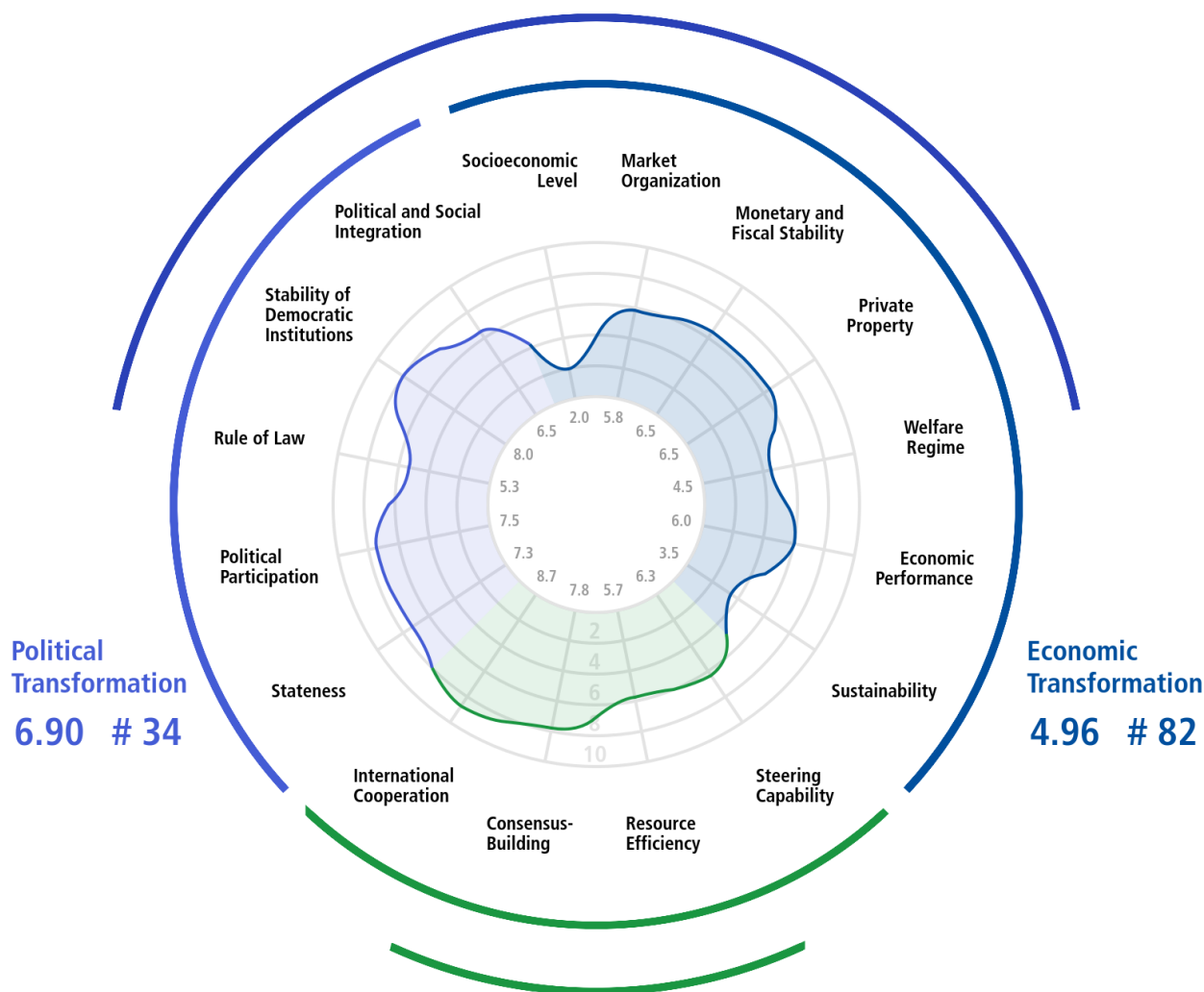


Senegal

Status Index

5.93 # 49

on 1-10 scale out of 137



Political Transformation
6.90 # 34

Economic Transformation
4.96 # 82

Governance Index

6.56 # 13

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2024**. It covers the period from February 1, 2021 to January 31, 2023. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	17.3	HDI	0.511	GDP p.c., PPP \$	4209
Pop. growth ¹	% p.a.	2.6	HDI rank of 189	170	Gini Index	38.3
Life expectancy	years	67.1	UN Education Index	0.347	Poverty ³	% 37.6
Urban population	%	49.1	Gender inequality ²	0.530	Aid per capita \$	81.7

Sources (as of December 2023): The World Bank, World Development Indicators | UNDP, Human Development Report 2021-22. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

President Macky Sall has been politically weakened during his second presidential term (2019 – present). Following the July 2022 legislative elections, Sall’s ruling coalition, United in Hope (Benno Bokk Yakaar, BBY), lost its supermajority in the National Assembly, meaning that it can no longer make changes to the constitution without opposition support. The number of seats controlled by BBY fell from 125 to 82 (out of 165). The election marked the first time in Senegalese history that the ruling party failed to win an absolute majority. Even though Sall’s coalition gained the most seats, it fell one seat short of a majority and was forced to rely on an opposition candidate to achieve a working majority. The loss of the supermajority has significant political implications. President Sall has not yet made clear his intention to run for a controversial third term in the upcoming 2024 elections.

The 2022 legislative elections took place in a tense environment following a court ruling that invalidated the electoral list of the main opposition coalition, Yewwi Askan Wi, led by Ousmane Sonko, on a technicality. The ruling sparked protests and violence leading up to the election. The legislative election eventually took place without major incident, achieving a 46% turnout. Yewwi Askan Wi managed to achieve an impressive electoral score despite running on a “back up” electoral list. Opposition groups alleged fraud but ultimately accepted the results.

President Sall reinstated the post of prime minister in 2022 after abolishing it in 2019. Amadou Ba, who previously served as both foreign and finance minister, has been named prime minister by presidential decree.

The government continued to pursue its development plan, Plan Senegal Emergent (PSE). The plan aims to transform Senegal into an emerging economy by 2035. PSE’s key objectives include structural transformation of the economy, promotion of human capital and strengthening governance. The government touts its success in simplifying tax and legal mechanisms, and promoting high-impact development. Notable infrastructure projects include the completion of a

high-speed regional train (TER) linking Dakar's city center to the new international airport (Blaise Diagne) in Diamniadio, as well as the Diamniadio Industrial Park. The current PSE phase also includes improved infrastructure for the fishing sector and increased rice production.

Nonetheless, significant economic and social problems remain. Poverty and inequality are persistently high. The steady number of young Senegalese attempting to migrate illegally to Europe is testament to the limited economic opportunities for young people in Senegal. The formal sector remains small, forcing the vast majority of people to make a precarious living in the informal sector. Urban infrastructure fails to cope with population growth. The periodic flooding that paralyzes Senegal's capital city underscores the salient problem of existing infrastructure deficiencies. President Sall has identified the increasing cost of living and flooding as two of the key challenges facing the country, and has vowed to address them.

Senegal has received generally positive praise for its pandemic response. Following the initial disruption caused by COVID-19, regular economic activities have resumed. The pandemic led to economic hardship, particularly for workers in the informal sector. However, as of 2021, economic growth stands at a healthy 6.1%.

Russia's invasion of Ukraine has had a detrimental effect on Senegal's economic situation, resulting in increased food and energy prices, and sparking a cost of living crisis. Additionally, the conflict has hindered investment in the country. Senegal has sought to refrain from aligning with either side, opting to abstain from voting on the U.N. resolution denouncing the Russian attack on Ukraine.

History and Characteristics of Transformation

Since its independence in 1960, Senegal has been a politically exemplary country in West Africa, despite a period of one-party rule. The party of the country's first president, Léopold Senghor, which was renamed the Socialist Party (Parti Socialiste, PS) in the 1970s, ruled the country for over 40 years. In 1974, the one-party state authorized a limited multiparty regime, comprising three political parties. The Democratic Senegalese Party (Parti Démocratique Sénégalais, PDS), led by opponent Abdoulaye Wade, became the main opposition party for the next 20 years. Senghor stepped down voluntarily in 1980 in favor of his successor, Abdou Diouf, and the Senegalese party system was fully liberalized in 1981.

The first peaceful transition of power occurred in 2000 when longtime opposition leader Abdoulaye Wade (PDS) won the presidential election against Diouf – in part because of the support of former PS faction leaders. Wade embraced anti-colonial and anti-imperialist rhetoric but did not fundamentally alter the country's course, which relies on a broad consensus of societal actors. He was a shrewd power politician who would remove prime ministers when they became too powerful. Macky Sall, prime minister from 2004 to 2007, was publicly humiliated, dismissed as president of the National Assembly and as the PDS's deputy secretary-general, and narrowly

escaped judicial prosecution for corruption. In 2008, he founded his own political party, the Alliance for the Republic (APR). When in December 2011, Wade announced his candidacy for a third term in office, constitutionally controversial but validated by the country's constitutional council, a massive wave of popular protest ensued. In the 2012 elections, Macky Sall was elected president in a run-off vote. Wade immediately conceded power, and a second peaceful turnover occurred.

Senegal's macroeconomic situation worsened in the early 1990s. After a 50% devaluation of the regional currency, the CFA franc, and the implementation of a structural adjustment program in 1994, inflation remained low and growth improved, but living conditions saw little improvement. From 2000 to 2008, annual growth rates hovered around 5% – a relatively high figure compared to many economies in the subregion but inadequate for meeting the needs of a growing, increasingly urban population. Between 2009 and 2013, economic growth slowed, averaging only 3.5% according to World Bank data. Starting in 2014, the services sector, investments, and exports experienced a revival, with growth typically exceeding 6%. This represents one of the highest growth rates on the continent.

In the last 10 years, the country has risen to lower middle-income status, according to the World Bank. The government made massive investments in the country's infrastructure, including a new airport, a highway to the capital, a satellite town outside Dakar (to decongest the peninsula), off-shore oil and gas production, and stadiums. Senegal has embarked on a decidedly investment-friendly course, embedded in regional and global cooperation. The Sall government has been able to mobilize international support and greatly improve relations not only with international financial institutions such as the World Bank and the IMF but has also been a regular guest at G20 summits. Sall has entered the Compact with Africa and follow-up initiatives such as the Partnership for Reform with the German government. However, immense structural challenges remain, including low formal employment, a small manufacturing sector, high inequality and unemployment, and a vast informal sector. President Sall also faces increasing social resistance to perceived democratic infringements, including harassment of opposition members and the press, and the growing suspicion that he will run for a third term.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

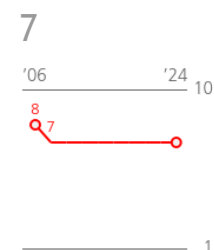
The Senegalese state has a monopoly on the use of force across most of its territory, with the notable exception of the Casamance region, where it has been fighting a low-intensity separatist insurgency by the Mouvement de Forces Démocratiques de Casamance since 1982. Control of Casamance is further complicated by its geographic location, separated from the rest of Senegal by the Anglophone country of the Gambia. While the rebels have been weakened in recent years, including by the removal from power of the Gambia's longtime dictators and the rebels' former ally, Yahya Jammeh, the situation is largely a stalemate, with neither government forces nor the rebels able to take full control. Nevertheless, the rebels remain active in illegal economic activities, including illegal trade.

The state has ceded some of its control in Touba, the seat of the powerful Mouride brotherhood. Most Senegalese practice a Sufi variant of Islam in which they pledge allegiance to a specific religious leader and belong to one of several brotherhoods. The Mouride brotherhood is considered Senegal's most powerful, allowing religious leaders to exert a lot of influence. This is particularly evident in Touba, where, with the state's approval, the Mouride brotherhood has taken control of maintaining order. The Mouride capital is also a special economic zone and plays an important role in Senegal's shadow economy, including the trade of counterfeit goods.

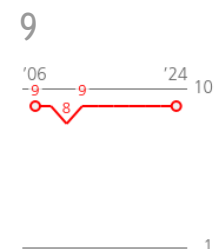
There is widespread acceptance of Senegal as a nation-state among its citizens. Even the majority of residents in Casamance, a region plagued by a separatist insurgency, view the state as legitimate and consider themselves Senegalese. Leopold Sedar Senghor, Senegal's first president, is often credited with promoting cooperation among different ethnic and religious groups. As a "double minority" (both ethnic and religious), Senghor had to garner support from various factions, establishing a precedent of ethnic and religious tolerance that has become a significant aspect of Senegalese national identity. This culture of tolerance is further codified in Senegal's constitution, which emphasizes secularism following the French model, despite the rise of contentious debates since the 2000s. The constitution also prohibits the formation of parties based on ethnic or religious affiliations. The state does not overtly exclude any specific ethnic or religious groups.

Question
Score

Monopoly on the
use of force



State identity



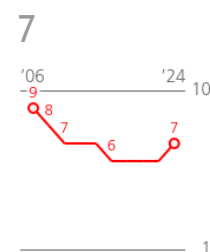
The laws governing Senegalese citizenship, amended in 2013, treat men and women equally, allowing Senegalese women to pass on Senegalese citizenship to their children or foreign spouse on the same terms as men. Senegal tolerates dual citizenship for regular citizens, but it forbids presidential candidates (and presidents) from holding dual citizenship. Senegal has offered naturalization to Mauritanian refugees whose citizenship in Mauritania has been contested. The issuance of birth certificates has improved in rural areas, but a disparity between rural and urban areas remains. By regional standards, Senegalese citizenship law is fairly inclusive.

Senegal is a formally secular state, but in a highly religious society, religious authorities have significant influence on the state. Religious leaders from different Sufi brotherhoods, especially the Mourides, have played a prominent role in Senegalese politics – often mobilizing support for political leaders known as the “Senegalese social contract.” While voting orders have been common in the post-independence period, they have become less effective since the first political turnover in 2000. Religious leaders continue to back political candidates and rally supporters on their behalf, but they do so in a more subtle way. All Senegalese politicians have shown reverence to religious leaders and have sought their support. Senegal is religiously diverse, and even minority religious groups, such as Catholics, receive considerable recognition from the state.

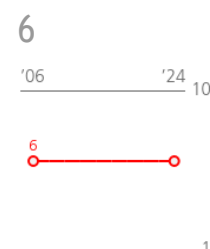
Senegalese religious leaders have contributed to the country’s stability and possibly act as a bulwark against radical Islam. However, they also exert a constraining influence over government policies, family law and the role of religious education. The Senegalese Family Code, which governs divorce, marital disputes and inheritance, has been a point of contention between the state and religious leaders. Due to religious resistance, the state has been unable to consistently implement it in practice. The influence of religious leaders shields Koranic schools from proper supervision, even in the face of widespread allegations of the mistreatment of children, many of whom are forced to beg on the streets.

State administration covers the entire Senegalese territory. However, the state’s administrative presence decreases further inland, away from the coastal capital. The state’s presence in rural areas is notably thinner than in urban areas. Administrative capacity is hampered by a lack of resources and poor infrastructure. The process of decentralization, which started in 1996, has not brought significant improvements. The Senegalese tax system is underdeveloped, with a relatively narrow tax base. The provision of social services is limited and uneven, with rural areas having worse access to education, health care and electricity. Overall, 84.9% of the population has basic access to water and 56.8% have basic access to sanitation. However, only 24.1% have access to improved sanitation, where sanitation facilities are not shared with other households and waste is disposed of safely. In 2020, 70% of people had access to electricity, a marked improvement from 56.5% in 2010.

No interference of religious dogmas



Basic administration



2 | Political Participation

Elections over the last several electoral cycles in Senegal have been deemed free and fair. The country has seen two instances of the transfer of power through the ballot box, with the incumbent presidents – Abdou Diouf and Abdoulaye Wade – voted out of office in 2000 and 2012, respectively. Presidential and legislative elections are conducted regularly. Senegalese citizens enjoy universal suffrage, and the secret ballot is generally respected. Notwithstanding, some vote-buying and electoral fraud take place. Parties and candidates are free to compete, with the number of registered parties tallying in the hundreds. The 2016 constitutional reform aimed to limit the high number of candidates contesting elections (through a sponsorship provision) by increasing the number of signatures required to contest elections.

While party formation is freely allowed, opposition candidates and parties have been hampered in some instances. Some potential candidates, such as Khalifa Sall and Karim Wade (the son of former president Abdoulaye Wade), were unable to compete in the 2019 presidential elections due to criminal charges against them. Many Senegalese viewed these charges as politically motivated. Yet, former President Wade’s call to boycott the election was not followed. The 2016 constitutional reforms, which increased the number of signatures required to appear on the presidential ballot (referred to as “parrainage” or sponsorship), reduced the number of candidates able to run for president. During the 2022 legislative elections, the electoral list of the main opposition coalition, Yewwi-Wallu, was invalidated, forcing the coalition to campaign with their “stand-in” candidates (“supleants”). Although these actions were predicated on existing laws, they create the impression among some Senegalese that those in power want to limit the viability of opposition. Once elections take place, results are respected, and winners accede to their posts.

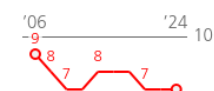
The main electoral management body is the permanent electoral commission, the Commission Electorale Nationale Autonome. Members of the commission are nominated by the president. The commission is formally autonomous, but its impartiality has repeatedly been criticized. In general, polling procedures are transparent, and the vast majority of voters can participate unimpeded.

Democratically elected political representatives have the power to govern, though the balance of power between the legislature and the presidency is skewed toward the latter. Much of the power in Senegal is concentrated in the presidency, with the president controlling many significant appointments. Nonetheless, the National Assembly doesn’t simply rubber-stamp government policy and can exercise some oversight since its support is needed to approve legislation.

The Senegalese army is apolitical and does not get involved in policymaking or the exercise of power. The religious establishment has limited formal powers, but it can exercise important influence behind the scenes. It is unlikely that Senegalese leaders would propose significant laws without consultation with religious authorities. Legislation regarding family or social issues would need to be supported by religious leaders.

Free and fair elections

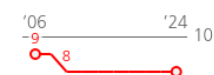
7



1

Effective power to govern

8



1

The right to assemble and to organize peaceful demonstrations is constitutionally guaranteed, and protests are frequent, especially in the capital Dakar. However, the authorities try to control the number and timing of protests, occasionally refusing permission on seemingly arbitrary grounds.

Senegalese civil society is vibrant and can assemble freely, with the notable exception of LGBTQ+ groups, which face a hostile environment. The state mobilizes social opposition and stigma to intimidate LGBTQ+ groups. Religious organizations, student groups and trade unions can assemble freely.

The constitution guarantees freedom of expression, and this freedom are generally respected. Senegal has a vibrant media landscape, with numerous newspapers, radio stations and digital media organizations. The neutrality of media outlets is sometimes hampered by undue influence or financial considerations, for example, when journalists are given financial incentives to cover certain stories.

Journalists are occasionally harassed or arrested. A recent high-profile example includes the jailing of Pape Ale Niang, director of the Dakar Matin news website, on November 4, 2022 on charges of revealing confidential government information. While in prison, Niang went on a lengthy hunger strike, galvanizing attention and support as his health deteriorated. Niang's arrest is widely seen as politically motivated, prompting protests from other Senegalese journalists and even an appeal for Niang's release from a U.N. envoy.

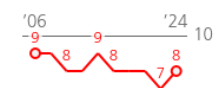
3 | Rule of Law

The Senegalese constitution creates some checks and balances, but the presidency is undoubtedly the strongest branch. The National Assembly can vote against the president's legislative priorities. The counterbalancing role played by the legislature depends partly on its partisan make-up. Until 2022, President Sall enjoyed a large majority in parliament and did not have to worry about the legislature voting against his programs. Following the July 2022 legislative elections, President Sall's coalition, Benno Bok Yakar, lost its previously large majority. As a result, it will be more constrained than the previous legislature, as President Sall cannot rely on automatic support for his agenda.

The judiciary is nominally independent, but it is not immune to political influence. The Senegalese judiciary is well-trained, but career advancement is affected by the presidency, limiting the independence of judges. The controversial prosecution of political adversaries, such as Ousmane Sonko and Khalifa Sall, cast doubt on the degree of separation between the judiciary and the presidency.

Association /
assembly rights

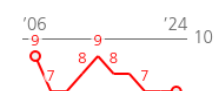
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Freedom of
expression

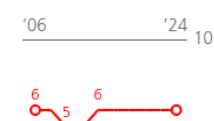
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Separation of
powers

6



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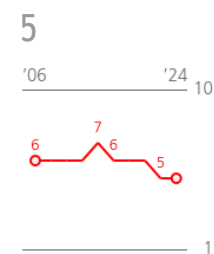
Senegal has multiple court levels. Common law matters are adjudicated by district courts, regional courts, the Court of Appeal and the Assize Court. There are also courts for special jurisdictions, such as the Court for Suppression of Illicit Enrichment. The Supreme Court provides first- and last-instance judgment on the legality of decisions taken by authorities. The Court of Auditors is the supreme auditor of public finances. The five-member Constitutional Council rules on the constitutionality of national laws, reviews candidacies for presidential and legislative elections, and declares the results of elections. Its members are selected among judges from the country's main courts as well as from the faculties of law of Senegalese universities. While Senegal's judges have a reputation for being well trained, their independence is arguably constrained by the executive, particularly in cases concerning politicians. In recent years, several opposition politicians have been charged with various crimes. Most recently, Ousmane Sonko has been charged with rape, likely ruling him out of the 2024 presidential election. This follows previous convictions on corruption charges of prominent politicians Karim Wade and Khalifa Sall, who were barred from contesting the 2019 election. The fact that opposition politicians are the only ones charged with corruption leads some Senegalese to suspect that these charges are politically motivated. Corruption within the judiciary remains a problem, as does underfunding and understaffing of the judiciary.

Allegations of corruption in Senegalese politics have always been common. The media provide one source of oversight, and civil society groups are another source of condemnation. Prosecution of alleged corruption is controversial because it tends to target the opposition or members of the former ruling party. The Cour de Repression Contre l'Enrichissement Illicite pursued a high-profile conviction of Karim Wade, the son of the former president, Abdoulaye Wade. While many of Karim Wade's activities raised public suspicion, the singular focus on him appeared politically motivated. Charges against the former mayor of Dakar, Khalifa Sall, also appear to have political undertones. The popularity of Khalifa Sall in the capital made him a serious potential political adversary. His prosecution, in turn, meant that he was ineligible to stand for president and compete against President Macky Sall, while fueling his political charisma.

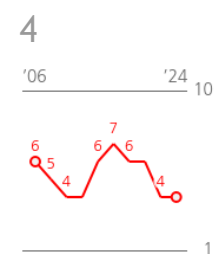
Civil rights are generally respected in Senegal. The constitution affirms respect for citizens' civil rights, and the Senegalese state is seen as non-discriminatory. The violation of civil rights is, in theory, subject to criminal punishment, but reported abuses by state agents are not always investigated or punished.

Equality before the law, and equal access to justice and due process under the rule of law are enshrined in national legislation. There is generally little discrimination based on ethnicity or religion. In contrast, LGBTQ+ persons are sometimes harassed, and their rights are severely limited. Homosexual acts are criminalized, and those engaged in them are frequently jailed. Such arrests are described in the media, often using individuals' full names, thus contributing to their shaming in public. Senegalese laws

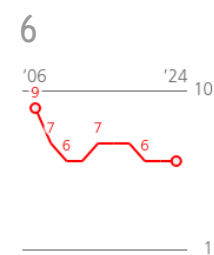
Independent judiciary



Prosecution of office abuse



Civil rights



describe homosexuality as an “act against nature.” Abortion is banned under any circumstances. Women are frequently jailed for having abortions, even if they have been raped.

Pretrial detentions are often arbitrarily extended. Prisons are overpopulated and suffer from abhorrent sanitary conditions.

Senegal has ratified the U.N. Convention on the Rights of the Child, but child labor is common. Boys who are placed in Koranic schools are often exposed to violence and are commonly forced to beg on the streets. The plight of begging among children is widespread and a source of great controversy in urban areas.

Public health measures during the COVID-19 pandemic provided authorities with the power to restrict civil rights, such as public gatherings, although these measures had eased by January 2023.

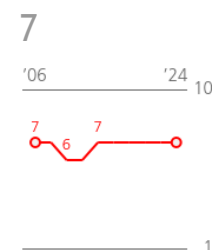
4 | Stability of Democratic Institutions

Senegal has a long tradition of institutionalized governance. Key democratic institutions, including the parliament, the judiciary and public administration, are present. Parliament is elected through regular elections every five years. These institutions generally function well, though their exact configuration is frequently altered. For example, the Senate was established in 1999 but abolished in 2001, re-established in 2007 but abolished again in 2012. New institutions such as the Conseil Economique, Social et Environmental have been created instead. The post of prime minister has been maintained inconsistently since 2019. This fluidity allows the president to shape and co-opt democratic institutions to his political advantage.

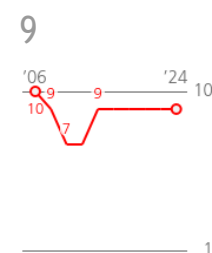
The presidency remains more powerful than the legislative and judicial branches of government. Importantly, democratic mechanisms, especially related to transitions of power, remain strong as seen in 2000 and 2012. Democratic institutions benefit from vibrant civil and active media. Attempts to create strong regional entities during decentralization have had mixed success. The creation of local institutions, which have been dramatically expanded over the last two decades, has been used by Senegalese presidents as a form of patronage.

There is broad support for Senegal’s democratic institutions among both citizens and elites. The political, religious and military establishments show commitment to democratic rule. While Senegalese citizens might sometimes be cynical about politicians, they view democratic institutions and processes as legitimate. Influential civil society movements strongly engage in democratic vigilance.

Performance of democratic institutions



Commitment to democratic institutions



5 | Political and Social Integration

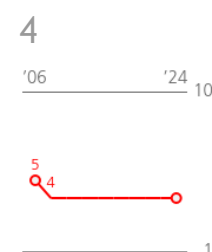
Senegal's party system has been unstable over the last 20 years, with high volatility. The Parti Socialiste (PS), which held power for 40 years following independence (until 2000), has been substantially weakened and is now a shadow of its former self. Given the prevalence of clientelism in winning popular support, a party loses substantial resources and its clientelist networks once it is out of power. A common pattern of Senegalese politics is that politicians and voters flock to those who are already in power until their position weakens. Once it lost power, PS saw a large exodus of its members of parliament toward the new ruling party at the time, President Wade's PDS, which held power between 2000 and 2012. After Wade's 2012 defeat, the cycle repeated itself, and the PDS lost many of its members, to the benefit of President Macky Sall. President Sall's coalition, Benno Bok Yakar (BBY), thus also appears fragile and is contingent on Sall being in office. Party switching (transhumance) is very common.

Senegalese parties are rather personalistic, centered around single figures (rather than programs or structures) and are very vulnerable to decline when political circumstances change. The party scene is also very fragmented with hundreds of small parties that have little prospect of winning. Many such parties are vehicles of personal advancement for their leaders. Most parties are poorly institutionalized, with a weak presence in the country. Most parties do not have a distinct policy platform, and reliance on clientelism remains common.

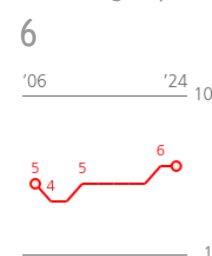
Senegal has a vibrant civil society, ranging from trade unions and youth movements to religious organizations. Religious leaders have considerable influence over political leaders. Their privileged access to power gives them a powerful platform to represent their interests. Trade unions are prolific, but they represent a minority of voters, given the small size of the formal economy. The informal economy is surprisingly well organized, given its informality. Women's organizations are also well organized and have played a crucial role in increasing women's representation in Senegalese parliament, though their ability to improve the social and economic position of women has been more limited. Youth movements and student groups have proliferated in recent years, with many of them involved in politics.

Approval of the democratic form of government is high in Senegal, even though citizens are often disillusioned with politicians and their performance. Attachment to multiparty politics and elections as the process of choosing leaders is very high. According to the Afrobarometer survey (2022), 84.3% of the population believe that democracy is preferable to any other kind of government. 86.7% of respondents disapprove of one-party rule. However, the assessment of how democracy actually works in Senegal is much more negative, with 50% of Afrobarometer respondents expressing dissatisfaction.

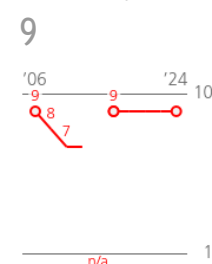
Party system



Interest groups

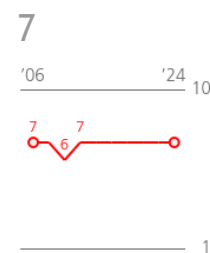


Approval of democracy



The level of trust in Senegal is generally high, including across ethnic and religious groups. Trust in religious leaders and traditional authorities is high. Afrobarometer data for 2022 shows that 65.7% of the respondents trust religious leaders a lot, whereas only 32.7% trust traditional leaders a lot. There is a pronounced urban-rural difference, with trust levels considerably higher in rural areas, particularly with regard to traditional leaders (19.2% trust traditional leaders a lot in urban areas, 43.4% in rural areas). In urban areas, life is more individualistic and impersonal than in rural areas, thus affecting the level of social trust. Yet, even in urban areas, the proliferation of various organizations or informal self-help schemes, such as “amicales” or “tontines,” gives individuals access to networks of support and helps collaboration.

Social capital



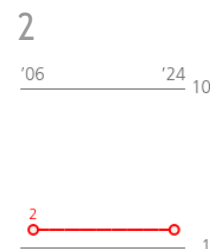
II. Economic Transformation

6 | Level of Socioeconomic Development

Even though Senegal has registered robust growth rates in the last decade, poverty and inequality remain widespread. The World Bank reclassified the country as a lower middle-income country in 2019. Yet, the Human Development Index paints a much more troublesome picture, placing Senegal at 170 out of 191 countries with a score of 0.511 (2021). Senegal has been stuck in this unenviable place for years, unable to make noticeable improvements, despite the absence of conflict or violence, factors that are the main obstacles to progress in many other African countries.

Question Score

Socioeconomic barriers



The World Bank estimated the poverty rate to be 37.4% in 2018 and calculated a Gini index of 38.1, down from 40.3 in 2011. Inequality remains high, despite a slight improvement over the last decade. The United Nations Human Development report estimated the loss due to inequality at 30.7% (2021).

Inequality has a strong gender dimension. Girls receive significantly fewer years of formal education than boys since cultural practices such as early marriage and early pregnancy persist. Wage gaps and barriers to access to land compound existing inequalities. Senegal’s value at the Gender Inequality Index was 0.53 in 2021, slightly down from 0.58 a decade earlier.

Inequality also has a spatial dimension, as much of Senegal’s economic activity is centered around the coast, especially in the capital. This inequality has two components: urban-rural and coastal-hinterland, with rural regions along Senegal’s eastern edge experiencing the least development. Inhabitants of the eastern regions often refer to their area as “forgotten Senegal.” The urban-rural discrepancy explains the massive influx of rural migrants into cities. However, Senegal’s urban centers

cannot offer sufficient opportunities to integrate those who migrate there. The majority of those who migrate make a living in the informal sector.

Wealth might not be distributed equally between different ethnic and religious groups, with the historic neglect of the Diola in the Casamance region being a significant contributing factor to the separatist conflict there. Yet, Senegal does not suffer from the same stark ethnic and religious gaps in development levels as many other African countries.

Economic indicators		2019	2020	2021	2022
GDP	\$ M	23404.0	24530.5	27569.1	27684.4
GDP growth	%	4.6	1.3	6.5	4.2
Inflation (CPI)	%	1.8	2.5	2.2	9.7
Unemployment	%	2.9	3.5	3.5	3.4
Foreign direct investment	% of GDP	4.6	7.5	9.4	9.3
Export growth	%	14.7	-13.2	22.6	8.1
Import growth	%	6.8	7.0	15.5	29.1
Current account balance	\$ M	-1897.9	-2662.4	-3327.3	-
Public debt	% of GDP	63.6	69.2	73.3	76.6
External debt	\$ M	19243.0	23286.4	28931.4	-
Total debt service	\$ M	1377.9	1783.9	1753.3	-
Net lending/borrowing	% of GDP	-	-	-5.9	-
Tax revenue	% of GDP	-	-	17.5	-
Government consumption	% of GDP	14.0	14.3	15.0	15.5
Public education spending	% of GDP	5.4	5.7	5.6	5.6
Public health spending	% of GDP	1.1	1.7	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.5	1.4	1.7	1.6

Sources (as of December 2023): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Economic freedom has improved in Senegal in the last few years. The Heritage Foundation’s Index of Economic Freedom ranks Senegal 88th out of 177 countries and eighth in sub-Saharan Africa. Senegal has seen a steady rise in the index and in its rank, now classified as “moderately free” for the first time, up from “mostly unfree” in previous ratings. The most significant improvements have been made in terms of property rights, judicial effectiveness, government integrity, and business and labor freedom. While the Senegalese government respects property rights, their implementation is uneven outside of urban areas, where non-elected leaders influence access to land. Trade and monetary freedom remain the most problematic areas. Firms struggle with bureaucratic bottlenecks, have limited access to finance and face high credit costs. The state imposes high tariff and non-tariff costs on businesses. There are concerns that political connections impact the ability to do business or investment prospects.

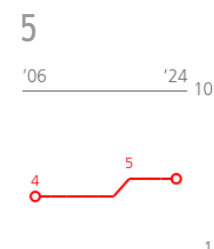
Prices are primarily determined by market forces, with fuel being a significant exception. The Senegalese government subsidizes the cost of fuel and imposes price limits. This has had a considerable impact on the budget, compelling the government to raise prices in January 2023 by a modest XOF 100 per liter. To address the escalating cost-of-living crisis, President Sall introduced a relief plan in November 2022, which encompasses rent subsidies and price caps on essential commodities.

The Senegalese economy is still dominated by the informal sector. According to the International Labor Organization, informal employment accounts for 90.2% of total employment, posing significant challenges to the state’s ability to expand its tax base. Additionally, the majority of workers in the informal sector lack safety nets such as unemployment insurance, disability benefits or pensions. Consequently, the situation of most Senegalese workers can be described as precarious.

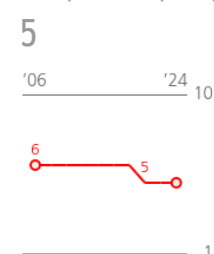
Some monopolies exist both in the formal and informal sectors. Given the small size of the formal Senegalese economy, monopolies and quasi-monopolies can be easily established. Many monopolies that held considerable power during the post-independence period, such as peanut marketing, have been dissolved. However, this has not necessarily led to improvements for producers or consumers due to inadequate market regulation and oversight.

There is a quasi-monopoly in the telecommunications sector, with the company Orange dominating more than 50% of the market. In the energy sector, there is little competition, as the state-owned Senelec has a monopoly on distribution. Energy prices remain high, but there have been improvements in energy production and distribution in recent years, resulting in considerably fewer blackouts than a decade ago.

Market
organization



Competition policy



The state does not actively foster monopolies, but it seems to allow them to exist, including in the informal economy – especially when those sectors are controlled by influential figures. The informal transportation sector, dominated by actors from the Mouride brotherhood or closely associated with it, experiences little competition, despite its poor safety record and substandard vehicles. Other countries in the region have more and better transportation options for travel between cities, suggesting some barriers to entry into the Senegalese market.

As stated in the World Bank 2018 report *Senegal: Better Markets for All Through Competition Policy*, Senegal is subject to two partially contradictory jurisdictions: the rules of the Economic Community of West African States (ECOWAS), which permit the application of the national competition law, and the West African Economic and Monetary Union (WAEMU), which centralizes competition enforcement. Senegal also has its own National Competition Commission, but it is rather inactive in practice, with no reports available about any significant investigations. There are regulatory authorities in some specific sectors, such as telecommunications and advertising, with the power to intervene in anti-competitive practices. Senegal is a member of the International Competition Network.

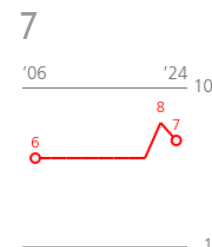
Senegal has a relatively open policy toward external trade. According to the World Trade Organization (WTO), the simple average most favored nation (MFN) applied tariff in Senegal was 12.1% in 2021. Senegal maintains trade partnerships with various actors, both within and outside of Africa. The country has been a member of the World Trade Organization since 1995 and was among the early West African signatories of the Economic Partnership Agreement between ECOWAS and the European Union. Additionally, Senegal has ratified the African Continental Free Trade Agreement, and has signed both the Kigali Declaration and the Free Movement Protocol. Its primary trade partners include China, the European Union, India, Switzerland, as well as other West African countries such as Mali and Cote d'Ivoire.

Senegal plays an important role in both regional and transcontinental trade, with the Port of Dakar being one of the most significant ports in the region. Furthermore, President Sall is pursuing a project to construct a new port south of the capital. This endeavor aims to increase Senegal's import and export capacities.

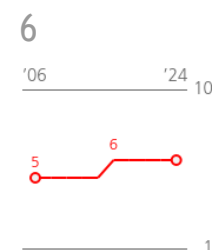
The banking sector is diversified and operates stably under the auspices of a strong regional bank, the Central Bank of West African States (Banque Central des Etats de l'Afrique de l'Ouest). Foreign banks dominate the banking system, with the sector led by subsidiaries of French, Moroccan, Nigerian and pan-African banks.

Access to loans remains a problem, particularly for small entrepreneurs and informal sector workers. Access to credit is poor, even by African standards. The World Bank views this as one of the major impediments to development.

Liberalization of foreign trade



Banking system



Supervision in West Africa is divided between the national and supranational levels. Banks and large deposit-taking institutions are supervised by the Central Bank of West African States and the Banking Commission of the West African Union, whereas the Ministry of Finance handles other financial matters.

The Regional Council for Public Savings and Financial Markets, which is part of the West African Economic and Monetary Union, supervises small microfinance institutions. In addition, the council oversees financial markets. The Ministry of Finance is responsible for the supervision of the insurance industry.

Data on Senegal's banking sector is incomplete. The World Bank does not publish data on the bank capital-to-assets ratio or data on non-performing loans.

8 | Monetary and fiscal stability

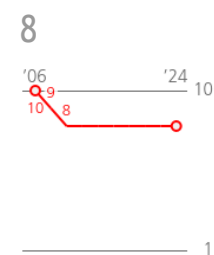
Currency policy is determined by the supranational Central Bank of West African States and characterized by prudent policies. The convertibility of the West African CFA franc (currency code XOF) is guaranteed by the French treasury and pegged to the euro. In 2019, the WAEMU and France concluded an agreement that will lead to the creation of the eco, a new currency to replace the West African CFA franc, limiting France's influence on the currency. Eco is expected to be launched in 2027. France is in the process of withdrawing its representatives from the monetary union. It no longer requires XOF reserves to be deposited in the French treasury.

Inflation rose slightly in 2020 to 2.5% (compared to 1.8% in 2019 and 0.5% in 2018). The lingering effects of COVID-19, and the global rise in energy and food prices in 2022 are expected to push inflation higher. There are no numbers available for the real effective exchange rate index.

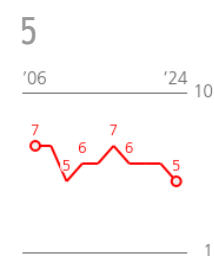
Senegal is experiencing a growing burden of indebtedness. The country's public debt reached 73.2% of GDP in 2021, up from 34.5% in 2012, the year President Sall took office. Over the past five years, the increase has been particularly sharp. According to the World Bank, the current account balance in 2018 (the most recent available data) stood at -\$2,215.3 million, a significant rise compared to previous years. In 2020, Senegal's external debt soared to \$17.2 billion, approximately three times higher than during President Sall's tenure. Debt service payments climbed to \$1.3 billion in 2020. Government consumption has remained relatively steady, constituting 14.6% of GDP in 2021. Unfortunately, there is no data currently available on Senegal's total reserves.

Senegal's escalating debt burden is a cause for concern. Although investments in infrastructure are necessary and could potentially lead to greater economic growth, it remains uncertain whether all the debt-financed investments will yield positive returns. Both President Sall and his predecessor, Abdoulaye Wade, have faced accusations of favoring grandiose projects, such as the new airport and stadium in Diamniadio, while neglecting less glamorous endeavors outside the capital region.

Monetary stability



Fiscal stability



9 | Private Property

Property rights regimes vary in Senegal, depending on location. Senegal has clear property laws, but they are unevenly enforced. In general, property rights are clearer in urban areas, but social conventions affect use rights in rural areas. Women are systematically disadvantaged through the country's inheritance laws. The property rights of investors are respected. In contrast, the Senegalese poor, especially those living in haphazard housing, might lack property rights to their dwellings. Periodically, the media report instances of construction taking place without regularized property rights. Most land in Senegal belongs to the state through the National Domain Law, and the state or local leaders allocate use rights. The state's control of the allocation of land creates possibilities for taking advantage of political connections to acquire property.

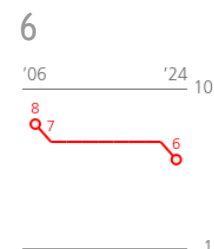
Private companies are permitted and generally protected. The state welcomes foreign investment and encourages public-private partnerships. Private enterprises dominate many important sectors, such as tourism, banking or telecommunications. Legal protections differ between the formal sector, where they are strong, and the large informal sector, where many enterprises might not be registered, do not pay taxes and thus lack legal protection. Private enterprise is widespread, but only a part of it is formal. Senegal has undergone considerable privatization since the 1980s. The leasing of state resources to foreign actors, such as access to fishing in Senegalese waters, has been controversial. The weakness of the domestic private sector often places Senegalese firms at a disadvantage to foreign competitors.

10 | Welfare Regime

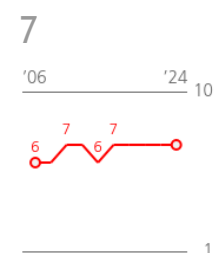
The welfare regime in Senegal is rudimentary and primarily caters to employees in the formal sector. Coverage is both limited and fragmented, leaving the majority of Senegalese without access to health care or pension benefits. Although there are initiatives in place, such as free medical treatment for citizens under the age of five and over the age of 60, they provide incomplete coverage due to financial constraints. According to the World Health Organization (WHO), Senegal allocated 4.1% of GDP toward current health expenditures in 2019. Per capita spending on health increased from \$99.3 in 2009 to \$144.8 in 2019.

Employers with more than 100 employees are required to provide medical coverage. Many workers in the informal sector rely instead on solidarity-based insurance schemes ("mutuelles"). However, many of these mutuelles are vulnerable to failure. In 2013, the government introduced universal basic health care protection (Couverture Maladie Universelle), which builds on the existing informal network of mutuelles. The program relies on voluntary adherence to local mutuelles, especially

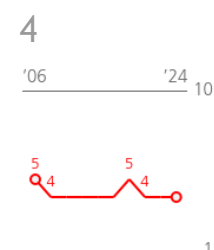
Property rights



Private enterprise



Social safety nets



in rural areas, and it injects funds to support the existing network. The Senegalese government set an ambitious goal of reaching 75% coverage by 2017, but it does not appear to have achieved that goal. According to government data, health coverage increased from 20% to 49.6% during the first five years of the program. Additionally, the government provides some free services for vulnerable populations, including people with disabilities.

Pensions for workers in the formal sector are administered by the Institution de Prévoyance Retraite du Sénégal. The Caisse de sécurité sociale covers work accidents, disability and maternity leave for those formally employed.

In 2014, the government established a “bourse familiale” that provides stipends of XOF 100,000 (\$165) per year to 250,000 poor families. Considering the number of poor families, this program targets a very small share of in-need cases.

In the absence of social welfare programs, extended family networks and remittances serve as safety nets for most Senegalese.

There is a significant gap in Senegal between de jure and de facto equality of opportunity. The Senegalese state does not discriminate against women, ethnic or religious minorities, or castes. Most of the discrimination in terms of reduced opportunities exists due to poverty or social discrimination.

According to the World Bank, only 51.9% of the population can read and write, and there is a significant gap in literacy rates between men (64.8%) and women (39.8%). Many women have their schooling cut short due to early marriage. There are indications that this imbalance in literacy rates will improve in the coming years, as currently there are more girls than boys in primary and secondary education (ratio of 1.2 girls for every boy). However, males outnumber females in tertiary education. According to official statistics, women make up 39.5% of the labor force. They are, however, very active in the informal economy, notably as housekeepers or market vendors.

The 2010 parity law dramatically increased the number of female legislators in the National Assembly. Currently, there are 73 female members of parliament out of 165 legislators (44%). However, women still face a power imbalance within political parties, as most party leaders are men.

Different religious and ethnic groups are generally treated equally. However, caste status presents barriers to marriage, although there is no formal discrimination on the part of the state. Due to the criminalization of homosexuality, LGBTQ+ individuals enjoy fewer protections than other citizens. Foreigners, particularly those from neighboring countries, receive favorable treatment.

Equal opportunity

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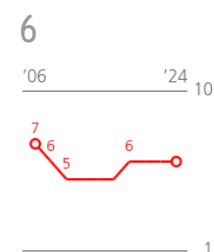


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11 | Economic Performance

Economic indicators present a mixed picture of Senegal's economic performance. Economic growth has been robust over the past decade, with positive numbers recorded every year, except for 2020, when COVID-19 caused a slight contraction of -1.4%. In 2021, economic growth rebounded to 3.3%. Senegal's GDP in 2021 stood at \$27.6 billion. While GDP is experiencing rapid growth, the population is also increasing, making it difficult to achieve substantial gains in GDP per capita. GDP per capita, at \$3,769 (PPP) in 2021, remains low, as does Senegal's ranking on the Human Development Index. Senegal has witnessed growth in foreign direct investment, which reached 7.5% of GDP in 2020, up from 1.7% a decade earlier. Despite the positive growth in GDP and foreign direct investment, it will take years of robust economic expansion to significantly improve living standards. The substantial number of people who lack formal employment remains the largest economic challenge. Senegal's official unemployment rate (3.7% in 2021) is almost meaningless because it does not account for the majority of Senegalese who are forced to make a living in the informal sector.

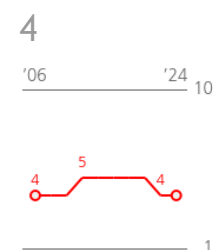
Output strength



12 | Sustainability

Senegal suffers from significant and visible environmental problems. The Environmental Performance Index (2022) ranks Senegal 136th out of 180 countries. While Senegal's relative ranking improved, its absolute ranking declined slightly over the last decade. The effect of climate change is palpable, with changing weather patterns and coastal erosion. Sandstorms, which previously affected only the northern part of the country, have moved further south, affecting the already poor air quality. Air pollution in the capital has become noticeably worse in recent years. The increasing number of vehicles and their generally poor state produce a lot of air pollution in Dakar.

Environmental policy



The country has experienced a cycle of irregular rainfall and flooding, which is particularly severe in urban areas. The rapid growth of urban areas, especially the capital region, has made the country more vulnerable to flooding.

Overbuilding in cities has become a serious problem. Urban areas in Senegal contain very little vegetation that could help capture excess water. The combination of climate change and rapid population growth poses severe environmental problems. Senegal participates in the Green Wall initiative, which aims to stop desertification by planting trees across the Sahel. Although the country is making progress on the project, desertification in the northern part of the country remains a concern.

Senegal struggles to manage its trash. Trash pollution, especially large quantities of plastic, is visible throughout the country. While the government banned single-use plastic bags, plastic debris remains ubiquitous. The problem is dramatically visible on Senegal's beaches, with large quantities of refuse washing ashore.

Overfishing and the illegal harvesting of wood, especially in the Casamance region, remain serious problems. The Senegalese government struggles to protect its coastal waters. Illegal fishing by large, mainly Chinese, trawlers affects both the health of fish stocks and the livelihoods of Senegal's artisanal fishermen.

Senegal's education sector suffers both from insufficient funding and inadequate outputs. Expenditure on education as a percentage of GDP was 5.5% in 2020 (after dipping below 5% in 2017/18). Spending on research and development was 0.6% in 2015, far below the approximate 2% among wealthy countries.

Senegal scores 0.347 (2021) on the U.N. education index, a score that has not improved substantially over the last decade. Net primary education enrollment was only 75%, according to UNESCO. Female net enrollment is now higher than male enrollment (80% and 71%, respectively). This incomplete coverage is a major contributor to the country's low literacy rate, which hovers around 50%.

The quality of schooling is also a problem, with large classes, poor infrastructure, and variable quality between public and private schools. Many Senegalese children, especially in rural areas, do not receive state education but instead attend religious (Quranic) schools, or daaras. With limited regulation, there are concerns about gaps in the school curriculum in many daaras. Frequent strikes also lead to the loss of school days, both among schoolchildren and university students. In January 2023, students at the University of Gaston-Berger in Saint-Louis staged protests, burned tires and blocked roads, denouncing poor study conditions.

Education policy /
R&D

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Governance

I. Level of Difficulty

Senegal faces several structural challenges that constrain its governance capacity, including poverty, illiteracy and poor infrastructure. Poor roads and a large number of households without electricity or running water limit productivity and hinder economic development. These conditions make it difficult for any government to satisfy the long list of unmet needs.

Senegal's geography poses challenges as well. While the country is relatively flat and compact, its southernmost region, Casamance, is separated from the rest of Senegal by the country of the Gambia. This complicates travel between the region and the capital, contributing to the marginalization of Casamance. The bulk of Senegal, north of the Gambia, is arid and prone to droughts. Climate change and desertification have exacerbated the situation, posing challenges for agriculture. Senegal does not have many natural resources, despite the discovery of off-shore oil. However, in contrast to its landlocked neighbors, Senegal's coastline is a major asset.

High population growth and rapid urbanization pose challenges in Senegal. The country has a young population, which means it has a favorable ratio of young to old people. However, due to a small formal sector, Senegal struggles to incorporate many of the young people into the workforce. This presents the government with a so-called demographic dividend but also leads to the problem of high unemployment and a large reservoir of young men with few economic possibilities. The rapid growth of cities, especially Dakar, makes it difficult to manage that growth through urban planning. As a result, construction is haphazard and existing infrastructure is strained.

Senegal has a rich tradition of civil society engagement, but segments of civil society are vulnerable to co-optation by those in power. On occasions, civil society acts as a break on those in power (notably during the 2000 and 2012 elections). However, at other times, parts of civil society appear to gravitate toward those in power. Religious organizations, youth movements and women's groups all have robust networks. Women's organizations, such as Cosef, were instrumental in the passage in 2010 of the law mandating parity on party lists for parties contesting legislative elections. Student groups are numerous, and students often engage in protests or go on strike. Religious groups provide important support networks. NGOs are numerous, ranging from large international ones to national and regional ones. Some have had a positive

Structural
constraints

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Civil society
traditions

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impact on respect for human rights (e.g., Raddho) or on women’s health and education (e.g., Tostan). Social trust is high, including across religious and ethnic groups, but trust in political elites is low. Senegalese incumbents who undertake unpopular actions, such as former President Wade’s pursuit of a third presidential term in 2011, have historically faced mobilization and resistance.

There is a general absence of violent conflict in Senegal, with the notable exception of the separatist rebellion in Casamance. Ethnic and religious cleavages are not very pronounced. They are culturally important, but they do not shape politics (e.g., voting behavior). Senegalese politicians and parties try to garner support across different groups. There is considerable intermarriage. Tensions between Muslims and Christians are exceedingly rare. Minor disputes between different Muslim brotherhoods, over issues such as dates of religious holidays, are not unheard of but are rare.

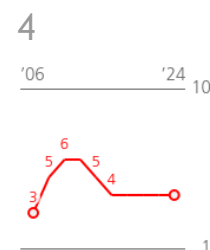
Senegalese politics can be confrontational in terms of discourse and show low levels of violence. Clashes between rival campaigns occur on a regular basis during elections. These confrontations are minor in comparison to other countries in the region, and there is no systematic targeting of ordinary citizens based on their political affiliation. Political demonstrations, especially in the capital, sometimes lead to clashes with security services. Senegalese generally reject sectarian discourse, and politicians who are seen to transgress these norms are criticized. Ousmane Sonko’s more radical style of political mobilization is viewed by some as breaching Senegalese norms. There is a high degree of fluidity in Senegalese politics – with few irreparable divisions – and alliances between former opponents, as in the case of President Sall and Idrissa Seck, are common. This avoids the emergence of hard cleavages, but it also fuels voters’ cynicism about Senegalese politicians.

II. Governance Performance

14 | Steering Capability

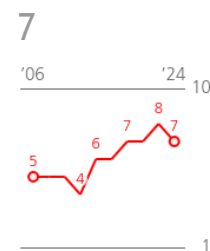
Senegal’s government has articulated its strategic goals through Plan Senegal Emergent since 2014. It is a long-term plan focused on economic development, with the aim of transforming Senegal into an emerging economy. Plan Senegal Emergent places significant emphasis on infrastructure and public-private investment in infrastructure. The country has made notable progress in this area, with the construction of new roads, railways, an airport and a proposed new port. However, there has been considerably less progress in improving the quality of life for ordinary people, such as access to improved sanitation or clean water. Social progress and the goal of reducing inequality are not as visible as the large-scale infrastructure projects.

Conflict intensity



Question
Score

Prioritization



The Senegalese government can draw on both local and international expertise, and has access to qualified personnel. The political leadership is committed to respecting the basic tenets of a market economy, the rule of law and democracy. At the same time, the government is not immune from political pressures. In some instances, the government prioritizes the interests of powerful economic actors – whether foreign or domestic – over long-term benefits for the population.

Some contracts with foreign partners – such as fishing licenses for Chinese trawlers – seemed to privilege short-term gains. Limited progress in expanding state schooling or public transportation is probably influenced by the interests of some domestic actors, such as the powerful Mouride clerics.

Some political appointments – such as the ministerial appointment of Farba Ngom – are widely seen as dictated by political expediency rather than merit. Political considerations and clientelism undermine the decision-making guiding strategic planning.

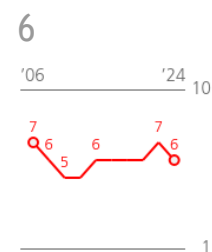
Senegal’s government has been able to implement many, but not all, of its policies. It has more success in seeing through large infrastructure projects and has had notable successes in foreign policy. In recent years, it oversaw the completion of the new airport, stadium and many new office buildings in the planned city of Diamniadio, close to the capital city of Dakar, as well as the commuter train linking Dakar to Diamniadio. Yet, the goal of decongesting Dakar by moving venues to Diamniadio has not produced any visible improvement in the capital. The government has also succeeded in executing effective foreign policy, managing to keep Senegal stable and safe at a time when security has deteriorated in many neighboring countries. Other government plans, such as universal basic health care protection, the Couverture Maladie Universelle, have seen progress but have nevertheless failed to meet stated government goals. High unemployment and the small formal sector remain notable failures.

The Senegalese government displays a mix of openness to dialogue and learning, and top-down decision-making. The government is relatively open to consultations, and generally accepts advice and critical thinking from national and international partners. It has established the Commission d’Evaluation et de Suivi des Politiques & Programmes Publics (Evaluation and Monitoring Commission for Public Politics and Programs) and is open to conducting audits and to review failed policies. The IMF has conducted several rounds of consultations. International development partners are frequently consulted, as are grassroots groups, when new policies are developed. At the same time, given the centralization of power, priorities are set at the top, and major policies are dictated by the particular vision of the executive. Political expediency affects the extent of learning from policy evaluation. Policy evaluations are not always done in a timely manner. For example, audits of Senegal’s public finances are not published on time, as observed by a recent report of the U.S. Department of State.

Implementation



Policy learning



15 | Resource Efficiency

Senegal's utilization of budgetary resources deteriorated throughout the COVID-19 pandemic. The International Monetary Fund (IMF) reports that the general government debt, as a percentage of GDP, rose to 73% in 2021 (up from 44.5% in 2015). Additionally, the fiscal balance, representing the disparity between government revenue and expenditure, worsened to -6.3% (nearly doubling from pre-pandemic levels).

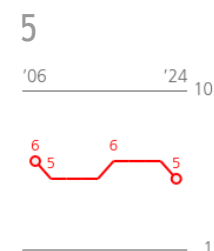
The Government-by-Government assessment conducted by the U.S. Department of State evaluated Senegal's budgetary transparency. According to its 2022 report, the government's budget was widely and easily accessible, including online, and generally reliable. However, it did not include the debt obligations of state-owned enterprises. Notably, the expected publication of the audit report on government expenditures was not realized.

Senegal does not make efficient use of administrative personnel. The politicized allocation of positions is the key inefficiency that hampers public administration. While there is a sizable number of well-educated and qualified personnel, hiring and advancement are not always based on merit.

Senegal has strengthened its fiscal transparency and aligned its legal framework on public finance with West African Economic and Monetary Union (WAEMU) directives, which rely on international best practices. According to the IMF, the country's level of fiscal transparency is on par with other countries of similar size and economic development. The IMF states that fiscal legislation follows international best practices and that overall fiscal planning is sound. While some practices in monitoring risks and fiscal transparency are rated as "good," the IMF criticizes the limited availability of certain documents to the public, such as those pertaining to tax expenditures, and the absence of a thorough analysis of fiscal risks.

Administrative organization has a basic level of competence but is undermined by patronage appointments. Senegal has pursued decentralization reforms, establishing local governance units. This has made the government more responsive to local input, but the additional governance units have also been treated as forms of patronage.

Efficient use of assets



The government's ability to coordinate conflicting objectives into coherent policy has been mixed. The needs of large segments of the population, such as workers in the informal sector or farmers, do not receive sufficient consideration. Successive governments have privileged urban over rural areas and focused on projects appealing to the urban upper classes. The priorities of different government agencies or ministries are often dependent on the political position of those leading them. The politicization of bureaucracies and concentration of power affect policy priorities. Certain domains, such as environmental protection, seem systematically compromised to advance economic development. The state allows the priorities of powerful actors, such as religious clerics, to influence family law and education.

Senegal has official institutions and rules that aim to tackle corruption, but their enforcement is viewed as politicized. For example, the Cour de repression contre l'enrichissement illicite is a special court created to fight corruption. However, thus far, it has only pursued political opponents or those associated with the former ruling party. Members of the current ruling party are largely beyond the reach of scrutiny, which contributes to public cynicism about the selective enforcement of anti-corruption measures.

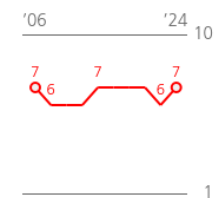
Senegal has an anti-corruption agency, the Office nationale de lutte contre la fraude et la corruption, created in 2012. The office is an independent authority empowered to collect complaints and investigate allegations of abuse of public office. It can also make reform recommendations and publishes an annual report. In 2021, it opened 90 inquiries into alleged malfeasance. While the creation of the body was a step in the right direction, it made little dent in the incidence of corruption. Press reports indicate little progress and continued impunity.

Party financing regulations are incomplete and have recently been politicized by Sonko's Pastef party. In principle, parties cannot receive funding from foreign nationals, but many parties fail to provide transparent party finance accounting. The large number of political parties makes oversight difficult. The difficulty of funding parties through membership fees in a poor country adds to pressures on accessing state resources. Asset declarations for high-level officeholders are mandatory, but questions remain about the sources of wealth of certain political figures, including government ministers.

Senegal meets basic standards of reporting and auditing. It follows WAEMU guidelines for submitting documents to audit institutions, and it provides basic budget statistics to allow transparency. The media frequently raise questions about public procurement and public tenders, and suspicion concerning the political allocation of contracts is not uncommon.

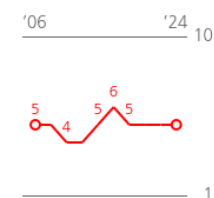
Policy coordination

7



Anti-corruption policy

5



16 | Consensus-Building

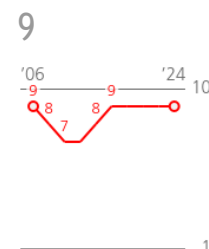
All major political actors in Senegal support democracy and a market-based economy. Commitment to free and fair elections is strong, and political actors use existing institutions to advance their goals. There is a high degree of pride in Senegalese democracy and an absence of extra-constitutional transfers of power, such as military coups, which are not infrequent in the region. The army is neutral and stays out of politics. The religious establishment tries to influence politics, but within the democratic system.

Differences in economic outlook between parties are minor, and parties do not have deep ideological commitments. Support for a market-based economy is genuine but largely pragmatic. Political actors view a market-based economy as “the only game in town.” Hence, political actors support it, even though many Senegalese find the market-based system to be insufficiently solidaristic and too tilted toward individual economic freedom. Nonetheless, capitalism is generally not openly challenged.

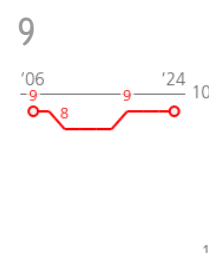
Most influential actors in Senegal are committed to democracy. The Senegalese state does a good job containing radical and non-democratic elements. Senegalese presidents, including the current president, Macky Sall, occasionally take actions that undermine democracy to increase their electoral advantage, for example, by using state power to go after political opponents. Yet, Senegalese institutions have been resilient enough to limit these infractions. Powerful religious clerics from Senegal’s main Muslim brotherhoods have played a powerful role in politics, but they have not undermined the democratic system. They have also been important in helping to stem the rise of radical Islam and contain its spread in Senegal at a time when the threat of radical Islamism has grown in the region.

Senegalese political leaders have a tradition of creating diverse coalitions of support, thereby preventing the hardening of political cleavages. Ethnic or religious cleavages have never emerged in Senegal to the degree seen in several other African countries. The fact that all Senegalese presidents cultivate links with religious clerics from all the main Muslim brotherhoods creates linkages across different religious communities. Senegalese politics is also very fluid, with a lot of party switching (often promoted by the incumbent president) and few permanent divisions. President Macky Sall has followed the Senegalese political playbook in reaching out to and co-opting sizable segments of the opposition, including through his alliance with his former rival, Idrissa Seck. While this co-optation weakens opposition as a whole, it also sustains the belief that no groups are permanently excluded from power.

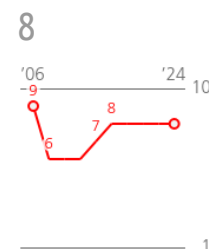
Consensus on goals



Anti-democratic actors

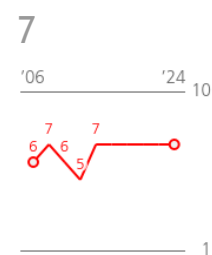


Cleavage / conflict management



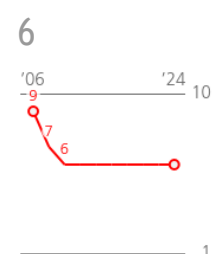
Similar to its predecessors, the current government consults and engages with important civil society actors. Most notably, religious leaders are shown a lot of consideration, and their opinions and support influence political leaders. The government also reaches out to trade unions, women’s groups and youth groups. Some influential civil society actors are brought in as advisers or given posts, though sometimes symbolic, in the government. Civil society and the government are clearly opposed to one another on some Issues. Macky Sall has clashed repeatedly with members of the press, and there have been many protests against his government, especially surrounding court decisions in the lead up to the July 2022 legislative elections. The interaction between the Sall government and civil society can be characterized as a mix of engagement and criticism.

Public consultation



The separatist rebellion in Casamance has been the most serious conflict in Senegalese history, but it remains largely frozen. The government is engaged in regional outreach as well as military operations in the region. However, there is no formal reconciliation process. Nor has there been a thorough accounting of the rebels’ or the Senegalese army’s conduct. The government has a clear goal of ending the long-lasting conflict, but it is unclear whether there is widespread desire for a formal process of reconciliation.

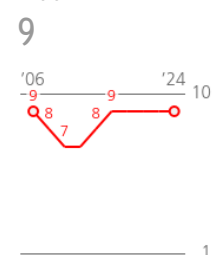
Reconciliation



17 | International Cooperation

Senegal has a good relationship with international donors and agencies. The country is held in high esteem due to its relative stability and democratic credentials, and Senegal has more diplomatic clout than its small size would imply. The growing instability in the region has made Senegal an increasingly important partner in counter-terrorism operations, as shown by the Dakar International Forum on Peace and Security. Many international organizations chose Senegal as their regional seat, and the country hosts some French troops as well as U.S. marines.

Effective use of support



The main road map for socioeconomic development in Senegal is Plan Senegal Emergent, which outlines key objectives. Senegal works with foreign partners on different elements of the plan. For example, in developing a fast regional train system in the capital, Dakar, Senegal partnered with SNCF, the French national railway company. The partnership has been criticized because the original completion date of the project in 2018 was postponed several times to early 2022.

The Senegalese government is considered a reliable partner by the international community, both in the West and in Africa. The country cooperates and complies with major international institutions. Senegal is a member of the International Criminal Court and the International Court of Justice. There are no disputes involving Senegal at the World Trade Organization.

President Sall enjoys a good reputation in diplomatic circles. There is some unease among donors about possible democratic erosion under his watch, but the president enjoys better press abroad than at home, where concerns about democratic backsliding are more overt. President Sall has continued to cultivate close ties with China, skillfully managing cooperative relationships with both the West and China. The fact that Senegal is viewed by international players as a reliable partner has been beneficial for the country, particularly in attracting greater investment.

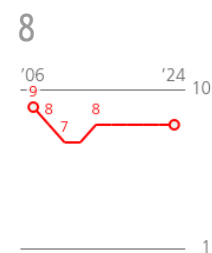
Senegal also plays a significant role in mediation and peacekeeping. The country consistently contributes peacekeeping troops to U.N. agencies. Amidst growing anti-French sentiment among France's former colonies, Senegal maintains more cordial relations with France than its neighbors. It is widely regarded to be France's strongest ally in West Africa. In January 2023, the two countries concluded a week of intergovernmental working meetings between French and Senegalese ministers, underscoring their close relationship. While there have been some instances of anti-French discourse, particularly by Guy Marius Sagna and, to a lesser extent, Ousmane Sonko, such views remain on the fringes.

At the same time, President Sall strives to redefine relationships with the West as partnerships rather than relations of dependence. He pursues a mix of cooperation but also does not yield to Western donors on issues such as LGBTQ+ rights.

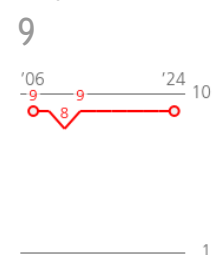
Senegal is also closely engaged in continental and regional organizations. Senegal is well integrated in the region, chiefly as an active member of ECOWAS and WAEMU, in addition to its role in the African Union. In 2022, President Sall was chairing the African Union, something that helped him to further elevate his profile on the international stage. Moreover, President Sall actively lobbies foreign powers on behalf of African countries for a permanent seat on the U.N. Security Council. Senegal supported the peaceful transfer of power in the Gambia in 2017 and improved its relations with Mauritania. Its relations with Mali have been complicated by the repeated military coups in Mali, which led to Mali being sanctioned by ECOWAS. Senegal is one of the biggest contributors of troops to the U.N. peacekeeping mission in Mali (MINUSMA). It is also the largest provider of police for U.N. peacekeeping missions.

Senegal supports deepening West African economic cooperation and integration through ECOWAS. Along with other ECOWAS countries, it is part of Trade Facilitation West Africa, a five-year initiative managed by the World Bank Group and the German Development Cooperation to expand trade in the region.

Credibility



Regional cooperation



Strategic Outlook

Despite having achieved some economic success, including positive GDP growth rates and increased investment, Senegal continues to struggle with deep structural challenges. Poverty, a large informal sector and low youth educational attainment pose persistent problems. The government has focused a disproportionate amount of its attention and resources on high-profile projects around the capital, such as the construction of the new city of Diamniadio. It is too early to tell if the investments in Diamniadio will pay off, but some of the stated goals of the project, such as decongesting the capital, have notably failed. The government should focus more attention on less glamorous projects that would improve living standards for both the urban and rural poor. Several new initiatives within the Plan Senegal Emergent, such as improvements in solid waste collection and treatment, and the construction of new subsidized housing, are a step in the right direction. However, they should be amplified.

Youth poverty and underemployment remain two of the most pressing challenges, especially considering that the median age in Senegal is around 19. The government has failed to improve the prospects of young people, which has contributed to high rates of illegal migration among young Senegalese. In contrast to other countries in the region where political instability drives emigration, emigration in Senegal is a reflection of limited economic opportunities. The government should be concerned about the number of young men with poor economic prospects, particularly in light of recruitment efforts by radical Islamist groups in the region. The next phase of the government's Plan Senegal Emergent calls for a focus on youth, but the challenge is immense.

Protection of the environment has been neglected over the years, and the significant environmental problems – exacerbated by climate change and rapid urban growth – need to be addressed more seriously. Environmental degradation and increased air pollution pose public health risks. Several new initiatives in the realm of waste collection, reforestation and solar energy investment show potential and should be expanded.

Senegal continues to enjoy a good international reputation, both in Africa and beyond the continent. President Sall has enhanced his international stature as chairman of the African Union, but there are concerns about his commitment to democratic checks and balances at home. Rumors about President Sall seeking a third term are frequently voiced in Senegal, and such a move would damage both President Sall's reputation and Senegal's standing. The ruling party's poor performance in the 2022 legislative elections may make the prospect of a third term for Sall less likely. There are increasing concerns about the concentration of power in the presidency, judicial independence and freedom of the press. To safeguard Senegal's democratic standing, the government should refrain from further judicial interference or suppressing protests and freedom of expression. Actions perceived as undermining, or even harassing, the opposition camp could lead to the radicalization of the opposition and might backfire. Such measures would play into the hands of Ousmane Sonko, a popular yet controversial opposition figure, potentially fueling polarizing rhetoric in the lead-up to the 2024 presidential elections.