

📍 CAPITAL CITY: DAKAR

## Key Facts



### POPULATION

18.2 million



### CURRENT GDP

US\$ 31 billion (2023)



### LEADER

Bassirou Diomaye Faye



### PRIMARY EXPORT

Gold  
US\$ 961 million (2022)

## CFC COUNTRY FACTSHEET: The republic of Senegal

Senegal has experienced one of the highest GDP growth rates among the 15 member countries of the Economic Community of West African States (ECOWAS) over the past five years, with consistent economic expansion. The country's economy is driven by key sectors such as mining, construction, tourism, fisheries, and agriculture, which remain the primary sources of employment, especially in rural areas.

However, Senegal's development faces challenges from food crises, rapid population growth, and a high unemployment rate. Despite these obstacles, ongoing investments in infrastructure and economic reforms contribute to a positive long-term outlook.

Under the "Emerging Senegal Plan" (Plan Sénégal Émergent, PSE), the Government of Senegal aims to achieve sustained and inclusive growth through economic reforms and private sector-driven investment projects. This strategy seeks to structurally transform the economy, enhance Senegal's already strong macroeconomic performance, and achieve emerging market status by 2035.



### INTERESTS & CURRENCY

#### EXCHANGE RATES

**Monetary policy**  
Rate : 5%

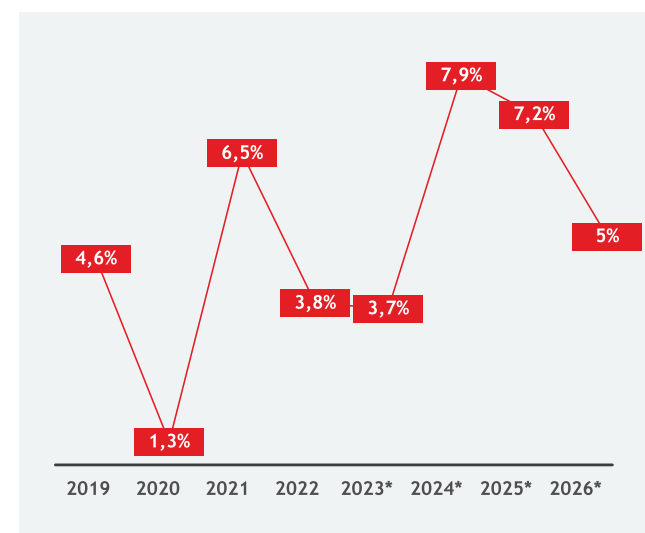
**Currency**  
West African CFA Franc  
(CFA/XOF)

**USD 1 = XOF 597.930** **EUR 1 = XOF 655.957**

Source : Central Bank of West African States (BCEAO)



## GDP GROWTH



5.9%

Inflation (2023)

2.9%

Unemployment rate (2023)

2.6%

Demographic growth (2023)

-12.7%

Current account (2023)

US\$ 2.6 billion

FDI (Net Inflows) (2022)

68 years

Life expectancy (2022)

US\$ 1746

GDP per capita (2023)

58%

Literacy Rate (2022)

Source : Oxford Economics, World Bank data, IMF

# What are the most attractive industries ?

Senegal presents a promising investment landscape with several sectors showing significant potential. Here are some of the most attractive industries in the country.

**Agriculture and Agribusiness:** Senegal has a diverse agricultural sector with significant potential for growth. Key products include peanuts, cotton, millet, corn, and horticultural products like fruits and vegetables.

**Tourism:** With its beautiful beaches, historical sites, national parks, and vibrant culture, Senegal is an attractive destination for tourists. The government has been promoting ecotourism and cultural tourism.

**Mining:** Senegal is rich in natural resources including gold, phosphates, and zircon. The mining sector has been growing with foreign investment and exploration.

**Energy:** Senegal has been making significant strides in renewable energy, particularly solar and wind power. There are opportunities in energy generation, distribution, and related services.

# Senegal's International Membership

- Communauté Financière Africaine (**African Financial Community Franc Zone**)
- Economic Community of West African States (**ECOWAS**)
- West Africa Economic and Monetary Union (**UEMOA**)
- African Organisation of Intellectual Property (**QAPI**)
- World Intellectual Property (**WIPO**)
- Lome Convention
- Organisation pour l'Harmonisation en Afrique du Droit des Affaires (**OHADA**)
- Bern Copyright Convention



## Leading Companies in Senegal

1. Sonatel (Telecom)
2. Sococim (Cement)
3. Senelec (Utilities)
4. Banque Nationale de Développement Économique - BNDE (Banking)

# What is the tax regime in Senegal?

## Corporate income tax rate:

- The standard corporate tax rate is **30%**, with a **15%** rate applying to free export companies and companies with special economic zone (SEZ) status.

## Withholding tax (WHT):

Payments	Rate for Resident	Rate for Non Resident
Dividends	10%	10%
Interest*	16%	16%
Royalties	20%	20%

*\* An 8% rate applies to bank or stock broker account interest, and a 20% rate to interest on cash vouchers*

## Personal income tax rate:

- Progressive income tax rates ranging from **0%** to **43%** apply to both resident and non-resident individuals.

## Value Added Tax:

- The standard VAT rate in Senegal is **18%**. A reduced rate of **10%** applies to services provided by agreed tourist accommodation establishments.

# Tax treaties

Senegal has concluded tax treaties with the following countries.

COUNTRY	DIVIDENDS	INTEREST	ROYALTIES
Belgium	10%	16%	10%
Canada	10%	16%	15%
France	10%	15%	15%
Italy	10%	15%	15%
Lebanon	10%	10%	10%
Luxembourg	5%/10%	10%	6%/10%
Malaysia	5%/10%	10%	10%
Mauritania	10%	16%	0%
Morocco	10%	10%	10%
Norway	10%	16%	16%
Portugal	5%/10%	10%	10%
Qatar	D	D	D
Spain	10%	10%	10%
Taiwan	10%	15%	12.5%
Tunisia	10%	16%	D
United Arab Emirates	5%	5%	5%
United Kingdom	5%/8%/10%	10%	6%/10%
West African Economic and Monetary Union	10%	15%	15%



# Investment incentives offered in Senegal

## Investment Incentives

Incentives are granted under several laws, including the General Tax Code, the Investment Code, Mining Code, Petroleum Code, Environment Code, Free Zone Law, and the Free Export Companies Law. Senegal encourages investment from abroad, especially from developed countries.

### Tax incentives:

- Tax deductions are granted to enterprises that invest more than **XOF100 million** in the creation or expansion of a business in specific sectors.
  - The deduction is **40%** of the value of the investment for new investments and **30%** for investment in an existing business.
  - The annual deduction is capped at **50%** of the taxable profits for enterprises established in Dakar and at **70%** for enterprises established in other regions.
  - Exemptions from import duties and payroll costs and a suspension of import VAT also may apply.
  - Specific conditions of eligibility exist for small and medium sized companies.
- A **50%** tax deduction from taxable income is granted to enterprises that export more than **80%** of their production or services, resulting in an effective preferential corporate income tax rate of **15%**. Mining and oil companies are excluded from this measure.
- A free export company (FEC) regime is available for a company operating in the agriculture, industrial, or online sector that exports at least **80%** of its turnover outside the UEMOA zone.
  - The privileges granted under the FEC regime are valid for **25 years**.
  - FECs may benefit from a preferential **15%** corporate income tax rate and an exemption from WHT on dividend distributions, payroll taxes, registration taxes, the annual local economic contribution, land tax, and license tax
- Investments exceeding XOF250 billion are entitled to particular advantages negotiated directly between the investor and the relevant government ministry.

## As a foreigner, do I need a work permit ?

An expatriate living in Senegal for more than three months must obtain a resident card.



### Useful Links / Sources



1. [Central Bank of West African States](#)
2. [Invest in Senegal](#)
3. [Deloitte Guide to fiscal information](#)
4. [Data Worldbank](#)
5. [UNCTAD World Investment report](#)