

# Senegal

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RISK & COMPLIANCE REPORT

DATE: March 2018

## Executive Summary - Senegal

<b>Sanctions:</b>	None
<b>FATF list of AML Deficient Countries</b>	No
<b>Higher Risk Areas:</b>	US Dept of State Money Laundering Assessment Not on EU White list equivalent jurisdictions Corruption Index (Transparency International & W.G.I.)
<b>Medium Risk Areas:</b>	Compliance with FATF 40 + 9 Recommendations World Governance Indicators (Average Score) Failed States Index (Political Issues)(Average Score)
<p><b>Major Investment Areas:</b></p> <p><b>Agriculture - products:</b></p> <p>peanuts, millet, corn, sorghum, rice, cotton, tomatoes, green vegetables; cattle, poultry, pigs; fish</p> <p><b>Industries:</b></p> <p>agricultural and fish processing, phosphate mining, fertilizer production, petroleum refining; iron ore, zircon, and gold mining, construction materials, ship construction and repair</p> <p><b>Exports - commodities:</b></p> <p>fish, groundnuts (peanuts), petroleum products, phosphates, cotton</p> <p><b>Exports - partners:</b></p> <p>Mali 14.4%, Switzerland 14.1%, India 11.9%, France 4.7%, Guinea 4.2% (2012)</p> <p><b>Imports - commodities:</b></p> <p>food and beverages, capital goods, fuels</p> <p><b>Imports - partners:</b></p> <p>France 16.2%, Nigeria 12.9%, India 6.3%, China 6.3%, UK 4.6% (2012)</p>	

**Investment Restrictions:**

The Government of Senegal officially welcomes foreign investment, but potential investors, and indeed all businesses, face obstacles, including non-transparent regulation and high factor costs. There is no legal discrimination against businesses and business conducted or owned by foreign investors. There are no barriers in regard to 100 percent ownership of businesses by foreign investors in most sectors. However, in some key sectors such as telecommunications, water, mining, and security-related services, foreign investors may have majority control, but may not acquire 100 percent ownership.

Foreign nationals are permitted to buy and hold land.

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## Section 1 - Background

The French colonies of Senegal and the French Sudan were merged in 1959 and granted their independence as the Mali Federation in 1960. The union broke up after only a few months. Senegal joined with The Gambia to form the nominal confederation of Senegambia in 1982. The envisaged integration of the two countries was never carried out, and the union was dissolved in 1989. The Movement of Democratic Forces in the Casamance (MFDC) has led a low-level separatist insurgency in southern Senegal since the 1980s, and several peace deals have failed to resolve the conflict. Nevertheless, Senegal remains one of the most stable democracies in Africa and has a long history of participating in international peacekeeping and regional mediation. Senegal was ruled by a Socialist Party for 40 years until Abdoulaye WADE was elected president in 2000. He was reelected in 2007 and during his two terms amended Senegal's constitution over a dozen times to increase executive power and to weaken the opposition. His decision to run for a third presidential term sparked a large public backlash that led to his defeat in a March 2012 runoff election with Macky SALL.



## Section 2 - Anti – Money Laundering / Terrorist Financing

### FATF status

Senegal is not on the FATF List of Countries that have been identified as having strategic AML deficiencies

### Compliance with FATF Recommendations

The last Mutual Evaluation Report relating to the implementation of anti-money laundering and counter-terrorist financing standards in Senegal was undertaken by the Financial Action Task Force (FATF) in 2009. According to that Evaluation, Senegal was deemed Compliant for 6 and Largely Compliant for 13 of the FATF 40 + 9 Recommendations. It was Partially Compliant or Non-Compliant for 4 of the 6 Core Recommendations.

### Fifth follow-up report of Senegal

The fifth follow-up report of Senegal showed that the country had implemented commendable measures, including the establishment of the National Commission for the Recovery of Illicit Assets and the creation of a National Anti-Corruption Agency mandated to prevent corruption and related offences. In addition, it has set up other good governance structures to deal with economic and financial crimes in general. Other efforts made by Senegal include training relevant personnel of the FIU; analyses and dissemination of financial intelligence to law enforcement agencies; strengthening cooperation with other counterpart FIUs through the signing of MoUs; supervision of financial institutions and DNFBPs; and designation of a competent authority responsible for administrative freezing and monitoring compliance with freezing orders.

Senegal was encouraged to take urgent steps towards addressing deficiencies in adopting mechanisms for applying a risk-based approach, the obligation to carry out ongoing monitoring of customer relationships and transactions, a requirement for enhanced CDD measures for high-risk customers, a requirement to report attempted transactions, and procedures consistent with the requirements of UNSCRs 1267 and 1373. The Plenary maintained Senegal on Expedited Regular Follow-up and directed it to submit its sixth follow-up report to the Plenary in May 2014.

### GIABA Annual Report 2013

### Prevalence of Predicate Crimes

Senegal shares borders with Guinea, Guinea Bissau and Mali, countries that have been affected by transnational organized crime and terrorist activities. Moreover, Senegal is a regional financial centre, whose economy is largely cash-based. The Country Report of Senegal lists drug trafficking, tax fraud, other investments and cyber-crime as the most prevalent predicate crimes in 2013.

The US State Department's INCSR 2013 extends the list to include bank and deposit fraud, document forgery, resale of stolen cars, and ponzi schemes. Corruption is also reported to be high in the country, permeating all levels of government and commerce, according to the report.

All of these activities generate illicit money, which is laundered through different channels, most commonly the real estate and the DNFBPs sectors. If the INCSR is considered, the list extends to include trade-based money laundering.

### **AML/CFT Situation**

Senegal has increasingly demonstrated commitment to combat financial crimes, including ML/TF. Some of the outstanding measures the country implemented in 2013 to strengthen its AML/CFT regime include the establishment of the National Commission for the Recovery of Illicit Assets and the creation of the National Commission against Corruption and Fraud. Other critical steps the country has taken include the resuscitation of the Special Court against Illegal Enrichment, the establishment of the Ministry for Good Governance, the revamping of the Auditor General's Office, and the adoption of the Law on transparent management of public finance, which imposes the obligation to declare assets on public and elected officials. A draft national AML/CFT strategy is currently awaiting approval by the national authorities, pursuant to the AML/CFT Law. In addition, several court decisions were made including jail sentences, fines and confiscations on money laundering charges.

Equally crucial is the training of relevant personnel of the FIU on analyses and dissemination of STRs by the FIU, expansion of the networks of the FIU through the signing of MOUs (19), supervision of financial institutions and DNFBPs, and designation of a competent authority to order administrative freezing and monitoring compliance.

In 2013, the FIU of Senegal received 109 ML-linked STRs. Fourteen of the cases analysed were sent to the enforcement authorities for investigation and prosecution, and three convictions were secured.

While Senegal has made far-reaching progress in strengthening its AML/CFT system, the following deficiencies remain: adoption of an appropriate risk-based approach framework; implementation of CDD measures for ongoing monitoring of customer relationships and transactions; conduct of enhanced due diligence measures for high-risk customers; development of the requirement to report attempted transactions; and a mechanism for the implementation of UNSCRs 1267 and 1373 and their succession resolutions.

### **Conclusion**

Senegal's political commitment to effective implementation of AML/CFT measures is exemplary. GIABA will continue to support the country to address the remaining deficiencies in its AML/CFT regime, and to bring it into full compliance with international standards.

Senegal's resolve to combat corruption must not wane, but should be reinvigorated in the face of the country's vulnerability to the real threats of organized crime and terrorism from its neighbours. Particular attention needs to be given to the training and retraining of law enforcement agencies and financial institutions in order to effectively counter the ML/TF threats the country faces.

## US Department of State Money Laundering assessment (INCSR)

### **Senegal is categorised by the US State Department as a Country/Jurisdiction of Primary Concern in respect of Money Laundering and Financial Crimes.**

#### OVERVIEW

Senegal serves as a regional business center for Francophone West Africa and hosts the headquarters of the central bank for the eight-member West African Economic and Monetary Union (WAEMU). As a result, Senegal is exposed to risks from organized crime, drug trafficking, internet fraud, bank and deposit fraud, and Ponzi schemes. No major changes in money laundering trends emerged in 2017. Senegal's most important vulnerabilities to money laundering arise via bank transfers to offshore accounts in tax havens and real estate transactions conducted with cash. Corruption is a significant concern within government institutions and the private sector.

The Government of Senegal continues to build its proficiency to prevent and investigate financial crimes. Training for law enforcement officers, prosecutors, and judges on the investigation and prosecution of money laundering is essential. Drafting and enacting a non-conviction-based forfeiture law to allow assets to be seized in the absence of criminal charges would serve as a deterrent to trafficking and money laundering activity. Senegal also needs legislation on the management, storage, and disposal of seized property.

#### VULNERABILITIES AND EXPECTED TYPOLOGIES

Corruption and drug trafficking are the most likely sources of laundered financial proceeds. Money is often laundered via cash purchases of real estate and bank transfers through Senegalese financial institutions to offshore tax havens.

According to a World Bank survey, only 15 percent of Senegalese adults owned bank accounts in 2014. As a result, most transactions involve cash, including purchases of real estate and financing of construction, presenting opportunities for laundering illicit funds. Documentation of real estate ownership is both scarce and unreliable. Transfers of real property are often opaque. The government can reduce vulnerabilities to money laundering by improving the system of land administration.

Touba, located in the central region of Senegal, is an autonomous municipality under the jurisdiction of the Mouride religious brotherhood. As the focal point of a worldwide network of Mouride communities, a significant portion of the remittances Senegalese abroad send home each year is destined for Touba. Estimates of formal remittance flows to Senegal exceed U.S. \$1 billion annually; the total flow of remittances is likely to be much larger. These facts, and the national government's limited authority in the city, make Touba vulnerable to TBML. Other areas of concern include the transport of cash, gold, and other items of value through Senegal's international airport and across its porous borders. The widespread use of cash and money transfer services, including informal channels (hawaladars), and new payment methods also contribute to money laundering vulnerabilities. Mobile payment systems such as Wari, Joni- Joni, and Western Union cater to the needs of the unbanked Senegalese, but are not always subject to enforcement of AML controls due primarily to resource constraints.

Senegal did not enact new laws or regulations on money laundering in 2017. The government is considering new legislation on the management, storage, and disposal of seized property. Senegal is not subject to U.S. or international sanctions or penalties.

The Central Bank of West African States (BCEAO) regulates banks within the eight WAEMU countries. The BCEAO prescribes KYC practices for WAEMU financial institutions. Since 2016, the BCEAO's KYC rules have covered money transfer operations.

Senegal is a member of the GIABA, a FATF-style regional body.

#### AML DEFICIENCIES

Senegalese authorities were drafting legislation extending enhanced due diligence to domestic PEPs in 2015, but, as of yearend 2017, no such law has been enacted. To address money laundering enforcement deficiencies, Senegalese authorities rely on training by cooperating partners and donors.

#### ENFORCEMENT/IMPLEMENTATION ISSUES AND COMMENTS

The BCEAO addresses money laundering concerns at regional banking conferences, most recently in May and July 2017. Financial institutions in Senegal are working with the BCEAO and Senegalese authorities to build their capabilities to detect suspicious transactions. The United States and Senegal do not have a bilateral MLAT or an extradition treaty. Senegal is a party to relevant multilateral law enforcement conventions that have mutual legal assistance provisions. The United States and Senegal also can make and receive requests for mutual legal assistance on the basis of domestic law.

#### **Current Weaknesses in Government Legislation (2013 INCRS Comparative Tables):**

According to the US State Department, Senegal does not conform with regard to the following government legislation: -

**Record Large Transactions** - By law or regulation, banks are required to maintain records of large transactions in currency or other monetary instruments.

### **EU White list of Equivalent Jurisdictions**

Senegal is not currently on the EU White list of Equivalent Jurisdictions

### **World Governance indicators**

[To view historic Governance Indicators Ctrl + Click here and then select country](#)

### **Failed States Index**

[To view Failed States Index Ctrl + Click here](#)

### **Offshore Financial Centre**

Senegal is not considered to be an Offshore Financial Centre

### US State Dept Narcotics Report 2017

Senegal's location and transportation infrastructure make it an appealing transit point for drug traffickers moving illegal drugs into Europe and across West Africa. Cocaine is trafficked into Senegal by land and sea from neighboring countries including Guinea-Bissau and Mali, then on to Europe by sea and air. Cannabis is cultivated in the southern Casamance region for local use and to supply markets across West Africa, and methamphetamine is transported into Senegal from Nigeria.

In 2016, there were continued seizures by Senegalese law enforcement authorities of the *Catha Edulis* (khat) plant as well as multi-ton quantities of marijuana. The seizures of khat decreased during the latter part of 2016, and there has been some resistance to pursuing criminal cases by Senegalese authorities. Khat contains cathinone, a Schedule I substance under the U.S. Controlled Substances Act.

Senegal's 1997 Drug Law was amended in 2006 with tougher penalties for drug trafficking. Senegal's national counternarcotics plan, drafted in 1998, aims to control the cultivation, production, and trafficking of drugs, as well as to inform the population of the dangers of drug use, and the need to rehabilitate persons with substance use disorders. Senegal lacks the resources to reliably identify and seize narcotics, to investigate and dismantle larger networks outside its borders, or to identify the funding and money laundering schemes used by drug trafficking organizations.

Senegal collaborates with partners from the Economic Community of West African States (ECOWAS) to combat narcotics trafficking. In addition, Senegal participates in regional conferences that address prosecuting drug trafficking cases. For example in November 2016, Senegal participated in the 6<sup>th</sup> Plenary Meeting of the West African Network of Central Authorities and Prosecutors against Organized Crime, which was hosted by the United Nations Office on Drugs and Crime. Senegal has signed mutual legal assistance agreements with the United Kingdom and France to facilitate the exchange of enforcement information on narcotics trafficking and other transnational crimes. In 2011, the United States and Senegal signed a bilateral agreement to strengthen Senegal's capacity to counter maritime drug trafficking through joint U.S.-Senegalese operations. In 2016, the United States provided training to the Senegalese Navy on maritime vessel maintenance to support its drug interdiction efforts.

The United States supports the activities of the Community Anti-Drug Coalitions of America in Senegal, which conducted training in collaboration with local non-governmental organizations to develop strategies to prevent drug use and reduce crime and violence.

While the Government of Senegal has the political will to fight drug trafficking, limited infrastructure and funding impede its efforts. Traffickers continue to have superior resources, limiting the government's ability to track and prevent the movement of illegal drugs.

### **US State Dept Trafficking in Persons Report 2016 (introduction):**

Senegal is classified a Tier 2 (Watch List) country - a country whose government does not fully comply with the Trafficking Victims Protection Act's minimum standards, but is making significant efforts to bring themselves into compliance with those standards.

Senegal is a source, transit, and destination country for children and women who are subjected to forced labor and sex trafficking. Children, most of whom are talibes—students attending daaras (Koranic schools) run by teachers known as marabouts—are forced to beg throughout Senegal. In the region of Dakar alone, approximately 30,000 talibes are forced to beg in the streets, and the problem is prevalent throughout the country. Senegalese boys and girls are also subjected to domestic servitude, forced labor in gold mines, and sex trafficking. Internal trafficking is more prevalent than transnational trafficking, although boys from The Gambia, Mali, Guinea-Bissau, and Guinea have been subjected to forced begging and forced labor in artisanal gold mines in Senegal. Senegalese women and girls are transported to neighboring countries, Europe, and the Middle East for domestic servitude. NGO observers believe most Senegalese sex trafficking victims endure exploitation within Senegal, particularly in prostitution in the southeastern gold-mining region of Kedougou. Women and girls from other West African countries are subjected to domestic servitude and sex trafficking in Senegal, including for sex tourism.

The Government of Senegal does not fully meet the minimum standards for the elimination of trafficking; however, it is making significant efforts to do so. The government identified an increased number of trafficking victims and provided funding to the only trafficking-specific shelter in the country. The government updated Senegal's two-year national action plan to combat trafficking, and made limited progress on its implementation during the reporting year. Despite these measures, the government did not demonstrate overall increasing anti-trafficking efforts compared to the previous reporting period; therefore, Senegal is placed on Tier 2 Watch List. The government reported no prosecutions of suspected trafficking offenders in 2015, compared with four in 2014; it investigated and prosecuted three marabouts for exploiting talibes during the reporting period. The one marabout it convicted received an insufficiently stringent sentence of three months' imprisonment and a second marabout was acquitted. Overall, it continued minimal and inadequate law enforcement efforts against unscrupulous marabouts exploiting children in forced begging, which remains Senegal's predominant trafficking problem, and enactment of the daara modernization law was delayed. Officials did not adequately regulate or inspect the informal sectors of the economy, such as mining, to prevent forced labor or use the national database for tracking law enforcement statistics.

### **US State Dept Terrorism Report 2016**

#### **Overview:**

The Government of Senegal worked closely with U.S. military and law enforcement officials to strengthen its counterterrorism capabilities. High-profile attacks in late 2015 in Mali and in early 2016 in Cote d'Ivoire and Burkina Faso heightened concerns in Senegal that it could become a target for terrorist attacks. The Senegalese government undertook several

important legislative and structural changes to better confront the threat posed by terrorists in the region, but these changes were not fully implemented by the end of 2016.

The risk of violent extremism and terrorist activity in Senegal arises from external and internal factors. Externally, transnational threats arose due to the Senegalese military presence in several theaters of operation in the region. Internally, fundamentalist ideologies promoted by a small number of religious leaders constituted the chief concern; however, these ideologies are well outside the moderate Islam that predominates in Senegal.

**Legislation, Law Enforcement, and Border Security:** The Government of Senegal enacted several important changes to its counterterrorism structures in 2016. In February, Senegal created a specialized Inter-Ministerial Framework for Intervention and Coordination of Counterterrorism Operations (CICO) to coordinate its terrorism response. In November, the government enacted changes to its Criminal Code and Criminal Procedure Code, creating new terrorism offenses and increasing penalties and pre-trial detention periods. Finally, in December, Senegal's President and Prime Minister signed legislation – unique in West Africa – that consolidates Senegal's intelligence services with its judiciary and could greatly expand Senegal's investigative options in terrorism cases. This law, related to intelligence services, allows intelligence officers to refer cases directly to prosecutors and, in turn, gives prosecutors the power to supervise and direct police officers within the specialized team of investigators assigned to the intelligence services. The CICO and the intelligence law were not fully implemented by the end of 2016. Senegal's Ministry of Justice has created a specialized counterterrorism pool consisting of four prosecutors and seven investigative judges, based in Dakar, who have national jurisdiction for terrorism prosecutions and case oversight.

Senegal's gendarmerie and national police have specialized units to detect, deter, and prevent acts of terrorism. Senegal is working to improve its law enforcement capacity by participating in multilateral efforts, such as the Global Counterterrorism Forum's (GCTF's) Border Security Initiative and programs of the African Union (AU) and the Economic Community of West African States (ECOWAS). Additionally, Senegal has been working with the International Organization for Migration (IOM) to promote cooperation and coordination between border agencies, including creating new, joint points of entry, funded by the European Union and the Government of Japan. With U.S. funding, the IOM is implementing a complimentary program to enhance institutional capacities in securing and managing national borders. This will include developing and emphasizing: stronger community engagement and more coherent approaches to border management, interagency cooperation, and coordination; cross-border interoperability; and trust between border communities and security officials that contributes to establishing open but well-controlled and secure borders guaranteeing full respect of human rights of persons on the move. Senegal also participated in U.S. government counterterrorism capacity-building programs, including the Department of State's Antiterrorism Assistance Program, and received significant funding and training from the French government.

Senegalese officials have identified a continued lack of border resources and regional cooperation as major security vulnerabilities. These vulnerabilities are exacerbated by the absence of systems to ensure travel document security, the effective use of terrorist screening watch lists, and the collection of biographic and biometric screening capabilities beyond those deployed at major ports of entry. The southern and eastern portions of the country have far fewer resources to detect and deter extremists from traveling through those

areas. Additionally, there is a lack of interagency cooperation across the several government entities that deal with terrorism, but there are hopes the newly created CICO will bring much needed coordination within the government.

Significant law enforcement actions in 2016 included the June arrest of a religious leader who was accused of advocating terrorism. He was later sentenced to 30 months in jail. Ten other individuals were arrested during the year on suspicion of conspiring to commit terrorist acts related to their support for Boko Haram. One Senegalese national was arrested in Mauritania and extradited to Senegal in July on charges of conspiracy to commit terrorist acts, illegal possession of explosives, and financing terrorism. Three other individuals were arrested and charged with transmitting terrorism propaganda via social media.

**Countering the Financing of Terrorism:** Senegal is a member of the Inter-Governmental Action Group against Money Laundering in West Africa, a Financial Action Task Force-style regional body. Senegal's financial intelligence unit, the National Financial Intelligence Processing Unit, is a member of the Egmont Group of Financial Intelligence Units. At the regional level, Senegal implements the anti-money laundering/countering the financing of terrorism (AML/CFT) framework used by member states of the West African Economic and Monetary Union (WAEMU). Among WAEMU countries, Senegal was the first to implement the regional AML/CFT legal framework domestically through the adoption of a terrorist financing law in 2009.

Senegal did not enact any new laws or regulations on CFT in 2016, but it did prosecute one individual under their existing regulations. While Senegal criminalizes the offense of terrorist financing, it does not criminalize the provision of funds to terrorist organizations or to individual terrorists in the absence of a link to a specific terrorist act. Senegal also lacks specific measures to criminalize the provision of support for foreign terrorist fighters. Additionally, Senegal has a framework in place to carry out its obligations under the UN Security Council (UNSC) ISIL (Da'esh) and al-Qa'ida sanctions regime; however, the procedures for accessing and freezing assets of listed individuals is not clarified in existing regulations.

## International Sanctions

None applicable

## Bribery & Corruption

Index	Rating (100-Good / 0-Bad)
Transparency International Corruption Index	45
World Governance Indicator – Control of Corruption	57

Corruption poses moderate to high risks in most sectors in Senegal, with bribery and petty corruption being particularly common. Senegal's anti-corruption law is primarily contained in the Penal Code (in French), which criminalizes extortion, active and passive bribery, bribing foreign officials and money laundering, as well as private-to-private corruption. The legal status of facilitation payments is unclear, but they are expected when doing business. The legal status and expectations concerning gifts and hospitality is also difficult to determine. Overall, a weak judiciary hinders enforcement of legal provisions. **Information provided by GAN Integrity.**

### US State Department

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

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

Senegal is a signatory of the United Nations Convention Against Corruption but it is not a signatory of the OECD Convention to Combat Bribery. Senegal's financial intelligence unit, Cellule Nationale de Traitement des Informations Financières (CENTIF) is responsible for

investigating money laundering and terrorist financing. CENTIF has broad authority to investigate suspicious financial transactions, including those of government officials.

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

## **Corruption and Government Transparency - Report by Global Security**

### **Political Climate**

Senegal has one of the most democratic systems of governance in Western African and is one of the few countries in Africa never to have experienced a coup. The country enjoys relative stability, though there is some unrest in the southern Casamance region.

In March 2012, President Abdoulaye Wade lost a runoff election, after ruling Senegal for more than a decade. Upon leaving office a month later, the press discovered that Wade during his time as president, had been associated with massive embezzlement and misuse of public funds along with several of his associates, as reported by the US Department of State 2012. For instance, Karim Wade, the son of former President Wade, was charged with corruption in April 2013. Karim Wade held the post of Minister of Infrastructure International Cooperation, Energy and Air Transportation and was responsible for a budget equivalent to one-third of state expenditure. Senegal prosecutors ordered him to be detained without bail, as reported in an April 2013 article by Reuters. The article notes that Wade was charged with illegally amassing USD 1.4 billion in assets via a network of shadowy holding companies. The case highlights current President Sall's fight against corruption; nevertheless, Karim Wade's lawyers claim that the prosecution is politically charged. In June 2012, President Sall shut down 59 state institutions and began audits of government projects, thus improving investors' outlook for West Africa and promoting greater transparency and accountability, as reported by Freedom House 2013. Moreover, he has pledged to set up a court to prosecute economic crimes and misuse of public funds. The US Department of State 2012 also reports that a prosecutor reopened financial asset investigations which were suspended in 2011. Investigations into alleged corruption and misappropriation of government funds by Wade Administration officials was also spurred, bringing about several achievements as numerous former officials were arrested, including former head of Senegal's telecommunications regulator, former director general of the Senegalese Council of Shipper and former director of the Senegalese National Lottery. Investigations were still open by the end of 2012.

According to the US Department of State 2012 and the Bertelsmann Foundation 2012, in spite of numerous pronouncements against corruption, a significant gap persists between rhetoric and implementation. Some observers argue that the situation has worsened under Wade's presidency. The government has failed to take action against corrupt officials and petty corruption is widespread. As an example, 56% of surveyed households in Transparency International's Global Corruption Barometer 2010-2011 reported to have paid a bribe between 2009 and 2010 in order to receive services from different providers of public utilities, such as the police. Moreover, 61% perceived the government's fight against corruption as

'ineffective', while 88% perceived the level of corruption in Senegal to have increased within the past three years. Corruption occurs at higher levels of bureaucracy as well, especially in connection with the awarding of government contracts. Higher government officials and politicians have been indicted for corruption under current President Sall. The government has cracked down on corruption and introduced initiatives, such as the establishment of the Ministry for the Promotion of Good Governance to oversee the different ministries' implementation of good governance and transparency. Furthermore, Sall created the National Anti-Corruption Agency (OFNAC), replacing the Commission Nationale de Lutte Contre la non Transparence, la Corruption et la Concussion, which was considered inept in the fight against corruption in Senegal. According to a March 2013 article by The Atlantic, the new government's efforts have spurred confidence and decreased the occurrence of high-level corruption.

### **Business and Corruption**

The Senegalese government encourages private sector growth and foreign companies are treated on the same footing as local ones. Companies can refer to the government website (in French) for business related information and application forms. According to the World Economic Forum Global Competitiveness Report 2012-2013, access to financing, tax regulations and corruption are among the greatest constraints to foreign companies operating in Senegal. The business executives surveyed from the same report state that the diversion of public funds to companies, individuals or groups due to corruption is quite common and that the lack of ethical behaviour of companies in their interactions with public officials, politicians, and other companies represent a competitive disadvantage for businesses in Senegal.

Many Senegalese companies are dependent on the state for business opportunities and bidding on public contracts is therefore widespread. However, the awarding process has been characterised by lack of transparency as the majority of contracts are awarded without competitive bidding. Decree No. 97-632 of 1997 allowed public contracts with a maximum value of XOF 100 million (consultancies and equipment) and XOF 150 million (construction work) to be awarded without tender. According to media reports, corrupt practices have occurred when assigning higher-value contracts within this system. In January 2008, a new procurement code came into force, aimed at enhancing transparency in public procurement and to regulate the possibility of awarding contracts on a non-competitive basis to bids where it is likely that only one bidder will be qualified. Nonetheless, in September 2010, some changes were made to the new procurement code to exclude procurements by the presidency and ministries in charge of national security from Autorité de Régulation des Marchés Publics (ARMP, in French, an independent regulatory authority which oversees public procurement), were criticised by donors and the private sector, as reported by the US Department of State 2011. The current Sall Government is directing efforts towards restoring a reputation of transparency in the procurement sector as well as enforcing procurement regulations, as reported by the US Department of State 2013. For more information on public procurement, see 'Public Procurement and Contracting' in the Corruption Levels section and 'Public Anti-Corruption Initiatives' in the Initiatives section.

Corruption is a major problem for businesses operating in Senegal. According to Transparency International's Bribery Survey 2012, 60% of the surveyed companies find that corruption and bribery related offences are not prosecuted in Senegal and only 46% of companies perceive that the national anti-corruption legislation is effective in fighting

corruption. On a more positive note, 90% of the surveyed companies believe that fighting corruption is an ethical duty of businesses and only 28% of companies operating in Senegal have lost a contract or a business because their competitors have resorted to bribery. According to the Bertelsmann Foundation 2012, corruption is a major obstacle particularly for small companies. Foreign investors considering investing in Senegal are advised to develop, implement, and strengthen integrity systems and to carry out extensive due diligence prior to committing funds and when already doing business in the country.

## **Regulatory Environment**

Senegal has a well-developed commercial and investment laws, and there is no legal discrimination against foreign investors. According to the US Department of State 2013, the country presents favourable conditions for investment, such as fast business registration, a relatively robust telecommunications infrastructure, and a stable regional currency pegged to the EUR. Starting a business in Senegal only takes an average of 3 procedures and 5 days at a cost of 64.4% of income per capita, which is much less than the regional average, according to the World Bank & IFC Doing Business 2013.

Nevertheless, inefficient regulation and bureaucracy continue to pose as impediments to both foreign and domestic companies, as noted in the US Department of State 2013. Ineffective public institutions contribute to the existence of a large informal sector, which forms the backbone of the Senegalese economy, especially in relation to employment. The Agence Nationale Chargée de la Promotion des Investissements et des Grands Travaux (APIX) works as a one-stop shop, providing relevant information and support to foreign investors. The APIX can also help investors with all administrative procedures for certification in accordance with the Investment Code and has published a guide on how to start a business (in French) in Senegal. The Support Network for Small and Medium Enterprises (RAPEME, in French), which is active in the regions of Thies, Diourbel and Saint Louis, offers counselling to SMEs operating in Senegal and provides several investment guides on their website.

According to the US Department of State 2013, property rights are guaranteed by law, but enforcement is uneven outside urban areas. Senegal also has a proper legal framework to protect intellectual property rights and it is a member of the World Intellectual Property Organisation (WIPO) and the African Organisation of Intellectual Property (OAPI). Nevertheless, the Heritage Foundation 2012 reports that the enforcement of intellectual property rights is still weak, despite a sufficient legal and regulatory framework in the country. Senegal is a member of the Organisation pour l'Harmonisation en Afrique du Droit des Affaires (OHADA, in French), whose purpose is to bring Senegalese business laws into line with other African member countries, creating a secure regulatory and judicial environment in member states. The OHADA promotes arbitration as a means of settling commercial disputes and hosts the Common Court of Justice and Arbitration (CCJA). The US Department of State 2013 deems the dispute settlement system in Senegal as slow and cumbersome. Few judges and lawyers have enough knowledge and experience with commercial laws. Companies usually settle disputes outside the courts due to official and unofficial costs, as well as the low effectiveness of the judiciary. Senegal adheres to binding foreign arbitration of investment disputes, as the country has ratified the New York Convention 1958 and is a member of the

International Centre for the Settlement of Investment Disputes (ICSID). An arbitration centre (in French) administrated by the Dakar Chamber of Commerce (in French) has been established, but it is not widely used. Access the Lexadin World Law Guide for a collection of legislation in Senegal.

### Section 3 - Economy

Senegal's economy is driven by mining, construction, tourism, fisheries and agriculture, which is the primary source of employment in rural areas. The country's key export industries include phosphate mining, fertilizer production, agricultural products and commercial fishing and it is also working on oil exploration projects. Senegal relies heavily on donor assistance, remittances and foreign direct investment. For the first time in the past twelve years, Senegal reached a growth rate of 6.5% in 2015 due in part to a buoyant performance in agriculture because of higher rainfall and productivity in the sector.

President Macky SALL, who was elected in March 2012 under a reformist policy agenda, inherited an economy with high energy costs, a challenging business environment, and a culture of overspending. President SALL unveiled an ambitious economic plan, the Emerging Senegal Plan (ESP), which aims to implement priority economic reforms and investment projects to increase economic growth while preserving macroeconomic stability and debt sustainability. Bureaucratic bottlenecks and a challenging business climate are among the perennial challenges that may slow the implementation of this plan.

Senegal is receiving technical support from the IMF from 2015-2017 under a Policy Support Instrument (PSI) to assist with implementation of the ESP. The PSI implementation continues to be satisfactory as concluded by the IMF's second review mission in March 2016. Investors have signalled confidence in the country through Senegal's successful Eurobond issuances in recent years, including in 2014.

The government will focus on 19 projects under the ESP for the 2016 budget to continue the structural transformation of the economy. These 19 projects include the Thies-Touba Highway, including the new airport- Mbour-Thies Highway. Senegal will increase the national family allowances program and the community development emergency program in 2016. Electricity supply is a chief constraint for Senegal's development. Electricity prices in Senegal are among the highest in the world. Power Africa, a program led by USAID and OPIC, plans to increase the current 500 mW of generating capacity to over 1,000 mW in the next three to five years. Recent gas discoveries on the Senegal-Mauritanian border, as well as just south of Dakar, will help alleviate some of the energy shortages.

#### **Agriculture - products:**

peanuts, millet, corn, sorghum, rice, cotton, tomatoes, green vegetables; cattle, poultry, pigs; fish

#### **Industries:**

agricultural and fish processing, phosphate mining, fertilizer production, petroleum refining, zircon, and gold mining, construction materials, ship construction and repair

#### **Exports - commodities:**

fish, groundnuts (peanuts), petroleum products, phosphates, cotton

#### **Exports - partners:**

Mali 12.8%, Switzerland 9.7%, India 5.9%, Cote d'Ivoire 5.3%, China 5.1%, UAE 4.1%, France 4.1% (2015)

**Imports - commodities:**

food and beverages, capital goods, fuels

**Imports - partners:**

France 17.9%, China 10%, Nigeria 8.7%, India 5.6%, Spain 4.9%, Netherlands 4.5% (2015)

**Banking**

Senegal's banking system is governed by the Central Bank of West African States (BCEAO), a central bank common to the eight members of the West African Economic and Monetary Union (WAEMU or UEMOA). Along with BCEAO, the "Commission Bancaire" is a supranational supervisory entity created in April 1990 to control financial institutions. The eight-member countries use the CFA franc issued by the BCEAO and pegged to the euro at a rate of 100 CFA francs to 152 euro (or 1 euro equals 656 CFA francs). Parity and fixed convertibility are guaranteed by the French Treasury. BCEAO has an operating account at the French Treasury where it is required to hold at least 65 percent of its foreign exchange reserves. These institutional arrangements between the French treasury and the central bank, combined with a prudent conduct of monetary policy by BCEAO, have yielded several benefits to WAEMU. For one, it has produced low inflation. Currency convertibility has also attracted foreign investment and increased trade.

The banking system is characterized by the over-liquidity of banks and their hesitancy to lend for medium and long-term loans. There are seventeen registered banks in Senegal. Recently, Senegal's banking sector has attracted a procession of foreign entrants keen to tap the informal economy and use Dakar as an anchor for regional expansion. They include the largest Nigerian Bank United Bank of Africa - UBA, Attijari Bank and BMCE from Morocco. The largest commercial banks are still predominantly French, although their dominant position is somewhat threatened by new arrivals – Ecobank, UBA, and the merger of Attijari, CBAO and Banque Senegalo-Tunisienne. Moroccan banks are also very active. Ecobank has an impressive network spread throughout West and part of Central Africa. Other financial institutions, such as insurance companies, a venture capital firm and a leasing company are also present here. The International Finance Corporation (IFC), the private sector lending arm of the World Bank, has an office in Dakar.

**Stock Exchange**

Founded in 1998, the Bourse Régionale des Valeurs Mobilières SA ("West African Regional Stock Exchange") or BRVM, is a regional stock exchange headquartered in Abidjan, Côte d'Ivoire, serving the following west African countries: Benin, Burkina Faso, Guinea Bissau, Côte d'Ivoire, Mali, Niger, Senegal and Togo. To date only one Senegalese company, Sonatel, is currently traded on the BRVM. There is no system to encourage and facilitate portfolio investment.

### Executive Summary

Senegal offers a stable political environment, relatively robust infrastructure, strong institutions and a favorable geographic position with growing opportunities for foreign investment. The Government of Senegal welcomes foreign investment and has prioritized efforts to improve its business climate. Senegal has maintained a stable macroeconomic environment, with its regional currency, the CFA franc, pegged to the Euro and easy repatriation of capital and income. Investors cite high factor costs, bureaucratic hurdles, limited access to financing and a rigid labor market as being among the obstacles to investment. The government is making efforts address some of these challenges, streamline bureaucratic procedures and improve Senegal's competitiveness.

Senegal is pursuing an ambitious development plan, the "Plan Senegal Emergent" (Emerging Senegal Plan or "PSE"), which includes a series of economic reforms and increasing private investment in strategic sectors with the goal of increasing real GDP growth to an average of 7.1% from 2014 to 2018. The growth rate reached 6.5% in 2015, the highest in 12 years. The government is implementing reforms to the energy sector, higher education and the land tenure system, in order to improve Senegal's attractiveness for foreign investment. Senegal also has ambitions to build on its position as a regional business hub with relatively good transportation links to become a regional center for logistics, services and industry. The Senegalese government is focusing on infrastructure projects to develop port facilities, transportation infrastructure and a Special Economic Zone. Senegal has joined the New Alliance for Food Security and committed to policy reforms to facilitate greater investment in agro-industry. As the government undertakes a range of investment-friendly reforms, capacity constraints and bureaucratic bottlenecks continue to impede the implementation of this agenda.

Senegal's low ranking (153th out of 189 countries) in the 2016 World Bank Doing Business Report highlighted the bureaucratic challenges that foreign investors can face when pursuing projects in Senegal. After an even lower Doing Business ranking of 178 in 2014, Senegal was cited as a top performer in 2015 and 2016 for improving its business climate to raise its ranking. The Government of Senegal is continuing to implement a multi-year program to streamline procedures and reduce costs involved in setting up a business. The development of a Special Economic Zone is also intended to provide an easier environment for private investment.

While Senegal has a well-developed legal framework for protecting property rights, settlement of commercial disputes can be cumbersome and slow. The government of Senegal has prioritized efforts to fight corruption, increase transparency and improve governance. Senegal compares favorably with most African countries in corruption indicators, but companies report that some corruption may persist, particularly at lower levels. The U.S. and Senegal signed a Bilateral Investment Treaty in 1983 that includes provisions on non-discrimination, free transfer of funds, international legal standards for expropriation and the use of binding third-party arbitration for dispute resolution.

France is historically the largest source of foreign direct investment but the government of Senegal is keen to diversify its sources of investment. U.S. investment in Senegal has

expanded since 2014 including several investments in power generation and participation of U.S. companies in offshore oil and gas exploration. Following the announcement of oil and gas discoveries in 2014-2015, energy sector investment is expected to expand during the next decade. Agriculture, agro-industry, mining, infrastructure, tourism and fisheries are among the other sectors that have attracted substantial investment.

Investors may consult the website of Senegal's investment promotion agency (APIX) at [www.investinsenegal.com](http://www.investinsenegal.com) for information on opportunities, incentives and procedures for foreign investment, including a copy of Senegal's investment code.

Table 1

Measure	Year	Index or Rank	Website Address
TI Corruption Perceptions index	2015	61 of 168	<a href="http://www.transparency.org/cpi2015#results-table">http://www.transparency.org/cpi2015#results-table</a>
World Bank's Doing Business Report "Ease of Doing Business"	2016	153 of 189	<a href="http://doingbusiness.org/rankings">doingbusiness.org/rankings</a>
Global Innovation Index	2015	98 of 143	<a href="https://www.globalinnovationindex.org/content/page/data-analysis/">https://www.globalinnovationindex.org/content/page/data-analysis/</a>
U.S. FDI in partner country (\$M USD, stock positions)	2014	USD 66 million	IMF Coordinated Direct Investment Survey*
World Bank GNI per capita	2014	\$1,050	<a href="http://data.worldbank.org/country/senegal">http://data.worldbank.org/country/senegal</a>

#### *Millennium Challenge Corporation Country Scorecard*

The Millennium Challenge Corporation, a U.S. Government entity charged with delivering development grants to countries that have demonstrated a commitment to reform, produced scorecards for countries with a per capita gross national income (GNI) of \$4,125 or less. A list of countries/economies with MCC scorecards and links to those scorecards is available here: <http://www.mcc.gov/pages/selection/scorecards>. Details on each of the MCC's indicators and a guide to reading the scorecards are available here: <http://www.mcc.gov/pages/docs/doc/report-guide-to-the-indicators-and-the-selection-process-fy-2015>.

### **1. Openness To, and Restrictions Upon, Foreign Investment**

#### Attitude toward Foreign Direct Investment

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

government and state-owned companies maintain responsibility for most physical infrastructure but allow private companies to provide water distribution and port services.

#### Other Investment Policy Reviews

As part of its PSE, the Government of Senegal prepared a series of reports to outline sector policies and business opportunities in priority sectors including agriculture and agro-business, tourism, fishing, health care and other sectors. More information can be found at [www.investinsenegal.com](http://www.investinsenegal.com)

#### Laws/Regulations on Foreign Direct Investment

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

More information on Senegal's legal and regulatory environment including a copy of the investment code, the mining code, and many other reference documents can be found at [www.investinsenegal.com](http://www.investinsenegal.com). (Note: As of April 2015, more recent revisions to the Customs Code and the 2014 Public Private Partnership Law are not yet posted on this site.)

Senegal is a member of UNCTAD's international network of transparent investment procedures <http://senegal.eregulations.org/>

#### *Business Registration*

The point of entry for online business registration is the website of Senegal's Investment Promotion Agency (APIX) at [www.investinsenegal.com](http://www.investinsenegal.com). Through a one-stop shop, the APIX Administrative Procedures Facilitation Centre, companies can register businesses in less than two days. This center enables entrepreneurs to perform all business registration procedures with government, local authorities and public institutions. A public notary is required for business creation in addition to the simplified services provided by APIX. Senegal defines microenterprises as those having less than 21 employees whereas medium-sized enterprises have less than 251 employees. The law n°2008-29 of July 28, 2008, provides special services or preferences to facilitate investment and business operations by medium and small enterprises including reduced interest rates for Senegalese-owned companies.

#### Industrial Promotion

Senegal's strategic plan, the *Plan Senegal Emergent* (PSE), includes an investment plan for 2014-2018, focusing on priority sectors including agriculture, mining, energy, tourism and infrastructure. The PSE includes 27 priority projects and 17 economic reforms intended to reinforce the enabling environment for private sector investment. The government has focused initial efforts on a handful of priority projects and reforms. The government has

established a delivery unit in the President's office to coordinate and monitor implementation of investment projects by line Ministries. Investors may consult the website of Senegal's Investment Promotion Agency at [www.investinsenegal.com](http://www.investinsenegal.com) for more details on investment priorities.

#### Limits on Foreign Control and Right to Private Ownership and Establishment

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

#### Privatization Program

Since the 1980s, Senegal has reduced the involvement of state-owned enterprises in most sectors as the country has shifted towards promotion of private investment to drive national development objectives. The government has privatized companies involved in the airline, water, finance, real estate and telecommunications sectors with no restriction on the participation of foreign investors. Several state-owned firms privatized in recent years were sold in part or in whole to foreign entities. In the energy sector, the state-owned electricity company, SENELEC, operates transmission and distribution networks while the government has encouraged private companies to take an increasing share of electricity generation under power purchase agreements. The government has maintained involvement in ports and infrastructure projects but granted a private concession for container ports and used a public-private partnership to complete a toll road connecting the Dakar peninsula with interior roads.

#### Screening of FDI

The Government of Senegal does some screening of proposed investments, primarily to verify compatibility with the country's overall development goals and compliance with environmental regulations. If the government is involved in project financing, the Finance Ministry will also review financing arrangements to ensure compatibility with budget and debt policies. Senegal's Investment Promotion Agency (APIX) can facilitate government review of investment proposals and the project approval process.

#### Competition Law

Senegal's National Competition Commission is responsible for reviewing transactions for competition-related concerns.

## **2. Conversion and Transfer Policies**

#### Foreign Exchange

As part of the eight-country West African Economic and Monetary Union (WAEMU), Senegal uses the CFA franc that is pegged to the Euro at 655.957 CFA per Euro. Senegal's Investment Code includes guarantees for access to foreign exchange and repatriation of capital and earnings, though transactions are subject to procedural requirements of financial regulators.

Commercial transfers are routinely carried out by local financial institutions without delays. The government limits the amount of foreign exchange that individual travelers may take outside Senegal. Departing travelers may take a maximum of 6 million CFA (approximately USD 10,000) in foreign currency and travelers checks upon presentation of a valid airline ticket. Senegal's Bilateral Investment Treaty with the U.S. includes commitments to ensuring free transfer of funds associated with investments.

#### *Remittance Policies*

There are no restrictions on the transfer or repatriation of capital and income earned, or on investments financed with convertible foreign currency. Remittances to Senegal from citizens living overseas are routine and provide a significant source of income for many local Senegalese. In 2013, the value of remittances, formal and informal, was estimated by Senegalese authorities at USD 1.7 billion or 12 percent of GDP. Senegal is a member of the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA) and through GIABA is an associate member of the Financial Action Task Force (FATF).

### **3. Expropriation and Compensation**

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

### **4. Dispute Settlement**

Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts

While Senegal has well-developed commercial and investment laws and a legal framework for resolving business disputes and enforcing property rights, settlement of disputes within the existing framework is cumbersome and slow. Senegal's civil legal system, based on a French model, is one of the most functional systems in francophone Africa, but it still provides a challenging environment for resolution of commercial disputes. Court cases tend to proceed slowly with ample opportunity for the parties involved to prolong the proceedings. Even when courts issue judgments, companies may encounter challenges in implementing court decisions and enforcing their contractual rights. Investors may consider including provisions for binding arbitration in their contracts in order to avoid prolonged entanglements in Senegalese courts. To alleviate the growing backlog and delays in resolution of commercial disputes, the government of Senegal has taken steps to establish commercial courts, as part of its investment climate reforms. Senegal is signatory to the Organization for the Harmonization of Corporate Law in Africa Treaty (OHADA) that provides for common corporate law and arbitration procedures in the 16 member states in western and central Africa.

Bankruptcy

Senegal has commercial and bankruptcy laws that address liquidation of business liabilities. Foreign creditors receive equal treatment under Senegalese bankruptcy law in making claims against liquidated assets. Monetary judgments are normally in local currency. As a member of the Organization and Harmonization of Business Law (OHADA), Senegal permits three different types of bankruptcy liquidation through a negotiated settlement, company restructuring, or complete liquidation of assets. Senegal ranked 88th out of 189 countries on the "Resolving Insolvency" indicator in the 2016 Doing Business Report.

#### Investment Disputes

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

#### International Arbitration

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

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

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

#### Duration of Dispute Resolution – Local Courts

According to the 2016 World Bank Doing Business Indicators, it took an average of 740 days for companies to resolve a commercial dispute in Senegal involving the enforcement of contracts. Some companies have reported challenges in securing the enforcement of court decisions protecting contractual rights. The Government of Senegal has initiated several programs to establish commercial courts and use alternative dispute resolution mechanisms in order to reduce the time required for resolving business disputes.

### **5. Performance Requirements and Investment Incentives**

#### WTO/TRIMS

Senegal has not submitted any WTO notifications on Trade Related Investment Measures.

#### Investment Incentives

Senegal's Investment Code provides for investment incentives, including temporary exemption from customs duties and income taxes for investment projects. Eligibility for investment incentives depends upon a firm's size and type of activity, the amount of the potential investment, and the location of the project. To qualify for significant investment incentives, firms must invest above CFA 100 million (approximately USD 165,000) or in activities that lead to an increase of 25 percent or more in productive capacity. Investors may also deduct up to 40 percent of retained investment over five years. However, for companies engaged strictly in "trading activities," investment incentives may not be available.

Eligible sectors for investment incentives include agriculture and agro-processing, fishing, livestock and related industries, manufacturing, tourism, mineral exploration and mining, banking, and others. All qualifying investments benefit from the "Common Regime," which includes two years of exoneration from duties on imports of goods not produced locally for small and medium sized firms, and three years for all others. Also included is exoneration from direct and indirect taxes for the same period.

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

An existing firm requesting an extension of such incentives must be at least 20 percent self-financed. Large firms -- those with at least 200 million CFA (330,000 USD) in equity capital -- are required to create at least 50 full-time positions for Senegalese nationals, to contribute the hard currency equivalent of at least 100 million CFA (165,000 USD), and keep regular accounts that conform to Senegalese (European accounting system) standards. In addition, firms must provide APIX with details on company products, production, employment and consumption of raw materials.

#### *Research and Development*

U.S. and foreign firms are able to participate in government-financed research and development programs which often are supported by donor financing and technical assistance, particularly in the areas of agriculture and public health.

#### *Performance Requirements*

The Government does not, by statute, impose specific conditions or performance requirements on investment activities. However, the Government does negotiate with potential investors on a case-by-case basis to support local employment or ensure incentives for investors to meet their contractual commitments. The U.S. Bilateral Investment Treaty with Senegal includes provisions for companies to freely engage professional, technical and managerial assistance necessary for planning and operation of investments.

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

#### Data Storage

Senegal does not have any requirements for the "forced localization" of data storage. The National Commission on Personal Data is responsible for oversight of the privacy of personal data.

### **6. Protection of Property Rights**

#### Real Property

The Senegalese Civil Code provides a framework, based on French law, for enforcing private property rights. The code provides for equality of treatment and non-discrimination against foreign-owned businesses. Senegal maintains a property title and a land registration system, but application is uneven outside of urban areas. Confirming ownership rights on real estate can be difficult, but once established, ownership is protected by law.

The Government has undertaken several reforms to make it easier for investors to acquire and register property. It has streamlined procedures and reduced associated costs for property registration. The government has developed new land tenure models that are intended to facilitate land acquisition by resolving conflicts between traditional and government land ownership. If the new models are widely adopted, the government and donors expect they will facilitate land acquisition and investment in the agricultural sector while providing benefits to traditional landowners in local communities.

The Government generally pays compensation when it takes private property through eminent domain actions. Senegal's housing finance market is underdeveloped and few long-term mortgage financing vehicles exist. There is no secondary market for mortgages or other bundled revenue streams. The judiciary is inconsistent when adjudicating property disputes. Senegal ranked 152 out of 189 countries in the 2016 Doing Business indicator for Registering Property.

#### Intellectual Property Rights

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

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

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

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

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

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

#### *Resources for Rights Holders*

Contact at Mission:

- Alexander Gazis
- Economic-Commercial Chief
- (221) 33 879 4328
- [GazisAC@state.gov](mailto:GazisAC@state.gov)

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

## **7. Transparency of the Regulatory System**

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

The Commission for Regulation of the Electricity Sector (CRSE) was established in 1998 as an independent agency that regulates the electricity sector. The government is preparing to expand the CRSE's role to include regulation of hydrocarbon fuels. The CRSE holds public

consultations every three years as part of its technical process for reviewing electricity tariffs. The Agency for Regulation of Telecommunications and Posts (ARTP) is responsible for licensing and regulation of telecommunications in Senegal and the Central Bank for West African States (BCEAO) is responsible for regulation of financial institutions. In October 2013, Senegal was approved as a candidate country for the Extractive Industries Transparency Initiative (EITI). The government of Senegal has begun the process of implementing EITI requirements with completed its first EITI report for Senegal in 2015.

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

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

In 2014 and 2011, Senegal issued two 500 million Eurobond offerings that increased Senegal's visibility on international financial markets. The government regularly issues bonds in local currency on the regional market with support from a regional debt office located in the regional central bank, BCEAO.

The West African Regional Stock Exchange (BRVM), headquartered in Abidjan, Cote d'Ivoire with local offices in each of the WAEMU member countries offers additional opportunities to attract foreign capital and access diversified sources of financing. However, through 2014, only one Senegalese company, Sonatel, has traded on the BRVM.

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

### **Money and Banking System, Hostile Takeovers**

While Senegal's banking system is generally sound, domestic investment is constrained by an under-developed financial sector. Senegal's twenty commercial banks, primarily from France, Nigeria, Morocco and Togo, generally maintain conservative lending guidelines, high interest rates and collateral requirements that limit access to finance. Few firms are eligible for long-term loans, and small and medium sized enterprises have little access to credit. Citibank (United States) operates in Senegal as an investment bank. Senegal's banking sector is regulated by the regional central bank (Banque Centrale des Etats de l'Afrique de l'Ouest or BCEAO) and the regional banking commission for West Africa Economic and Monetary Union.

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

Senegal has progressively reduced government involvement in state-owned companies during the last three decades, so that only a handful of state-owned enterprises remain involved in the energy, agriculture and industrial sectors. The state-owned electricity company, SENELEC, retains control over power transmission and distribution, but relies increasingly on independent power producers to generate Senegal's power supply. The

government has also retained control of the state-owned oil company Petrosen which is involved in hydrocarbon exploration in partnership with foreign oil companies and operates a small refinery dependent on government subsidies. The government of Senegal has limited and declining involvement in agriculture, including a state-owned company involved in rice production. Senegal is not party to the Government Procurement Agreement (GPA) within the framework of the World Trade Organization (WTO).

[https://www.wto.org/english/tratop\\_e/gproc\\_e/memobs\\_e.htm](https://www.wto.org/english/tratop_e/gproc_e/memobs_e.htm)

#### OECD Guidelines on Corporate Governance of SOEs

The *Direction du Secteur parapublic* (<http://www.tresor.gouv.sn/spip.php?rubrique15>) is the entity that exercises ownership rights for each of the SOEs and the agencies. The budget includes financial allocations to state-owned enterprises (SOEs) (annex 10), including subsidies for the state-owned power company (SENELEC). SOE revenues are not projected in budget documents, but actual revenues are included in quarterly reports by the Finance Ministry office responsible for SOEs. Senegal's supreme audit institution (Cour des Comptes) and Inspector General Office (Inspection Générale d'Etat) conduct audits of the public sector and SOEs and posts reports on the Cour des Comptes and IGE websites ([www.coursdescomptes.sn](http://www.coursdescomptes.sn) and [www.ige.sn](http://www.ige.sn)). These reports are only published with a significant delay. Under its Policy Support Instrument with the International Monetary Fund, Senegal plans to develop performance contracts for SOEs.

#### Sovereign Wealth Funds

In 2012, Senegal established a sovereign wealth fund (Sovereign Strategic Investment Fund or FONSI) with a mandate to leverage public assets to support equity investments in commercial projects supporting economic development objectives. Senegal maintains several taxes and funds allocated for specific purposes such as expanding access to transportation, energy and telecommunications, including the autonomous road maintenance fund and the energy support fund. For these funds, some information is included in budget annexes; these funds are subject to the same auditing and oversight mechanisms as ordinary budgetary spending.

### **10. Responsible Business Conduct**

The government participates in the Extractive Industries Transparency Initiative (EITI). In 2015, Senegal completed its first annual EITI report, providing a check on the official government revenues for extractive industries and also expanding the information available on natural resource concessions. Completing the first year of the EITI process, and publication of Senegal's first EITI report in 2015, has helped to strengthen interagency cooperation and establish procedures for improved tracking and reporting of natural resource revenues. Under the EITI process, the GOS has made progress in collecting and publicizing information on natural resource concessions.

The Government of Senegal publishes some information about natural resource concessions in its official journal ([www.jo.gouv.sn](http://www.jo.gouv.sn)), including details of the geographic area, resources under development, the companies involved and the duration of the contract, in practice this reporting does not cover all natural resource concessions. Specifically, between 2008 and 2015, the Official Journal website contains relevant information about four natural

resource concessions, including those available at <http://www.jo.gouv.sn/spip.php?article10592>.

## **11. Political Violence**

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

## **12. Corruption**

Since taking office in 2012, President Macky Sall has emphasized his commitment to fighting corruption, increasing transparency and promoting good governance. He reactivated the Court of Repossession of Illegally Acquired Assets to investigate corruption by former government officials. Sall also created new institutions such as the National Anti-Corruption Commission (OFNAC) and procedures to require asset declarations from public officials. OFNAC is composed of twelve members appointed by decree with a mission to fight corruption, embezzlement of public funds and fraud. The government of Senegal has also taken steps to increase budget transparency in line with regional standards. Senegal ranked 61th out of 168 countries, in Transparency International's 2015 Corruption Perception Index (CPI), representing a substantial increase over Senegal's 99th place ranking in 2011.

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

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

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

public official to secure a contract may bring this to the attention of appropriate U.S. agencies.

*UN Anticorruption Convention, OECD Convention on Combatting Bribery*

Senegal is a signatory of the United Nations Convention Against Corruption but it is not a signatory of the OECD Convention on Combatting Bribery.

*Resources to Report Corruption*

Nafy Ngom Keita  
Presidente  
OFNAC (Office National de Lutte Contre La Fraude et la Corruption)  
37, Avenue du Président Lamine Gueye  
+221 33 889 98 38  
www.ofnac.sn

Mouhamadou Mbodj  
Coordinateur General  
Forum Civil  
40 Avenue Malick Sy (1er étage) – B.P. 28 554 – Dakar  
+221 33 842.40.44  
forumcivil@orange.net

### **13. Bilateral Investment Agreements**

#### *Bilateral Taxation Treaties*

Senegal and the U.S. have a Bilateral Investment Treaty, which provides for Most Favored Nation treatment for investors, internationally recognized standards of compensation in the event of expropriation, free transfer of capital and profits, and procedures for dispute settlement, including international arbitration. A copy of the Bilateral Investment Treaty can be found at: <http://www.state.gov/documents/organization/43585.pdf>.

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

### **14. Foreign Trade Zones/Free Ports/Trade Facilitation**

Senegal plans to develop the Dakar Integrated Special Economic Zone (DISEZ), under direction of the Export Promotion Authority (APIX) on a designated area adjacent to the Blaise Diagne International Airport currently under construction outside of Dakar. The government plans to develop additional energy and port infrastructure in areas near the DISEZ project site. Once completed the DISEZ project expects to offer industrial development sites with expedited administrative procedures, long-term tax and customs incentives and a package of associated utilities and logistical services. An earlier initiative, the Dakar Free Industrial Zone (ZFID), provided licenses and limited support services for another designated industrial zone, but ZFID stopped issuing new licenses in 1999. Firms already located in ZFID

may continue receiving benefits until 2016. Senegal wants to develop additional Special Economic Zones in other cities, including Ziguinchor in the southern Casamance region. For details on DISEZ, see:

[www.investinsenegal.com/IMG/pdf/dakar\\_integrated\\_special\\_economic\\_zone\\_anglais\\_.pdf](http://www.investinsenegal.com/IMG/pdf/dakar_integrated_special_economic_zone_anglais_.pdf)

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

Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy

	Host Country Statistical source		USG or international statistical source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
Economic Data	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (\$M USD)	2014	\$13.42 billion	2014	\$15.66 billion	<a href="http://www.worldbank.org/en/country">www.worldbank.org/en/country</a>
Foreign Direct Investment	Host Country Statistical source		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country (\$M USD, stock positions)	2012	N/A	2012	N/A	<a href="http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm">http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm</a>
Host country's FDI in the United States (\$M USD, stock positions)	2012	N/A	2012	N/A	<a href="http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm">http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm</a>
Total inbound stock of FDI	2012	N/A	2012	N/A	N/A

as % host GDP					
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Table 3: Sources and Destination of FDI in 2014

Source: IMF's Coordinated Direct Investment Survey

Direct Investment from/in Counterpart Economy Data					
From Top Five Sources/To Top Five Destinations (US Dollars, Millions)					
Inward Direct Investment			Outward Direct Investment		
Total Inward	2,426	100%	Total Outward	378	100%
France	823	34%	Burkina Faso	319	84%
Morocco	95	4%	Guinea	39	10%
Indonesia	93	4%	Cote d'Ivoire	31	8%
U.S.	66	3%	Mali	16	4%
Mauritius	59	2%	Guinea-Bissau	-2	0%

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

Table 4: Sources of Portfolio Investment

Data not available.

## Section 5 - Government

### Chiefs of State and Cabinet Members:

For the current list of Chief of State and Cabinet Members, please access the following - [Central Intelligence Agency online directory of Chiefs of State and Cabinet Members of Foreign Governments](#)

### Legal system:

Civil law system based on French law; judicial review of legislative acts in Constitutional Court

## International organization participation:

ACP, AfDB, AU, CD, CPLP (associate), ECOWAS, FAO, FZ, G-15, G-77, IAEA, IBRD, ICAO, ICC (national committees), ICRM, IDA, IDB, IFAD, IFC, IFRC, ILO, IMF, IMO, IMSO, Interpol, IOC, IOM, IPU, ISO, ITSO, ITU, ITUC (NGOs), MIGA, MONUSCO, NAM, OIC, OIF, OPCW, PCA, UN, UNAMID, UNCTAD, UNESCO, UNIDO, Union Latina, UNMIL, UNMISS, UNOCI, UNWTO, UPU, WADB (regional), WAEMU, WCO, WFTU (NGOs), WHO, WIPO, WMO, WTO

## Section 6 - Tax

### Exchange control

Senegal has exchange control restrictions or limitations only with non ECOWAS member states. There is free movement of money and capital between ECOWAS member states.

If the destination of the money is not to an ECOWAS state, a resident can freely carry out current payments through intermediaries (which are Central Bank of West Africa, the Post Office, the authorized intermediary and registered operators of manual exchange) after showing evidence of the nature and validity of the transaction. All other payments abroad must be made with the approval of the Finance Minister. Each authorization request must come with supporting documents. In case of transfers not exceeding CFA 300.000, no supporting documents are required

### Treaty and non-treaty withholding tax rates

Senegal has concluded tax treaties with France, Mali, and West African Economic and Monetary Union (WAEMU) member states.

## Methodology and Sources

### Section 1 - General Background Report and Map

(Source: [CIA World Factbook](#))

### Section 2 - Anti – Money Laundering / Terrorist Financing

	Lower Risk	Medium Risk	Higher Risk
<a href="#">FATF List of Countries identified with strategic AML deficiencies</a>	Not Listed	AML Deficient but Committed	High Risk
<a href="#">Compliance with FATF 40 + 9 recommendations</a>	>69% Compliant or Fully Compliant	35 – 69% Compliant or Fully Compliant	<35% Compliant or Fully Compliant
<a href="#">US Dept of State Money Laundering assessment (INCSR)</a>	Monitored	Concern	Primary Concern
<a href="#">INCSR - Weakness in Government Legislation</a>	<2	2-4	5-20
<a href="#">US Sec of State supporter of / Safe Haven for International Terrorism</a>	No	Safe Haven for Terrorism	State Supporter of Terrorism
<a href="#">EU White list equivalent jurisdictions</a>	Yes		No
<a href="#">International Sanctions UN Sanctions / US Sanctions / EU Sanctions</a>	None	Arab League / Other	UN , EU or US
<a href="#">Corruption Index (Transparency International) Control of corruption (WGI) Global Advice Network</a>	>69%	35 – 69%	<35%
<a href="#">World government Indicators (Average)</a>	>69%	35 – 69%	<35%
<a href="#">Failed States Index (Average)</a>	>69%	35 – 69%	<35%
<a href="#">Offshore Finance Centre</a>	No		Yes

### **Section 3 - Economy**

General Information on the current economic climate in the country and information on imports, exports, main industries and trading partners.

(Source: [CIA World Factbook](#))

### **Section 4 - Foreign Investment**

Information on the openness of foreign investment into the country and the foreign investment markets.

(Source: [US State Department](#))

### **Section 5 - Government**

Names of Government Ministers and general information on political matters.

(Source: [CIA World Factbook](#) / <https://www.cia.gov/library/publications/world-leaders-1/index.html>)

### **Section 6 - Tax**

Information on Tax Information Exchange Agreements entered into, Double Tax Agreements and Exchange Controls.

(Sources: [OECD Global Forum on Transparency and Exchange of Information for Tax Purposes](#) [PKF International](#))

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