

TRADE UNIONS AND TRADE



Senegal Trade Fact Sheet

African Continental Free Trade Area



SENEGAL TRADE FACT SHEET

Trade unions, Trade and AfCFTA

The Confédération Nationale des Travailleurs du Sénégal (CNTS)

October 2024

The AfCFTA will influence national policies that affect employment, income, and livelihoods – trade unions need to be prepared to engage with this process.

The practicalities of the AfCFTA, how it will affect trade, policies, and employment, are unknown and need to be better understood.

This resource provides insight into trade dynamics in Senegal and helps trade unions think about trade and their interests in the AfCFTA.

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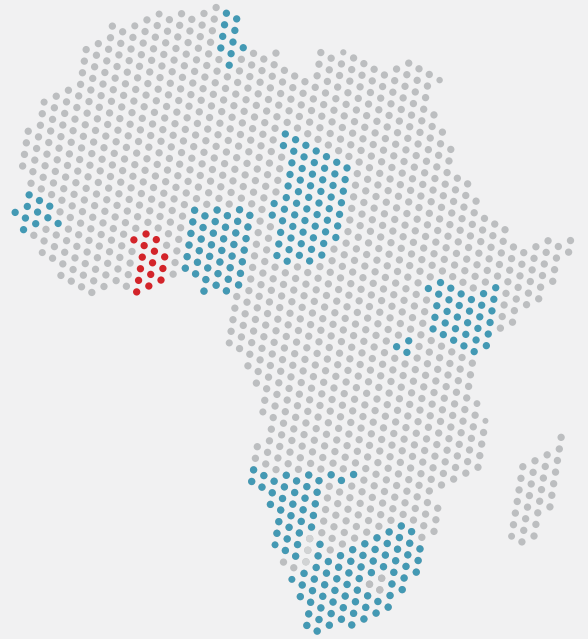
AFRICAN CONTINENTAL FREE TRADE AREA

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**TRADE UNIONS
AND TRADE**

**Senegal
Trade
Fact Sheet**

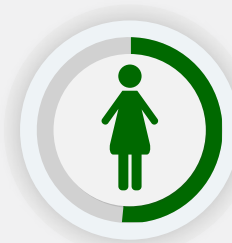
AFRICAN CONTINENTAL FREE TRADE AREA

SECTION 1: DEMOGRAPHICS

1.1 The population



SENEGAL'S POPULATION IS
ESTIMATED TO BE
18.12 MILLION
IN 2023.



FEMALES
49.36%



MALES
50.64%

See Table 1 below

As Table 1 shows, the population was almost evenly split between the sexes, with men accounting for 50.64% and women 49.36%.

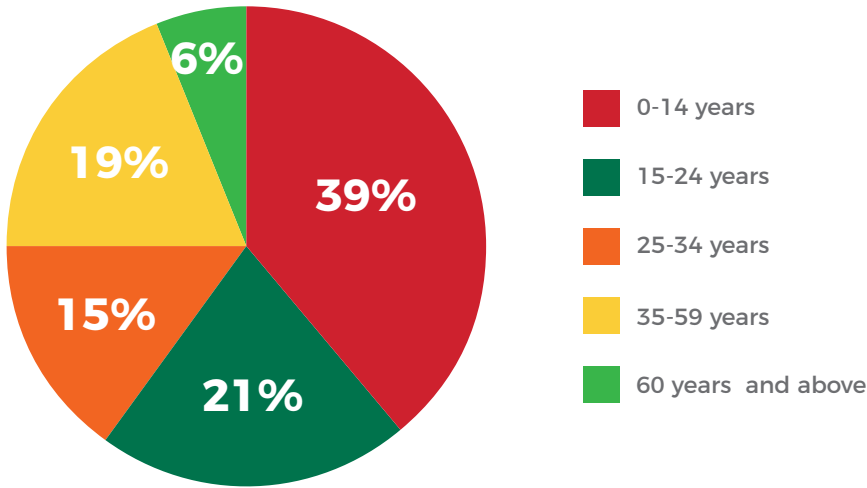
Table 1: Population (Projection) by Sex (2022)

Sex	Total	Percent
Male	9,178,896	50.64
Female	8,947,494	49.36
All	18,126,390	100

Source: Adapted from the fifth general population and housing census (RGPH-5)

Senegal has a young population. Figure 1 shows that around 39% of the country's population will be under the age of 15 in 2023. Furthermore, 21% and 15% of the population were aged between 15 and 24 and 25 and 34 respectively.

Figure 1: Population by age cohorts (2023)



Source: adapted from World Health Organization (2024)

Senegal has a youthful population.

39% UNDER 15 YEARS in 2023

A further **21%** were under **15-24 YEARS**

15% were under **25-34 YEARS**

Curioso.Photography / Shutterstock.com

SECTION 2: ECONOMIC INDICATORS

2.1 Gross Domestic Product (GDP)



IN 2022, GDP WAS APPROXIMATELY
US\$27.61 BILLION

Contribution to GDP



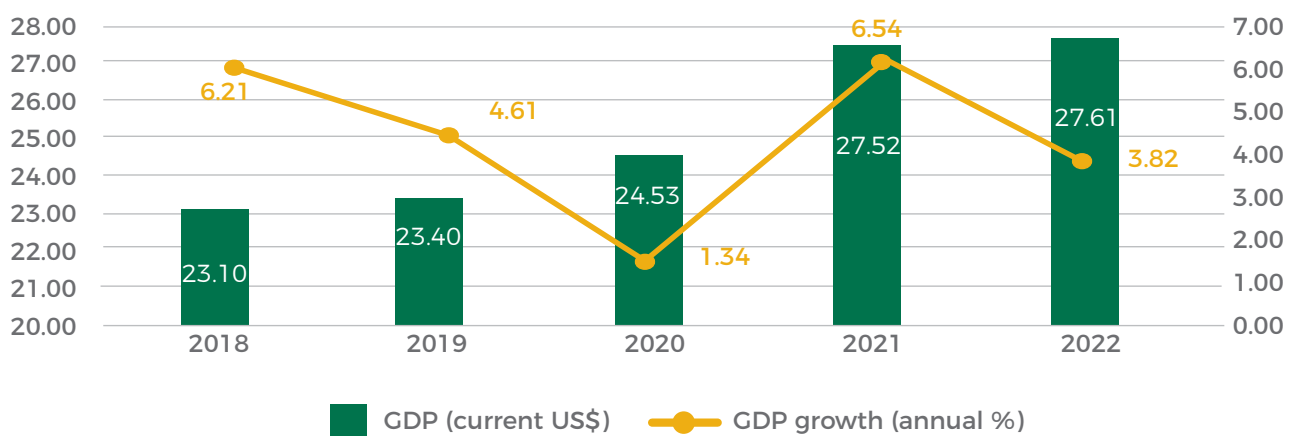
SERVICES INDUSTRY
44%



INDUSTRIAL SECTOR
30%

Senegal's GDP was around US\$27.61 billion in 2022. Figure 2 shows that Senegal's GDP growth has been below 7% since 2018.

Figure 2: GDP (billions of dollars) and GDP growth (%)

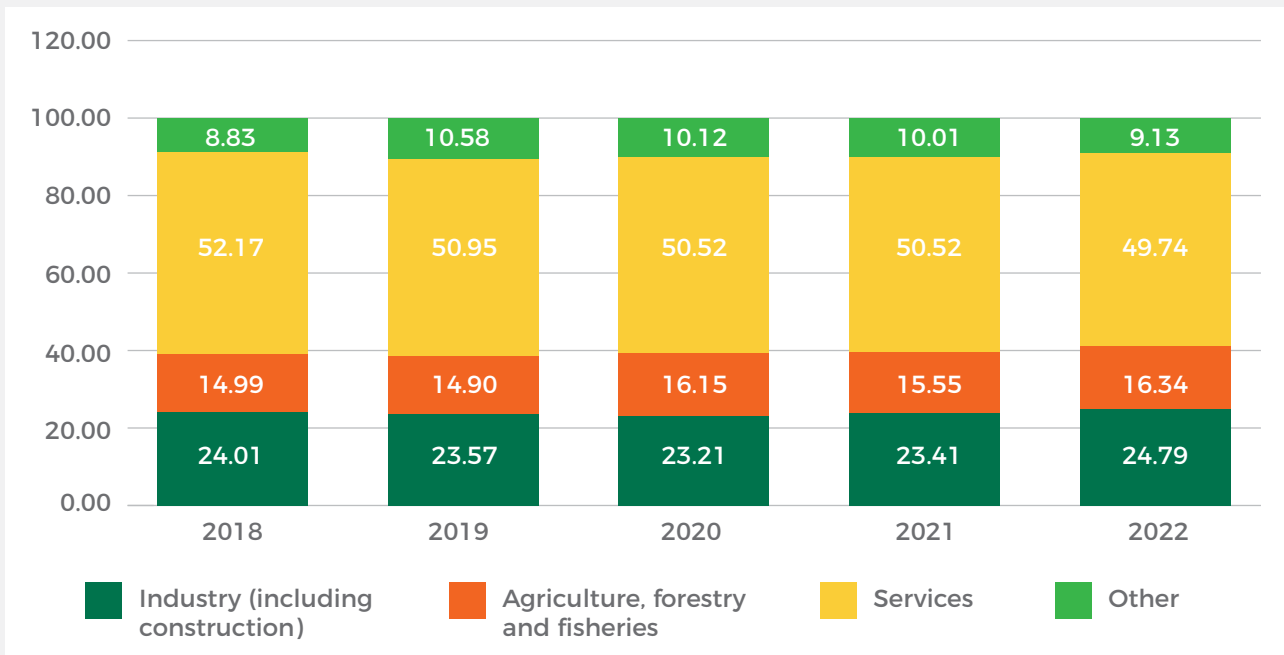


Source: adapted from the World Bank (2024)

2.2 GDP composition

The services sector is the main contributor to Senegal's GDP, accounting for around half by 2022. The industrial sector comes second, accounting for around a quarter of the country's GDP.

Figure 3: Sources of growth

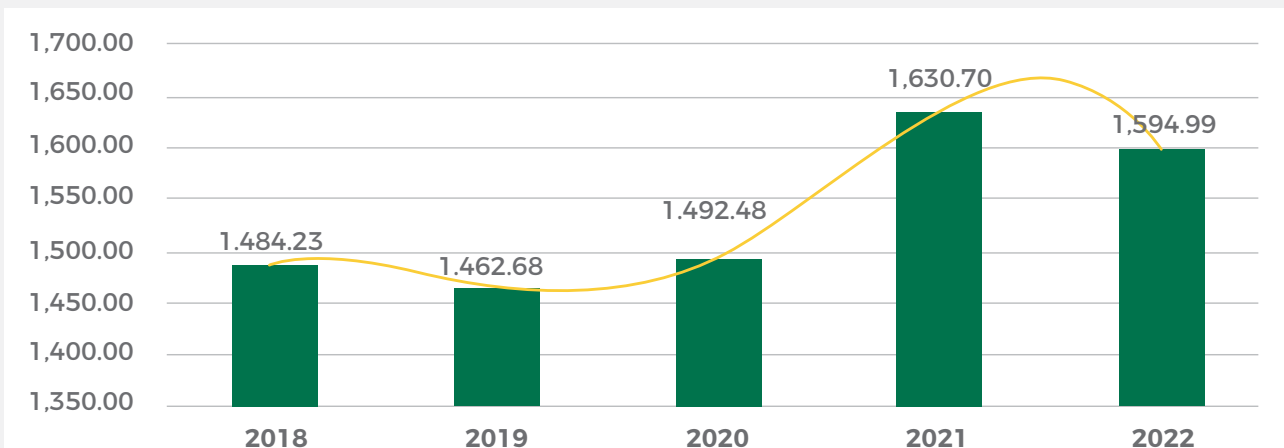


Source: adapted from the World Bank (2024)

2.3 GDP per Capita

Figure 4 shows that Senegal's GDP per capita was USD 1,594.99 in 2022, down from USD 1,630.70 the previous year. Income inequality remains high, with a Gini index of 36.2 (World Bank, 2024).

Figure 4: GDP per Capita (US\$)

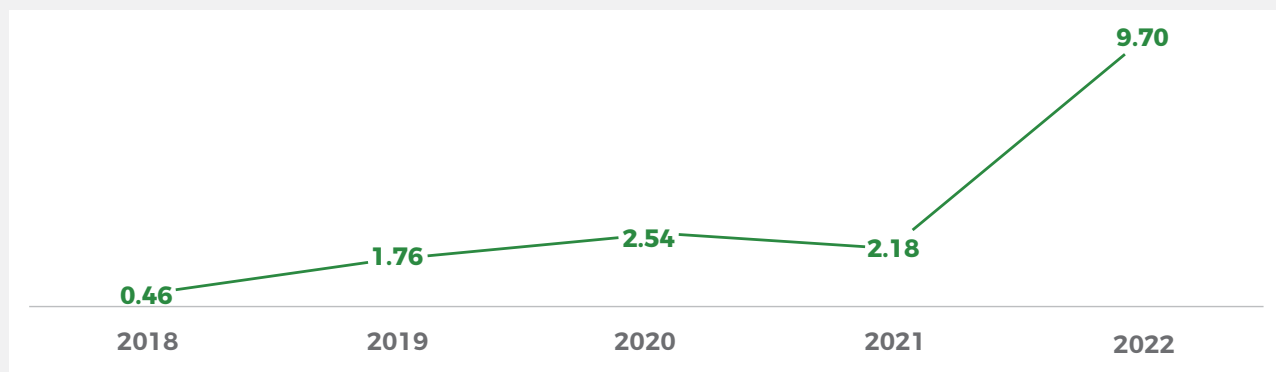


Sources: adapted from the World Bank (2024)

2.4 Inflation

Figure 4 shows that inflation in Senegal has remained below 10% since 2018. However, it has risen from 2.18% in 2021 to 9.7% in 2022.

Figure 5: Consumer price inflation (annual %)

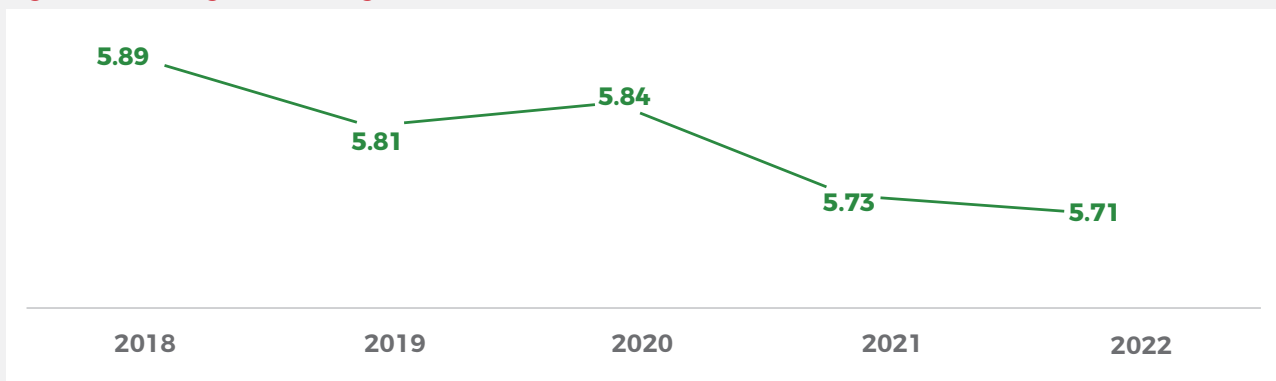


Source: adapted from the World Bank (2024)

2.5 Interest rates

Since 2018, average lending rates in Senegal have remained below 6% (see Figure 6).

Figure 6: Lending rate (average%)



Source: adapted from BCEAO (2023)

2.6 Exchange rates

Senegal is a member of the West African Monetary Union (UMOA), which uses a common currency - the CFA franc - issued by the Central Bank of West African States (BCEAO). Table 2 shows that between 2021 and 2022, the CFA franc depreciates by 11.8% against the US dollar.

Table 2: Average annual exchange rates (foreign currency units per 1,000 CFA francs)

Currency	2021	2022	Variation (%)
US Dollar	1.80	1.61	-11.8
Pound Sterling	1.31	1.30	-0.8

Source: adapted from BCEAO (2023B)

SECTION 3: THE LABOUR MARKET

3.1 Employment and Unemployment

Figure 7 highlights Senegal's employment/population ratio, showing that in 2022, 49.3 per cent of people aged 15 and over were employed. The employment rate is higher for men (65.2 per cent) than for women (37.1 per cent).

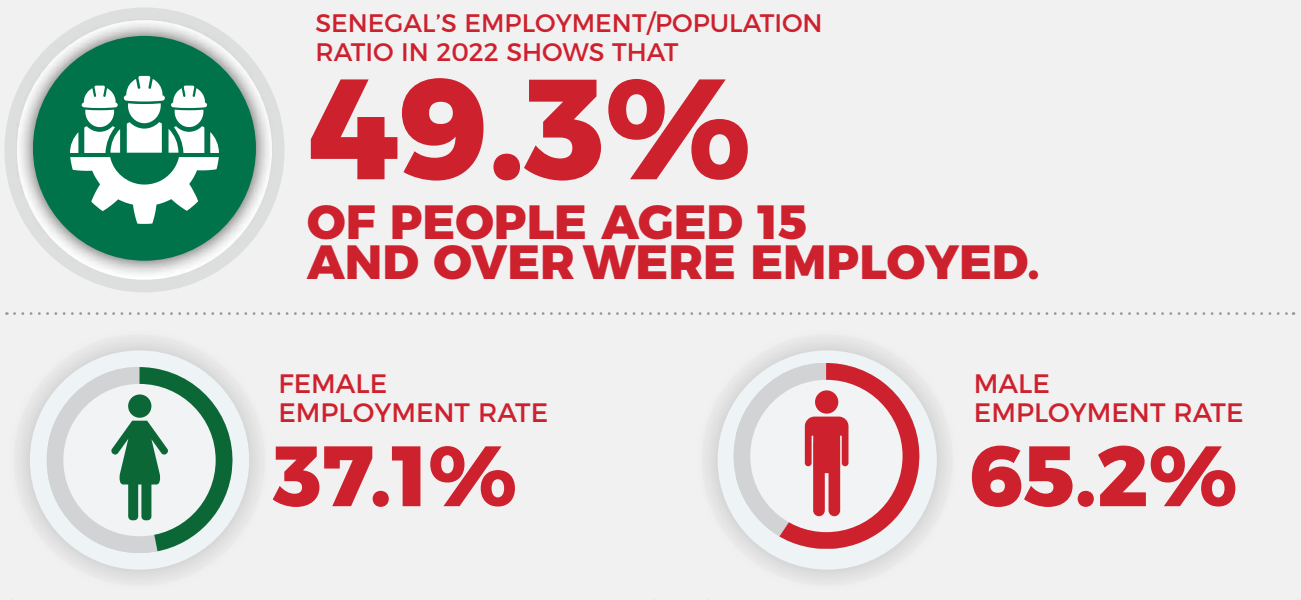
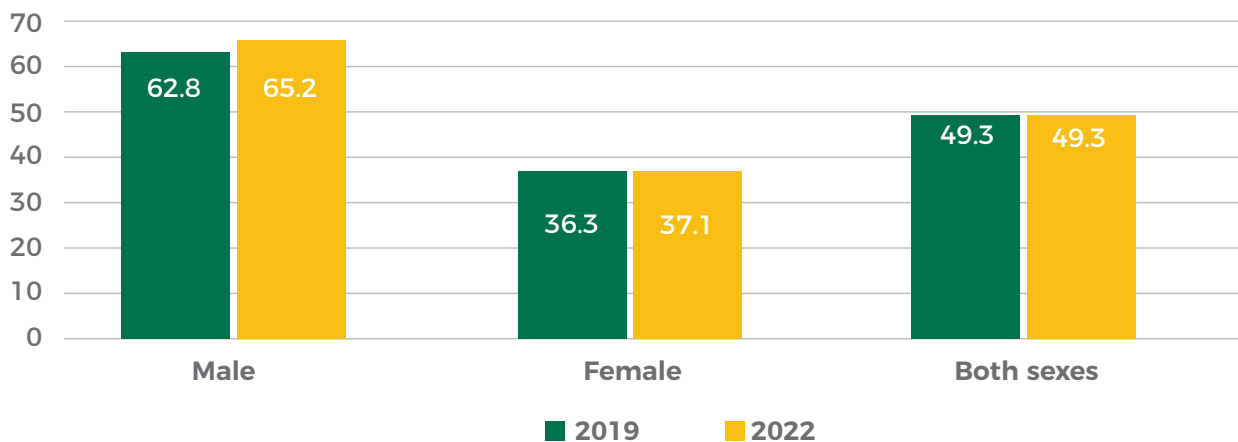


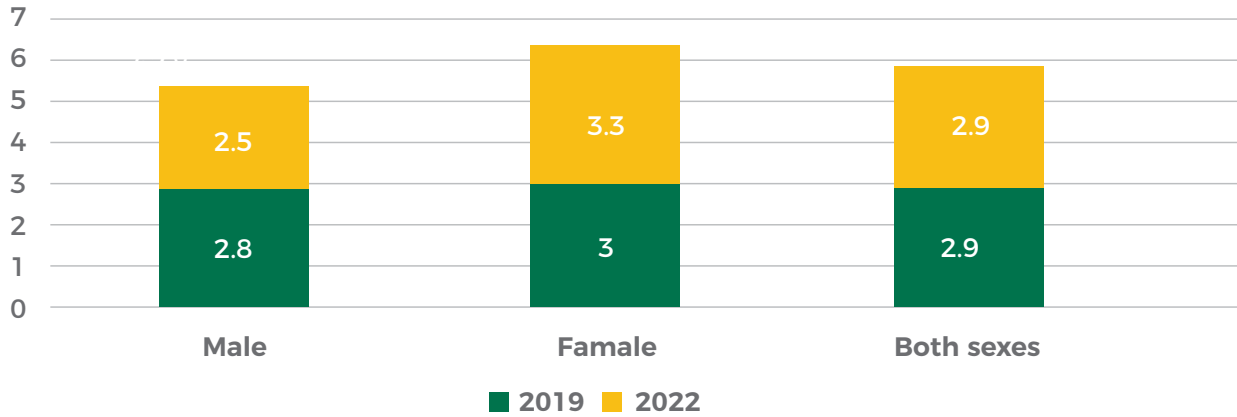
Figure 7: Employment/population ratio



Sources: adapted from the World Bank (2024)

Open unemployment is low in Senegal. As Figure 8 shows, around 3% of the workforce was unemployed in 2022.

Figure 8: Unemployment rate

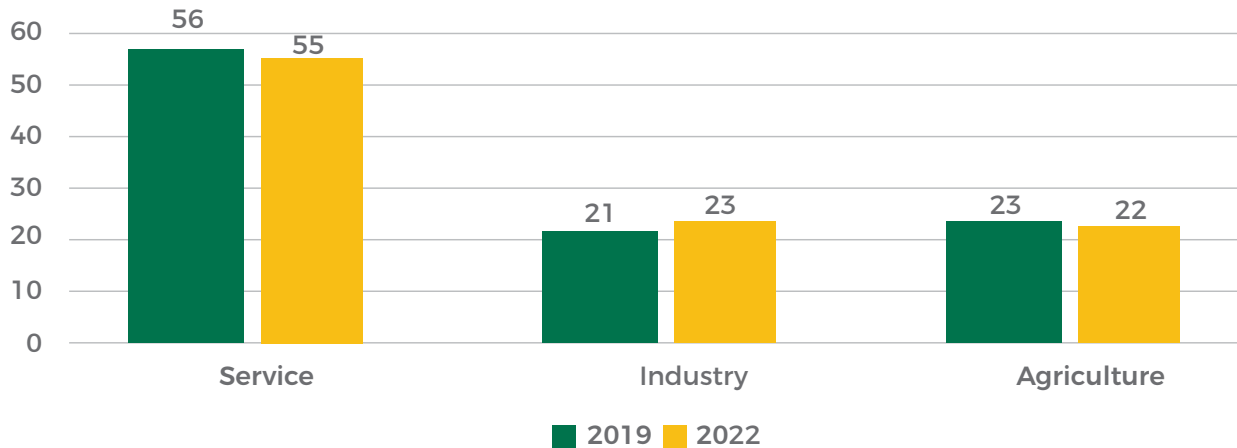


Sources: adapted from the World Bank (2024)

3.2 Industrial distribution of employment

The services sector is the main source of employment in Senegal, with around 55 per cent of employed people working in this sector in 2022 (see Figure 9).

Figure 9: Industrial distribution of employment



Sources: adapted from the World Bank (2024)

3.3 Informal economy

Senegal's economy and labour market are essentially informal. Around 97% of economic units operate in the informal economy and around 96% of the working population is employed in this sector (International Labour Organisation (ILO), 2024).

SECTION 4: TRADE UNION MEMBERSHIP

The latest trade union elections revealed that there were

217,120 UNIONISED EMPLOYEES.

The National Confederation of Senegalese Workers (CNTS) has around

120,000 MEMBERS,
making it the most representative union in the country.



SECTION 5: INTERNATIONAL TRADE

5.1 Merchandise exports and imports

Senegal's merchandise imports (goods) exceeded exports in 2015 and 2022. Table 3 shows that the country's imports exceed its exports by around \$6.6 billion in 2022.

Table 3: Merchandise trade (in millions of dollars)

Classification	2015	2022
Merchandise exports	2612	5710
Merchandise imports	5595	12065
Merchandise trade balance	-2983	-6355

Source: adapted from the United Nations Conference on Trade and Development (UNCTAD), 2024

5.2 Trade in services

Senegal's trade balances in services were negative in both 2015 and 2022. Table 4 shows that the country's services balance deficit rose from USD 116 million in 2015 to USD 2.3 billion in 2022. The main services exported by Senegal are transport (13.3%) and travel (33.2%).



SERVICE EXPORTS IN 2022:

US\$1.1MILLION



SERVICES IMPORTS IN 2022:

US\$3.5 MILLION



TRADE BALANCE IN 2022:

US\$2.3 MILLION

Table 4: Trade in services (in millions of dollars)

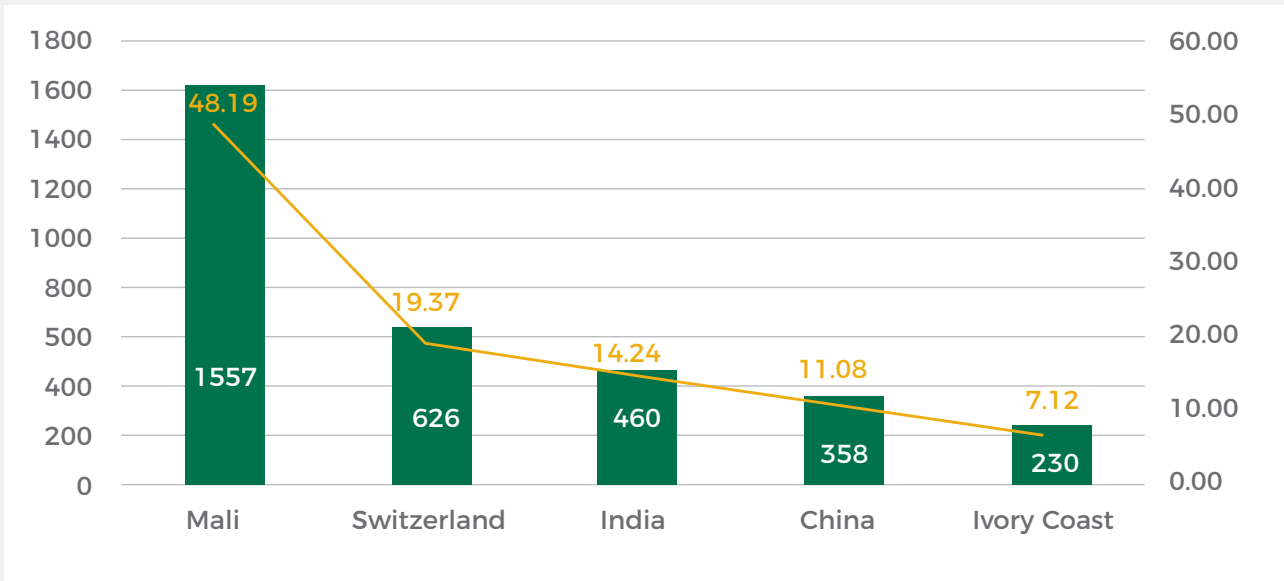
Classification	2015	2022
Services exports	1194	1194
Services imports	1310	3562
Services trade balance	-116	-2368

Source: adapted from UNCTAD (2024)

5.3 Main export destinations

The main destination for Senegal's exports in 2022 was Mali, accounting for around 48%. Figure 10 shows that Switzerland and Liechtenstein are in second place, receiving US\$626 million, or around 19 per cent of Senegal's exports in 2022.

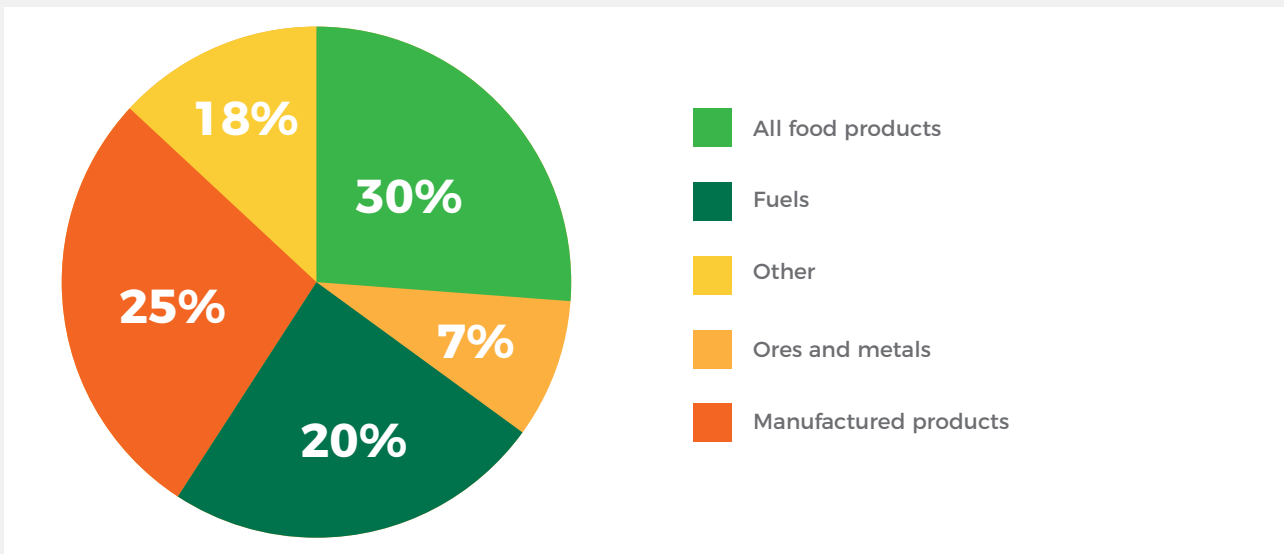
Figure 10: Top 5 partners (exports, in millions of dollars)



Source: adapted from UNCTAD (2024)

Food products were Senegal's main export commodity in 2022. Figure 11 shows that food products make up 30% of Senegal's exports, followed by manufactured goods (25%).

Figure 11: Structure of exports by product group in 2022



Source: adapted from UNCTAD (2024)

5.4 Main sources of imports

In 2022, China was Senegal's leading source of imports, accounting for 22.1 per cent of the country's total imports (Observatoire de la complexité économique (OCE), 2024) (Observatory of Economic Complexity (OCE)). As shown in Table 5, imports from China amounted to around US\$3.6 billion, representing around 48 per cent of the total value of imports from Senegal's top five importing countries.

Table 5: The five main sources of imports (2022)

Country	Amount (in millions of dollars)	Percent
China	3610	47.67
India	1250	16.51
France	1110	14.66
Belgium	877	11.58
United States	726	9.59
Total	7573	100

Source: adapted from OEC (2024)



CHINA WAS SENEGAL'S LEADING SOURCE OF IMPORTS IN 2021 AMOUNTING TO:

US\$3.6 BILLION

THE MAIN IMPORTS



REFINED PETROLEUM

US\$2.6 BILLION



SPECIAL-PURPOSE SHIPS

US\$814 MILLION



RICE

US\$657 BILLION



CRUDE OIL

US\$450 MILLION



WHEAT

US\$385 BILLION

Table 6 shows the five main products imported by Senegal in 2022. It shows that most of the country's imports will be refined petroleum, accounting for US\$2.6 billion, or around 54 per cent. Special-purpose ships come second (USD 814 million), followed by rice (USD 657 million), crude oil (USD 450 million) and wheat (USD 385 million).

Table 6: Main import products (in millions of dollars), 2022

Basic products	Amount (US\$)	Percent
Refined oil	2650	53.79
Special-purpose ships	814	16.52
Rice	657	13.33
Crude oil	420	8.52
Wheat	386	7.83

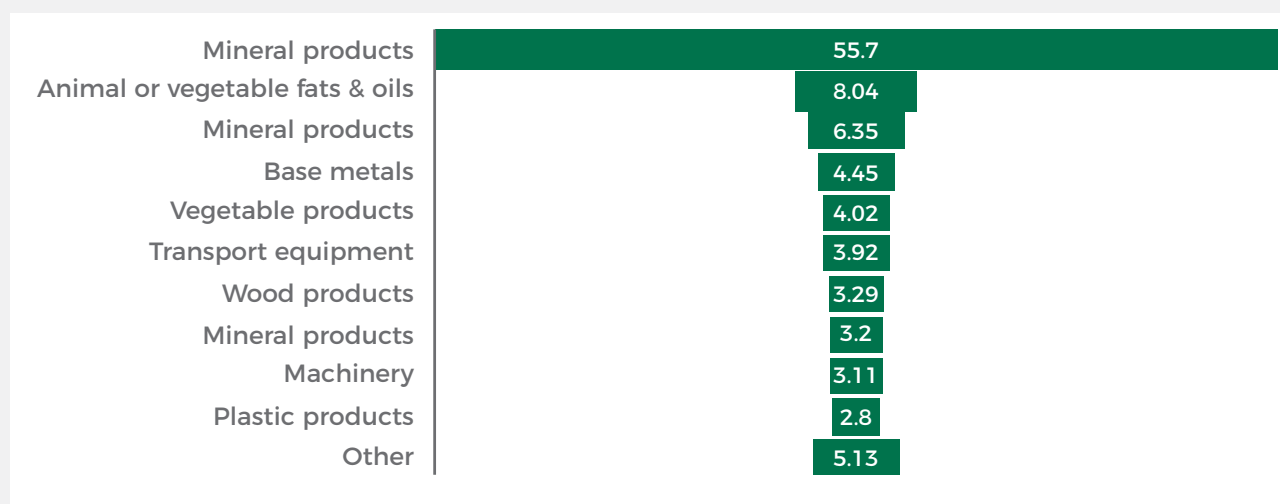
Source: adapted from the Observatory of Economic Complexity (OEC), 2024

5.5 Intra-African trade

Senegal's intra-African trade amounted to US\$3.2 billion in 2021, or 25% of the country's total world trade (Tralac, n.d.). Its exports to the rest of Africa consisted mainly of mineral and agri-food products, which accounted for around 40% and 30% respectively. Around 80% of Senegal's intra-African exports went to ECOWAS states, with Congo and Cameroon being the only non-ECOWAS countries in the top 10 destinations (ibid.).

Figure 12 shows that the majority of Senegal's intra-African imports were mineral products, accounting for around 56%. This was followed by animal or vegetable fats and oils (8 per cent) and food products, beverages and tobacco (6.38 per cent).

Figure 12 Main intra-African import products (%)



Source: adapted from Tralac (n.d.).

5.6 Trade agreements and belonging to an economic community

Senegal is a member and signatory to various regional, bilateral and multilateral trade agreements and economic groupings. These include the following agreements:

- Economic Community of West African States (ECOWAS) - Senegal is a member of ECOWAS, which has four major protocols, including those on freedom of movement and the rights of residence and establishment.
- West African Monetary Union (WAMU) - Senegal is a member of WAMU, which uses the CFA franc.
- World Trade Organisation (WTO) - Senegal has been a member of the WTO since 1 January 1995 and a member of the GATT since 27 September 1963.
- Africa Growth and Opportunities Act (AGOA) - Senegal is eligible for access to the US market under AGOA.
- African Continental Free Trade Area (AfCFTA) - Senegal is also a signatory to the AfCFTA, which aims to boost intra-African trade and is expected to generate up to \$3.4 trillion in combined GDP across African Union member states.

Table 7: Preferential Trade Agreements

Provider	Name
United Kingdom	Developing Countries Trading Scheme
Armenia	Generalized System of Preferences
Australia	Generalized System of Preferences
Canada	Generalized System of Preferences
European Union	Generalized System of Preferences
Japan	Generalized System of Preferences
Kazakhstan	Generalized System of Preferences
Kyrgyz Republic	Generalized System of Preferences
New Zealand	Generalized System of Preferences
Norway	Generalized System of Preferences
Russian Federation	Generalized System of Preferences
Switzerland	Generalized System of Preferences
Türkiye	Generalized System of Preferences
United States	Generalized System of Preferences
India	Duty-free tariff preferences for LDCs
Morocco	Duty-free treatment for African LDCs
Chile	Duty-free treatment for LDCs
China	Duty-free treatment for LDCs
Chinese Taipei	Duty-free treatment for LDCs
Montenegro	Duty-free treatment for LDCs
Tajikistan	Duty-free treatment for LDCs
Korea, Republic of	Preferential Tariff for LDCs
United States	African Growth and Opportunity Act

Source: adapted from WTO (n.d.)

SECTION 6: EXPORT PROCESSING ZONES (EPZS)

6.1 Special Economic Zones (SEZ)

Senegal has created special economic zones (SEZs) as poles of rapid economic growth, with the aim of improving the country's balance of trade, promoting job creation and attracting foreign direct investment (APIX-S.A., n.d.). Notable SEZs in the country include the DIASS integrated special economic zone, the Diamniadio integrated industrial parks and the Sandiara special economic zone (ibid.).

6.2 Legal framework

Senegal has adopted a number of important laws governing special economic zones (SEZs). These include:

- Law No. 2017-06 of 06 January 2017 on special economic zones
- Law No. 2017-06 of 06 January 2017 on the incentive scheme applicable in SEZs.
- Law No. 2017-534 creating and laying down the rules for the organisation and operation of the joint public-private commission.

6.3 Institutional framework

The governance structure of SEZs in Senegal comprises four authorities:

1. President of the Republic - responsible for developing and implementing SEZ policy

2. The Agence Nationale chargée de la Promotion de l'Investissement et des Grands Travaux (APIX-S.A.) (National Agency for Investment Promotion and Major Projects (APIX-S.A.)) - the authority responsible for administering SEZs.
3. Joint public-private SEZ Committee - advisory body for regulation, mediation and conciliation.
4. Promoter/developer - authority responsible for managing and operating SEZs

6.4 Incentives

Incentives offered to SEZ companies in Senegal include corporate tax exemptions, as well as access to land and public services (APIX-S.A., n.d.). These companies benefit from a reduced corporate tax rate of 15%, instead of the usual 30%, and are exempt from other taxes imposed by national and local authorities. In addition, they benefit from duty-free imports of goods, raw materials, equipment and services, and are allowed to export goods duty-free.

SECTION 7: INDUSTRIAL POLICY

7.1 Objectives and strategies

The Emerging Senegal Plan (Plan d'Action Prioritaire Ajusté et Accéléré -PAP2A) and the 2021-2035 Industrialisation Policy and Strategy are among the main master plans for Senegal's industrialisation. The priorities of the 2021-2035 industrialisation policy and strategy are as follows:

- processing of agricultural, forestry and fisheries raw materials,
- industrial processing of mineral resources and hydrocarbons,
- development of the pharmaceutical industry and pharmacopoeia
- the development of technology- and innovation-intensive industries
- improving the business environment for industrialisation
- strengthen the technical, technological and commercial capabilities of industrial units
- developing human capital and industrial innovation
- infrastructure development
- facilitating access to finance and investment

The Senegalese government has set up a High Presidential Council for Industrialisation (HCPI) to provide strategic guidance and monitor results (UNIDO, 2022).





The Emerging Senegal Plan (Plan d'Action Prioritaire Ajusté et Accéléré -PAP2A) and the 2021-2035 Industrialisation Policy and Strategy are among the main master plans for Senegal's industrialisation.

SECTION 8: LABOUR MIGRATION

8.1 Migration Centre

Senegal is a key destination, emigration and transit migration country in West Africa (International Organisation for Migration (IOM), 2024).

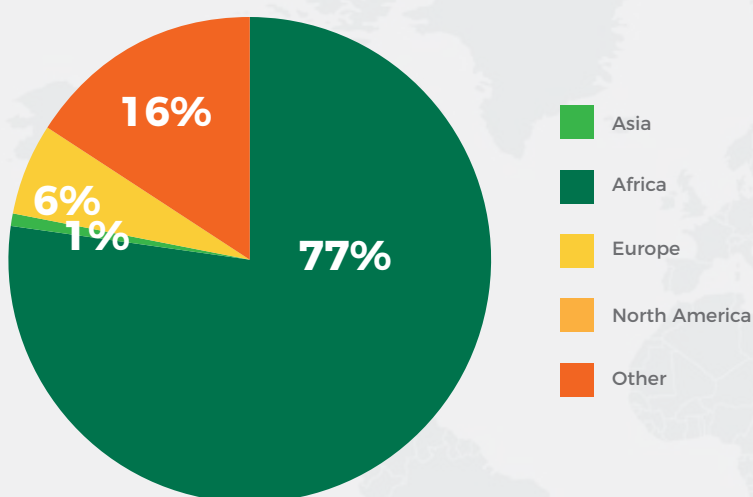
8.2 Migrants



IN 2022, SENEGAL WAS HOSTING AROUND
275,000
MIGRANTS (IOM, 2022).

Figure 13 shows that in 2020, the majority of migrants in Senegal were from Africa, representing around 77% of the country's migrant population.

Figure 13 Distribution of migrants by region of origin (2020)



Source: adapted from the United Nations (2020)

8.3 Emigrants



IN 2022, AROUND

694,000

SENEGALESE WERE LIVING ABROAD (IOM, 2022).



48%

OF EMIGRANTS WERE
IN EUROPE



41%

REMAINED IN
AFRICA



1 IN 10

SENEGALESE EMIGRANTS
RESIDED IN NORTH AMERICA.

Table 8 presents an analysis of the destinations of Senegalese emigrants in 2020.

Table 8: Senegalese living abroad (2020)

Region	Count	Percent
Europe	333,550	48.08
Africa	283,537	40.87
North America	69,582	10.03
Other	7,096	1.02
Total	693,765	100

Source : adapted from the United Nations (2020)

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Ministry for Foreign
Affairs of Finland

“A continental free trade agreement requires a continental free trade union movement on the continent.”

Mobilising trade union research, learning and strategies to influence the implementation of the African Continental Free Trade Area (AfCFTA).

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