fleet of cars, trucks and vans. Several shops specializing in auto accessories have flourished to satisfy an increasing demand. There is a small assembly plant for the production of buses and cars supported by Indian, Chinese and Iranian interests. The parts are imported in kits and assembled locally.

### Sub-Sector Best Prospects

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- Four wheel drive vehicles are in strong demand because of the poor state of roads in Senegal.
- The establishment of spare parts shops specialized in servicing a growing number of U.S.-made cars is in high demand.

- Franchise opportunities exist in the car servicing sector.

## Opportunities

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- The Senegalese government is interested in replacing Dakar's old fleet of taxis and buses.

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Ministry of Equipment and Transportation: [www.gouv.sn](http://www.gouv.sn)

## Heavy Equipment, Construction Equipment and Machinery

### Overview

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Unit: USD million

	2012	2013	2014 (estimated)	2015 (estimated)
Total Market Size	185.5	220.2	230	234
Total Local Production	0	0	0	0
Total Exports	21.3	4.8	5	6
Total Imports	206.8	225	235	240
Imports from the U.S.	19.8	25.4	30	32

The Senegalese government has placed high priority on improving infrastructure in the capital city Dakar and across the country, including through the construction of major roads linking Dakar and Touba, Senegal's second largest city; a toll highway between Dakar and the new international airport; the construction of a new international airport (\$428 million) in Diass; and the extension and modernization of the Port of Dakar (\$58 million). The government is developing a new urban pole in Diamniadio south of Dakar, including the Dakar Special Economic Zone located near the new airport. Combined with the housing development and the construction boom in Dakar, these projects have fueled rising demand for heavy construction equipment.

The public-private partnership model is being heralded as a mean to cope with the global financial downturn and improve the state of public finances.

Senegal's mining sector is expanding rapidly. Rising prices for gold, phosphates and zircon are helping the sector evolve. Gold in particular has attracted foreign companies from Australia, Canada and South Africa. Senegal introduced landmark incentives in the mining code of 2003 in order to attract foreign investors. Dakar hosts an International Mining Fair (SIM) every other year with mining groups and mining professionals.

## Sub-Sector Best Prospects

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- There is a strong demand for used heavy machinery and construction equipment such as graders, excavators, loaders, earth-moving equipment, and their spare parts. The U.S. is strong in the niche market of second-hand bulldozers and exports USD 25.4 million worth of this equipment.
- Senegal is seeking low cost housing technologies.
- U.S. companies offering financing such as Export-Import Bank credit guarantee programs will have a built-in advantage.
- Sales of related housing equipment such as security systems, automatic garage doors and housing fixtures provide commercial opportunities to U.S. companies. Service opportunities exist in its installation and maintenance.

## Opportunities

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- The demand for low cost housing will continue to rise as the government is concentrating on the provision of new social housing, seeking out private developers to assist in the construction of 15,000 houses at the horizon 2015 and granting land at those developers at a reduced rate.
- Investment opportunities exist in the construction of major road projects mainly financed by traditional donors, including the World Bank, the Islamic Development Bank and the French Development Agency.
- Investment opportunities exist in port development. The project to create a new commodities port that will handle a variety of minerals – iron, phosphates, sulfur, gold and hydrocarbons- is being revived by the government.

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APIX – The National Promotion Investment Agency – [www.apix.sn](http://www.apix.sn)  
 Minister of Housing - <http://www.primature.sn/ministeres/mhabitat/contacts.cfm>  
 MCC's Procurement Plans for Senegal: [www.mcc.gov](http://www.mcc.gov); <http://www.dgmarket.com/>;  
[www.devbusiness.com](http://www.devbusiness.com)  
[www.simsenegal.com](http://www.simsenegal.com) Dakar's mining trade show

## Agricultural Equipment

### Overview

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Unit: USD millions

	2012	2013	2014 (estimated)	2015 (estimated)
Total Market Size	28.8	27	31.3	33.3
Total Local Production	2	2	2	2
Total Exports	0.9	0.7	0.7	0.7

Total Imports	27.7	25.7	30	32
Imports from the U.S.	2.7	0.3	3	3

Data Sources: Agence Nationale de la Statistique

In Senegal, agriculture is an important barometer of the economy as the sector accounts for about 17 percent of GDP and occupies about 65 percent of the workforce. Despite agriculture's importance, Senegal lies within the drought-prone Sahel region, with irregular rainfall and generally poor soils. As a result, Senegal relies on imports to meet approximately 70 percent of its food needs. While the average farm size is below 2 hectares, the number of larger commercial farms and potential for investment in commercial agriculture is on the rise.

President Macky Sall's economic program focuses on agriculture, as the engine for development. President Sall plans to invest USD 4 billion in agriculture during seven years. Macky's agricultural plan calls for massive investments in irrigation and rural roads, access to finance through the creation of a Guarantee Fund, the construction of storage facilities, the development of the fishing sector and the creation of an agricultural stock exchange market.

#### Sub-Sector Best Prospects

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- Senegal has growing demand for tractors, farming equipment, expanded irrigation systems, post-harvest handling systems, storage and silo facilities.
- Significantly increased output of certain commodities should also stimulate demand for processing technology or innovation and growth in the packaging industry. There are already plans for a cereal (import oriented) and fruit (export oriented) terminal and associated warehousing facilities for the Port of Dakar.

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- Investment opportunities in the agricultural sector can be viewed at <http://www.afdb.org/en/projects-operations/project-portfolio/1/>

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The Ministry of Agriculture – [www.agriculture.gouv.sn](http://www.agriculture.gouv.sn)

#### Cosmetics /Toiletries

#### Overview

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Unit: USD million

	2012	2013	2014 (estimated)	2015 (est.)
Total Market Size	n/a	n/a	n/a	n/a
Total Local Production	n/a	n/a	n/a	n/a
Total Exports	4	4	4	4
Total Imports	21.2	20	21	22
Imports from the U.S.	0.7	0.4	0.5	0.6

Senegal's cosmetics import market slowed from 2011 to 2012, due to an increase in import taxes and duties. The import market competes with local production well suited to low-income consumers. There is a high demand for cosmetics in Senegal supported by the mushrooming of beauty institutes, fitness centers and hair salons in Dakar especially. The spa concept is making headway in the market as it targets the expatriate community as well as upper-income Senegalese.

U.S. cosmetics are highly-regarded and sought-after, especially hair and skin products developed for the African-American market. France is the current largest supplier of these products with 44 percent of market share. U.S. production supplied 2 percent of the import market in 2013.

The import figures from the United States are misleading because they do not take into account imports from U.S.-subsidiaries and African based affiliated companies that have established manufacturing plants (Ghana and South Africa). Nor are cosmetics sourced through Europe reflected in U.S. trade figures with Africa. U.S. import figures also do not take into account the large quantities of undeclared cosmetics products carried into Senegal in suitcases by Senegalese traders. Large quantities of counterfeit products from the sub-region are also available in Senegal. These fake products are often marketed under well-known U.S. brand names.

#### **Sub-Sector Best Prospects**

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- High on the list of products sought by Senegalese consumers are hair, facial, skin-care and manicure products.
- Natural hair extensions are making headway in this market.
- A dynamic local cosmetics industry using natural products is increasing in export markets, specifically in Europe and in the U.S. creating demand in Senegal for natural cosmetics ingredients, like Shea butter.
- Packaging equipment for local manufacturers.
- Supply of ingredients and raw material (e.g., stearic acid)

#### **Opportunities**

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- U.S. cosmetics companies are considering Senegal as a potential manufacturing base. They are looking at Senegal as an alternative to Ghana.

- Senegalese are looking at joining forces with U.S. beauty school franchises that can bring American know-how and professionalism to the industry.

## Medical Equipment

### Overview

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Unit: USD million

	2012	2013	2014 (estimated)	2015 (estimated)
Total Market Size	23.4	19.3	19.5	21.6
Total Local Production	0	0	0	0
Total Exports	0.2	0.3	0.5	0.6
Total Imports	18	24.1	30	35
Imports from the U.S.	0.4	1.2	2	3

The projected USD 30 million market for medical equipment has grown due to the flurry of private clinics and medical providers opening in Dakar. It is estimated that 32 private clinics, 202 private general practitioners and 144 specialists currently practice medicine in Dakar. Senegal has become a medical hub for the sub-region, mostly for the neighboring countries. Private citizens from Mauritania, for instance, come to Dakar to receive medical treatment. In the public sector, Senegal's poverty reduction strategy, which calls for an increase in national health spending, has stimulated the construction of public hospitals and health centers, hence an increase in the purchase of medical equipment. The public sector is the biggest purchaser and user of medical equipment. The sector is heavily financed by multilateral donors.

Dakar hosts SISDAK, the annual International Health and Medical Equipment Exhibition

### Sub-Sector Best Prospects

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- Demand ranges from small, inexpensive medical supplies to costly, big-ticket items such as medical imaging equipment, X-ray machines and scanners. The Senegalese market is based on European standards: 50 cycles, 220 volts.
- The market for refurbished medical equipment is significant, specifically for medical imaging equipment.
- The U.S. is a major supplier of cardiac stimulators and diagnostic equipment for functional exploration

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Senegal has ambitions to develop as a regional hub for medical services and the government plans to expand investment in healthcare facilities. Opportunities exist in the delivery of catheterization labs and other laboratory facilities.

## Agricultural Sectors

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Senegal remains a food deficit country and a major importer of cereal staples such as rice and wheat and intermediate products such as sugar, vegetable oil and milk powder. Meanwhile, higher-income consumers have created a significant market for high value consumer-ready products. Population growth (2.5 percent) and urbanization rate (3.3 percent) indicate this trend will continue.

As a country that depends on imports for 70 percent of its food needs, Senegal is vulnerable to changes in world commodity prices, especially as the CFA franc exchange rate is fixed to the Euro at 1 Euro = CFA 655.957. In 2012, overall import prices raised 4.2 percent compared to the previous year. Foods and beverages account for 0.4 percent, i.e., palm oil (5.5 percent), wheat (3.5 percent), and rice (2 percent). (Source: *Agence Nationale de la Statistique et de la Démographie-ANSD*)

While key obstacles remain for investments, Senegal's geographic location and consumers' affinity for U.S. products present opportunities for U.S. exports. U.S. exports of food and agricultural products reached a high of fluctuating from \$13 million in 2011 to \$4 million in 2012 and \$17 million in 2013. Exports are mostly comprised of soybean products (cake, meal, and oil), wheat, and rice.

Note. Food aid is included in exports figures.

### Senegal's top food and agricultural imports (thousand USD)

	2011	2012	2013	Jan-Feb 2014
Rice, Broken	802,753	915,715	896,904	134,715
Wheat (Other Than Durum Wheat)	424,353	491,680	514,951	62,118
Cane/Beet Sugar	137,361	128,440	148,344	6,947
Onions and Shallots, Fresh or Chilled	125,764	123,350	131,672	22,511
Corn (Maize), Other Than Seed Corn	88,950	151,336	130,605	11,341
Refined Palm Oil	48,264	78,443	89,721	18,643
Potatoes	73,424	87,201	55,938	14,360
Soybean Oilcake				1,525

	1,177	10,213	22,917	
Nonalcoholic Beverages	16,358	17,160	19,457	1,182
Bananas And Plantains, Fresh Or Dried	14,318	15,569	17,066	2,530
Vegetable Fats & Oils	11,173	14,959	16,610	2,111
Soybean Oil & Fractions, Crude	34,416	36,037	16,310	4,061
Tomato Paste	7,349	11,786	12,515	5,305
Milk/Cream	19,360	16,371	11,854	670
Garlic	8,124	8,677	10,187	1,709

Source: Global Trade Atlas

**Senegal's top food and agricultural imports from the U.S. Values  
(in Thousands of Dollars)**

Product	2011	2012	2013	Jan - Mar 2014
Soybean Cake & Meal	2,313	0	5,092	15
Soybean Oil	0	0	1,848	3,971
Peanut Butter	0	100	496	0
Oilseed Prod.	1,248	268	101	50
Grains & Feeds	5,927	471	4,427	254
Wheat	0	0	2,056	0
Rice	5,927	0	551	226
Sugar & Tropical Products	2,053	954	1,006	170
Livestock & Meats	702	566	325	97
Dairy & Products	226	0	141	437
Poultry & Products	173	30	11	0

Source: U.S. Census Bureau Trade Data

The consumer goods market for food and agricultural products is dominated by European, Asian, and African suppliers. France rules the market for wheat, sugar, and high-value processed products. Market potential exists, however, for new entrants in the market for bulk, intermediate, and consumer products. The top suppliers for rice are India and Thailand (all of which is broken); for wheat, France (to make baguettes); for dairy, France and Argentina (primarily milk powder), for palm oil (Cote d'Ivoire), and for soybean oil, France, Brazil, and Spain (for cooking).

## SWOT Analysis for Senegal's Consumer Goods Market

<b>Advantages</b>	<b>Challenges</b>
<ul style="list-style-type: none"> <li>• Senegal's status as a major commercial hub in West Africa; sophistication of higher-income consumers.</li>   <li>• Senegal has one of the region's more active maritime ports;</li>   <li>• Regular flights from East Coast airports, including U.S. airliners.</li>   <li>• Senegal's population of 13.6 million is growing at an annual rate of 2.5 percent per annum.</li>   <li>• Gross Domestic Product (GDP) growth expected to grow by 4 percent in 2013 compared to 3.7 percent in 2012.</li>   <li>• Senegalese are generally well disposed towards Americans and actively seek U.S. trade and investment.</li>   <li>• Common external tariffs for imports and elimination of tariffs among the 8 countries of the WAEMU (West African Economic and Monetary Union).</li>   <li>• The Senegalese consumer perceives U.S. products as generally high quality, thus accepts U.S. food products.</li>   <li>• Export financing opportunities exist through EXIM Bank.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of U.S. interest due to small market size, French and Asian domination of the market as well as competition from cheaper and lower quality food products from Asia.</li>   <li>• Higher freight rates and longer transit times from the U.S. than from EU, Asia or South Africa.</li>   <li>• In 2013, the average per capita income was at \$2,100 compared to \$1,900 in 2012</li>   <li>• Cases of poor governance and administrative hurdles have reduced foreign and domestic investment in the economy.</li>   <li>• Lack of U.S. brand recognition</li>   <li>• High business costs relative to neighboring African countries such as port processing and Customs duties. WAEMU recommended value added tax (VAT) may apply on some imported agricultural and food commodities at the port of entry.</li>   <li>• U.S. products are not always price-competitive due to the freight costs for products shipped from the States.</li>   <li>• Financing packages such as supplier credit, made available by European competitors disadvantage U.S. companies.</li> </ul>

Meanwhile, Senegal is an important producer and exporter of seafood, soups and broths, peanuts, peanut oil, cotton, and horticultural products including tomatoes, green beans, mangos, and melons. In 2013, Cote d'Ivoire, France, and Spain were the three top import countries of fish and seafood products and Mali, Burkina Faso, Guinea, Cote d'Ivoire, and Togo were the top five importers for soups.

Peanut oil exports depend on the success of the agricultural campaign. After rising 30 percent in 2011, it decreased 66 percent in 2012 and rose 44 percent in 2013. In recent years, major buyers of peanut oil have included France, Italy, China, Lebanon, Switzerland and Netherlands. In 2013, Netherlands was the biggest buyer with 55 percent of the market followed by France (39 percent). Cotton is exported to China, France, and Thailand while tomato is exported mainly to Netherlands, Albania, and U.K.

Senegal produces enough meat, poultry, dairy, cereals and other staples to satisfy 30 percent of its domestic consumption needs. There are a number of important domestic and donor-led investments to increase the domestic share of the food basket in Senegal. Important U.S. export opportunities exist for agricultural equipment and capital goods as Senegal moves to increase self-sufficiency in rice and other food production and processing. These areas include storage facilities, rice milling facilities, meat processing, vegetable oil processing, and cold chain components.

### Senegal's exports of food and agricultural products (USD)

Description	2011	2012	2013	2014 (est.)
Soups and Broths	66,328,426	84,876,326	121,896,251	120,000,000
Malt Extract; Flour, Meal, Milk	15,672,256	21,357,096	37,293,759	42,000,000
Crude Peanut Oil	77,361,434	25,731,754	37,052,826	40,000,000
Milk (powder, Cream, concentrated)	15,355,957	20,254,173	35,858,029	35,000,000
Tobacco	17,330,864	13,072,314	26,714,032	26,000,000
Cotton	23,719,063	21,330,995	23,125,293	23,000,000
Raw Peanuts Shelled, Broken Or Not	10,393,358	11,116,916	21,355,858	22,000,000
Fresh or Chilled Vegetables	4,547,122	3,809,003	16,556,777	24,000,000
Fresh or Chilled Beans	9,104,010	7,345,891	15,419,575	20,000,000
Fresh Watermelons	5,011,011	4,571,350	13,701,839	12,000,000
Fresh Or Chilled Tomatoes	12,260,699	10,876,548	13,329,237	20,000,000
Sesame Seeds	1,401,950	3,273,192	8,832,178	12,000,000
Peanut Oilcake	9,061,976	273,803	8,494,108	8,000,000
Fresh or Dried Guavas, and Mangoes	5,355,810	6,301,550	7,795,284	8,000,000
Wheat or Meslin Flour	4,509,163	6,980,589	6,269,692	6,000,000

Source: Global Agricultural Trade System (GATS), USDA, Embassy estimates.

### **Best Agricultural Product Prospects:**

- Rice
- Wheat
- Corn
- Vegetable oil
- Soybeans/soybean meal
- Feed and fodders
- Planting seeds (peanuts, fodder plants)

### **Best High Value Product Prospects:**

- Tomato puree/ketchup
- Condiments
- Breakfast cereals Milk (Liquid milk, skimmed and whole powdered milk)
- Mayonnaise and Salad Dressing
- Mexican Foods
- Snack foods
- Confectionery products (candies, gums etc)
- Nonalcoholic beverages
- Canned fruits and vegetables
- Bakery and other food Ingredients
- Canned soups/powdered soups
- Spices and sauces including soy sauce
- Mixed seasoning
- Pasta products
- Bakery and other food Ingredients
- Bottled vegetable cooking oil
- Fruit preparations and juices
- Health food products
- Sugar free goods
- Gluten free goods

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Users searching for GAIN reports released between February 16 and July 2, 2009, should check BOTH the new GAIN and the legacy GAIN systems. All reports entered after July 2, 2009 are available at:  
[gain.fas.usda.gov/Lists/Advanced%20Search/AllItems.aspx](http://gain.fas.usda.gov/Lists/Advanced%20Search/AllItems.aspx)

All historical GAIN Reports since 1995 and prior to February 16, 2009, are available at:  
<http://www.fas.usda.gov/scriptsw/AttacheRep/legacy.asp>

Reports of interest include:

- Senegal Agricultural Situation Report;
- Senegal Exporter Guide Annual Update;
- Senegal Food and Agricultural Import Regulations and Standards Report;

- Senegal Food and Agricultural Import Regulations and Standards Certification;
- Retail Food Sector Report;
- Annual Biotechnology Report;
- West Africa Rice Annual Report;
- Oilseeds and Products Annual Report

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## Chapter 5: Trade Regulations, Customs and Standards

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### Import Tariffs

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In January 2000, Senegal put in place a new import tariff structure to conform with the common external tariff (CET) scheme agreed upon by the member states of the West African Economic and Monetary Union (WAEMU or UEMOA). Under the new structure, Senegal lowered its highest tariff rate and established four product categories with tariff rates of 0, 5, 10 and 20 percent. It also eliminated a separate customs stamp tax of five percent, replacing it with a one percent “statistical fee.” The new tariff regime covers the following product categories for the four tariff rates:

- Category 1 (zero rate): social, cultural and scientific goods, agriculture inputs, capital goods and computer and data processing equipment not available through local production.
- Category 2 (five percent): raw materials, crude oil, and cereals for industries.
- Category 3 (ten percent): semi-finished products, intermediate goods, other cereals, diesel and fuel oil.
- Category 4 (twenty percent): goods for final consumption, capital goods and computer and data-processing equipment already available through local production, new and used vehicles.

Despite its simplified tariff structure, Senegal continues to maintain an array of other import taxes, some of which were also changed in January 2000 to conform to the CET. In addition to the one percent “statistical fee”, the CET calls for a one percent “community solidarity tax” (CST) to assist WAEMU member states, such as landlocked Niger, Mali and Burkina Faso, which suffered revenue losses due to the CET.

On top of these duties, importers are also obliged to pay a unified 18 percent value-added tax (VAT) at the port of entry.

## **Trade Barriers**

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Special tariffs are also applied under the CET regime to protect selected industries, although rates have been lowered in some cases and a five-year phase out period is scheduled. These special tariffs include the “taxe dégressive de protection” and the “taxe conjoncturelle à l’importation.” The taxe dégressive de protection is applied to imports of finished products such as tobacco, matches, tomato paste, candies, batteries, powdered milk, candles, etc. that compete with local production. With the exception of tobacco, the rate under the new regime dropped from 20 to 15 percent. The cyclical or seasonal tax, called the “taxe conjoncturelle à l’importation,” protects local production of vegetables, rice, onions, potatoes, etc. with a 10 percent levy applied when world prices drop and threaten local producers.

Since November of 2005, Senegal has imposed a ban on live poultry, including chicks flesh and eggs, poultry meat and cuts, fresh eggs and egg products intended for consumption and used operating poultry equipment. Only day old chicks for breeding and hatching eggs are allowed for import.

Senegal has not provided scientific justification for the ban, which was initially established during an increase in the prevalence of HPAI in some producing countries. Senegal and neighboring countries remain free from HPAI. The market for fertilized eggs is estimated at \$6.6 million and has been historically dominated by Brazilian and French suppliers.

Senegal also implements a seasonal ban on onion imports during the domestic marketing campaign and published recently, in October 2009, technical guidelines that are expected to limit the import of palm oil – to the advantage of peanut oil.

## **Import Requirements and Documentation**

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(Documents required when exporting to Senegal include the following:

1. Two copies of the commercial invoice which should identify the exporter and importer as well as their addresses; the goods being imported; the weight, CIF value and quantity of goods imported; and a complete description of the merchandise. This should be in French or accompanied by a French translation to avoid misinterpretation at the customs entry point. (In the past, for example, Senegalese customs officials mistook a date of manufacture for an expiration date, which considerably delayed a shipment.)
2. A Pro Forma Invoice. This should contain the same information as the commercial invoice.
3. A Certificate of Origin is necessary for all imported goods. Before shipping, importers must provide customs officials with documentation listing the quantity, quality and prices of the products subject to customs duties.

Import procedures include the following:

1. Importers must deposit a Preliminary Import Declaration seven days before shipping imported goods having a value equal to or greater than CFAF one million (\$2,000).
2. Automatic approval of the Preliminary Import Declaration is obtained by submitting three copies of the Pro Forma Bills of Lading with the declaration.
3. A Preliminary Import Declaration is valid for six months and can be extended for three months. Preliminary Import Declarations must be canceled and reissued if there is a change in supplier, an increase in the value of the order of more than ten percent, or a modification in the quantity of the order.
4. Any payment for imported goods greater in value than CFAF one million (\$2,000) must be made through an approved Senegalese bank or financial institution.
5. Any FOB import value equal to or greater in value than CFAF three million (\$6,000) must be inspected by the PSI company in the supplier's country before shipping.
6. Presentation of a clean report of findings issued by the PSI firm is obligatory.
7. The Pre-Shipment Inspection Certificate.

The following goods are exempted from PSI:

- Imports with a total order FOB value equal to or below CFAF 3 million
- Objects of art, precious stones and gold
- Used personal and household effects including one used vehicle
- Arms and ammunition other than those for hunting and/or sport
- Explosives and pyrotechnic products
- Live animals
- Perishable goods for human consumption neither frozen nor deep frozen (meat, fish, vegetables and fruit)
- Parcel post and samples
- Scrap metals
- Plants and flowers
- Cinematographic films, exposed and developed
- Current newspapers and periodicals, postal and fiscal stamps, stamped papers, bank notes and check books
- Personal gifts
- Crude oil
- Donations offered by foreign governments to international organizations, charities or philanthropic organizations recognized as being helpful to the public
- Bona fide gifts and imports for diplomatic entities and for United Nations organizations for their own use in Senegal
- Vehicles, other than railway, and parts thereof (HS chapter 87 in Senegal)
- Cereals (HS chapter 10) imported or approved by the public sector Printed books, newspapers, pictures and all other items of HS Chapter 49
- Imported goods after having been fixed/repared in a foreign country
- Parts and spare parts imported by airline companies
- Counterfeit goods
- Goods imported by certain importers which have a special exemption authorization from the Government



## **U.S. Export Controls**

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U.S. companies exporting to Senegal must adhere to the requirements of the Bureau of Industry and Security (BIS) which regulates the export and re-export of sensitive goods and technologies.

## **Temporary Entry**

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Goods imported for re-export are subject to a temporary admission system and are not assessed customs duties. This system has been abused in the past and customs officials may be particularly demanding in enforcing regulations.

## **Labeling and Marking Requirements**

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Senegal's labeling requirements are applicable to canned and preserved food intended for human consumption. Such products must be marked in French with the following information:

1. Country of origin;
2. Product manufacture date, specified by the day, the month and the year;
3. The expiration date, marked in the same manner as the date of manufacture, preceded by the comment: "A Consumer de Preference Avant le DD/MM/YY."
4. Ingredients.

For other non-food consumer products, it is critical that the label be written in French with the expiration date added.

## **Prohibited and Restricted Imports**

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Prohibited imports include narcotics, munitions and war ammunition (except collector's items), pornographic publications and hallucinogenic drugs, except those authorized by the Ministry of Health.

## **Customs Regulations and Contact Information**

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Senegal implemented the WTO Agreement on Customs Valuation in July 2001 which provides for a neutral and uniform system for the valuation of goods for customs purposes. However, Senegal's 2001 designation as an LDC (Less Developed Country) by the United Nations has incited officials to continue to apply minimum reference prices for some imported products that may hurt local industry.

In July 2001, the Government awarded Senegal's pre-shipment inspection (PSI) program to a newcomer in the market, the Swiss-based Cotecna. The PSI applies to all imported goods valued at CFAF 3 million (\$6,000) and higher. The Cotecna-approved value of such goods constitutes the basis for customs valuation. U.S. exporters are

urged to contact Cotecna's U.S. office at [www.cotecna.com](http://www.cotecna.com) to obtain the list of goods exempted from PSI.

## Standards

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## Overview

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Senegal's standards are derived from France's. Electricity used in the country is 220 volts, 50 cycles and the system of measurement is metric.

## Standards Organizations

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The Senegalese Association of Normalization (Association Sénégalaise de Normalisation - ASN) is a public (40 percent)-private (60 percent) regulatory body under the Minister of Industry mandated to develop national standards and ensure quality standards. The standards are developed within technical committees whose members include representatives of technical ministries (Health, Environment and Industry), consumer associations, and industrialists, technical and scientific institutions. The secretariat of these technical committees is held by the ASN. ASN establishes each year a standards' development plan based on the needs from its technical and social partners. The standards are the result of a consensus between ASN and its partners.

### **NIST Notify U.S. Service**

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: <http://www.nist.gov/notifyus/>

## Conformity Assessment

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Conformity assessment infrastructure includes a number of national laboratories and private bodies that carry out conformity assessments:

- The National Laboratory under the Minister of Trade

- CEREQ, which does soil and construction-related testing
- The Pasteur Institute
- Bureau Veritas
- The laboratory of the Senegalese Institute of Food Technology
- CERES-LOCUSTOX, which tests pesticide residuals
- Cotecna Pre-Shipment Inspection Services company
- The Laboratory of Metrology

Senegal is as a correspondent member of the International Organization for Standardization (ISO) and an affiliated member of the International Electro-technical Commission (CEI). On a regional level, Senegal has developed a quality program with the West African Economic and Monetary Union.

### **Product Certification**

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Since July 2010, Senegal has a quality “Senegal Label” for product certification on items made in Senegal. This initiative is in addition to the existing “Made in Senegal” label.

### **Accreditation**

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Accreditation bodies include ASN and Bureau Veritas.

### **Publication of Technical Regulations**

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ASN has published a catalog listing 344 Senegalese standards in the following areas: electronics (15), construction and civil engineering (62), food processing (104), environment (81), administration and trade (4) and solar energy (11).

### **Labeling and Marking**

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Senegal’s labeling requirements are applicable to canned and preserved food intended for human consumption. Such products must be marked in French with the following information:

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For other non-food consumer products, it is critical that the label be written in French with the expiration date added.

## Contacts

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Minister of Trade, Industry and SMEs  
Senegalese Association of Normalization (ASN)  
21, lotissement Front de Terre - BP 4037 – Dakar  
Email: [asnor@orange.sn](mailto:asnor@orange.sn)  
<http://www.asn.sn>

## Trade Agreements

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Senegal is a member of the Economic Community of West African States (ECOWAS), the WAEMU or UEMOA, the Cotonou Convention and the World Trade Organization. Senegal is also currently eligible for U.S. market access benefits under the African Growth and Opportunity Act (AGOA).

## Web Resources

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<http://www.asn.sn>  
WTO: [www.wto.org](http://www.wto.org)  
ECOWAS: [www.ecowas.int](http://www.ecowas.int)  
WAEMU: [www.uemoa.int](http://www.uemoa.int)

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## Chapter 6: Investment Climate

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### Openness To, and Restrictions Upon, Foreign Investment

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#### ***Attitude Toward FDI***

The Government of Senegal welcomes foreign investment and generally maintains a level playing field for foreign investors to participate in most sectors. There are no barriers to 100 percent ownership of businesses by foreign investors in most sectors with some exceptions for sectors such as water, electricity distribution, and port services where the government and state-owned companies maintain responsibility for most physical infrastructure and some services.

#### ***Laws/Regulations of FDI***

Senegal's 2004 Investment Code provides basic guarantees for equal treatment of foreign investors and repatriation of profit and capital. It also specifies tax and customs exemptions according to the investment volume, company size and location, with investments outside of Dakar eligible for longer tax exemptions. A law to enhance transparency in public procurement and public tenders entered into force in 2008, establishing a Public Procurement Regulatory body (ARMP) that publishes annually reviews government public procurement contracts. The Government of Senegal enacted a Public Private Partnership Law in 2014 that amended the 2004 Build Operate and Transfer Law to facilitate expedited approval of public-private partnerships for projects that include a minimum share of domestic investment.

### ***Industrial Strategy***

Senegal has developed a strategic plan, “Plan Senegal Emergent” (PSE), that includes a priority investment plan for 2014-2018, focusing on priority sectors including agriculture, mining, energy, tourism and infrastructure. The PSE includes 27 priority projects and 17 economic reforms intended to reinforce the enabling environment for private sector investment. The government has indicated it will further focus initial efforts on a handful of priority projects and reforms. The government has established a delivery unit in the President’s office to coordinate and monitor implementation of investment projects by line Ministries. Investors may consult the website of Senegal’s Investment Promotion Agency at [www.investinsenegal.com](http://www.investinsenegal.com) for more details on investment priorities.

### ***Limits on Foreign Control***

Senegal allows foreign investors equal access to ownership of property and does not impose any general limits on foreign control of investments. Senegal’s Investment Code includes guarantees for equal treatment of foreign investors including the right to acquire and dispose of property. There is no provision in Senegalese law permitting domestic businesses to adopt articles of incorporation or association that limit or control foreign investment. There is no pattern of discrimination against foreign firms making investments in Senegal.

### ***Privatization Program***

Since the 1980s, Senegal has reduced the involvement of state-owned enterprises in most sectors as the country has steadily shifted towards promotion of private sector investment to drive national development objectives. The government has privatized companies involved in the energy, airline, water, finance, real estate and telecommunications sectors. In the energy sector, the state-owned electricity company, SENELEC, operates transmission and distribution networks while the government has encouraged private companies to take an increasing share of electricity generation. The government has maintained involvement in ports and infrastructure projects but granted a private concession for a container port and used a public-private partnership to complete a toll road connecting the Dakar peninsula with interior roads.

### ***Screening of FDI***

The Government of Senegal does some screening of proposed investments, primarily to verify compatibility with the country’s overall development goals and compliance with environmental regulations. Senegal’s Investment Promotion Agency (APIX) offers a “one stop” service for foreign investors to complete the business registration process. APIX also facilitates government review of investment proposals. The business registration process, involving multiple approvals from APIX, Ministry of Economy and Finance, Senegalese Customs, and other agencies, has been reduced from several weeks to one day. Depending on the proposed business activity, other approvals from specific Ministries, such as Agriculture and Interior, can require additional time.

### ***Investment Trends***

France is the largest source of foreign investment in Senegal, though its share of investment has gradually declined as companies from India, Morocco, Togo and the U.S. have undertaken investment projects in Senegal. U.S. firms have invested in power generation, pharmaceutical, natural gas, oil exploration and information technology sectors. Foreign investors have secured contracts to develop mineral resources, provide garbage services, and manage part of Dakar’s container port.

**TABLE 1: The following chart summarizes Senegal's ranking on several indices.**

Measure	Year	Rank or value	Website Address
Transparency International Corruption Perceptions Index	2013	(77 of 177)	<a href="http://cpi.transparency.org/cpi2013/results/">cpi.transparency.org/cpi2013/results/</a>
Heritage Foundation's Economic Freedom Index	2013	(125 of 177)	<a href="http://www.heritage.org/index/ranking">www.heritage.org/index/ranking</a>
World Bank's "Ease of Doing Business" Report	2013	(178 of 189)	<a href="http://doingbusiness.org/rankings">doingbusiness.org/rankings</a>
Global Innovation Index	2013	( 96 of 142)	<a href="http://www.globalinnovationindex.org">www.globalinnovationindex.org</a>
World Bank GNI per capita	2012	\$1,030	<a href="http://data.worldbank.org">data.worldbank.org</a>

**TABLE 1B - Millennium Challenge Corporation Indicators for Senegal**

MCC Indicator	Fiscal Year	Index/Ranking
Government Effectiveness	2014	.47 (89%)
Rule of Law	2014	.57 (91%)
Control of Corruption	2014	.59 (95%)
Fiscal Policy	2014	- 5.7 (13%)
Trade Policy	2014	73.2 (71%)
Regulatory Quality	2014	.65 (98%)
Business Start Up	2014	.90 (57%)
Land Rights Access	2014	.56 (36%)
Natural Resource Protection	2014	99.5 (89%)
Inflation	2014	1.4 (96%)
Health Expenditures	2014	3.45 (79%)
Primary Education Expenditures	2014	2.23 (65%)
Girls Primary Education Completion Rate	2014	64.6 (44%)
Political Rights	2014	32 (93%)
Civil Liberties	2014	43 (93%)
Freedom of Information	2014	50 (65%)
Access to Credit	2014	23 (50%)

*Note: Percent rankings for MCC measures indicate a percentile within peer income group. The Millennium Challenge Corporation, a U.S. Government entity charged with delivering development grants to countries that have demonstrated a commitment to reform, produced scorecards for countries with a 2012 per capita gross national income (GNI) or \$4,085 or less. A list of countries/economies with MCC scorecards and links to those scorecards is available here: <http://www.mcc.gov/pages/selection/scorecards>. Details on each of the MCC's indicators and a guide to reading the scorecards, are available here: <http://www.mcc.gov/documents/reports/reference-2013001142401-fy14-guide-to-the-indicators.pdf>*

## **Conversion and Transfer Policies**

### ***Foreign Exchange***

As part of the eight-country West African Economic and Monetary Union (WAEMU), Senegal uses the CFA franc that is pegged to the Euro at 655.957 CFA per Euro. Senegal's Investment Code includes guarantees for access to foreign exchange and repatriation of capital and earnings, though transactions are subject to procedural requirements of financial regulators. Commercial transfers are routinely carried out by local financial institutions without delays. The government limits the amount of foreign exchange that individual travelers may take outside Senegal. Departing travelers may take a maximum of 6 million CFA (approximately USD 12,000) in foreign currency and travelers checks upon presentation of a valid airline ticket.

### ***Remittance Policies***

There are no restrictions on the transfer or repatriation of capital and income earned, or on investments financed with convertible foreign currency. Remittances to Senegal from citizens living overseas are routine and provide a significant source of income for many local Senegalese. In 2013, the estimated value of remittances, formal and informal, was estimated by Senegalese authorities at USD 1.7 billion or 10 percent of GDP. Senegal is a member of the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA) and, through GIABA, it is an associate member of the Financial Action Task Force (FATF).

## **Expropriation and Compensation**

Senegal's Investment Code includes protection against expropriation or nationalization of private property with exceptions for "reasons of public utility" that would involve "just compensation" in advance. In general, Senegal has no history of expropriation or creeping expropriation against private companies. The government may sometimes use eminent domain justifications to procure land for public infrastructure projects with compensation provided to land owners. Senegal's Bilateral Investment Treaty with the U.S. also specifies that international legal standards are applicable to any cases of expropriation of investment and the payment of compensation.

## **Dispute Settlement**

Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts  
While Senegal has well-developed commercial and investment laws, and a legal framework for regulating business disputes, settlement of disputes within the existing framework is cumbersome and slow. Senegal's legal system, based on a French model, is one of the most functional systems in francophone Africa, but it still provides a challenging environment for resolution of commercial disputes. Court cases tend to be expensive with ample opportunity for the parties involved to prolong the proceedings. Even when courts issue judgments, companies may encounter challenges in implementing court decisions and enforcing their contractual rights. Investors may consider including provisions for binding arbitration in their contracts in order to avoid prolonged entanglements in Senegalese courts. To alleviate the growing backlog and delays in resolution of commercial disputes, the government of Senegal has taken steps to establish commercial courts, as part of its investment climate reforms.



Senegal is signatory to the Organization for the Harmonization of Corporate Law in Africa Treaty (OHADA) that provides for common corporate law and arbitration procedures in the 16 member states in western and central Africa.

### ***Bankruptcy***

Senegal has commercial and bankruptcy laws that address liquidation of business liabilities. Foreign creditors receive equal treatment under Senegalese bankruptcy law in making claims against liquidated assets. Monetary judgments are normally in local currency. As a member of the Organization and Harmonization of Business Law (OHADA), Senegal permits three different types of bankruptcy liquidation to allow a negotiated settlement, company restructuring, or complete liquidation of assets.

### ***Investment Disputes***

International firms have pursued a variety of investment disputes during the last decade, including at least two U.S. firms involved in tax and customs disputes. One U.S. energy firm was involved in a tax dispute and ultimately prevailed in arbitration. Another company has an ongoing case over whether imported industrial inputs would be subject to customs duties. Other foreign companies in the mining and telecommunications sectors have pursued commercial disputes over mining and telecom licensing. These disputes have often been resolved through arbitration or an amicable settlement.

### ***International Arbitration***

Senegal has growing experience in using international arbitration for resolution of investment disputes with foreign companies, including some cases involving tax disputes with U.S. firms. The government has also prevailed in some arbitration cases, including a 2013 arbitration decision in a high-profile case with Arcel-Mittelor over an integrated mining/railway/port project, lending greater confidence within the government to the arbitration process.

### ***ICSID Convention and New York Convention***

Senegal is a member of the International Center for the Settlement of Investment Disputes (ICSID) and a signatory of the Convention on the Recognition and Enforcement of Arbitral Awards (the New York Convention).

## **Performance Requirements and Investment Incentives**

Senegal's Investment Code provides for investment incentives, including temporary exemption from customs duties and income taxes for investment projects. Eligibility for investment incentives depends upon a firm's size and type of activity, the amount of the potential investment, and the location of the project. To qualify for significant investment incentives, firms must invest above CFA 100 million (approximately USD 200,000) or in activities that lead to an increase of 25 percent or more in productive capacity. Investors may also deduct up to 40 percent of retained investment over five years. However, for companies engaged strictly in "trading activities," defined as "activities of resale in their existing state products bought from outside the enterprises," investment incentives might not be available.

Eligible sectors for investment incentives include agriculture and agro-processing, fishing, animal-rearing and related industries, manufacturing, tourism, mineral exploration and mining, banking, and others. All qualifying investments benefit from the

"Common Regime," which includes two years of exoneration from duties on imports of goods not produced locally for small and medium sized firms, and three years for all others. Also included is exoneration from direct and indirect taxes for the same period.

Exoneration from the Minimum Personal Income Tax and from the Business License Tax is granted to investors who use local resources for at least 65 percent of their total inputs within a fiscal year. Enterprises that locate in less industrialized areas of Senegal benefit from exemption of the lump-sum payroll tax of three percent, with the exoneration running from five to 12 years, depending on the location of the investment. The investment code provides for exemption from income tax, duties and other taxes, phased out progressively over the last three years of the exoneration period. Most incentives are automatically granted to investment projects meeting the above criteria. The new tax code was published December 31, 2012 (law # 2012-31 of December 2012 published in journal # 6706 of 31/12/2012).

An existing firm requesting an extension of such incentives must be at least 20 percent self-financed. Large firms -- those with at least 200 million CFA (400,000 USD) in equity capital -- are required to create at least 50 full-time positions for Senegalese nationals, to contribute the hard currency equivalent of at least 100 million CFA (200,000 USD), and keep regular accounts that conform to Senegalese (European accounting system) standards. In addition, firms must provide APIX with details on company products, production, employment and consumption of raw materials.

The Government does not, by statute, impose specific conditions or performance requirements on investment activities. However, the Government does negotiate with potential investors on a case-by-case basis.

Acquiring work permits for expatriate staff is typically straightforward. Citizens from WAEMU member countries are permitted to work freely in Senegal. In May of 2004, the Economic Community of West African States (ECOWAS) and WAEMU signed an agreement that, amongst other things, allows employment mobility between member countries.

## **Right to Private Ownership and Establishment**

Senegal generally provides foreign investors the same rights to property ownership and business establishment that are available to local investors. Private entities are permitted to establish and own businesses and to engage in most forms of remunerative activity. Foreign nationals are permitted to buy and hold land with no requirement for local majority ownership. Land holdings for investors are frequently offered on the basis of long-term leases (i.e., 99 years). Several of the state-owned firms privatized in recent years were sold in part or in whole to foreign entities.

## **Protection of Property Rights**

### ***Real Property***

The Senegalese Civil Code provides a framework, based on French law, for enforcing private property rights. The code provides for equality of treatment and non-discrimination against foreign-owned businesses. Senegal maintains a property title and

a land registration system, but application is uneven outside of Senegal's urban areas. Confirming ownership rights on real estate can be difficult, but once established, ownership is protected by law.

The Government has undertaken several reforms to make it easier for investors to acquire and register property. It has streamlined procedures and reduce associated costs for property registration. In early 2014, the government approved a new land tenure model that is intended to facilitate land acquisition by resolving conflicts between traditional and government land ownership. When this reform is fully implemented, the government and donors expect that it will facilitate land acquisition and investment in the agricultural sector.

The Government generally pays compensation when it takes private property through eminent domain actions. Senegal's housing finance market is underdeveloped and few long-term mortgage financing vehicles exist. There is no secondary market for mortgages or other bundled revenue streams. The judiciary is inconsistent when adjudicating property disputes.

### ***Intellectual Property Rights***

Senegal maintains a legal framework for protection of intellectual property (IP), but has limited institutional capacity to implement this framework and enforce IP protections. Senegal has been a member of the World Intellectual Property Organization (WIPO) since its inception. Senegal is also a member of the African Organization of Intellectual Property (OAPI), a grouping of 15 francophone African countries with a common system for obtaining and maintaining protection for patents, trademarks and industrial designs. Local statutes recognize reciprocal protection for authors or artists who are nationals of countries adhering to the 1991 Paris Convention on Intellectual Property Rights. In particular:

**Patents:** Patents are protected for 20 years. An annual charge is levied during this period. Trade secrets and computer chip design are respected.

**Trademarks:** Registered trademarks are protected for a period of 20 years. Trademarks may be renewed indefinitely by subsequent registrations.

**Copyrights:** Senegal is a signatory to the Bern Copyright Convention. The Senegalese Copyright Office, part of the Ministry of Culture, attempts to enforce copyright obligations. The bootlegging of music cassettes and CDs is common and of concern to the local music industry. The Copyright Office undertook actions in 2001, 2002, 2003 and 2006 to combat media piracy, including seizure of counterfeit cassettes and CD/DVDs and in 2008 established a special police unit to better enforce the country's anti-piracy and counterfeit laws.

However, despite an adequate legal and regulatory framework, enforcement of intellectual property rights is weak. In general, the government has limited capacity to combat IPR violations or to seize counterfeit goods. Customs screening for counterfeit goods coming from China, Nigeria, Dubai and other centers of illegal production is weak and confiscated goods occasionally re-appear in the market. Nonetheless, the government has made efforts to raise awareness on the impact of counterfeit products on the Senegalese marketplace, and officers have participated in trainings offered by manufacturers to identify counterfeit products.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at <http://www.wipo.int/directory/en/>.

Contact at Mission:

Alexander Gazis, Economic-Commercial Chief  
(221) 33 879 4276  
GazisAC@state.gov

Country/Economy resources: The American Chamber of Commerce ([www.amchamsen.org](http://www.amchamsen.org)) can provide additional information on services available in Senegal. A list of attorneys in Senegal can also be found on the Embassy website: [dakar.usembassy.gov/service/living-in-senegal-and-guinea-bissau/attorneys-and-notaries-in-senegal.html](http://dakar.usembassy.gov/service/living-in-senegal-and-guinea-bissau/attorneys-and-notaries-in-senegal.html)

### **Transparency of the Regulatory System**

Senegal has made progress towards developing independent regulatory institutions, including regulators for the energy, telecommunication and financial sectors and increasing transparency of its regulatory system. The government of Macky Sall has made good governance and transparency in the management of public affairs a high priority. While Senegal lacks established procedures for a public comment process for proposed laws and regulations, the Government frequently holds public hearings and workshops to discuss proposed initiatives.

The Commission for Regulation of the Electricity Sector (CRSE) was established in 1998 as an independent agency that regulates the electricity sector. The government is preparing to expand the CRSE's role to include regulation of hydrocarbon fuels. The CRSE holds public consultations every three years as part of its technical process for reviewing electricity tariffs. The Agency for Regulation of Telecommunications and Posts (ARTP) is responsible for licensing and regulation of telecommunications in Senegal and the Central Bank for West African States (BCEAO) is responsible for regulation of financial institutions.

In October 2013, Senegal was approved as a candidate country for the Extractive Industries Transparency Initiative (EITI). The government of Senegal has begun a consultative process of implementing EITI requirements with the goal of preparing Senegal's first EITI report by 2015.

Senegal is a member of the U.N. Conference on Trade and Development's international network of transparent investment procedures: <http://senegal.eregulations.org/> (French language only). Foreign and national investors can find detailed information on administrative procedures applicable to investment and income generating operations including the number of steps, name and contact details of the entities and persons in charge of procedures, required documents and conditions, costs, processing time, and legal bases justifying the procedures.

### **Efficient Capital Markets and Portfolio Investment**

While Senegal's banking system is generally sound, domestic investment is constrained by an under-developed financial sector. Senegal's twenty commercial banks, primarily from France, Nigeria, Morocco and Togo, generally maintain conservative lending guidelines, high interest rates and collateral requirements that limit access to finance. Few firms are eligible for long-term loans, and small and medium sized enterprises have little access to credit. Citibank (United States) operates in Senegal as an investment bank. U.S. firms also have access to the U.S. Overseas Private Investment Corporation (OPIC) and Export-Import Bank (EXIMBANK) facilities.

In 2011, Senegal issued a 500 million Eurobond that increased Senegal's visibility on international financial markets. Another Eurobond is expected in 2014. The government regularly issues bonds in local currency on the regional market and the regional central bank (BCEAO) supports the development of a regional bond market.

The West African Regional Stock Exchange (BRVM), headquartered in Abidjan, Cote d'Ivoire with local offices in each of the WAEMU member countries offers additional opportunities to attract foreign capital and access diversified sources of financing. However, through 2013, only one Senegalese company, Sonatel, has traded on the BRVM.

Legal, regulatory and accounting systems closely follow French models and WAEMU countries present their financial statements in accordance with the SYSCOA system, which is based on Generally Accepted Accounting Principles in France.

### **Competition from State-Owned Enterprises**

Senegal has progressively reduced government involvement in state-owned companies during the last three decades, so that only a handful of state-owned enterprises remain involved in the energy, agriculture and industrial sectors. The state-owned electricity company, SENELEC, retains control over power transmission and distribution, but relies primarily on independent power producers to generate most of Senegal's power supply. The government has also retained control of the state-owned oil company Petrosen which is involved in hydrocarbon exploration in partnership with foreign oil companies and operates a small refinery dependent on government subsidies. The government of Senegal has limited and declining involvement in agricultural, including a state-owned company involved in rice production.

The government created the Strategic Investment Fund (FONSIS) as a sovereign wealth fund that will leverage state-owned assets to co-finance public-private partnerships in development projects. By early 2014, FONSIS began hiring staff and identifying investment projects for further development of structured proposals, including projects in the agriculture and agribusiness sectors.

### **Corporate Social Responsibility**

In Senegal's business community, there is nascent awareness of Corporate Social Responsibility (CSR) activities with multinational firms and some local business

conglomerates leading the way. There is limited pressure from consumers or shareholders for companies to engage in CSR activities. While many international firms are aware of OECD guidelines and international best practices in CSR, most local firms have limited familiarity with international standards.

## **Political Violence**

Senegal has long been regarded as an anchor of stability in the West Africa region that is vulnerable to political unrest. It is the only mainland West African country that has never had a coup d'etat since gaining independence in 1960. Senegal experienced sporadic incidents of political violence during the lead up to national elections in March 2012 due to strong opposition to former President Wade's decision to seek reelection for a third term. However, the 2012 election reinforced Senegal's reputation as the strongest democracy in West Africa. Public protests occasionally spawn isolated incidents of violence when unions, opposition parties, merchants or students demand better salaries, working conditions or other benefits. Sporadic incidents of violence as result of petty banditry continue in the Casamance region, which has suffered from a two-decade-old conflict ignited by a local rebel movement seeking independence for the region, but the level of violence has declined in recent years as the government and rebel groups have engaged in negotiations to resolve the conflict.

## **Corruption**

Since taking office in 2012, President Macky Sall has emphasized his commitment to fighting corruption, increasing transparency and promoting good governance. He reactivated the Court of Repossession of Illegally Acquired Assets to investigate corruption by former government officials. Sall also created new institutions such as the National Anti-Corruption (OFNAC) and the Commission of Restitution and Recovery of Illegally Acquired Assets. OFNAC is composed of twelve members appointed by decree with a mission to fight corruption, embezzlement of public funds and fraud. The government of Senegal has also taken steps to increase budget transparency in line with regional standards and it approved a new asset declaration law for public officials in 2014. Senegal ranked 77th out of 177 countries, in Transparency International's 2013 Corruption Perception Index (CPI), representing a substantial increase over Senegal's 99th place ranking in 2011.

Notwithstanding Senegal's positive reputation for corruption relative to regional peers, investors continue to report corruption as a frequent problem in Senegal, particularly at lower levels of the bureaucracy where officials with modest salaries may demand "tips" for advancing permits and other official paperwork. It is important for U.S. companies to assess corruption risks and develop an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. firms operating in Senegal can underscore to interlocutors in Senegal that they are subject to the Foreign Corrupt Practices Act (FCPA) in the U.S. and may consider seeking legal counsel to ensure compliance with anti-corruption laws in the U.S. and Senegal.

Senegal is a signatory of the United Nations Convention Against Corruption but it is not a signatory of the OECD Convention to Combat Bribery. Senegal's financial intelligence

unit, Cellule Nationale de Traitement des Informations Financières (CENTIF) is responsible for investigating money laundering and terrorist financing. CENTIF has broad authority to investigate suspicious financial transactions, including those of government officials.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize all acts of corruption, including bribery of foreign public officials, and requiring them to uphold their obligations under relevant international conventions. A U.S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract may bring this to the attention of appropriate U.S. agencies.

### **Bilateral Investment Agreements**

Senegal and the U.S. have a Bilateral Investment Treaty, which allows for international arbitration. (U.S. companies entering the Senegalese market should ensure that their contracts with third parties make a provision for binding international arbitration in case of a dispute.) The treaty also provides for Most Favored Nation treatment for investors, internationally recognized standards of compensation in the event of expropriation, free transfer of capital and profits, and procedures for dispute settlement, including international arbitration. A copy of the Bilateral Investment Treaty can be found at: <http://www.state.gov/documents/organization/43585.pdf>.

Senegal has signed similar agreements for protection of investment with France, Switzerland, Denmark, Finland, Spain, Italy, the Netherlands, South Korea, Romania, Japan, Australia, China, Iran, Morocco, and Sudan. Senegal has concluded tax treaties with France, Mali, and West African Economic and Monetary Union (WAEMU) member states. There is currently no tax treaty and no imminent prospect of one between the United States and Senegal.

### **OPIC and Other Investment Insurance Programs**

OPIC offers financing and investment insurance to support U.S. investment and OPIC services are available to support projects in Senegal. OPIC is currently exploring several investment projects in Senegal. Senegal is a member of the Multilateral Investment Guarantee Agency (MIGA), an arm of the World Bank.

### **Labor**

Senegal has an abundant supply of unskilled and semi-skilled labor, with a more limited supply of skilled workers in engineering and technical fields. While Senegal has one of the best higher educational systems in West Africa and produces a substantial pool of educated workers, limited job opportunities in Senegal lead many to look outside of the country for employment.

Relations between employees and employers are governed by the labor code, industry wide collective bargaining agreements, company regulations and individual employment

contracts. There are two powerful industry associations that represent management's interests: the National Council of Employers (CNP) and the National Employers' Association (CNES). The principal labor unions are the National Confederation of Senegalese Workers (CNTS), and the National Association of Senegalese Union Workers (UNSAS), a federation of independent labor unions.

Senegalese law permits all workers to form unions with limited exceptions for security force members, including police and gendarmes, customs officers, and judges. The labor code requires prior authorization from the Ministry of Interior by giving the ministry discretionary power to issue a document recognizing a trade union before it can exist legally. The law allows unions to conduct their activities without interference and provides for the right to bargain collectively. Collective bargaining agreements, however, apply only to an estimated 44 percent of union workers. Trade unions organize on an industry-wide basis, very similar to the French system of union organization, though most workers are involved in informal sector occupations where they are often self-employed and not subject to the labor code.

The inflexibility of the Labor Code, the complexity of labor issues and arbitrary court rulings in labor cases are often high on the list of complaints by investors and foreign companies. Foreign firms are often sued in the Senegalese courts by terminated employees who are frequently awarded damages and placement in their former positions. Although these decisions are sometimes overturned on appeal, the appeals process is costly and time consuming.

### Foreign Trade Zones/Free Ports

Senegal plans to develop the Dakar Integrated Special Economic Zone (DISEZ), under direction of the Export Promotion Authority (APIX) on a designated area adjacent to the Blaise Diagne International Airport currently under construction outside of Dakar. The government plans to develop additional energy and port infrastructure in areas near the DISEZ project site. Once completed the DISEZ project expects to offer industrial development sites with expedited administrative procedures, long-term tax and customs incentives and a package of associated utilities and logistical services. An earlier initiative, the Dakar Free Industrial Zone (ZFID), provided licenses and limited support services for another designated industrial zone, but ZFID stopped issuing new licenses in 1999. Firms already located in ZFID may continue receiving benefits until 2016. Senegal has ambitions to develop additional Special Economic Zones in other cities, including Ziguinchor in the southern Casamance region. For details on DISEZ, see:  
[www.investinsenegal.com/IMG/pdf/dakar\\_integrated\\_special\\_economic\\_zone\\_anglais\\_.pdf](http://www.investinsenegal.com/IMG/pdf/dakar_integrated_special_economic_zone_anglais_.pdf)

## 1. Foreign Direct Investment and Foreign Portfolio Investment Statistics

**TABLE 2: Key Macroeconomic data, U.S. FDI in host country/economy**

	Host Country Statistical source*	USG or international statistical source	USG or international Source of data



Economic Data	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (Millions U.S. Dollars)	2013	15,791	2013	15,791	<a href="http://www.imf.org/external/country/sen/">http://www.imf.org/external/country/sen/</a>
Foreign Direct Investment	Host Country Statistical source*		USG or international statistical source		USG or international Source of data
U.S. FDI in partner country (Millions U.S. Dollars, stock positions)	2012	N/A	2012	59	<a href="http://www.bea.gov">www.bea.gov</a>

TABLE 3: Sources and Destination of FDI

Direct Investment from/in Counterpart Economy Data					
From Top Five Sources/To Top Five Destinations (US Dollars, Millions)					
Inward Direct Investment			Outward Direct Investment		
Total Inward	1,158	100%	Total Outward	213	100%
France	527	45%	Guinea	118	55%
India	71	6%	Mali	40	19%
Morocco	66	6%	Guinea-Bissau	23	11%
United States	49	4%	France	15	7%
Togo	37	3%	Burkina Faso	10	5%

"0" reflects amounts rounded to +/- USD 500,000.

Source: IMF Coordinated Direct Investment Survey: <http://cdis.imf.org>

## 2. Contact Point at Post for Public Inquiries

Youhanidou Wane Ba  
Commercial Specialist  
U.S. Embassy, Route des Almadies, B.P. 49, Dakar, Senegal  
Phone: +221 33 879 4238  
E-mail: [WaneBaY@state.gov](mailto:WaneBaY@state.gov)

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- [How Do I Get Paid \(Methods of Payment\)](#)
- [How Does the Banking System Operate](#)
- [Foreign-Exchange Controls](#)
- [U.S. Banks and Local Correspondent Banks](#)
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### How Do I Get Paid (Methods of Payment)

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New-to-market U.S. exporters may request an irrevocable confirmed letter of credit drawn on one of the major banks to mitigate payment risks. Large Senegalese importers often have sources of foreign exchange outside Senegal; consequently, they can offer credit documents issued by non-Senegalese banks.

### How Does the Banking System Operate

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Senegal's banking system is governed by the Central Bank (BCEAO) common to the eight members (Benin, Burkina Faso, Cote d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo) of the West African Economic and Monetary Union, (WAEMU or UEMOA). Along with BCEAO, the "Commission Bancaire" is a supranational supervisory entity created in April 1990 to control financial institution. The eight-member countries use the CFA franc (XOF) as its currency. The French Treasury guarantees the conversion rate of 1 Euro = CFA franc 655.957. Member countries of the West African Economic and Monetary Union are required to keep at least 50% of their foreign exchange reserves in the French Treasury. This arrangement places representatives of the French Treasury on the board of BCEAO and allows the International Monetary Fund (IMF) to issue aid denominated in Euros rather than the CFA franc.

There are eighteen registered banks in Senegal. Senegal's banking sector has attracted a number of foreign entrants keen to use Dakar as an anchor for regional expansion. They include Nigerian banks - United Bank of Africa – UBA- and Diamond Bank, Attijari Bank and BMCE from Morocco. The largest commercial banks are still predominantly French, although their dominant position is somewhat threatened by new arrivals – Ecobank, UBA, and the merger of Attijari, CBAO and Banque Senegalo-Tunisienne. Citibank, the only U.S. bank in Senegal, specializes in corporate finance. Moroccan banks are also very active in Senegal. Ecobank has an impressive network spread throughout West and part of Central Africa. Other financial institutions, such as insurance companies, a venture capital firm and a leasing company are also present here. The International Finance Corporation (IFC), the private sector lending arm of the World Bank, has a regional office in Dakar.

### Foreign-Exchange Controls

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Senegal lifted all restrictions related to foreign exchange controls in 1998. Foreign exchange payments are no longer submitted to the Ministry of Finance for authorization, but are directly executed by Senegal's commercial banks instead. There is free convertibility of the CFA franc via the banking system for commercial transactions. The rate varies daily according to the Euro-U.S. dollar rate. Travelers may exchange foreign currency for CFA francs without limit at commercial banks. Outgoing travelers may obtain a maximum of CFA Francs 6,000,000 in Euros or other foreign currencies or travelers checks, upon presentation of a valid airline ticket at banks or at privately run foreign exchange bureaus

## **U.S. Banks and Local Correspondent Banks**

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Citibank is the only U.S. bank with a presence in the country. Senegal has numerous local and international banks that maintain correspondent relationships with U.S. banks.

## **Project Financing**

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The African Development Bank (AfDB), the World Bank (WB), the West African Development Bank (WADB) and the Islamic Development Bank (IDB) finance public projects dealing with infrastructure. The private sector-lending arm of the World Bank, the International Finance Corporation (IFC), has financed major infrastructure projects. The U.S. Trade and Development Agency, along with the AfDB, offers funds for feasibility studies. OPIC also works with USTDA to support feasibility studies for renewable energy projects through the Africa Clean Energy Finance Initiative.

## **Web Resources**

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Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: [http://www.exim.gov/tools/country/country\\_limits.html](http://www.exim.gov/tools/country/country_limits.html)

OPIC: <http://www.opic.gov>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>

U.S. Agency for International Development: <http://www.usaid.gov>

African Development Bank: [www.afdb.org](http://www.afdb.org)

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## Chapter 8: Business Travel

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### **Business Customs**

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Senegal's business customs are similar to French business customs. Americans should expect a high level of sophistication among Senegalese businesspersons.

The official business attire is suit and tie, even during the hottest months of the year (June-November).

The Senegalese concept of "Teranga" transpires in business dealings and contacts. The concept centers on a philosophy that welcomes other nationalities to share the Senegalese culture. In a business environment, Senegalese are welcoming and they usually don't say no, even though they may not be in a position to deliver what they have promised.

### **Travel Advisory**

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For the latest security information, Americans traveling abroad should regularly monitor the Department of States Internet web site at <http://travel.state.gov> where the current Worldwide Caution/Public Announcement, Travel Warnings and Public Announcements can be found.

Up-to-date information on security can also be obtained by calling 1-888-407-4747 toll free in the United States, or, for callers outside the United States and Canada, a regular toll line at 1-317-472-2328. These numbers are available from 8:00 a.m. to 8:00 p.m. Eastern Time, Monday through Friday (except U.S. federal holidays).

### **Visa Requirements**

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As of July 1, 2013, a valid passport, visa, and evidence of yellow-fever vaccination are required for entry into Senegal. A meningitis vaccination is highly recommended if the traveler is arriving from or has recently traveled to an endemic area. Travelers unable to

provide proof of vaccinations may be required to pay for and receive vaccination at the Dakar airport.

The official website for purchasing the visa is hosted by Société Nationale d'Édition de Documents Administratifs et d'Identification. Since the visa is biometric, U.S. citizens wishing to travel to Senegal must first pay the visa fees of approximately USD 67 before appearing in person to be fingerprinted. This can be accomplished at either the Senegalese Embassy, in Washington, D.C., or the Senegalese Consulate in New York City prior to travel. As long as they have applied and paid for the visa in advance, travelers may also retrieve their visas at Leopold Sedar Senghor airport in Dakar, Senegal, or other posts along the Senegalese border. You may be denied entry if you lack the proper documentation before arriving in Senegal.

*Work and Residency Permits:* American citizens who expect to work in Senegal for an extended period of time must apply for a work permit (carte de séjour) at the local immigration office located at the Ministry of Interior. The following documents should support the application:

- Photocopy of the passport
- Birth certificate
- Police or criminal record
- Completed application form
- Proof of employment (a businessperson should submit the statutes of his/her company, and a deportation bond of approximately \$175 reimbursable at the time of departure from Senegal)
- Medical certificate
- Fiscal stamps worth \$20.

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/>

U.S. Embassy Dakar: <http://dakar.usembassy.gov>

## **Telecommunications**

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International calls to most countries can be dialed directly. The country code for Senegal is 221. The numbers 33, 76 and 77 have to be added when dialing a fixed line (33) or a cellular line - 77 for Orange, 76 for Tigo, and 70 for Sudatel Espresso. Internet services are available. The Internet penetration rate is low (5.2.percent). Blackberries can be used in Senegal. A number of cyber cafés are located in Dakar and other cities.

Senegal has an excellent digitized telecommunications infrastructure. The country has around 14 million cell phone accounts and 340,019 landlines for 14 million inhabitants. Cellular service has grown significantly since its introduction in the late 1990s. The cellular penetration rate is 94.24 percent.

## Transportation

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*Air Transportation:* The Léopold Sédar Senghor International Airport is the hub of the sub-region. A total of 28 airlines are operating out of Dakar's Leopold Sedar Senghor International Airport. Dakar is linked to numerous African cities by air, and daily flights go to Europe. Delta flies to/from /New York/Dakar. Service to Cape Town is available. SAA flies daily to and from Washington, D.C. to and from Johannesburg via Dakar.

*Port:* Dakar has one of the largest deep-water seaports along the West African coast. Its deep-draft structure and 640 foot-wide access channel allows round-the-clock access to the port. Its current infrastructure includes tanker vessel loading and unloading terminals, a container terminal with a storage capacity of 3000 20-foot-equivalent units, a cereals and fishing port, a dedicated phosphate terminal and a privately-run ship repair facility. Dubai Ports World (DP World) has taken over management of Dakar's container terminal. The port's location at the extreme western point of Africa, at the crossroad of the major sea-lanes linking Europe to South America, makes it a natural port of call for shipping companies. A number of shipping companies sail to Dakar from U.S. ports, usually by transshipment from Europe. The main direct-call U.S./West Africa carriers are Wilhemsen Lines, Torm Line, America Africa Delmas Line, and Atlantic Container Lines. In addition, Maersk Line offers weekly sailings from the U.S. to Dakar with transshipment in Algeciras in southern Spain. Grimaldi offers bi-monthly sailings from the U.S. direct to Dakar. Transit time from Houston, New Orleans and Miami is 34, 36 and 40 days, respectively. Total freight traffic averages 10 million metric tons.

*Ground Transportation:* Taxis (black-yellow, and blue in color) are cheap, numerous and available everywhere in Dakar. It is customary to negotiate the fare since most meters installed in the taxis are broken or missing. For travel outside Dakar, public transportation is available but often unreliable and uncomfortable.

U.S. visitors who plan to stay in Dakar a few days may want to hire a car and driver. Numerous car rental agencies offer first-class service and have a desk at the airport and in hotels. Credit cards are accepted for payment. Visitors should note that the charge for service from the airport is a flat rate, and the taxi driver will not use the meter. Check if your hotel has an airport shuttle, as this can be the most convenient means of transport to and from the airport.

## Language

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The principal language of international business in Senegal is French. Many Senegalese businessmen can conduct basic business in English but are not comfortable with extended or technical conversations, although this is changing as more and more Senegalese choose to study in the U.S. High-level professional interpretation is available at \$640-700 per day for business meetings, but less expensive (\$200-300) competent interpreters are also available.

**Medical Facilities**

There are several hospitals and clinics in the capital, Dakar, which can treat major and minor injuries and illnesses. There is inadequate inpatient psychiatric care, though there is very good office-based psychiatry. There are no facilities in Senegal that are at the level of Western European hospitals or U.S. community hospitals but there are some that are good and can be used in case of an emergency. The Embassy maintains a list of physicians and other health care professionals though the Embassy does not guarantee their services or recommend physicians. Medical facilities outside Dakar are limited.

French medications are far more readily available than American drugs and the limited selection of American drugs in stock are often listed under the French trade names. Medications may be obtained at pharmacies throughout Dakar and in other areas frequented by tourists and are usually less expensive than those in the U.S. Travelers should carry a supply of any needed prescription medicines along with copies of the prescriptions including the generic name for the drugs and a supply of preferred over-the-counter medications.

**Medical Insurance**

Travelers should be strongly urged to purchase evacuation insurance prior to traveling abroad. In addition, travelers should expect to pay cash for medical services obtained in Senegal. Medical facilities in Senegal will only accept cash and will not accept medical insurance or even credit cards. U.S. medical insurance may cover overseas medical expenses on a pay-and-claim basis but this is not guaranteed.

Useful information on medical emergencies abroad, including overseas insurance programs, is provided in the Department of State's Bureau of Consular Affairs brochure, *Medical Information for Americans Traveling Abroad*, available via the Bureau of Consular Affairs home page.

**Other Health Information**

Information on vaccinations and other health precautions, such as safe food and water precautions and insect bite protection, may be obtained from the Centers for Disease Control and Prevention's (CDC's) hotline for international travelers at 1-877-FYI-TRIP (1-877-394-8747), fax 1-888-CDC-FAXX (1-888-232-3299), or via the CDC Internet site at [www.cdc.gov/travel](http://www.cdc.gov/travel). For information about outbreaks of infectious diseases abroad consult the World Health Organization's website at <http://www.who.int/en> Further health information for travelers is available at <http://www.who.int/ith>

Malaria is a serious risk to travelers in Senegal. Chloroquine resistant *P. falciparum* malaria is a severe form of the disease that is found in many parts of West Africa, including Senegal. Because travelers to Senegal are at high risk for contracting malaria they should take one of the following anti-malarial drugs: mefloquine (Lariam - tm), doxycycline, or atovaquone/proguanil (Malarone - tm). The Centers for Disease Control and Prevention have determined that a traveler who is on an appropriate anti-malarial drug has a greatly reduced chance of contracting the disease. In addition, other personal protective measures, such as the use of insect repellents, help to reduce malaria risk. Travelers who become ill with a fever or flu-like illness while traveling in a malaria-risk area and up to one year after returning home should seek prompt medical

attention and tell the physician their travel history and what anti-malarials they have been taking. For additional information on malaria, protection from insect bites and anti-malarials, visit the CDC Travelers' Health website at [www.cdc.gov/travel/malinfo.htm](http://www.cdc.gov/travel/malinfo.htm)

Other vaccines may be recommended for travel to Senegal. Please visit the CDC's website for more information.

## **Local Time, Business Hours, and Holidays**

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### *Local Time*

Dakar is on Greenwich Mean Time, four time zones ahead of Eastern Standard Time (EST). Daylight Savings Time (DST) is not observed in Senegal, thus there is a five-hour time difference during DST in the U.S. Business Hours are typically from 0800 to 1800, with a long lunch break (2 hours) typical for government offices.

### *Holidays*

January 1 (New Year's)  
April 4 (Independence Day)  
May 1 (International Labor Day)  
August 15 (Assumption Day)  
November 1 (All Saints Day)  
December 25 (Christmas Day)

In addition, the following holidays are observed according to the religious calendars: Korite, Tabaski, Mawlud, Easter Monday, Ascension and Pentecost.

## **Temporary Entry of Materials and Personal Belongings**

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Several types of items -- including computers and computer parts, video cameras and players, stereo equipment, tape players, auto parts, and various tools and spare parts -- can be brought into Senegal without clearance by Senegalese customs officials.

## **Web Resources**

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CDC Travelers' Health website at <http://www.cdc.gov/travel/malinfo.htm>  
State Department Visa Website: <http://travel.state.gov/visa/>

U.S. Embassy Dakar: <http://dakar.usembassy.gov>

Senegalese Embassy in the US: <http://www.ambasenegal-us.org/>

Registration for the Biometric Visa: <http://www.snedai.sn/en/>

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## Chapter 9: Contacts, Market Research and Trade Events

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### Contacts

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Information for Investors: [www.gouv.sn/-Investir-au-Senegal-.html](http://www.gouv.sn/-Investir-au-Senegal-.html)

Senegal Investment Promotion Agency (APIX): [investinsenegal.com](http://investinsenegal.com)

Business Registration Office: [creationentreprise.sn/en](http://creationentreprise.sn/en)

Ministry of Finance: [www.finances.gouv.sn/](http://www.finances.gouv.sn/)

The American Chamber of Commerce in Senegal: [www.amchamsen.org/](http://www.amchamsen.org/)

Invest in the Franc Zone: [www.izf.net](http://www.izf.net)

Chamber of Commerce, Industry and Agriculture: [www.cciad.sn/](http://www.cciad.sn/)

Conseil National du Patronat du Sénégal (CNPS): [www.cnp.sn/](http://www.cnp.sn/)

Confédération Nationale des Employeurs du Sénégal (CNES): [www.cnes.sn/](http://www.cnes.sn/)

### Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/mrktresearch/index.asp> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

### Trade Events

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Please click on the link below for information on upcoming trade events.

[www.export.gov/tradeevents/index.asp](http://www.export.gov/tradeevents/index.asp)

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## Chapter 10: Guide to Our Services

The President's National Export Initiative marshals Federal agencies to **prepare U.S. companies to export successfully, connect them with trade opportunities** and **support them once they do have exporting opportunities**.

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: [www.export.gov](http://www.export.gov)

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link: (Insert link to Products and Services section of local buyusa.gov website here.)

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRAD(E)**.

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.

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