July 2000

IMF Staff Country Report No. 00/91

Senegal: Recent Economic Developments

This Recent Economic Developments report on Senegal was prepared by a staff team of the International Monetary Fund as background documentation for the periodic consultation with this member country. As such, the views expressed in this document are those of the staff team and do not necessarily reflect the views of the Government of Senegal or the Executive Board of the IMF.

Copies of this report are available to the public from

International Monetary Fund • Publication Services
700 19th Street, N.W. • Washington, D.C. 20431

Telephone: (202) 623-7430 • Telefax: (202) 623-7201
Telex (RCA): 248331 IMF UR
E-mail: publications@imf.org
Internet: http://www.imf.org

Price: $15.00 a copy

International Monetary Fund
Washington, D.C.

INTERNATIONAL MONETARY FUND

SENEGAL

Recent Economic Developments

Prepared by Mr. Diogo (head), Mr. van den Boogaerde, Mr. Caupin,
Ms. Bense (all AFR), Mr. Weber (PDR), and Mr. Leruth (FAD)

Approved by the African Department

May 25, 2000

Contents Page

Figures

Text Boxes

Text Tables

Statistical Appendix Tables

Senegal: Basic Data

Area, population, and GDP per capita

Area:	196,720 square kilometers
Population: Total (1999)	9.4 million
Growth rate	2.8 percent per annum
GDP per capita (1999)	US$510.7

	1994	1995	1996	1997	1998	1999 Prel.
Gross domestic product at current prices[1] (in billions of CFA francs)	2,022.3	2,234.0	2,379.3	2,555.9	2,752.9	2956.0
			(In percent of real GDP)			
Primary sector	20.9	20.3	20.5	19.0	17.4	17.6
Of which: agriculture	10.8	10.3	10.8	9.2	8.0	8.3
Secondary sector	18.3	19.5	19.5	19.6	20.2	20.4
Of which: industry and mining	12.1	13.5	13.4	13.6	13.2	13.2
Tertiary sector	60.8	60.2	60.0	61.3	62.4	62.0
Of which: trade	20.3	20.5	21.2	21.7	22.1	21.7
			(In percent of nominal GDP)			
Consumption	88.2	88.9	87.2	87.7	87.2	87.4
Gross domestic investment	18.5	16.7	18.5	18.0	18.6	18.8
Gross domestic savings	11.8	11.1	12.8	12.3	12.8	12.6
Resource gap	-6.7	-5.7	-5.7	-5.7	-5.7	-6.2
			(Annual percentage changes)			
Real GDP	2.9	5.2	5.1	5.0	5.7	5.1
Nominal GDP	31.5	10.5	6.5	7.4	7.7	7.4
Prices						
GDP deflator	27.8	5.0	1.3	2.3	1.9	2.2
Consumer price index	32.1	8.1	2.8	1.8	1.1	0.8
Export prices (in CFA francs)	115.1	-1.7	2.6	6.7	-1.1	1.7
Import prices (in CFA francs)	100.7	3.4	3.7	5.3	-5.6	2.8
Terms of trade	7.2	-4.9	-1.1	1.3	4.8	-1.1

Sources: Senegalese authorities; and staff estimates.

[1] Figures for GDP, the composition of GDP, and the GDP deflator are estimates for 1997-99.

Senegal: Basic Data (continued)

	1994	1995	1996	1997	1998	1999 Prel.
	(In billions of CFA francs)					
Government finance						
Total revenue and grants	385.6	439.7	551.2	497.8	541.9	568.4
Of which: revenue	301.5	366.2	394.3	432.2	460.1	506.8
Total expenditure and net lending	424.8	444.7	497.9	484.3	550.6	609.9
Of which: current expenditure	318.6	316.6	312.6	317.6	310.1	351.1
Overall balance						
Commitment basis	-39.2	-5.0	53.3	13.5	-8.7	-41.5
Cash basis	-200.0	-65.4	53.3	16.2	-11.4	-41.5
External financing (net)	186.7	80.5	10.4	46.6	50.3	22.9
Domestic financing (net)	13.3	-15.1	-48.5	-60.4	-28.6	18.6
Of which: banking system	1.0	-14.2	-21.5	-148.3	-6.2	6.8
	(In percent of GDP)					
Total revenue and grants	19.1	19.7	23.2	19.5	19.7	19.2
Of which: revenue	14.9	16.4	16.6	16.9	16.7	17.1
Total expenditure and net lending	21.0	19.9	20.9	18.9	20.0	20.6
Of which: current expenditure	15.8	14.2	13.1	12.4	11.3	11.9
Overall balance						
Commitment basis	-1.9	-0.2	2.2	0.5	-0.3	-1.4
Cash basis	-9.9	-2.9	2.2	0.6	-0.4	-1.4
	(In billions of CFA francs; end of period)					
Money and credit						
Foreign assets (net)	-155.3	-105.1	-70.2	15.6	51.4	104.8
Domestic credit	638.5	643.8	683.8	583.3	621.5	674.0
Government (net)	360.0	357.1	335.6	187.3	181.1	187.9
Private sector	278.5	286.7	348.2	396.0	440.4	486.1
Money and quasimoney	446.9	488.0	540.9	580.4	630.3	714.1
	(Annual change in percent of beginning-of-period money stock)					
Domestic credit	-3.5	0.8	6.2	-14.7	6.6	8.3
Of which: private sector	7.5	1.8	12.6	8.8	7.7	7.2
Money and quasimoney	42.1	9.2	10.8	7.3	8.6	13.3

Senegal: Basic Data (concluded)

	1994	1995	1996	1997	1998	1999 Prel.
			(In millions of SDRs)			
Balance of payments[2]						
Exports, f.o.b.	552.3	638.5	678.5	677.6	715.7	719.9
Of which: fish products	151.5	179.2	196.9	202.8	214.5	215.4
Imports, f.o.b.	-713.7	-802.4	-873.1	-868.9	-917.9	-951.3
Trade balance (deficit -)	-161.4	-163.9	-194.6	-191.3	-202.1	-231.3
Services (net)	-105.8	-106.9	-77.8	-73.1	-51.5	-42.2
Unrequited transfers (net)	270.9	252.1	228.0	212.3	194.8	150.9
Current account balance (deficit -)	2.7	-18.4	-44.4	-52.1	-58.9	-122.6
Capital account (net)	89.6	31.3	43.0	121.7	80.6	147.6
Overall balance (deficit -) after debt rescheduling	329.8	115.8	37.8	90.6	21.7	25.0
			(In percent of GDP)			
Exports, f.o.b.	21.7	21.6	21.1	21.3	20.7	23.2
Imports, f.o.b.	28.1	27.8	27.3	27.3	26.5	26.9
Current account balance (deficit -) (including official transfers)	0.1	-1.1	-1.4	-1.6	-1.7	-3.5
			(In millions of SDRs; end of period)			
Gross official international reserves (end of period)	123.1	183.1	200.5	286	306	...
External public debt			(In millions of SDRs; end of period)			
Disbursed and outstanding (end of period)[3]	2,193.4	2,269.7	2,559.2	2,471.1	2,672.3	2,751.3
Interest due	87.7	91.7	78.9	73.5	46.1	43.2
Amortization due (including Fund repurchases)	127.6	127.7	124.3	137.4	118.7	87.8
Debt service after rescheduling (in percent of exports of goods and nonfactor services)	13.9	11.4	15.0	17.6	10.6	9.4
			(CFA francs per SDR)			
Exchange rates						
End of period	780.4	728.4	753.1	808.9	791.6	896.2
Period average	795.0	757.1	742.8	803.2	795.6	841.4

---

[2] Figures include the effect of debt cancellation.

[3] Including Fund credit and short-term liabilities of the central bank. Figures for 1998 and 1999 are based on the end-1998 debt sustainability analysis.

I. INTRODUCTION

Senegal is a seaside country of West Africa, belonging to the Sahel, with a population of some 9 million inhabitants. The climate is arid in the north and the center of the country, and humid in the south. The primary sector accounts for almost 20 percent of GDP, with three main areas of production: agriculture (mostly autosubsistence crops and groundnut production); livestock; and fishery, which is now the main export earner. The secondary sector, which also accounts for about 20 percent of GDP, encompasses a variety of economic activities, but depends heavily on agro-industries and phosphates and derived chemicals production, Senegal's second largest source of export earnings. Senegal's tertiary sector represents more than 60 percent of GDP, benefiting from, inter alia, the good geographic position of the country, which favors tourism and transit activities with its neighbors. A devaluation of the CFA franc by 50 percent in 1994[1] affected the structure of the Senegalese economy and restored its international competitiveness after nearly a decade of appreciation of the real effective exchange rate.

II. RECENT ECONOMIC DEVELOPMENTS

A. Growth and Prices

1. Real GDP growth averaged about 5 percent a year over the past three years. Good economic management, the continued implementation of structural reforms, and the remaining positive effects of the CFA franc devaluation stimulated the Senegalese economy over the period. These good results were achieved despite adverse shocks: unfavorable climatic conditions hampered agricultural production in 1997 and 1998, while severe electrical shortages in 1999 adversely affected production in the secondary and tertiary sectors.

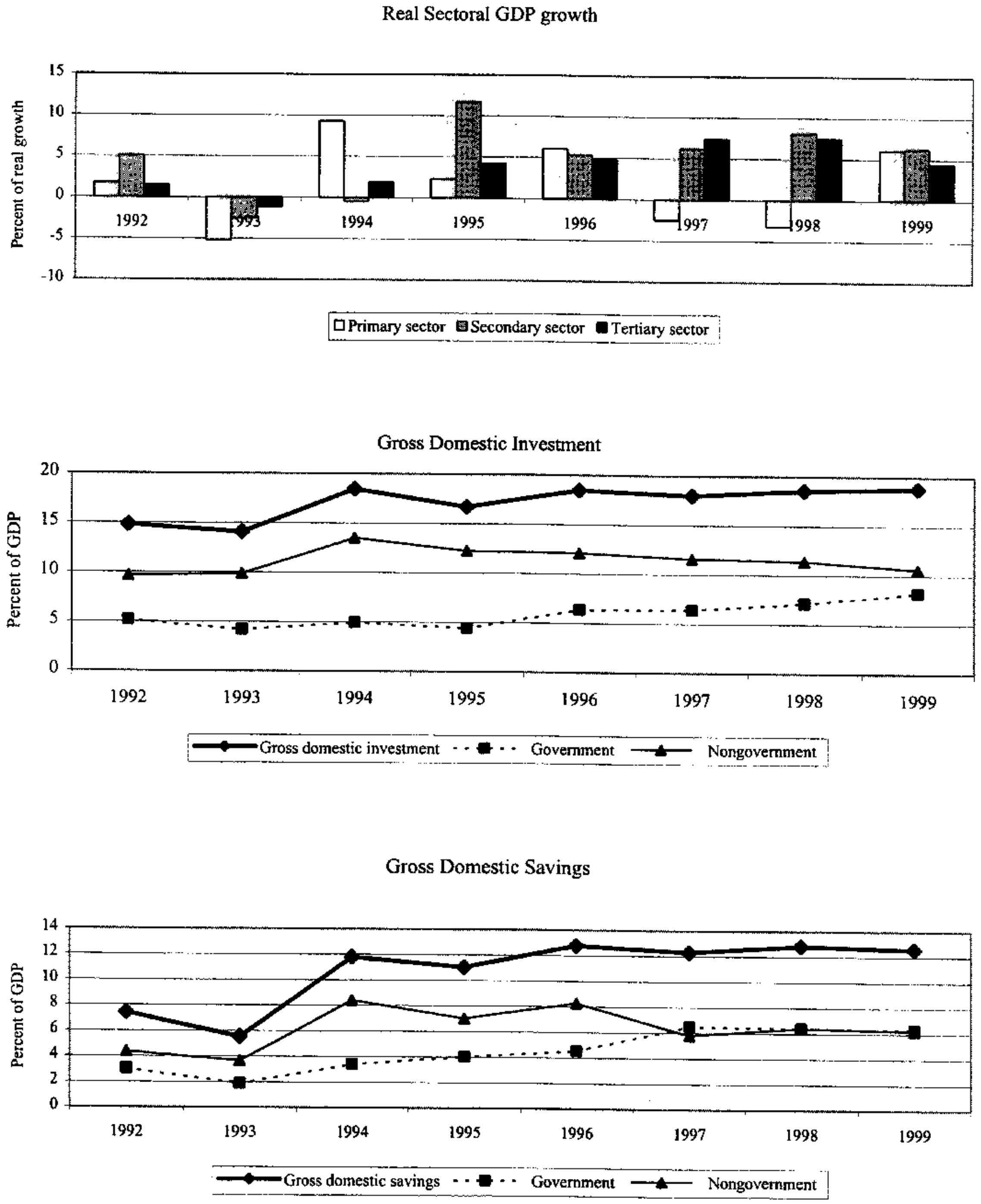
Sectoral growth

2. The **primary sector** contracted in 1997 and 1998 by 2.5 percent and 3.2 percent respectively, but began to recover in 1999, largely owing to improving weather conditions (Figure 1). In 1997, growth of 11.8 percent in the fishery sector and 5.4 percent in livestock was insufficient to offset the decline of 10.6 percent in agricultural production. In 1998, a further decline in agriculture was exacerbated by the emergence of problems in the fishery sector, mainly relating to restrictions on Senegal's access to Mauritanian and Guinea-Bissau waters.

---

[1] At that time the CFA franc was pegged to the French franc. Since January 1999, it is pegged to the Euro at a rate of 655.96 FCFA per Euro

Figure 1. Senegal: Developments in Real Growth, Investment, and Savings, 1992-99



As a result, the proportion of GDP accounted for by the primary sector fell from 20.5 percent in 1996 to 17.4 percent in 1998. However, good rainfalls boosted agricultural production in 1999, and real growth of the primary sector is estimated to have reached 6.1 percent.

3. During the past three years, activity in the **secondary sector** remained buoyant, with real growth of 5.9 percent in 1997, 8.4 percent in 1998, and an estimated 6.3 percent in 1999. The share of the secondary sector in GDP increased from 19.5 percent in 1996 to 20.4 percent in 1999. With a double-digit growth rate, the construction and public works sector has been the most dynamic in the economy in recent years. Industry also expanded, with a real growth rate of 7.2 percent in 1998, supported by a surge in domestic demand, a shift in local consumption from imported to domestic products, and a significant increase in demand from neighboring countries.[2] However, in 1999, disruptions in power supply, attributable to technical difficulties encountered by the power company, contributed to a significant slowing of industrial activities, with real growth declining almost 2½ percentage points to an estimated 4.8 percent.

4. The most significant contribution to Senegal's growth over the period under consideration, however, came from the **tertiary sector**, which accounts for about 60 percent of GDP (see Section II). Telecommunications has been a dynamic activity in recent years, with double-digit annual growth rates; the tourism sector benefited from an increasing number of foreign tourists attracted by the decline in prices in foreign currency terms after the 1994 devaluation; and trade and transport activities improved with liberalization measures implemented by the authorities. Thus, in 1997 and 1998, transportation, trade, and "other services" each grew by more than 7 percent, outpacing the slow growth of public administration. For 1999, growth in this sector is estimated to have slowed to 4.4 percent, in part because the power shortages have impeded numerous tertiary informal activities relying on electrical power.

Consumption and investment

5. **Public consumption** declined from 12 percent of GDP in 1996 to 10.8 percent in 1999 owing to fiscal consolidation: wage increases were moderate, and other current expenditures grew slowly. Conversely, **private consumption** increased from 75.2 percent of GDP in 1996 to 76.9 percent in 1998 and is estimated to have reached 76.6 percent in 1999, reflecting the recovery of household consumption after the 1994 CFA franc devaluation.

6. **Public investment** increased from 6.4 percent of GDP in 1996 to 7.2 percent in 1998 and is estimated to have reached 8.2 percent in 1999 because the improved fiscal stance left room for a reorientation of expenditures towards public investment. Conversely, **private**

---

[2] For instance, Senegal's exports to Mali, Côte d'Ivoire, and Mauritania increased significantly as a share of overall exports since the devaluation (16.1 percent of total exports in 1998, versus 9.5 percent in 1993).

investment experienced a downward slide. Measured as a percentage of GDP, it fell from 12.1 percent in 1996 to 11.4 percent in 1998 and is estimated to have declined further to 10.6 percent in 1999. Despite improving macroeconomic performance, Senegal's slow progress at liberalizing trade regulations, constraints on the productive sector—including high input costs—excessive protection of labor employed in the formal sector, and hugely distended public sector foiled some of the competitiveness gains achieved through the devaluation and continued to deter investors. Domestic savings remained roughly stable at about 12.5 percent of GDP over the period 1996-99, with an increase in public savings offsetting a decline in private savings.

7. The share of exports of goods and services in GDP fell slightly from 34.1 percent in 1996 to 33.0 percent in 1998 and is estimated to have remained at about the same level in 1999. As imports of goods and services also decreased slightly over the period, the resource gap remained at 5.7 percent of GDP until 1998. In 1999, the significant increase of import values, in part due to the recovery of oil prices, widened the gap to an estimated 6.2 percent of GDP.

Prices

8. Consistent with the currency peg, consumer prices remained stable during the last three years. The annual average rate of consumer price inflation was 1.8 percent in 1997, 1.1 percent in 1998, and 0.8 percent in 1999, broadly similar to that of the euro zone over the period. The real effective exchange rate of the CFA franc[3] also remained stable over the period.

B. Public Finances

9. In 1998, two policy actions improved the structure of the fiscal sector: the implementation in April of the initial round of external tariff reductions, as part of the first phase of the common external tariff (TEC) reform of the West African Economic and Monetary Union (WAEMU) (see Box 1); and the revision in the taxation of petroleum products, including the replacement of the price stabilization mechanism by excise taxes. In addition, transparency was increased in the area of public spending with the adoption of a more comprehensive definition of public investment expenditure, which now includes all externally financed outlays. The negative impact of the tariff reductions in 1998 was smaller than originally anticipated, resulting in a basic fiscal[4] surplus of 2.7 percent of GDP, close to the 1997 level. The overall deficit (on a commitment basis and excluding grants) widened

---

[3] This trade-weighted index is calculated using Senegalese consumer prices and the prices and exchange rates of Senegal's trading partners.

[4] Computed as total revenue (excluding grants), minus total expenditure and net lending, excluding externally financed capital expenditure and onlending.

Box 1. Implementation of the WAEMU Common External Tariff (TEC) by Senegal and its Fiscal Implications

The adoption of the common external tariff (TEC) in 1997 by the member countries of the West African Economic and Monetary Union (WAEMU) and its full implementation as of January 1, 2000, notably reduced tariff dispersion and statutory import protection, and constituted a major step toward implementing a common commercial policy with countries outside the zone and liberalizing trade within the union. Certain common safeguards for key sectors were instituted to allow member countries a period of adjustment, not to exceed four years. Senegal intends to make use of some of these provisions.

The introduction of the TEC resulted in the following:

- a common classification of goods;
- the abolition of tariffs on intra-WAEMU trade for local primary goods and eligible industrial products;
- the implementation of a common external tariff entailing a reduction in import duties; and
- the adoption by member countries of common safeguards during the interim period.

As of January, 1, 2000, all tariffs on intra-WAEMU trade have been removed for local primary goods and eligible industrial products. For other industrial products, there is a reduction of 5 percent in the tariff charged on equivalent goods imported from outside the region.

The ad valorem common tariff has four rates applicable to the following broadly defined categories: "social" products (0 percent), "primary" products (5 percent), "intermediate" goods (10 percent), and "final consumption" goods (20 percent). In addition to the tariff, other duties include a "solidarity contribution" paid to the WAEMU institutions, equivalent to 1 percent of the value of goods imported from outside the WAEMU, and a statistical duty of 1 percent on most imports. The customs stamp duty has been eliminated.

The common safeguards to help member countries cope with the adjustment period include three instruments: the degressive protection tax (TDP); the compensatory import levy (TCI); and administratively set import values (*valeurs de référence*):

- The TDP is a temporary surtax of 10 percent or 20 percent applied to the f.o.b. value and linearly declining over 4 years (from July 1999 to December 2002) for industrial and agro-industrial products.

- The TCI is a 10 percent protection levy against fluctuations in commodity prices. It is applied when the f.o.b. value of imports falls below a trigger price calculated as a weighted average between the domestic production cost (70 percent) and international prices (30 percent); the trigger price is adjusted every six months, based on developments in the world market prices.

- Finally, World Trade Organization (WTO) compliant administratively set import values could be assigned to a limited number of products; they would be used as the tax base for all customs taxes. However, they have not yet been implemented.

Pending full implementation of the TCI, Senegal has not yet removed the surtax on imports of a number of agricultural products (rice, onions, etc.).

The fiscal cost of the application of the TEC, based on a detailed analysis of import categories, is estimated at equivalent to about 1 percent of GDP in 2000 for Senegal.

slightly to 3.3 percent of GDP, mostly on account of the enlarged definition of investment. Fiscal performance remained broadly satisfactory in 1999 despite growing deficits in correspondent accounts and transfers of public entities (in particular social security fund and pension fund). The financial difficulties faced by the postal service during the year were however contained by the authorities.[5] As a result, the basic surplus reached 1.7 percent of GDP in 1999 and the overall deficit (on a commitment basis and before grants) was equivalent to 3.5 percent of GDP.

Revenue

10. A reduction in nontax revenue, equivalent to 0.4 percentage point of GDP, led to a decline of the overall revenue-to-GDP ratio from 16.9 percent in 1997 to 16.7 percent in 1998. Tax revenue increased slightly by 0.2 percent of GDP to reach 15.9 percent despite the negative impact, equivalent to 0.3 percent of GDP, on import taxes of the decline in tariffs under the TEC.

11. Tax revenue in 1999 remained buoyant despite the impact of power shortages on economic activity, especially thanks to high VAT revenue. Oil revenue performance, however, remained below expectations, partly because of serious procedural deficiencies linked to the transfer of the excise tax payment from the National Oil Refinery (SAR) to the oil distribution companies. Total revenue reached 17.1 percent of GDP.

Expenditure

12. In 1998, current expenditure excluding interest payments was limited to CFAF 275 billion (10 percent of GDP), while interest on foreign debt amounted to CFAF 27.8 billion. A more comprehensive definition of capital outlays was adopted, which included CFAF 35 billion in net lending. In mid-1999, the authorities adopted a supplementary finance law for the use of CFAF 60 billion in privatization proceeds from the telecommunications company (SONATEL). Except for CFAF 9.2 billion earmarked for the settlement of outlays undertaken in 1998, CFAF 28.6 billion was spent on current and capital outlays in 1999. The remaining CFAF 22.2 billion consists entirely of capital outlays earmarked for fiscal year 2000.

13. In 1999, current outlays were 0.6 percent of GDP above the 1998 level, while capital expenditures rose to 8.2 percent of GDP from 7.1 percent because of the impact of the

---

[5] The postal service keeps its operation account at the central bank, which honors all postal checks through the clearing system. The postal service replenishes the account every ten days if there is an overdraft outstanding. However, in 1999, financial difficulties, reflecting in part the loss of cross-subsidization from the profitable telecommunications operations that were privatized in 1997, prevented the postal authorities from replenishing the account on a regular basis. The arrears climbed to CFAF 15.7 billion at end-September before being reduced to CFAF 2.9 billion at the end of 1999 through the sale of assets and other measures.

supplementary finance law. The authorities undertook efforts to speed up payments owed by state enterprises on their on-lent debt; however, these efforts were undermined by a high deficit of CFAF 11.2 billion in the special and correspondent accounts, essentially caused by the financial difficulties of the postal service. The authorities also made a serious effort to catch up on delays in auditing past budgets. The *Lois de Règlements* for the budgets 1987 through 1996, which had not been audited yet, were finalized and submitted to the National Assembly.

C. Money and Finance

14. Monetary policy is conducted at the regional level by the Central Bank of the West African States (BCEAO) with the objective of sustaining price stability and maintaining the fixed exchange rate with the euro. Broad money in Senegal grew by 7.3 percent in 1997 and 8.6 percent in 1998, in line with the growth in nominal GDP. During these two years, the asset side of the balance sheet has been characterized by a continued accumulation of net foreign assets, a reduction in claims on government, and a rapid increase in net credit to the economy. In 1997, the accumulation of privatization receipts and the proceeds of a loan by Taiwan, Province of China led to a growth in net foreign assets equivalent to 15.9 percent of the beginning-of-period money stock, and to a sharp reduction in net credit to the government, equivalent to 27.4 percent of the beginning-of-period money stock. In 1998, the accumulation of net foreign assets was equivalent to 6.2 percent of the beginning-of-period money stock, while credit to the government declined, in line with the good fiscal performance. Credit to the economy expanded by 11.2 percent in 1998, reflecting vigorous activity in the secondary and tertiary sectors. In 1999, broad money rose by 13.3 percent, somewhat faster than the nominal GDP growth, credit to the economy grew by 10.4 percent, and Senegal continued to accumulate a significant amount of net foreign assets (8.5 percent of beginning-of-period money stock). For the first time since the devaluation of the CFA franc, there was a net increase in credit to the government (by 1.1 percent of beginning-of-period money stock).

15. The health of the banking sector continued to improve during the last three years (see Section III). The Senegalese banking system consists of ten banks and five financial institutions. At end-1998, most of them observed the main prudential ratios set by the regional banking commission; however two banks did not respect the liquidity ratio, four did not meet the ratio of coverage of medium- and long-term liabilities by medium- and long-term assets, and one large bank did not meet the insider lending ratio because a substantial share of its credits had been granted to industrial groups belonging to one of its main shareholders. The Banque Sénégalo-Tunisienne (BST), the smallest and weakest bank of the Senegalese banking system, was recapitalized and privatized in March 1999. In September 1999, one financial institution was put under temporary administration by the regional banking commission. In July 1999, the West African Monetary Union (WAMU) Council of Ministers adopted a revised set of prudential ratios that was more in line with the Basel standards for banking supervision. These new regulations became effective in January 2000. The level of nonperforming assets (net of provisioning) decreased slightly to 7.5 percent of the total credit in 1998, compared with 8.9 percent in 1997.

D. External Sector Developments

16. Overall, Senegal's external position has been fairly stable since 1997. The current account deficit (excluding official transfers) decreased by 1 percentage point of GDP to 6.9 percent in 1998 and, according to preliminary data, slightly widened to 7.3 percent of GDP in 1999. Both imports of goods and services payments continued to exceed export receipts from trade. The deficit incurred in merchandise trade has remained unchanged at about 6 percent of GDP since 1997, while the services balance is estimated to have narrowed by 1 percent of GDP over the last three years to an estimated 1.2 percent of GDP in 1999 because of a slowdown in the growth of service payments. Continuing a traditional pattern, non-debt-creating current transfers into Senegal, the bulk of which are destined for development projects, have partially offset the trade deficit although their overall amount fell by about 1 percent of GDP in 1999. Public transfer payments continue to dominate, with their share in total transfers falling only slightly since 1997 to about 80 percent in 1999. Including official transfers, the current account deficit remained unchanged at 1.7 percent of GDP in 1997 and 1998, but it widened to 3.5 percent of GDP in 1999.

17. Senegal's trade performance has been affected by the general downturn in world demand in 1998. Slower export growth of 4.6 percent in 1998 has picked up to an estimated 5.7 percent in 1999. This increase was led by stronger exports of refined petroleum, groundnut products, and phosphates. On the import side, the overall growth path was similar, with higher imports of petroleum products and strong increases of capital and intermediate goods imports boosting growth from 4.6 percent in 1998 to about 9 percent in 1999. However, these trade developments in value terms to a large extent mirror recent swings in world prices for commodities and, in particular, the price of oil. In volume terms, exports slowed somewhat relative to 1998 to an expected increase of about 4 percent in 1999, mainly driven by foreign demand for groundnut products and phosphates. Import volumes, meanwhile, increased less than in 1998, with the bulk of import growth stemming from shipments of capital and intermediate goods and refined petroleum. In parallel with the development of goods exports, services receipts in all categories (i.e., transportation, tourism, and administrative services) grew at rates of 4 percent in 1998 and 5 percent in 1999. Led by outlays for freight and insurance, growth in service payments slowed somewhat from levels above 5 percent in 1997 and 1998 to below 4 percent in 1999.

18. Senegal's external financing requirements for 1997-99 amounted to a cumulative CFAF 960 billion (US$1.6 billion). About one-third of these requirements have been financed through contributions from bilateral and multilateral donors for development projects, with the remainder largely covered by concessional long-term loans. A Paris Club debt rescheduling (stock-of-debt operation) in 1998 has also mitigated the financing need. Private sector credits and foreign direct investment have gained in importance. In particular, loan disbursement by the World Bank and receipts related to the government's privatization program, have led to significant capital inflows. As a result, the overall balance of payments position has been in surplus since 1997, contributing to a CFAF 112 billion buildup of net foreign assets with the BCEAO over the last three years.

19. Following a debt sustainability analysis undertaken at the end of 1997, an agreement with bilateral donors was reached in June 1998 on a Paris Club stock-of-debt operation on Naples terms (67 percent net present value of debt reduction). At end-1998, Senegal's outstanding external public debt amounted to 77 percent of GDP. Debt owed to multilateral creditors represented approximately 63 percent of this total amount, including roughly 8 percent owed to the IMF and 35 percent to the World Bank (Figure 2).[6] In 1998 and 1999, Senegal successfully signed bilateral agreements with all Paris Club creditors, save one (Italy). Senegal continues to seek foreign financing in the form of grants and highly concessional loans only.

20. As a member of the WAMU, Senegal's currency is the CFA franc, which since January 1, 1999 has been pegged to the euro at the rate of CFAF 655.96 per EUR 1 (previously the CFA franc was pegged to the French franc). This parity was set in the context of a 50 percent devaluation of the CFA franc in foreign currency terms in January 1994. As indicated by the development of the real effective exchange rate, Senegal has been able to preserve most of the gain in export competitiveness derived from this devaluation. This rate has remained at about 30 percent below its pre-devaluation level since 1994.

E. Structural Reforms

21. Progress on structural reforms has been made during the last three years, but the pace of reform remains timid, as delays occurred in implementing a number of measures. The main areas of structural reform concern the privatization program, governance issues, and the promotion of private sector activity.

22. After having sold or liquidated seven enterprises between 1994 and 1997, four public enterprises were sold in 1998, including a hotel in Dakar and a phosphate mining company, while a shipyard was liquidated. In 1999, the privatization program, which targeted the sale of thirteen public enterprises, was generally behind schedule. The national power company (SENELEC) was partially privatized, the national airline (Air Sénégal) and the Hotel Méridien were sold. Delays have occurred for the other companies scheduled for privatization, especially for the groundnuts industry (SONACOS), the Dakar-Bamako railway, and the cotton company (SODEFITEX).

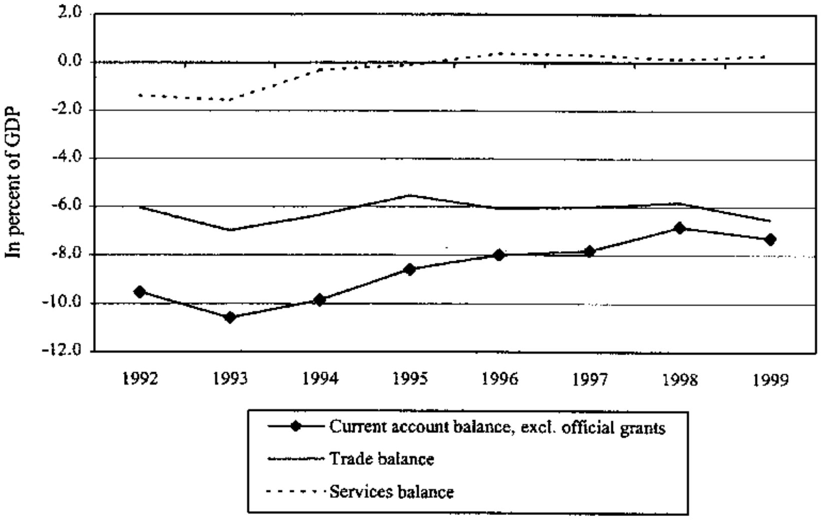
23. The authorities have implemented a comprehensive four-pronged program to promote good governance. First, the government has initiated some reforms to strengthen the rule of law, increase transparency, and fight corruption. In this regard, the customs authorities have initiated an action plan to combat fraud and an external audit of the Fonds de Promotion Economique (FPE) was completed in early 2000. Second, actions were implemented to improve the legal and judicial environment, including better training for magistrates and

---

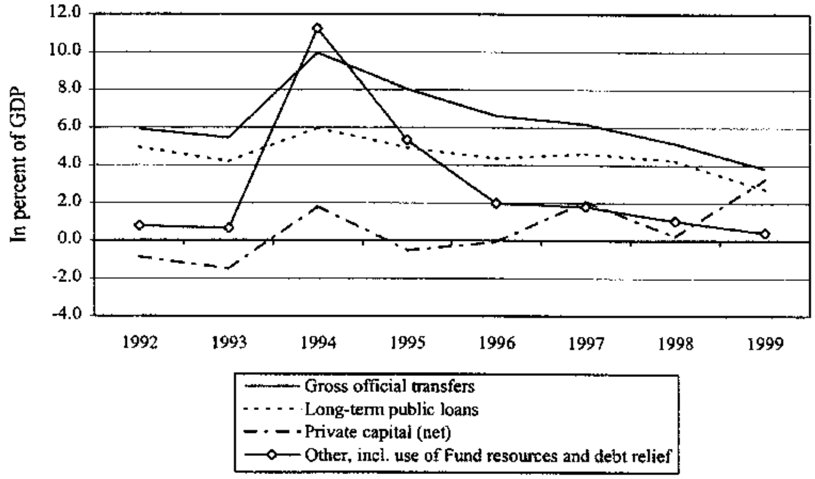
[6] For the updated debt sustainability analysis, see the Decision Point HIPC Initiative document.

Figure 2. Senegal: External Sector Developments

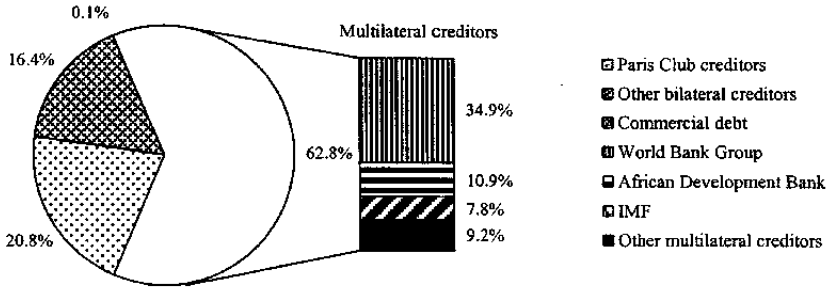
Current Account Indicators, 1992-99



Capital Inflows, 1992-99



Nominal External Debt Outstanding, End-1998
(Distribution in percent)



paralegals in commercial law, the establishment of an arbitration court, and adoption of new recovery and enforcement procedures consistent with the OHADA[7] acts on security. Third, the authorities are committed to enhancing the efficiency of public administration, and notably conducted user surveys on the quality of public services. Fourth, the authorities are trying to establish an effective and decentralized local administration.

24. In the area of improving the environment for the private sector, a survey by the Foreign Investment Advisory Service (FIAS) of the World Bank was completed in 1998 to identify the bottlenecks faced by private investors. The government approved most of the recommendations of the report. Trade Point Senegal, part of an international network aimed at making use of the latest information technology to facilitate trade (see Section IV), was created in 1996 in order to reduce information and transaction costs between domestic and foreign suppliers and customers.

F. Sectoral Reforms

25. Senegal has implemented significant reforms in the **energy sector** in recent years. The regulatory commission for the power sector has been established in cooperation with the World Bank. In the electricity subsector, as noted above, the power company, SENELEC, was privatized in March 1999, and the Senegalese rural electrification agency (ASER) created by decree in December 1999. Nonetheless, in the petroleum subsector the authorities decided in February 2000 to interrupt the automatic adjustment of retail prices of petroleum products in line with movements in international prices. The convention with the SAR has been terminated. However, the SAR has not yet started the investments intended to increase its productivity and competitiveness, which justified the transitional surtax introduced in 1998.

26. In January 1999, the government adopted a sectoral policy for the **transportation sector** as part of the World Bank's transport sector loan (PST II), which includes numerous reforms to be implemented by 2004 in road, rail, maritime, and air transport. Some of the reforms have already been started. Notably, to improve the strategy of road maintenance and planning and programming, a Road Fund Advisory Committee (CCFR) was established in the first quarter of 1999.

27. Some further reforms have been implemented in water resources (establishment of a national water board), and in the agriculture and fisheries sectors (notably the adoption of the letter of policy for the fisheries sector).

---

[7] The OHADA is the regional business law organization.

III. THE TERTIARY SECTOR IN THE SENEGALESE ECONOMY[8]

A. Overview

28. The Senegalese economy is predominantly a service economy, with services accounting for nearly two-thirds of GDP in 1998 (Figure 3).[9] This feature is due to structural characteristics favoring this sector, as well as impediments obstructing other production activities to support sustainable growth. As a result, a growing number of people have to depend on small, informal service activities in order to survive.

29. A cross-country comparison shows that a dominant tertiary sector is an unusual characteristic in Africa. In the other countries of West African Economic and Monetary Union (WAEMU), the share of the tertiary sector in GDP is about 40 percent. In sub-Saharan Africa, only Eritrea, Kenya, South Africa, Zambia, and Zimbabwe have tertiary sectors with shares equal or above 55 percent of GDP.

30. Available data on employment, credit to the economy, and exports confirm the predominance of the tertiary sector in Senegal's economy. In June 1999, 53.5 percent of the credit to the economy was absorbed by the tertiary sector. Also, according to a 1994 household survey, 55 percent of the labor force was employed by the tertiary sector[10] (36 percent of the workforce in rural areas and as much as 80 percent in the urban areas). With an urban population growth rate estimated at 4.1 percent (compared with a national population growth rate of 2.8 percent), the predominance of tertiary sector employment has probably increased since this survey was undertaken. The tertiary sector also contributes significantly to Senegal's external position, with services (mainly tourism and transport activities) accounting for over 37 percent of exports of goods and nonfactor services in 1998; in contrast, the tertiary sector in most African economies tends to be domestically oriented.

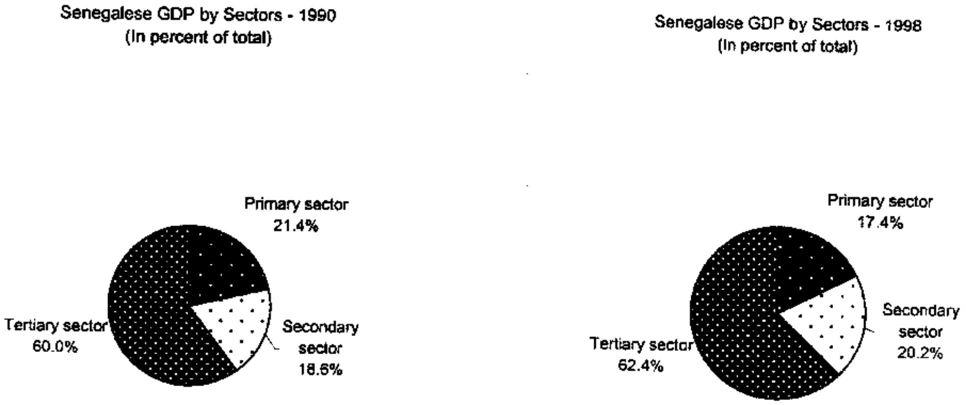
---

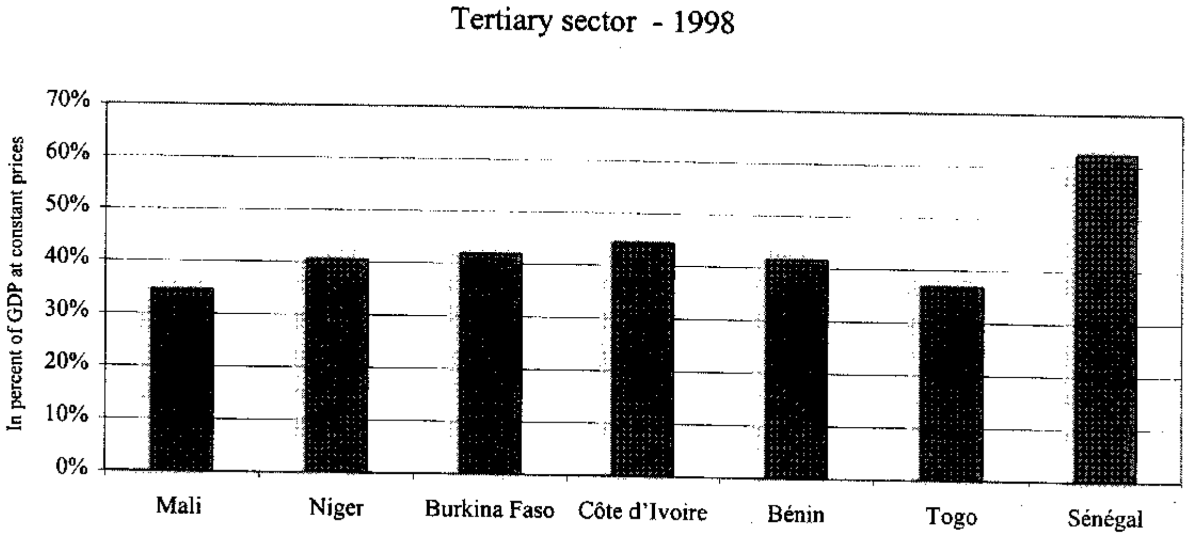
[8] Prepared by Pierre van den Boogaerde and Vincent Caupin.

[9] This chapter uses Senegal's national account statistics, which continue to suffer from weaknesses, especially concerning tertiary sector. This sector includes disparate activities, and a significant part of its output is produced by the informal sector. Thus, national accountants dealing with this very difficult issue often have to use proxies to estimate the value added of activities. As far as possible, national accounts figures have been compared with other information available in order to confirm or invalidate the trends.

[10] Direction de la prévision et de la statistique, Ministère des Finances, *Enquête sénégalaise auprès des ménages, 1994/95*. These figures seems credible. Although several studies indicate that about two-thirds of the active population is working in the agriculture sector (e.g., the African Development Indicators report compiled by the World Bank puts agricultural employment at 70 percent for 1990), these last figures are not in accordance with the agricultural share in GDP (less than 10 percent) and with the urban population (44.4 percent in 1996).

Figure 3. Senegal. Share of Tertiary Sector in GDP, 1990-98





31. Several factors help explain the predominance of the tertiary sector in Senegal's economy. First, historically, Dakar was the administrative center of the former Federation of West African States under French administration (AOF), and, at independence in 1962, the share of the tertiary sector already accounted for about 60 percent of GDP. Second, Senegal's strategic coastal position, with good maritime service connections to Europe and the Maghreb, promotes transportation and trade activities for itself and the hinterland. As a result, Senegal has the tradition of being a trading nation, as its trading networks extend throughout west Africa and into France, Italy, and the United States, with most of the profits earned abroad repatriated to Senegal. Third, Senegal's geographic position and natural assets, combined with political stability, encourage the development of tourism activities.

32. Foremost, though, the relative importance of the tertiary sector is due to the fragility of the other two sectors. Agriculture is subject to cyclical drought, and the amount of arable land is reduced by desertification. Moreover, inappropriate policies, with an insufficient role given to market forces, have impeded the development of new agricultural production. As a result, Senegal has not been able to find a substitute for groundnut production, after the structural decline in international prices for groundnuts in the 1980s, and the agriculture's share in GDP has been in secular decline, falling from 11.8 percent of GDP in 1990 to only 8 percent in 1998. The development of fisheries and the slow growth of livestock activities have, to date, been insufficient to compensate for this structural decline. As a result, agricultural growth did not keep pace with population growth, and the rural exodus led to the creation of small informal services activities to survive. According to the household survey cited above, 65 percent of the jobs in the capital, Dakar, were non-salaried in 1994. Contrary to the other countries of WAEMU, the agricultural sector has hardly benefited from the CFA franc devaluation.

33. The secondary sector is also subject to structural handicaps that constrain its long-term development, even if its performance has improved significantly since the 1994 CFA franc devaluation. First, the Senegalese market is narrow. A population of 9 million inhabitants with low purchasing power naturally limits the development of industrial production intended to satisfy the domestic market. Second, notwithstanding the CFA franc devaluation, Senegal's international competitiveness remains low.[11] The sector benefits from overt and shadow subsidies and protectionist policies that discourage competition and the adoption of the reforms needed to improve competitiveness. Several industries (sugar, for instance) are unlikely to survive without protectionist barriers because of small size and high production costs. Also, although they have increased recently, industrial exports to neighboring countries are still not developed enough to compensate for the limited internal

---

[11] Even with a 50 percent devaluation of the CFA franc, competitiveness remains hampered by the large share of imported inputs in the production of the industrial sector and the high level of productivity-adjusted labor costs in the formal sector.

demand: regional industrial exports only represent 10.1 percent of industrial production. Moreover, Senegalese manufacturers encounter stiff competition from Ivoirien industrial products in regional markets. For instance, according to the IMF's direction of trade statistics, Senegal's market share in Mali's regional imports is only one-fourth of that of Côte d'Ivoire.

B. Subsectors of the Tertiary Sector

34. For the purpose of this note, the tertiary sector is divided into four subsectors: [12] trade, transport and telecommunications, public administration, and other services (Figure 4). According to the national accounts, informal activities account for over 40 percent of the tertiary sector output (51 percent if public administration is excluded). [13]

Trade

35. Trade dominates Senegal's tertiary sector, accounting for about 35 percent of its total value added in 1998. Its share in GDP currently reaches 22.1 percent, compared with 20.3 percent in 1994. After a decline in 1993 and 1994, this subsector benefited from the CFA franc devaluation, averaging an annual growth of 7.4 percent over the period 1995-98 (Table 1). This expansion was helped by the progressive liberalization of the economy, which increases opportunities for trade and enhances competition. Although some formal enterprises remain, especially in import-export activities, three-fourths of trade is now in the informal sector, according to the national accounts statistics, because most newcomers have joined this sector.

Transport and telecommunications

36. Transport and telecommunications accounted for 19.1 percent of the tertiary sector and 11.9 percent of GDP in 1998, almost twice as important as the regional average (6.7 percent of GDP for WAEMU countries, excluding Senegal).[14] Transport activities represent 75 percent of measured value added of this subsector.

37. After expanding moderately since the beginning of the decade, growth in this sector accelerated after 1994, averaging 7.3 percent over the period 1995-98. A sharp increase of 12 percent in 1997 was mainly due to road transport activities and the dynamism in

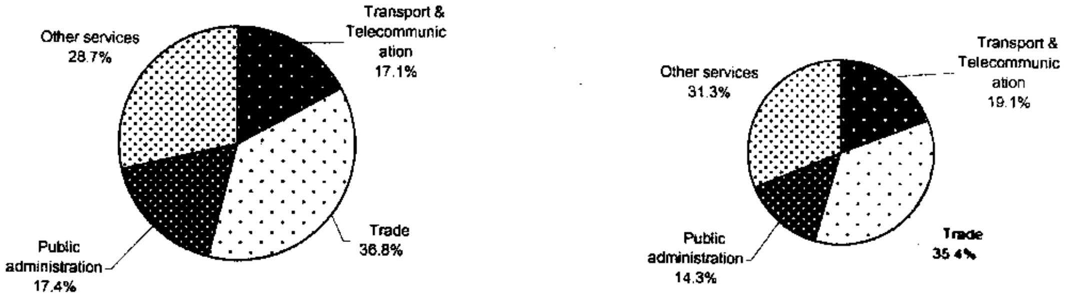
---

[12] Senegal's statistics exclude public administration and household production from the tertiary sector. Here, household production is incorporated in the subsector "other services".

[13] These figures were established for 1987.

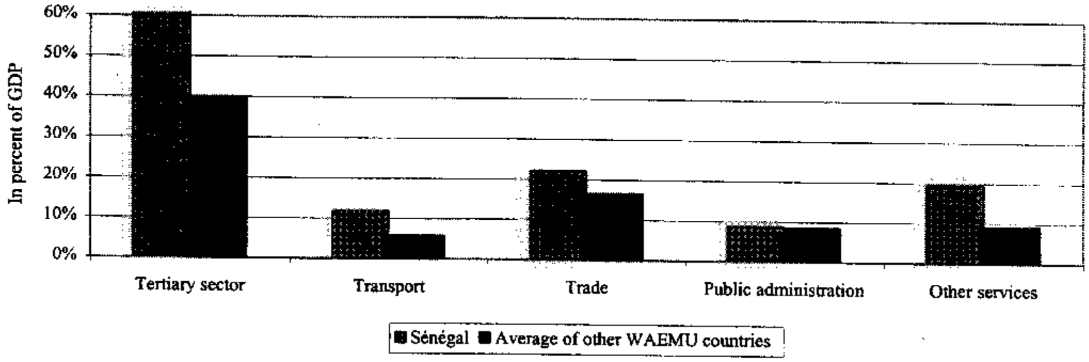
[14] Part of the discrepancy is explained by some countries' not including telecommunications in this subsector and by the lesser importance of transport activities in landlocked countries. Nonetheless, the gap with Côte d'Ivoire remains analytically unexplained.

Figure 4. Senegal: Components of the Tertiary Sector, 1990-98

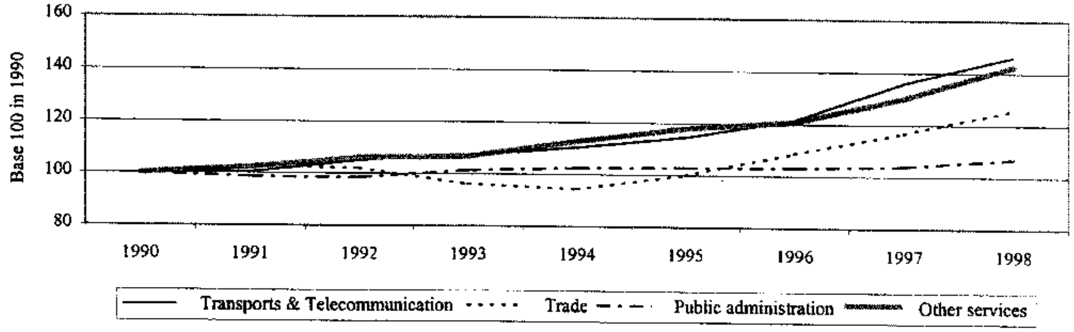


Components of the Tertiary Sector - 1990
(In percent of total)

Components of the Tertiary Sector - 1998
(In percent of total)



Sectoral Comparison Between Senegal and Other WAEMU Countries - 1998



Real Growth Within the Tertiary Sector

telecommunications (see below). Sixty-seven percent of the value added of this sector originates in the informal sector, essentially in road transport. The government, with the support of the World Bank, is implementing a transport policy to strengthen the sector.[15]

38. Road transport represents 84 percent of the transport subsector according to national accounts statistics, and has grown since the devaluation. Presently, the road network consists of 14,500 kilometers, of which 4,200 kilometers are paved, although poorly maintained. Nevertheless, the sector is developing because of an increasing demand driven by population growth and trade activity, including with neighboring countries. Road transport activities are becoming more and more informal. The so-called *taxi-brousse* have supplanted the formal bus companies in intercity transport services, while in Dakar and its suburban area the expansion of the so-called *cars rapides* (with now more than 30,000 artisan-transporters) overwhelmed the public transport company (SOTRAC), which was liquidated in late 1998. The government is now finalizing the transfer of the activities of the former SOTRAC to a private company. As part of the transport sector policy, a five-year road maintenance program has been adopted to renovate the paved and unpaved road network and to alleviate congestion.

39. Maritime transport represents 11 percent of Senegalese transport activity, according to the national accounts. The Port of Dakar is the country's main international seaport, supplemented by three secondary ports. Activity in the Port of Dakar increased on average by 6.5 percent a year over the period 1994-98, reaching 6.44 million tons in 1998, and has benefited from the growth in trade since the CFA franc devaluation. About 5 percent of the activities of the port are registered as transit activities, mainly to and from Mali (89 percent of the transit activities). But the Port of Dakar's competitiveness continues to be limited by weak maritime transport policies and decision-making capabilities, inadequate management and regulations, marketing problems, and overstaffing. The Second Transport Sector Project of the World Bank plans to address these structural weaknesses.

40. Essentially because of decrepit physical infrastructure, railway activity (4 percent of the transport value added) has been broadly constant in recent years despite the economic growth. The rail network includes 1,058 kilometers of track, consisting essentially of the Dakar-Bamako line. This line recently suffered major problems because of its poor physical infrastructure, resulting in a contraction of international freight of 12.1 percent in 1999. Since 1997, negotiations have been undertaken with the Malian railways to privatize the operations of the Dakar-Bamako line.

41. Senegal's dozen regional airports and four international airports have experienced a traffic increase since 1995, thanks to the growing number of tourists and the development of

---

[15] Following up on a transport sector adjustment loan (PAST), a transport sector loan (PSTII) of the World Bank for 1999-2004 was approved in January 1999.

freight activities. After several failed attempts, Air Sénégal was privatized in March 1999, and it is planned to privatize the airport's management from 2001 onward.

42. Telecommunications is presently a buoyant activity in Senegal. The average annual growth of fixed lines was 17.2 percent over the period 1994-98, while cellular phone activity has experienced an extremely rapid development since its inception in 1997: at end-1999, the number of cellular phones already represented one-third of the fixed lines. According to a 1997 World Bank study, Senegal is the most competitive country in the WAEMU region for telecommunications services, offers the best quality and the largest range of telecommunications products, and has one of the most modern communication infrastructures in sub-Saharan Africa. The privatization of the telecommunications company (SONATEL) in 1997 and the commitments by the buyer to implement an intensive investment program are expected to strengthen this sector.

Public administration

43. While the expansion of the tertiary sector to a large extent resulted from the growth of public administration during the 1970s and the 1980s, the reverse was true during the last decade. The share of public administration declined steadily during the 1990s, falling from 17.3 percent of GDP in 1990 to 14.2 percent in 1998. Its average annual growth rate over 1994-98 was only 1.1 percent, while the other components of the tertiary sector grew on average by 6.1 percent. This development is the direct consequence of the adjustment policies, which have tightened control of the civil service size and the wage bill in a context of rapid economic growth.

Other services

44. In Senegal's national accounts, the category "other services" includes property, household, and enterprise services, hotel and restaurant activities, and the bank and insurance industries. In 1998, they accounted for 19.5 percent of GDP and 31.3 percent of the tertiary sector. The contribution of this subsector to GDP is twice as large as the regional standard (9.1 percent in Côte d'Ivoire, 9.5 percent in Benin, and 7.5 percent in Togo, for instance). One of the explanations for this major difference is that Senegal's national accounts incorporate the services of owner-occupied dwellings in the real estate services (the former representing approximately 8 percent of GDP), which are not taken into account in Côte d'Ivoire, Mali, and Togo.[16] The "other services" activities have been expanding quickly in Senegal since 1995, with an average growth rate of 6.0 percent.

---

[16] For owner-occupied accommodations, Senegal's national accounts evaluate a service of owner-occupied dwellings. A recent workshop on GDP harmonization among WAEMU member countries estimates that the incorporation of these services would lead to a 5 percent increase in the stock of Côte d'Ivoire's GDP. This methodological discrepancy explains only

(continued...)

45. According to the balance of payment statistics, tourism receipts in 1998 reached CFAF 100 billion in 1998, equivalent to 3 percent of Senegal's GDP, and the number of tourist arrivals, mainly from Europe, was about 350,000 in that year. The sector has benefited from the decline in hard currency prices for tourism in Senegal in recent years, the closeness to Europe, and the opening up to charter flights, which contributed to the increase of 43 percent in the number of arrivals between 1992 and 1998. Tourism in Senegal, however, is a mixed success. Although Senegal is receiving the highest number of tourists in the subregion,[17] results are somewhat disappointing in light of the size of investments made in the sector. Moreover, tourism infrastructure is still predominantly held by the public sector and privatization is slow in being implemented. Nonetheless, the stabilization of the political situation in Casamance, a major tourist area, could stimulate the tourism sector. A strategic development plan has been adopted to promote tourism and is focused on promoting Senegal's image abroad, improving accommodations and attractions at all the major tourism sites, revitalizing investment in the sector, and setting up a monitoring system.

46. The financial sector was restructured successfully between 1989 and 1991 after a severe crisis led to the closure of several banks. However, financial intermediation remains low in Senegal, compared with others countries with the same level of development. An emerging microfinance sector, encouraged by international donors, is also actively involved in the financing of the informal tertiary sector activities.

C. Tertiary Sector and Growth of the Economy

47. The average real growth rate of the tertiary sector reached 5.9 percent during 1995–98 and 6.9 percent if the public administration component is excluded. The tertiary sector by itself contributed to 84.1 percent of the national economic growth over the period 1997–98, a significantly higher figure than its share in GDP (Figure 5).

48. Apart from the specific dynamics of each subsector, two main reasons explain the accelerating growth in the tertiary sector over recent years. First, the reallocation of production factors in the Senegalese economy favors the tertiary sector. The drift away from the countryside is accelerating, and the new urban workers are mainly being absorbed by the tertiary sector. Also, a significant part of private investment in the country in the latter years has benefited service activities, including in relation with the privatization of the telecommunications company, some hotels, and the Dakar port, and the opening of road transport and cellular communication to the private sector. Second, the productivity of the tertiary sector itself has increased during recent years, even if it remains low.

---

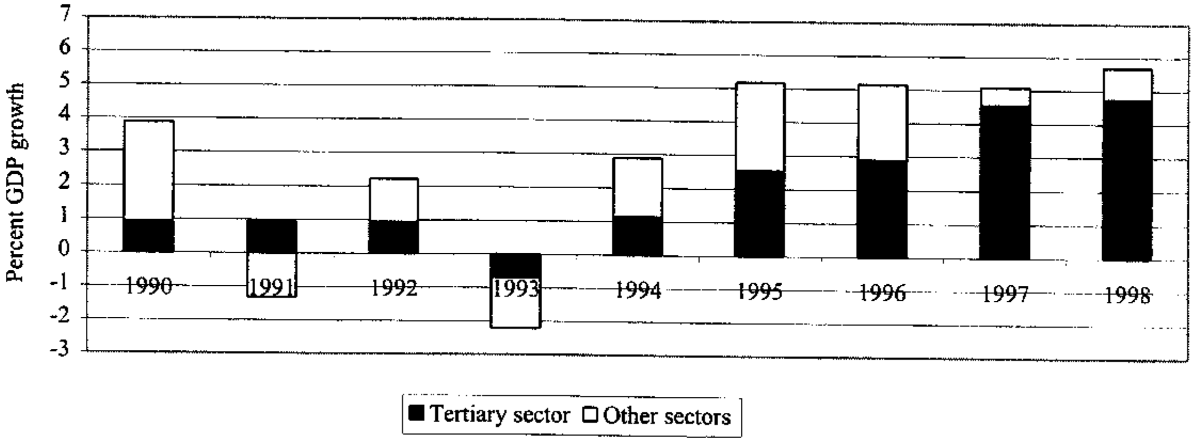
three-fifths of the difference between the two countries, and some further evidence may suggest that this subsector might be somewhat overvalued in Senegal's national accounts.

[17] And the seventh hightest in the whole of Africa, according to the World Tourism Organization.

Table 1. Senegal: Composition and Growth of Tertiary Sector Output, 1993-98

	1993	1994	1995	1996	1997	1998
	(In percent of tertiary sector output at constant prices)					
Tertiary sector	100.0	100.0	100.0	100.0	100.0	100.0
Trade	34.7	33.5	34.1	35.3	35.3	35.4
Transport and telecommunications	17.9	18.1	18.1	18.3	19.1	19.1
Public administration	17.3	17.2	16.6	15.9	14.9	14.2
Other services	30.1	31.2	31.3	30.6	30.7	31.3
	(Annual percentage changes)					
Tertiary sector	-1.1	1.8	4.2	4.8	7.4	7.5
Trade	-5.8	-1.8	6.0	8.6	7.5	7.7
Transport and telecommunications	1.8	3.2	3.7	6.0	12.0	7.5
Public administration	3.0	1.1	0.3	0.3	0.8	2.9
Other services	0.6	5.6	4.7	2.2	7.9	9.4

Figure 5. Senegal: Tertiary Sector Contribution to GDP Growth, 1990-98



49. The economic literature has frequently claimed that a relative expansion of the service sector has a deleterious effect on economic growth. As summarized by Dutt and Lee (1993), several arguments have been suggested to buttress this assessment. First, the fact that services perish upon production should imply that increased spending on them would lead to a reduction in the accumulation of capital and, consequently, to a slowdown in the economic growth rate. Second, it has been argued that, since in services production labor is the end product, the possibly for increasing productivity is far more limited in that sector than in sectors producing goods, where labor is a factor of production. Third, it has been claimed that manufacturing activity is an engine of economic growth because it generates technological change that favorably affects the whole economy, while service sector expansion, by reducing the share of manufacturing, reduces the effectiveness of this engine. Dutt and Lee have investigated whether this negative relation was reflected in the data, using a cross-section analysis from a large set of countries for the period 1961-89. The conclusions of the authors were balanced: they found that a relative expansion of the service sector had a positive or negative impact on economic growth depending on how the role of the service sector in the economy is measured. Notably, they found that if the role of the service sector is measured by the average service share in employment, it was negatively correlated with real GDP growth in the 1960s and 1970s but not during the 1980s.

50. Several arguments, however, suggest that, in Senegal's case, the tertiary sector does not have a negative impact on economic growth. First, as already mentioned, the growing share of the workforce involved in the tertiary sector originates in the primary sector, where productivity is very low, and not in the secondary sector. Moreover, as was demonstrated in a recent study,[18] because productivity in the secondary and tertiary sectors is higher than in the primary sector, it is likely that the development of the tertiary sector has increased the overall productivity of the Senegal's economy. Second, in an economy more constrained by demand than supply, an expansion of the service sector may, by generating demand, increase the rate of economic growth. Third, government interventionist policies have prevented the primary and secondary sectors to grow at their full potential; this has not been the case for the expansion of the largely unregulated tertiary sector.

D. Prospects and Conclusions

51. To reduce the high level of poverty and to absorb the many newcomers into the labor market, growth needs to accelerate in Senegal. Because of its predominance in the economy, the tertiary sector should propel Senegal's economic growth, without, however, neglecting the other two sectors. This strategy implies a change in the attitude of the government and the donor community toward this sector, and an enhanced interest in its strengths and weaknesses, so that the structural reforms needed to encourage its development can be implemented.

---

[18] Berthelemy, Seck and Vourch (1996). According to these authors, urban migration appears to be one of the major determinants of long-term growth in Senegal.

52. Because of its structural deficiencies, an acceleration of growth is not likely to come from the primary sector. Even if the secondary sector appears to have been relatively dynamic after the CFA franc devaluation, with a growth path broadly equivalent to the tertiary sector, the structural weaknesses of this sector, as highlighted above, remain. And it is unlikely, with present policies, that such a growth level can be sustained: the industrial growth of recent years was mainly due to the increased use of the available production capacity after years of stagnation. The construction sector benefited from a recovery in public investment and private housing, which, although likely to stay at a high level, is not expected to continue to grow as fast as in recent years.

53. The tertiary sector is still suffering from a large array of structural handicaps that constrain its development. Very small urban or rural enterprises dominate the transport, trade, and informal "other services" categories and most of them are locked in a vicious circle whereby demand deficiency depresses supply, and vice versa. Because of a lack of capital, know-how, technology, and available credit, as well as a low level of factor productivity, these enterprises generate only very low incomes, thus prolonging poverty. Low incomes depress demand. In turn, insufficiency in demand deters productivity enhancing investments that would increase income levels.

54. However, without this informal production, the survival of the poorer segments of the population might not have been possible, particularly in light of the rapid migration to urban centers in Senegal in recent years. Also, given the prohibitively high entry cost of creating industrial jobs in the modern sector and the low level of foreign direct investment in Senegal, any meaningful poverty reduction strategy will have to be based on a furthering of these small enterprises in the tertiary sector.

55. The challenge is to fashion an appropriate mix of policies that removes impediments to the accumulation and efficient allocation of saving and investment (including in human capital). This policy mix will include increasing productivity and allocative efficiency in order to better use the limited resources. To the extent that this can be accomplished relatively quickly, growth could be enhanced without immediate increases in saving and investment. The policies will have to tackle supply and demand simultaneously in a parallel fashion. This entails, foremost, to convince policymakers that export-led growth will not be sufficient to eradicate poverty and that the engine of growth in the Senegalese economy lies with these small enterprises in the tertiary sector. Hence, the authorities' efforts should be directed at furthering the domestic market, lifting the constraints on the ability to increase supply, and, in particular, removing the legal and administrative hurdles and other policy distortions that slow domestic production and demand. On the supply side, a significant effort should be undertaken to make small credits available, to invest in infrastructure (roads, means of transport, water and electricity supply, telecommunications, facilitating the availability of computers and access to the internet, etc.), and to provide simple hands-on education and training. On the demand side, policies should be directed, inter alia, at encouraging enterprises in the modern sector and the public sector to purchase supplies locally.

References

Jean-Claude Berthelemy, Abdoulaye Seck, and Ann Vourch, 1996, *Growth in Senegal, a Lost Opportunity?* (Paris: Development Center of the Organization for Economic Cooperation and Development).

CEFTE, 1997, "Programme d'Appui Régional à l'Intégration des Pays de l'UEMOA (PARI)", rapport final Sénégal, (Bruxelles).

Amitava Krishna Dutt and Keun Young Lee (1993), The Service Sector and Economic Growth: Some Cross-section Evidence, *International Review of Applied Economics 7*, 311-329

World Bank, December 1997, "Senegal, The Challenge of International Integration" (Washington: World Bank).

World Bank, 1999, "Second Transport Sector Project to Republic of Senegal" (unpublished; Washington: World Bank).

IV. THE SOUNDNESS OF THE SENEGALESE FINANCIAL SECTOR[19]

A. Overview

56. The health of Senegal's financial sector improved significantly over the last decade. In response to a deep financial crisis caused by economic deterioration and mismanagement in the 1980s, Senegal implemented a wide-ranging financial sector-restructuring program between 1989 and 1991. Six banks were closed, the nonperforming assets were consolidated by the Banque Centrale des Etats d'Afrique de l'Ouest (BCEAO), and a loan recovery institution, the Société Nationale de Recouvrement (SNR), was set up in 1991 to streamline the recovery of nonperforming loans.[20] Despite this financial restructuring, the financial sector remained weak prior to the January 1994 CFA franc devaluation, owing to loan repayment difficulties, low demand for credit, and a decline in bank deposits in anticipation of an exchange rate devaluation.[21]

57. Following the exchange rate adjustment, the health of the banking sector improved somewhat as confidence was restored and the economic situation became more buoyant. The banking sector at that time experienced a surge in liquidity as a result of strong capital inflows, combined with an initial weak demand for credit. After 1996, this excess liquidity dried up progressively as Senegal's economic recovery took hold and the number of creditworthy projects increased; meanwhile, the growth in deposits remained more moderate. The profitability of the banks was consequently strengthened, and the banking environment became more attractive. Indeed, a new bank was established in February 1999, the first since 1989.[22] According to banking sources, the main difficulty encountered by the banking sector now is the absence of a prompt and impartial application of the existing legal framework by the judiciary.

---

[19] Prepared by Vincent Caupin.

[20] At end-June 1999, the amount of claims recovered reached CFAF 46.3 billion (at end-1990, the amount of nonperforming assets was estimated at CFAF 291 billion, of which CFAF 54 billion was to be met through loan recovery). CFAF 29.3 billion was reimbursed to depositors, a little more than half of the stock of outstanding frozen deposits of CFAF 54.8 billion.

[21] Bank deposits fell from17 percent of GDP in 1992 to 15.1 percent in 1993; meanwhile, according to Bank for International Settlements figures, deposits of Senegalese held abroad rose from about US$500 million in 1992 to about US$600 million in 1993.

[22] For future years, opening of new banks, and hence competition in the banking market, might be facilitated by the zone-wide licensing agreement adopted at the WAEMU regional level in 1999.

58. The observance of the key prudential ratios by the financial sector has improved slightly in recent years (see Table 2).[23] The Banque Sénégalo-Tunisienne (BST), the only bank not meeting the minimum capital requirement and the capital adequacy ratio at end-1998, was recapitalized and privatized in March 1999 and is now considered viable. At end-1998, one bank, in addition to the BST, did not meet the liquidity ratio and another did not meet the insider-lending ratio. In 1999, the regional banking commission required two banks to comply with the prudential norm and put one nonbank financial institution under temporary administration.

59. The Senegalese financial sector consists of ten commercial banks, five nonbank financial institutions (NBFIs),[24] and a number of formal and informal microfinance institutions. The capital of commercial banks and NBFIs is mainly private owned, even if the public sector holds more than 25 percent of the capital of four commercial banks.[25] At end-June 1999, the total assets of the banks and NBFIs amounted to CFAF 633.7 billion, while the total capital amounted to CFAF 27.2 billion, with the banking sector accounting for 98 percent of the total assets and 88 percent of the capital. The 320 registered microfinance institutions have grown significantly over the past several years, with a total credit outstanding at end-1998 of CFAF 14.1 billion—equal to 3 percent of the total credit outstanding of the formal sector—and total deposits of CFAF 9.8 billion. There is also a large number of informal savings groups.[26]

60. Section B will discuss the reform of prudential norms adopted in 1999 and its impact on the observance of prudential ratio by Senegalese banks; Section C will briefly assess the soundness of Senegal's banking sector.[27]

---

[23] The figures used here are those provided on a regular basis by banks and NBFIs to the BCEAO. The regional banking commission, which undertakes an on-site visit of each bank and NBFI normally every other year to audit the accounts, can recommend some balance sheet adjustments (notably, further provisions).

[24] Three large banks, five other nonspecialized banks, two specialized banks (agriculture and housing), two leasing institutions and three investment companies.

[25] The public sector holds the majority of the capital of the Caisse Nationale de Crédit Agricole du Sénégal (CNCAS).

[26] Senegal has a long tradition of local mutual savings institutions modeled on rotating savings club (*tontines*), in which members contribute a fixed amount to a common fund that is then lent in sequence to each member.

[27] Senegal will be subject of the Financial Sector Assessment Program, under which a more detailed analysis on the subject will be provided.

Table 2. Senegal: Key Prudential Ratios by Bank, 1992-98

	Capital (FPE)							Capital Adequacy Ratio (Minimum = 4 percent)							Liquidity Ratio (Minimum = 60 percent)						
Institution	1992	1993	1994	1995	1996	1997	1998	1992	1993	1994	1995	1996	1997	1998	1992	1993	1994	1995	1996	1997	1998
	(Minimum = CFAF 1,000 million)																				
Banks																					
SGBS	6,972	7,036	7,045	7,088	7,299	7,986	8,442	11	10	9	7	5	5	5	79	70	78	64	69	61	67
BICIS	4,096	4,477	4,556	4,805	5,299	5,844	7,032	5	6	6	5	9	6	5	**57**	**56**	**58**	**59**	74	**48**	**52**
CBAO	2,111	2,952	3,897	1,350	6,430	8,107	8,702	5	4	7	1	6	8	11	72	68	69	74	75	74	74
CLS	3,540	4,246	5,041	5,238	5,238	3,609	5,417	10	14	13	13	6	5	7	75	76	64	**52**	**55**	68	68
CITIBANK	1,721	1,698	1,982	2,314	2,630	3,015	2,995	14	8	7	7	9	10	6	89	90	86	64	77	64	73
BHS	4,802	2,467	4,865	4,452	13,455	13,797	14,650	23	12	23	22	62	59	61	71	64	134	137	**53**	**55**	65
CNCAS	3,787	770	1,287	2,899	4,999	5,807	7,051	10	6	13	32	47	33	31	**57**	116	125	143	94	91	76
BST	**654**	**518**	**(841)**	**(792)**	**(650)**	**333**	**(1,776)**	18	17	(-)	(-)	(-)	10	(-)	76	**62**	68	**31**	**54**	**47**	**45**
BIS[1]	...	...	...	...	1,770	1,631	1,599	...	...	...	...	190	32	29	...	...	...	...	80	80	76
ECOBANK[2]	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
NBFIs[3]	(Minimum = CFAF 300 million)																				
SOGECA	333	146	425	503	570	788	700	...	10	23	11	6	9	12	...	...	...	...	...	...	...
Crédit Sénégalais	328	350	278	420	372	348	348	66	63	27	19	35	15	14	...	...	...	...	...	...	...
SOCRES	304	313	315	319	314	329	350	53	65	54	62	71	65	78	...	...	...	...	...	...	...
LOCAFRIQUE	256	589	1,431	1,541	1,664	1,775	1,767	13	32	107	82	67	94	105	...	...	...	...	...	...	...
SENINVEST[4]	...	...	552	554	550	556	575	...	...	428	246	165	167	88	...	...	...	...	...	...	...

Sources: BCEAO; and Commission Bancaire.

[1] The BIS resumed operations in October 1996.

[2] Ecobank was established in 1999.

[3] The prudential liquidity ratio does not apply to the NBFIs.

[4] SENINVEST was established in 1993.

q:\data\sen\m-991\Pruratio.xls Ratios by bank

B. The Reform of Prudential Norms

61. In July 1999, the WAMU[28] Council of Ministers adopted a new set of prudential ratios for commercial banks and NBFIs of the union, driven by four key objectives: (i) to incorporate recent changes in international norms regarding banking supervision; (ii) to strengthen the protection of depositors; (iii) to take financial innovations into consideration; (iv) and to harmonize the prudential measures with the new general accounting plan (SYSCOA) that has been implemented since 1996.

62. Regulations pertaining to registered microfinance institutions have not been changed. In Senegal, the government recognizes credit unions (*mutuelles*) –cooperatives that belong to their members – and local savings institutions (*caisses d'épargne et de crédit*). The regulation of the credit unions is being developed in the context of a regional initiative to establish a common system of registration and regulation, including prudential norms, and various deposit insurance mechanisms are being considered. The local savings institutions do not benefit from any deposit insurance mechanisms and are subject to a less strict set of regulatory norms. The numerous small financial institutions, such as village associations (*groupements*), operate without formal government recognition.

63. The reform of prudential norms for banks and NBFIs covers not only the definition of the capital base but also the thresholds and the mode of calculation of the ratios. The definition of the capital base, which was previously limited to core capital,[29] has been broadened in line with the recommendations of the Basel Committee for Banking Supervision and now includes supplementary capital. The reform includes modifications of almost half of the thresholds (see Box 2). Notably, in line with the broadening of the capital base definition, the minimum requirement for the capital adequacy ratio has been increased from 4 percent to 8 percent. Moreover, in order to better distinguish among high, medium, and low risks, the weights used in calculating the capital adequacy ratio have been modified (see Box 3). Additional technical amendments have also been introduced regarding the regulation of insider lending and the mode of calculation of the liquidity ratio and of the coverage of medium-and long-term liabilities by medium-and long-term assets ratio. These new prudential ratios came into effect in January 2000, but a two-year transition period for meeting the capital adequacy ratio was granted to the banks.

---

[28] The West African Monetary Union (WAMU) groups Senegal, Benin, Burkina Faso, Côte d'Ivoire, Guinea Bissau, Mali, Niger, and Togo. Monetary policy and financial sector surveillance are conducted at the regional level.

[29] The Basel Committee recommends dividing the total capital in two tranches: the core capital and the supplementary capital, also respectively called tier-1 and tier-2 capital.

64. To evaluate whether the modifications in financial regulations have strengthened banking surveillance, the BCEAO made preliminary simulations based on the new key prudential ratios for Senegal's banking system. These simulations[30] indicate that (i) the new definition of the capital base involves a slight decrease of the overall banking system's capital base, (ii) the regulation on the capital adequacy ratio has been tightened through combined effects (see below), and (iii) the requirements for liquidity and for coverage of medium-and long-term liabilities by medium-and long-term assets may not have been strengthened.

Box 2. Banking Sector Prudential Norms - Old and New Thresholds

The minimum capital requirement has been left unchanged at CFAF 1 billion for a commercial bank and CFAF 300 million for a NBFI.

	Old Thresholds	New Thresholds
	(In percent unless otherwise indicated)	
Minimum requirement for capital adequacy ratio	4	8
Minimum requirement for the liquidity ratio	60	75
Division of risk		
Individual norm limitation (as percent of capital base)	100	75
Global limit for loans representing more than 25 percent of the capital base	Ten times capital base	Eight times
Minimum coverage of medium-and long-term liabilities by medium-and long-term assets	75	75
Insider lending (as percent of total lending)	20	20
Portfolio risk structure (percent of "low risk" loans)	60	60
Maximum ratio of fixed assets and equity investment to capital	100	100
Maximum ratio of off-balance-sheet fixed assets to capital	15	15

---

[30] These simulations concern the capital base, the capital adequacy ratio, the liquidity ratio, and the coverage of medium- and long-term liabilities by medium- and long-term assets. No simulations have been done for the other ratios and for the NBFIs. The discussion here will consequently focus on commercial banks.

Box 3: New Weights Used in Calculating the Capital Adequacy Ratio

Bank assets have different degrees of exposure to credit risk. The risk weighting is intended to reflect default probabilities for each category of risk.

After the reform of the prudential norms, the balance sheet and off-balance-sheet risks for the calculation of the capital adequacy ratio of the WAMU banks and NBFIs are weighted mainly as follows:

- A risk weight of 0 percent applies mainly to:
  - cash and its equivalent; and
  - bills and loans to governments, public entities, and central banks.

- A risk weight of 20 percent applies mainly to:
  - bills and loans guaranteed by governments, public entities, and central banks; and,
  - lending to banks and other financial institutions and bills issued by banks and other financial institutions or guaranteed by them.

- A risk weight of 50 percent applies mainly to:
  - loans secured by mortgage on properties; and,
  - credits benefiting from an *accord de classement* of the central bank

- A risk weight of 100 percent applies to all other assets

Compared with the old weighting system, the main changes are the following:
  - The lending to, and bills issued by, financial institutions, which are now weighted at 20 percent, were previously weighted at 50 percent.
  - Credits benefiting from an *accord de classement* of the central bank, which are now weighted at 50 percent, were previously weighted at 65 percent.
  - Securities without conveyance, which are now weighted at 50 percent, were previously weighted at 100 percent.

A two-year grace period for meeting the capital adequacy ratio has been granted to the financial sector.

65. According to the preliminary simulations, the mechanical impact of the introduction of a new capital base definition results in a slight decrease of about 5 percent of the overall banking system capital base. The absence of a supplementary capital base in the banks and the exclusion in the new capital base definition of grants given to bank branches explain this drop. Two banks experienced a decline in their capital base, while it remains broadly unchanged in the other banks.

66. The new regulation results in a strengthening of the capital adequacy ratio requirement.[31] The new weighting system leads to a decrease of the risk-weighted value of the loan portfolio for almost all of Senegal's banks because of the lower risk assigned to

---

[31] The capital adequacy ratio is the quotient of the capital base (numerator) to the risk-weighted assets (denominator).

several claims (see Box 3). Because the risk-weighted assets (denominator) generally decrease while the capital base (numerator) contracts only slightly, the capital adequacy ratios of nine of the ten banks improve mechanically under the new regulation; the ratio for the entire banking system becomes 11.4 percent, versus 10.8 percent under the previous regulation (Table 3). With the increase of the floor to 8 percent, three banks do not meet the new requirement, whereas none failed to meet it under the previous regulation.

Table 3. Senegal: Key Prudential Ratios of the Senegalese Banking System Under Previous and New Regulations

	Previous Regulation	New Regulation (Preliminary results)
Capital base (millions of CFA francs)	66,952	62,867
Number of banks not meeting the minimum requirement	0	0
Capital adequacy ratio (percent)	10.8	11.4
Number of banks not meeting the minimum requirement	0	3
Liquidity ratio (percent)	62.8	77.4
Number of banks not meeting the minimum requirement	4	3
Coverage of medium- and long-term liabilities by medium- and long-term assets (percent)	57.8	58.4
Number of banks not meeting the minimum requirement	4	4

Sources: BCEAO; and staff calculations.

67. Under the new regulation, the liquidity requirements for the banks remain broadly constant. The increase in the required floor for the liquidity ratio[32] (from 60 percent to 75 percent) is offset by the mechanical rise of the ratio resulting from the new definition. Indeed, the contraction implied by the new weights used in the calculation is larger in current liabilities (denominator) than in short-term assets (numerator). Consequently, the liquidity ratio of the overall banking system rises from 62.8 percent to 77.4 percent and remains slightly above the requirement, as under the previous regulation. Three banks do not meet the new liquidity ratio, versus four under the previous regulation.

68. The new regulation has no significant impact on the coverage of the medium- and long-term liabilities by medium- and long-term assets, as the ratio remains at about 58 percent for the overall banking system. Four banks do not meet the requirement of 75 percent, the same as under the previous regulation.

---

[32] The liquidity ratio compares short-term assets to current liabilities.

69. The slight tightening of the prudential ratios might, however, not be sufficient to ensure the soundness of the banking system. Recent studies on banking regulation in developing countries (e.g., Honohan, 1997) and in WAMU countries (Laurin, 1999) suggest that even tighter regulations should be adopted. For instance, these studies point out that the capital requirements for risky assets adopted by industrial countries and endorsed by the Basel Committee were calibrated for those countries whose economies are generally large and not too vulnerable to exogenous shocks. However, these capital requirements appear to be inadequate for most developing countries. Therefore, numerous developing countries have decided to adopt a capital adequacy ratio higher than the 8 percent recommended internationally.[33] Furthermore, these studies consider the application of a zero-risk-weighting scheme to government debt to be questionable for developing countries. Finally, although the WAMU has now endorsed the "octuple rule," [34] the single-debtor limitation, at 75 percent of the capital base, remains significantly higher than the Basel recommendation of 25 percent.[35]

C. The Soundness of the Senegalese Banking System

70. The evaluation of Senegal's banking system is mixed. On the one hand, the banking system appears to be sound, with a diversified portfolio, significant profits, and the share of nonperforming loans kept under control. On the other hand, its impact on growth and income redistribution remains below potential because of a lack of depth and insufficient supply of long-term loanable funds.

71. Senegal's banking portfolio is increasingly diversified, and its exposure to the public sector is not worrisome, with the bulk of the claims directed at the private sector. In September 1999, the exposure of commercial banks to the public sector was limited to 14.7 percent of domestic credit. Also, the loan portfolios of commercial banks in Senegal are relatively diversified, compared with commercial banks in Mali, Burkina Faso, or Benin, where there is a very high concentration of loans to the cotton sector, or, to a lesser extent, with banks operating in Côte d'Ivoire, where there is a high exposure to the cocoa sector. The groundnut sector is no longer predominant in the portfolio of Senegalese banks sector because of (i) the contraction of groundnut production (2.8 percent of GDP in 1998), and (ii) a structural decline in the bank financing of the groundnut company (SONACOS), which

---

[33] Moreover, the recommendation from the Basel Committee to adjust the required level of the capital base to the risk profile of the banks has not been taken into account in the WAMU reform.

[34] According to the new regulation, the combined amount of loans representing more than 25 percent of the capital base cannot exceed eight times that base. Nevertheless, the octuple rule usually concerns loans representing more than 15 percent of the capital base.

[35] This recommendation is already considered a minimum, and several countries are planning to reduce the limit to 15 percent.

now essentially issues its own commercial paper on the regional market instead of relying on bank financing. In fact, most of the credits to the private sector are granted to the tertiary sector (53.5 percent in June 1999), which consists of a wide array of activities not obviously interlinked or, as a group, likely to suffer from a terms of trade shock.

72. Since the CFA franc devaluation of 1994, the profitability of Senegal's banking sector has been restored. The profitability ratio (profits/capital) reached 23 percent at end-1996 and 24 percent at end-1997, but fell to 15.5 percent at end-1998 because of the need to make substantial provisions. Senegal's banking system, together with those of Benin and Burkina Faso, was the most profitable among the WAMU countries over 1996-98, reflecting the wide margin between deposit and lending interest rates (about 10 percent) resulting from the lack of competition in the sector.

73. According to figures provided by the commercial banks, nonperforming loans seem to remain manageable. At end-June 1999, the level of gross nonperforming loans represented 19.8 percent of total credit outstanding, while the net ratio amounted to 7.6 percent. While those ratios are slightly higher than the WAMU average (respectively, 18.9 percent and 5.9 percent), they represent a significant improvement from the end of the 1980s, when the value of nonperforming loans was estimated at half of total outstanding credit (Lewis, 1997).

74. Overall, however, the financial sector in Senegal remains underdeveloped, and financial intermediation is still inadequate. Although deposits in the banking system increased recently (18.1 percent of GDP at end-1999), they have just recovered the level of 1991(17.7 percent of GDP) and compare unfavorably with those of other members of WAMU. The high level of deposits held abroad partially explains this lack of financial depth and indicates that confidence in the Senegalese banking system has not yet been totally restored (Lewis, 1997).

75. Senegalese commercial banks tend to grant essentially short-term loans (56 percent of total credit disbursed at end June-1999) and, to a lesser extent, medium-term loans (26.8 percent); clients continue to face difficulties in obtaining long-term financing. For commercial banks, the immediate obstacle to increasing long-term lending seems not to be the access to long-term loanable funds (about half of the deposits are time deposits), but difficulties in collecting on claims and enforcing guarantees. The legal code regulating the financial sector appears to be appropriate and has been improved recently through the regional initiative of business law harmonization (OHADA); the main problems concern the prompt and impartial application of the existing legal framework by the judiciary. According to banking sources, the application of the law is biased in favor of debtors. Therefore, the cost of financial intermediation is increased, which has a negative impact on the profitability of investments.

References

UEMOA, *Projet de texte relatif au dispositif prudentiel applicable aux banques et aux établissements financiers de l'UEMOA à compter du 1er janvier 2000*, June 1999

Laurin, Alain, 1999, "La supervision bancaire dans l'UMOA", (unpublished, Washington: World Bank).

Honohan, Patrick, 1997, "Banking System Failures in Developing and Transition Countries: Diagnosis and Prediction", BIS Working Papers No.39, (Basel, Switzerland: Bank for International Settlements).

Lewis, Mark, "Financial Sector Developments and Financial Deepening in Senegal, 1989-96", in Senegal - *Selected Issues and Statistical Appendix*, IMF Staff Country Report No. 97/94, by David T. Coe and others (Washington: International Monetary Fund).

V. RECENT DEVELOPMENTS IN TRADE POLICY[36]

A. Introduction

76. In the 1970s and 1980s, Senegal maintained a complex and comprehensive system of tariff exemptions and price and import controls aimed at limiting foreign competition and ensuring the availability on the domestic market of goods considered essential. Special agreements were granted to selected private and state-owned enterprises reflecting the "dirigiste" nature of economic policymaking. In the second half of the 1980s and in the early 1990s, a substantially overvalued exchange rate, lagging international competitiveness, and the fear of a significant decline in industrial output, as well as a shortfall in tariff revenues, proved to be a strong disincentive to the authorities for dismantling this protectionist system.

77. With the price competitiveness of exports improving markedly after the devaluation of the CFA franc in January 1994, a window of opportunity for Senegal to embark on comprehensive price liberalization and trade reform opened. Senegal's trade-weighted real effective exchange rate declined by about 30 percent following the devaluation.[37] Subsequently, price controls were progressively lifted, and the number of items requiring import authorization was reduced. This latter practice was discontinued altogether by end-1995. However, it was only in the context of the regional initiative to establish a customs union among the member countries of the West African Economic and Monetary Union (WAEMU) in 1997 that trade reform gained a more prominent place on Senegal's policy agenda.

78. This note summarizes the developments in Senegal's trade policy since 1997, which were primarily driven by the implementation of the WAEMU common external tariff (TEC) and the elimination of intra-area customs duties for eligible products. It first describes the predominant patterns of trade and the role of trade policy in the Senegalese economy.[38] It then outlines the trade reform agenda since 1997 and its likely potential for reducing the level of import protection, including the scope for the introduction of compensatory protectionist measures. This is followed by a brief assessment of the economic adjustment pressures on Senegal from the WAEMU-inspired trade reform.

---

[36] Prepared by René Weber (PDR).

[37] For a comprehensive assessment of the impact of the CFA franc devaluation, see Clément and others (1996).

[38] The chapter focuses on trade reform within the regional context. It does not cover the consequences for Senegal of changes in the international trading system resulting from the conclusion of the Uruguay Round of trade negotiations and the initiation of further global trade talks. Furthermore, policy changes in trading-partner countries, such as the status of trade preferences for exports to the European Union (EU), are also not addressed.

B. Trade Patterns and Trade Policy

79. Senegal's trade patterns have largely developed from historical ties, particularly those with France, but they also reflect endowments of climate and certain natural resources, as well as the development of port facilities for trade. Its main goods export revenues are derived from exporting fish, phosphates, and groundnut products. These three principal export products account for more than half of total exports. About 11 percent of total exports are reexported goods, as Senegal's exports serve several neighboring countries (especially Côte d'Ivoire, Mali, and Mauritania). The significant decline in Europe's share of Senegal's exports (including reexports) since 1995 has been accompanied by a corresponding increase in the share of Senegalese goods exported to other African countries and to Asia. Also, Asia has now surpassed Europe in importance as an export destination. This shift in trade orientation reflects the decline in world prices for Senegal's export commodities shipped to industrial countries, as well as the growth of intra-WAEMU shipments of petroleum products (mostly to Mali) and the increased demand for industrial products from Senegal in the WAEMU region and in Asia.[39] The bulk of Senegal's imports (over 80 percent) are capital and intermediate goods, food products, and crude and refined petroleum. The origin of imports to Senegal has remained relatively stable over the past several years, with European, and especially French, suppliers playing a dominant role.[40]

80. The concentration on a small range of commodities exported to industrialized countries, particularly in Asia and Europe, indicates a strong link to the demand conditions in these countries. These trade patterns are distinct from intraregional exports to WAEMU and Mauritania, which comprise a variety of processed goods. However, trade among WAEMU members remains limited relative to overall trade transactions to and from the region, which are dominated by Côte d'Ivoire and Senegal. At present, therefore, the internal market for the kinds of tradable goods on which the countries of WAEMU have specialized remains narrow. In addition, poor infrastructure and communications links, as well as divergent legal frameworks that lack transparency, have also hampered intraregional trade.

81. In formulating trade policy, Senegal has traditionally attached considerable importance to the fact that the trade regime has a large bearing on the composition of

---

[39] An important factor in the large increase in the export share to Asia in 1996 (see Table 3) was the rise in exports of phosphoric acid produced by the Industrie Chimique Sénégalaise (ICS) to India.

[40] See data on trade developments in Tables 1-3. The relative importance of trade in the economy (as measured by the ratios of import and export values to GDP) has not increased after 1994, reflecting the country's still limited integration into the world economy. A study by the World Bank (1997) on the challenge of international integration for Senegal concluded that Senegal remained poorly integrated in the world economy and had significant scope for reducing trade protection.

domestic production. Past experience with import protection as a means of fostering domestic industries continues to strongly influence the authorities' policy stance on trade. Prior to the WAEMU tariff reforms, Senegal relied primarily on import tariffs as a policy instrument to influence trade flows and the allocation of resources within its economy. While there were no trade restrictions on the export side, imports were subject to a complex tariff system aimed at fostering imports of certain categories of goods deemed necessary or desirable by the authorities. While barriers on imports that could potentially crowd out local production were maintained, these customs regulations differentiated between consumption, industrial inputs, and investment imports.[41] The level of import protection accorded to the domestic industry with this system was substantial (see below).

82. The scope for economic distortions created by Senegal's trade regulations, centering on the import side and on tariffs, nevertheless appeared to be mitigated by the limited extent of other forms of trade protection. Quantitative trade barriers were limited, and there were no restrictions on payments for current transactions.[42] In addition, the tariff regime defined a large number of tariff exemptions that reduced the number of products actually covered by import tariffs, thus lowering the overall effective level of protection. At the same time, however, these exemptions were highly distortionary and increased the scope for administrative discretion, discriminatory treatment, and rent-seeking behavior (Box 4). Furthermore, business activities falling under the legislation on Free Export Companies (i.e., by export-processing enterprises) were fully tariff exempt.[43]

---

[41] Before the WAEMU tariff reform, extensive use was made of *codes de précisions*, consisting of two figures added to the customs nomenclature. This end-use tariff-setting mechanism determined import duty rebates according to the destination of imported goods (negative surtax). The customs code initially included 3,124 *précisions tarifaires*.

[42] Senegal accepted Article VIII of the IMF's Articles of Agreement in 1996. While banknotes circulate freely, currency transactions by other means to and from the WAEMU area can be effected only through the Central Bank of West African States (BCEAO), the postal administration, or a designated bank. For payments of business imports from countries outside WAEMU exceeding the value of CFAF 5 million, a designated bank has to act as an intermediary.

[43] The 1995 (law no. 95/34) and 1996 (decree no. 96-869) legislation on Free Export Companies replaced the long-standing system of free trade zones and *points francs* (single-factory zones). While tariff exempt, firms are subject to a 15 percent profit tax and are, in principle, allowed to sell no more than 20 percent of production on the domestic market.

Box 4. Tariff Exemptions in Senegal

According to the Senegalese customs administration, imports amounting to a total value of about CFAF 227 billion were tariff exempt in 1998. This implied a loss in customs revenue of approximately CFAF 60 billion (2.2 percent of GDP or 8.3 percent of goods imports). Senegal waives customs duties for various types of imports for economic, diplomatic, humanitarian, and military reasons. Imported goods falling into the following broad categories are generally exempt from the tariff regime:

- **Exemptions based on the investment code and other legal statutes**. These are given to individual companies and organizations in conformity with the respective legal provisions (i.e., the investment, petroleum, and mining codes, the statute on Free Export Companies, and the convention on the establishment of a major domestic enterprise). Five large, partially or fully state-owned industrial enterprises were the principal beneficiaries of such exemptions in 1998. The value of exempted investment-related imports was 59.4 percent of total exempted imports, thus representing the bulk of forgone tariff revenues.
- **Conditional exemptions.** These are accorded by the authorities on the basis of contracts or international treaties and are subject to specified conditions. They include, in particular, diplomatic privileges and contracts involving governments and nongovernmental development agencies. Exemptions under this heading are also given to the French armed forces stationed in Senegal, the Senegalese army, and the hospital of Dakar. In 1998, 30.4 percent of exempted imports were due to conditional exemptions.
- **Special exemptions.** These apply to various kinds of foreign aid to government ministries, such as imports of medicine, and medical equipment, as well as books and other educational material. Donations to the Red Cross and other welfare organizations are tariff exempt. Aid destined for nongovernmental and other organizations also fall into this category of exemptions.

Source: Senegalese authorities.

C. Trade Reform since 1997

83. In 1997, Senegal agreed to make major adjustments to its trade policies in the context of the WAEMU initiative to establish a common external tariff among member countries and gradually remove intraregional barriers to trade. It also committed itself to eliminating its *codes de précisions*[44] in the process of implementing WAEMU's common temporary import surcharges (see below). After some delay in reaching a decision within the WAEMU Council of Ministers, the TEC entered into force effective July 1, 1998. On that date, the import

---

[44] An end-use tariff discounting mechanism.

categories applicable to all WAEMU countries were harmonized and reduced from seven to four. Lower import duties and a higher permanent preferential tariff exemption (PPT) on authorized industrial products of WAEMU origin[45] were phased in over the subsequent 18-month period. Since January 2000, the statutory tariffs rates of the four tariff categories have been set at 0, 5, 10, and 20 percent and the PPT at 100 percent, i.e., a zero tariff rate is applied to most WAEMU-internal trade.[46] Furthermore, the authorities have taken steps to reduce administrative costs and limit the scope for discretionary treatment when effecting trade transactions, for example, by promoting the services of Trade Point Senegal (Box 5).

Box 5. Facilitating Customs Procedures Through Trade Point

Trade Point Senegal is part of the Global Trade Point Network, an initiative launched by the United Nations in 1992 to foster the integration of small and medium-sized enterprises in developing countries into the world trading system. It offers **trade facilitation services** to Senegalese businesses based on up-to-date computer technology that significantly reduces information and transaction costs. For a small fee, enterprises can open an electronic account that gives them access to the global database of Trade Point. Trade Point Senegal is a public foundation, primarily financed by the Senegalese government.

In addition to its "matchmaking" activities, Trade Point has launched a **system to facilitate the administrative processes required for trade to and from Senegal**. This system, called ORBUS 2000, is ultimately envisaged to link all actors involved in trade transactions, including banks, via the internet. In principle, all ministries that require trade documentation should be linked to Trade Point, which should allow for a workflow entirely in electronic form (instead of necessitating sometimes multiple visits to the various ministries). Companies will be able to address themselves exclusively to Trade Point to complete the necessary formalities for trade transactions. It is envisaged that the format of the official documentation required by the ministries involved will eventually be harmonized. Among the considerable challenges facing Trade Point is the need to gain acceptance for ORBUS within the administration. In particular, the support by the tax and customs administrations and the compatibility between the Trade Point network and their computer systems will be crucial for the success of ORBUS.

---

[45] Preferential treatment is accorded to imports of eligible industrial products, i.e., those with a minimum regional value added of 40 percent of total value added or a local content of at least 60 percent. Agricultural products and handicrafts have been exempt from customs duties since July 1996.

[46] While WAEMU regulations simplified Senegal's imports tariff regime by combining customs and fiscal duties, it initially maintained a separate customs statistics duty of 5 percent (exempting imports related to development projects, military assistance, and export processing zone enterprises, as well as imports by diplomatic missions and international organizations). It was replaced by a statistical tax of 1 percent on all imports beginning in 2000.

84. In order to alleviate the negative impact—likely to be temporary—on local production from lowering the level of tariff protection, three WAEMU-wide supplementary safeguard mechanisms were introduced to replace former surtaxes on certain (mainly primary commodities) imports. These protectionist mechanisms are the following:

- Temporary surtaxes (*taxe dégressive de protection*). This instrument aims at giving temporary protection to industries that put forward a request to a national trade commission. The WAEMU Commission decides on these requests on the basis of the loss in effective protection suffered by the applicants from the introduction of the TEC. The instrument consists of a surtax of 10 percent or 20 percent, declining linearly over four years, with the rates reduced in a first step to 7.5 percent or 15 percent, as applicable, at the beginning of 2000.

- Compensatory import levies (*taxe conjoncturelle à l'importation*). This tax seeks to protect domestic industries from external shocks stemming from fluctuations in world prices of certain primary commodities. An administrative trigger price, which is periodically reevaluated, serves as the base for calculating the import levy in case of large downward movements in commodity prices.

- Administratively set customs valuations (*valeurs de référence*). This safeguard measure allows certain import product categories to be valued administratively, rather than according to actual transaction values, for customs purposes. As this represents an exception to the general World Trade Orgnization (WTO) agreements, WAEMU members have requested a temporary exception to the WTO's customs valuation rules.

85. The changes in Senegal's tariff regulations reflecting the new WAEMU tariff regime for both extra- and intraregional trade are presented in Tables 7 and 8. This comparison of the regulatory status quo in Senegal at end-1997 and at the beginning of 2000 shows that the tariff structure has become more transparent and less dispersed and protectionist than before. An important step has been the full abolition of the codes de précisions as a trade policy instrument by end-1999. However, the system remains complex and does not entirely do away with discretionary elements, such as special surcharges and tariff exemptions. The liberalization effect will crucially depend on how extensively the protectionist safeguard measures introduced in parallel will be used. The reduction of trade protection, as measured by the lowering of average tariff rates (Table 9), therefore does not fully account for remaining nontariff barriers. A change in overall trade restrictiveness can also be assessed using the IMF' trade restrictiveness index (Box 6).

86. One of the main features of the WAEMU trade reform is the introduction of common safeguards for key sectors, as described above, alongside the reduction and harmonization of statutory tariff protection. This approach may lead members to push for more extensive protection under the safeguard instruments, thereby undermining the progress achieved in agreeing on a more open trade policy stance. This could occur if members seek to expand the list of products to be accorded special common (protectionist) treatment. A WAEMU member may request modifications of the TEC regulations, which, if approved by the

WAEMU Commission or the WAEMU Council of Ministers, will apply to all members. Alternatively, a member country could maintain or introduce nontariff barriers unilaterally. The de facto level of import protection may thus remain stable or even increase.

Box 6. Senegal's Trade Regime and the IMF's Trade Restrictiveness Index

As a tool for measuring the overall restrictiveness of a trade regime, the IMF developed an **index of trade restrictiveness**. This index combines the main elements of trade protectionism, namely the unweighted average level of statutory tariffs and the coverage of nontariff barriers (NTBs) in relation to trade and production. These elements are synthesized to allow for a classification on a 10-point scale with 1 denoting the most open and 10 the most restrictive trade regime. As of 1998, Senegal was classified as having a rather restrictive trade regime. Its overall index number (8) mirrored both notable tariff protection and a number of NTBs, such as, for example, licensing requirements. A preliminary assessment of the trade reforms in the context of WAEMU integration, which took effect at the beginning of 2000, suggests an improvement in Senegal's restrictiveness rating of about three points on the scale since 1998. This assessment takes account of the lowering of statutory tariff rates to a simple unweighted average of about 12 percent.

Sources: Sharer (1998); and Fund staff estimates.

87. The relative economic and political weight of members within WAEMU plays an important part in such considerations of a politico-economic nature.[47] As a dominant country in the region, Senegal has been persistent in defending its domestic interests in negotiations with its WAEMU partners. In fact, the consensual agreement among WAEMU participants on tariff classifications and safeguards (for example the agreed lists of exemptions under the safeguard mechanisms) primarily reflects the interests of Côte d'Ivoire and Senegal, the two largest countries within WAEMU.

D. Adjustment Pressures from Trade Liberalization

88. The objectives of exploiting comparative advantages, deepening economic linkages, and improving the prospects for growth for the region as a whole have been the main rationales for the agreement among WAEMU members to move ahead with the regional agenda for trade reform since mid-1998. As part of broader structural reforms, it was deemed essential, on balance, to improve the regulatory framework for trade, even though the related fiscal pressures and structural adjustment costs appeared significant. Judging from current trade patterns and developments, however, economic integration among WAEMU countries

---

[47] On the political economy of regional trade arrangements, see Shiells (1995) and Iqbal and Khan (1998).

has yet to result in a significant strengthening of intraregional trade, investment flows, and obvious gains from trade creation.

89. By way of a qualitative assessment of the impact of WAEMU trade reform on Senegal, it has to be recognized that the removal of import restrictions is both welfare enhancing and reducing. In fact, an adjustment of domestic production structures in response to changed relative prices is necessary if potential welfare gains are to be reaped over time. This points to the fact that the costs of adjustment may be felt earlier than the benefits. The economic implications of the WAEMU-inspired trade reform for the domestic economy can be compared to the effects following a revaluation of the nominal exchange rate. However, the relative price change that the trade reform involves is not comprehensive, and the demand and supply effects will only affect some sectors and product categories.[48]

90. The liberalization of imports, while likely to be economically beneficial in the longer term, does entail exposing the domestic economy to stronger competition from abroad – a development that will speed up the necessary restructuring of hitherto-protected industries. This consequence will not be accepted easily in the domestic political setting. A judgment on the balance of costs and benefits for Senegal will be determined by two types of considerations. First, WAEMU trade reforms will further **open the domestic market** to imports, which will foster competition in prices and quality in those sectors that have been shielded from foreign competitors. Producer rents that have formerly accrued to sheltered sectors will shrink while consumers are likely to profit from lower prices, particularly for food products. However, cheaper imports for capital and intermediate goods will lower production costs and improve the cost competitiveness of all producers, whether supplying the home market or selling abroad. Second, the lowering of import tariffs among WAEMU members will also **open foreign markets**. It presents an opportunity for Senegalese exporters to extend their reach into other countries within the customs union. In this respect, Senegal's geographic location is nevertheless less advantageous than that of Côte d'Ivoire as it directly borders only on two other WAEMU members (Mali and Guinea-Bissau). To the extent that there is untapped market potential, particularly for processed goods, Senegalese firms could increase production destined for intra-area exports.

91. All in all, implementing the WAEMU initiative on the TEC will entail a significant loss of import protection for Senegal, which will be reflected in the magnitude and the

---

[48] In a stylized way, the change in relative prices of tradables owing to a lowering of import protection triggers a redirection of domestic demand away from local production to foreign sources, as well as a (presumably lagged) supply-side response (volume effect). The negative impact on supply will be mitigated by lower costs for imported capital and intermediate goods (price effect), to the extent that these types of goods were not already exempted from tariffs. For a broad-based discussion on role of trade liberalization in the African context and the theoretical linkages between trade reform, macroeconomic policies, and growth, see Iqbal and Khan (1998).

relative importance of the welfare effects discussed above. However, further analysis would be required to quantify these effects, and no attempt in this regard is made here. As concerns the budgetary impact of the import tariff reductions, the fiscal revenue losses for Senegal are significant. Fund staff estimates, based on a detailed analysis of import categories, indicate that the expected fiscal cost from the full implementation of the TEC will be about 1 percent of GDP.[49] Several sources of additional income are being made available to cover this gap – first and foremost domestic tax revenues. Senegal will harmonize the value-added tax at the rate of 18 percent as of July 1, 2000. Also, the regional tax *(Prélèvement Communautaire de Solidarité)* may be used among WAEMU members to compensate countries for lost revenue related to intraregional tariff reform.[50] In addition, the World Bank and the European Union (EU) have pledged conditional financial support for Senegal in order to cushion the implementation of the TEC.[51] Increased efforts at domestic revenue mobilization and external financial support will thus mitigate the immediate fiscal impact of the tariff reductions.

---

[49] A previous estimate of the impact of WAEMU tariff reform by the World Bank, on the basis of 1996 data, put the fiscal impact in the range of 2 percent of GDP (see Ng and Winters, 1998). For a general presentation of the fiscal impact of trade reform, see Ebrill, Stotsky, and Gropp (1999).

[50] The special window designated for intracommunity support for revenue shortfalls caused by the implementation of intraregional tariff reform will be phased out, ending in 2004.

[51] Such financial support from the EU is available in the context of the Programme d'Appui Régional à l'Intégration UEMOA (PARI).

References

Clément, Jean A.P., and others, 1996, *Aftermath of the CFA Franc Devaluation*, IMF Occasional Paper No. 138 (Washington: International Monetary Fund).

Ebrill, Liam, Janet Stotsky, and Reint Gropp, 1999, *Revenue Implications of Trade Liberalization*, IMF Occasional Paper No. 180 (Washington: International Monetary Fund).

Hernandéz-Catá, Ernesto, and others, 1998, *The West African Economic and Monetary Union: Recent Developments and Policy Issues*, IMF Occasional Paper No. 170 (Washington: International Monetary Fund).

Iqbal, Zubair and Mohsin Khan, eds., 1998, *Trade Reform and Regional Integration in Africa* (Washington: International Monetary Fund).

Ng, Francis and L. Alan Winters, 1998, "Tariff Reform in Senegal: A Simple Numerical Analysis" (unpublished; Washington: World Bank).

République du Sénégal, 1997, "Impacte du Tarif Extérieur Commun sur l'Industrie Sénégalaise", Comité National UEMOA, October.

Sharer, Robert, and others, 1998, *Trade Liberalization in IMF-Supported Programs*, World Economic and Financial Surveys (Washington: International Monetary Fund).

Sharer, Robert, 1999, "Trade: An Engine for Growth for Africa", Finance and Development, December 1999, pp. 26-29 (Washington: International Monetary Fund).

Shiells, Clinton, 1995, "Regional Trade Blocks: Trade Creating or Diverting?" Finance and Development, March 1995, pp. 30-32 (Washington: World Bank and International Monetary Fund).

World Bank, 1997, "Senegal: The Challenge of International Integration" (Washington: World Bank).

World Bank, 1999, "The World Trading System: The Road Ahead," in *World Development Report 1999/2000*, Chapter 2 (Washington: World Bank).

Websites

http://www.worldbank.org/afr/sn.htm (World Bank Senegal page)

http://www.ifc.org/abn/cic/senegal/english/senegal.htm (IFC Country Information Center)

http://www.dakarcom.com/CCG/ccg_ExecSumm.htm (Country Commercial Guide, U.S. Embassy, Dakar)

http://www.mbendi.co.za/cysncy.htm (MBendi Senegal country profile)

http://www.gksoft.com/govt/en/sn.html (Governments on the WWW: Senegal)

http://www.icdt.org/tradeguides/tgsn.htm (Trade Information Network for Islamic Countries)

Table 4. Senegal: Exports by Commodities, 1992-99

	1992	1993	1994	1995	1996	1997	1998	1999 Est.
	(Export shares in total export value, CFA francs)							
Fish products	21.9	25.6	27.4	28.4	29.0	29.9	30.0	29.9
Phosphates and chemicals	18.9	16.0	14.8	15.7	15.4	15.8	14.9	14.0
Groundnut products	7.9	6.7	12.6	10.6	8.1	5.4	5.4	6.5
Refined petroleum	1.7	1.9	1.9	1.8	2.0	2.3	1.7	1.9
Salt	0.9	1.0	1.3	1.0	0.7	1.0	1.0	0.8
Cotton	3.8	3.0	2.5	1.8	1.9	2.0	2.3	0.6
Other including reexport	44.9	45.8	39.4	40.8	42.9	43.5	44.7	46.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	1993	1994	1995	1996	1997	1998	1999 Est.
	(Percent change, CFA francs)						
Fish products	7.0	134.7	13.9	6.6	11.4	4.7	5.5
Phosphates and chemicals	-22.7	103.6	16.5	2.4	10.4	-1.3	-0.4
Groundnut products	-23.0	316.0	-8.1	-19.9	-28.4	5.8	26.4
Refined petroleum	4.1	111.2	7.2	17.2	24.1	-22.6	19.2
Salt	5.0	172.0	-18.5	-27.6	68.1	0.9	-20.2
Cotton	-28.0	85.3	-21.3	9.2	14.9	18.0	-71.2
Other including reexport	-6.8	88.8	14.0	9.5	9.7	7.5	9.3
Total	-8.6	119.2	10.1	4.2	8.0	4.6	5.7

	1993	1994	1995	1996	1997	1998	1999 Est.
	(Percent change, thousand of metric tons)						
Fish products	8.1	15.5	10.0	7.5	5.1	4.0	5.6
Phosphates and chemicals	-2.8	-24.8	29.5	-3.8	-15.4	-17.0	13.1
Groundnut products	-36.3	71.3	-11.9	-11.6	-48.6	20.0	50.1
Refined petroleum	-7.4	18.0	17.9	-4.7	13.1	3.9	1.7
Salt	1.2	53.9	-15.8	-7.6	60.5	-4.2	-15.0
Cotton	-3.8	-17.5	-31.5	8.7	25.2	4.4	-69.7
Other including reexport	-4.9	-8.3	14.0	6.4	6.1	5.4	10.3
Total 1/	-5.0	1.9	12.0	1.6	1.3	5.8	3.9

Sources: Senegalese authorities, Fund staff estimates.

1/ Change in total volume in constant prices (Paasche index).

Table 5. Senegal: Imports by Commodities f.o.b., 1992-99

	1992	1993	1994	1995	1996	1997	1998	1999 Est.	1993	1994	1995	1996	1997	1998	1999 Est.
	(Import shares in total import value, CFA francs)								(Percent change, CFA francs)						
Food products	25.4	26.8	25.3	27.3	26.5	23.6	23.9	22.2	2.7	74.1	15.6	3.6	-4.2	6.3	0.9
Beverages and Tobacco	1.4	1.4	1.5	1.2	1.0	1.2	1.0	0.7	1.2	85.8	-13.5	-12.8	31.1	-12.9	-19.1
Petroleum products	11.1	10.0	12.2	10.0	12.2	14.0	11.1	13.4	-11.9	125.4	-12.6	30.9	23.5	-17.5	31.8
Of which															
Refined petroleum	4.0	4.0	9.2	3.7	5.2	4.8	3.7	5.5	-0.9	319.6	-56.8	49.1	-0.9	-17.7	59.6
Capital goods	12.9	12.9	13.2	13.0	12.9	13.5	15.7	16.1	-2.6	89.6	5.3	6.0	12.6	21.9	11.5
Intermediate goods	27.0	28.3	28.0	28.4	28.2	29.1	29.3	28.8	2.2	82.4	8.4	6.0	11.1	5.6	6.9
Other	22.2	20.6	19.8	20.2	19.2	18.6	18.9	18.8	-9.5	77.4	9.0	1.8	4.2	6.5	8.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	-2.5	84.4	7.0	6.8	7.6	4.7	8.9

	1993	1994	1995	1996	1997	1998	1999 Est.
	(Percent change, thousand of metric tons)						
Food products	7.1	-7.9	17.6	29.8	-14.5	12.2	9.1
Beverages & Tobacco	-6.0	-30.5	3.0	3.0	-13.3	0.0	3.6
Petroleum products	-9.7	19.3	-10.3	7.9	10.2	12.7	8.8
Of which							
Refined petroleum	0.1	114.5	-58.6	25.1	-4.7	7.3	31.5
Capital goods	-6.0	-6.8	5.0	3.2	8.1	23.4	9.0
Intermediate goods	-4.0	-10.3	8.0	3.2	6.6	6.9	4.5
Other	-5.4	-12.4	6.4	-0.7	0.3	7.2	1.6
Total 1/	-4.4	-8.1	3.5	3.0	2.2	10.8	6.0

Sources: Senegalese authorities; and Fund staff estimates.

1/ Change in total volume in constant prices (Paasche index).

Table 6. Senegal: Direction of Foreign Trade, 1992-99

	1992	1993	1994	1995	1996	1997	1998	1999 Est.
Exports	(Percent of total export value, CFA francs)							
Europe	44.0	43.6	47.1	54.8	27.9	16.1	20.3	21.9
Of which								
France	28.3	26.0	22.6	30.0	14.7	8.4	11.0	15.7
Africa	20.8	18.2	19.8	20.1	31.9	36.6	35.9	40.4
Of which								
Mali	6.0	5.2	9.9	7.3	8.5	9.4	8.2	8.9
Asia	22.1	20.5	18.6	10.2	26.1	28.0	28.4	25.3
Middle East	2.4	2.1	1.4	1.7	0.9	1.0	0.5	0.3
Western Hemisphere	0.8	2.3	2.2	1.9	1.6	0.9	1.8	0.3
Other countries	9.9	13.3	10.9	6.1	11.7	17.4	13.1	11.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Imports	(Percent of total import value, CFA francs)							
Europe	52.0	51.3	51.6	65.1	53.3	56.0	60.1	62.3
Of which								
France	31.2	35.4	36.5	37.8	29.3	30.7	34.2	33.7
Africa	16.9	15.8	14.8	5.4	11.4	13.6	11.9	9.2
Of which								
Côte d'Ivoire	6.6	5.1	3.7	2.4	2.7	2.6	2.5	3.6
Asia	15.8	16.6	18.4	17.9	19.8	17.5	16.7	19.9
Middle East	0.3	0.2	0.3	0.1	1.49	2.2	0.5	0.7
Western Hemisphere	8.1	6.1	6.6	9.6	9.7	8.1	8.8	6.0
Other countries	6.9	10.0	8.3	1.9	4.3	2.7	2.0	1.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Sources: Senegalese authorities; and Fund staff estimates.

Table 7. Senegal: Import Tariff Structure, 1997 and 2000

	Before WAEMU tariff reform (end-1997)						
Product classification:	0 Social products and inputs for agricultural products	I Basic necessities	II Other essential goods	III Finished goods manufactured locally	IV Other imported finished goods	V Receipts-generating products	VI Luxury goods
Import tax rates in percent:							
Customs duty	0.0	10.0	10.0	10.0	10.0	10.0	10.0
Fiscal duty	0.0	0.0	0.0	20.0	20.0	30.0	50.0
Customs stamp	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Regional tax (solidarity levy) 1/	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total	5.0	15.5	15.5	35.5	35.5	45.5	65.5

	After WAEMU tariff reform (beginning 2000)			
Product classification:	0 Priority products of a social, cultural, or scientific nature; primary sector inputs; equipment goods (computers, data processing) not produced locally; butane and kerosene	I Raw materials; crude oil; cereals for industrial use	II Semi-finished products; other industrial inputs (intermediate goods); utility vehicles; diesel and fuel oil	III Final consumption goods; other refined petroleum products; equipment goods produced locally; other (new and used) vehicles
Import tax rates in percent:				
WAEMU external tariff	0.0	5.0	10.0	20.0
Statistical tax	1.0	1.0	1.0	1.0
Regional tax (solidarity levy) 1/	1.0	1.0	1.0	1.0
Total	2.0	7.0	12.0	22.0

Source: Senegalese authorities.

1/ Levied on consumption goods imports from non-WAEMU countries. Exemptions from this tax include gifts to the government, imports in the context of donor assistance, petroleum products, etc.

Table 8. Senegal: Comparison of Trade Regulations, 1997 and 2000

	Instrument	**Before WAEMU Tariff Reform (End-1997)**	**After WAEMU Tariff Reform (Beginning 2000)**	**Comments**
Tariff structure and WAEMU common external tariff (TEC)	Customs duty	0% and 10%; 5% for non-WAEMU members of ECOWAS; 30% for non-WTO members	*Unified import tariff*: rates 0%, 5%, 10%, 20%	Levied on c.i.f. value
	Fiscal duty	4 categories: 0%, 20%, 30%, 50%		
	Common classification of products in tariff code	...	Adopted, but reservations lodged with the WAEMU Commission for 150 tariff lines	Reservations to be lifted on decision of WAEMU Commission
	Customs stamp duty (*timbre douanier*) / statistical tax	5 percent on all imports	1 percent on all imports	Levied on c.i.f. value
	Précisions tarifaires, tariff differentiation according to end-use; used to lower import tariffs	0 rate for socially sensitive finished products (schoolbooks, medication); for *précisions tarifaires,* total more than 3,000 tariff lines lowered to 1,520 lines in April 1998	Elimination of all *précisions tarifaires*	List of 655 *précisions* pertaining to social products (schoolbooks and medication) submitted to WAEMU Commission, with a request to replace them by regular customs arrangements
	Regional tax (solidarity levy) on all imports outside WAEMU (*prélèvement communautaire de solidarité*), since 1996	0.5 percent	1 percent	
	Surtaxes (*prélèvements*)	Super and regular gasoline, gas oil, diesel at 20 percent	Surtax on refined petroleum products declining over four years, to be eliminated on May 1, 2002	
		Surtax on meat imports	...	
Surtaxes / WAEMU supplementary protection mechanisms (targeting non-WAEMU imports)	Temporary surtax (*taxe dégressive de protection*)	Surtax on cigarettes at 20 percent	For cigarettes, from 7/1/1999 surtax of 20 percent declining linearly over four years; cumulative to reference values	Initial rates of 10 percent and 20 percent (from 7/1/1999); to be consistent with WTO rules
	Compensatory import levy (*taxe conjoncturelle a l'importation*)	Millet, sorghum, and corn, at 10 percent	List of agricultural products; 10 % fixed rate surtax, trigger price using 70 % of domestic producton costs and 30 % international prices; cumulative to temporary surtax	Instrument to guard against erratic (downward) fluctuations in world prices of certain primary commodities
		onions, potatoes, bananas, at 20%		
	Valeurs de référence, administratively set valuation in the form of reference values	Variable surtax on broken rice (*prélèvement* variable between 0.8% and 30%) according to import price; and surtax on whole rice at 20%	Temporary WTO exception from using transaction value to be agreed by WTO; list of 78 products (milk products, tomato paste, sugar, chicken parts, cigarettes, vegetable oil, etc.) adopted on 7/1/1999; list suspended on 8/23/1999	Instrument to combat fraud and "harmful competition"; legislation passed on 03/25/1999; WAEMU Commission updates list of products every six months; WTO to examine lists submitted
		Safeguards on sugar imports using reference values		

Table 8. Senegal: Comparison of Trade Regulations, 1997 and 2000

	Instrument	**Before WAEMU Tariff Reform (End-1997)**	**After WAEMU Tariff Reform (Beginning 2000)**	**Comments**
Intra-WAEMU permanent preferential tariff (PPT)	Rules of origin	Distinction between approved and non approved products; eligible if regional value added at least 40% of total value added or if local content at least 60%	Distinction between approved and non-approved products; eligible if regional value added at least 40% of total value added or if local content at least 60%	
	Community preferential tax	Agricultural and homemade products (*produits du sol et du cru*) circulate freely	Agricultural and home-made products (*produits du sol et du cru*) circulate freely	
		From 7/1/1999: approved industrial products of origin: 60% tariff preference over external tariff rate	Approved industrial products of origin: 100% tariff preference over external tariff rate	
		From 7/1/1999: non-approved industrial products of origin: 5% tariff preference over external tariff rate	Non-approved industrial products of origin: 5 percent tariff preference over exernal tariff rate	
	Customs stamp duty / statistical tax	5 percent on all imports	1 percent on all imports	
Taxes on imports levied in the country	Specific taxes (*taxes specifiques*)	List of goods as specified in the tax code calculated by customs administration on the basis of CFA franc value plus import duties		
	Value-added tax	Rates of 0%, 10% and 20% based on the CFA franc value plus import duties plus eventual specific taxes	From 7/1/2000: unified rate of 18%	
	Equalization tax	5 percent of CFA franc value		

Source: Senegalese authorities.

Table 9. Senegal: Measures of Import Protection, 1997 and 2000

(In percent)

Classification 1/	Unweighted Average Tariff Rates Based on Number of Tariff Positions	
	Before WAEMU tariff reform (end-1997) 2/	After WAEMU tariff reform (beginning 2000) 3/
Total	24.0	12.1
Capital goods	15.6	7.8
Intermediate products	22.0	10.5
Primary input goods	26.9	7.0
Manufactured input goods	21.5	11.0
Consumer goods	35.9	18.1
Primary Consumer goods	34.2	17.8
Manufactured consumer goods	36.0	18.2
Passenger cars	49.4	20.0
Others	31.6	12.9

Sources: Senegalese authorities: and Fund staff calculations.

1/ Based on the Broad Economic Classification (BEC) of the United Nations and the Harmonized System of Product Nomenclature (HS 1996 version) prepared by the World Customs Organization (Brussels).

2/ Excluding the customs stamp of 5 percent. See SM/98/256, Table 28.

3/ Excluding the statistical tax of 1 percent. Based on the number of tariff positions of the WAEMU common externel tariff adopted by the WAEMU Council of Mini and implemented in January 2000. See SM/99/316, Table 18.

Table 10. Senegal: GDP by Economic Sector at Constant 1987 Prices, 1992–99

(In billions of CFA francs)

	1992	1993	1994	1995	1996	1997	1998	1999
						Estimations		
Primary sector	307.2	291.2	318.3	325.5	345.3	336.7	325.8	345.5
Agriculture	158.3	141.5	164.0	164.8	182.2	162.9	149.9	162.6
Livestock	104.1	108.2	109.8	115.0	115.7	121.9	125.9	131.4
Fishing	33.3	31.1	33.2	34.3	35.9	40.2	38.8	40.1
Forestry	11.5	10.4	11.3	11.4	11.5	11.7	11.2	11.4
Secondary sector	287.6	280.4	279.1	311.7	328.2	347.5	376.8	400.5
Mining	4.4	3.5	3.3	4.5	4.5	4.9	4.8	5.8
Industry	195.2	191.2	180.8	211.8	220.7	230.1	246.7	258.5
Oil milling	7.2	6.7	7.8	9.2	8.7	6.9	8.8	9.5
Energy	27.5	26.1	28.8	29.5	32.0	34.1	36.0	34.3
Construction and public work	53.4	52.8	58.6	56.7	62.2	71.4	80.5	92.4
Tertiary sector	919.8	909.4	926.1	965.0	1,011.1	1,085.4	1,167.0	1,218.3
Transportation	160.0	162.8	168.1	174.3	184.7	206.9	222.4	242.2
Commerce	335.1	315.7	310.0	328.6	357.0	383.4	413.3	426.5
Government	152.9	157.5	159.3	159.8	160.3	161.6	166.3	171.5
Other services	271.8	273.4	288.7	302.3	309.1	333.5	365.0	378.2
GDP	1,514.6	1,481.0	1,523.5	1,602.2	1,684.5	1,769.5	1,869.6	1,964.3

Source: Senegalese authorities.

Table 11. Senegal: GDP by Economic Sector at Constant 1987 Prices, 1992–99

(Annual percentage changes)

	1992	1993	1994	1995	1996	1997	1998	1999
						Estimations		
Primary sector	1.7	-5.2	9.3	2.2	6.1	-2.5	-3.2	6.1
Agriculture	1.7	-10.6	15.9	0.5	10.6	-10.6	-8.0	8.5
Livestock	1.0	3.9	1.5	4.7	0.6	5.4	3.3	4.4
Fishing	7.1	-6.4	6.8	3.1	4.8	11.8	-3.4	3.4
Forestry	-5.6	-9.7	8.5	1.0	0.5	2.0	-3.8	1.2
Secondary sector	5.1	-2.5	-0.5	11.7	5.3	5.9	8.4	6.3
Mining	15.3	-21.6	5.0	38.7	-1.4	9.8	-2.8	20.8
Industry	4.6	-2.0	-5.5	17.2	4.2	4.3	7.2	4.8
Oil milling	0.4	-6.0	15.5	18.1	-5.1	-20.9	28.4	8.0
Energy	-7.3	-4.8	10.0	2.4	8.8	6.5	5.5	-4.7
Construction and public works	14.7	-1.0	10.8	-3.1	9.6	14.9	12.7	14.7
Tertiary sector	1.5	-1.1	1.8	4.2	4.8	7.3	7.5	4.4
Transportation	4.7	1.8	3.2	3.7	6.0	12.0	7.5	8.9
Commerce	-0.7	-5.8	-1.8	6.0	8.7	7.4	7.8	3.2
Government	-0.3	3.0	1.2	0.3	0.3	0.8	2.9	3.1
Other services	3.6	0.6	5.6	4.7	2.2	7.9	9.5	3.6
GDP	2.2	-2.2	2.9	5.2	5.1	5.0	5.7	5.1
Excluding agriculture	2.3	-1.2	1.5	5.7	4.5	6.9	7.0	4.0
Memorandum item:								
GDP deflator	0.6	-1.4	27.8	5.0	1.3	2.3	1.9	2.2

Source: Senegalese authorities.

Table 12. Senegal: Supply and Use of Resources at Current Prices, 1992–99

	1992	1993	1994	1995	1996	1997	1998	1999
						Estimations		
				(In billions of CFA francs)				
GDP	1,595.5	1,537.8	2,022.3	2,234.0	2,379.3	2,555.9	2,752.9	2,956.0
Gross domestic expenditure	1,713.9	1,669.3	2,157.0	2,360.3	2,514.4	2,701.5	2,910.1	3,140.4
Consumption	1,477.1	1,452.6	1,783.7	1,987.0	2,074.8	2,241.2	2,399.3	2,584.8
Private	1,232.2	1,225.8	1,523.3	1,710.9	1,788.4	1,974.9	2,115.7	2,265.0
Public	244.9	226.8	258.3	276.1	286.4	266.3	283.6	319.8
Investment	229.9	213.7	324.3	327.6	387.0	460.3	499.7	555.6
Public	82.6	64.9	100.2	99.1	151.1	163.8	196.9	242.3
Private	147.3	148.8	224.1	228.5	235.8	296.5	302.8	313.3
Change in stocks	6.9	3.0	49.0	45.7	52.5	0.0	0.0	0.0
Resource gap	-118.4	-131.5	-134.7	-126.3	-135.1	-145.6	-157.2	-184.4
Exports of goods and nonfactor services	371.5	340.8	706.2	770.5	812.1	868.4	907.1	957.7
Imports of goods and nonfactor services	-489.9	-472.3	-840.9	-896.8	-947.2	-1,014.0	-1,064.3	-1,142.1
Gross domestic savings	118.4	85.2	238.6	247.0	304.5	314.7	353.6	371.2
				(In percent of GDP)				
Gross domestic expenditure	107.4	108.6	106.7	105.7	105.7	105.7	105.7	106.2
Consumption	92.6	94.5	88.2	88.9	87.2	87.7	87.2	87.4
Private	77.2	79.7	75.4	76.6	75.2	77.0	76.6	76.6
Public	15.3	14.7	12.8	12.4	12.0	10.7	10.6	10.8
Investment	14.4	13.9	16.0	14.7	16.3	18.0	18.6	18.8
Public	5.2	4.2	5.0	4.4	6.4	6.4	7.2	8.2
Private	9.2	9.7	11.1	10.2	9.9	11.6	11.4	10.6
Change in stocks	0.4	0.2	2.4	2.0	2.2	0.0	0.0	0.0
Resource gap	-7.4	-8.6	-6.7	-5.7	-5.7	-5.7	-5.7	-6.2
Exports of goods and nonfactor services	23.3	22.2	34.9	34.5	34.1	34.0	33.0	32.4
Imports of goods and nonfactor services	-30.7	-30.7	-41.6	-40.1	-39.8	-39.7	-38.7	-38.6
Gross domestic savings	7.4	5.5	11.8	11.1	12.8	12.3	12.8	12.6

Source: Senegalese authorities.

Table 13. Senegal: Level of Rainfall on the Groundnut Basin, 1960/61–1999/2000

(In millimeters)

Crop Season 1/	Casamance	Diourbel	Louga	Senegal-Oriental	Sine Saloum	Total	Average
1960/61	1,079	739	523	602	601	3,544	709
1961/62	1,254	566	448	789	664	3,721	744
1962/63	1,319	621	346	862	592	3,740	748
1963/64	1,219	579	451	943	644	3,836	767
1964/65	1,310	726	495	1,024	877	4,432	651
1965/66	1,458	563	449	939	655	4,064	813
1966/67	1,251	605	371	1,235	181	3,643	729
1967/68	1,560	858	667	964	907	4,956	708
1968/69	830	340	237	792	441	2,640	528
1969/70	1,198	571	372	745	655	3,541	708
1970/71	1,136	386	285	690	482	2,979	596
1971/72	983	564	296	1,255	771	3,869	774
1972/73	702	410	205	622	415	2,354	471
1973/74	1,118	307	272	723	464	2,884	577
1974/75	1,110	538	341	957	564	3,510	502
1975/76	1,322	453	267	783	694	3,519	704
1976/77	1,282	443	284	970	540	3,519	704
1977/78	813	302	250	932	415	2,712	542
1978/79	1,258	571	331	575	941	3,676	735
1979/80	968	478	247	691	571	2,955	591
1980/81	760	349	328	609	436	2,482	496
1981/82	1,109	438	356	878	599	3,380	676
1982/83	1,073	388	324	736	584	3,105	621
1983/84	723	197	182	515	355	1,972	394
1984/85	1,232	463	174	591	609	3,069	614
1985/86	1,368	391	216	554	634	3,163	633
1986/87	986	237	349	799	638	3,009	602
1987/88	950	463	283	667	689	3,052	610
1988/89	1,304	623	413	938	646	3,924	785
1989/90	1,197	554	473	756	771	3,751	750
1990/91	1,111	402	287	656	511	2,967	593
1991/92	1,211	354	250	671	394	2,880	576
1992/93	923	146	203	551	415	2,238	448
1993/94	1,320	263	342	401	443	2,769	554
1994/95	1,120	428	220	904	672	3,334	669
1995/96	1,006	552	326	755	570	3,209	642
1996/97	1,129	419	316	782	401	3,047	609
1997/98	1,235	484	165	660	420	2,964	593
1998/99	1,051	364	359	765	528	3,067	613
1999/2000	1,500	589	407	1,057	785	4,338	868

Source: Senegalese authorities.

1/ The level of rainfall refers to the period May-October of the first year shown

Table 14. Senegal: Production and Disposition of Groundnuts (Unshelled), 1991/92–1998/99 1/

(In thousands of metric tons)

	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99 Est.
Production (total)	724	578	631	718	827	626	545	579
Production for export	386	166	237	277	301	134	243	...
Oil mills	359	139	212	237	264	96	204	...
Confectionery nuts 2/	27	27	26	40	37	38	39	...
Other	338	413	394	441	526	492	302	...
Autoconsumption + losses 3	233	310	294	361	433	379	156	...
Seeds	105	103	100	80	93	113	146	100
Losses	8	3	3	5	8			

Source: Senegalese authorities.

1/ Crop year (November-October)
2/ Including handpicked select.
3/ Including sales in the parallel market.

Table 15. Senegal: Cereals Balance, 1991/92–1998/99 1/

(In thousands of metric tons, unless otherwise indicated)

	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99 Est.
Population (thousands)	7,713	7,937	8,230	8,361	8,597	8,767	8,998	9,234
Supply								
Production (net)	785	730	898	789	886	829	645	810
Beginning-of-period stocks	97	145	120	101	75	100	146	180
Farmers	19	25	3	54	45	60	40	40
Other	78	120	117	47	30	40	106	140
Imports	576	596	517	640	498	744	636	765
Commercial	511	548	481	612	489	735	629	760
Food aid	65	48	36	28	9	9	7	5
Total supply/use	1,458	1,471	1,535	1,530	1,459	1,673	1,427	1,755
Use								
End-of-period stocks	144	120	106	83	114	146	77	159
Farmers	26	3	54	45	60	40	40	60
Other	118	117	52	38	54	106	37	99
Consumption	1,294	1,331	1,409	1,427	1,325	1,507	1,330	1,708
Other uses	20	20	20	20	20	20	20	...
Apparent consumption per person (in kilograms)	168	168	171	171	154	172	148	185

Source: Senegalese authorities.

1/ Crop year (November-October); data may not add up because of rounding.

Table 16. Senegal: Estimates of Production, Area Under Cultivation, and Yields of Principal Crops, 1991/92–1998/99 1/

(Production in thousands of metric tons; area in thousands of hectares; yield in metric tons per hectare)

	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99 Est.
Export crops								
Groundnuts								
Production	724.4	578.5	631.3	718.0	827.1	625.8	544.8	579.0
Area	871.6	956.8	764.3	928.0	881.3	919.8	788.1	555.4
Yield	0.8	0.6	0.8	0.8	0.9	0.7	0.7	1.0
Cotton (unginned)								
Production	50.9	48.0	39.0	27.2	31.4	38.4	40.0	15.0
Area	44.2	44.8	43.7	33.0	35.0	50.3	54.4	45.2
Yield	1.2	1.1	0.9	0.8	0.9	0.8	0.8	0.3
Food crops								
Millet and sorghum								
Production	670.6	562.7	752.6	670.8	794.1	734.4	544.8	560.9
Area	978.8	905.1	1,100.2	1,077.7	1,039.3	1,120.3	975.7	991.4
Yield	0.7	0.6	0.7	0.6	0.8	0.7	0.6	0.5
Maize								
Production	102.6	114.6	138.3	108.2	106.5	88.6	60.3	44.3
Area	90.6	105.0	108.9	106.8	97.8	84.9	62.2	53.7
Yield	1.1	1.1	1.3	1.0	1.0	1.0	1.0	0.8
Rice (paddy)								
Production	193.9	177.3	193.3	162.2	155.1	148.7	173.7	123.5
Area	73.1	73.7	77.9	77.7	68.9	73.8	74.7	45.4
Yield	2.7	2.4	2.5	2.0	2.2	2.0	2.3	2.7
Sugarcane								
Production	...	78.7	88.0	87.0	88.0	75.0	85.0	...
Area	...	7.4	7.4	7.1	8.5	7.4	7.4	...
Yield	...	10.7	11.9	12.3	10.4	10.2	11.5	...
Cowpeas								
Production	16.8	8.7	55.8	28.9	41.9	20.6	19.3	40.6
Area	50.7	73.7	118.4	91.5	97.4	88.6	126.7	123.3
Yield	0.3	0.1	0.5	0.3	0.4	0.2	0.2	0.3
Manioc								
Production	24.5	45.8	43.4	76.9	55.5	36.9	46.6	65.6
Area	9.9	21.4	15.7	30.7	17.4	14.0	19.9	13.2
Yield	2.5	2.2	2.8	2.5	3.1	2.6	2.3	4.9
Vegetables								
Production	151.8	154.4	147.6	154.6	175.3	...	...	...
Area	10.2	9.7	9.5	9.5	11.4	...	...	...
Yield	14.9	15.9	15.5	16.2	15.4	...	...	...

Source: Senegalese authorities.

1/ Crop year (November-October).

Table 17. Senegal: Producer Prices of Main Agricultural Products, 1991/92–1998/99 1/

	Weight (in percent)	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99
					(In CFA francs per kilogram)				
Oil groundnuts	...	80.0	80.0	100.0	120.0	125.0	131.0	150.0	160.0
Confectionery groundnuts	...	85.0	85.0	110.0	120.0	125.0	131.0	150.0	160.0
Cotton	...	100.0	100.0	110.0	150.0	170.0	170.0	185.0	185.0
Tomatoes	...	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
Millet/sorghum	...	77.0	55.0	63.0	64.0	106.0	130.0	125.0	125.0
Maize	...	78.0	57.0	62.0	83.0	120.0	135.0	130.0	130.0
Paddy	...	85.0	85.0	90.0	100.0	115.0	95.0	110.0	110.0
Cowpeas	...	137.0	85.0	84.0	68.0	98.0	200.0	225.0	225.0
					(Price index of main agriculture products, 1985/86 = 100)				
Oil groundnuts	30.1	88.9	88.9	111.1	133.3	138.9	145.5	166.7	177.7
Confectionery groundnuts	0.6	77.3	77.3	100.0	109.1	113.7	119.1	136.4	177.7
Cotton	1.8	100.0	100.0	110.0	150.0	170.0	170.0	185.0	185.0
Tomatoes	0.8	130.4	130.4	130.4	130.4	130.4	130.4	130.4	130.4
Millet/sorghum	47.5	110.0	78.6	90.0	91.4	151.4	185.7	178.6	178.6
Maize	7.6	111.4	81.4	88.6	118.6	171.4	192.9	185.7	185.7
Paddy	7.6	100.0	100.0	105.9	117.6	135.3	111.8	129.4	129.4
Cowpeas	4.1	124.5	77.3	76.4	61.8	89.1	181.8	204.5	204.5
General index	100.0	103.4	84.2	97.6	108.3	145.3	167.3	172.3	175.9
					(annual percentage change)				
Oil groundnuts	30.11	0.0	0.0	25.0	20.0	4.2	4.8	14.5	6.7
Confectionery groundnuts	0.55	0.0	0.0	29.4	9.1	4.2	4.8	14.5	6.7
Cotton	1.80	0.0	0.0	10.0	36.4	13.3	0.0	8.8	0.0
Tomatoes	0.79	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Millet/sorghum	47.50	4.1	-28.6	14.5	1.6	65.6	22.6	-3.8	0.0
Maize	7.57	11.4	-26.9	8.8	33.9	44.6	12.5	-3.7	0.0
Paddy	7.57	0.0	0.0	5.9	11.1	15.0	-17.4	15.8	0.0
Cowpeas	4.11	85.1	-37.9	-1.2	-19.0	44.1	104.1	12.5	0.0
General index	100.00	7.5	-18.5	15.9	11.0	34.2	15.1	3.0	2.1

Sources: Senegalese authorities; and staff estimates.

1/ Crop year (November - October). By December 1999, the producer prices for all agricultural products had been liberalized, except those for oil groundnuts, cotton, and paddy; the price of paddy was liberalized in June 1994. The producer prices for oil groundnuts and cotton are determined by a committee representing the farmers, the marketing agencies, and the government, taking into account

Table 18. Senegal: Fish Catch by Domestic and Foreign Vessels, 1992–98

(In thousands of metric tons)

	1992	1993	1994	1995	1996	1997	1998 Est.
Small-scale fishing	286.8	266.9	282.3	266.3	327.9	352.9	325.1
Industrial fishing	171.2	150.4	155.0	142.7	138.0	136.3	120.5
Sardine 1/	34.1	7.6	3.5	5.4	7.8	9.5	7.4
Trawler fishing	96.3	105.0	75.7	95.8	96.9	99.1	84.0
Tuna	40.8	37.8	75.8	41.5	33.1	27.7	29.2
Total	458.0	417.3	437.4	409.0	465.7	486.8	445.7

Source: Direction de l'Océanographie et des Pêches Maritimes.

1/ Domestic catch only for 1993-96.

Table 19. Senegal: Foreign Fish Catch by Vessel Nationality, 1992–98

(In thousands of metric tons)

	1992	1993	1994	1995	1996	1997	1998
France	8.9	7.1	5.9	2.5	0.2	0.1	6.4
Greece	0.7	2.1	3.3	1.4	2.1	1.3	1.8
Italy	0.4	0.9	0.5	0.0	0.0	0.0	0.0
Spain	23.6	27.7	31.1	26.5	12.3	4.9	12.7
Former Soviet Union	51.2	51.9	23.2	28.9	31.5	30.2	24.3
Others	0.2	0.2	0.6	0.9	3.2	0.2	0.3
Total	85.0	89.9	64.6	60.2	49.3	36.7	45.5

Source: Direction de l'Océanographie et des Pêches Maritimes.

Table 20. Senegal: Evolution of Livestock, 1992–98

(In thousands of heads)

	1992	1993	1994	1995	1996	1997	1998
Cattle	2,602	2,693	2,760	2,800	2,870	2,898	2,912
Sheep	3,498	3,657	3,821	3,890	4,045	4,198	4,345
Goats	2,944	3,076	3,213	3,293	3,440	3,578	3,703
Pigs	146	154	161	163	171	191	214
Camels	5	5	5	5	5	4	2
Horses	431	433	434	434	436	444	445
Donkeys	364	366	366	366	367	375	376

Source: Ministry of Rural Development.

Table 21. Senegal: Indices of Industrial Production, 1992–98

(1976 = 100)

	Weight (in percent)	1992	1993	1994	1995	1996	1997	1998
Mining	18.5	119.7	92.2	87.1	86.5	79.5	87.3	85.7
Of which: phosphates	16.2	136.2	105.1	99.3	98.4	90.4	99.3	97.5
Food production	43.1	89.1	89.0	94.6	104.1	97.0	89.5	99.5
Of which: fish canning	2.8	152.6	118.6	132.6	212.4	151.8	140.9	150
oil mills	12.2	57.2	55.8	66.0	79.9	78.2	61.9	73.1
sugar and confectionery	13.2	125.4	136.5	140.1	131.2	109.7	116.3	124.1
Textiles, clothing, and leather	12.3	73.9	65.8	67.9	58.3	60.9	61.9	58.4
Textiles	10	84.5	74.8	77.8	64.3	69.4	71.0	66.9
Other	2.3	28.0	27.0	25.0	32.2	24.1	22.5	21.5
Wood products	0.5	102.4	101.0	85.8	97.6	99.9	105.2	96.2
Paper	1.8	106.5	97.3	110.2	100.2	100.3	104.5	111.5
Chemical industries	11.4	89.7	90.4	78.4	103.8	98.7	115.4	111.6
Of which: refined petroleum	1.6	89.7	90.4	78.4	89.1	88.0	107.4	108.8
fertilizers and pesticides	3.7	127.0	128.2	114.1	157.0	144.8	185.7	185.0
plastic and rubber materials	2.8	32.1	27.8	29.5	35.4	37.3	37.2	33.5
Construction materials	3.3	127.2	126.0	151.2	152.9	173.2	181.2	186.5
Machinery and equipment	4.0	94.9	101.1	91.7	108.1	103.3	95.9	102.3
Electricity and water	5.1	203.8	196.4	200.2	211.5	217.3	230.3	239.9
Electricity	2.7	216.8	206.0	223.1	236.2	242.5	265.4	285.0
Water	2.4	189.3	185.6	174.6	183.8	189.0	191.1	189.5
General index without oil processing	87.8	106.7	99.7	99.5	102.4	100.5	104.7	107.9
General index	100.0	100.7	94.3	95.5	99.6	97.8	99.5	103.6

Source: Senegalese authorities.

Table 22. Senegal: Production of Principal Mineral and Industrial Products, 1992–98

	Unit	1992	1993	1994	1995	1996	1997	1998
Lime phosphates	Thousands of tons	2,282.0	1,667.0	1,587.4	1,543.8	1,384.0	1,598.1	1,481.6
Aluminum phosphates	Thousands of tons	53.7	21.3	19.2	40.7	27.2	37.3	21.2
Attapulgite	Thousands of tons	103.4	109.4	95.0	81.5	79.2	83.6	121.6
Salt	Thousands of tons	20.8	21.9	105.5	25.1	113.4	122.0	138.0
Sugar (cubes)	Thousands of tons	42.0	46.1	49.5	48.0	68.4	39.2	42.2
Tobacco products	Tons	1,743.0	1,795.0	1,216.0	1,272.0	1,425.0	1,556.0	1,816.0
Groundnut oil (unrefined)	Thousands of tons	115.5	56.9	80.2	99.0	91.2	38.1	49.8
Refined vegetable oil	Thousands of tons	50.9	71.3	79.2	95.8	84.2	89.2	103.4
Tuna (canned)	Thousands of tons	24.0	22.5	20.6	24.1	19.8	14.2	18.7
Shoes	Millions of pairs	0.6	0.5	0.4	0.6	0.7	0.7	0.7
Cotton yarn	Tons	1,325.0	673.0	1,201.0	1,237.0	1,452.0	1,272.0	1,107.0
Soap	Thousands of tons	42.0	35.7	22.7	35.3	46.3	40.5	38.6
Paints and varnishes	Thousands of tons	2.8	4.2	2.7	2.9	3.1	2.6	2.9
Cement	Thousands of tons	601.4	591.2	697.8	694.2	811.1	853.9	846.5
Metal cans	Millions	178.6	183.2	158.0	141.8	128.9	132.8	149.9
Electricity	Millions of kilowatt-h	1,000.7	988.0	1,020.4	1,080.9	1,109.9	1,214.5	1,304.1

Source: Senegalese authorities.

Table 23. Senegal: Production, Sales, and Prices of Lime Phosphates, 1992–98

	1992			1993			1994			1995			1996			1997			1998		
	CSPT	SSPT	Total	CSPT	SSPT	Total	CSPT	SSPT	Total	CSPT	SSPT	Total	CSPT	SSPT	Total	CSPT	SSPT	Total	CSPT	SSPT	Total
Production (thousands of tons)	2,101	181	2,282	1,585	82	1,667	1,559	28	1,587	1,533	11	1,544	1,376	8	1,384	1,590	8	1,598	1,478	222	1,700
Exports																					
Volume [1] (thousands of tons)	1,057	129	1,186	864	225	1,090	579	157	736	854	118	972	830	6	836	599	112	711	...	164	...
Value (billions of CFA francs)	13.1	1.1	14.2	9.6	2.5	12.1	11.1	3.5	14.6	14.0	2.4	16.4	14.3	0.1	14.4	15.3	2.4	17.7	...	2.2	...
Price (CFA francs per ton)[1]	12,394	8,527	11,973	11,106	11,006	11,085	19,131	22,903	19,932	16,363	20,894	16,913	17,250	14,290	17,229	25,477	21,567	24,862	...	...	...

Sources: Compagnie Sénégalaise des Phosphates de Taiba (CSPT); and Société Sénégalaise des Phosphates de Thiès (SSPT).

1/ Includes lime, clinker, and attapulgite.

Table 24. Senegal: Imports of Crude and Refined Petroleum Products by the Société Africaine de Raffinage (SAR), 1992–99

(Volume in tons; value in millions of CFA francs)

	Crude		Refined		Total
	Volume	Value	Volume	Value	Value
1992	621,987	24,809	367,660	14,601	39,410
1993	544,809	21,276	364,702	14,354	35,630
1994	302,782	19,949	782,344	60,116	80,065
1995	649,500	43,648	324,026	25,928	69,576
1996	645,034	52,142	403,387	38,059	90,201
1997	771,274	73,654	386,228	37,706	111,360
1998	890,467	60,804	414,439	31,048	91,852
1999 (Jul.)	441,628	28,723	331,670	24,669	53,392

Source: Société Africaine de Raffinage (SAR).

Table 25. Senegal: Exports of Refined Petroleum Products by the Société Africaine de Raffinage (SAR), 1992–99

(Volume in tons; value in millions of CFA francs)

	Mali		Others		Total	
	Volume	Value	Volume	Value	Volume	Value
1992	52,952	2,840	15,120	563	68,072	3,403
1993	54,305	2,914	14,431	691	68,736	3,605
1994	71,241	6,690	15,322	1,445	86,563	8,135
1995	63,247	5,596	41,971	3,412	105,218	9,008
1996	62,503	6,539	34,766	3,694	97,269	10,233
1997	58,697	6,750	51,303	5,950	110,000	12,700
1998	61,368	5,394	52,889	4,440	114,257	9,834
1999 (Jul.)	37,965	3,108	33,011	2,935	70,976	6,043

Source: Société Africaine de Raffinage (SAR).

Table 26. Senegal: Retail Prices of Liquid Petroleum Products, June 1985–November 1999

	Gasoline				Gas Oil			Diesel	Fuel Oil		
	Premium	egular	Fishing boat	erosene	Vehicles	Boats	Fishing		180 octane 1/	380 octane 1/	Electricity generation
	(CFA francs per liter)								(CFA francs per ton)		
Jun. 85	350	335	155	185	210	150	105	199,160	119,150	111,945	81,400
Jul. 86	350	335	155	185	210	150	105	199,160	119,150	111,945	81,400
Jul. 91	335	320	155	185	210	150	105	159,328	95,320	89,556	58,002
Jun. 92	335	320	155	185	210	150	105	159,328	95,320	89,556	58,002
Aug. 93	350	320	180	185	250	150	105	159,328	95,320	89,556	58,002
Jan. 94	455	415	235	225	300	...	...	199,160	119,150	111,945	62,402
Mar. 95	455	415	260	225	300	...	...	199,160	120,314	115,207	62,403
Dec. 95	455	415	260	225	300	...	...	199,160	119,150	111,945	62,402
Dec. 96	455	415	260	225	300	...	...	199,160	119,992	113,095	62,402
Dec. 97	455	415	260	225	300	...	...	199,160	132,865	125,302	62,402
Mar. 98	455	415	260	225	300	...	...	202,852	142,336	135,265	62,402
Jun. 98	425	390	240	125	265	...	...	121,510	88,237	84,410	61,542
Sept.98	421	383	233	120	256	...	...	115,258	81,923	78,091	61,542
17-Oct-98	416	379	229	128	266	...	...	104,944	75,160	71,715	50,373
12-Nov-98	410	373	223	123	255	...	...	95,611	69,155	66,105	50,373
12-Dec-98	399	362	212	114	251	...	...	91,874	67,600	66,105	50,373
9-Jan-99	386	350	200	107	245	...	...	86,958	63,534	60,845	46,345
6-Feb-99	393	357	207	113	251	...	...	91,837	68,264	65,562	50,373
6-Mar-99	393	357	207	113	246	...	...	88,129	67,364	65,007	50,373
3-Apr-99	409	372	222	124	263	...	...	101,653	71,097	67,575	50,373
3-May-99	435	396	246	143	277	...	...	113,708	80,697	76,879	50,373
29-May-99	440	401	251	143	277	...	...	113,708	80,697	76,879	50,373
26-Jun-99	440	401	251	136	277	...	...	113,708	80,697	76,879	62,379
31-Jul-99	458	418	268	155	296	...	...	129,699	91,468	87,025	50,373
28-Aug-99	481	441	291	160	307	...	...	139,114	101,887	97,570	59,146
25-Sep-99	481	448	298	174	325	...	...	154,637	113,135	108,301	69,877
23-Oct-99	481	449	299	175	326	...	...	156,637	119,255	114,574	74,560
20-Nov-99	482	449	299	175	326	...	...	156,637	119,255	114,574	74,560

Source: Senegalese authorities.

1/ Prices to large consumers.

Table 27. Senegal: Trends in the Tourism Sector, 1992–98 1/

	1992	1993	1994	1995	1996	1997	1998
				(In thousands)			
Number of arrivals	281.6	195.3	281.6	321.3	322.1	358.7	392.5
Number of beds	14.9	15.0	15.2	15.6	16.1	17.0	17.1
Number of nights	1,120.5	730.4	1,117.4	1,224.3	1,205.6	1,429.1	1,526.2
				(In percent)			
Annual rate of occupancy	33.4	27.2	34.0	35.0	34.4	38.0	40.0
				(In billions of CFA francs)			
Gross receipts	39.0	25.0	53.0	78.7	77.8	91.8	100.1

Source: Ministry of Tourism.

1/ Figures may differ from thoser in the services and transfers accounts because of differents methods used for recording data

Table 28. Senegal: Public Investment, 1993–98

(In billions of CFA francs, unless otherwise indicated)

	1993			1994			1995			1996			1997			1998		
	Planned	Realized investment		Planned	Realized investment		Planned	Realized investment		Planned	Realized investment		Planned	Realized investment		Planned	Realized investment	
		Total	Percentage distribution		Total	Percentage distribution		Total	Percentage distribution		Total	Percentage distribution		Total	Percentage distribution		Total	Percentage distribution
Primary sector	46.8	40.1	39.1	48.5	45.1	37.1	88.6	56.7	31.9	87.8	59.5	33.3	87.6	56.0	29.8	93.8	56.8	23.6
Agriculture	25.6	19.3	18.8	24.4	17.9	14.7	46.0	21.4	12.0	42 4	25.9	14.5	35.2	23.8	12.7	40.8	22.0	9.1
Livestock	1.3	0.7	0.7	2.1	1.2	1.0	2.2	1.7	1.0	3.0	2.4	1.3	2.8	1.2	0.6	3.0	2 8	1.1
Forestry	3.5	3.4	3.3	3.9	6.5	5.3	8.7	5.7	3.2	9.5	8.6	4.8	11.7	8.5	4.5	10.3	7.3	3.0
Fisheries	0.8	0.7	0.7	0.2	0.1	0.1	3.3	1.2	0.7	1.8	1.0	0.6	2.0	1.0	0.5	17.2	8.1	3.3
Rural water supply	8.4	8.4	8.2	9.4	8.5	7.0	17.7	15.7	8.8	14.7	8.8	4.9	17.2	8.6	4.6	7.8	5.4	2.2
Other (including research)	7.2	7.6	7.4	8.3	10.9	9.0	10.7	11.1	6.2	16.2	12.6	7.1	18.8	12.8	6.8	14.8	11.3	4.7
Secondary sector	13.0	9.9	9.7	19.0	13.9	11.4	25.4	24.2	13 6	24.1	13.7	7.7	24.4	15.6	8.3	38.1	19.4	8.1
Industry	3.9	3.1	3.1	4.9	8.8	7.2	5.5	2.2	1.2	6.1	2.0	1.1	4.5	3.3	1.8	3.4	3.1	1.3
Mining	0.4	0.2	0.2	1.0	0.8	0.7	1.0	1.0	0.6	0.9	0.9	0.5	1.1	0.9	0.5	1.4	1.6	0.7
Energy	5.2	4.1	4.0	7.9	3.0	2.5	11.6	15.9	8.9	11.5	6.4	3.6	8.9	8.0	4.3	22.2	12.2	5.1
Other	3.6	2.5	2.4	5.2	1.3	1.1	7.3	5.1	2.9	5.7	4.5	2.5	9.9	3.4	1.8	11.0	2.5	1.0
Tertiary sector	40.2	25.4	24.8	42.7	13.7	11.3	57.0	27.2	15.3	53.2	23.9	13.4	55.9	45.3	24.1	56.2	39.5	16.4
Tourism	0.1	0.0	0.0	0.0	0.0	0.0	0.6	0.5	0.3	0.6	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Commerce	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.5	0.9	0.5	0.0	0.0	0.0
Transport	32.7	18.6	18.1	36.9	9.8	8.1	51.4	22.7	12.8	49.4	21.8	12.2	53.7	43.2	23.0	56.2	39.5	16.4
Telecommunications	4.1	3.5	3.4	0.6	2.1	1.7	2.8	2.5	1.4	0.0	0.0	0.0	0.4	0.4	0.2	0.0	0.0	0.0
Other (including research)	3.3	3.3	3.2	5.2	1.8	1.5	2.2	1.5	0.8	3.2	1.8	1.0	1.3	0.8	0.4	...	...	...
Other sectors	39.7	27.1	26.4	47.1	48.8	40.2	96.9	69 9	39.3	108.6	81.7	45.7	124.9	71.4	37.9	140.2	125.0	51.9
Urban water supply/sewage	5.8	1.9	1.9	6.5	2.5	2.1	14.2	9.7	5.4	47.3	5.2	2.9	47.3	12.9	6.9	54.6	51.0	21.2
Housing	6.0	3.9	3.8	6.3	3.3	2.7	7.1	7.1	4.0	4.7	8.0	4.5	8.0	3.2	1.7	12.8	4.0	1.6
Health	6.8	5.4	5.3	6.8	8.8	7.2	16.5	12.3	6.9	13.6	9.6	5.4	14.6	9.2	4.9	17.0	18.3	7.6
Education	5.3	3.7	3.7	7.1	11.4	9.4	20.9	9.6	5.4	17.8	20.0	11.2	27.1	24.1	12.8	22.5	21.3	8.9
Other	15.8	12.1	11.8	20.4	22.8	18.8	38.2	31.2	17.5	25.1	38.9	21.8	27.9	22.0	11.7	33.4	30.3	12.6
Total	139.8	102.5	100.0	157.3	121.5	100.0	267.9	178.0	100.0	273.7	178.7	100.0	292.8	188.2	100.0	328.3	240.6	100.0
Financing	139.8	102.5	100.0	157.3	121.5	100.0	267.9	178.0	100.0	273.7	178.7	100.0	292.8	188.2	100.0	328.3	240.6	100.0
Domestic	...	38.9	37.9	...	38.0	31.3	53.5	45.6	25.6	...	...	...	...	...	...	. .	...	...
Public and parapublic	..	35 6	34.7	..	33.1	27.2	45.6	39.5	22.2	...	...	...	...	...	..	...	...	...
Private	...	3.3	3.2	...	4.9	4.0	7.9	6 1	3.4	...	...	...	...	...	...	...	...	...
													...	...	...	...	...	. .
Foreign	...	63.6	62.1	...	83.5	68.7	214.5	132.4	74.4	...	..	...	...	...	...	...	...	...
Grants	.	32.4	31.6	. .	45.0	37.0	...	69.2	38.9	...	...	...	...	...	...	. .	...	...
Concessional	...	22.3	21.8	...	34.6	28.5	...	63,2	,35.5	...	...	...	...	..	..	...	...	...
Semicommercial borrowing	...	8.9	8.7	..	3.9	3.2	..	..	...	...	...	..	...	...	...	...	...	...
Commercial borrowing	...	0.0	0.0	..	0.0	0.0	..	..	...	...	...	. .	...	...	...	...	...	...

Source: Direction de la coopération économique et financière.

Table 29. Senegal: Index of Consumer Prices for 1991-99

	Index 1/	Percentage Change 2	Foodstuff	Clothing	Housing	Househol Goods	Transport and Leisure
Weight	100.0		56.0	11.9	16.2	4.0	11.9
1991	485.1	-1.8	498.8	459.9	385.7	668.8	521.2
1992	485.1	0.0	493.9	462.6	383.3	667.5	543.2
1993	481.5	-0.7	485.1	469.1	386.2	672.7	544.0
1994	636.0	32.1	672.8	554.2	516.5	877.4	626.0
1995	687.4	8.1	735.8	590.8	538.8	967.4	664.1
1996	706.3	2.7	748.9	650.2	559.7	1,002.3	662.6
1997	718.7	1.8	753.8	710.0	570.0	1,004.4	668.5
1993							
I	475.8	-1.9	472.6	463.8	388.3	672.5	556.4
II	472.9	-2.1	471.3	466.3	385.2	669.8	538.1
III	491.6	1.1	504.3	466.8	386.0	672.5	539.8
IV	486.5	0.2	492.0	479.4	385.1	675.9	541.8
1994							
I	577.9	21.5	601.0	539.2	455.3	794.3	601.6
II	616.7	30.4	637.1	546.4	535.8	864.8	619.1
III	667.9	35.9	719.8	546.4	535.8	920.0	640.4
IV	683.1	40.4	733.3	598.1	539.9	930.6	642.9
1995							
I	661.5	14.5	698.6	577.3	542.2	929.1	643.5
II	669.6	8.6	704.2	584.8	537.0	968.3	672.0
III	705.9	5.7	766.9	586.1	535.0	980.6	678.3
IV	712.6	4.3	773.7	615.0	540.9	992.7	662.6
1996							
I	688.8	4.1	720.5	647.0	550.5	1,001.7	664.1
II	693.4	3.6	724.9	652.3	560.0	1,002.1	664.1
III	722.2	2.3	777.0	647.0	564.1	1,002.5	660.5
IV	721.0	1.2	773.0	654.4	564.1	1,002.5	661.7
1997							
I	712.1	3.4	749.1	696.2	559.2	1,003.4	662.3
II	706.4	1.9	732.8	707.1	584.0	1,003.8	648.4
III	722.4	0.3	759.9	705.6	571.5	1,003.8	673.7
IV	733.9	1.8	773.2	731.1	565.4	1,006.5	689.7
Weight	100.0		41.5	10.8	16.9	7.2	11.1
1998 1/	102.8	1.1	104.3	98.6	101.0	98.3	100.6
1999	103.6	0.8	104.6	97.1	104.6	97.5	101.0
1998							
I	102.1	0.7	103.2	99.7	100.6	98.3	101.7
II	100.9	0.7	99.9	98.9	100.6	98.8	101.6
III	104.3	2.0	107.6	98.1	101.3	98.5	99.8
IV	103.8	1.3	106.4	97.5	101.5	97.7	99.5
1999							
I	102.9	0.8	104.0	98.2	102.1	97.7	99.6
II	102.2	1.3	101.9	97.2	103.7	97.6	100.6
III	104.8	0.4	107.1	96.5	105.5	97.7	101.4
IV	104.5	-0.3	105.3	96.4	107.1	97.2	102.3

Source: Senegalese authorities.

1/ From 1998 onward, the harmonized West African Economic and Monetary Union index is u rebased as 1996 =100

2/ Annual change for annual data; change over four quarters for quarterly data.

Table 30. Senegal: Price Control System

(As of July 1999)

Category	Goods	Services
Category I (goods and services subject to fixed pricing)	Charcoal (retail prices: 95 FCFA)	Water, retail prices: First tranche; 175.21 CFAF per cubic metre Second tranche; 604.7 CFAF per cubic metre Electricity, retail prices: First tranche; 114.84 CFAF per kilowatt Second tranche; 83.3 CFAF per kilowatt Third tranche; 59.19 CFAF per kilowatt
Category II (goods and services subject to strict certification requirements (*homologation*)	Gas (butane)	

Source: Senegalese authorities.

Table 31. Senegal: Nominal and Real Minimum Wages, July 1981-September 1999

	1981 July	1982 July	1983 April	1985 Jan.	1989 July	1993 Sep.	1994 Dec.	1995 Dec.	1996 Dec.	1997 Dec.	1998 Dec.	1999 Sep.
Nominal (CFA francs per hour)	140.5	152	174.9	183.8	201.1	201.1	201.1	201.1	209	209.1	209.1	209.1
Real 1/ (1980=100)	96.4	86.8	95.5	80.2	81.7	82.8	60.6	57.4	58.3	57.2	57.5	56.5

Sources: Senegalese authorities; and staff estimates.

1/ Calculated using the consumer price index for the average Senegalese family.

Table 32. Senegal: Government Financial Operations, 1993-99[1]

(In billions of CFA francs)

	1993	1994	1995	1996	1997	1998	1999 Prel.
Total revenue and grants	272.6	385.6	439.7	551.2	497.8	541.9	568.4
Revenue	255.9	301.5	366.2	394.3	432.2	460.1	506.8
Tax revenue	220.2	267.9	330.3	369.3	401.1	438.9	491.2
Of which							
Oil revenue (excl. refinery)	38.8	33.0	33.3	32.7	39.4	52.3	83.9
Nontax revenue	35.7	33.6	35.9	25.0	31.1	21.2	15.6
Grants	16.7	84.1	73.5	156.9	65.6	81.8	61.6
Of which: capital [1]	13.0	15.0	30.0	139.2	53.7	63.1	57.5
Total expenditure and net lending	319.8	424.8	444.7	497.9	484.3	550.6	609.9
Current expenditure	249.5	318.6	316.6	312.6	317.6	310.1	351.1
Wages and salaries	132.3	148.8	157.5	162.6	160.4	162.6	166.6
Interest due	34.7	71.5	64.5	55.9	58.6	34.8	42.5
Of which: external [2]	28.1	58.3	55.8	45.9	47.5	27.8	32.3
Other current expenditure [3]	82.5	98.3	94.6	94.1	98.6	112.7	142.0
Capital expenditure	64.9	100.2	117.7	183.0	163.8	196.9	242.3
Domestically financed	27.9	26.2	35.7	41.6	57.5	78.5	111.3
Externally financed	37.0	74.0	82.0	141.4	106.3	118.4	131.0
Voluntary departure program	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Treasury special accounts (net) [4]	-2.7	-5.0	-4.2	1.3	0.2	-5.1	-4.6
Treasury correspondents (net) [4]	-2.7	-0.9	-6.2	-9.2	-7.5	-3.2	-6.6
Overall fiscal surplus or deficit (-) (commitment basis)	-47.2	-39.2	-5.0	53.3	13.5	-8.7	-41.5
Adjustment to cash basis	44.4	-160.8	-60.4	0.0	2.7	-2.7	0.0
Payments arrears of the government and public agencies (reduction -)	49.3	-160.8	-60.4	0.0	2.7	-2.7	0.0
Crop credit (repayment -)	-4.9	0.0	0.0	0.0	0.0	0.0	0.0
Overall fiscal surplus or deficit (-) (cash basis)	-2.8	-200.0	-65.4	53.3	16.2	-11.4	-41.5
Financing	2.8	200.0	65.4	-53.3	-16.2	11.4	41.5
External	8.6	186.7	80.5	10.4	46.6	50.3	22.9
Drawings	40.1	80.9	81.6	83.1	101.4	108.7	80.2
Treasury	0.1	18.9	29.6	23.5	2.4	19.1	0.0
Project loans	22.0	44.0	52.0	59.6	53.6	89.6	80.2
Other	18.0	18.0	0.0	0.0	45.4	0.0	0.0
Amortization due [2]	-41.4	-83.1	-73.1	-72.7	-72.0	-58.4	-57.3
Debt relief [5]	9.9	188.9	72.0	0.0	17.2	0.0	0.0
Domestic	-5.8	13.3	-15.1	-48.5	-60.4	-28.6	18.6
Banking system	-17.0	1.0	-14.2	-21.5	-148.3	-6.2	6.8
Repayment of consolidated debt	-6.9	0.0	0.0	0.0	0.0	0.0	0.0
Nonbank borrowing	9.1	13.2	6.0	-27.0	-5.5	-53.3	-28.9
Other [6]	9.0	-0.9	-6.9	-15.2	91.0	20.6	40.7

Sources: Senegalese authorities; and staff estimates.

[1] Foreign financial assistance for externally financed capital outlays of the central government.

[2] The external debt-service figures include all debt directly contracted by the government and the part of the government-guaranteed debt serviced by the government.

[3] Consisting of outlays for materials, supplies, maintenance, subsidies, other current transfers, and unclassified expenditure.

[4] Deficits are added to expenditure, while surpluses are deducted. The treasury's special accounts exclude net repayments in the Debt Amortization Fund and National Energy Fund, and investment expenditures relating to the Fifth and Sixth Plans, which are shown separately.

[5] Includes debt rescheduling from the London and Paris Clubs and other official bilateral creditors, and commercial bank rescheduling.

[6] Includes errors and omissions and privatization receipts.

Table 33. Senegal: Fiscal Performance, 1993-99

	1993	1994	1995	1996	1997	1998	1999 Prel.
				(In percent of GDP)			
Total revenue and grants	17.7	19.1	19.7	23.2	19.5	19.7	19.2
Revenue	16.6	14.9	16.4	16.6	16.9	16.7	17.1
Tax revenue	14.3	13.2	14.8	15.5	15.7	15.9	16.6
Of which							
Oil revenue (excl. refinery)	2.5	1.6	1.5	1.4	1.5	1.9	2.8
Nontax revenue	2.3	1.7	1.6	1.1	1.2	0.8	0.5
Grants	1.1	4.2	3.3	6.6	2.6	3.0	2.1
Total expenditure and net lending	20.8	21.0	19.9	20.9	18.9	20.0	20.6
Current budgetary expenditure	16.2	15.8	14.2	13.1	12.4	11.3	11.9
Of which: wages and salaries	8.6	7.4	7.1	6.8	6.3	5.9	5.6
Capital expenditure	4.2	5.0	5.3	7.7	6.4	7.2	8.2
Other[1]	0.4	0.3	0.5	0.3	0.3	0.3	0.4
Overall fiscal balance (deficit -) (commitment basis)							
Including grants	-3.1	-1.9	-0.2	2.2	0.5	-0.3	-1.4
Excluding grants	-4.2	-6.1	-3.5	-4.4	-2.0	-3.3	-3.5
Overall fiscal balance (deficit -) (cash basis)	-0.2	-9.9	-2.9	2.2	0.6	-0.4	-1.4
				(Annual percentage change)			
Total revenue and grants	-13.2	41.5	14.0	25.4	-9.7	8.9	4.9
Of which: revenue	-12.8	17.8	21.5	7.7	9.6	6.5	10.1
Of which: tax revenue	-10.9	21.7	23.3	11.8	8.6	9.4	11.9
Total expenditure and net lending	-9.7	32.8	4.7	12.0	-2.7	13.7	10.8
Of which							
Current expenditure	-11.5	27.7	-0.6	-1.3	1.6	-2.4	13.2
Capital expenditure	-21.4	54.4	17.5	55.5	-10.5	20.2	23.1
Nominal GDP	-3.6	31.5	10.5	6.5	7.4	7.7	7.4
Memorandum item:							
				(In billions of CFA francs)			
Nominal GDP	1,537.8	2,022.3	2,234.0	2,379.3	2,555.9	2,752.9	2,956.0

Source: Senegalese authorities; and staff estimates.

[1] Includes the treasury's special and correspondent accounts, and outlays for the banking system reform and voluntary departure programs.

Table 34. Senegal: Outstanding Payments Arrears of the Central Government, 1993-99

(In billions of CFA francs; end of period)

	1993	1994	1995	1996	1997	1998	1999 Prel.
External debt-service arrears	87.1	45.5	0.0	0.0	2.7	0.0	0.0
Domestic payments arrears	47.0	14.9	0.0	0.0	0.0	0.0	0.0
Central government	47.0	14.9	0.0	0.0	0.0	0.0	0.0
Commitments not disbursed	47.0	14.9	0.0	0.0	0.0	0.0	0.0
Commitments for which payment orders have not been issued	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public agencies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commitments not disbursed	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commitments for which payment orders have not been issued	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	134.1	60.4	0.0	0.0	2.7	0.0	0.0

Source: Senegalese authorities.

Table 35. Senegal: Budgetary Revenue, 1993-99

	1993	1994	1995	1996	1997	1998	1999 Prel.
	(In billions of CFA francs)						
Total revenue	255.9	301.5	366.2	394.3	432.2	477.5	506.8
Tax revenue	220.2	267.8	330.3	369.3	401.1	456.3	491.3
Taxes on income and property	59.8	63.5	80.1	85.0	94.3	107.2	107.5
Individual	32.8	34.5	44.5	45.8	53.7	56.6	54.2
Corporate	18.1	17.8	24.4	26.3	29.0	37.1	38.7
Real estate capital gains	0.2	0.5	0.2	0.5	0.5	0.3	0.5
Capital income	4.3	6.3	6.1	6.4	4.9	6.3	6.9
Social security (ONFP)	0.2	0.2	0.2	0.3	0.3	0.3	0.3
Payroll (CFCE)	3.9	3.9	4.4	5.3	5.3	5.9	6.0
Property	0.3	0.3	0.3	0.4	0.6	0.7	0.8
Taxes on goods and services (excluding petroleum)	71.8	91.9	119.9	135.8	158.7	170.6	193.2
VAT on domestic goods	27.7	41.8	56.0	68.2	82.8	77.4	91.7
VAT on imported goods	23.3	27.1	38.6	42.1	48.1	65.0	67.3
Presumptive taxes on domestic goods	1.1	1.1	1.2	1.3	1.5		
Presumptive taxes on imported goods	1.6	1.8	3.3	3.2	3.4	3.7	5.2
Excises	6.3	6.5	6.7	6.5	4.2	4.6	6.0
Taxes on insurance contracts	1.0	0.8	1.4	1.4	1.6	1.7	1.8
Motor vehicles taxes	1.6	1.5	1.9	1.7	1.9	1.8	2.2
Registration duties	4.0	6.0	5.6	5.6	9.3	7.9	10.7
Others	5.2	5.3	5.2	5.8	5.9	8.5	8.2
Stamp duties	4.5	4.9	4.8	5.5	5.9	7.4	7.2
Miscellaneous	0.7	0.4	0.4	0.3	0.0	1.1	1.0
Taxes on imports (excluding petroleum) [1]	59.8	79.4	97.0	115.8	108.7	110.7	106.6
Taxes on petroleum products	28.8	33.0	33.3	32.7	39.4	67.8	83.9
Customs duties	10.8	15.7	16.8	17.2	20.8	28.8	11.2
VAT	18.0	17.3	16.5	15.5	18.6	21.6	23.2
Specific tax	0.0	0.0	0.0	0.0	0.0	17.4	49.5
Nontax revenue	35.7	33.7	35.9	25.0	31.1	21.2	15.6
Entrepreneurial and property income	1.5	2.2	1.5	2.6	7.1	6.5	5.8
Refinery (SAR)	26.4	27.0	21.9	20.1	7.5	1.9	0.0
Fishing rights	5.2	0.0	10.3	0.0	8.3	7.9	7.9
Others	2.6	4.5	2.2	2.3	8.2	4.9	1.8
	(Percentage share of total revenue)						
Tax revenue	86.0	88.8	90.2	93.7	92.8	95.6	96.9
Taxes on income and property	23.4	21.1	21.9	21.6	21.8	22.5	21.2
Taxes on goods and services [2]	28.1	30.5	32.7	34.4	36.7	35.7	38.1
Taxes on imports [2]	23.4	26.3	26.5	29.4	25.2	23.2	21.0
Taxes on petroleum products	11.3	10.9	9.1	8.3	9.1	14.2	16.6
Nontax revenue	14.0	11.2	9.8	6.3	7.2	4.4	3.1
Of which: SAR	10.3	9.0	6.0	5.1	1.7	0.4	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Of which: total revenue from petroleum	21.6	19.9	15.1	13.4	10.9	14.6	16.6

Source: Senegalese authorities.

[1] Includes the customs duty, the fiscal duty, the stamp duty, and surtaxes. Surtaxes generate no more than CFAF 1 billion a year.

[2] Excluding petroleum products.

Table 36. Senegal: Structure of the External Tariff, 1994-98

(In percent of import value)

Classification [1]	Senegal Unweighted Average Rates [2]		WAEMU [4] Unweighted Average Rates
	1994-97	1998 [3]	
Capital goods	15.6	6.0	7.8
Intermediate products	22.0	11.1	10.5
Primary input goods	26.9	7.6	7.3
Manufactured input goods	21.5	11.5	11
Consumer goods	35.9	22.8	18.1
Primary consumer goods	34.2	23.2	17.8
Manufactured consumer goods	36	22.8	18.2
Passenger cars	49.4	25	20
Others	31.6	16.3	12.9
Total	24	13.1	12.2

Sources: Senegalese authorities; West African Economic and Monetary Union (WAEMU); and staff estimates.

[1] Based on the Broad Economic Classification (BEC) of the United Nations and the Harmonized System of Productive Nomenclature (HS 1996 version) prepared by the World Customs Organization (Brussels)

[2] Excluding the custom stamp duty of 5 percent.

[3] On the basis of the tariff reform implemented in April 1998.

[4] Based on the categorization of products adopted by theWest African Economic and Monetary Union (WAEMU) Council of Ministers in July 1998 and the tariff structure (excluding the statistical tax) adopted in November 1997 for implementation in January 2000.

Table 37. Senegal: Current Budgetary Expenditure, 1993-99

(In billions of CFA francs)

	1993	1994	1995	1996	1997	1998	1999 Prel.
Economic classification							
Wages and salaries	132.3	148.8	157.5	162.6	160.4	159.7	166.6
Materials supplies and maintenance	48.5	50.0	50.5	61.4	52.3	71.5	79.3
Interest on government debt	34.7	71.5	64.5	55.9	58.6	34.8	42.5
Of which: external	28.1	58.3	55.8	45.9	47.5	27.8	32.3
Scholarships	5.7	6.6	6.6		5.2		
Other transfers and subsidies	28.3	33.7	23.6	29.2	37.8	36.8	49.3
Unclassified	0.0	8.0	13.9	3.5	3.3	7.3	13.4
Total	249.5	318.6	316.6	312.6	317.6	310.1	351.1
Functional classification							
General public services	65.4	88.4	81.3	81.4	88.4	...	...
National defense	32.5	36.5	36.6	39.6	40.2	...	...
Education	67.0	64.2	76.9	79.5	82.0	...	...
Health	11.9	15.6	16.7	17.2	16.0	...	...
Social and community services	4.1	5.1	4.8	5.0	12.6	...	...
Economic services	15.7	8.9	8.0	7.6	10.7	...	...
Unallocable	52.9	89.1	92.3	82.3	67.7	...	...
Of which: interest on government debt[1]	34.7	71.5	64.5	55.9	58.6	34.8	42.5
Total	249.5	318.6	316.6	312.6	317.6	310.1	351.1

Source: Senegalese authorities.

[1] Including scheduled interest on government debt serviced by the Caisse Autonome d'Amortissement (CAA) through a treasury special account.

Table 38. Senegal: Government Wage Bill and Number of Civil Servants, 1993-99

	1993	1994	1995	1996	1997	1998	1999 Prel.
Wage bill (in billions of CFA fra	132.3	148.8	157.5	162.6	160.4	162.6	166.6
Annual change in wage bill (in percent)	-4.5	12.5	5.8	3.2	-1.4	1.4	2.5
As percent of current budgetary expenditure	53.0	46.7	49.7	52.0	50.5	52.4	47.5
As percent of total expenditure and net lending	41.4	35.0	35.4	36.3	34.0	29.5	27.3
As percent of GDP	8.6	7.4	7.0	6.6	6.1	5.9	5.6
Number of civil servants (as of end of period) [1]	67,056	66,696	67,049	67,029	66,754	66,286	65,536
Annual change in the number of civil servants (in percent)	2.7	-0.5	0.5	0.0	-0.4	-0.7	-1.1

Source: Senegalese authorities.

[1] Excluding technical assistants and employees in process of retirement. In 1999, number are those of September.

Table 39. Senegal: Minimum and Maximum Salaries for Selected Civil Servants, 1993-99

(CFA francs per month)

	1993 Sep.	1994 Jan.	1994 Apr.	1999 Dec. [1]
Minimum				
Base salary	25,679	30,211	42,211	42,211
Special allowance	5,135	6,042	6,042	6,042
Residence allowance	3,595	4,229	4,229	4,229
Total	34,409	40,482	52,482	52,482
Maximum				
Base salary	153,624	180,735	197,235	197,235
Special allowance	30,724	36,147	36,147	36,147
Residence allowance	21,507	25,302	25,302	25,302
Total	205,855	242,184	258,684	258,684

Source: Senegalese authorities.

1/ Salary levels have remained unchanged since April 1994

Table 40. Senegal: Social Expenditures, 1993-99

	1993	1994	1995	1996	1997	1998	1999 Prel.
	(In billions of CFA francs)						
Health	12.4	16.8	24.8	30.4	29.9	32.6	37.4
Current expenditure	11.8	16.2	17.4	18.7	19.0	19.8	22.3
Wages and salaries	8.0	8.6	8.3	10.0	10.6	10.6	10.9
Supplies	3.4	5.7	6.6	7.4	4.5	5.3	7.3
Transfers	0.3	2.0	2.5	1.3	1.3	1.3	1.5
Current expenditure by municipalities	0.0	0.0	0.0	0.0	2.6	2.6	2.6
Capital expenditure	0.6	0.6	7.4	11.7	10.9	12.8	15.0
Domestically financed	0.6	0.6	0.7	0.9	0.6	2.1	3.7
Externally financed	...	...	6.7	10.8	10.3	10.7	11.4
Education	68.8	75.0	85.8	96.7	96.2	109.4	118.8
Current expenditure	67.9	73.8	79.1	86.6	87.8	90.4	95.1
Wages and salaries	44.8	48.0	52.5	58.0	59.4	61.6	63.3
Supplies	3.5	2.0	2.9	5.7	4.3	5.2	7.3
Transfers	18.2	22.5	22.2	21.6	21.7	21.3	22.4
Maintenance	0.4	0.4	0.4	0.4	0.1	0.1	0.2
Current expenditure by municipalities	0.0	0.0	0.0	0.0	1.5	1.5	1.5
Other	1.0	1.0	1.1	1.0	0.8	0.8	0.5
Capital expenditure	1.0	1.1	6.7	10.1	8.4	19.0	23.7
Domestically financed	1.0	1.1	0.7	0.9	1.7	4.8	9.4
Externally financed	...	...	6.0	9.2	6.7	14.1	14.3
Other	0.8	0.8	0.8	0.8	1.0	1.4	2.2
Current expenditure	0.6	0.7	0.7	0.7	0.7	0.8	0.8
Wages and salaries	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Supplies	0.0	0.1	0.1	0.1	0.1	0.2	0.2
Capital expenditure	0.2	0.1	0.1	0.1	0.3	0.6	1.3
Domestically financed	0.2	0.1	0.1	0.1	0.3	0.6	1.3
Externally financed	...	...	0.0	0.0	0.0	0.0	0.0
	(In percent of total current expenditures)						
Current expenditure in social sectors	32.2	28.5	30.7	33.9	33.8	35.8	33.7
Health	4.7	5.1	5.5	6.0	6.0	6.4	6.4
Education	27.2	23.2	25.0	27.7	27.6	29.2	27.1
Other	0.3	0.2	0.2	0.2	0.2	0.3	0.2
	(In percent of total capital expenditures)						
Capital expenditure in social sectors	...	...	12.1	12.0	12.0	16.4	16.5
Health	...	...	6.3	6.4	6.7	6.5	6.2
Education	...	...	5.7	5.5	5.1	9.6	9.8
Other	...	...	0.1	0.1	0.2	0.3	0.6
	(In percent of total current and capital expenditures)						
Total current and capital expenditure in social sectors	...	...	25.7	25.8	26.4	28.3	26.7
Health	...	...	5.7	6.1	6.2	6.4	6.3
Education	...	...	19.8	19.5	20.0	21.6	20.0
Other	...	...	0.2	0.2	0.2	0.3	0.4
	(In billions of CFA francs)						
Memorandum items:							
Total current expenditure	249.5	318.6	316.6	312.6	317.6	310.1	351.1
Capital expenditure, domestically financed	27.9	26.2	35.7	41.6	57.5	78.5	111.3
Capital expenditure, externally financed	37.0	74.0	82.0	141.4	106.3	118.4	131.0
Total current and capital expenditure	314.4	418.8	434.3	495.6	481.4	507.0	593.4

Sources: Senegalese authorities; and staff estimates.

Table 41. Senegal: Monetary Survey, 1994 -99[1]

	1994	1995	1996	1997				1998				1999			
	Dec.	Dec.	Dec.	Mar.	June	Sep.	Dec.	Mar.	June	Sep.	Dec.	Mar.	June	Sep.	Dec.
													Prel	Prel	Prel
	(In billions of CFA francs)														
Net foreign assets	-155.3	-105.1	-70.2	-24.1	-38.4	4.7	15.6	59.4	22.1	51.4	51.4	79.9	136.7	120.1	104.8
Central Bank of West African States (BCEAO)	-168.1	-126.1	-98.0	-58.8	-83.4	-35.0	-21.1	-9.3	-21.1	-13.6	-6.5	4.5	47.1	40.9	14.4
Commercial banks	12.8	21.0	27.8	34.7	45.0	39.7	36.7	68.7	43.2	65	57.9	75.4	89.6	79.2	90.4
Net domestic assets	602.2	593.1	611.1	601.7	599.0	545.4	564.8	529.7	562.5	535.3	578.9	571.7	528.1	557.1	609.3
Net domestic credit	638.5	643.8	683.8	660.0	640.7	593.8	583.3	562.1	601.5	579.6	621.5	642.3	599.7	637.4	674.0
Net credit to the government	360.0	357.1	335.6	301.4	281.6	226.2	187.3	181.6	184.0	191.3	181.1	204.1	139.0	154.9	187.9
Central bank	340.9	330.7	269.4	229.8	224.9	171.7	152.1	147.6	155.3	160.9	158.9	181.9	121.9	142.7	173.8
Commercial banks	17.5	24.6	66.4	70.4	57.1	54.9	35.0	33.0	27.7	29.3	20.9	20.8	15.1	11.9	13.0
Other institutions	1.6	1.8	-0.2	1.2	-0.4	-0.4	0.2	1.0	1.0	1.1	1.3	1.4	2.0	0.3	1.1
Credit to the economy	278.5	286.7	348.2	358.6	359.1	367.6	396.0	380.5	417.5	388.3	440.4	438.2	460.7	482.5	486.1
Crop credit	12.7	0.4	1.1	0.0	0.0	0.0	2.0	0.0	0.0	0.0	12.7	18.4	15	13.1	1.7
Other credit	265.8	286.3	347.1	358.6	359.1	367.6	394.0	380.5	417.5	388.3	427.7	419.8	445.7	469.4	484.4
Other items (net) 2/	-36.3	-50.7	-72.7	-58.3	-41.7	-48.4	-18.5	-32.4	-39.0	-44.3	-42.6	-70.6	-71.6	-80.3	-64.7
Broad money (M2)	446.9	488.0	540.9	577.6	560.6	550.1	580.4	589.1	584.6	586.7	630.3	651.6	664.8	677.2	714.1
Currency outside banks	145.7	152.1	142.0	152.5	125.0	111.7	142.8	145.4	128.1	117.5	158.5	170.5	154.7	146.9	179.7
Demand deposits	148.9	158.9	189.4	191.3	195.6	187.6	199.9	197.1	219.2	222	238.6	231.0	244.9	255.2	261.2
Time deposits	152.3	177.0	209.5	233.8	240.0	250.8	237.7	246.6	237.3	247.2	233.2	250.1	265.2	275.1	273.2
	(Changes in percent of beginning-of-period money stock)														
Net foreign assets	50.5	11.2	7.2	8.5	5.9	13.8	15.9	7.5	1.1	6.2	6.2	4.5	13.5	10.9	8.5
BCEAO	42.1	9.4	5.8	7.2	2.7	11.6	14.2	2.0	0.0	1.3	2.5	1.7	8.5	7.5	3.3
Commercial banks	8.4	1.8	1.4	1.3	3.2	2.2	1.6	5.5	1.1	4.9	3.7	2.8	5.0	3.4	5.2
Net domestic assets	-8.4	-2.0	3.7	-1.7	-2.2	-12.1	-8.6	-6.0	-0.4	-5.1	2.4	-1.1	-8.1	-3.5	4.8
Net credit to the government	-14.9	-0.6	-4.4	-6.3	-10.0	-20.2	-27.4	-1.0	-0.6	0.7	-1.1	3.6	-6.7	-4.2	1.1
Credit to the economy	7.5	1.8	12.6	1.9	2.0	3.6	8.8	-2.7	3.7	-1.3	11.2	-0.3	4.6	9.6	7.3
Other items (net)	-1.0	-3.2	-4.5	2.7	5.7	4.5	10.0	-2.4	-3.5	-4.4	-4.2	-4.4	-4.6	-6.0	-3.5
Broad money (M2)	42.1	9.2	10.8	6.8	3.6	1.7	7.3	1.5	0.7	1.1	8.6	3.4	5.5	7.4	13.3

Source: Central Bank of West African States (BCEAO).

[1] Excluding the balance sheets of the liquidated banks, and using the data from the new commercial banks' accounts forms, which resulted in a revision of the classification of foreign and domestic assets, as well as the classification of government and nongovernment deposits.

[2] Includes revaluation account.

Table 42. Senegal: Summary Accounts of the Central Bank, 1994-99[1]

(In billions of CFA francs)

	1994	1995	1996	1997				1998				1999			
	Dec.	Dec.	Dec.	Mar.	June	Sep.	Dec.	Mar.	June	Sep.	Dec.	Mar.	June Prel	Sep. Prel	Dec. Prel
Net foreign assets	-168.1	-126.1	-98.0	-58.8	-83.4	-35.0	-21.1	-9.3	-21.1	-13.6	-6.5	4.5	47.1	40.9	14.4
Assets	96.1	133.4	151.0	203.0	176.6	235.1	231.4	239.9	232.5	232.6	243.5	249.0	292.6	299.0	263.8
Liabilities	-264.2	-259.5	-249.0	-261.8	-260.0	-270.1	-252.5	-249.2	-253.6	-246.2	-250.0	-244.5	-245.5	-258.1	-249.4
Net domestic assets	356.9	322.5	266.7	224.2	229.6	176.4	195.8	169.7	174.4	166.8	192.5	206.9	140.5	160.8	202.4
Net credit to government	340.9	330.7	269.4	229.8	224.9	171.7	152.1	147.6	155.3	160.9	158.9	181.9	121.9	142.7	173.8
Claims	354.7	349.9	296.2	291.0	292.8	299.6	293.7	287.9	286.5	299.7	296.3	289.2	266.0	274.8	279.0
Statutory advances	57.8	44.3	60.0	37.9	60.9	58.4	66.8	66.4	56.7	75.5	70.4	69.2	52.5	49.9	60.7
Use of IMF credit	162.2	182.1	175.6	186.8	172.8	182.1	168.0	162.4	164.7	159.1	160.8	155.2	148.7	160.6	154.0
Consolidated and refinanced loans	74.3	62.7	1.5	7.2	0.0	0.0	0.0	0.0	6.0	6	6.0	5.7	5.7	5.2	5.2
Other claims	60.4	60.8	59.1	59.1	59.1	59.1	58.9	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1
Deposit and cash	-13.8	-19.2	-26.8	-61.2	-67.9	-127.9	-141.6	-140.3	-131.2	-138.8	-137.4	-107.3	-144.1	-132.1	-105.2
Claims on deposit money banks	11.5	0.0	2.6	1.6	1.4	1.4	31.7	17.5	11.4	0.0	26.9	16.3	6.5	6.0	12.6
Advances on the money market	11.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rediscount	0.0	0.0	2.6	1.6	1.4	1.4	31.7	17.5	11.4	0.0	26.9	16.3	6.5	6.0	12.6
Consolidated claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Claims on nonbank institutions (net)	0.6	0.7	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.0
Other items (net)	3.9	-8.9	-5.8	-7.7	2.8	2.8	11.5	4.1	7.2	5.4	6.3	8.3	11.7	11.7	16.0
Of which: reevaluation account	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2
Base money	188.8	196.4	168.7	165.4	146.2	141.4	174.7	160.4	153.3	153.2	186.0	211.4	187.6	202.0	216.8
Currency outside banks	145.7	152.1	142.0	152.5	125.0	111.7	142.8	145.4	128.1	117.5	158.5	170.5	154.7	146.9	179.7
Banks' reserves	42.7	44.1	26.4	12.3	20.5	29.0	31.3	14.6	24.4	34.5	27.1	40.2	31.9	54.4	36.5
Claims on the money market	7.0	7.6	0.0	0.0	0.0	5.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposits at the Central Bank of West African States (BCEAO)	24.1	30.0	15.1	2.9	10.3	11.9	17.6	4.8	12.0	23.6	13.7	26.7	18.3	39.8	18.8
Currency in vault	11.6	6.5	11.3	9.4	10.2	11.6	13.7	9.8	12.4	10.9	13.4	13.5	13.6	14.6	17.7
Reserves of nonbank institutions at the BCEAO	0.4	0.2	0.3	0.6	0.7	0.7	0.6	0.4	0.8	1.2	0.4	0.7	1.0	0.7	0.6

Source: BCEAO.

[1] Excluding the balance sheets of the liquidated banks, and using the data from the new commercial banks' accounts forms, which resulted in a revision of the classification of foreign and domestic assets, as well as the classification of government and nongovernment deposits.

Table 43. Senegal: Summary Accounts of the Commercial Banks, 1994-99

(In billions of CFA francs)

	1994	1995	1996	1997				1998				1999			
	Dec.	Dec.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	June	Sep.	Dec.	Mar.	June Prel	Sep. Prel	Dec. Prel
Net foreign assets	12.8	21.0	27.8	34.7	45.0	39.7	36.7	68.7	43.2	65	57.9	75.4	89.6	79.2	90.4
Assets	67.9	76.5	74.9	78.2	90.5	95.9	93.0	104.8	97.2	111.5	123.9	163.8	159	152.8	168.6
Liabilities	-55.1	-55.5	-47.1	-43.5	-45.5	-56.2	-56.3	-36.1	-54.0	-46.5	-66	-88.4	-69.4	-73.6	-78.2
Of which: medium- and long-term foreign liabilities	-8.8	-8.6	-8.6	-7.9	-7.2	-8.6	-6.3	-0.7	-6.5	-3.5	-3.5	-3.5	-3.2	-3.6	-3.5
Net domestic assets	284.1	310.7	370.6	387.6	389.0	396.8	429.0	387.9	419.3	398.8	436.2	417.5	421.5	453.1	451.8
Net credit to the government	17.5	24.6	66.4	70.4	57.1	54.9	35.0	33.0	27.7	29.3	20.9	20.8	15.1	11.9	13.0
Claims	48.8	52.9	111.4	127.8	112.5	110.7	109.0	102.8	99.1	95.4	90.4	87.0	87.9	82.4	82.4
Of which: securitization	18.8	34.5	93.0	88.5	96.2	91.2	91.2	86.2	80.2	74.8	74.8	69.8	69.8	65.2	65.2
securitization CNCAS2/	0.0	8.3	8.1	8.1	7.8	7.8	7.5	7.5	7.3	7.3	7.0	7.0	6.7	6.7	6.4
securitization BST3/	...	...	1.5	1.5	1.5	1.5	1.5	1.4	1.4	1.4	1.4	2.8	2.8	2.6	2.6
consolidated and refinanced loans	51.5	51.5	50.2	50.2	50.2	50.2	35.6	34.7	33.8	32.9	32	31.1	30.1	29.2	28.2
Deposits	-82.8	-79.8	-95.2	-107.6	-105.6	-106.0	-109.6	-104.5	-105.2	-99.0	-101.5	-97.3	-102.9	-99.7	-97.6
Credit to the private sector	275.6	283.8	344.7	355.5	355.9	364.1	392.7	376.8	413.4	384.7	437.1	435.4	457.8	478.8	483.0
Short term	159.2	147.2	184.4	193.2	191.1	197.3	217.4	194.4	228.6	199.9	260.4	256.3	272.9	295.0	290.8
Medium and long term	95.7	101.2	137.1	139.9	139.5	141.4	148.2	153.2	155.6	157.1	152.6	157.6	163.9	164.1	175.5
Nonperforming loans (net)	20.7	35.4	23.2	22.4	25.3	25.4	27.1	29.2	29.2	27.7	24.1	21.5	21	20.4	16.7
Reserves	31.2	44.1	26.4	12.3	20.5	29.0	31.3	14.6	24.4	34.5	27.1	40.2	32.5	54.4	35.7
Currency in vault	11.6	6.5	11.3	9.4	10.2	11.6	13.7	9.8	12.4	10.9	13.4	13.5	13.6	14.6	17.7
Deposits to the Central Bank of West African States (BCEAO)	24.1	30.0	15.1	2.9	10.3	11.9	17.6	4.8	12.0	23.6	13.7	26.7	18.9	39.8	18.0
Net position in the money market	-4.5	7.6	0.0	0.0	0.0	5.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposits	7.0	7.6	0.0	0.0	0.0	5.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Advances	-11.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other items (net)	-40.2	-41.8	-66.9	-50.6	-44.5	-51.2	-30.0	-36.5	-46.2	-49.7	-48.9	-78.9	-83.9	-92.0	-79.9
Of which: reevaluation account	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Claims of the central bank	0.0	0.0	2.6	1.6	1.4	1.4	31.7	17.5	11.4	0.0	26.9	16.3	6.5	6.0	12.6
Private sector deposits	296.9	331.7	395.8	420.7	432.6	435.1	434.0	439.1	451.1	463.8	467.2	476.6	504.6	526.0	529.6
Demand deposits	144.6	154.7	186.3	186.9	192.6	184.3	196.3	192.5	213.8	216.6	234	226.5	239.4	250.9	256.4
Time deposits	152.3	177.0	209.5	233.8	240.0	250.8	237.7	246.6	237.3	247.2	233.2	250.1	265.2	275.1	273.2

Source: BCEAO.

[1] Excluding the balance sheets of the liquidated banks, and using the data from the new commercial banks' accounts forms, which resulted in a revision of the classification of foreign and domestic assets, as well as the classification of government and nongovernment deposits.

[2] Caisse Nationale de Crédit Agricole du Sénégal (CNCAS).

[3] Banque Sénégalo - Tunisienne (BST)

Table 44. Senegal: Banking System Claims on Central Government, 1994-99.[1]

(In billions of CFA francs)

	1994	1995	1996				1997				1998				1999			
	Dec.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	June	Sep.	Dec.	Mar.	June Prel	Sep. Prel	Dec. Prel
Net credit to government	360.0	357.1	352.3	341.5	338.8	335.6	301.4	281.6	226.2	187.3	181.6	184.0	191.3	181.1	204.1	139.0	154.9	187.9
Central bank: net claims	340.9	330.7	283.4	277.1	276.0	269.4	229.8	224.9	171.7	152.1	147.6	155.3	160.9	158.9	181.9	121.9	142.7	173.8
Claims	354.7	349.9	307.9	302.0	300.3	296.2	291.0	292.8	299.6	293.7	287.9	286.5	299.7	296.3	289.2	266	274.8	279.0
Statutory advances	57.8	44.3	50.7	56.0	55.3	60.0	37.9	60.9	58.4	66.8	66.4	56.7	75.5	70.4	69.2	52.5	49.9	60.7
Use of IMF credit	162.2	182.1	179.7	170.7	185.9	175.6	186.8	172.8	182.1	168.0	162.4	164.7	159.1	160.8	155.2	148.7	160.6	154.0
Consolidated loans	74.3	62.7	16.8	15.0	0.0	1.5	7.2	0.0	0.0	0.0	0.0	6.0	6.0	6.0	5.7	5.7	5.2	5.2
Other	60.4	60.8	60.7	60.3	59.1	59.1	59.1	59.1	59.1	58.9	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1
Deposit and cash	-13.8	-19.2	-24.5	-24.9	-24.3	-26.8	-61.2	-67.9	-127.9	-141.6	-140.3	-131.2	-138.8	-137.4	-107.3	-144.1	-132.1	-105.2
Commercial banks	17.5	24.6	66.9	63.7	61.3	66.4	70.4	57.1	54.9	35.0	33.0	27.7	29.3	20.9	20.8	15.1	11.9	13.0
Claims on government	48.8	52.9	99.7	100.7	104.2	111.4	127.8	112.5	110.7	109.0	102.8	99.1	95.4	90.4	87	87.9	82.4	82.4
Of which: securitization	18.8	34.5	82.6	85.6	86.0	93.0	88.5	96.2	91.2	91.2	86.2	80.2	74.8	74.8	69.8	69.8	65.2	65.2
securitization CNCAS2/	0.0	8.3	8.3	8.3	8.3	8.1	8.1	7.8	7.8	7.5	7.5	7.3	7.3	7.0	7.0	6.7	6.7	6.4
securitization BST3/	...	...	...	...	...	1.5	1.5	1.5	1.5	1.5	1.4	1.4	1.4	1.4	2.8	2.8	2.6	2.6
Other claims - ONCAD	51.5	51.5	51.5	51.5	51.5	50.2	50.2	50.2	50.2	35.6	34.7	33.8	32.9	32	31.1	30.1	29.2	28.2
Government deposits	-82.8	-79.8	-84.3	-88.5	-94.4	-95.2	-107.6	-105.6	-106.0	-109.6	-104.5	-105.2	-99	-101.5	-97.3	-102.9	-99.7	-97.6
Other institutions	1.6	1.8	2.0	0.7	1.5	-0.2	1.2	-0.4	-0.4	0.2	1.0	1.0	1.1	1.3	1.4	2.0	0.3	1.1
Deposits at CCP (Post office accounts)	3.9	4.0	4.2	3.3	3.9	2.8	3.8	2.3	2.6	3.0	4.2	4.6	4.2	4.2	3.8	4.5	3.6	4.2
Obligations cautionées	-2.3	-2.2	-2.2	-2.6	-2.4	-3.0	-2.6	-2.7	-3.0	-2.8	-3.2	-3.6	-3.1	-2.9	-2.4	-2.5	-3.3	-3.1

Source: Central Bank of West African States (BCEAO).

[1] Excluding the balance sheets of the liquidated banks, and using the data from the new commercial banks' accounts forms, which resulted in a revision of the classification of foreign and domestic assets, as well as the classification of government and nongovernment deposits.

[2] Caisse nationale de Crèdit agricole du Sénégal (CNCAS).

[3] Banque Sénégalo - Tunisienne (BST).

Table 45. Senegal: Factors Affecting the Money Supply, 1994 -99 [1]

	1994	1995	1996	1997	1998	1999 Dec.
	(Annual change in billions of CFA francs)					
Net foreign assets	158.8	50.2	34.9	85.8	35.8	53.4
Net domestic assets [1]	-26.4	-9.1	18.0	-46.3	14.1	30.4
Of which						
Credit to the government (net)[2]	-46.9	-2.9	-21.5	-148.3	-6.2	6.8
Credit to the economy	23.5	8.2	61.5	47.8	44.4	45.7
Money and quasi money	132.4	41.1	52.9	39.5	49.9	83.8
	(Annual change in percent of beginning-of-period money stock, unless otherwise indicated)					
Net foreign assets	50.5	11.2	7.2	15.9	6.2	8.5
Net domestic assets [1]	-8.4	-2.0	3.7	-8.6	2.4	4.8
Of which						
Credit to the government (net)[2]	-14.9	-0.6	-4.4	-27.4	-1.1	1.1
Credit to the economy	7.5	1.8	12.6	8.8	7.6	7.3
Money and quasi money	42.1	9.2	10.8	7.3	8.6	13.3
Memorandum item:						
Velocity of broad money (GDP/broad money)	4.5	4.6	4.4	4.4	4.4	4.1

Source: Table 41.

1/ Excluding the balance sheets of the liquidated banks, and using the data from the new commercial banks' accounts forms, which has allowed a revision of the classification of foreign and domestic assets, as well as the classification of government and nongovernment deposits.

2/ Not including securities held by local nonbank investors and by investors from other West African Economic and Monetary Union (WAEMU) countries for 1994 and 1995.

Table 46. Senegal: Indicators of Financial Savings, 1994-99 [1]

(In percent of GDP, unless otherwise indicated)

	1994	1995	1996	1997	1998	1999
M2	22.1	21.8	22.7	22.7	22.8	24.2
M1	14.6	13.9	13.9	13.4	14.4	14.9
Currency in circulation	7.2	6.8	6.0	5.6	5.7	6.1
Deposits	14.9	15.0	16.8	17.1	17.1	18.1
Demand deposits	7.4	7.1	8.0	7.8	8.6	8.8
Time and savings deposits	7.5	7.9	8.8	9.3	8.4	9.2
Cross-border deposits2	15.8	14.6	...	...	...	...
Cross-border deposits (in percent of deposits in Senegal)	106.6	103.4	...	...	...	...

Sources: Senegalese authorities; IMF, *International Financial Statistics;* and staff estimates.

[1] Excluding the balance sheets of the liquidated banks, and using the data from the new commercial banks' accounts forms, which has allowed a revision of the classification of foreign and domestic assets, as well as the classification of government and nongovernment deposits.

[2] Cross-border nonbank deposits of private Senegalese residents, as reported in *International Financial Statistics*.

Table 47. Senegal: Net Foreign Assets of the Central Bank of West African States (BCEAO), 1994-99 1

(In billions of CFA francs)

	1994	1995	1996	1997				1998				1999			
	Dec.	Dec.	Dec.	Mar.	June	Sep.	Dec.	Mar.	June	Sep.	Dec.	Mar.	June Prel	Sep. Prel	Dec. Prel
Net foreign assets	-168.1	-126.1	-98.0	-58.8	-83.4	-35.0	-21.1	-9.3	-21.1	-13.6	-6.5	4.5	47.1	40.9	14.4
Assets	96.1	133.4	151.0	203.0	176.6	235.1	231.4	239.9	232.5	232.6	243.5	249	292.6	299.0	263.8
CFA franc zone currency	2.8	1.6	2.0	3.8	1.8	2.6	2.2	5.5	3.7	3.2	2.8	1.3	1.6	1.6	0.3
Other currencies	1.5	2.9	1.9	7.1	1.6	1.3	1.4	1.2	2.0	3.5	1.4	1.3	1.5	1.4	2.7
Operations account	91.8	128.9	147.1	192.1	173.2	231.2	227.8	233.2	226.8	225.9	239.3	246.4	289.5	296.0	260.8
Liabilities	-264.2	-259.5	-249.0	-261.8	-260.0	-270.1	-252.5	-249.2	-253.6	-246.2	-250.0	-244.5	-245.5	258.1	-249.4
Liabilities in CFA francs	-4.5	-0.9	-1.8	-2.7	-3.3	-5.0	-0.8	-2.4	-2.7	-1.9	-2.0	-2.7	-4.9	-5.9	-4.1
Liabilities in other currencies	-259.7	-258.6	-247.2	-259.1	-256.7	-265.1	-251.7	-246.8	-250.9	-244.3	-248.0	-241.8	-240.6	-252.2	-245.3
Of which: IMF	-186.0	-199.2	-187.8	-198.9	-197.0	-205.8	-191.6	-186.1	-191.8	-186.3	-188.3	-182.7	-181.4	-193.3	-186.2
SDR allocations	-19.8	-18.9	-18.3	-18.3	-19.4	-19.4	-19.4	-19.4	-19.8	-19.8	-19.8	-19.8	-20.5	-20.5	-20.5

Source: BCEAO.

[1] Excluding the balance sheets of the liquidated banks, and using the data from the new commercial banks' account forms, which has allowed a revision of the classification of foreign and domestic assets, as well as the classification of government and nongovernment deposits.

Table 48. Senegal: Statutory Ceilings on Central Bank Advances to the Government and Actual Advances, 1994-99

(In billions of CFA francs, unless otherwise indicated; end of period)

	1994	1995	1996	1997				1998				1999			
	Dec.	Dec.	Dec.	Mar.	June	Sep.	Dec.	Mar.	June	Sep.	Dec.	Mar.	June	Sep.	Dec.
Ceiling	51.7	51.9	60.5	73.4	73.4	73.4	73.4	78.9	78.9	78.9	78.9	78.9	78.9	78.9	78.9
Actual advances	57.8	44.3	60.0	37.9	60.9	58.4	66.8	66.4	56.7	75.4	70.4	69.2	52.5	49.9	60.7
Actual advances (in percent of ceiling)	111.8	85.4	99.2	51.6	83.0	79.6	91.0	84.2	71.9	95.6	89.2	87.7	66.5	63.2	76.9

Source: Central Bank of West African States (BCEAO).

Table 49. Senegal: Distribution of Credit to the Economy, 1994-99 [1]

	1994	1995	1996	1997	1998	1999 May
	(In billions of CFA francs; end of period)					
Short term	337.6	332.5	331.5	367.0	400.3	406.8
Medium term	93.4	105.8	127.5	140.0	149.6	166.6
Long term	75.3	77.2	77.5	77.7	13.4	11.3
Total	506.3	515.5	536.5	584.7	563.3	584.7
Of which: public and semipublic enterprises	167.6	151.6	144.7	160.8	119.0	132.9
Agriculture and related activities	10.0	10.5	8.5	8.0	7.6	8.2
Fishing	13.8	12.3	13.7	15.1	16.2	17.0
Industry	85.5	96.9	117.9	124.2	131.1	133.5
Of which: food	26.7	28.5	33.4	28.7	29.2	26.7
chemicals	23.9	27.7	35.2	32.2	28.0	31.0
textiles	11.2	14.8	13.9	16.5	15.9	16.1
Construction and public works	28.4	30.2	31.9	38.6	37.1	37.3
Transportation and communications	27.5	33.3	24.9	26.0	24.5	27.0
Tourism	12.8	13.9	14.0	14.3	14.1	13.8
Commerce	218.7	208.8	222.2	244.5	213.3	219.5
Wholesale	181.7	170.9	184.3	202.8	169.6	175.1
Retail	37.0	38.0	37.7	41.7	43.7	44.4
Other	109.6	109.5	103.4	114.0	119.2	128.3
	(In percent of total)					
Short term	66.7	64.5	61.8	62.6	71.1	69.6
Medium term	18.4	20.5	23.8	24.0	26.6	28.5
Long term	14.9	15.0	14.4	13.4	2.4	1.9
Total	100.0	100.0	100.0	100.0	100.0	100.0
Of which: public and semipublic enterprises	33.1	29.4	27.0	27.5	21.1	22.7
Agriculture and related activities	2.0	2.0	1.6	1.4	1.3	1.4
Fishing	2.7	2.4	2.5	2.6	2.9	2.9
Industry	16.9	18.6	22.0	21.3	23.3	22.8
Of which: food	5.3	5.5	6.2	4.9	5.2	4.6
chemicals	4.7	5.4	6.6	5.5	5.0	5.3
textiles	2.2	2.9	2.6	2.8	2.8	2.8
Construction and public works	5.6	5.9	6.0	6.6	6.6	6.4
Transportation and communications	5.5	6.5	4.6	4.4	4.3	4.6
Tourism	2.5	2.7	2.6	2.4	2.5	2.4
Commerce	43.2	40.5	41.4	41.8	37.9	37.5
Wholesale	35.9	33.1	34.3	34.7	30.1	29.9
Retail	7.3	7.4	7.0	7.1	7.8	7.6
Other	21.6	21.2	19.3	19.5	21.2	21.9

Source: Central Bank of West African States (BCEAO).

[1] Based on information provided by the Centrale des Risques. Data in this table differ from those in Table 41 because of differences in definition and coverage.

Table 50. Senegal: Commercial Banks and Financial Institutions

(As of June 1999)

	Shareholders (in percent)			Date of Establishment	Capital (in millions of CFA francs)	Total Deposits and Borrowing (in millions of of CFA francs)	Number of Permanent Branches
	Public[1]	Private	Other				
Commercial banks							
Compagnie Bancaire pour l'Afrique Occidentale-Sénégal (CBAO)	10	83	7.5	Jan-65	10,095	94,504	8
Banque Internationale pour le Commerce et l'Industrie du Sénégal (BICIS)	25	20	55	Mar-65	7,748	114,288	13
Société Générale de Banques au Sénégal (SGBS)	0	38	62	Mar-65	10,704	178,287	11
Citibank	0	0	100	Nov-75	3,372	61,523	1
Banque de l'Habitat du Sénégal (BHS)	41	51	9	Dec-79	15,802	62,299	2
Banque Islamique du Sénégal (BIS)	22	1	77	Jul-82	1,860	6,248	1
Caisse Nationale de Crédit Agricole du Sénégal (CNCAS)	58	22	20	Jun-84	8,780	33,088	13
Banque Sénégalo-Tunisienne (BST)	27	3	69	Jul-86	-961	4,470	1
Crédit Lyonnais-Sénégal (CL-S)	5	95	0	Jun-89	5,491	65,690	3
Ecobank	...	...	100	Feb-99	1,388	2,619	1
Financial institutions							
Société Générale de Crédit Automobile (SOGECA)	0	75	25	Jul-65	384	6,670	1
Compagnie Ouest-Africaine de Crédit-Bail (LOCAFRIQUE)	0	20	80	May-77	1,797	1,208	1
Société de Crédit et d'Equipement du Sénégal (SOCRES)	0	8	92	Dec-83	374	767	5
Société de Promotion et de Financement (Le Crédit Sénégalais)	0	100	0	Nov-86	445	2,057	1
Société d'Investissement (SENINVEST)	0	72.7	27.3	Oct-93	579	...	1

Source: Central Bank of West African States (BCEAO) from data furnished by commercial banks.

[1] Includes the Senegalese government, other Senegalese public institutions, and the BCEAO.

Table 51. Senegal: Net Income of the Banking System, 1992-96[1]
(In billions of CFA francs)

	1992	1993	1994	1995	1996
Net interest income	21.67	21.01	24.75	34.00	32.58
Interest income	41.49	42.27	40.14	50.00	45.48
Cash operations	9.42	7.98	3.56	4.68	...
Financial institutions	0.13	0.16	0.12	0.30	...
Government	2.82	1.79	1.83	3.94	...
Nongovernment	29.12	32.34	34.63	41.11	...
Short term	20.73	22.69	23.81	25.71	...
Medium and long term	8.24	9.50	10.63	15.30	...
Other	0.15	0.15	0.19	0.10	...
Interest expenses	-19.82	-21.26	-15.39	-16.00	-12.90
Cash operations	-2.73	-2.75	-1.32	-1.49	-1.54
Financial institutions	-0.45	-1.24	-0.92	-1.34	...
Government	-2.37	-2.45	-2.71	-3.72	...
Nongovernment	-14.27	-14.82	-10.44	-9.46	-11.36
Checking accounts	-0.69	-1.03	-0.85	-0.52	...
Term deposits	-9.68	-8.98	-5.25	-3.72	...
Other	-3.90	-4.81	-4.34	-5.22	...
Other income on financial services	7.89	8.68	12.30	19.42	18.34
Expenses on financial services	-0.25	-0.29	-0.37	-0.85	-3.28
Net result on banking activities	29.31	29.40	36.68	52.56	47.62
Other income	0.26	0.50	0.69	2.34	2.02
Operating expenses and taxes	-17.78	-18.37	-21.61	-29.55	-25.7
Gross operating result	11.79	11.53	15.76	25.34	23.94
Amortization	-2.27	-2.51	-2.56	-3.20	-1.77
Allocation to provisions	-9.99	-14.90	-23.59	-19.64	-18.58
Recovery from provisions	1.35	1.61	4.20	7.11	9.44
Operating result	0.88	-4.27	-6.19	9.63	13.03
Other income (net)	0.03	5.58	7.40	3.52	0.42
Pretax income	0.91	1.31	1.21	13.15	13.44
Profits tax	-1.97	-1.25	-1.85	-2.18	-2.69
Net income	-1.06	0.06	-0.64	10.96	10.75

Source: Banking Commission of the West African Monetary Union.

[1] May not sum due to rounding. Data are for fiscal years (Oct.-Sep.) before 1995, and calendar years from 1996. The data for 1995 are for the 15 months Oct. 1994 - Dec. 1995. Data are not available for 1997 and 1998.

Table 52. Senegal: Observance of the Prudential Ratios by Banking System, 1993-98

	1993	1994	1995	1996	1997	1998
	(Number of banks not meeting the minimum,[1] unless otherwise indicated)					
Commercial banks' prudential ratios						
Capital (minimum = CFAF 1000 million)	2	1	1	1	1	1
Capital asset ratio (minimum = 4 percent)	0	1	1	1	0	0
Liquidity ratio (the ratio of liquid asset to short-term liabilities; minimum = 60 percent)	1	1	3	3	3	2
Liquidity ratio: overall ratio[2]	81.9	75.4	76.8	80.5	83.2	...
Liquidity ratio: overall adjusted ratio[3]	69.6	71.0	72.6	67.8	65.3	66.3
Coverage of M&LT liabilities by M&LT assets (solvency ratio: minimum = 75 percent)	...	...	...	4	5	4
Lending to directors or management (maximum = 20 percent of all lending)	...	...	...	1	2	1
Division of risk: exposure ratio (loans to one borrower should not exceed 100 percent of capital)	...	...	...	4	4	4
Portfolio risk structure[4] (at least 60 percent of all loans should be admissible for central bank refinancing)	...	...	...	...	...	...
Ratio of fixed assets and equity investments to capital (maximum =100 percent of capital)	...	...	...	1	0	0
Ratio of off-balance sheet fixed assets to capital (maximum = 15 percent)	...	...	...	1	1	0
Nonperforming loans of commercial banks						
Gross nonperforming loans (CFAF million)	...	...	...	...	100,147	117,316
Nonperforming loans, net of provisioning (CFAF million)					35,084	34,894
Nonperforming loans, net of provisioning (as a percentage of total credit)	...	...	...	...	8.9	7.7
Banks' reserves						
Required reserves (CFAF million)	...	...	...	5,429	6,123	6,594
Total reserves (CFAF million)				116,852	113,309	113,490
	(Number of NBFIs not meeting the minimum[5])					
NBFI[5] prudential ratios						
Capital (minimum = CFAF 300 million)	1	1	0	0	0	0
Capital adequacy ratio (minimum = 4 percent)	0	0	0	0	0	0

Source: Central Bank of West African States (BCEAO).

[1] There were eight commercial banks between 1992 and 1995. A ninth, Banque Islamique du Sénégal (BIS), resumed operation in October 1996 and a Ecobank, was set up in February 1999.

[2] The overall liquidity ratio is defined as the ratio of the commercial banks' total short-term assets to total short-term liabilities.

[3] The overall adjusted liquidity ratio is defined as the mean of all the individual commercial banks' liquidity ratios.

[4] Data on this ratio are not available for all banks owing to the ongoing classification of risks by the banking commission.

[5] NBFI = nonbank financial institutions.

Table 53. Senegal: Interest Rate Indicators, 1991-99
(In percent per year)

	1991	1992	1993	1994	1995	1996	1997	1998	1999 Sep. 15
Interest rates									
Deposits[1]	9.00	11.00	7.40	5.50	5.75	5.00	4.50	4.95	4.95
Rediscount rate (TES)	11.00	13.00	10.50	10.00	7.50	6.50	6.00	6.25	5.75
Money market (BCEAO)[2]	11.00	12.70	7.40	5.50	5.75	5.00	4.50	4.95	4.95
Money market (Paris)[3]	9.50	10.40	6.90	5.30	4.75	3.32	3.36	3.37	2.51
Memorandum items:									
Deposits - GDP deflator	8.60	10.40	8.80	-22.30	0.75	3.70	2.20	3.05	2.75
Deposits - TES	-2.00	-2.00	-3.10	-4.50	-1.75	-1.50	-1.50	-1.30	-0.80
Money market (BCEAO) - TES	0.00	-0.30	-3.10	-4.50	-1.75	-1.50	-1.50	-1.30	-0.80
Money market (BCEAO) - money market (Paris)	1.50	2.30	0.50	0.20	1.00	1.68	1.14	1.58	2.44

Sources: Senegalese authorities; IMF, *International Financial Statistics;* and staff estimates.

[1] Minimum rate on accounts above CFAF 2,000,000 for more than one year through 1992; thereafter, rate applied to deposits on money market.

[2] Central Bank of West African States = BCEAO. Until 1992, overnight advances to deposit money banks; thereafter, auction of weekly advances.

[3] Day-to-day loans against commercial paper.

Table 54. Senegal: Discount Rates Applied by the Central Bank, 1975-99[1]

(In percent per year)

	Normal Discount rate 2/	Preferential Discount Rate 3/	Discount Rate 4/
Prior to July 1, 1975	5.50	5.50	
July 1, 1975	8.00	5.50	
April 14, 1980	10.50	8.00	
April 7, 1982	12.50	10.00	
April 5, 1983	10.50	8.00	
March 24, 1986	9.50	7.00	
September 22, 1986	8.50	6.00	
December 23, 1988	9.50	7.50	
March 30, 1989	10.00	9.00	
October 2, 1989	abolished	abolished	10.50
November 27, 1989			11.00
August 20, 1992			13.00
November 9, 1992			12.50
December 20, 1993			10.50
January 18, 1994			14.50
June 27, 1994			12.00
August 1, 1994			11.00
August 29, 1994			10.00
January 23, 1995			9.00
June 5, 1995			8.50
December 26, 1995			7.50
August 5, 1996			7.25
August 19, 1996			7.00
October 21, 1996			6.50
February 17, 1997			6.25
September 8, 1997			6.00
August 31, 1998			6.25
January 4, 1999			5.75

Source: Central Bank of West African States (BCEAO).

[1] Rates applied to short-term credit of one year or less and to medium-term credit of up to ten years. The BCEAO will also rediscount long-term credit that, at the time of rediscounting, has no more than 15 years to maturity.

[2] Rates applied also to advances against government and private paper, to rediscount of customs duty bills, and to *prise en pension* (a rediscount operation with a promise to transfer the credit title back to the original lender).

[3] Rates applied to crop credit, credit to the government and local authorities, small national enterprises with total credit outstanding not exceeding CFAF 30 million, and nationals for the construction of the borrower's first primary residence (maximum CFAF 15 million, with maturities shorter than ten years).
Also applied to overdrafts by the treasury.

[4] Rates applied to all credits.

Table 55. Senegal: Supply and Demand in Overnight Money Market, 1989-99
(Monthly averages in billions of CFA francs)

		Supply	Demand	Demands Granted
1989		1,250	749	749
1990		1,662	1,335	1,335
1991		1,255	83	83
1992		1,742	158	158
1993	Jan. - Sep.	1,311	155	155
1993 /1	Oct. - Dec.	973	136	134
1994		1,260	125	125
1995		490	242	242
1996 /2	Jan.-Jul.	182	27	27
	Jul.-Dec.	178	4	4
1997	Jan.-Jun.	0	30	27
	Jul-Dec.	182	0	0
	Jan.-Dec.	91	20	19
1998	Jan.-Jun.	0	334	305
	Jul-Dec.	0	0	0
	Jan.-Dec.	0	0	0
1999	Jan.-Jun.	0	0	0

Source: Central Bank of West African States (BCEAO).

[1] From October 1993, averages are from the weekly West African Economic and Monetary Union (WAEMU) market.

[2] Beginning in August 1996, the two-way auctions of the money market were replaced by a system of withdrawing liquidity through the auction of central bank bills and injecting liquidity from the BCEAO.

Table 56. Senegal: Interest Rates Applied in the Money Market, 1994-99 1

(In percent per year)

Date	Rate
1994	
March	9.25
June	8.85
September	5.67
December	5.50
1995	
March	5.50
June	5.50
September	5.50
December	5.78
1996	
March	5.50
June	5.37
September	5.25
December	5.05
1997	
March	5.00
June	5.02
September	5.02
December	4.96
1998	
March	4.53
June	4.95
September	4.95
December	4.95
1999	
March	4.95
April	4.95
May	4.95
June	4.95
July	4.95
August	4.95
September	4.95

Source: Central Bank of West African States (BCEAO).

[1] In October 1993, the money market was transformed into an auction of weekly advances. Figures shown are monthly averages. Rates paid on auctions of central bank bills, introduced in August 1996, are not included.

Table 57. Senegal: Deposit Rates Applied by Commercial Banks, 1989-99 [1]

(In percent per year)

	Mar. 30 1989	Mar. 30 1989	Oct. 2 1989	Nov. 27 1989	Aug. 20 1992	Nov. 9 1992	Oct. 1 1993	Jan. 19 1994	Jul. 8 1994	Sep. 26 1994	Apr. 1 1996	Aug. 31 1998	Dec. 1998	Sep. 1999
Up to CFAF 500,000														
Public deposits[2]							Determined by agreement							
Other deposits														
Time deposits														
Less than six months	5	6	... [3]	... [3]	... [3]	... [3]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]
Six months—less than one year	6.5	7	... [3]	... [3]	... [3]	... [3]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]
One year and more	7.75*	8.5*	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]
Certificates of deposit														
Six months—less than one year	6	7	... [3]	... [3]	... [3]	... [3]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]	TMM-2 [4]
One year and more	7.75*	8.5*	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]
Savings deposits[5]	7.5	7.5	6.5	7	9	8.5	4.5	8	5	4.5	3.5	3.5	3.5	3.5
Above CFAF 500,000														
Other deposits														
Time deposits														
Less than six months	6.5*	7.0*	6.5	7.0*	9	8.5*	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]
Six months—less than one year	7.75*	8.25*	7.5*	8*	10*	9.5*	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]
One year and more	9*	9.5*	8.5*	9*	11*	10.5*	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]
Certificates of deposit														
Six months—less than one year	7.75*	8.25*	7.5*	8*	10*	9.5	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]
One year and more	9*	9.5*	8.5*	9*	11*	10.5	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]
Savings deposits	7.5*	7.5*	6.5*	7*	9*	8.5	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]	... [3]

Source: Central Bank of West African States (BCEAO).

[1] Fixed rates, unless marked with an asterisk (*), in which case minimum rate.

[2] Includes deposits of the treasury, post office, savings bank, and others governement agencies, public and mixed enterprises, and special provate sector deposits resulting from legal requirements, such as reserves of insurance companies.

[3] Deposit rates no longer fixed by the BCEAO.

[4] Average monthly money market rate (TMM) published by the BCEAO minus 2 percent.

[5] Applicable to savings deposits of less than CFAF 5 million.

Table 58. Senegal: Maximum Lending Rates Applied by Commercial Banks, 1989-99

(In percent per year)

	From Nov. 27 1989	From Aug. 20 1992	From Nov. 9, 1992	From Oct. 1, 1993	From Dec. 20, 1993	From Jan. 18, 1994	From June 27, 1994	From Aug. 1, 1994	From Aug. 29, 1994	From Jan. 23, 1995	From June 5, 1995	From Dec. 26, 1995	From Aug. 5, 1996	From Aug. 19, 1996	From Oct. 21, 1996	From Feb. 17 1997	From Sep. 8, 1997	From Sep. 5,[1] 1998	From Sep. 20 1999
Short- and medium-term credit																			
Crop financing and export credit	16.0	18.0	17.5	25.0	21.0	29.0	24.0	22.0	20.0	18.0	17.0	15.0	14.5	14.0	13.0	12.5	12.0	18.0	18.0
Financing of storage of agricultural products	16.0	18.0	17.5	25.0	21.0	29.0	24.0	22.0	20.0	18.0	17.0	15.0	14.5	14.0	13.0	12.5	12.0	18.0	18.0
Credit to small and medium-sized national enterprises	16.0	18.0	17.5	25.0	21.0	29.0	24.0	22.0	20.0	18.0	17.0	15.0	14.5	14.0	13.0	12.5	12.0	18.0	18.0
Credit to nationals[2] for construction of first primary residence	16.0	18.0	17.5	25.0	21.0	29.0	24.0	22.0	20.0	18.0	17.0	15.0	14.5	14.0	13.0	12.5	12.0	18.0	18.0
Other credits	16.0	18.0	17.5	25.0	21.0	29.0	24.0	22.0	20.0	18.0	17.0	15.0	14.5	14.0	13.0	12.5	12.0	18.0	18.0
Long-term credit[3]																			
Credit to small and medium-sized national enterprises	16.0	18.0	17.5	25.0	21.0	29.0	24.0	22.0	20.0	18.0	17.0	15.0	14.5	14.0	13.0	12.5	12.0	18.0	18.0
Credit to nationals[2] for construction of first primary residence	16.0	18.0	17.5	25.0	21.0	29.0	24.0	22.0	20.0	18.0	17.0	15.0	14.5	14.0	13.0	12.5	12.0	18.0	18.0
Other credits	16.0	18.0	17.5	25.0	21.0	29.0	24.0	22.0	20.0	18.0	17.0	15.0	14.5	14.0	13.0	12.5	12.0	18.0	18.0

Source: Central Bank of West African States (BCEAO).

[1] Until early September 1998, maximum lending rates were based on the Central Bank of West African States' (BCEAO) discount rate. Since September 5, 1998, maximum lending ratess throughout the West African Economic and Monetary Union (WAEMU) have been fixed byWAEMU's Council of Ministers.

[2] Of any member state of the West African Monetary Union (WAMU).

[3] With maturity of more than 2 years and less than 15 years.

Table 59. Senegal: Balance of Payments, 1992-99

(In billions of CFA francs, unless otherwise indicated)

	1992	1993	1994	1995	1996	1997	1998	1999 Est.
Trade balance	-96.4	-107.4	-128.3	-136.9	-144.5	-153.6	-160.8	-193.4
Exports, f.o.b.	219.1	200.3	439.1	483.5	503.9	544.2	569.4	601.9
Of which: fish products	47.9	51.3	120.4	135.7	146.2	162.9	170.6	180.1
Imports, f.o.b.	-315.5	-307.7	-567.4	-620.4	-648.4	-697.8	-730.2	-795.3
Of which: petroleum	-35.0	-30.8	-69.4	-60.6	-79.4	-98.0	-80.8	-106.6
Services (net)	-57.1	-61.5	-85.3	-78.7	-57.8	-58.7	-41.0	-35.2
Credits	163.1	149.0	279.6	311.7	322.5	339.5	353.5	372.0
Debits	-220.2	-210.5	-364.9	-390.4	-380.2	-398.3	-394.5	-407.2
Of which: interest on public debt [1]	-38.0	-38.7	-69.7	-65.6	-58.6	-59.0	-36.7	-36.1
Unrequited transfers (net)	95.8	89.8	215.4	190.7	169.3	170.5	155.0	126.1
Private (net)	6.9	10.3	21.4	19.8	20.5	21.2	21.8	22.2
Public (net)	88.9	79.5	194.0	170.9	148.8	149.3	133.1	103.9
Of which: gross official transfers	94.2	83.7	201.2	180.7	157.4	158.1	142.1	113.1
Current account (deficit -)	-57.7	-79.0	1.8	-24.9	33.0	-41.9	-46.9	-102.5
Capital account	23.2	0.1	71.5	21.5	31.9	97.8	64.2	123.4
Public sector (net)	37.2	23.3	35.0	37.7	33.9	44.2	58.6	26.7
Drawings	78.9	64.3	120.5	109.6	103.5	117.8	117.7	80.2
Amortization due	-41.7	-41.0	-85.5	-71.9	-69.6	-73.6	-59.1	-53.5
Other capital (including private capital, errors, and omissions)	-13.9	-23.2	36.5	-4.2	-2.0	53.6	5.6	96.7
Overall balance (deficit -)	-34.5	-78.9	73.3	8.7	-1.1	55.9	17.3	20.9
Debt relief [1]	12.5	9.9	188.9	77.9	29.2	16.9	–	–
Financing	22.0	69.0	-262.2	-86.5	-28.1	-72.8	-17.3	-20.9
Net foreign assets (Central Bank of West African States)	-5.4	31.7	-133.5	-41.0	-28.1	-76.9	-14.6	-20.9
Operations account and other	6.3	39.4	-155.7	-62.0	-23.0	-68.8	-7.7	-12.9
Net use of Fund resources	-11.7	-7.7	22.2	21.0	-5.1	-8.1	-6.9	-8.0
Payments arrears (reduction -)	27.4	37.3	-128.7	-45.5	0.0	2.7	-2.7	0.0
Memorandum items:								
Current account (in percent of GDP)								
Including gross official transfers	-3.6	-5.0	0.1	-1.1	-1.4	-1.6	-1.7	-3.5
Excluding gross official transfers	-9.4	-10.3	-9.3	-9.2	-8.0	-7.8	-6.9	-7.3
Current account								
Excluding gross official transfers	-151.9	-162.7	-199.4	-205.6	190.4	-200.0	-189.0	-215.6

Sources: Senegalese authorities; and staff estimates.

[1] Includes Paris Club deferral (1995-97), and debt cancellation (1997). Beginning in 1998, debt service is net of debt relief obtained from the Paris Club stock-of-debt operation of June 1998.

Table 60. Senegal: Balance of Payments, 1992-99

(In millions of SDRs, unless otherwise indicated)

	1992	1993	1994	1995	1996	1997	1998	1999 Est.
Trade balance (deficit -)	-258.6	-271.6	-161.4	-163.9	-194.6	-191.3	-202.1	-231.3
Exports, f.o.b.	587.7	506.6	552.3	638.5	678.5	677.6	715.7	719.9
Of which: fish products	128.6	129.7	151.5	181.1	196.9	202.8	214.5	215.4
Imports, f.o.b.	-846.3	-778.2	713.7	-802.4	-873.1	-868.9	-917.9	-951.3
Of which: petroleum	-93.8	-77.9	-87.3	-80.0	-106.9	-122.0	-101.6	-127.5
Services (net)	-153.2	-155.4	-105.8	-106.9	-77.8	-73.1	-51.5	-42.2
Credits	437.5	376.9	354.9	395.4	434.2	422.8	444.3	445.0
Debits	-590.8	-532.3	-460.8	-502.4	-512.0	-495.9	-495.8	-487.1
Of which: interest on public debt[1]	-101.9	-97.9	-87.7	-91.7	-78.9	-73.5	-46.1	-43.2
Unrequited transfers (net)	257.0	227.1	270.9	252.1	228.0	212.3	194.8	150.9
Private (net)	18.5	26.1	26.4	26.3	27.7	26.4	27.4	26.5
Public (net)	238.5	201.1	244.5	225.9	200.3	185.9	167.3	124.3
Of which: gross official transfers	252.7	211.7	254.6	236.9	211.9	196.8	178.6	135.3
Current account (deficit -)	-154.8	-199.9	2.7	-18.4	-44.4	-52.1	-58.9	-122.6
Capital account (net)	62.4	0.3	89.6	31.3	43.0	121.7	80.6	147.6
Public sector (net)	99.7	58.9	44.0	43.8	45.7	55.0	73.7	31.9
Drawings	211.5	162.6	151.6	144.8	139.4	146.7	147.9	95.9
Amortization due	-111.9	-103.7	-107.5	-100.9	-93.7	-91.6	-74.3	-64.0
Other capital (including private capital, errors, and omissions)	-37.3	-58.6	45.6	-12.5	-2.7	66.7	7.0	115.7
Overall balance (deficit -)	-92.4	-199.6	92.2	13.0	-1.4	69.6	21.7	25.0
Debt relief[1]	33.5	25.0	237.5	102.9	39.3	21.0	--	--
Financing	58.9	174.5	-329.8	-115.8	-37.8	-90.6	-21.7	-25.0
Net foreign assets (Central Bank of West African States)	-14.6	80.2	-167.9	-55.7	-37.8	-95.7	-18.4	-25.0
Operations account and other	16.9	99.7	-195.8	-83.5	-31.0	-85.6	-9.6	-15.5
Net use of Fund resources	-31.5	-19.5	27.9	27.9	-6.9	-10.1	-8.7	-9.5
Payments arrears (reduction -)	73.5	94.4	-161.9	-60.1	0.0	3.4	-3.4	0.0
Memorandum items:								
Current account (in percent of GDP)								
Including gross official tranfers	-3.6	-5.0	0.1	-0.5	-1.4	-1.6	-1.7	-3.5
Excluding gross official transfers	-9.4	-10.3	-9.2	-7.9	-8.0	-7.8	-6.9	-7.3
Current account								
Excluding gross official tranfers	-407.5	-411.6	-251.9	-255.3	-256.3	-249.0	-237.5	-257.9
Exchange rate (CFA francs per SDR)	372.8	395.4	795.0	757.1	742.7	803.2	795.6	841.4

Sources: Senegalese authorities; and staff estimates.

[1] Includes Paris Club deferral (1995-97), and debt cancellation (1997). Beginning in 1998, debt service is net of debt relief obtained from the Paris Club stock-of-debt operation of June 1998.

Table 61. Senegal: Export and Import Price, Volume, and Terms of Trade Indices, 1992-99 [1]

	1992	1993	1994	1995	1996	1997	1998	1999 Est.
				(1986 = 100)				
Terms of trade	81.1	76.5	82.0	86.0	85.1	86.2	90.3	89.3
Price indices (CFA franc terms)								
Exports	79.7	76.7	164.9	162.1	166.3	177.5	175.5	178.5
Imports	98.2	100.3	201.2	208.1	215.8	227.2	214.5	220.5
Volume indices								
Exports	97.0	92.2	93.9	105.2	106.9	108.2	114.5	119.0
Imports	98.4	94.1	86.5	89.5	92.2	94.2	104.4	110.6
				(Percent change)				
Terms of trade	1.9	-5.7	7.2	4.9	-1.1	1.3	4.8	-1.1
Prices (CFA franc terms)								
Exports	0.1	-3.8	115.1	-1.7	2.6	6.7	-1.1	1.7
Imports	-1.8	2.1	100.7	3.4	3.7	5.3	-5.6	2.8
Volumes								
Exports	-8.1	-5.0	1.9	12.0	1.6	1.3	5.8	3.9
Imports	1.2	-4.4	-8.1	3.5	3.0	2.2	10.8	6.0

Sources: Senegalese authorities; and staff estimates.

[1] Using the Paasche method.

Table 62. Senegal: Merchandise Exports, 1992-99

(Values in billions of CFA francs; volumes in thousands of metric tons; prices in CFA francs per kilogram)

	1992	1993	1994	1995	1996	1997	1998	1999 Est.
Groundnut products	17.3	13.3	55.5[1]	51.1	40.9	29.3	31.0	39.1
Groundnut oil	13.2	10.9	41.8	44.6	33.0	24.8	25.3	33.4
Volume	83.7	59.0	73.5	88.4	71.3	45.3	49.9	67.8
Price	157.5	185.1	568.9	504.2	463.1	546.5	507.3	492.7
Groundnut meal	3.8	2.4	6.8	5.8	7.6	3.9	4.6	4.7
Volume	106.5	63.0	83.8	93.8	91.2	36.6	48.0	80.5
Price	36.1	37.7	81.7	61.4	83.6	106.6	96.3	58.6
Seeds	0.3	0.0	0.9	0.7	0.3	0.6	1.0	1.0
Volume	2.2	0.0	2.5	2.6	1.0	2.1	2.9	3.0
Price	142.5	138.9	351.9	270.2	277.8	295.4	354.0	337.3
Phosphates	16.0	12.1	14.6	16.4	19.2	18.7	13.9	20.1
Volume	1.331.1	1,089.5	736.0	971.6	944.4	720.5	516.0	694.5
Price	12.0	11.1	19.9	16.9	20.3	25.9	26.9	28.9
Fish	47.9	51.3	120.4	137.2	146.2	162.9	170.6	180.1
Fresh fish	26.3	28.9	67.2	78.7	87.1	94.2	98.7	105.5
Volume	97.0	106.6	122.5	134.8	148.2	155.6	161.9	171.0
Price	271.1	271.0	548.8	584.0	587.8	605.6	609.9	617.2
Canned fish	21.6	22.4	53.2	58.5	59.2	68.7	71.9	74.5
Volume	34.4	35.5	41.6	45.8	45.8	48.3	50.2	53.0
Price	629.0	631.6	1,277.9	1,277.5	1,291.5	1,421.6	1,431.8	1,406.0
Cotton	8.3	6.0	11.1	8.7	9.6	11.0	13.0	3.7
Volume	18.4	17.7	14.6	10.0	10.9	13.6	14.2	4.3
Price	452.9	338.8	761.1	874.7	879.3	807.4	912.3	867.4
Salt	2.0	2.1	5.7	4.7	3.4	5.7	5.7	4.6
Volume	67.7	68.5	105.4	88.7	81.9	131.5	126.0	107.1
Price	29.5	30.7	54.2	52.5	41.2	43.1	45.4	42.6
Fertilizer	6.7	5.5	12.8	20.5	17.0	23.0	23.0	19.6
Volume	114.0	116.1	119.6	165.8	140.9	185.6	183.2	150.0
Price	59.2	47.2	106.7	123.8	121.0	123.7	125.6	130.9
Phosphoric acid[2]	18.7	14.4	37.7	38.9	41.4	44.1	47.7	44.6
Volume	258.3	223.8	223.6	259.7	258.4	230.9	244.3	222.1
Price	72.4	64.4	168.7	149.8	160.0	191.2	195.4	200.6
Petroleum products	3.7	3.9	8.1	9.0	10.2	12.7	9.8	11.7
Volume	79.3	73.4	86.6	102.1	97.3	110.0	114.3	116.2
Price	46.7	52.5	94.0	85.5	105.2	115.5	86.0	100.8
Other	72.1	72.0	129.6	143.9	160.2	175.4	193.7	215.4
Reexports	26.3	19.7	43.5	53.4	56.3	61.5	61.0	63.0
Total exports, f.o.b.	219.1	200.3	439.1	483.5	504.5	544.2	569.4	601.9

Sources: Senegalese authorities; and staff estimates.

[1] Includes exports of unprocessed groundnuts valued at CFAF 6.0 billion.

[2] Phosphoric acid and other chemicals exported by Industries Chimiques du Sénégal.

Table 63. Senegal: Merchandise Imports, 1992-99

(Values in billions of CFA francs; volumes in thousands of metric tons; prices in CFA francs per kilogram)

	1992	1993	1994	1995	1996	1997	1998	1999 Est.
Food products	91.0	93.6	162.9	188.3	195.1	187.0	198.7	200.3
Rice	21.2	23.5	44.4	58.9	89.6	69.9	83.1	99.0
Volume	338.4	362.8	327.8	387.5	607.8	445.6	535.3	629.8
Price	62.7	64.7	135.5	152.0	147.4	156.8	155.2	157.2
Wheat	7.4	8.6	17.0	24.4	25.0	26.6	28.4	23.3
Volume	151.1	176.9	177.4	203.7	184.6	206.4	225.2	213.7
Price	49.3	48.6	95.9	119.8	135.6	129.0	125.9	109.2
Other	62.4	61.5	101.5	105.0	80.5	90.5	87.3	78.0
Beverages and tobacco	5.0	5.1	9.4	8.1	7.1	9.3	7.9	6.6
Petroleum	39.7	35.0	78.9	68.9	90.2	111.4	91.9	121.1
Crude oil	25.5	20.9	19.8	43.4	52.1	73.7	60.8	71.6
Volume	643.3	544.8	302.8	649.5	645.0	771.3	890.5	875.0
Price	39.7	38.4	65.5	66.8	80.8	95.5	68.3	81.8
Refined oil	14.2	14.1	59.1	25.5	38.1	37.7	31.0	49.5
Volume	364.2	364.7	782.3	324.0	405.4	386.2	414.4	545.0
Price	39.0	38.6	75.5	78.8	93.9	97.7	74.9	90.9
Other consumer goods	56.0	54.5	94.1	99.2	104.0	111.6	119.4	130.7
Capital goods	46.2	45.0	85.3	89.9	95.2	107.2	130.7	145.7
Intermediate goods	96.9	99.0	180.6	195.7	207.5	230.5	243.4	260.2
Change in warehouse stocks	23.6	17.5	33.6	54.8	37.7	36.0	37.8	39.1
Total imports, c.i.f.	358.5	349.6	644.8	705.0	736.8	793.0	829.8	903.7
Freight and insurance	-43.0	-42.0	-77.4	-84.6	-88.4	-95.2	-99.6	-108.4
Total imports, f.o.b.	315.5	307.7	567.4	620.4	648.4	697.8	730.2	795.3

Sources: Senegalese authorities; and staff estimates.

Table 64. Senegal: Direction of Foreign Trade 1992-99

	1992	1993	1994	1995	1996	1997	1998	1999 Jan.-Jun.
Exports				(In percent of total exports)				
Industrial countries	46.5	47.2	48.7	61.7	28.6	17.0	21.2	22.6
France	28.3	26.0	22.6	30.0	14.7	8.4	11.0	15.7
Germany	1.9	1.6	1.6	2.6	1.0	1.6	0.5	0.3
Italy	5.4	6.8	5.6	12.8	5.5	2.0	2.9	2.3
Japan	2.0	1.7	1.1	1.7	0.2	0.3	0.1	0.2
Netherlands	2.5	1.2	5.1	1.9	2.3	1.5	2.0	0.6
Spain	2.3	1.6	2.0	5.2	1.3	0.6	0.7	0.4
United Kingdom	0.5	0.7	1.6	2.1	2.3	0.7	0.5	1.4
United States	0.4	2.0	1.5	1.2	0.2	0.3	0.7	0.3
Other countries	3.2	5.6	7.6	4.2	1.1	1.7	2.8	1.4
Developing countries	43.8	40.6	40.2	31.0	59.3	65.9	65.8	65.9
Africa	20.8	18.2	19.8	20.1	31.9	36.6	35.9	40.4
Cameroon	1.2	1.2	1.1	1.9	1.6	1.2	1.3	1.6
Côte d'Ivoire	2.9	2.2	2.1	0.0	2.8	4.5	3.8	3.6
Mali	6.0	5.2	9.9	7.3	8.5	9.4	8.2	8.9
Mauritania	0.7	2.1	1.9	1.4	3.9	3.6	4.1	5.3
Nigeria	0.7	0.6	2.2	1.4	1.5	0.6	1.0	0.4
Other countries	9.3	6.9	2.6	8.1	13.5	17.3	17.5	20.6
Asia	20.1	18.8	17.5	8.5	25.9	27.7	28.3	25.1
Europe	0.1	1.2	0.8	0.2	0.1	0.0	0.0	0.0
Middle East	2.4	2.1	1.4	1.7	0.9	1.0	0.5	0.3
Western Hemisphere	0.4	0.3	0.7	0.7	1.3	0.7	1.1	0.0
Other countries	9.7	12.2	11.1	7.3	12.2	17.1	12.9	11.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Memorandum items:								
European Union	43.9	42.4	46.3	65.3	27.8	16.1	20.3	21.9
Oil-exporting countries	4.7	3.7	3.5	3.3	4.4	2.1	1.8	0.9
Non-oil developing countries	39.1	38.9	40.6	27.7	54.9	63.8	64.0	65.0
Imports				(In percent of total imports)				
Industrial countries	66.9	68.3	68.7	74.7	64.2	63.1	67.8	68.3
France	31.2	35.4	36.5	37.8	29.3	30.7	34.2	33.7
Germany	3.4	3.7	3.4	4.3	6.8	3.7	4.3	4.3
Italy	5.6	4.2	4.0	4.2	3.5	3.3	3.6	5.8
Japan	3.5	3.6	4.9	3.1	3.0	3.0	3.3	3.9
Netherlands	2.3	3.4	3.6	4.1	3.2	2.7	2.7	2.4
Spain	3.4	3.5	5.2	4.2	4.3	4.4	3.6	4.1
United Kingdom	1.8	1.5	1.6	4.2	1.9	1.8	2.0	2.2
United States	6.4	5.2	5.5	5.6	5.2	4.8	5.5	4.0
Other countries	9.3	7.8	4.0	7.2	7.1	8.5	8.7	7.9
Developing countries	31.4	30.4	30.1	25.3	35.8	36.9	32.2	31.6
Africa	16.9	15.8	14.8	5.4	11.4	13.6	11.9	9.2
Cameroon	0.0	0.0	0.0	0.0	0.5	0.7	0.0	...
Côte d'Ivoire	6.6	5.1	3.7	2.4	2.7	2.6	2.5	3.6
Gabon	1.4	1.8	0.3	0.0	...	...	0.8	0.1
Nigeria	6.3	6.2	2.9	1.7	5.7	7.3	5.8	2.6
Other countries	2.5	2.5	7.8	1.0	2.6	3.0	2.8	2.9
Asia	12.3	13.0	13.5	14.8	16.8	14.4	13.4	16.0
China	1.9	2.1	3.0	3.0	...	...	1.8	...
Other countries	10.4	10.9	10.5	11.8	0.0	0.0	11.6	16.0
Europe	0.2	0.5	0.4	1.0	1.7	3.3	3.1	3.7
Middle East	0.3	0.2	0.3	0.1	1.49	2.2	0.5	0.7
Western Hemisphere	1.7	0.9	1.1	4.0	4.5	3.3	3.3	2.0
Other countries	1.7	1.3	1.2	0.0	0.0	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Memorandum items:								
European Union	51.8	50.8	51.2	64.1	51.7	52.8	57.0	58.6
Oil exporting countries	8.5	10.5	11.0	2.0	7.9	10.2	6.5	3.4
Non-oil developing countries	22.9	21.5	20.3	23.2	28.0	26.7	25.7	28.2

Source: Senegalese authorities.

Table 65. Senegal: Services and Transfers Accounts, 1992-99

(In billions of CFA francs)

	1992	1993	1994	1995	1996	1997	1998	1999 Est.
Services (net)	-57.1	-61.5	-85.3	-78.7	-57.8	-58.8	-41.0	-34.9
Credits	163.1	149.0	279.6	311.7	322.5	339.5	353.5	372
Freight and insurance	5.8	6.4	9.5	10.3	12.1	12.7	13.3	13.7
Other transport	19.5	16.8	30.2	31.1	40.0	42.8	44.5	46.3
Travel and tourism	48.9	36.4	72.0	83.8	83.4	89.7	95.2	100.1
Investment revenue	10.7	8.5	12.5	13.8	14.9	15.3	15.8	16.2
Government	52.1	55.0	71.9	96.0	79.6	82.8	87.1	90.6
Other services	26.1	25.9	83.5	76.7	92.5	96.2	97.6	105.1
Debits	220.2	210.5	364.9	390.4	380.2	398.3	394.1	406.9
Freight and insurance	43.0	42.0	77.4	84.6	88.4	95.2	99.6	108.4
Other transport	28.3	26.0	36.0	44.8	40.6	42.2	45.5	46.9
Travel and tourism	14.0	14.1	26.5	35.8	31.4	32.7	36.9	39.3
Investment revenue	45.8	45.9	91.4	101.8	81.5	82.1	60.3	60.2
Interest	38.8	39.0	72.2	70.4	61.9	62.3	40.1	39.3
Public debt	38.0	38.7	69.7	65.6	58.6	59.0	36.7	35.8
Private debt	0.8	0.3	2.5	4.8	3.3	3.3	3.4	3.5
Other	7.0	6.9	19.2	31.4	19.6	19.8	20.3	20.9
Government	66.4	64.6	88.7	86.6	91.9	96.7	102.2	102.2
Other services	22.7	17.9	44.9	36.8	46.5	49.4	49.6	49.9
Transfers (net)	95.8	89.8	215.4	190.7	169.3	170.5	155.0	136.1
Credits	129.4	122.5	259.6	242.5	217.2	219.7	205.5	188.2
Public	94.2	83.7	201.2	180.7	157.4	158.1	142.1	123.2
Private	35.2	38.8	58.4	61.8	59.8	61.6	63.4	65.0
Debits	33.6	32.7	44.2	51.8	47.9	49.2	50.6	52.1
Public	5.3	4.2	7.2	9.8	8.6	8.8	9.0	9.2
Private	28.3	28.5	37.0	42.0	39.3	40.4	41.6	42.9
Invisibles (net)	38.7	28.3	130.1	112.0	111.5	111.7	114.0	101.2
Memorandum items:								
Nonfactor services (net)	-22.0	-24.1	-6.4	9.3	8.9	8.1	3.6	9.0
Credits	152.4	140.5	267.1	297.9	307.6	324.2	337.7	355.8
Debits	174.4	164.6	273.5	288.6	298.7	316.2	334.1	346.8

Sources: Senegalese authorities; and staff estimates.

Table 66. Senegal: External Public Debt Outstanding, 1992-99 [1]

(In billions of CFA francs; end of period)

	1992 [2]	1993 [2]	1994 [2]	1995	1996	1997	1998	1999 June
Total	903.0	991.6	1,743.5	1,718.6	1,900.6	1,984.7	1,775.2	1,861.9
Medium- and long-term debt	781.7	833.6	1,555.2	1,525.0	1,712.3	1,794.2	1,609.9	1,695.2
Multilateral [3]	410.7	448.3	906.9	863.8	1,003.3	1,043.3	1,039.2	1,120.0
IBRD/IDA	266.8	285.5	571.6	562.3	705.0	720.2	722.7	798.0
EDF/EIB	34.0	32.9	67.9	61.9	58.4	61.4	68.0	64.3
AfDB/AfDF	74.0	95.6	209.8	191.8	199.9	204.5	200.3	212.6
OPEC/IDB/BADEA	21.9	23.6	37.9	29.3	26.3	43.3	37.6	36.3
Other	14.0	10.6	19.6	18.5	13.7	14.4	11.3	9.9
Bilateral [4]	204.1	214.8	355.9	311.0	363.8	354.8	287.4	294.0
OECD countries	129.2	139.0	143.4	130.8	132.8	146.4	139.5	149.4
Of which: France	61.9	71.1	0.0	0.0	0.0	0.0	0.0	0.0
Arab countries [5]	63.9	70.0	179.2	162.5	173.7	192.9	133.4	131.4
Other countries	11.0	5.8	33.3	17.7	57.3	15.4	14.5	13.2
Commercial debt [4,6]	21.0	15.5	3.3	2.0	0.0	46.0	0.0	0.0
Guaranteed debt	18.1	13.2	3.3	2.0	0.0	45.4	0.0	0.0
Nonguaranteed debt	2.9	2.3	0.0	0.0	0.0	0.4	0.0	0.0
Rescheduled debt	145.8	155.0	289.1	348.1	345.2	350.1	283.3	281.2
Paris Club	129.9	145.0	254.3	280.8	283.6	290.8	233.0	233.0
London Club	9.8	10.0	13.2	9.7	7.5	5.9		
Other	6.1	0.0	21.7	57.6	54.1	53.4	50.2	48.2
IMF credit	74.7	72.0	157.6	167.0	163.8	171.0	165.3	166.7
Use of Fund resources	5.1	1.0	24.1	22.5	22.9	15.2	3.1	0.0
Structure Adjustment Facility and Enhanced Structural Adjustment Facility	69.6	71.0	133.5	144.5	140.9	155.7	162.2	166.7
Short-term debt [7]	46.6	86.0	30.7	26.7	24.6	19.5	0.0	0.0

Sources: Senegalese authorities

[1] Provided by the authorities before the debt sustainability analysis.

[2] Includes arrears outstanding at the end of the year.

[3] EDF/EIB = European Development Fund/European Investment Bank; AfDB/AfDF = African Development Bank/Fund; and OPEC/IDB/BADEA = Organization of Petroleum Exporting Countries/Islamic Development Bank/Arab Bank for Economic Development in Africa.

[4] Excludes rescheduled debt; OECD = Organization for Economic Cooperation and Development.

[5] From 1994 onward, includes Dépôt Koweitien.

[6] Not including arrears on commercial debt, which was the object of a debt-buyback operation in December 1996.

[7] Short-term foreign liabilities of the central bank, related to the operations account.

Table 67. Senegal: External Public Debt Ratios, 1992- 99

(End of period)

	1992	1993	1994	1995	1996	1997	1998	1999 Jun.
	(In percent of GDP)							
Total	56.6	64.5	86.2	76.9	79.9	77.7	72.1	60.1
Medium- and long-term debt	49.0	54.2	76.9	68.3	72.0	70.2	58.5	57.3
Multilateral	25.7	29.2	44.8	38.7	42.2	40.8	37.7	37.9
Bilateral[1]	12.8	14.0	17.6	13.9	15.3	13.9	10.4	9.9
Commercial debt[1]	1.3	1.0	0.2	0.1	0.0	1.8	0.0	0.0
Guaranteed	1.1	0.9	0.2	0.1	0.0	1.8	0.0	0.0
Nonguaranteed	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Rescheduled debt	9.1	10.1	14.3	15.6	14.5	13.7	10.3	9.5
IMF credit	4.7	4.7	7.8	7.5	6.9	6.7	6.0	5.6
Short-term debt[2]	2.9	5.6	1.5	1.2	1.0	0.8	0.0	0.0
	(In percent of total debt)							
Medium- and long-term debt	86.6	84.1	89.2	88.7	90.1	90.4	90.7	91.0
Multilateral	45.5	45.2	52.0	50.3	52.8	52.6	58.5	60.2
Bilateral[1]	22.6	21.7	20.4	18.1	19.1	17.9	16.2	15.8
Commercial debt[1]	2.3	1.6	0.2	0.1	0.0	2.3	0.0	0.0
Guaranteed	2.0	1.3	0.2	0.1	0.0	2.3	0.0	0.0
Nonguaranteed	0.3	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Rescheduled debt	16.1	15.6	16.6	20.3	18.2	17.6	16.0	15.1
IMF credit	8.3	7.3	9.0	9.7	8.6	8.6	9.3	9.0
Short-term debt[2]	5.2	8.7	1.8	1.6	1.3	1.0	0.0	0.0

Source: Table 66.

[1] Excludes rescheduled debt.

[2] Short-term foreign liabilities of the central bank, related to the operations account.

Table 68. Senegal: Public Sector Loan Disbursements, 1992-99

(In billions of CFA francs)

	1992	1993	1994	1995	1996	1997	1998	1999 Est.
Total disbursements	78.9	64.3	120.5	109.6	103.5	117.8	117.7	90.0
Multilateral institutions[1]	41.3	50.3	75.0	47.7	46.3	64.2	...	...
Of which: AfDB/AfDF[2]	17.1	32.0	17.4	3.0	3.2	0.0	...	...
EDF/EIB[2]	4.1	0.0	0.0	0.0	0.0	0.0	...	...
World Bank	12.2	12.9	27.6	36.6	34.4	0.0	...	...
Bilateral creditors[1]	22.6	13.9	26.6	30.0	33.7	51.2	...	...
Of which: France	7.9	0.0	0.0	0.0	0.0	0.0	...	...
Germany	0.5	0.1	1.4	0.3	4.2	0.0	...	...
Kuwait	0.8	1.0	0.6	1.7	1.0	0.0	...	...
Saudi Arabia	0.1	0.0	0.5	3.2	3.8	0.0	...	...
Budgetary loans	15.0	0.1	18.9	29.6	23.5	2.4	19.3	0.0
Of which: World Bank	15.0	0.1	14.6	29.6	23.5	2.4	...	...
Commercial creditors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Sources: Senegalese authorities; and staff estimates.

[1] Excluding budgetary loans.

[2] AfDB/AfDF African Development Bank/Fund and EDF/EIB European Development Fund/European Investment Bank.

Table 69. Senegal: Structure and Terms of External Public Debt Commitments, 1992-99 [1]

	1992	1993	1994	1995	1996	1997	1998	1999 Proj.
	(In billions of CFA francs)							
New commitments	65.8	26.2	73	160.4	66.4	54.8	83.5	13.5
Multilateral	54.0	17.0	62.2	145.5	51.5	46.3	78.0	5.2
Bilateral	11.8	9.2	10.8	14.9	14.9	8.5	5.5	8.3
Guaranteed commercial debt	...	...	...	...	...	...	...	...
Nonguaranteed commercial debt	...	...	...	...	...	...	...	...
	(In percent)							
Average interest rate[2]	1.9	1.7	3.0	1.0	2.1	2.3	1.9	3.0
Multilateral	1.7	1.8	3.3	0.9	0.9	1.6	1.1	2.2
Bilateral	3.0	1.5	1.1	1.6	1.3	0.7	0.8	0.8
Guaranteed commercial debt	...	...	...	...	...	...	...	...
Nonguaranteed commercial debt	...	...	...	...	...	...	...	...
	(In years)							
Average maturity period[2]	34.2	28.9	20.7	29.2	23.8	26.9	37.0	24.6
Multilateral	36.2	32.7	16.6	28.9	23.0	30.8	29.8	26.0
Bilateral	25.0	22.0	44.1	32.3	22.5	16.0	36.0	40.0
Guaranteed commercial debt	...	...	...	...	...	...	...	...
Nonguaranteed commercial debt	...	...	...	...	...	...	...	...
Average grace period[2]	7.8	7.5	7.5	7.9	6.0	6.6	9.4	3.0
Multilateral	8.4	8.3	8.3	7.9	7.5	7.3	9.3	4.0
Bilateral	5.0	6.0	6.0	7.7	5.3	4.6	10.0	10.0
Guaranteed commercial debt	...	...	...	...	...	...	...	...
Nonguaranteed commercial debt	...	...	...	...	...	...	...	...

Source: Senegalese authorities.

[1] Medium- and long-term government and government-guaranteed debts, excluding IMF credits and rescheduled debt.

[2] Weighted average of new disbursements.

Table 70. Senegal: External Public Debt Service, 1992-99 [1]

	1992	1993	1994	1995	1996	1997	1998	1999 Proj.
	(In billions of CFA francs)							
Debt service before rescheduling[2]	91.4	87.4	155.4	155.1	148.7	161.2	133	111.8
Principal	53.5	48.7	92.6	89.4	92.3	103.7	94.4	74.3
Medium and long term	41.7	41.0	76.7	69.3	69.5	69.6	59.1	54.4
IMF repurchases	11.7	7.7	15.9	20.1	22.8	36.0	35.3	19.9
Interest	38.0	38.7	62.7	65.7	61.2	61.5	38.6	37.5
Medium and long term	35.7	37.3	59.5	62.8	58.6	59.0	36.7	35.8
IMF charges	2.3	1.4	3.2	2.9	2.6	2.5	1.9	1.7
Debt rescheduling	12.5	9.9	49.1	67.0	29.2	20.3	--	--
Debt service after rescheduling	78.9	77.5	106.3	88.1	119.7	140.9	133.0	111.8
	(In percent of goods and nonfactor services, unless otherwise indicated)							
Debt service before rescheduling[2]	24.6	25.6	22.0	20.1	18.6	18.9	14.7	11.7
Principal	14.4	14.3	13.1	11.6	11.5	12.2	10.4	7.8
Medium and long term	11.2	12.0	10.9	9.0	8.7	8.2	6.5	5.7
IMF repurchases	3.1	2.3	2.3	2.6	2.9	4.0	3.9	2.1
Interest	10.2	11.4	8.9	8.5	7.1	6.7	4.3	3.9
Medium and long term	9.6	10.9	8.4	8.2	6.8	6.5	4.0	3.7
IMF charges	0.6	0.4	0.5	0.4	0.3	0.3	0.2	0.2
Debt rescheduling	3.4	2.9	7.0	8.7	3.7	2.4	--	--
Debt service after rescheduling	21.2	22.7	15.1	11.4	15.0	16.5	14.7	11.7
Memorandum item:								
Exports of goods and nonfactor services (in billions of CFA francs)	371.5	340.8	706.2	770.5	800.0	852.0	907.1	957.7

Sources: Senegalese authorities; and staff estimates.

[1] Provided by the authorities before the debt sustainabilty analysis. Medium- and long-term government and government-guaranteed debts, excluding debt-service obligations of the multilateral companies, Air Afrique, and Agence pour la Sécurité de la Navigation Aérienne.

[2] After debt cancellation obtained through 1995. Beginning in 1998, debt service is net of debt relief obtained from the Paris Club stock-of-debt operation of June 1998.

Table 71. Senegal: Exchange Rates, 1992-99

	1992	1993	1994	1995	1996	1997	1998	1999
Period averages								
CFA franc/SDR	372.79	395.38	795.04	757.13	742.67	789.80	795.60	841.41
CFA franc/U.S. dollar	264.69	283.16	555.20	499.15	511.55	583.50	589.95	615.38
End of period								
CFA franc/SDR	378.57	404.89	780.44	728.38	753.06	807.94	791.61	896.19
CFA franc/U.S.dollar	275.33	294.78	534.60	490.00	523.70	598.81	562.21	652.95

Source: IMF, *International Financial Statistics*.

Table 72. Senegal: Nominal and Real Effective Exchange Rate Indices, 1991-99[1]

(1990 = 100)

	Real	Nominal	Relative price
1991	93.711	103.115	90.827
1992	93.824	112.569	83.371
1993	90.674	119.945	75.565
1994	59.277	65.872	89.608
1995	64.037	69.094	92.594
1996	64.426	69.479	92.659
1997	62.056	67.079	92.434
1998	64.061	68.635	93.271
1999	62.775	67.491	92.936
1993			
I	92.119	118.022	77.996
II	91.018	120.198	75.666
III	90.159	119.259	75.551
IV	89.398	122.300	73.045
1994			
I	54.959	63.501	85.489
II	57.484	65.347	87.911
III	61.792	67.285	91.766
IV	62.873	67.357	93.266
1995			
I	61.947	68.124	90.856
II	62.980	68.816	91.450
III	64.999	69.364	93.637
IV	66.220	70.071	94.433
1996			
I	64.266	69.839	91.950
II	63.950	69.228	92.308
III	64.984	69.604	93.293
IV	64.504	69.246	93.084
1997			
I	63.044	67.800	92.918
II	62.003	67.018	92.449
III	60.279	65.852	91.456
IV	62.898	67.647	92.911
1998			
I	63.423	67.598	93.755
II	63.525	68.233	93.031
III	64.507	69.110	93.272
IV	64.790	69.598	93.024
1999			
I	64.412	68.861	93.470
II	63.078	67.503	93.374
III	62.251	67.154	92.632
IV	61.357	66.447	92.269

Source: IMF, Information Notice System.

---

[1] Period averages, based on the following average trade weights (in percent): France (30.20), United States (10.45), Germany (8.17), Japan (7.81), Italy (7.48), Netherlands (5.04), Belgium (4.87), United Kingdom (4.82), Spain (4.13) and other countries (17.03).

Senegal: Summary of Tax System as of December 1999 1/

Tax	Nature of Tax	Deductions and Exemptions	Rates
1. **Taxes on net income and profits**			
1.1 Corporate income tax (*Impôt sur les sociétés*)	Levied annually on net profits from industrial, commercial, and agricultural activities. Companies are assessed on actual net profits (*régime du bénéfice réel*).	Consumer and agricultural agencies and cooperatives, nonprofit organizations, agricultural credit agencies and public agencies are exempt. Normal business charges are allowed as deductions, including taxes paid, reserves, losses, and rent. Depreciation allowances range from 5 percent to 33.3 percent.	35 percent
1.2 Minimum presumptive tax on enterprises (*Impôt minimum forfaitaire sur les sociétés*)	Amount fixed in relation to turnover before taxes in the previous year. Levied on enterprises with: - fiscal profits up to CFAF 1,428,000 and turnover up to CFAF 500,000,000, or - fiscal profits up to CFAF 2,856,000 and turnover above CFAF 500,000,000	Enterprises commencing or ending activities in the previous year. Privatized public enterprises and enterprises that publish, print, or sell periodicals. Enterprises benefiting from a deduction for investment of CFAF 715,000 or above.	Up to CFAF 500,000,000: CFAF 500,000 Beyond CFAF 500,000,000: CFAF 1,000,000
1.3 Individual income tax (*Impôt sur le revenu des personnes physiques*) (proportional)	Levied annually on:		Marginal rates (In percent)
	net rental income from real estate, including houses and factories	Maintenance expenses, property taxes, interest on loans borrowed for acquisition, construction, or maintenance of the building are deductible. In addition, up to 20 percent lump sum deduction is allowed from gross income for the amortization of insurance premiums, and general expenses.	20 percent
	industrial, commercial, and agricultural profits	Same as in 1.1.	
	income from professional services	Expenses related to professional activity are deductible, including rent, amortization, etc.	(CFAF) 0 - 330,000: nil over 330,000: 25 percent
	Income on dividends and interest derived in Senegal		General rate: 16 percent Reduced rate: 8 percent
	Wages, salaries, pensions, and life annuities	Exemptions for diplomatic personnel, technical assistants, family social allowances, etc.	(CFAF) 0 - 600,000: nil over 600,000: 11 percent
	Capital gains arising from transfer of real estate.	Capital gains realized by pubic entities are exempt.	15 percent
1.4 Individual income tax (*Impôt sur le revenu des personnes physiques*) (progressive)	A progressive surtax levied annually on total net income of all individuals with permanent residence in Senegal, regardless of nationality.	Exemptions include net income below CFAF 600,000 and income of foreign diplomatic personnel. Deductions are allowed for interest on loans and debts, arrears of bond interest, schedular taxes paid, voluntary contributions to a retirement pension fund, and life insurance premiums up to a maximum of 5 percent of net professional income; 10 percent of profits reinvested in approved schemes. Taxable income is divided into a number of splits based on the size of the family (*système du quotient familial*), with one share for each adult whether single, married, divorced, or widowed, and one-half share for each child up to a maximum of five splits.	over - 12,650,000: 50

Brackets of annual income Rates (in CFAF)	Marginal (in percent)
0 - 600,000	nil
600,000 - 890,000	18
890,000 - 1,010,000	22
1,010,000 - 1,410,000	25
1,410,000 - 2,475,000	28
2,475,000 - 3,540,000	30
3,540,000 - 7,650,000	35
7,650,000 - 9,650,000	40
9,650,000 - 12,650,000	45
over - 12,650,000	50

Senegal: Summary of Tax System as of December 1999 1/

Tax	Nature of Tax	Deductions and Exemptions	Rates
2. **Employer's payroll taxes**			
2.1 Payroll tax (*Contribution forfaitaire à la charge des employeurs, CFCE*)	Levied on the amount of wages, salaries, and allowances paid.	Central government, local authorities, foreign public entities, and international institutions are exempt.	Salaries paid to: Senegalese nationals 3 percent Foreigners 6 percent
3. **Taxes on property**			
3.1 Tax on buildings (*Contribution foncière des propriétés bâties*)	Levied annually on the net rental income of all built-up land, i.e., having permanent structures on it, including factories. 2/	Exemptions include: immovable property belonging to the state or used for religious worship and/or educational purposes, buildings used to lodge farm animals or to store agricultural harvests, etc. Deduction of 40 percent for houses and 50 percent for factories from the rental value of the property, in lieu of maintenance expenses. New buildings are exempted for between 6 and 16 years depending on the purpose of their use.	15 percent.
3.2 Tax on unimproved property (*Contribution foncière des propriétés non-bâties*)	Levied annually on unimproved property.	Same exemptions apply as in 3.1 above.	5 percent of the presumptive value of the property (valeur vénale).
3.3 Tax on unimproved land (*Surtaxe sur les terrains non-bâtis ou insuffisamment bâtis*)	Levied annually on unimproved or insufficiently improved urban land. 2/	Land with general restrictions against construction.	Rates vary progressively from 1 percent to 3 percent on the presumptive market value and they also vary according to the location.
3.4 Death and gift duties (*Droits sur les successions, donations et legs*)	Levied on net value of property transferred causa mortis or inter vivos within Senegal.	A deduction of CFAF 5 million is allowed from the taxable base for the spouse and CFAF 3 million for each dependent child.	Marginal rates vary between 3 percent and 50 percent depending on the relation of beneficiary to the deceased or to the donor.
3.5 Property transfer taxes (*Droits d'enregistrement*)	Levied on company creation and company mergers; on capital increases, transfer of shares, and transfer of securities; on the sale, lease, exchange, and mortgage of real estate; on the sale and lease of movable property; and on selected transactions, namely transfer of goodwill, financial claims, and auctions.		Rates vary between 0.2 percent and 15 percent Depending on the transaction involved.
4. Taxes on goods and services			
4.1 Value-added tax (*Taxe sur la valeur ajoutée-TVA*)	Levied on the value added in manufacturing, crafts, and other productive activities with the exception of agricultural production and salaried activities. The VAT applies to imports and any act of production. The VAT does not apply to wholesale and retail trade. For imports the tax base is c.i.f. value augmented by all other import duties and taxes.	Exports, administrative services rendered by public entities, the sale of buildings, insurance business, etc.	TVA Percent Normal rate 20 Reduced rate 10

Senegal: Summary of Tax System as of December 1999 1/

	Tax	Nature of Tax	Deductions and Exemptions	Rates
4.2	Excises 3/ (*Taxe de consommation*)	Levied on all raw or processed tobacco products, alcoholic beverages, edible oils, soft drinks, kola seeds, tea, and coffee. Tax is levied on import value, including taxes and duties imposed at customs; and on the normal domestic sales price.	Exemptions include exports, and alcohol used for medicinal or religious purposes, etc.	Product — Percent Tobacco products 30.00 Alcoholic beverages 30.00 Fats 12.00 Soft drinks 2.75 Kola seeds 30.00 Tea 3.80 Coffee 11.00
4.3	Tax on insurance contracts (*Taxe sur les contrats d'assurances*)	Levied on insurance premiums and related charges collected by the insurer.		Insurance policies — Rates (in percent) Fire 20.00 Sea, river, and air Transport 5.00 Life 3.00 Life annuities 6.00 Export credits 0.25 Other 10.00
4.4	Tax on vehicles (*Taxe sur les véhicules à moteur*)	Levied annually on owners of motor vehicles; varies according to the horsepower of the vehicle.	Government-owned vehicles and other specified vehicles are exempt.	Rates (in CFAF): Horsepower vehicles — Private vehicles — Commercial vehicles 0 - 8 — 24,000 — 15,000 9 - 12 — 36,000 — 18,000 13 - 16 — 100,000 — 30,000 17 - 19 — 160,000 — 60,000 20 or more — 250,000 — 60,000 Half rates apply to vehicles more than 10 years old. Motor vehicles with two or three tires Rates vary between CFAF 3,000 and CFAF 10,500.
4.5	Special tax on company-owned cars (*Taxe spéciale sur les véhicules des sociétés*)	Levied annually on company-owned cars in addition to tax on vehicle (see 4.4 above). 4/		Up to 9 hp – CFAF 100,000 Over 9 hp - CFAF 200,000
4.6	Business license fees (*Contribution des patentes et licences*) 2/	*Patente* is levied annually on any person engaged in trade, industry, or a professional activity. *Licence* is levied annually on all sellers of alcoholic beverages.	Newly established industries are exempted from the *patente* for the first five years of operation; also exempt are craftsmen, farmers, and fishermen.	*Patente* consists of two levies each for business and Professional activities. These two levies are a fixed tax according to turnover, number of staff and value of equipment used in the activity; and a proportional levy that applies to the rental value of premises.
4.7	Tax on firearms (*Taxe sur les armes à feu*)	Tax levied on owners of firearms.	Firearms used by police and military.	Various specific rates ranging from CFAF 2,000 To CFAF 20,000 depending on caliber.

Senegal: Summary of Tax System as of December 1999 1/

Tax	Nature of Tax	Deductions and Exemptions	Rates
5. **Taxes on foreign trade**			
5.1 Import duties			
5.1.1 Customs duty (*Droit de douane*)	Levied on the c.i.f. value of imports. Since the TEC has been implemented, all countries of the WAEMU have the same external tariff while all tariffs within the WAEMU have been removed for homemade and registered industrial goods. A limited number of products have been assigned administratively set import values.	Deductions for unregistered industrial products originating in the WAEMU of 5 percent on tariff charged on equivalent goods from outside the region.	Four rates: 0 percent for "social" products, 5 percent for "primary" products, 10 percent for "intermediate" products, 20 percent for "final consumption" products. A temporary degressive protection surtax (TDP) of 10 or 20 percent applied on the fob value is also levied and is linearly declining over 4 years. A compensatory import levy (TCI) of 10 percent is levied against fluctuations in commodity prices. A surtax on a number of key items (rice, cigarettes, ...) is still levied pending full implementation of the TCI.
5.1.2 Other customs duties	Solidarity contribution (paid directly to the WAEMU) Levied on the c.i.f. value. Statistical duty.	On c.i.f. value of imports from outside the region All goods	1 percent
5.1.3 Value-added tax on imports	Levied on imports on their c.i.f. value or standard value to which are added the customs duty and fiscal duty assessed by the Customs Administration.	Annex I of Law 94-52 of May 27, 1994.	Reduced rate 10 percent Normal rate 20 percent
5.2 Export duties			
5.2.1 Fiscal duty (*Droit fiscal*)	Levied only on exports of phosphates and phosphate-based fertilizer, and on groundnut products. The export duty is currently suspended.		20 percent
6. Other taxes			
6.1 Stamp duties (*Droits de timbre*)	Levied on legal documents drawn up for various acts.		Rates vary between CFAF 10 and CFAF 15,000 depending on the document to be stamped.

Source: Data provided by the Senegalese authorities.

1/ Except trade taxes reflecting the adoption of the TEC as of January 1, 2000.
2/ Entirely earmarked for use by the local authorities.
3/ Of which taxes on alcoholic beverages are earmarked for use by the CAA.
4/ Half of the proceeds are earmarked for use by the local authorities.