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Senegal
Macroeconomic Update Report

June 4, 1993

Africa Region
Sahelian Department
Country Operations Division

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SENEGAL

MACROECONOMIC UPDATE REPORT

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CURRENCY EQUIVALENTS

Currency Unit	=	CFA Franc (CFAF)

The CFA Franc is tied to the French Franc (FF) in the ratio of FF 1 to 50 CFAF.

CFAF/US $

(Annual Average)		(End Period)
437.0	1984	479.6
449.3	1985	378.1
346.3	1986	322.8
300.5	1987	267.0
297.9	1988	303.0
319.1	1989	289.4
272.1	1990	252.5
282.1	1991	259.0
264.7	1992	275.3

MEASURES AND EQUIVALENTS

1 meter (m)	=	39.37 inches (in)
1 square meter (m^2)	=	10.9 square feet
1 kilometer (km)	=	0.62 mile (mi)
1 hectare (ha)	=	10,000 m^2 or 2.471 acres
1 acre	=	4,047 m^2 or 0.405 ha
1 kilogram (kg)	=	2.2 pounds (1 bs)
1 pound (lb)	=	0.454 kg
1 ton (metric)	=	2,205 lbs or 1,000 kgs

FISCAL YEAR for Government of Senegal

July 1 - June 30	=	Up to June 30, 1991
July 1 - December 31 (18 months)	=	For FY 1991/92
January 1 - December 31	=	Starting January 1, 1993

DEVELOPMENT PLANS

4th Plan	=	1973/74 - 1976/77
5th Plan	=	1977/78 - 1980/81
6th Plan	=	1981/82 - 1984/85
7th Plan	=	1985/86 - 1988/89
8th Plan	=	1989/90 - 1994/95

This report was prepared by Brian Ngo with contributions from Mustapha Rouis. It draws on the findings of the SAL IV supervision missions and the fifth PFP preparation work, in particular the May and July 1990 missions to Senegal which included Michel Roy (national accounts), Victor Sertic and Gradimir Radisic (balance-of-payments), Hendrick Koppen (public finance), and Nanassamudd Chhim (database). Ms. Katherine Marshall is the Department Director, Mr. François Laporte, the Lead Economist and Mr. Jean-Louis Sarbib, the managing Division Chief. Secretarial support was provided by Moussou Soukoulé, Myrina Harris, and Mather Pfeiffenberger.

This report describes macroeconomic developments in Senegal since 1985 but does not go beyond the 1991/92 fiscal year. Since then, the macroeconomic policy framework has come considerably off track as the country went into an electoral period (presidential and legislative elections took place in February and May of 1993 respectively), and the financial situation has considerably worsened. The report provides a detailed retrospective of the difficulties experienced by Senegal in designing and implementing its adjustment strategy. As such, it helps in understanding the constraints under which economic policy measures will have to be implemented in the future by the new government.

SENEGAL - MACROECONOMIC UPDATE

EXECUTIVE SUMMARY

i. This report is an update of the economic situation of Senegal since 1985, the last year covered by the previous country economic memorandum issued in February 1987. Since 1984, the Government of Senegal has embarked on an adjustment program aimed at restoring key macroeconomic balances and at fostering sustainable growth. This reform program has been supported by five IDA adjustment operations (three SALs and two SECALs) with significant amount of cofinancing, a three-year ESAF from the IMF and other concessional assistance.

Overview of the Reform Program and Its Impact

ii. Faced with major economic disequilibria and production costs which are much higher than in its main competitors including other non-CFA neighboring countries, Senegal has adopted domestic demand restraints accompanied by a number of measures designed to improve the management of public sector resources and to achieve low inflation in order to regain some degree of competitiveness. Through the curtailing of non-wage public expenditures, heavy reliance on extraordinary public revenue, and lower imports, Senegal has managed to improve its fiscal position and external accounts. But the difficulties encountered by the government in consolidating progress of past stabilization have led to frequent policy reversals. Since 1988/89, revenue shortfall and continued imbalance between wage and non-wage expenditures have led to the need to increase public revenue when the tax base is shrinking and to drastically reduce non-wage current expenditures. Not only is this policy environment detrimental to private sector development, it also forced the delay of measures designed to reduce the cost of key factors such as energy.

iii. The overall fiscal deficit declined from 9.3% of GDP in 1981/82 to 3.5% in 1986/87. This favorable trend, which reversed itself in 1987/88, has worsened in the period 1987/90 for a number of reasons including a further weakening of the tax effort, a lower relative contribution from non-tax revenue (essentially from petroleum products), and the increasing difficulty to control expenditure without drastically reducing the civil service wage bill. In 1991/92, civil service wages absorbed 56% of tax revenue. The improvement in the fiscal situation for the period 1981/82-1986/87 was achieved against the background of deteriorating tax revenue (from 18.5% of GDP in 1981/82 to 14.6% in 1986/87). Fiscal revenue amounted to 15.2% of PIB in 1991/92. This deterioration occurred despite numerous efforts to reverse the downward trend. This trend implies that additional efforts to raise revenue through higher tax rates could lead to a further shrinkage of the tax base itself if the formal sector continues to perform poorly and fraud increases.

iv. Although the reduction in overall domestic expenditure was the cornerstone of the stabilization program, most of the improvement was brought about by a compression of private consumption and investment. The contraction, in relative terms, of private consumption generated higher domestic savings which turned positive for the first time in 1986 and currently stand at 9% of GDP. In

spite of the vastly improved fiscal position, the government sector has continued to be a net dissaver (current expenditures exceed current tax and non-tax revenues) until 1990/91.

v. Important reforms have also been implemented in agriculture, industry, banking, and the management of the public sector. In agriculture, the Government has privatized the marketing of coarse grains and groundnuts (but not processed groundnut oil) and the distribution and collection of groundnut seeds, liberalized input distribution, eliminated fertilizer subsidies, and scaled down the activities of the rural development authorities. To promote the industrial sector, the Government has rationalized the structure of protection, opened most economic sectors to outside competition, revised the investment code, and introduced some flexibility in the labor market. But the necessary accompanying measures aimed at reducing the cost of production and improving the environment have proceeded at a much slower pace due in part to fiscal constraints. The reforms have forced enterprises to improve productivity. Increased competition has also led to a decline in prices for most industrial goods. The reforms may also be responsible for some loss in employment; this has been partly compensated by job creation in the informal sector.

vi. In the area of public sector resource management, the Government has begun implementing a reform program aimed at downsizing the civil service and, following a hesitant start, has proceeded with the divestiture program. It has concurrently made important efforts to settle cross-debts between the State and the parapublic enterprises and to reduce budgetary subsidies provided to these enterprises. In the banking sector, which was practically bankrupt in 1987, the closing of several public-sector development banks, combined with the reinforcement of supervision and monitoring by the Central Bank, has helped re-establish confidence in the sector. The adjustment process is far from being complete and Senegal still faces severe financial and economic constraints which remain to be tackled. The supply response from the private sector has been weak and is expected to remain so without much deeper reforms, principally a more aggressive real exchange rate depreciation, lower cost of inputs, and a more favorable business environment.

Recent Trends in Output

vii. The analysis of Senegal's economic performance is complicated by significant weaknesses in the data base. There are, for instance, unexplained discrepancies between national accounts figures on industrial growth rates and the performances of individual sub-sectors as measured by industrial production indices. Also, compared to levels ranging from 35 to 50% in developing countries at similar stages of development, the tertiary sector in Senegal accounts for about 60% of GDP. A part of this sector consisting of activities such as trade, transportation, and other miscellaneous services are extrapolated from data obtained during the baseline survey of 1973/75. As a result, as much as 40% of GDP is derived from extrapolations of past data. These problems raise the fundamental question as to the real growth performance of Senegal, which may in fact be weaker than depicted by official data.

viii. In spite of more favorable climatic conditions since 1985, gross domestic product grew on average at a rate of 3.3% per annum or while population

grew at a rate estimated in the range of 2.8 to 3.2%. Most of this modest expansion was accounted for by a strong rebound in agriculture, which, although accounting for only 12% of overall GDP (average of 1986-90), continued to have a major impact on the economy through the demand originating from rural areas. But from a longer term perspective, Senegal's agricultural sector has changed little in terms of total cultivated area (2.2 to 2.5 million hectares) and total output (1.7 to 2.0 million tons). Declining soil fertility and rising population pressure have led to the expansion of farming into marginal lands, to sharp declines in cultivated area[1/] and output per agricultural worker, and to a shift towards food crops at the expense of cash crops. Senegal's agriculture has yet to respond to the declining land/man ratio as evidenced by the absence of yield-increasing measures such as higher cropping intensity or improved cultural practices with possibly cotton and confectionary groundnuts as the exceptions. The shift from groundnuts to millet and maize has also caused a significant erosion of incomes of the rural population, thus reducing their capacity to purchase manufactured goods and to invest or to utilize more cash inputs.

ix. While official national income accounts show growth averaging 5.4% for the secondary sector, detailed production indices by main industrial sub-sectors indicated that most industrial sectors have experienced a decline since 1986. The decline was particularly severe for light manufactures (textiles and shoes) which faced stiff competition from imported goods, largely due to smuggling and under-invoicing. Senegal's formal industrial sector, which provided employment to less than 2% of Senegal's active labor force faced major difficulties which stemmed in part from past policies which favored industrialization through high import protection, the narrowness of the local market, excessively high cost of key inputs and factors (particularly labor, energy and transport), intense competition from smuggled imported goods and external competition. Firms in this sector are generally encumbered by aging equipment (averaging 24 years) and low capacity utilization.

x. Senegal's other two important sectors have also not been performing well. The fishing sector, which contributes 22% of merchandise export earnings, is facing serious problems. Overfishing -- particularly within the six-mile zone set aside exclusively for artisan fishermen -- , the lack of an effective strategy of resource management, and an aging fleet are posing a major threat to this vital sector. Total fish catch, which registered an average growth of 3.9% in the past decade, has slowed to 2.5% in recent years. Five fish canning and freezing firms have closed down since 1988 because of inadequate supply of fresh fish and high energy cost. As a consequence, output of canned tuna has fallen by almost 50% between 1986 and 1990, from 27,000 tons to 15,000 tons. As a result, Senegal's share of France's tuna imports, its most important market for canned tuna, has fallen to less than 20% in 1990 with some of the slack made up by higher exports of shell fish.

xi. Growth in the number of tourists has slowed. From an average of 4.3% during the period 1980-85, the rate of increase of the number of arrivals has slowed to 2.1% in the second half of the 1980s. In the meantime, tourism

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1/ Since the mid-1960s, average area per active agricultural person has fallen from 0.8 ha to 0.6 ha for food crops, and from 0.8 ha to 0.4 ha for cash crops.

facilities have increased significantly in recent years, causing the occupancy rate to fall from 45% in 1984 to 38% in 1989 with a particularly severe drop for hotels. For most hotels of good standing in Dakar, an occupancy rate of 40 to 45% is considered necessary to avoid losses.

xii. The slow down in all major productive sectors and their major constraints does not augur well for its growth outlook in the medium term. The longer-term trend is moreover worrisome for a number of other factors. Problems related to the fragility of fiscal improvement, particularly the reliance on non-tax revenue and the sharp curtailing of non-wage expenditure, have already been discussed above. Expenditures in the health sector was the hardest hit while that in education declined by 15% on a per capita basis in real terms. Damages to the country's physical infrastructure have also been extensive. It is, for instance, estimated that 30% of the paved road network suffers from accelerated deterioration due to the lack of maintenance. On the other hand, most of the improvement in the balance of payments since 1986 was accounted for by falling prices for the country's major imports (petroleum products and rice) and lower import volumes. Exports have been stagnant or falling with the exception of phosphates. Between 1982 and 1990, Senegal's two key exports, fish and groundnuts, increased by a mere 0.5% per year in volume terms. Senegal's growth is moreover constrained by a very low rate of fixed investment which currently represents only 12% of GDP compared to an average of 15.5% for Sub-Saharan Africa. Compared to the general rule that, in Africa, a fixed investment rate of 12 to 13% is required to prevent the stock of capital from deteriorating, Senegal has been disinvesting in the last decade.

Adjustment Issues and Priorities for Economic Policies

Public Sector Management

xiii. With regard to public resource management, the concern remains the excessive absorption of resources by the public sector, in spite of progress achieved during the 1980s. Past experience and the continued weakness in the economy highlight the limits of the scope of a rapid increase in the revenue-over-GDP ratio; the burden of fiscal retrenchment will need to fall on the rationalization as well as reduction of public expenditures and a better control of external borrowings in order to prevent the rapid rise of interest payments. The urgency of the these reforms is more critical since Senegal continues to rely heavily on petroleum and rice non-tax revenue to finance its current expenditures; consequently, energy prices are excessive, severely penalizing the country's industries and services.

xiv. Although the civil service wage bill has also been falling, the cost of the civil service remains high in Senegal compared to countries with similar levels of income. Given the sharp reduction in non-wage recurrent expenditures in 1990/91, the wage bill share of total current expenditures has risen from 50% in the early 1980s to 56% in 1991/92. This compares with an average of about 38% for UMOA as a whole. While the Government has recognized the need for staff reduction, the implementation of the civil service reforms has encountered several slippages including backtracking regarding the reduction of the number of ministries, lack of progress on the privatization of certain services, as well as delays in basic institutional reforms, and the organizational audit.

xv. Public resource Mobilization. Deficiencies in fiscal administration have led to a growing informal sector that escaped taxes, thereby placing an excessive tax burden on a shrinking formal sector. Recent efforts to generalize the value-added tax (VAT) to commerce and other services will not likely yield significant revenue in the near term. Thus, while waiting for domestic taxation, including that of the informal sector, to become more entrenched, Senegal's tax strategy in the next few years will have to continue to depend primarily on customs receipts and other external trade taxes such as the VAT on imported goods. Weak administration has been identified as a major obstacle affecting customs receipts in Senegal as well as in other African countries. Setting higher tariffs not only has resulted in increased smuggling but has also raised production costs with detrimental effects on the overall competitiveness of the economy. The widespread use of minimum customs tax assessment, introduced in late 1989, appears to be relatively successful in reducing the extent of under-invoicing. It is, however, important to prevent the misuse (as a protective device) of the minimum taxes in the same manner that reference prices have served in the past. The recent government decision to hire SGS, an international surveillance agency, is a step in the right direction and is expected to enhance customs revenue collections. Customs receipts are also being adversely affected by the granting of numerous exemptions; for the period 1987/90, on average, 38% of total imports were exempted from the payment of customs duties. The Government is in the process of reviewing the exemptions with a view towards their rationalization.

xvi. The multitude of tax measures introduced since 1989 reflects the Government's focus on short-term financial stabilization at the expense of long-term growth considerations. The reform program has so far inadequately addressed the issue of the narrow and shrinking tax base and the consequent high tax burden on a small group of tax-payers in the formal sector. The most immediate concern of tax policy in Senegal is to stop the decline in the share of Government tax revenue to GDP and mobilize additional resources, primarily through a widening of the tax base and a more rigorous control of smuggling. Therefore, new efforts should be taken to bring the informal sector under the tax net. It is, however, critical that these measures be rigorously applied to yield the expected results. In the medium term, it is important that revenue mobilization objectives be considered in light of the level and structure of public expenditures as well as their impact on the economy. Given the already high level of customs tariffs in Senegal--most imports into Senegal currently pay 90% of combined customs and value-added tax--it is critical that more focus be put on what ought to be an appropriate level of expenditure, given the amount of available resources.

xvii. Adjustment to Lower External Support. Total official development assistance (resource flows that are characterized by a concessionality or grant element of at least 25%) to Senegal grew at a rapid rate of 7.4% during the 1980s, averaging US$ 641 million a year during 1986-89. Compared to other Sub-Saharan African countries, Senegal received substantially more per capita assistance. Net of principal repayment, per capita assistance received by Senegal rose from US$ 59 in 1984 to US$91 in 1989. Beginning in 1983/84, external quick-disbursing budgetary assistance in support of structural reforms enabled Senegal to rely increasingly on external sources to finance its budgetary deficit. In 1987/88, budgetary assistance, including the IMF contribution, amounted to CFAF 90 billion (US$ 290 million). Although it has since declined

to less than US$ 200 million a year, this level is still unsustainable and highlights the urgent need for Senegal to have a more lasting fiscal improvement.

xviii. Parapublic Sector Reforms. Although encouraging as a start, the impact of the divestiture program on total Government equity in the PE sector is relatively modest. It is important, therefore, that the Government continue its efforts toward the transfer of ownership to the private sector and other means, such as the privatization of management, beyond the SAL IV targets. Another important aspect of the PE sector reforms is the rationalization of the financial relations between the Government and the PE sector, namely, the reduction of direct and indirect subsidies and the settlement of cross-debts between the Government and the PEs. The Government has succeeded in reducing total direct subsidies to the sector from CFAF 14.4 billion in 1988/89 to CFAF 11.8 billion in 1990/91. Most indirect subsidies are also being more strictly controlled. The Government has also worked out a satisfactory settlement plan for all cross-debts. It is, however, important that concrete measures be implemented quickly to prevent the recurrence of the cross-debt problems.

Issues of Efficiency and Competitiveness

xix. Private sector activities in Senegal face many constraints ranging from a burdensome regulatory framework to excessively high input costs. High costs affect in particular energy, transport, and telecommunications. As for labor, the problems are three-fold: high real wages together with low productivity, and rigidity of the labor market. Second, deteriorating terms of trade, low productivity gains, and the sharp appreciation of the real exchange rate have severely eroded the competitiveness of Senegal. Third, several recent changes in the protection system have increased distortions among sectors of the economy, leading to a less efficient allocation of already scarce investment funds.

xx. Structural adjustment in Senegal must lead to an increase in the output of traded goods -- exports as well as efficient import substitutes. To do this, a depreciation of the real exchange rate is needed to provide private entrepreneurs with an incentive to produce more tradable goods. Due to its membership in the CFA franc zone, unilateral adjustment of the exchange rate is not considered to be a policy option. The alternative is to maintain very austere demand management policies in order to keep domestic inflation lower than rates in other Senegal's main trading partners. Senegal has so far adopted this strategy, but with limited success. The combination of high inflation, until the early 1980s, and adverse terms of trade, which have not been compensated for by greater productivity, has severely eroded the competitiveness of Senegal. The situation has become more difficult since 1985 due to the fall of the US dollar in relation to the French franc, and the sharp real currency depreciation in countries against which Senegal has to compete on its own domestic market. Real exchange rate indices with Ghana, Nigeria and China show appreciations of 92, 73 and 58%, respectively, over the period 1981-90. A more vigorous adjustment effort is needed.

Long-Term Issues and Policies

xxi. Human Resources Development. Senegal's demographic dynamics are characterized by a young and rapidly growing population, particularly in urban centers. At current growth rates (estimated at between 2.8 and 3.2% p.a.) Senegal's population at the turn of the century will be about 10 million people. An approximate 125,000 young adults are expected to join the labor force every year. Financing the education and health care requirements for this growing population will continue to be one of the central preoccupations of economic policy in the medium term. Rapid population growth also has an adverse impact on natural resource management practices and, consequently, the environment. The adoption of the national policy on population and the definition of a priority investment program in this sector represent major steps forward in the right direction.

xxii. In the health sector, the adequacy and quality of health delivery services in the public sector have deteriorated significantly over the last decade. Given the limited resource availability, the Government has decided that priority will need to be given to organizational and management issues, namely the promotion of community health organization, the establishment of a decentralized health delivery system, and the rationalization of the financing and procurement of drugs. In education, the situation is dramatic. The enrolment ratio in primary education has stagnated since the mid-1980s at about 57% (compared to an average of 95% for middle-income African countries which include Senegal) while higher education has been absorbing an increasing share of the government's resources. In 1989/90, 24.5% of the education budget goes to higher education which caters only to 2% of the total student population. There are many indicators pointing to a gradual decline in quality of education, raising doubt about basing Senegal's future economic growth on the strength of its human resources.

xxiii. Environment. Senegal faces key environmental issues which are all made worse by rapid population growth. These include soil degradation, saline intrusion in large parts of the Casamance and the Delta area, loss of forest cover caused by excessive demand for charcoal and fuelwood. Soil degradation is compounded in most areas by the cutting of trees and shrubs for firewood which further exposes soils to erosion by wind and water and by overgrazing. To avert this potential ecological disaster, Government needs to improve the management of forest resources principally by delegating such management to local communities and by better demand management through encouraging substitution based on realistic, market-based pricing for all fuels. The task now is to promote integrating of the technology into traditional farming methods via the use of appropriate incentive and legal and technical measures.

xxiv. Infrastructure maintenance. Problems of rapid deterioration of the country's basic infrastructure such as the road network have been highlighted above (para. xii). This problem affects other infrastructure such as major irrigation projects without which the potential of the entire Fleuve area will remain unexploited.

xxv. Regional Integration. After years of relative neglect, the question

of economic integration is once again at the center of the policy agenda in West Africa. This is partly in line with a recent worldwide trend toward the formation of larger trading blocs. But it is also looked at as a way to achieve more sustainable economic growth based on a larger economic area. Senegal has been at the forefront of this new effort, whether it concerns regional effort in the field of agriculture or the creation of a regional cereals market in West Africa. Given its geographical position, Senegal should continue to play this leadership role by providing an enabling environment for trade, competition and factor mobility and by strengthening its macroeconomic environment.

SENEGAL

MACROECONOMIC UPDATE

I. INTRODUCTION

1. The last country economic report on Senegal, entitled Senegal: An Economy under Adjustment and issued in February 1987, was written at the time when the Government, recognizing the need to intensify the adjustment effort, launched a comprehensive economic reform program for the period 1985-92. The report concluded that even if the launching of the adjustment program was relatively successful, the achievement of growth in real per capita income would be predicated on the convergence of a number of favorable developments on the supply side and the ability of the economy to generate resources for major rehabilitation of existing assets and new investments. This outcome assumes that the Government will press ahead with policies aimed at further liberalizing the economy, continue the incentive policy reforms, and strengthen public sector management.

2. Although a more limited undertaking than a full-fledged Country Economic Memorandum, this Update represents the first systematic effort by the Bank since 1986 to review the performance of the Senegalese economy. The report also draws on the findings of two recent reports: The World Bank and Senegal, 1960-87 by the Operations Evaluation Department of the World Bank and Adjustment Postponed: Economic Policy Reform in Senegal in the 1980s by Elliot Berg et. al. The present report consists of four main sections. Section 2 reviews economic developments during the second half of the 1980s, and discusses the impact of the economic reform program. Section 3 focuses on two key adjustment issues -- public resource management and competitiveness -- and highlights the country's options in the medium-term. Section 4 reviews the long-term issues facing the economy. Gaps and deficiencies in the country's economic and financial data base are discussed in Annex 1.

II. RECENT ECONOMIC DEVELOPMENTS

3. With a per capita income estimated at US $710 in 1990, Senegal is comparatively better off than other Sahelian countries. In 1989, Senegal also received about 2.5 times more per capita assistance from abroad compared to the average of other countries in Sub-Saharan Africa. Nonetheless, Senegal has, since independence in 1960, recorded the lowest growth of any African country not affected by war or civil strife. These facts raise some fundamental questions about Senegal's development performance and challenges, some of which have been examined in recent studies.[2/]

4. The analysis of Senegal's economic performance is complicated by significant weaknesses in the data base. Besides the lack of reliability and incomplete coverage common to other developing countries, it is difficult to dissociate, in the case of Senegal, actual results from projections and preliminary estimates incorporated in financial stabilization programs. Given the magnitude and complexity of the problems, there was no attempt to re-estimate the data. The analysis presented in this report is thus essentially based on official statistics provided by the Government. Inconsistencies in the data base are highlighted where relevant; a more detailed discussion of the data problems is presented in Annex 1.

A. Trends in Aggregate and Sectoral Output

Aggregate Production

5. From a broad macro-economic standpoint, the Senegalese economy has gone through six reasonably distinct periods since independence. Until 1966, when France's preferential treatment for Senegalese exports -- especially groundnuts -- was discontinued, real GDP recorded steady growth ranging between 2.5 and 4.5% per year. The ending of this treatment for groundnuts, which thereafter had to compete in the world market, led to a marked decline in groundnut production and, correspondingly, GDP growth. Groundnut production fell by almost half between the beginning and the end of this period (1967-74) and GDP grew by only 1.3% per annum on average. Concurrently, the Government actively pursued a 'Senegalization' policy (by purchasing foreign-owned enterprises) and an import-substitution industrial policy. More importantly, Senegalese industry which had before independence been the main provider for the French West African market of about 20 million people, found itself with a much smaller internal market beginning in 1960.

6. The third period (1974-78) was one of export-led growth which coincided with the commodity boom following the first oil shock when prices and world demand for phosphate and groundnuts rose substantially. The fourth period (1978-81) was characterized by several unfavorable developments, including two

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2/ Besides the World Bank and Berg reports mentioned above, several other studies have focused on selected sectors and specific aspects of the reform process. See Judet (1989), Logeay (1990), and the World Bank (1991) for more detailed discussions of the industrial sector; USAID (1991) for the agricultural sector; and the World Bank (1989) for the parapublic sector.

severe drought years in 1979 and 1980, a drastic fall in world groundnut prices and the doubling of the world oil prices. As a result, agricultural output fell by 40% during the period. In 1981, domestic absorption exceeded output for the first time, leading to record high current account and fiscal deficits. The decade of the 1980s, which covered the fifth and sixth periods, can roughly be broken down into two distinct phases: the first half, when government efforts were directed mainly toward stabilizing the economy, and the period since 1986 when the Government began addressing structural issues. Senegal's performance during the first half of the 1980s was analyzed in the 1987 Country Economic Memorandum. The present report will concentrate on the performance of the Senegalese economy in the second half of the decade.

7. While average growth during the first half of the 1980s was restricted by poor agricultural performance due primarily to the severe drought of 1983/84, growth since 1986 was helped by a rebound in agriculture, albeit from a low base (Table 2.1). In spite of its relatively small size, relative to overall GDP, agriculture continued to have a major impact on overall growth through its multiplier effect on the rest of the economy. The secondary sector, boosted by strong performance in residential construction, also experienced high growth during the 1986-90 period. Therefore, the relative shares of the primary and secondary sectors increased, while that of the services sector declined slightly to about 60% of GDP in 1990. The bulk of value-added in the services sector originated in commerce and transportation where little reliable information exists.

Table 2.1: Average Growth and Structure of GDP, 1981-1990
(in percentage)

	1981-85		1986-90	
	Growth	Share	Growth	Share
GDP	3.0	100.0	3.5	100.0
Primary Sector	1.8	21.6	4.1	21.6
o/w: Agriculture	0.0	12.5	3.9	11.6
Secondary Sector	4.5	17.2	5.4	18.2
Services Sector	3.0	61.2	2.8	60.2

Source: SA Table 7.

Agriculture and Fishing

8. Although the agricultural sector -- excluding sugarcane which is considered in official statistics as a manufacturing activity -- accounts for only 12% of GDP (average for 1986-90), it still employs 60% of the labor force and provides a living for over two thirds of the population. Demand for goods and services originating from the rural areas remains an important determinant

of the level of activity in the rest of the economy. A poor groundnut crop, whose fortunes are dictated by climatic conditions, would lead to a decrease in purchasing power for 70% of the population and to repercussions throughout the economy. Being primarily rainfed, the agricultural sector in Senegal has been characterized by sharp output variations. Since 1970, agriculture output recorded 13 years of increase and eight years of decline. As an indication of the importance of this sector, the fall in agricultural production has always led to contraction in the overall level of GDP, except in 1987. Due to more abundant rainfall[y], agricultural production registered a significant recovery in the second half of the 1980s, albeit from the depressed level following the severe drought of 1983/84. Also, rapid population growth and deteriorating soil fertility in the north has forced a southward move of agricultural activities towards the Casamance and Eastern regions.

9. The last five years have witnessed some growth in food and cash crop production attributable in great part to the return of normal levels of precipitation. From a longer term perspective, Senegal's agricultural sector has changed little in terms of total cultivated area (2.2 to 2.5 million hectares) since the early 1960s (Table 2.2). There has also been little change in the cropping mix, with 50% of the annual cropped areas devoted to millet, 35% to groundnuts, 4.5% to maize, 4.1% to cowpeas, and 3.5% to rice. Maize cultivation, which has registered the fastest growth in the last six years, is currently as important as that of rice. Rice and maize production together reached almost 300,000 tons in 1990/91, compared to 660,000 tons for millet and sorghum.

10. Most of the expansion in food crops appeared to be due to farmers opting out of traditional cash crops. Groundnut areas in the second half of the 1980s were thus 28% below the average acreage for the 1970s. During the same period, millet area increased by 9% and total cropped area declined by 7%. The shift toward millet and maize at the expense of groundnuts has been most pronounced in the second half of the 1980s and was most noticeable in the Groundnut Basin (consisting of the regions of Diourbel, Kaolack, Thiès and Louga) where 54% of the rural population is located and where 70% of groundnuts and 65% of millet and sorghum are produced. While producer prices are generally believed to partly explain area and output levels, it is worth noting that the substitution of traditional cash crops by food crops occurred when groundnut prices were raised twice between 1985 and 1988, resulting in a sharp improvement in groundnut prices relative to prices of food crops.

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[y] Between 1960 and 1980, isohyets of mean annual rainfall have showed a southward migration of about 120 kilometers. Average annual rainfall in the Dakar region has fallen from 600 to 400 millimeters. With the exception of 1985/86 when rainfall was sparse in the northern half of the country and again in 1991/92, precipitation since 1986 appears to have returned to the levels registered in the 1960s over most of the country.

Table 2.2: Selected Agricultural Data, 1985-90

	85/86	86/87	87/88	88/89	89/90	90/91	60/70	70/80	85/91
Climatic conditions	Good	Average	Good	Poor	Average	Poor	Yearly Averages		
Cult'd area (000 ha)	2,305	2,143	2,226	2,231	2,178	2,248	2,273	2,392	2,222
Millet/sorghum	1,338	992	1,073	1,022	1,084	1,038	974	999	1,091
Groundnuts	604	807	844	902	784	910	1,066	1,121	809
Other crops	363	344	309	307	310	300	233	272	322
Production (000 t)	2,122	2,013	2,268	1,863	2,174	1,925	1,754	1,706	2,061
Millet/sorghum	949	633	801	594	766	660	487	540	734
Groundnuts	601	840	963	737	844	703	932	875	781
Other crops	572	540	504	532	564	562	335	291	546
Value of total output (CFAF billions)									
Nominal value	171.1	163.8	184.7	142.9	161.4	..	38.3	63.2	164.8
Real terms	174.6	163.8	180.9	138.0	151.4	..	179.2	158.4	161.7
Value of marketed output (CFAF billions)									
Nominal value	56.8	74.7	77.6	56.3	66.0	..	18.8	30.2	66.3
Real terms	58.0	74.7	76.0	54.4	61.9	..	104.8	88.8	65.0

a) Good, average, and poor climatic conditions are relative rankings based on total amount and distribution of precipitation.

Sources: SA Tables 10, 11, and 15.

11. This trend underlies more important changes. Rising population pressure together with the near exhaustion of arable lands, has led to a sharp decline in cultivated area per active agricultural worker, forcing farmers to allocate a greater proportion of their land to food crops in order to meet

consumption needs. Thus, although total food crop area has expanded, area planted to food crops on a per capita basis has declined by about 1.0% per year since 1960, leading to a decline in per capita food production.[4] This fall in per capita food production accounted in part for the rise in rice consumption (averaging 3.5% annually over the past two decades); rice consumption also increased as the country became more urbanized. As a result, rice imports (including food aid) reached 385,000 tons in 1990. Wheat imports have also experienced a similar trend, reaching 150,000 tons in 1990.

12. Although declining in relative importance, groundnut is still Senegal's most important cash crop and currently accounts for about 60% of farm cash income. Groundnut production has moved from the Groundnut Basin to the south and the southeast where rainfall is more abundant. These two regions currently account for 27% of total production compared to less than 15% in the 1960s. Overall, groundnut area has declined by about 25% since the 1960s. Production, which reached a high of 963,000 tons in 1987 when rainfall was favorable, has suffered a significant decline in the following three years. Consequently, the four groundnut oil mills were operating at slightly about 50% capacity in the second half of the 1980s.[5] Furthermore, domestic vegetable oil consumption, which is increasing at 4% per year, will continue to divert an increasing share of groundnut production to artisanal oil processing.[6]

13. Output of edible groundnuts[7] has increased steadily, reaching 25,000 tons in 1989. Their high level of aflatoxin, however, constituted a serious hindrance to the development of exports. In 1989, only less than 20% of purchased edible groundnut was of exportable quality. The remaining quantity was sold domestically for oil production. Improved cultural practices have led to a noticeable improvement in yield per hectare; the problems of aflatoxin is also expected to be resolved soon.

14. Cotton and sugarcane are the next two most important cash crops. Cotton is primarily produced in Eastern Senegal. All collection, processing and marketing is carried out by a parastatal, SODEFITEX, which also provides credit and extension services. Cotton production reached its peak of 60,000 tons in 1984, and has since then fluctuated between 30,000 and 45,000 tons. Sugarcane is produced by a private firm, the Compagnie Sucrière du Sénégal (CSS). Production has steadily increased since 1979 to reach 770,000 tons in 1990.

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[4] Since 1960, the area in food crops per active agricultural person has fallen from 0.8 ha to 0.6 ha; for cash crops, the area has declined from 0.8 ha to 0.4 ha. See USAID (1991) for a more detailed analysis of the longer-term trends in agriculture.

[5] An average of 540,000 tons of unshelled groundnut, were processed by SONACOS, the Government owned oil processing company which has a combined capacity of over one million tons.

[6] The trend toward lower production combined with the larger role of artisanal oil production was one of the major considerations for the Government's announcement in 1991 to increase producer's price of groundnut by CFAF 10/kg to CFAF 80/kg.

[7] The production and marketing of edible groundnuts were under the direction of a public enterprise (SEPFA) which has been privatized and renamed SONASEN.

15. Stronger growth in agricultural production during 1986-90 was generally attributed to the return of more favorable climatic conditions. To encourage agricultural production and to slow the flow of migrants to Dakar and other urban centers, the Government had, over most of the 1980s, paid greater attention to pricing policy as a means for stimulating production and shifting income in favor of rural producers. Prices of groundnuts and paddy were raised twice in 1984 and 1985, cotton in 1985, local cereals (including maize) three times in 1983, 1984, and 1985, and cowpeas twice in 1983 and 1985. As a result, average real prices for marketable crops were 12% higher in 1987 than in 1980. Depressed world prices for groundnuts since 1988 have necessitated a reduction in groundnut producer prices; given the large weight of groundnut in total marketable crop, this price reduction has brought about a 15% decline in average real agricultural prices since 1988.

16. Aside from the particular circumstances which governed groundnut prices, government pricing policies did translate into higher real prices for most crops, particularly for maize and cowpeas. Higher agricultural prices combined with declining real urban wages have turned domestic terms of trade[1/] in favor of the rural population. Although their incomes may have risen moderately compared to those of the urban population, the rural population had experienced falling real incomes. Compared to the level of the 1960s, the value of marketed output (expressed in constant 1987 prices) has fallen by 38% during the 1986-90 period. This development can be explained in part by the dramatic shift toward food crops at the expense of groundnuts. The share of marketed agricultural output, which accounted for 60% of total output in the 1960s, has fallen to 40% in 1986-90. These trends have important implications. Based on a population growth rate of 2.0% per year in the rural areas -- compared to 3.8% for the urban areas -- real per capita income in rural areas has declined by 20% since the mid-1970s. This decline not only seriously undermined the rural population's capacity to use more cash inputs, but also contributed, through lower purchases of manufactured goods and services, to depressing the overall level of economic activity.

17. In conclusion, in spite of a succession of relatively good harvests in recent years, the long-term trend in agriculture is alarming. Inadequate rainfall, stagnant technologies, reduced use of inputs (fertilizer use has dropped from 75,000 tons in 1980 to about 25,000 tons in recent years), and declining soil fertility in the Groundnut Basin together with a high rate of population growth have led to the expansion of farming into marginal lands where yields are lower and to a steady decline in cultivated area per agricultural worker. Furthermore, the shift from cash to food crop cultivation will continue to erode real income of the rural population, threatening to reduce investment in agriculture and the utilization of cash inputs. Under such conditions, the focus on pricing and financial stabilization measures, which emphasize reductions in budgetary transfers to agriculture, will not likely lead to significant changes in this key sector. A longer term development strategy is urgently needed.

18. The fishing sector, which employs directly and indirectly about 150,000 people, contributes 22% of merchandise export earnings but only 2.3% of

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[1/] The ratio of real agricultural prices to real minimum wages in the urban sector improved by about 10 percent during the 1980s.

total GDP, reflecting the low value added contribution of this sector. Total fish catch registered an average growth of 3.9% in the past decade. Excessive fishing--particularly within the six-mile zone set aside exclusively for artisanal fishermen--and the uncoordinated implementation of the resource management strategy for the sector are posing a major threat to this vital sector. The artisanal fleet, consisting of 10,000 boats (80% of which are motorized), produces about one-third of shrimp exports. Industrial fishing, which uses about 250 vessels and employs about 10,000 people, provides the bulk of fish exports. Two thirds of exports consist of fresh fish, with the remaining made up principally of canned tuna. Catch by foreign-based boats, after declining in 1981 with the withdrawal of Polish vessels operating in Senegalese waters, is rising again and currently accounts for over 40% of industrial catch. Since 1979, Senegal has concluded several fishing agreements with the EEC. Under the current agreement, which expires in 1992, about 70 tuna boats from France and Spain are allowed to operate in Senegal's territorial waters provided they land 12,000 tons of tuna in the Senegalese market.

19. The fishing sector in Senegal is facing serious problems. As mentioned earlier, growth of total fish catch has been decelerating. Five processing firms active in fish canning and freezing have closed down since 1988, one of them having moved its activities to Côte d'Ivoire where production conditions are more attractive (lower port taxes) and the labor force more productive and flexible. As a result of these adverse changes, output of canned tuna has fallen by almost 50% between 1986 and 1990, from 27,000 tons to 15,000 tons. Consequently, Senegal's share of France's tuna imports, its most important market for canned tuna, has fallen to less than 20% in 1970. This situation is expected to worsen in 1993 when Senegal's competitors from Southeast Asia (Thailand and the Philippines) will have greater access to the EEC market. The decline in canned tuna has partly been made up by increases in shellfish. Another concern about industrial fisheries is the aging fleet. With the increasing number of days idling in port for repairs and maintenance, the actual number of days actually spent fishing has diminished greatly in the past few years.

Industrial Sector

20. Before independence in 1960, Senegal had an extensive industrial infrastructure established to serve most of French West Africa's needs. When this market was broken up at independence and France's other former colonies developed their own industries, Senegal found itself with an industrial sector much too large for its small domestic market. As a result of these historical developments, Senegal's industrial sector was designed with large capacity and has relatively older equipment.[2/] The Government reacted to this situation by protecting these inefficient firms -- most of which were foreign-owned -- with high nominal tariffs and quotas and privileged long-term special concessions (conventions spéciales) including monopoly rights. Also the Government became much more interventionist by nationalizing a number of industries, transforming them into parapublic industrial enterprises. As a result of these policies, Senegal's industrial sector is relatively diversified, encompassing agro-

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[2/] According to World Bank (1992), the average age of Senegalese large industries is 24 years, twice the corresponding figures for Cameroon and Côte d'Ivoire.

businesses, chemicals, mining, textiles, and energy as the most important subsectors. There are 600 registered industrial enterprises, of which about 120 qualify as modern, factory-scale entities. In terms of employment, the formal manufacturing sector provided 41,500 jobs in 1985. This figure has since fallen to about 38,000. The 65 largest firms, defined as those having a turn-over in excess of CFAF 500 million (US 1.8 million) per year, employ fewer than 30,000 people. The difficulties faced by the industrial sector stem in large part from past policies which favored industrialization through high protection (quantitative restrictions and tariffs) and privileged long-term special concessions to a number of large firms. The inability of industrial firms to export (because of high cost), together with the narrowness of the domestic market, accounted for the low level of capacity utilization in the formal sector where half of the firms operate at less than 50% of capacity.

21. The industrial sector also suffers from other constraints ranging from excessively high cost of key inputs -- particularly labor, energy, and transport -- to the low quality of services provided (especially for electricity) to intense competition from smuggled imported goods. Due to labor market rigidities, industrial firms cannot easily adjust their labor costs downwards in line with the level of output. Cumbersome regulations and frequent changes in the incentives system (such as export subsidies) as well as the tax system also inhibit expansion of the manufacturing sector. Additionally, falling purchasing power in the rural economy has played an important role in reducing the demand for manufactured goods.

22. The Government of Senegal launched in 1986 a series of reforms under the New Industrial Policy (NIP) aimed at improving the competitiveness of Senegalese firms, encouraging the development of activities which generate high value-added, and reducing the role of the State in the sector. This strategy consisted of two sets of complementary measures: i) improve competitiveness by liberalizing the economy through the reduction and harmonization of customs tariffs and the removal of quantitative restrictions and ii) facilitate supply response and investment opportunities through the restructuring of Senegalese industrial firms and improved economic and regulatory environment primarily by reducing the cost of key inputs, including labor. The implementation of these measures took place essentially between 1986 and 1988. While the opening up of the economy proceeded mostly on schedule, reforms aimed at reducing the cost of production and improving the environment have proceeded at a much slower pace and, therefore, only had a marginal impact on the performance of the sector.

23. Review of the performance of the industrial sector is complicated by the absence of reliable information on output, employment, and fixed investment. The situation is further complicated by differences in the trends observed in detailed production indices by sector (which generally showed declines in output) and official national income account statistics which registered average growth of 4.5% over the last decade.[19] With the exception of phosphates, water, and electricity, detailed production indices by subsectors indicated that industrial output has experienced a decline since 1986. The decline was particularly severe for light manufactures (textiles and shoes) which faced stiff competition from

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[19] Part of this divergence is accounted for by the growth of manufactured output in the informal, artisanal sector. The lack of reliable information precludes, however, a more thorough examination.

imported goods, whose lower prices were further helped by ineffective controls of smuggling and under-invoicing.

24. To counter the threat from external competition and increase tax revenue, the Government has, since 1989, introduced several measures including raising customs tariff rates. In 1989, customs duties[11] (droit de douane) were raised by five percentage points in 1989 and a 3% customs fee (timbre douanier) was introduced. As a result, the average nominal tariff rate, which declined from 60% in 1985 (before the trade reforms began) to 35% in mid-1988, was raised to the current level of 43%. Moreover, to combat under-invoicing, the Government introduced in 1990 minimum customs tax assessments -- specific taxes based on listed prices -- on a large number of imports and broadened the use of reference prices (valeurs mercuriales). The latter, specific values used by the customs services to assess duties, which were sharply curtailed under SALs II and III, are again being used to provide protection to local products.[12] At the same time, the inefficient control of fraud continues to penalize local industries. Other measures introduced since 1989 include the removal of customs duties on inputs used in the production of textiles, matches, and batteries and the reclassification of a large number of finished products to a higher fiscal tax rate.[13] The series of measures since 1989 have not only led to a rise in the effective rate of protection, but also widened dispersions in the protection of various industrial sub-sectors. These frequent policy changes have also discouraged new investments in the industrial sector.

25. The task of assessing the impact of the NIP is difficult because the reform program contains both positive and negative stimuli for enterprises. Moreover, there were other developments which affected Senegal's industries independently of the reforms. For instance, Senegal's textile industry, which grew rapidly in the post-independence period, was profitable until neighboring countries, such as Niger and Mali, developed their own production. Based on interviews and cross-sectional surveys[14] of industrial enterprises, several general trends can be identified. The impact on employment has generally been negative, reflecting the stagnation in the sector and the high cost of labor. Through improved competition and higher domestic productivity, the reforms have also led to a decline in prices in about 75% of the subsectors examined in various studies. In spite of some of the measures introduced since 1989 and

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[11] The custom duty (droit de douane), together with the fiscal tax (droit fiscal) and the customs fee (timbre douanier), constitute the customs tariffs.

[12] The Government argued that the introduction of minimum customs tax assessments and the wider use of reference prices were necessary to combat under-invoicing of imports. Past experiences have shown, however, that these instruments were used by the Government to provide protection (sometimes at very high rates) to local products. The Government will need to make a more concerted effort to reinforce import value assessment by ensuring that the Swiss-based Société Générale de Surveillance (SGS), hired for that purpose since 1992, is effectively involved.

[13] From the 20 percent ordinary fiscal rate (droit fiscal ordinaire) to the increased rate (droit fiscale majoré).

[14] Most noteworthy among those are studies by the World Bank (1991), USAID (1990), Berg et al. (1991), Chambas et Geourjon (1990), Logeay (1990), and Judet (1989).

described above, it is clear that significant import liberalization has occurred in Senegal. Decontrol of domestic prices and easing of import regulations have improved domestic competition. Accompanying measures aimed at improving incentives and the environment for firms were only partially implemented. As a result, the reforms (or lack thereof) have not succeeded in creating an environment in which efficient firms could more rapidly respond to the market. The most clear-cut effects on Senegalese enterprises were twofold. The reforms have forced some older large firms to restructure in order to remain competitive or to fold. Other firms, mostly small-sized enterprises, took advantage of the increased availability of imported inputs to expand production.[15] While aggregate data on industrial production are not sufficiently comprehensive or detailed to reveal a shift in output from old large-scale firms to new smaller firms, there is scattered evidence of a movement toward smaller-scale production.

Service Sector

26. The service sector in Senegal accounts for 60% of GDP, a much larger share compared to other countries at similar levels of development. This, as discussed in Annex 1, most likely represents an overestimation, considering that tourism, the country's third largest foreign exchange earner, accounts for only 6.5% of the services sector. Most service activities which originate in the informal sector are subject to significant variations in their output estimates.

27. In Dakar where about half of the country's tourism activities occur, growth in the number of arrivals has decelerated while facilities have increased significantly in recent years. From an average increase of 4.3% during the period 1980-85, the rate of increase of the number of arrivals has slowed to 2.1% in recent years. The increase of the number in nights spent in the country decelerated even more sharply, falling from 4.8% in the earlier period to less than 1% in recent years. Since 1985, the number of beds has increased by 4.8% per year. The diverging trends in the demand and supply of tourist facilities are posing a severe problem to the tourist industry. The occupancy rate for the hotel industry, therefore, went from 45% in 1984 to 38% in 1989. For most hotels of good standing in Dakar, an occupancy rate of 40 to 45% is considered necessary to avoid losses.[16]

28. Part of the decline of tourism in Senegal is due to high cost. A 1986 study showed that the cost of tourism in Senegal compared very unfavorably with its direct competitors such as Morocco, Tunisia, Kenya, Côte d'Ivoire, Seychelles, and Egypt. It is reported that for a number of standard holiday packages, Senegal's costs exceeded those of Côte d'Ivoire by 40% and those of Morocco and Egypt by 100%.

29. Government services, the second most important subsector, have also seen its growth gradually decline as Government curtailed its spending in the context of the financial austerity program. The sector's share in GDP has fallen the most, from almost 17% in 1980 to less than 10% in 1990. This trend is

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[15] See World Bank (1992) for a more detailed description of the dynamics of changes in the industrial sector.

[16] The situation has since worsened with the addition of a deluxe hotel built in 1991 for the Islamic summit in Dakar.

expected to continue. However, compared to other countries at similar levels of development, Senegal's wage bill remains high and constitutes a major drain on public resources and on the economy. A more detailed discussion on the wage bill is provided in Section 3.

B. Trends in Key Macroeconomic Balances

Aggregate Demand

30. Senegal began the decade of the 1980s with an unsustainably large resource gap -- defined as the difference between exports and imports of goods and non-factor services -- resulting from an ambitious investment program and the rapid expansion of an already large public enterprise sector in the wake of a short-lived boom in groundnut and phosphate exports in the mid-1970s. The deficit was exacerbated by exogenous factors including two severe drought years, 1979 and 1980, a drastic fall in groundnut prices, and the rise in petroleum import prices. The overall fiscal deficit (on a commitment basis and excluding grants) reached 8.8% of GDP in 1982/83. At the same time, strong growth in domestic demand, made possible by an expansionary monetary policy, exerted considerable pressure on prices and on the external account. The overall balance of payments deficit reached US$ 211 million in 1982, or 8.2% of GDP. Faced with these difficulties, the Government launched a major stabilization program. Through the control of domestic aggregate demand, weak import growth together with better terms of trade, Senegal was able to reduce its resource gap, expressed at constant 1987 prices, from 13% of GDP in 1981 to 3.3% in 1990.

31. Though the reduction in overall expenditure was the cornerstone of the stabilization program, the improvement in the resource balance was brought about primarily by a contraction, in relative terms, of real private consumption and private investment (Table 2.3). Over the last decade, when real GDP grew on average by 3.2% per year, real private consumption only increased by 2.0% per annum. The relative contraction of private consumption was even more pronounced in the second half of the decade when real per capita private consumption declined by 1.4% annually. Slow growth in private consumption resulted in higher domestic savings which turned positive in 1986, representing 8.7% of GDP in 1990. On the other hand, the share of public consumption only contracted slightly during the same period.

32. Fixed investment in Senegal is very low and is significantly below targets of the most recent Policy Framework Paper. The investment ratio averaged 12.3% of GDP over the period 1986-90, compared to 15.5% for Sub-Saharan Africa[17]. Compared to the general rule that, in Africa, a fixed investment rate of 12 to 13% is required to prevent the stock of capital from deteriorating, Senegal has been divesting in the last decade. The co-existence of a low

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[17] The analysis by Michel Roy (1990) revealed an even more disturbing trend. On the basis of a detailed breakdown of the components of fixed investment by type (plants and equipment, construction, and change in the livestock herd) and by source (public, corporations, and households), Roy found that fixed investment had been underestimated for the early years of the 1980s. Using Roy's figures, the investment rate would have fallen from about 15% of GDP in the early 1980s to 12.7% in 1990.

investment rate and positive real growth could be explained by such factors as more efficient public investments or the existence of excess capacity in many industries. Although excess capacity may indeed exist in some sectors, the fact that few new investments have taken place in recent years means that Senegal's capital stock has aged and is thus more vulnerable to breakdowns[12/]. Low private investment can also partly be attributed to the stringent credit policies adopted by government to control domestic demand.

Table 2.3: Origin and Use of Resources

	In current prices			In constant prices			Real growth rate	
	1981	1985	1990	1981	1985	1990	1981-85	1986-90
	in percent of GDP						percent	
Gross domestic product	100.0	100.0	100.0	100.0	100.0	100.0	3.0	3.5
Domestic absorption a/	119.3	111.2	104.7	113.0	107.7	105.0	2.6	3.0
Resource gap	-19.3	-11.2	-4.7	-13.0	-7.7	-5.0	...	...
Exports of GNFS	32.1	29.7	25.2	23.3	23.3	23.0	3.1	3.3
Imports of GNFS	-51.4	-40.9	-29.9	-36.3	-31.0	-28.0	1.8	1.5
Private sector								
Consumption	86.3	83.9	78.0	87.4	83.0	78.4	2.8	2.4
Investment b/	8.4	6.6	9.2	6.3	5.8	8.6	2.7	8.2
Savings	-1.5	0.9	8.4	...	...	...	...	...
I-S	9.9	5.7	0.8	...	...	...	...	...
Public sector								
Consumption	20.4	16.8	13.4	14.1	15.3	14.1	2.9	1.8
Investment	4.2	3.9	4.1	3.7	3.6	3.9	-4.0	5.0
Savings	-5.2	-1.6	0.2	...	...	...	...	...
I-S	9.4	5.5	4.0	...	...	...	...	...
Foreign savings c/	19.3	11.2	4.8	22.1	...	...	...	...
(As % of investment)	153.2	106.7	36.1	225.5	...	...	...	...

a/ The sum of total consumption and investment.
b/ Includes changes in stocks.
c/ Total investment minus savings. This should equal the resource gap with any remaining difference due to rounding.

Source: SA Tables 5, 7, and 32.

12/ This concern is particularly meaningful given the age of the equipment in large Senegalese firms (about 24 years).

33. The use of resources can also be analyzed in terms of the balance between domestic investment and savings and the need to rely on foreign savings.[19] Referring again to Table 2.3, savings from both the private and public sectors were negative in 1981. Consequently, foreign savings were needed not only to finance gross domestic investment, but also to cover a large share of domestic consumption. With the rise in domestic savings, foreign savings now finance only about 35% of gross investment.

34. Most of the improvement in domestic savings originated from the private sector. From negative savings (or dissavings) equivalent to 1.5% in 1981, the private sector managed to generate savings equivalent of 8.4% of GDP in 1990, an improvement of 10.0 percentage points since 1981. The corresponding change in government savings was only equivalent to 5.0 percentage points, expressed in terms of GDP. In spite of the vastly improved fiscal position, the government sector has continued to experience negative budgetary savings (defined as current tax and non-tax revenue minus all current expenditures), therefore necessitating large budgetary support from external donors, a situation which is not sustainable in the long haul. Under these conditions, Senegal will not be able to sustain the improvement in the current account. Moreover, the policy of imposing the burden of adjustment on the private sector by curtailing its spending, particularly for capital goods, would severely undermine the long-term growth prospects of the economy.

Budgetary Trends

35. The financial position of the central government had improved significantly from 1981/82 through 1986/87. The overall fiscal deficit (on a payment order basis and excluding grants) experienced a marked decline from CFAF 70.3 billion (9.3% of GDP) to CFAF 47.1 billion (3.5% of GDP) during this period. The situation has since worsened as a result of larger deficits between 1987 and 1990.[20] The improvement in the fiscal situation over the period 1981/82-1986/87 is noteworthy as it was achieved against a background of deteriorating tax revenue (decreasing from 18.5% to 14.6% of GDP during the period under consideration[21]). As mentioned above, tax revenue has suffered a sharp reduction expressed with respect to nominal GDP, reflecting low elasticity of the tax system and the narrowing tax base (see Section 3 below for more detail). Between 1981/82 and 1989/90, tax revenue fell by almost four percentage points

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[19] Measured by the current account of the balance of payments, excluding official transfers.

[20] The presentation of the fiscal balance in this chapter differs slightly from that adopted by the IMF and the Government. Crop credit reimbursement is considered as a current outlay, and thus entered in the computation of the fiscal deficit. Grants, as well as variations in arrears, are classified as financing sources. Details of the two approaches are presented in SA Tables 44 and 45.

[21] The deterioration in revenue mobilization is not unique to Senegal. Tax revenue, expressed as a share of GDP, declined from 18.1% to 14% in the WAMU (UMOA) countries between 1981 and 1989. See Chambas and Geourjon (March 1991) for a more detailed analysis.

of GDP; the situation has since appeared to have stabilized.[22/] The weak tax performance was in part offset by non-tax revenue from windfall gains realized by maintaining high domestic prices for petroleum and rice while international prices were declining. As a result, government savings, net of grants, improved through fiscal year 1986/87, but remained negative until 1990/91. The decline in government expenditure was significant (Table 2.4), affecting all categories of expenditures. As a share of GDP, public spending fell from 29.4% of GDP in 1981/82 to 21.4% in 1989/90, enabling the Government to repay CFAF 47.2 billion of arrears (equivalent to 3.9% of GDP) over the same period.

Table 2.4: Trends in Government Finance, 1981/82-1991/92

	Share of GDP (%)			Changes in % of GDP	
	81/82	86/87	91/92	81/82-86/87	86/87-91/92
Revenue	20.1	18.7	18.6	-1.4	-0.1
Tax revenue	18.5	14.6	15.9	-3.9	1.3
Non-tax revenue	1.6	4.1	2.7	2.5	-1.4
Expenditure	29.4	22.2	20.0	7.2	-2.2
Wages and salaries	11.0	9.0	8.1	2.0	0.9
Other current expenditures a/	14.4	10.4	7.6	4.0	-2.8
Capital expenditure	4.0	2.8	4.3	1.2	1.5
Fiscal Deficit (payment order basis)	-9.3	-3.5	-1.4	5.8	2.1
Government Savings b/	-5.2	-0.6	2.9	4.5	3.6

a/ Includes special and correspondent accounts and crop credit repayment.

b/ Revenue excluding grants minus all current expenditures.

Sources: SA Table 45 and staff estimates.

36. The budgetary situation, which had improved until 1986/87, deteriorated in 1988/89 and 1989/90, due to a further weakening of the tax effort, a lower contribution from non-tax revenue (essentially from petroleum products) compared to the 1986/87 level, and less success in controlling expenditure. The reduction in government expenditure, which was instrumental in the fiscal improvement in the earlier period, became increasingly difficult to sustain without drastically reducing the share of the civil service wage bill. In 1989/90, the wage bill absorbed 58.5% of tax revenue. The large deficit in the groundnut sector, due to the significant weakening of world prices for groundnut oil, also contributed toward the deterioration in the budget position.

22/ The decline in tax revenue expressed as a proportion of GDP may also be attributed to the rising importance of the informal sector whose estimated contribution appears in GDP while the sector contributed little in terms of taxes.

Balance of Payments

37. During the first half of the 1980s, Senegal's external position was characterized by large deficits of the current account, which were only partially offset by net inflows of official transfers and capital (Table 2.5). Consequently, the overall balance of payments, recorded substantial shortfalls

Table 2.5: Balance of Payments (in CFAF billion)

				Average	
	1981	1985	1991	1981-85	1986-91
Trade Balance	-124.9	-126.3	-79.6	-117.7	-79.1
Exports (fob)	152.3	231.2	254.9	208.1	229.4
Imports (fob)	277.2	357.5	334.5	325.8	308.5
Non-Factor Services (net)	-16.2	-14.8	-2.6	-16.2	-11.4
Net factor income	-29.7	-57.1	-55.0	-43.9	-59.3
Net Private Transfers	-2.7	3.4	8.0	-0.3	4.2
Current account (exc. official transfers)					
Nominal value	-173.5	-194.8	-129.2	-178.0	-145.5
As % of GDP	-25.8%	-16.8%	-7.9%	-19.7%	-10.0%
Capital account	59.8	39.2	11.5	56.8	46.2
Public capital	44.6	50.3	16.4	49.6	49.9
Private capital	21.3	-7.1	-1.1	13.7	-6.1
Errors and omissions	-6.1	-4.0	-3.8	-6.6	2.4
Overall balance					
Before exceptional financing	-65.6	-82.8	-42.9	-60.9	-25.3
After exceptional financing	-48.3	-54.8	-1.0	-32.3	11.4
Financing					
IMF (net)	16.5	6.7	3.1	10.8	0.4
Other (net)	30.1	39.5	-7.6	20.3	-11.9
Arrears (+ = accumul.)	1.7	8.6	-5.5	1.3	0.1
Memorandum Items:					
Operations Account Position	-59.6	-93.2	...		

Source: SA Table 32.

which were filled through the operations account arrangement with France and the West Africa Monetary Union. The external accounts have since improved significantly, reflecting lower domestic economic imbalances. Allowing for debt rescheduling (which has been substantial since 1981), the balance of payments has registered surpluses in four of the last five years (with the exception of 1988), due primarily to improvement in the trade account, lower deficit on the non-factor services[23], and positive private transfers. Rising interest payments on external debt have, however, caused the net factor income deficit to widen.

38. The trade deficit, which had deteriorated steadily up to 1985, has since improved significantly. Most of the improvement, however, occurred in 1986 when sharply falling prices for the country's major imports (petroleum products and rice) brought about a 15% reduction in Senegal's import bill. Since then, the nominal value of merchandise imports has remained almost unchanged while volumes fell in proportion to decreasing import demand. As shown in Table 2.6, import volumes have fallen for capital equipment, consumer goods, and

Table 2.6: Composition and Growth of Exports and Imports, Yearly Average (%)

	Distribution in Value Terms		Average Volume Growth Rate
	1980-85 Average	1986-91 Average	(1982-1990)
EXPORTS			
Groundnut products	18.0	14.5	0.5
Phosphates	11.3	9.3	4.9
Fish	19.1	23.4	0.4
Chemical products	2.1	9.2	a/
Petroleum products	19.3	5.3	-16.6
Other	26.3	28.5	1.5
Re-exports	3.9	9.8	42.0
Total (fob)	100.0	100.0	
IMPORTS			
Food, beverages and tobacco	23.4	24.6	8.9
Other consumer goods	13.0	16.7	-2.8
Petroleum products	25.0	14.3	-1.9
Intermediate goods	26.1	29.9	1.1
Capital equipment	12.5	14.5	-1.5
Total (cif)	100.0	100.0	
Total trade value (CFAF bn)	537.3	579.9	

a/ Exports of chemical products started only in 1984.

Source: SA Tables 27 and 29.

[23] Non-factor services cover transportation, travel, insurance, and government transactions and fees. Dividends, interest, and other investment income as well as labor income are classified as factor incomes.

petroleum products; only food imports have increased. As a result, the share of imports of goods and services in GDP fell from over 50% in 1981 to less than 30% in 1990.

39. Most of the improvement in Senegal's trade balance was due to falling imports; export growth has not played a significant role. Although merchandise exports increased marginally in the latter part of the 1980s, this change only reflected a recovery from the depressed levels of the early part of the decade. With the exception of phosphates, exports of other goods have been stagnant or falling. Exports of refined petroleum products fell sharply with the loss of markets in Mali and Mauritania. Senegal's two key exports, fish and groundnuts, increased by a mere 0.5% per year in volume terms from 1982/84 to 1988/90. As a result, their combined value, which traditionally accounts for more than half of all exports, currently makes up less than 40% of the total. This trend, which should not be erroneously interpreted as evidence of export diversification, indicated that key export items have lost their momentum in recent years. Exports of salt, cotton, fertilizers, and other manufactured and agricultural goods have shown a moderate increase. In conclusion, Senegal's trade balance improvement was essentially the result of import compression.[24] While it is conceivable to further compress imports through stringent demand management policies, Senegal cannot go on indefinitely cutting its imports; it must increase imports (particularly equipment and machinery) to achieve sustained long-term growth.

40. The share of industrial countries in Senegal's external trade had increased somewhat during the period 1985-88. Imports from these countries averaged about 66% of Senegal's total imports, while exports to these countries amounted to 50%. France is Senegal's leading trade partner, purchasing over 35% of total exports and supplying a similar percentage of Senegal's imports. Other important trading partners include Italy, the Netherlands, and Spain for exports, and Germany, the United States, Spain, and Italy for imports. The share of exports to other African countries has fallen since 1985 on account of the loss of Mali and Mauritania as important markets for refined petroleum products.

41. The services account has improved steadily since 1984 when the deficit reached CFAF 89 billion. Non-factor services have been almost in equilibrium towards the end of the 1980s, primarily due to the steady increase in tourism receipts. But the deficit on factor income remained significant in spite of efforts to reduce interest payments on foreign debt through debt rescheduling and cancellation, and a rising share of concessional borrowing.

42. As a member of the CFA Franc Zone, Senegal's currency is freely convertible into French Francs, and banknotes can legally be taken out of the country. The value of banknote movement is significant and, given the extent of clandestine trade, an important proportion of Senegalese banknotes repatriated from abroad are assumed to have been used to finance imports. Since 1962, France has guaranteed the convertibility of the CFA Franc through an operations account opened in the name of the BCEAO with the French Treasury. The latter -- and not

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[24] It can be argued that the true extent of balance of trade improvement is less than shown by official figures, given the importance of smuggling and under-invoicing, part of which is not captured in the official balance of payments accounts for lack of information.

the Banque de France as is commonly believed -- is committed to covering all external positions between member and non-member countries provided that member countries are able to put up the equivalent in CFA Francs. Senegal has taken full advantage of the system and has maintained a deficit with the operations account since 1978. After reaching a peak of CFAF 93.2 billion in 1987, this deficit was brought down to CFAF 44.1 billion at the end of 1990, following successive surpluses of the balance of payments as a result of debt rescheduling.

43. Senegal has been the beneficiary of large net inflows of public capital (paras. 62 and 68). These external resources financed more than three-fourths of the current account deficit. Net public capital inflows, averaging CFAF 40 billion in the first half of the 1980s, had more than doubled in 1986 and 1987 due to a significant increase in budgetary support in the context of Senegal's reform program. However, a substantial rise in amortization payments together with lower disbursements, has, compared to 1986 and 1987, cut net public capital by more than half. Compared to an amount of CFAF 90 billion in 1986/87, net public capital inflows averaged less than CFAF 40 billion in 1988-90. During the same period, over 60% of gross disbursements from official sources were used to repay past loans. Rising (scheduled) debt amortization was partly compensated for by several rounds of rescheduling of Senegal's debt under the aegis of the Paris Club (para. 70).

44. After experiencing a significant improvement during the period 1984-86, net private capital inflows turned sharply negative in 1987 and 1988. In 1987, the net negative flows of private capital were mainly the result of the delayed repatriation of banknotes following the transfer of note collection from Paris to Abidjan; this was escalated by rumors of a possible CFA Franc devaluation. Private capital outflows remained high in 1988 following the social disturbances in the aftermath of the presidential elections. The outflows appeared, however, to have shriveled beginning in 1989. Net private capital outflows were estimated at CFAF 5 billion in 1990 compared to CFAF 27 billion in 1987.

C. Trends and Structure of Financing

Domestic Resource Mobilization

45. Table 2.7 shows that during the period 1987-92, the Government received the equivalent of 14.7% of GDP in tax receipts and 3.3% in non-tax revenue, principally from petroleum products. As in most developing countries, tax revenue in Senegal stems primarily from international trade, which directly contributed 40% of revenue. Including other taxes, namely value-added tax and excise duties, which are also levied on imports, taxes on international trade amount to over 50% of total tax revenue. Indirect taxes on goods and services, which were collected principally through the value-added tax, account for 30% of the total. Direct taxes cover the remaining 20%. While the composition of tax receipts has remained relatively stable over the years, there has been a growing reliance on receipts from petroleum products. Import duties, value-added taxes, and other receipts from petroleum products accounted for more than 22% of total government revenue in 1989/90. In the short term, the Government cannot reduce, in a meaningful manner, its dependance on revenue from the energy sector. In the

medium-term, however, a substitute source of revenue must be found to reduce the negative impact of high energy cost on the competitiveness of the economy and to remove the uncertainty brought about by changing world oil prices on government revenues.

Table 2.7: Government Revenue, 1980/81 - 1991/92

	As % of Revenue		As % of GDP	
	1981-84 Average	1987-92 Average	1981-84 Average	1987-92 Average
Tax Revenue	93.4	81.6	18.3	14.7
Taxes on foreign trade	38.8	33.7	7.6	6.1
Direct taxes	25.5	24.1	5.0	4.3
Taxes on goods and services	28.1	22.3	5.5	4.0
Other	0.9	1.5	0.2	0.3
Non-tax Revenue	6.6	18.4	1.3	3.3
of which: petroleum revenue	0.0	13.0	0.0	2.3

Source: SA Table 43 and staff estimates.

46. Between 1981/84 and 1987/92, tax revenue as a share of GDP fell by 3.6 percentage points on account of the decline in customs duties and, to a lesser extent, domestic taxes. The tax buoyancy -- defined as the percentage variation in tax revenue expressed in terms of changes in GDP, but excluding the impact of discretionary measures -- declined from 0.8 to 0.6 during the period under review. This deterioration occurred despite numerous efforts to reverse the downward trend. Inadequate tax administration and the narrowing tax base -- reflected by falling turnover and a declining wage bill in the formal sectors, and declining imports as a share of GDP -- were important factors contributing to Senegal's poor tax performance (Table 2.8). These trends imply that additional efforts to raise revenue through higher tax rates on a narrow tax base could lead to a further shrinkage of the tax base itself as the formal sector continues to perform poorly and customs fraud remains widespread.

Table 2.8: Trends in Tax Bases, 1984-88
(In CFAF billion)

	1984	1985	1987	1988	Changes 84/88
Imports a/	310.8	320.2	237.3	241.7	-22.2%
Corporate income b/	42.3	49.6	45.9	42.2	-0.2%
Wage bill					
Public sector	100.4	106.6	119.8	122.3	21.8%
Private sector	132.2	142.8	143.3	145.6	10.1%
Distributed profits c/	14.5	12.6	10.5	12.4	-14.5%
Nominal GDP	1021.3	1158.1	1382.3	1483.3	45.2%

a/ Nominal imports (fob) excluding capital goods imports which are mostly exempted of customs duty.

b/ Based on fiscal declarations of 5000 firms.

c/ Based on yearly surveys of about 1000 largest firms.

Source: Unpublished document by J.P. Cornerly, "Study of Key Revenues in the Period 1984-88", January 1989 and staff estimates.

47. Since 1986, the Government has initiated wide-ranging tax reforms aimed at creating a more effective and less distorted tax regime. A new Tax Code was introduced in early 1987 aimed at modernizing tax administration, changing specific duties to an ad-valorem basis, and widening the scope of the value-added tax to trade and construction sectors. The value-added tax was generalized to services and transport sector in 1991. Other reforms included the elimination of import quotas for eight groups of commodities, and a two step reduction of customs tariffs in 1986 and 1988. The objectives of these reforms were to reduce the excessive tariff protection, consolidate the tariff structure within a limited range, and reduce the protection differential for final goods from 35 to 15%. Following these initial reforms, the Government introduced additional measures: a withholding tax on professional and property income in September 1989, a global tax on personal income -- replacing a variety of schedular taxes, and a single tax of 35% on corporate income in January 1990.

48. Furthermore, the Government has adopted a series of revenue raising measures: the customs duty (droit de douane) was increased from 10 to 15% in September 1990; a customs fee (timbre douanier) of 3% was levied on most imports, a year later; and the VAT rates were revised in 1990, reducing the top rate from 50 to 30% but also reclassifying most items from the normal rate of 20% to the augmented rate of 30%. Thus, while the combined customs and value-added taxes were reduced by about 30 percentage points from 98% in 1986 to 68% in 1988, recent measures have brought back the average rate to 90%. These high taxes on imports partially explain the propensity toward smuggling and under-invoicing. Finally, the Government introduced minimum customs tax assessment in 1989; the coverage of the assessment was substantially enlarged a year later.

49. In an effort to mobilize additional revenue, the government raised a number of stamp duties (by between 50 and 100%) and increased excise taxes on cigarettes, alcoholic beverages, tobacco products, soft drinks, coffee, and tea

in July 1990. In October of the same year it also raised the personal income tax rates by 5 percentage points, but in response to strong political resistance, rescinded this measure a month later. In March 1991 a 5% excise tax on sales of motor vehicles was instituted.

50. Because of the exemptions and the widespread practice of under-invoicing and smuggling, the effective tax rate on imports (i.e. the ratio of customs receipts over recorded imports), averaged only 23.7% over the period 1988-90 compared to the average statutory rate, or scheduled taxation on non-exempted imports of about 42% (Table 2.9).

Table 2.9: Customs Duties and Rates

	1987/88	1988/89	1989/90
Imports (c.i.f.)	324.9	342.7	362.8
less exemptions	133.8	128.5	136.0
Imports subject to duty	191.1	214.2	226.8
Assessed duty a/	97.7	90.8	93.0
Customs receipts b/	82.7	73.6	91.1
Effective tariff rates (%)	25.5	21.4	25.1
Average taxation of non-exempted imports (%)	43.3	34.4	40.1

a/ Difference arises mainly from deferred customs payments granted to public utilities companies.
b/ Includes CFAF 7 billion of payment by SONATEL and SENELEC due to cancellation of deferred payments.

Source: SA Table 45.

Banking Sector Reforms

51. Prior to the 1989 banking reform program, Senegal's banking system consisted of 15 banks, of which 9 were publicly owned and 5 controlled in one way or another by the Government. A liquidity crisis in 1986 affected 8 of the 15 banks, including two large ones that had accumulated overdrafts with the Central Bank of CFAF 50 billion (about US$ 180 million). By 1987, the Senegalese banking sector was significantly weakened, leading to a substantial deterioration in the quality of financial intermediation.

52. Senegal's banking sector crisis is due to an array of factors. Some are specific to the management of the banks which, in spite of the presence of foreign shareholders in the management structure (the case of USB), is generally poor and lacks internal control on lending decisions. Other factors include excessive government interference ranging from pressure to lend to uneconomic public enterprises, to forced credit allocation, to a cumbersome legal framework -- all of which made it difficult for banks to take legal action to collect bad debts. The Senegalese banking sector and its problems can only be understood within the context of the rules and regulations of UMOA. Finally, unfavorable economic conditions such as droughts, adverse shifts in the terms of trade, appreciating real exchange rates, and heightened competition brought about by the rapid liberalization of the economy have reduced the borrowers' ability to service past loans, further exacerbating the situation.

53. The past readiness of the Government to guarantee the borrowing of uneconomic public enterprises has greatly undermined the system. Of the CFAF 144 billion of bad debts held by failing banks, more than 20% were loans guaranteed by the Government. These loans represent a way for the Government to circumvent the 20% rule limiting its borrowing from the Central Bank. These loans were considered risk-free but had a de-stabilizing effect on bank balance sheets once the Government failed to honor its guarantees. The national credit committees' discretionary power to fix bank-by-bank credit ceilings had also given rise to large-scale government interference in the banking system to the benefit of the weakest banks who were provided with higher credit ceilings than for healthy banks, thereby prolonging the existence of sick banks at the expense of healthy ones.

54. Because of the division of responsibility between BCEAO (responsible for inspection) and national authorities (responsible for overseeing the implementation of corrective measures), control of banking operations was ineffective. Even in cases where BCEAO recommended sanctions, the Government often did not comply. As a result, prudential rules have eroded. Problems began to emerge as banks were under political pressure to make loans to failing public enterprises via government guarantees and BCEAO rediscount facilities. Table 2.10 summarizes the financial situation of the Senegalese banking system as of September 30, 1988.

Table 2.10: Summary Situation of the Banking System, 1988
(CFAF billion)

	Distressed Banks	Sound Banks	Total
Loan Portfolio	323	166	489
Non-Performing Loans	233	6	239
Capital and Reserves	36	29	65
BCEAO Refinancing	167	30	197

55. The reform program, which began in 1988, consisted of five key measures:

- a drastic restructuring of distressed banks which, with the injection of additional capital, would experience a positive net worth and meet minimum capital adequacy requirements (BIAOS, USB);
- a closing of distressed banks for which no substantial injection of new capital was expected (BNDS, SOFISEDIT, SONAGA/SONABANQUE, ASSURBANK, BSK) (see SA Table 49 for detail);
- a sharp reduction of abusive practices such as forced crop credits and government guarantees on parastatal borrowing, and a reduction of government ownership of banks to less than 25%;
- substantial reforms in bank legislation, supervision and practices (bank-by-bank credit ceilings, sectoral credit targets, prior authorization mechanism, interest rate policies);

- recovery of bad debt; and

- studies of grass-roots mutual credit schemes.

56. In addition, the BCEAO has vastly reinforced bank supervision and created an UMOA-wide Banking Commission (Commission bancaire) with wide discretionary powers. It has also removed the requirement for prior authorizations in commercial bank lending and is considering the use of indirect means such as reserve requirements to control commercial bank credit.

57. The reform of the financial sector has restored confidence in the banking system which currently consists of seven commercial banks with important foreign equity participation, an agricultural bank, and a housing bank. Although these reforms have created a more solid banking system, Senegal's banks have now become much more risk-conscious and show a marked preference for short-term trade-related lending at the expense of long-term investment lending. Short-term credit now accounts for 70% of total lending; two-thirds of that were for the financing of trade and commerce. Lending to industrial activities declined from 21% of total credit in 1986 to less than 15% in 1990. The upshot of this trend is that Senegalese-owned firms, especially small- and medium-sized ones, are finding it much harder to have access to credit to finance long-term investments. The Government, with technical assistance from Canada, is trying to promote grass-roots institutions but their impact will not be felt in the near future.

Monetary Developments

58. In the context of the West Africa Monetary Union, the Central Bank uses the level of net foreign assets of each member country as the principal policy target to keep the overall operations account position within limits. The Central Bank controls net foreign assets essentially by controlling rediscounts to the private sector borrowings and advances to the Government. Before country rediscount ceilings are allocated among primary banks, a provision is made for advances to member country governments within the limit of 20% of the previous year's fiscal revenues.

59. The net external assets position of Senegal has begun to stabilize since 1989, following the wide fluctuations experienced between 1985 and 1988 on account of a marked deterioration in the trade account in 1985 and private capital outflows in 1987 and 1988 that led to the increase in the debit balances of the operations accounts. Senegal's negative position in the operations account reached a peak of US$ 207 million in 1985; it currently stands at US$ 162 million. As part of the stabilization efforts, credit to the economy has been severely restricted, registering a mere 1.0% annual growth rate during 1986-90 while nominal GDP was increasing at an average annual rate of 5.0%. At the same time, the money supply (M2) expanded at an average rate of 1.4%. In reaction to the continuing austere policy stance, money supply rose by 2% a year in 1990 and 1991 while domestic credit fell by 5% in 1990. The banking sector crisis and restrictive monetary policy have severely hindered financial sector growth. The ratio of M2 to GDP, which measures financial deepening, has been steadily falling, dropping from 11% in 1983 to 6% in 1990.

60. In October 1989, the Central Bank eliminated preferential discount rates and simplified the interest rate schedules of commercial banks. Moreover,

banks were given greater flexibility in determining rates on deposits and loans. To curb capital outflows the Central Bank maintained a positive interest rate differential between interest rates in the region and those in the French money market. With the discount rate at 11%, actual real interest rates on loans can reach as high as 17 to 18% including commissions.

External Resources

61. Senegal's improved fiscal position until 1986/87 did not, however, translate into lower financing requirements for the Government the reason being that scheduled amortization payments on external debt shot up sharply during the first half of the 1980s. These were only partially offset by debt rescheduling. At first, the Government reacted to higher amortization payments by borrowing heavily from the domestic banks, thus causing a rapid increase in domestic credit and high inflation. Beginning in 1983/84, quick-disbursing budgetary assistance from abroad in support of structural reforms enabled Senegal to rely on external sources to finance its budgetary deficit. In 1987/88, budgetary assistance, including the IMF contribution, amounted to CFAF 90 billion (US$ 290 million). This figure, which has since declined to less than US$ 200 million a year (Table 2.11), is still unsustainable and highlights the urgent need for Senegal to have a more lasting fiscal improvement. Without a sustained reduction in the overall fiscal deficit, lower external financing would necessarily lead to an accumulation of domestic payments arrears[25].

62. Outstanding Debt. After rising very rapidly in the period 1979-83, then again in 1985-87, Senegal's external debt has stabilized in recent years. The stock of outstanding public and publicly guaranteed debt rose by an average annual rate of 17% during 1980-87 and reached a high of US$ 4.0 billion in 1987 (equivalent to 83% of GDP). Due to debt cancellation, the stock of debt declined to US$ 3.7 billion at the end of 1990, equivalent to 64% of GDP.

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[25] Domestic arrears included in the table on the financial operations of governments may be under-recorded, given that they are on "payment orders issued" basis (base "ordonnancements") for the recording of expenditure and for the estimation of the overall deficit on a so-called commitment basis. Such a basis does not include arrears occurring at an earlier stage of the expenditure process (expenditures physically effected, but for which payment orders were not issued because of budgetary appropriations insufficient to cover departments' actual consumption levels). These problems appear to be frequent for telephone, electricity, transport, and water services. Hence, the expenditures currently recorded, though high, are generally low estimates of actual expenditure amounts.

Table 2.11: Deficit Financing, 1981/82-91/92

(In CFAF billion)

	81/82	83/84	86/87	88/89	91/92
Fiscal deficit	70.3	77.5	47.1	63.8	23.1
Amortization due	29.9	33.3	61.5	73.6	53.8
Debt payments to banks a/	0.0	8.8	12.0	3.6	7.2
Arrear payments (- = accumulat'n)	11.1	2.0	14.0	0.0	-9.0
Financing Requirements	111.3	121.6	134.6	141.0	75.1
External	82.2	104.4	128.1	157.3	107.1
Budgetary assistance	(42.5)	(44.9)	(79.0)	(69.7)	(22.7)
Project financing	(23.7)	(30.3)	(30.0)	(30.0)	(45.6)
Debt relief	25.2	29.2	19.1	50.6	32.1
Specific financing b/	0.0	0.0	0.0	7.0	6.7
Domestic (- = repayment)	29.1	17.2	6.5	-16.3	-32.0

a/ For BCEAO consolidated debt.

b/ For banking sector reform and voluntary departure program.

Source: SA Table 45.

63. Debts owed to official multilateral creditors have increased rapidly in the second half of the 1980s, rising by an average annual rate of 18.7% since 1985, compared to a rate of 12.8% for debt owed to bilateral sources. After cancellations, the level of indebtedness to bilateral creditors in 1990 dipped below the 1986 level. As a result, outstanding debt from multilateral sources (including the IMF) now accounted for 45% of the total debt. The World Bank Group has become Senegal's single largest creditor with an outstanding amount of US$ 830 million at the end of 1990. Even after debt cancellation, France continued to be one of Senegal's largest creditors, holding 14% of the country's total debt. Reflecting the authorities' effort to limit new borrowing on commercial terms, the stock of commercial debt has declined over the years.

64. New medium- and long-term external loan commitments fluctuated greatly from year to year, ranging from US$ 108 in 1985 to US$ 534 million in 1987. About half of commitments made in recent years were from multilateral creditors. If this pattern of commitments, as well as debt forgiveness from bilateral sources, continues it is projected that multilateral assistance will account for more than half of total debt by 1992.

65. The structure and terms of Senegal's debt has also become much more favorable. The share of medium- and long-term debt in total debt (including IMF credit) averaged about 90% in 1988-90. Concessional loans, which only accounted for 38% of outstanding debt in 1985, now makes up 53% of total debt stock. The

increasing share of concessional loans impacted favorably on the structure and terms of Senegal's new commitments. The average interest rate on all new commitments fell from 5.5% in 1985 to 1.8% in 1990.[2/] The average maturity period lengthened from 23.5 years in 1985 to 33.3 years in 1990, while the average grace period rose from 6.1 years to 8.8 years during the same time period.

66. Official Development Assistance (ODA). According to the Organization for Economic Cooperation and Development (OECD), total official development assistance (resource flows that are characterized by a concessionality or grant element of at least 25%), grew 7.4% a year during the 1980-89 period. Disbursement of ODA to Senegal averaged US$ 641 million a year during 1986-89. Therefore, not only is Senegal receiving a much larger amount of per capita assistance than before, the gap between Senegal and other Sub-Saharan African countries has been widening over time. On a net basis (after principal repayment), per capita assistance received by Senegal rose from US$ 59 in 1984 to US$91 in 1989. The average assistance received by other Sub-Saharan Africa countries was US$ 20 in 1984 and US$ 32 in 1988. In other words, Senegal received nearly three times the per capita assistance received by other countries in Sub-Saharan Africa.

67. Senegal currently receives support from some 27 donors. Based on disbursed amounts, the top six donors to Senegal in 1989 were France, the European Economic Community, IDA, Japan, and the U.S. In recent years, Japan and Italy have rapidly expanded their commitments and disbursements to Senegal. Assistance to directly productive sectors has become the largest category of ODA. As Senegal recovered from the drought of the early 1980s, food aid diminished to low levels.

68. Debt Service and Reschedulings. Senegal's external debt service obligations doubled between 1985 and 1988 to reach US$ 385 million; after rescheduling, debt service has declined to US$ 310 million in 1990. Accordingly, the debt service ratio as a percentage of total exports (goods, non-factor services, and private unrequited transfers) increased from 21% in 1985 to 31% in 1987 and dropped to 19.5% in 1990. Because of the shorter maturity of borrowings from the IMF, the latter received a disproportionately high share of debt service payments. Accounting for only 8.4% of total debt stock, the IMF received 22.7% of total actual debt service payments. Although Senegal's debt service ratio is not excessive compared to other countries, contractual debt service to be paid by the public sector through the budget are equivalent to 42.6% of total tax revenue in 1990/91 (before debt relief) or 30.8% (after debt relief). The large share of debt owed by the Government therefore poses a major problem to the management of the budget, particularly if Senegal will no longer have access to Paris Club rescheduling.

69. Senegal has benefitted from several rounds of rescheduling by bilateral creditors and commercial banks. Since its first rescheduling agreement in 1981, Senegal has signed new agreements every year (except in 1984, 1988 and

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[2/] The recent contracting of an important line of credit from the African Development Bank to help meet the need of small- and medium-sized companies which carries market interest rate will undoubtedly lead to higher average interest rates.

1992) with official bilateral creditors under the auspices of the Paris Club. Senegal has also signed a number of rescheduling agreements with other official creditors not participating in the Paris Club, notably Argentina, Saudi Arabia, and the Soviet Union. Four agreements were signed with commercial banks under the aegis of the London Club in 1981, 1984, 1985 and 1990. The last London Club agreement affects about US$ 35 million or about half of the country's debt to commercial banks. Total debt rescheduling obtained by Senegal has steadily increased from US$ 63 million in 1985 to US$ 138 million in 1990.

70. Senegal benefitted from relatively favorable terms at Paris Club reschedulings. At the June 1991 meeting, bilateral donors agreed to provide debt relief covering 100% of principal and interest payments on eligible debt (contracted before January 1, 1983 and not previously rescheduled, falling due between January 1, 1991 and June 30, 1992 as well as rescheduled amounts negotiated under Paris Clubs II to VI). In the 1989 Paris Club agreement, France cancelled one-third of the consolidated amount. Debt forgiveness during the 1989-90 period was estimated at US$ 500 million, of which 90% was from France. Senegal is expected to continue to receive debt cancellation amounting to roughly US$ 100 million a year over the next several years.

D. Conclusion

71. While Senegal has achieved considerable progress in strengthening the fiscal position and the external accounts and in controlling inflation, progress remains fragile and the investment climate unattractive. A combination of budgetary revenue shortfalls and misallocation of public expenditures (essentially a major imbalance between wage and non-wage expenditures) have resulted in the re-emergence of the fiscal crisis in 1988/89 and 1989/90. New revenue-generation measures and substantial cuts in public spending have been necessary in 1990/91 and 1991/92 but were not sufficient to re-establish fiscal stability. Frequent fiscal policy changes have led to an unsettled economic environment and tight monetary policies have sharply limited the supply of credit to domestic firms. These changes have constrained investment and economic growth. Thus, while overall GDP, according to official statistics, grew moderately faster than population during the second half of the 1980s, Senegal's growth performance remains closely dependent on weather conditions and more specifically the amount and distribution of rainfalls.

72. A key economic constraint in Senegal is the high costs of production which render most local products and services uncompetitive. More particularly, wages in the formal sector are much higher than in non-CFA neighboring countries. However, as a member of the West Africa Monetary Union, Senegal cannot unilaterally adjust its nominal exchange rate. The experience of Senegal exemplifies the dilemma facing countries of the CFA franc zone, particularly those where the cost structure is high. Without the option of changing relative prices between tradeable and non-tradeable goods and in the absence of a major attempt to reduce nominal wages[1/], Senegal has relied mainly on demand management, through restrictive fiscal and monetary policies, to reduce domestic inflation hoping in the process to gain some degree of competitiveness.

[1/] Considered to be politically unfeasible under the present circumstances.

73. The gradual adjustment path, relying principally on domestic policies, has shown its limitations. Restrictive policies have hindered growth. The situation is moreover complicated by the fragility of progress achieved on the fiscal front. In the absence of a major effort to rationalize public expenditures, the reliance on revenue mobilization when the tax base is shrinking, has necessitated the frequent recourse to ad-hoc policies -- both concerning revenue mobilization and expenditure cuts -- causing in the process an environment which hampers growth.

74. In sum, Senegal has managed to correct key macroeconomic imbalances through restrictive demand management. The process of adjustment has not, however, gone far enough to create the conditions for renewed investment and growth. Since Senegal cannot rely on exchange rate adjustment to reduce the cost of its goods and services on world markets, internal adjustments need to be much more aggressive. Furthermore, progress achieved under stabilization efforts must be consolidated to prevent the stop and go pattern of fiscal policies -- which characterized the situation since 1987/88 -- and to re-establish confidence of private sectors. Key adjustment issues raised above are discussed in section 3.

III. ADJUSTMENT ISSUES AND POLICIES

A. Public Resource Management

Public Sector Structure and Issues

75. The public sector in Senegal is made up of the central government, local authorities, and public enterprises (financial and non-financial). The central government includes the various ministries and agencies as well as 15 central government units with their own budgets. Local authorities, consisting of 38 urban districts (communes) and 317 rural districts (collectivités rurales), have considerable independence with respect to budgeting decision-making. They provide some social services, maintain rural roads, and finance selected projects. These activities are financed mainly from earmarked taxes and fees such as property taxes, business license fees, and local services charges. Revenue and expenditure of local governments are recorded in an autonomous budget.

76. The financial operations of the consolidated central government which include both budgetary and extra-budgetary operations are monitored by the Treasury. In addition, the Treasury maintains various special and correspondents accounts, as well as the cash balances of the local authorities. There are 41 special accounts which are funded by the Treasury through a combination of earmarked taxes and transfers.[2/] Transfers to three special accounts, namely the Road Fund, the Urban Development and Housing Fund, and the Fund for Local Development are financed by the investment budget of the central government and provide the government with a more flexible financing mechanism by-passing the numerous administrative steps necessary for inclusion in the general budget.

77. Treasury correspondent accounts are classified into four groups. The first group is represented by urban districts which have an autonomous budget, but which must pass by the Treasury for all their cash transactions. Rural districts maintain similar arrangements with the Treasury but are financially much less important. The third group is comprised of 44 government agencies, of which the most important ones include Dakar University, the Dakar port authority, the Postal system, and the Social Security Fund. The fourth group includes a variety of miscellaneous funds such as deposits of various agencies. The Treasury correspondent accounts are mainly financed through transfers from the Treasury but are also permitted to make independent transactions with financial institutions. Since the central government budget makes no provision for the net position of Treasury correspondents, any deficit or surplus must be absorbed by revenues or expenditures not anticipated in the "budget law".

78. The practice of including in the budget only the net balance of the special and correspondent accounts with other government expenditures has led to an understatement of total government revenues and expenditures, amounting to about 10% of revenues and a slightly higher percentage of total expenditures.

2/ Beginning with fiscal year 1991/92, these special accounts have been incorporated in the budget.

Consolidating most special accounts in the budget beginning with the fiscal year 1991/92 should partially correct this problem.

Public Enterprise Reform

79. In 1986, there were 85 public enterprises (PEs) in Senegal, of which 25 were classified as non-commercial or administrative entities. The PEs accounted for 29% of total investment in the economy, 17% of employment, but only 7% of GDP. Net losses of the sector (after taxes and before subsidies) represented 2% of GDP and 9% of government revenue. Total government equity in the sector doubled between 1982 and 1987, reaching CFAF 218 billion or 71% of total equity in the sector. In 1988, PE loans from the banking sector amounted to 39% of total banks' credit to the economy, excluding lending to the government. The performance of the non-financial institutions has been poor and has resulted in a growing net budgetary burden, reaching CFAF 14.4 billion in 1988/89.

80. Although the Government's sector-wide approach to PE sector reform dates back to the late 1970s, the real process of reforms actually started in 1985 when the Government adopted a new policy for the sector supported by SALs II and III. The two main objectives of this policy are the withdrawal of the Government from enterprises which the private sector could manage better, and the improvement in the efficiency of those PEs that would remain under Government control. These were to be achieved principally by: (i) pursuing the privatization or liquidation of selected PEs; (ii) improving the management and performance of the remaining PEs through contract programs; (iii) simplifying PE sector control procedures; and (iv) improving the analysis of PE sector performance principally by setting up a sector-wide data base. More recently, the Government has also been looking at approaches to privatize the management of some PEs without an effective transfer of ownership.

81. While the above steps helped establish a framework for reforms, hard decisions leading to a meaningful reduction in the role of the Government did not take place until very recently with the adoption of a more flexible approach toward privatization. As of October 1991, a total of 19 PEs had been privatized in one form or another and 11 liquidated. Although encouraging as a start, the impact of the divestiture program on total Government equity in the PE sector is relatively modest. The sale and liquidation of all 40 PEs earmarked under SAL IV would reduce the Government's equity participation by only about 12%[2/], the reason being that PEs with the highest Government investment and operating subsidies still remain in the Government portfolio. It is important, therefore, that the Government continue its efforts toward privatization to go beyond the SAL IV target.

82. Another important aspect of the PE sector reforms is the need to ease the financial burden of the sector on the budget. Using the more narrow definition of the net budgetary burden of the sector as the difference between the outflows from the Treasury to the PEs and receipts by the Treasury from the sector, the estimated burden amounted to CFAF 27 billion for 1987, equivalent to

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[2/] This share would more than double -- to 26% -- if one excludes government equity participation in the three large public utilities (telecommunications, water, and electricity).

60% of the overall fiscal deficit. The rationalization of the financial relations between the Government and the PE sector has two aspects, namely, the reduction of direct (through the budget) and indirect subsidies (such as tax exemptions, foregone interest payments, and subsidized interest rates) and the settlement of cross-debts between the Government and the PEs. In spite of a slippage in 1989/90, the Government managed to reduce total direct subsidies to the sector from CFAF 14.4 billion in 1988/89 to CFAF 11.8 billion in 1990/91. Within this envelope, allocations to the country's two universities and their related activities increased substantially. Most indirect subsidies are also being more strictly controlled.

83. The Government has also worked out a satisfactory settlement plan for all cross-debts up to the end of 1989. The plan consists of the signing of 42 agreements for the mutual cancellation of all undisputed cross-debts between the Government and the enterprises (amounting to CFAF 27.7 billion). The agreements also included writing-off of debts owed by non-commercial enterprises to Government (CFAF 8.6 billion) and settlement of all disputed debts between PEs and the Government. Over two-thirds of the remaining debts is expected to be settled over the three-year period 1991-1993. Taking into account mutual cancellations and write-offs, total debts owed by PEs to Government dropped to CFAF 5.6 billion (or 9.7% of the original amount) and debts owed by Government to PEs dropped to CFAF 1.2 billion (or 2.4% of the original amount). Both Government and PEs have began to settle these remaining debts. About 60% of total debts between PE themselves had been settled as of April 1991, and the remaining 40% is expected to be settled within a 36 month period. It is, however, important that concrete measures be implemented quickly to prevent the recurrence of the cross-debt problems.

Public Sector Resource Mobilization

84. It has long been recognized that excessive dependence on taxation of imports introduces a potential weakness into the tax structure which thereby becomes more sensitive to external factors upon which the Government has little control. Furthermore, compared to other developing countries, imports into Senegal are more heavily taxed.[20] On the other hand, under the present circumstances, there is limited potential in the near future to shift taxation rapidly from trade to domestic transactions. Recent efforts to generalize the value-added tax (VAT) to trade and other services will not likely yield significant revenue rapidly. Thus, while waiting for domestic taxation (including that of the informal sector)[21] to become more entrenched, Senegal's tax strategy in the next few years will have to continue to depend primarily on customs receipts and other external trade taxes such as the VAT on imported goods.

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[20] In the period 1987-90, the effective tariff rate (ratio of customs receipts over c.i.f. value of imports) averaged 23.7% in Senegal (43.7% if tariff-exempted goods were excluded) compared to 19% for other low-income countries.

[21] Such as the introduction of a minimum presumptive tax based on license fees.

85. Weak administration has been identified in a recent study[22] as a major obstacle affecting customs receipts in Senegal as well as in other African countries. Previous efforts by the Government to reduce fraud by raising tariffs have not brought about the desired results. Setting higher tariffs not only has resulted in increased smuggling but has also raised production costs with detrimental effects on the overall competitiveness of the economy. The introduction of minimum customs tax assessment in September 1989 and its generalization to 300 import items in June 1990 appear to be relatively successful in reducing the extent of under-invoicing. It is however, important to prevent the misuse (as a protective device) of the minimum taxes in the same manner that reference prices have been misused in the past. The recent government decision to hire SGS, an international surveillance agency, is a step in the right direction and is expected to enhance customs revenue collections.

86. Customs receipts have also been adversely affected by numerous tax exemptions. For the period 1987-90, on average, 38% of total imports were exempted from the payment of customs duties, resulting in revenue losses equivalent to 85% of realized customs revenues. These exemptions can be classified into four main categories: (i) those provided under the country's investment code; (ii) those associated with government purchases; (iii) those associated with foreign-financed projects and diplomatic imports; and (iv) those provided in the context of special agreements (conventions spéciales) between the Government and domestic enterprises. Since these exemptions all have a legal basis, they can only be phased out over time as agreements expire or legislation is amended. Given the magnitude of these exemptions, it is critical that they be reviewed and rationalized. Besides the loss of revenue, the various import duty exemptions may have indirectly promoted capital-intensive technologies while Senegal's resource endowments call for techniques more intensive in labor.

87. The multitude of tax measures introduced since 1989 reflects the Government's overwhelming concern with short-term financial stabilization and less attention to long-term growth. The reform program has so far inadequately addressed the issue of the narrow and shrinking tax base and the consequent high tax burden on a small group of tax-payers. The most immediate concern of tax policy in Senegal is to stop the decline in the share of Government tax revenue to GDP and mobilize additional resources, primarily through a widening of the tax base and a more rigorous control of smuggling. Therefore, new efforts should be taken to bring the informal sector under the tax net. One attempt, a presumptive payment under the income tax, equivalent to the amount of the license fee, has been tried. The extension of the value-added tax to trade is another attempt to tax the informal sector. It is, however, critical that these measures be strictly applied to yield the expected results.

88. In the longer term, it is important that revenue mobilization objectives be considered in light of the level and structure of public expenditures as well as their impact on the economy. Given the need for further fiscal deficit reduction and the difficulties in mobilizing additional tax revenue, particularly in the short run, a substantial part of the burden of fiscal adjustment will have to fall on the rationalization of public expenditures as well as on a better management of foreign borrowings and foreign debt to reduce interest payments.

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[22] See Thill (1991).

Public Sector Expenditure Policies

89. As discussed earlier, Senegal's fiscal improvement was brought about primarily by a significant reduction in public spending. Total expenditures fell by 14.6% in real terms during the decade of the 1980s[12]. While the decline affected both recurrent (except for interest payments) and investment expenditures, most of the change was achieved through a sharp reduction in government capital outlays, which had fallen by over 30% in real terms over the period. Furthermore, a range of recurrent costs associated with externally financed projects are also classified under investment spending, suggesting an even sharper decline in actual capital expenditures. As expected, the bulk of these funds are allocated to economic activities (80.3% during the period 1986-90) with agriculture, transport, telecommunications, and energy the most important sectors in that order.

90. Wage Expenditures. The civil service wage bill fell by 2% in real terms over the 1980s, while the number of civil servants continued to increase until 1987, when the Government decided, in the context of SAL III, to hold the number of staff to its 1987 level of 68,000. At present, Senegal still ranks high by international comparison regarding per capita civil servants. The erosion of civil service wages together with inadequate provisions for non-wage operating and maintenance expenses have resulted in low morale and a less efficient administration. This problem is aggravated by the narrowing of pay differentials between skilled and unskilled workers (falling from a ratio of 10:1 in 1980 to 6:1 in 1990) which not only diminishes the incentive to perform well but also encourages better qualified staff to leave the public service.

91. Compared to other countries with similar income levels, the cost of the civil service remains relatively high in Senegal. As an example, the average Senegalese civil servant salary is eight times greater than the average per capita income. Elsewhere in Africa this ratio is only three to four times. Compared to other countries in UMOA, with the exception of Côte d'Ivoire, the ratio is two to four times higher in Senegal. Given the sharp reduction in non-wage expenditures, the wage bill share of total current expenditure has risen from 50% in the 1980s to nearly 56% in 1991/92 (Table 3.1). This compares with an average of about 38% for UMOA as a whole.

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[12] A more detailed discussion of the trend and patterns of public expenditures can be found in the report "Senegal Public Expenditure Review" (1993).

Table 3.1: Selected Civil Service Data, 1981-92

	81/82	83/84	85/86	87/88	88/89	89/90	90/91	91/92
Wage bill (CFAF b)	83.3	100.4	111.8	122.3	125.2	126.8	129.6	130.3
Annual change (%)	6.4	8.3	4.9	2.1	2.4	1.3	2.1	0.5
% of current exp.	50.4	48.9	50.7	50.0	50.5	49.9	55.8	55.9
% of GDP	11.0	10.3	9.1	8.5	8.6	8.3	8.2	7.9
Civil servants (000s)	63.0	67.7	68.8	67.1	66.5	65.7	65.6	64.1
Annual change (%)	6.3	2.1	2.7	-1.6	-0.9	-1.3	0.1	-2.3

Source: SA Tables 23, 44.

92. Since the mid-1980s, the Government has attempted to lower the civil service wage bill. In accordance with IMF and Bank adjustment operations, the Government has resorted to various measures including freezing of recruitment and imposing ceilings on the wage bill. Even after two rounds of the voluntary departure program (totalling 3745 staff), the size of the civil service is only 7.4% lower than its peak of 69,000 in 1986. In 1990/91, the wage bill, originally programmed not to exceed CFAF 125 billion, reached CFAF 129.5 billion. Given the Government's budgetary constraint, a significant reduction in the civil service is vital because these resource savings are needed for increasing expenditures on basic social services (such as primary education and preventive health care) and for allowing the needed reduction in the level of taxation (particularly energy). A smaller civil service would also enable the Government to provide a more attractive pay scheme to those in service reversing the downward trend in real wages and pay differentials.

93. While the Government has recognized the need for staff reduction and its implications, the implementation of the civil service reforms has so far been erratic and incomplete. The reform program supported by SAL IV includes: a) the restructuring of the administration with a view to reducing the number of ministries, followed by an organizational audit to identify redundant positions; b) the "privatization" of selected government services; and c) the implementation of a voluntary departure program and an early retirement program. The actual implementation encountered several slippages: (i) after reducing the number of ministries from 22 to 15 in March 1990, the Government created four new ministries in May 1991; (ii) discussions on the privatization of certain services have not proceeded beyond the stage of studies and; (iii) the first phase of the voluntary departure program started well, but the lack of a strong commitment to finance the program has raised the risk of slippage. Overall, the basic institutional reforms have taken much longer than anticipated and the

organizational audit, without which there is no objective basis to determine the proper size of the civil service, has yet to begin.

94. Non-Wage Recurrent Expenditures. As discussed earlier, the decade of the 1980s was marked by significant declines in public expenditures, mainly owing to severe cutbacks in investment. By contrast, recurrent expenditures increased in real terms during the period, driven mainly by the sharp increase in interest payments; expenditures net of interest fell by 5% in real terms. Due to the rapid increase in the stock of government debt, interest payments increased two-and-a-half-fold between 1981/82 and 1989/90 in nominal terms. As a share of total current expenditures, interest payments accounted for 17% in 1989/90, or double its share in 1980/81 (Table 3.2). With the share of transfers and subsidies in total recurrent expenditures increasing marginally, most of the decline in non-wage recurrent expenditures affected expenditures on materials and maintenance.

95. The under-provision for operating and maintenance (O&M) spending worsened dramatically in 1990/91 following the across-the-board cut in budget allocation needed, to help redress expenditure overruns and revenue shortfalls. This trend is expected to continue for the 18-month period ending December 1992.[1/] Moreover, this cut in O&M expenditures was made without an overall framework to prioritize spending. Low O&M expenditures affected every sector, in particular education where non-wage recurrent expenditures are just about 10% of the wage cost. Under-provision for O&M expenditures is only partially offset by the Government's practice of incorporating significant amounts of recurrent spending in the investment budget and the special accounts.

96. Transfers and subsidies have increased as a share of total recurrent expenditures over the 1980s but, like other expenditure items, fell in real terms. Most transfers are spent in higher education (scholarships and allowances to university students), general public services, and agriculture. In the context of the rationalization of financial relations between the Government and public enterprises, transfers to this sector have begun to decline in recent years.

97. The breakdown of recurrent expenditure by functions showed a relative decline in most sectors with the exception of interest payments. Expenditures in the health sector were the hardest hit and by the end of the 1980s, real per capita spending for health was 40% below its 1981/82 level. Real spending in education was slightly more favorable, although it has also declined by 15% on a per capita basis in real terms. Economic services was the other sector which has suffered a significant decline in appropriations.

[1/] Beginning in 1993, Senegal's budget year will coincide with the calendar year. In the transition from a July-June to a January-December fiscal year, the Government will operate on the basis of an 18-month budget ending in December 1992.

Table 3.2: Classification of Current Expenditures
(in % of total)

	80/81	82/83	84/85	86/87	87/88	88/89	89/90	90/91
A. Functional Classification								
General public services	32.1	33.3	30.3	32.1	29.0	...	...	...
National defense	13.0	12.4	12.7	12.3	12.2	...	...	...
Education	22.0	20.0	19.9	20.8	21.0	...	...	...
Health	4.8	4.2	3.7	3.8	3.8	...	...	...
Community services	3.0	3.6	2.7	4.0	3.6	...	...	...
Economic services	7.0	6.4	6.1	5.9	5.5	...	...	...
Other (incl. interest)	18.0	19.9	24.7	21.1	24.9	...	...	...
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
B. Economic Classification								
Wages and salaries	51.8	49.7	49.1	51.5	50.0	50.5	49.9	55.8
Materials, supplies and maintenance	23.0	19.8	15.4	18.6	19.0	19.9	...	...
Interest payments a/	7.7	14.3	20.5	17.0	18.8	19.2	16.2	16.4
Domestic	0.5	0.3	0.3	0.1	1.1	2.1	1.8	3.0
External	7.3	14.0	20.2	16.9	17.8	17.2	14.4	13.4
Transfers and subsidies	7.5	16.2	15.0	12.3	12.2	10.4	...	...
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

a/ Includes scheduled interest on government debt serviced by the Caisse Autonomie d'Amortissement (CAA) through a Treasury special account.

Source: SA Tables 42, 43.

98. The economic classification of Government recurrent outlays highlights the trend discussed earlier. The share of wages and salaries in total current expenditure remained almost unchanged until 1990/91 when it increased by six percentage points. At the same time, the share of interest payments has more than doubled. In contrast, the shares of materials and maintenance as well as transfers and subsidies have steadily declined.

B. Competitiveness

Background

99. In the period prior to 1985 when the structural adjustment programs were launched, the Senegalese economy was shaped by policies resulting in high cost of production. The salient features of these policies were: a high and wide-ranging tariff structure, significant quantitative restrictions on imports, restrictive labor laws, over-extension of the state in the economy -- especially in agriculture, -- widespread subsidization of inefficient public enterprises,

and numerous special incentives for selected companies. Since 1985, Senegal has introduced a number of major policy changes with the support of the donor community, particularly the Bank through its adjustment operations.

100. Compared to the situation of the pre-adjustment period, the economy is less regulated. Nearly all quantitative import restrictions and price controls have been removed and prices are now allowed to move more freely with supply and demand. Import tariffs have been reduced and rationalized -- although more recent revenue measures have undone some of the benefits of earlier reforms. Corporate and personal income tax systems have been simplified and rates reduced. The investment code has been modernized and a one-stop window has been created to facilitate the approval of benefits provided to new investments by the investment code. The Government has reduced its role in the area of employment and wage setting. It has reduced its presence in agriculture by reducing the roles of rural development agencies and by privatizing the marketing of coarse grains and groundnuts. Through the privatization program and other accompanying measures, the Government has sought to promote the efficiency of parastatals. An important accomplishment of Senegal's reform program has been the restructuring of the banking sector. The reforms described above have unmistakably reduced the Government's role in controlling the economy. Accompanying measures to help establish an enabling environment have remained too weak and tentative to have a discernible impact on private sector activities.

101. The important accompanying measures comprise a moderate reduction in the cost of key inputs such as petroleum products, electricity, and telecommunications, minor revisions of the labor code to render the labor market somewhat less rigid, and the promotion of exports through an export subsidy scheme. The scheme, which was originally introduced in 1980 to promote exports to countries that are not members of the Economic Community of West Africa (CEAO) provided a subsidy equivalent to 25% of industrial value added at international prices. The export subsidies, which ranged from CFAF 5.8 billion in 1989/90 to CFAF 8.1 billion in 1986/87, went primarily to fish and fertilizer exporters. Textile exports received a smaller share of the subsidy. Although the impact of the scheme in terms of export growth has been limited due to administrative delays and uncertainties related to the payment of the subsidies, beneficiary firms would face additional problems, without the subsidy, to remain competitive in their traditional markets. The Government decision in July 1990 to suspend payment of export subsidies for budgetary reasons, resulted in removing, at least in the fishing sector, the profit margin which keeps most of these companies in operation.

102. Despite the progress made in the implementation of the reform program, there are still a number of constraints which militate against supply response. The difficulties encountered by the Government in consolidating progress of past stabilization have led to frequent policy reversals between the adjustment mode (or long-term reforms designed to foster competitiveness and growth) and the shorter term stabilization mode (restrictive fiscal and monetary policies to reestablish key macroeconomic balances) described in detail earlier. This section covers three other important sets of constraints. First, high labor cost, rigidity of the labor market, and high charges for energy, transport, and communications remain important impediments to productivity growth and private sector development. Second, deteriorating terms of trade, low productivity, and the sharp real currency depreciation of non-CFA neighboring countries in Africa

and other competitors throughout the world have severely eroded the competitiveness of Senegal. Third, recent changes in import tariffs and trade taxes designed to combat under-invoicing and falling tax revenue have raised tariff protection and accentuated distortions in the level of protection among sectors of the economy. The difficulties encountered by the Government in consolidating progress of past stabilization have led to frequent policy reversals between the adjustment mode (or long-term reforms designed to foster competitiveness and growth) and the shorter term stabilization mode (restrictive fiscal and monetary policies to reestablish key macroeconomic balances which have been described in detail earlier).

Cost of Production

103. Private sector development in Senegal faces many constraints ranging from a burdensome regulatory framework to excessive input costs. For labor, the problems are three-fold: high real wages, low productivity, and rigidity of the labor market as the result of an outdated labor code. Labor market rigidities, particularly those related to fixed-term contracts have transformed labor, usually considered as a variable cost, into a fixed cost of production.[13] These constraints, affect primarily firms in the formal sector which have to compete in export markets. Firms in the informal sector generally pay wages substantially lower than the minimum wage set by Government and do not abide by labor code regulations. Significant growth in the informal sector has provided some impetus to the economy and has helped absorb a number of new entrants to the labor force. However, firms in this sector generally consist of micro-enterprises which are facing obstacles in expanding into medium-sized entities and are thus unable to capture the benefits accruing from economies of scale. Also, most informal sector firms are oriented towards the domestic market.

104. A recent study prepared by the International Labor Organization found that in 1986 average annual wages for skilled and semi-skilled workers were higher in Senegal than in Malaysia for all manufacturing sectors while average per capita income in Malaysia was over three times larger than in Senegal. This indicates either that productivity is substantially lower in Senegal than in Malaysia or that a much lower number of Senegalese are economically active compared to Malaysians. The high cost and low productivity of Senegalese workers were also striking when compared to Ivoirian workers[14]. The same study also showed that in 1989 the labor cost for the production of one can of tuna fish was almost five times higher in Senegal than in Thailand.

105. Besides the high cost of labor, Senegal's social partners exhibit the feature of a highly adversarial system which leads to a sub-optimal outcome for all concerned parties. The trade unions' severe mistrust of management results in union pressure on the workers to resist what was deemed exploitation of the latter by the employer. Moreover, the existing labor regulations, which

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[13] Labor cost is estimated to average about 15% of the value of output for manufactured goods.

[14] Logeay (1990) showed, for instance, that the average Senegalese worker cleans only 50 kilograms in an hour compared to 130 kilograms in Côte d'Ivoire, the difference arising from the fact that Senegalese workers have refused to work standing up. Similarly, dockers at the port of Abidjan are known to move twice the volume of goods per hour as those in Dakar.

virtually guarantee job and wage security in the formal sector and dissociate wage from performance, have induced employers to substitute temporary workers for the permanent ones as often as possible. This situation has discouraged employers from hiring new permanent workers and translated into low worker motivation and productivity, as reflected in some of the examples shown above.

106. The Government's stance in confronting the labor problems has been timid in the past for fear of triggering social unrest. More recently under SAL IV, the Investment Code was modified in 1989 to exempt small- and medium-sized enterprises from prior Government authorization to dismiss their employees and to hire new workers on temporary employment contracts for a period of up to five years.[17] The use of temporary contracts would not only allow for more flexibility in the distribution of labor costs but would hopefully improve productivity by changing workers' attitudes. The labor code has been revised and is now under consideration by the National Assembly.

107. Energy, transport, and communication costs are also very high in Senegal because of pricing policies and inefficient services. The highest of these are domestic energy prices which are on average 2 to 2.5 times the world prices. High energy taxes (an important source of government revenue) are a major impediment to local industries. As an illustration, the cost of fuel and electricity to produce of a ton of cement in Senegal is three times the level for a French company. Telecommunications from Senegal to France, the United Kingdom, and Germany are respectively 36, 80, and 133% higher than calls from these countries to Senegal. The cost of goods shipments to and from Senegal are also excessively high. For instance, according to Logeay (1990), the transport cost of a can of tuna fish from Thailand to France (twice the distance of Dakar-France) is half that of sending a can from Dakar to France. Changing these excessive rates would require renegotiating the basic elements of international agreements involving shipping lines in France and in West African States. Senegal could, however, unilaterally reduce the cost of port handling which is as much as 14% of import costs and 6% of export costs.

Real Exchange Rate and Terms of Trade

108. Structural adjustment in Senegal must lead to an increase in the output of traded goods -- exports as well as efficient import substitutes. To do this, a depreciation of the real exchange rate is needed to provide private entrepreneurs with an incentive to produce more tradable goods. The combination of high inflation, particularly in the early 1970s, and adverse terms of trade, which have not been compensated by greater productivity gains, has severely eroded the competitiveness of the Senegalese economy. The situation has become critical in recent years due to the fall of the US dollar in relation to the French franc, and the sharp real currency depreciation in neighboring non-CFA countries.

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[17] The Government has also instituted other minor changes for firms in the free trade zone and is slowly moving toward less public intervention in the wage setting process. The decision to freeze the official minimum wage is also a step forward although formal sector firms generally pay wages which are multiples of the SMIG.

109. A rapid increase in the money supply starting in the late 1970s had caused inflation in Senegal to average 12% between 1980 and 1986 and led to a real appreciation of the Senegalese currency between 1981 and 1986 of 19% relative to the French franc and 13% vis-à-vis the US dollar (Table 3.3). Although the slowdown in domestic inflation has helped Senegalese producers recover some lost ground, Senegal's competitiveness has deteriorated compared to other countries such as Ghana, Nigeria, and China against which Senegal has to compete on export markets. It is noted that the real exchange rate shows a large depreciation vis-à-vis Ghana and Nigeria between 1975 and the mid-1980s as these two countries were undertaking even more expansionary fiscal and monetary policies without adjusting their nominal currencies. However, this situation changed dramatically after 1984 as these countries launched their own adjustment programs in which they aggressively used the exchange rate as a policy instrument. As a result, Senegal's real exchange rate indices with Ghana, Nigeria and China show appreciations of 92, 73 and 58%, respectively, over the period 1981-90. Senegalese producers will find it increasingly difficult to compete with exports from these countries.

Table 3.3: Real Exchange Rate vis-à-vis Selected Countries and Real Effective Exchange Rate (REER)[a/] (1985 = 100)

	1975	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
France	94	117	119	113	111	107	100	97	105	110	114	117	123
USA	58	67	85	93	99	106	100	74	69	73	81	73	80
Ghana	44	189	471	594	1096	151	100	55	40	41	41	39	44
Nigeria	34	60	75	75	90	121	100	39	17	24	23	20	19
China	132	139	144	137	138	124	100	66	60	74	90	61	n.a.
REER	82	97	110	107	109	112	100	80	75	83	88	82	83

a/ Depreciation is indicated by an increase in the index, which is calculated from official exchange rates deflated by the consumer price indices.

n.a. not available.

Source: SA Table 51 and staff estimates.[a/]

Tariff Protection and Trade Regime

110. In addition to constraints related to a high real exchange rate and excessive cost of production, Senegalese industries operate in an environment of rapidly changing trade regime of overlapping policies with contradictory effects. Until the reforms which began in 1986, nominal tariffs were uneven, high, and escalated sharply for finished goods. Quantitative import restrictions existed

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[a/] The real effective exchange rate index is the IMF calculated index, adjusted by including Nigeria among Senegal's trade partners.

for a wide range of commodities, with significant impact on domestic market prices.

111. Reforms undertaken between 1986 and 1988 in the context of the New Industrial Policy consisting of the rationalization of the tariff structure, the reduction of tariff rates, the removal of most quantitative restrictions, and curtailing of the use of reference prices have led to a much greater opening of Senegal's economy. As the discussions in Section 2 indicate, the reforms have resulted in an increase in efficiency of surviving firms. The reversal of some of these measures since 1989, under the pressure to generate additional fiscal revenue and to protect certain sectors of the economy, have not only led to higher protection rates in general but have re-introduced distortions, thus sending wrong signals to an already weakened and uncompetitive industrial sector with the widespread use of reference prices and the introduction of minimum customs assessment tax.

112. As a consequence of these more recent changes, the average effective protection rate,[29] which declined from the excessive level of 165% in 1985, before the reforms began, to almost half this level by mid-1988 when nominal tariffs reached their lowest levels (Table 3.4), went back up to the current rate of about 100%. These rates were calculated assuming that value added averages 20% of the value of final outputs and using prevailing nominal tariff rates for final goods and intermediate materials. If one assumes a larger value added ratio (say 30%), the average effective protection rates would be substantially higher (130%). These figures, which are indicative of Senegal's high effective protection, should be used with care. A detailed study of effective protection by subsectors is underway but results are not yet available.

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[29] Measured on the basis of hypothetical assumptions regarding the share of value added and declared duties for inputs and finished products.

Table 3.4: Average Effective Rates of Protection a/

	Assuming value added of 20%	Assuming value added of 30%
1985 b/	165	235
1986 b/	111	156
1987 b/	111	156
1988 b/	89	123
1989	95	129
1990	98	132

a/ Rates were calculated using prevalent tariff rates for three types of goods (social goods, ordinary goods, and luxury goods).

b/ Until 1988, the effective rates of protection incorporate the effect of quantitative restrictions.

Sources: SA Table 49 and staff estimates.

C. Medium-Term Options

113. The above discussions indicate the need for Senegal to direct its economic strategy at (i) consolidating macro-economic balances through better resource mobilization and allocation, and (ii) through improvement in economic efficiency and international competitiveness to support growth and exports. The main objective is to promote and sustain growth. Strong emphasis should be placed on the consistency of the economic strategy, as an indispensable condition for its success. For instance, a one time slippage in the fiscal area can be offset by introducing new tax measures and by tightening the money supply to reduce overall demand. But continuing restraint of domestic credit will have negative effect on long-term growth prospects. Also, frequent changes in fiscal regulations, as has been the case in the recent past, do not provide conditions that are conducive to private sector investment and growth.

114. Remaining structural constraints need to be removed quickly in order to minimize the adjustment cost and valorize the country's full economic potential. For a labor-rich, capital-poor country like Senegal, an outward strategy is vital to promote growth. Senegal needs to restore the international competitiveness it lost when the real exchange rate appreciated, both relative to major trade partners and competitors. Because most of the adjustment has been done so far through import contraction, there is an urgent need for a more aggressive real exchange rate policy, for the removal of anti-export bias, and for the establishment of regulatory and legal framework, and financial markets in order to encourage private sector development. Senegal's medium-term policy

options are discussed below under two scenarios, reflecting the strategy stated above.

Scenario 1: Reliance on Gradual Internal Adjustment Without Significant Structural Changes

115. In this scenario, the policy focus will basically be a continuation of current efforts to restore and maintain a macroeconomic balance without a major attempt to eliminate key structural bottlenecks which confront the private sector and to rationalize the structure of government expenditure. The key objective is to yield a fiscal position consistent with the availability of external financing without a serious attempt to change the lopsided expenditure structure. Fiscal policy will consist of a conservative expenditure stance, affecting both current and capital expenditures; revenue will continue to rely mainly on trade taxes and the energy sector. Monetary policy will remain restrictive.

116. In view of the macroeconomic performance of the recent past, the likelihood of slippage in this scenario will be high and will require frequent policy changes which in turn would continue to discourage private sector development. The slippage could arise from factors such as drought or the ineffective macroeconomic management, both of which would depress the level of economic activity. The focus on stabilization in the absence of serious structural reforms, will cause investment to remain at a level barely sufficient to provide the replacement of the existing capital stock. The economy will remain in a low-growth trap with real GDP averaging less than the rate of population growth. Growth prospects in the short run will be constrained by the poor agricultural performance of the 1989/90 crop season. As a result, agricultural production will likely stagnate, causing low growth potential for other sectors of the economy. Growth will also be hindered by the government effort to achieve a major gain in the fiscal balance through additional revenue and cuts in public sector spending.

Scenario 2: More Vigorous Structural Reforms

117. This option assumes further and deeper structural reforms so as to maintain domestic and external financial stability and to overcome impediments to investment and growth. The scenario is based on a turnaround in the budgetary position, through a strong effort to increase tax revenue and to rationalize expenditures based on the systematic review of government spending. On the revenue side, it is assumed that distortions introduced since 1989 will be removed (i.e. the need to reduce the extent of minimum customs assessment taxes, reference prices, and customs duty rates) and tax collection improved significantly with the establishment of a pre-shipment inspection scheme. These measures are expected to minimize fraud and smuggling while protecting local industries from high cost imports and excessive regulations. Lower tariffs would also limit the incentives for private entrepreneurs to join the informal sector, thus allowing a broadening of the tax base. The combination of these measures will allow the Government to raise the ratio of tax revenue to GDP, consistent with the objective of reducing and improving the distribution of the tax burden. The overall fiscal targets are projected to be the same as in the first scenario,

with a major difference concerning improvements in the incidence of taxation on equity and competitiveness.

118. On the expenditure side, it is assumed that the Government will reallocate its limited resources. Thus, Government expenditures will be more oriented toward the provision of adequate maintenance, operating, and social outlays, and less toward consumption (i.e. civil service wages). The most important effort will be to reduce further the wage bill through a vigorous implementation of the civil service reform program initiated under SAL IV. In addition, the Government will, in line with measures already implemented under SAL IV, further reduce budgetary transfers and subsidies to the parapublic sector.

119. In industry, this scenario involves a multi-faceted approach, namely the further liberalization of the labor market, the reduction in the price of key inputs, and the improvement in the administrative and financial environment. A stable economic and policy environment will constitute the sine qua non conditions for a recovery of investment and growth. In agriculture, the Government will implement a comprehensive policy program designed to encourage the replacement of imported rice by locally produced cereals, the expansion of groundnut cultivation, and diversification of agricultural production. Special emphasis will be placed on resource management through measures to enhance soil fertility. Conditions will need to be created to facilitate the transition from extensive to intensive cultivation.

120. In the short term (1991/92), it is unlikely that the above measures will have a significant impact on growth, and consequently, real GDP will not be much different from the first scenario. For the period 1993-95, however, the measures are expected to result in a higher GDP growth compared to the first scenario. The key factor behind this relatively high growth scenario is the expected resurgence of fixed domestic investment which is projected to grow by 5% per year, resulting in an investment ratio to GDP of about 14% by 1995. The adoption of the stabilization cum growth-oriented strategy will provide Senegal with stronger growth, a healthier fiscal position together with an improving external position.

D. Conclusion

121. Following the improvement up until 1986/87, Senegal has experienced sharp fluctuations in its fiscal adjustment performance which have overshadowed progress made in some areas of structural policies and undermined the conditions for restoring investment and growth. Because of the commonly determined monetary policy in the context of UMOA and the inability to change relative prices and reduce absorption by changing the exchange rate, Senegal, like other CFA Franc zone countries, needs to rely principally on fiscal policy in its adjustment effort. More specifically, a strengthening of the fiscal adjustment effort is critical to bring the fiscal position in line with available financing resources. The discussion in this chapter highlights the limits of the scope for a rapid increase in the revenue/GDP ratio; the burden of fiscal retrenchment will need to fall on the rationalization as well as reduction of public expenditures. The urgency of these reforms is even more critical given the large share of energy-

based taxation which directly affects the competitiveness of Senegal's industries and services.

122. While in the near- to medium-term, Senegal will continue to rely on customs duties and other external trade related taxes for the bulk of its tax receipts, greater effort should be made to broaden the tax base, particularly as related to sales and VAT taxes, property taxes, and imposition of the informal sector. On tariff policy, efforts should be made to rationalize the numerous ad hoc measures introduced since 1989 to counter smuggling and under-invoicing. Tax and customs administration, which appears to have received renewed attention with the use of the SGS, would need to be further strengthened to ensure a broader base for revenue mobilization. In the same context, exemption policy on customs duties will need to be reviewed and eventually should be limited to articles covered by diplomatic conventions.

123. On expenditure, there is a need to protect expenditure on education, health, and social services and to provide adequate operating and maintenance resources to ensure minimum efficiency of public services. The reduction of the civil service which has begun in the context of SALs III and IV, must be pursued. Similarly, transfers to public sector entities and enterprises must continue to be rationalized beyond the targets proposed under SAL IV. Without these serious and sustained adjustments on the expenditure side, Senegal will most likely continue on the path of stop and go fiscal policies, with the obvious consequences on private sector confidence and growth of the real economy.

IV. LONG-TERM ISSUES AND POLICIES

124. Senegal's demographic dynamics are characterized by a young and rapidly growing population, particularly in urban centers. At current growth rates (estimated to range between 2.8 and 3.2% p.a.) Senegal's population at the turn of the century will be about 10 million people compared to 6.9 million at the 1988 census. Over 55% of the present population is 19 years or less and nearly 22% of the total population lives in Dakar or its immediate surroundings. An approximate 125,000 young adults are expected to join the labor force each year. Financing the education and health care requirements for this growing population will continue to be one of the central preoccupations of economic policy in the medium term. Rapid population growth also has an adverse impact on natural resource management practices and, consequently, the environment. It also adds an additional burden via the need of providing urban services.

125. Senegal's population growth rate rose from 2.4% prior to 1975 to the current rate and prospects are bleak for a significant decrease in this rate by the year 2000. Increasingly concerned by these prospects and their impact on the country's future social and economic performance, Government adopted a comprehensive Population Statement in April 1988, calling explicitly for reduced fertility and setting out a multi-sector strategy to attain this objective. While not setting specific demographic targets, the policy statement presents two scenarios for Senegal's demographic transition: a low-growth scenario which calls for a contraceptive prevalence rate (CPR) of 29% to reach a rate of natural increase (NRI) of 2.87% in 2001, and a medium-growth scenario calling for a CPR of 15% for a RNI of 3.21% in the same year. Since the adoption of the national policy, Government has define a US$85 million Priority Action and Investment Program (PAIP) designed to give a major impetus to ongoing population and family planning activities. Among the key elements of the PAIP is the definition of a National Family Planning Program that sets quantitative objectives for the short and medium terms and defines a coherent framework for all family planning activities in the country. The magnitude of the effort required can be seen by noting that the CPR was estimated at only 2.6% in 1986. The PAIP includes a cross-sectoral range of actions designed to help transform the social and economic environment to favor more rapid fertility decline (including improved maternal and child health, promotion of women's status, increasing involvement of youth, improved employment opportunities, and population-related legislation) and reflects an important evolution in official attitudes towards population-related actions, from a narrow concern for the effects of high fertility on the health of mothers and children, to wider concerns for family welfare and national development objectives.

126. Health Status. While significant improvements in mortality were experienced particularly in the 1950s and 1960s, mortality rates remain high in Senegal. The death rate is 16 per thousand, and life expectancy at birth is 48 years. These rates, while better than in the rest of the Sahel, are worse than in most other African countries or in other countries at a similar income level. Infant and child mortality predominate with diarrhea, respiratory disease and malaria as the leading causes of death and illness. Among adults, maternal mortality is a leading cause of death for women of reproductive age. The high fertility rate is recognized as a major factor affecting maternal and child health. Malnutrition is also a contributor to poor health. Senegal serious nutritional problems are not problems of overall food supply but rather of

seasonality, infectious disease, and maternal overwork. In 1988, there were 459 doctors in Senegal (1 per 17,000 population), 2,487 nurses (1 per 3,000 population), and 482 midwives (1 per 14,000). These numbers indicate a shortage of doctors (relative to standard norms of 1 per 10,000), and of midwives (norm: 1 per 5,000). Forty-five percent of public health personnel are concentrated in Dakar, which has 22% of the total population.

127. The latest comprehension analysis of health expenditures undertaken in 1981, showed that the average Senegalese spent about US$18 equivalent per capita on health or roughly the average for lower middle-income countries. There is ample evidence that the adequacy and quality of health delivery services in the public sector have deteriorated significantly over the last decade: data from 1978-86 show declines in consultations, in clients seen, and in hospitalizations all against a background of increasing population and an expansion of health facilities. Financing of health service cost has also been an issue with the total amount allocated to the health sector under the recurrent budget has fallen consistently during the 80s, from 0.9% of GDP in 1980/81 to 0.6% of GDP in 1988/89. Although the principle of cost recovery is fully accepted by clients of the public health service, the development of this potential source of finance has been inhibited by the poor management of funds collected.

128. Given the limited resource availability, the Government has in the health sector policy statement adopted in June 1989 identified three areas of priority related to organizational and management issues, namely: (i) the promotion of community health organization, particularly the role of NGOs in health services delivery; (ii) the establishment of a decentralized health delivery system endowed with better management capacity; and (iii) the rationalization of the financing and procurement of drugs. Assistance is being provided by the donor community to support the Government's effort to implement its programs concerning the control of population growth and the restructuring of the health sector along the lines described above.

129. In education, the situation is even more dramatic. The enrollment ratio in primary education has stagnated since the mid-1980s at about 57% (compared to an average of 75% for all of Sub-Saharan Africa and 95% for middle-income African countries which include Senegal) in spite of considerable efforts introduced since 1986/87 to increase teaching capacity. These initiatives involve multi-grade classes in rural areas, double shifts in urban centers, and the redeployment of some 1250 teachers from administrative tasks to classroom teaching. These efforts have not been sufficient.

130. At the same time, the standing of the University of Dakar, one of the oldest and most prestigious francophone university in West Africa, has greatly declined, largely as a result of a rapid and uncontrolled growth of enrollments. Enrollment at the University has doubled in the last five years, with 18,000 students crammed in facilities originally designed to accommodate 3,500. A second university was started in 1990 in Saint-Louis. To accommodate the Government's liberal admission policy at the university, higher education has been absorbing an increasing share of the government's resources. In 1988/89, 24.5% of the education budget goes to higher education which caters only to 2% of the total student population. Yet, there are many indicators pointing to a gradual decline in quality of education at all levels of education and of the

lack of relevance of university education, raising doubt about basing Senegal's future economic growth on the strength of its human resources.

131. The quality of education is also seriously undermined by the increasing worsening in the allocation of scarce public resources between wage and non-wage expenditures. At the higher education level, the misallocation of resources is further compounded by the rapid rise in budgetary transfers to the University given the government's generous student support policy in the form of subsidized meals, lodging, medical care, and transportation.

132. For Senegal to achieve a primary school enrollment rate of 65% by 1995 -- which requires accommodating an average of 57,000 new entrants each year -- while at the same time improving quality and relevance of its educational system, a major reapportioning of public expenditures needs to take place between the different levels of education. The Government will also need to take courageous measures to achieve a better control of the flow of students, to streamline the support services provided to higher education, to move toward a renewed focus on quality and relevance, and to introduce significant improvements in the management of scarce resources.

133. Environment. Senegal faces key environmental issues which are all made worse by rapid population growth. These include soil degradation, salinization of agricultural land in low-lying coastal areas in large parts of the Casamance and the Delta area, and loss of forest cover caused by excessive demand for charcoal and fuelwood. Soil degradation is compounded in most areas by the cutting of trees and shrubs for firewood which further exposes soils to erosion by wind and water and by overgrazing. It is estimated that soil fertility decline by 3 to 5% a year while forestry resources decrease by 1.2% a year.

134. To avert this potential ecological disaster, Government needs to improve the management of forest resources principally by delegating such management to local communities and by better demand management through encouraging substitution base on realistic, market-based pricing for all fuels. The task now is to promote integrating of the technology into traditional farming methods via the use of appropriate incentive and legal and technical measures.

135. Infrastructure maintenance. Persistent lack of funding for maintenance has highlighted the serious deficiencies in transport, irrigation development, and water. In transport, the virtual absence of coordination in investments which were based on narrow subsectorial priorities have led to the rapid acceleration of 30% of the paved road network. The dialogue with donors since 1986 has resulted in an agreement on the need for reforms in three areas: earmarking 80% of sector expenditures for maintenance and rehabilitation with an emphasis, until 1994, on the repair of some 90 km of paved roads; improved efficiency, cost reduction, and tariff revisions for the railways and port subsectors; and institutional reforms stressing primarily the increasing autonomy of responsible agencies in the various transport sub-sectors.

136. These problems also affect other infrastructure such as major irrigation projects without which the full potential of the Fleuve area will likely remain unexploited after major developmental projects have been undertaken at great cost. It is, for instance, estimated that from CFAF 4 to 5 billion are needed every year for the proper maintenance of the existing irrigation projects.

Less than 10% of this amount is currently provided. The problem of urban water supply (to increase water resources as well as for their disposal) also needs to be tackled urgently to meet the rising demand of Dakar and to avoid the risk of health hazards.

137. Regional Integration. After years of relative neglect, the question of economic integration is once again at the center of the policy agenda in West Africa. This is partly in line with a recent worldwide trend toward the formation of larger trading blocs. But it is also looked at as a way to achieve more sustainable economic growth based on a larger economic area. Senegal has been at the forefront of this new effort, whether it concerns regional effort in the field of agriculture or the creation of a regional cereals market in West Africa. Given its geographical position, Senegal should continue to play this leadership role by providing an enabling environment for trade, competition and factor mobility and by strengthening its macroeconomic environment.

138. Under the aegis of the Central Bank of West African States (BCEAO) and with strong political support from member countries of the West Africa Monetary Union (UMOA) and particularly Senegal, a major initiative is under way to transform the monetary union into a full-fledged economic union involving major reforms in trade policies, the establishment of a common external tariff, the elimination of intra-regional tariffs and non-tariff barriers, and the harmonization of fiscal policies. Simultaneously, other initiatives are being launched to promote closer cooperation between Senegal and other countries in the CFA Franc zone in diverse areas such as agriculture, transport, the management of the civil service, and the harmonization of the legal framework.

139. Long-Term Outlook. The Senegalese economy stands at a crossroads. Almost a decade of stabilization policies have yielded some improvement in budget balance and the external position. With respect to structural reforms, some limited privitization of state-owned enterprises and closure of loss-making banks have been areas of relative success. Economic growth has, however, remained anemic; given the disturbances caused by the lack of consolidation of progress in the budget and the continuing reliance on very large parafiscal receipts from the effort to revamp the structure of public expenditures, particularly the wage bill, the room for maneuver on budgetary matters will remain very limited leading to a very difficult management of the public sector.

140. Because of the very high cost of production in Senegal and the particular arrangements concerning the exchange rate, Senegalese producers have found themselves less and less able to compete against foreign competitors. Under these conditions, structural reforms will need to be much more forceful with a focus on the reduction of the cost of production. The sweeping trade liberalization of the late 1980s has instituted an import regime which is relatively liberal. After a somewhat difficult adjustment period, Senegalese companies have shown signs of greater efficiency; constraints due to a relatively restrictive environment and excessive labor costs in the formal sector remain, however, important obstacles to growth of private sector investment and growth. While other factors are important, labor costs remain possibly the most important factor in determining the competitiveness of Senegal.

ANNEX I: SENEGAL DATA BASE

A. National Income Accounts

1. The analysis of Senegal's economic performance is complicated by significant weaknesses in the data base. Besides the lack of reliability and incomplete coverage common to other developing countries, it is difficult to dissociate, in the case of Senegal, actual results from projections and preliminary estimates incorporated in financial stabilization programs. Given the magnitude of the problem, there was no attempt to re-estimate the data in the present report. The analysis presented here is essentially based on official statistics. Inconsistencies in the data base is highlighted where relevant.

2. The elaboration of preliminary and permanent national income accounts statistics in Senegal has and continues to suffer from long lags. The last official series on gross domestic product were produced in 1984. Recent Government updating of the national accounts consists of minor revisions of preliminary estimates without an attempt to re-assess overall GDP on a more comprehensive basis. Within the confines of these constraints, the Statistics Department has attempted to undertake a more detailed estimate of GDP for 1989 and is also in the process of constructing a detailed input-output table which will serve as the basis for future GDP estimates.

3. As can be recalled from the analysis presented in section 2, there are unexplained discrepancies between national accounts figures on sectorial growth rates and performances of agriculture and industry as measured by crop output or industrial production indices. This raises a fundamental question as to the real growth performance of Senegal, which may in fact be weaker than depicted by official data. A revision of the 1982-86 national accounts series by the Statistics Department was not officially published because it presented a less favorable growth performance. Lower real growth means that either inflation, measured by the GDP deflator, is higher or that nominal GDP itself is below the level officially reported.

4. The composition of sectoral output also merits close attention. Compared to levels ranging from 35 to 50 percent in developing countries at similar stages of development, the tertiary sector in Senegal accounts for about 60 percent of GDP. Since the combined value added from the tourism industry, banking and finance, and government services --for which relatively reliable estimates exist-- only amounts to one-third of the services sector, the remaining two-thirds are derived from activities such as trade, transportation, and other miscellaneous services which are extrapolated from data obtained during the baseline survey of 1973/75. As a result, as much as 40 percent of GDP is derived from extrapolations of past data. The practice of assuming a more or less constant growth rate to the large services sector has tended to dampen fluctuations in actual economic performance.

5. Similar observations can be made regarding the valuation of the secondary sector which is based on questionnaires submitted to about 1,000 firms operating in the formal sector. Notwithstanding the poor quality of the information and the lack of systematic recalls due to staff and resource constraints, value added from groundnut oil-mills, mining, and construction appears to have been overestimated (see Roy, 1990). The estimation of the contribution of agriculture is beset by the practice of valuing local coarse grains at official prices while official purchases only account for less than 10 percent of total output.

6. Given that most agricultural activities are performed by the informal sector, as much as two-thirds of GDP can be said to be derived from activities in the informal sector. This sector, which escapes most Government controls, will continue to make the monitoring of Senegal's growth performance difficult until substantial improvements in the data base are made. A survey taken in 1988 for the Greater Dakar area lists some 28 thousand informal businesses, 75 percent of which are involved in trade and commerce (see SA Table 19).

B. Balance of Payments

7. The official publication of balance of payments data also experienced long delays. The latest official balance of payments (BOP) was published in 1987. Consequently, the figures which underlie our analysis are preliminary estimates and may still be subject to important alterations. As in the case of the national income accounts, these estimates tend to be unduly influenced by policy objectives and financial program targets. While the overall BOP position, based on changes in the country's net foreign reserves position (operations account position and net credit vis-a vis the IMF) is reliable, the breakdown between the flows of goods and services, summarized in the current account balance, and their financing through the capital account, must be interpreted with care.

8. Basic data on merchandise imports and exports are derived from customs listings which, because of incomplete and imperfect reporting, necessitates adjustments by the Statistics Department and the BCEAO. Due to limited resources, only trade flows for important commodities are revised. Besides rice and petroleum products for which the importation is controlled by major firms, estimates of other import categories (consumer, intermediate, and capital goods) are based on growth rates of total consumption, manufacturing value-added, and fixed investment. The uncertainty of these estimates reflects on the accuracy of foreign trade estimates. On the export side, the estimates of about one third of total merchandise exports are questionable. Due to a lack of reliable price information, estimates for non-factor services are extrapolations from past trends which themselves were not based on exhaustive surveys.

9. The Government of Senegal has made substantial progress in monitoring external debt, and debt statistics are now largely computerized. Major

differences between the Government debt data base and that published in the World Debt Tables, which existed in the past, have recently been corrected. Some of these differences arose from the incomplete coverage of the total debt stock and others from the lack of timely recording of debt cancellations by bilateral donors. Another difference is that the debit balances under the operations account are not included as external debt in the Government data base. Debit balances of the operations account do not have a specific repayment schedule, but interest must be paid. Finally, Senegal has a revolving credit line of CFAF 32 billion with Kuwait on which it pays interest charges, but this foreign liability is not recorded in the Government's debt base. Similarly Senegal's debts to Air Afrique and to the European Economic Community under the STABEX arrangement are also not recorded in the Government debt base. At the end of 1990, Senegal's outstanding liabilities with STABEX amounted to CFAF 32.2 billion.

C. Prices

10. Two consumer price index series are currently available in Senegal. The first is the price index for the average Senegalese family in Dakar; the other is for expatriate technical assistants, mostly Europeans. A third series, often quoted in IMF reports, is the GDP deflator, derived from the national accounts. All three series should be interpreted with caution. The two consumer price indices are based on data derived from a household consumption survey undertaken in 1961 in Dakar with a minor update done in 1967. Neither of these indices, therefore, take into account changes in consumption patterns over the last 30 years or price movements outside of Dakar. As for the expatriate index, the weight given to housing costs is artificially low, because in 1961 most expatriates did not have to pay for their own housing. Theoretically, the Statistics Department collects daily price information on items whose prices fluctuate frequently; and monthly price information on goods with relatively stable prices. In actuality, the lack of resources and follow-up cast serious doubts on the reliability of the data collected. These notes of caution, however, are not meant to deny Senegal's good inflation performance since 1987.

11. Although price control has been significantly reduced, the Government still retains price control on a number of items on so-called strategic or basic needs grounds. The main items are: rice, sugar, tomatoes and tomato concentrate, cooking oil, wheat flour, petroleum products, cement, pharmaceutical products, electricity, water and transportation.

D. Wages and Employment

12. While data on wages and employment are limited, available evidence points to a decline in real wages between 1980 and 1988. The increase in the minimum wage (SMIG) in July 1989 has brought real wages up although it remains 15 percent below its 1980 level. Because of the importance of the civil service in the formal sector, the level of wages and salaries in the public sector were

used to set wages elsewhere. Efforts by the Government to keep increases in the wage bill well below that of inflation have led to a widening disparity between the wages of civil servants and those paid by the private sector. While the SMIG is legally binding for firms which operate in the formal sector, most employees in the informal sector receive between 25 and 50 percent of the SMIG. The informal sector has thus been able to expand very rapidly in the last few years. Some recent changes in regulations have reduced the degree of rigidity in wage determination in the private sector. In the past, any increase in the SMIG would be followed by a corresponding rise in industrial and services sectors wages. This practice has recently been discontinued.

13. Labor data is particularly sketchy in Senegal. On the basis of tax roles and a recent survey in the Greater Dakar area[1/], there has been a decline in the number of workers in the formal sector. Total employment in the formal sector, including the civil service, is estimated at 170,000 to 190,000, which is only 7.5 percent of the country's total labor force. It is generally estimated that 600,000 persons are employed in the urban informal sector. An exhaustive survey undertaken in the Greater Dakar area in 1989, however, could only identify 55,000 jobs in the informal sector. If this is confirmed, effective employment is actually much lower than has been estimated. Employment reported by about 1000 firms showed a moderately declining trend between 1982 and 1988 (see SA Table 2). A smaller sample of larger firms (turn-over in excess of CFAF 500 million), however, showed an average of 3 percent job loss per year during the same period (see SA Table 3). A labor survey is expected to begin soon with technical assistance by the International Labor Office should supply greater data on jobs and employment.

1/ C.G.E./M.E.F.P., Enquête sur l'Emploi, le chômage et les migrations à Dakar (1991).

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DATA TABLES

SA TABLE 1

SENEGAL: Population, 1988

	Total ('000s)	Density (by sq. km)	Urban Popul. %	Avg. 76-88 Growth Rates (%) Total	Urban	Rural
Distribution by Region						
Dakar	1500.5	2728	96.4	4.0	4.0	3.5
Ziguinchor	398.1	54	37.7	2.6	4.7	1.6
Diourbel	616.2	141	21.7	3.2	3.4	3.1
St Louis	651.2	15	27.5	2.0	3.7	1.4
Tambacounda	383.6	6	63.0	2.4	3.3	1.2
Kaolack	805.4	51	22.3	2.5	3.2	2.3
Thies	937.4	142	31.2	2.8	4.2	2.2
Louga	489.5	17	13.6	1.3	1.9	1.2
Fatick	506.8	64	10.4	1.8	3.0	1.7
Kolda	593.2	29	9.8	2.5	3.8	2.4
Total Population	6881.9	35	41.7	2.7	3.8	2.0

	Male		Female	
	Total ('000s)	Active (%)	Total ('000s)	Active (%)
Distribution by Age Group				
0 - 9 years	1221.8	9.0	1227.1	6.4
10 - 14	408.8	42.0	410.4	15.0
15 - 19	330.7	56.0	376.0	21.0
20 - 29	498.5	86.5	594.4	23.4
30 - 39	341.9	96.3	378.3	26.9
40 - 49	209.5	96.1	225.7	28.2
50 - 59	162.4	87.9	161.0	26.7
60 years and above	180.0	68.3	164.2	20.2
Total	3353.6	50.9	3537.1	17.0

Source: Bureau National de Recensement, "Recensement general de la population et de l'habitat, 1988".

01POP.WK1

SA TABLE 2

SENEGAL: Employment by Economic Sector, 1982-1988

	1982	1983	1984	1985	1986	1987	1988
			(Numbers)				
Food industry	14,922	13,366	15,420	14,864	13,764	15,008	14,472
Textiles	5,041	5,178	4,816	4,976	4,974	4,445	3,590
Other industries	13,387	14,584	14,603	14,926	14,426	13,551	13,351
Construction, public works	6,651	7,547	4,397	7,129	3,795	3,223	3,139
Wholesale trade	4,344	4,761	5,010	4,881	4,349	4,204	4,036
Retail trade	2,339	2,762	2,822	2,914	2,709	2,606	2,784
Transport and communications	7,482	7,229	10,989	7,939	7,529	10,300	10,327
Miscellaneous services	3,974	3,433	3,130	4,089	4,297	4,640	4,736
Hotels, restaurants	1,949	2,622	2,672	2,982	3,021	2,955	3,312
Total All Sectors	60,089	61,482	63,859	64,680	58,862	60,932	59,747
			(In percent of total)				
Food industry	24.8	21.7	24.1	22.9	23.4	24.6	24.2
Textiles	8.4	8.4	7.5	7.7	8.5	7.3	6.0
Other industries	22.3	23.7	22.9	23.1	24.5	22.2	22.3
Construction, public works	11.1	12.3	6.9	11.0	6.4	5.3	5.3
Wholesale trade	7.2	7.7	7.8	7.5	7.4	6.9	6.8
Retail trade	3.9	4.5	4.4	4.5	4.6	4.3	4.7
Transport and communications	12.5	11.8	17.2	12.3	12.8	16.9	17.3
Miscellaneous services	6.6	5.6	4.9	6.3	7.3	7.6	7.9
Hotels, restaurants	3.2	4.3	4.2	4.6	5.1	4.8	5.5
Total All Sectors	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Ministere de l'Economie, des Finances et du Plan (MEFP), Direction de la Prevision et de la Statistique, "Banque de donnees economiques et financieres", various issues.

02EMP.WK1

SA TABLE 3

SENEGAL: Employment by Sub-Sector in Large Enterprises, 1983-88 a/

	1983	1984	1985	1986	1987	1988
Fishing industries (3,4) b/	1,352	3,146	3,975	3,088	3,123	1,597
Food preparation (8)	2,152	1,910	2,084	2,680	2,780	3,043
Agro-industries (5,4)	9,925	10,485	9,948	9,093	8,932	8,349
Vegetable oils (2,1)	3,374	6,359	2,858	5,068	2,788	2,529
Textiles (4,5)	2,286	2,408	2,319	1,573	2,072	1,955
Tobacco (1)	313	376	425	438	403	384
Shoes (1,0)	815	624	690	623	588	0 c/
Paper (1)	177	196	196	189	172	176
Packing materials (4)	563	607	570	545	527	467
Printing (1)	136	116	104	64	58	56
Mining (3)	2,396	2,444	2,440	2,409	2,250	2,214
Chemical products (18,17)	2,066	2,182	1,880	2,075	2,072	1,820
Metals (2,1)	329	338	337	324	189	154
Mechanical industries (5,4)	2,344	2,100	1,791	1,589	1,375	1,247
Construction (2)	610	555	508	484	475	426
Energy (1)	2,120	2,127	2,148	2,181	2,299	2,260
Total	30,958	35,973	32,273	32,423	30,103	26,677

a/ Yearly turnover exceeding CFAF 500 million.
b/ Figures in parentheses show numbers of firms in 1983 and 1988.
c/ Closing of Bata shoe factory.

Source: MEFP, Direction de la Prevision et de la Statistique, annual surveys.

03EMPLAR.WK1

SA TABLE 4

SENEGAL: GDP by Industrial Origin at Current Prices, 1980-91

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990 Est.	1991 Est.
	(in billions of CFA francs)											
Primary sector	119.0	120.2	184.3	203.1	172.8	217.1	290.7	299.5	333.0	288.5	322.1	318.6
Agriculture	62.4	56.8	117.6	125.1	78.6	104.3	165.8	163.6	188.3	136.4	159.6	145.2
Livestock	33.6	37.2	41.0	48.6	57.6	70.9	83.3	89.8	97.9	99.2	106.2	113.3
Fishing	12.9	16.2	18.3	21.1	24.4	28.2	29.6	32.4	32.3	36.7	39.2	41.9
Forestry	10.1	10.0	7.4	8.3	12.2	13.7	12.0	13.7	14.5	16.2	17.1	18.2
Secondary sector	96.9	106.6	127.4	146.2	174.0	205.0	227.6	246.9	273.1	277.3	295.9	308.2
Oil mills	2.4	1.1	2.8	4.6	4.7	5.9	7.1	8.4	10.7	12.9	15.7	12.4
Mining	1.8	2.1	1.7	2.3	2.7	3.4	3.6	3.2	7.0	11.2	11.7	13.0
Construction	15.9	18.1	25.4	30.1	30.6	33.0	35.7	39.3	43.1	41.4	43.9	46.8
Energy	12.5	8.9	12.0	13.8	17.5	20.3	25.0	26.9	25.3	28.0	29.3	31.0
Other	64.3	76.4	85.5	95.4	118.5	142.4	156.2	169.1	187.0	183.8	195.3	205.0
Tertiary sector	415.5	446.9	537.1	595.4	674.5	736.0	784.6	835.9	877.2	919.6	971.5	1002.2
Transportation	65.7	64.1	81.0	88.9	105.3	116.0	123.6	135.3	142.0	150.2	159.4	166.5
Commerce	142.8	167.9	205.2	232.7	253.9	289.6	307.5	314.3	331.7	345.8	378.0	392.0
Government services	106.6	113.6	126.3	138.7	154.3	155.8	135.5	145.1	147.6	155.1	149.9	145.9
Other	100.4	101.3	124.6	135.1	161.0	174.6	218.0	241.2	255.9	268.5	284.2	297.8
GDP at market prices	631.4	673.7	848.8	944.7	1021.3	1158.1	1302.9	1382.3	1483.3	1485.4	1589.5	1629.0
	(in percent of GDP)											
Primary sector	18.8	17.8	21.7	21.5	16.9	18.7	22.3	21.7	22.4	19.4	20.3	19.6
Agriculture	9.9	8.4	13.9	13.2	7.7	9.0	12.7	11.8	12.7	9.2	10.0	8.9
Livestock	5.3	5.5	4.8	5.1	5.6	6.1	6.4	6.5	6.6	6.7	6.7	7.0
Fishing	2.0	2.4	2.2	2.2	2.4	2.4	2.3	2.3	2.2	2.5	2.5	2.6
Forestry	1.6	1.5	0.9	0.9	1.2	1.2	0.9	1.0	1.0	1.1	1.1	1.1
Secondary sector	15.3	15.8	15.0	15.5	17.0	17.7	17.5	17.9	18.4	18.7	18.6	18.9
Oil mills	0.4	0.2	0.3	0.5	0.5	0.5	0.5	0.6	0.7	0.9	1.0	0.8
Mining	0.3	0.3	0.2	0.2	0.3	0.3	0.3	0.2	0.5	0.8	0.7	0.8
Construction	2.5	2.7	3.0	3.2	3.0	2.8	2.7	2.8	2.9	2.8	2.8	2.9
Energy	2.0	1.3	1.4	1.5	1.7	1.8	1.9	1.9	1.7	1.9	1.8	1.9
Other	10.2	11.3	10.1	10.1	11.6	12.3	12.0	12.2	12.6	12.4	12.3	12.6
Tertiary sector	65.8	66.3	63.3	63.0	66.0	63.6	60.2	60.5	59.1	61.9	61.1	61.5
Transportation	10.4	9.5	9.5	9.4	10.3	10.0	9.5	9.8	9.6	10.1	10.0	10.2
Commerce	22.6	24.9	24.2	24.6	24.9	25.0	23.6	22.7	22.4	23.3	23.8	24.1
Government services	16.9	16.9	14.9	14.7	15.1	13.5	10.4	10.5	10.0	10.4	9.4	9.0
Other	15.9	15.0	14.7	14.3	15.8	15.1	16.7	17.4	17.3	18.1	17.9	18.3
GDP at market prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 5

SENEGAL: Use of Resources at Current Prices, 1980-91

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990 Est.	1991 Est.
	(in billions of CFA francs)											
GDP at market prices	631.4	673.7	848.8	944.7	1021.3	1158.1	1302.9	1382.3	1483.3	1485.4	1589.5	1629.0
Gross domestic expenditure	725.2	803.9	952.9	1060.5	1118.0	1288.3	1373.5	1460.1	1557.8	1562.2	1663.9	1709.6
Consumption	647.8	718.7	850.9	941.4	991.3	1166.4	1221.4	1288.9	1369.2	1373.4	1452.5	1485.8
Private	519.7	581.1	696.4	771.1	802.5	971.9	1020.6	1073.3	1151.1	1157.0	1239.4	1274.2
Public	128.1	137.6	154.5	170.3	188.8	194.5	200.8	215.6	218.1	216.4	213.1	211.6
Gross domestic investment	75.4	85.2	102.0	119.1	126.7	121.9	152.1	171.2	188.6	188.8	211.4	223.8
Gross fixed investment	82.6	84.5	102.7	122.3	125.2	133.0	155.7	170.9	188.6	198.5	211.4	223.8
Private	47.7	56.5	70.0	84.9	84.5	87.5	103.7	113.9	130.6	135.5	146.5	156.7
Public	34.9	28.0	32.7	37.4	40.7	45.5	52.0	57.0	58.0	63.0	64.9	67.1
Changes in stocks	-7.2	0.7	-0.7	-3.2	1.5	-11.1	-3.6	0.3	0.0	-9.7	0.0	0.0
Resource balance	-91.8	-130.2	-104.1	-115.8	-96.7	-130.2	-70.6	-77.8	-74.5	-76.8	-74.4	-80.6
Exports of GNFS	176.1	216.4	290.5	311.1	387.4	343.9	345.6	345.3	373.2	397.3	400.4	411.0
Imports of GNFS	267.9	346.6	394.6	426.9	484.1	474.1	416.2	423.1	447.7	474.1	474.8	491.6
Memorandum items:												
Net factor income	-21.1	-29.7	-38.0	-39.2	-55.3	-57.1	-57.2	-59.6	-65.0	-65.3	-53.6	-55.0
Net private transfers	0.0	-2.7	-1.5	-0.6	0.1	3.4	3.7	1.9	1.7	2.0	8.0	8.0
Gross national product (GNP)	610.3	644.0	810.8	905.5	966.0	1101.0	1245.7	1322.7	1418.3	1420.1	1535.9	1574.0
Gross domestic savings (GDS)	-16.4	-45.0	-2.1	3.3	30.0	-8.3	81.5	93.4	114.1	112.0	137.0	143.2
Gross national savings (GNS)	-37.5	-77.4	-41.6	-36.5	-25.2	-62.0	28.0	35.7	50.8	48.7	91.4	96.2
	(in percent of GDP)											
GDP at market prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Gross domestic expenditure	114.5	119.3	112.3	112.3	109.5	111.2	105.4	105.6	105.0	105.2	104.7	104.9
Consumption	102.6	106.7	100.2	99.7	97.1	100.7	93.7	93.2	92.3	92.5	91.4	91.2
Private	82.3	86.3	82.0	81.6	78.6	83.9	78.3	77.6	77.6	77.9	78.0	78.2
Public	20.3	20.4	18.2	18.0	18.5	16.8	15.4	15.6	14.7	14.6	13.4	13.0
Gross domestic investment	11.9	12.6	12.0	12.6	12.4	10.5	11.7	12.4	12.7	12.7	13.3	13.7
Gross fixed investment	13.1	12.5	12.1	12.9	12.3	11.5	12.0	12.4	12.7	13.4	13.3	13.7
Private	7.6	8.4	8.2	9.0	8.3	7.6	8.0	8.2	8.8	9.1	9.2	9.6
Public	5.5	4.2	3.9	4.0	4.0	3.9	4.0	4.1	3.9	4.2	4.1	4.1
Changes in stocks	-1.1	0.1	-0.1	-0.3	0.1	-1.0	-0.3	0.0	0.0	-0.7	0.0	0.0
Resource balance	-14.5	-19.3	-12.3	-12.3	-9.5	-11.2	-5.4	-5.6	-5.0	-5.2	-4.7	-4.9
Exports of GNFS	27.9	32.1	34.2	32.9	37.9	29.7	26.5	25.0	25.2	26.7	25.2	25.2
Imports of GNFS	42.4	51.4	46.5	45.2	47.4	40.9	31.9	30.6	30.2	31.9	29.9	30.2
Memorandum items:												
Gross domestic savings (GDS)	-2.6	-6.7	-0.2	0.3	2.9	-0.7	6.3	6.8	7.7	7.5	8.6	8.8
Gross national savings (GNS)	-5.9	-11.5	-4.9	-3.9	-2.5	-5.4	2.1	2.6	3.4	3.3	5.8	5.9

Source: MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 6

SENEGAL: Supply and Use of Resources at Current Prices, 1980-91

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990 Est.	1991 Est.
	(in millions of US dollars)											
Primary sector	563.2	442.4	560.8	533.0	395.5	483.2	859.4	996.5	1118.0	904.4	1183.1	1129.3
Agriculture	295.3	209.0	357.9	328.3	179.9	252.2	478.8	544.4	632.2	427.6	586.2	514.7
Livestock	159.0	136.9	124.8	127.5	131.8	157.8	240.5	298.8	328.7	311.0	390.1	401.6
Fishing	61.1	59.6	55.7	55.4	55.8	62.8	85.5	107.8	108.4	115.0	144.0	148.5
Forestry	47.8	36.8	22.5	21.8	27.9	30.5	34.7	45.6	48.7	50.8	62.8	64.5
Secondary sector	458.6	392.3	387.7	383.7	398.2	456.3	657.2	821.5	916.9	869.3	1086.8	1092.5
Oil mills	11.4	4.0	8.5	12.1	10.8	13.1	20.5	27.9	35.9	40.4	57.7	44.0
Mining	8.5	7.7	5.2	6.0	6.2	7.6	10.4	10.6	23.5	35.1	43.0	46.1
Construction	75.2	66.6	77.3	79.0	70.0	73.5	103.1	130.8	144.7	129.8	161.2	165.9
Energy	59.2	32.8	36.5	36.2	40.0	45.2	72.2	89.5	84.9	87.8	107.6	109.9
Other	304.3	281.2	260.2	250.3	271.2	317.0	451.1	562.7	627.8	576.2	717.3	726.7
Tertiary sector	1966.4	1644.6	1634.4	1562.4	1543.6	1638.2	2265.7	2781.3	2945.1	2882.7	3568.3	3552.5
Transportation	310.9	235.9	246.5	233.3	241.0	258.2	356.9	450.2	476.8	470.8	585.5	590.2
Commerce	675.8	617.9	624.4	610.6	581.1	644.6	888.0	1045.8	1113.6	1084.0	1388.4	1389.5
Government services	504.5	418.1	384.3	364.0	353.1	346.8	391.3	482.8	495.6	486.2	550.6	517.2
Other	475.2	372.8	379.2	354.5	368.5	388.6	629.5	802.6	859.2	841.7	1043.9	1055.6
GDP at market prices	2988.2	2479.3	2582.9	2479.1	2337.3	2577.8	3762.3	4599.4	4980.0	4656.3	5838.2	5774.3
Gross domestic expenditure	3422.6	2958.5	2899.7	2783.0	2558.6	2867.6	3966.2	4858.3	5230.1	4897.0	6111.4	6060.0
Consumption	3065.8	2644.9	2589.3	2470.4	2268.6	2596.3	3527.0	4288.6	4596.9	4305.2	5335.0	5266.7
Private	2459.5	2138.5	2119.2	2023.5	1836.6	2163.3	2947.2	3571.2	3864.7	3626.8	4552.3	4516.7
Public	606.2	506.4	470.1	446.9	432.1	432.9	579.8	717.4	732.2	678.3	782.7	750.1
Gross domestic investment	356.8	313.5	310.4	312.5	290.0	271.3	439.2	569.6	633.2	591.8	776.5	793.3
Gross fixed investment	390.9	311.0	312.5	320.9	286.5	296.0	449.6	568.6	633.2	622.2	776.5	793.3
Private	225.7	207.9	213.0	222.8	193.4	194.8	299.5	379.0	438.5	426.8	538.1	555.5
Public	165.2	103.0	99.5	98.1	93.1	101.3	150.2	189.7	194.7	197.5	238.4	237.9
Changes in stocks	-34.1	2.6	-2.1	-8.4	3.4	-24.7	-10.4	1.0	0.0	-30.4	0.0	0.0
Resource balance	-434.5	-479.2	-316.8	-303.9	-221.3	-289.8	-203.9	-258.9	-250.1	-240.7	-273.3	-285.7
Exports of GNFS	833.4	796.4	884.0	816.4	886.6	765.5	998.0	1148.9	1253.0	1245.4	1470.7	1456.9
Imports of GNFS	1267.9	1275.5	1200.8	1120.3	1107.9	1055.3	1201.8	1407.8	1503.1	1486.2	1743.9	1742.6
Memorandum items:												
Net factor income	-99.9	-109.3	-115.6	-102.9	-126.6	-127.1	-165.2	-198.3	-218.2	-204.7	-196.9	-195.0
Net private transfers	0.0	-9.9	-4.6	-1.6	0.2	7.6	10.7	6.3	5.7	6.3	29.4	28.4
Gross national product (GNP)	2888.3	2570.0	2467.3	2376.2	2210.7	2450.7	3597.2	4401.1	4761.8	4451.6	5641.3	5579.4
Gross domestic savings (GDS)	-77.6	-165.6	-6.4	8.7	68.7	-18.5	235.3	310.8	383.1	351.1	503.2	507.6
Gross national savings (GNS)	-177.5	-284.8	-126.6	-95.8	-57.7	-138.0	80.9	118.8	170.6	152.7	335.7	341.0
Avge exch. rates (CFAF/US$)	211.3	271.73	328.62	381.07	436.96	449.26	346.3	300.54	297.85	319.01	272.26	282.11

Source: MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 7

SENEGAL: GDP by Industrial Origin at Constant 1987 Prices, 1980-91

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990 Est.	1991 Est.
	(in billions of CFA francs)											
Primary sector	240.9	227.2	283.4	297.3	245.1	264.7	291.6	299.5	328.2	294.8	323.8	315.7
Agriculture	141.3	127.8	180.3	191.7	125.4	138.5	166.0	163.6	187.3	144.4	167.7	153.8
Livestock	60.1	61.2	63.0	65.0	75.6	81.7	84.9	89.8	94.6	98.5	102.4	106.2
Fishing	21.7	20.9	22.7	24.0	27.7	29.2	30.3	32.4	31.9	35.5	36.8	38.2
Forestry	17.8	17.3	17.4	16.6	16.4	15.3	10.4	13.7	14.4	16.4	16.9	17.5
Secondary sector	175.5	185.5	213.2	218.1	214.1	218.4	229.0	266.9	267.0	272.5	284.0	289.4
Oil mills	3.7	1.5	5.9	6.6	5.5	5.6	6.3	8.4	10.6	16.0	19.6	16.3
Mining	2.8	3.4	2.1	2.6	2.9	3.1	3.2	3.2	4.3	4.4	4.5	4.5
Construction	28.7	31.2	35.4	36.8	35.0	35.8	37.1	39.3	42.1	39.5	40.7	42.5
Energy	23.2	15.2	25.2	26.4	24.2	24.9	25.7	26.9	25.4	27.4	28.3	29.3
Other	117.1	134.2	144.6	145.7	146.5	149	156.7	169.1	184.6	185.2	190.9	196.8
Tertiary sector	679.4	670.1	752.4	760.8	765.9	788.3	808.7	835.9	857.2	879.7	904.0	924.8
Transportation	104.7	99.5	115.9	117.5	121.9	123.0	127.1	135.3	141.4	148.4	152.9	156.7
Commerce	265.6	256.1	287.6	287.6	273.1	278.8	315.3	314.3	318.7	320.2	329.8	338.1
Government services	127.5	134.3	142.2	148.8	157.6	163.0	139.9	145.1	145.4	150.8	153.0	153.8
Other	181.6	180.2	206.7	206.9	213.3	223.5	226.4	241.2	251.7	260.3	268.3	276.2
GDP at market prices	1095.8	1082.8	1249.0	1276.2	1225.1	1271.4	1329.3	1382.3	1452.4	1447.0	1511.8	1529.9
	(in percent of GDP)											
Primary sector	22.0	21.0	22.7	23.3	20.0	20.8	21.9	21.7	22.6	20.4	21.4	20.6
Agriculture	12.9	11.8	14.4	15.0	10.2	10.9	12.5	11.8	12.9	10.0	11.1	10.1
Livestock	5.5	5.7	5.0	5.1	6.2	6.4	6.4	6.5	6.5	6.8	6.8	6.9
Fishing	2.0	1.9	1.8	1.9	2.3	2.3	2.3	2.3	2.2	2.5	2.4	2.5
Forestry	1.6	1.6	1.4	1.3	1.3	1.2	0.8	1.0	1.0	1.1	1.1	1.1
Secondary sector	16.0	17.1	17.1	17.1	17.5	17.2	17.2	17.9	18.4	18.8	18.8	18.9
Oil mills	0.3	0.1	0.5	0.5	0.4	0.4	0.5	0.6	0.7	1.1	1.3	1.1
Mining	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3
Construction	2.6	2.9	2.8	2.9	2.9	2.8	2.8	2.8	2.9	2.7	2.7	2.8
Energy	2.1	1.4	2.0	2.1	2.0	2.0	1.9	1.9	1.7	1.9	1.9	1.9
Other	10.7	12.4	11.6	11.4	12.0	11.7	11.8	12.2	12.7	12.8	12.6	12.9
Tertiary sector	62.0	61.9	60.2	59.6	62.5	62.0	60.8	60.5	59.0	60.8	59.8	60.4
Transportation	9.6	9.2	9.3	9.2	10.0	9.7	9.6	9.8	9.7	10.3	10.1	10.2
Commerce	24.2	23.7	23.0	22.5	22.3	21.9	23.7	22.7	21.9	22.1	21.8	22.1
Government services	11.6	12.4	11.4	11.7	12.9	12.8	10.5	10.5	10.0	10.4	10.1	10.1
Other	16.6	16.6	16.5	16.2	17.4	17.6	17.0	17.4	17.3	18.0	17.7	18.1
GDP at market prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 8

SENEGAL: Use of Resources at Constant 1987 Prices, 1980-91

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990 Est.	1991 Est.
	(in billions of CFA francs)											
GDP at market prices	1095.8	1082.8	1249.0	1276.2	1225.1	1271.4	1329.3	1382.3	1452.4	1447.0	1511.8	1529.9
Gross domestic expenditure	1202.4	1223.5	1302.3	1322.0	1291.2	1369.5	1407.5	1460.1	1516.6	1527.0	1587.5	1598.9
Consumption	1088.8	1115.2	1163.1	1173.8	1150.8	1249.1	1250.6	1288.9	1338.2	1352.8	1398.1	1405.2
Private	920.1	946.3	986.6	990.0	961.5	1054.9	1044.2	1073.3	1121.9	1142.4	1185.4	1191.1
Public	168.7	168.9	176.5	183.8	189.3	194.2	206.4	215.6	216.3	210.4	212.7	214.1
Gross domestic investment	113.6	108.3	139.2	148.2	140.4	120.4	156.9	171.2	178.4	174.2	189.4	193.7
Gross fixed investment	133.4	121.6	130.3	139.7	133.9	134.1	161.5	170.9	178.3	183.7	189.4	193.7
Private	77.0	81.3	88.9	97.3	90.3	88.0	107.6	113.9	122.7	126.8	130.5	134.8
Public	56.4	40.3	41.4	42.4	43.6	46.1	53.9	57.0	55.6	58.9	58.9	58.9
Changes in stocks	-19.8	-13.3	8.9	8.5	6.5	-13.7	-4.6	0.3	0.1	-9.5	0.0	0.0
Resource balance	-106.6	-140.7	-53.3	-45.8	-66.1	-98.1	-78.2	-77.8	-64.2	-80.0	-75.7	-69.0
Exports of GNFS	253.5	252.5	337.0	341.4	351.4	295.7	340.4	345.3	362.5	351.8	347.6	356.0
Imports of GNFS	360.1	393.2	390.3	387.2	417.5	393.8	418.6	423.1	426.7	431.8	423.3	425.0
	(in percent of GDP)											
GDP at market prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Gross domestic expenditure	109.7	113.0	104.3	103.6	105.4	107.7	105.9	105.6	104.4	105.5	105.0	104.5
Consumption	99.4	103.0	93.1	92.0	93.9	98.2	94.1	93.2	92.1	93.5	92.5	91.8
Private	84.0	87.4	79.0	77.6	78.5	83.0	78.6	77.6	77.2	78.9	78.4	77.9
Public	15.4	15.6	14.1	14.4	15.5	15.3	15.5	15.6	14.9	14.5	14.1	14.0
Gross domestic investment	10.4	10.0	11.1	11.6	11.5	9.5	11.8	12.4	12.3	12.0	12.5	12.7
Gross fixed investment	12.2	11.2	10.4	10.9	10.9	10.5	12.1	12.4	12.3	12.7	12.5	12.7
Private	7.0	7.5	7.1	7.6	7.4	6.9	8.1	8.2	8.4	8.6	8.6	8.8
Public	5.1	3.7	3.3	3.3	3.6	3.6	4.1	4.1	3.8	4.1	3.9	3.8
Changes in stocks	-1.8	-1.2	0.7	0.7	0.5	-1.1	-0.3	0.0	0.0	-0.7	0.0	0.0
Resource balance	-9.7	-13.0	-4.3	-3.6	-5.4	-7.7	-5.9	-5.6	-4.4	-5.5	-5.0	-4.5
Exports of GNFS	23.1	23.3	27.0	26.8	28.7	23.3	25.6	25.0	25.0	24.3	23.0	23.3
Imports of GNFS	32.9	36.3	31.2	30.3	34.1	31.0	31.5	30.6	29.4	29.8	28.0	27.8

Source: MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 9

SENEGAL: Supply and Use of Resources at Constant 1987 Prices, 1981-91
(Annual Growth Rates in Percent)

	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990 Est.	1991 Est.
By Industrial Origin											
Primary sector	-5.7	24.7	4.9	-17.6	8.0	10.2	2.7	9.6	-10.2	9.8	-2.5
Agriculture	-9.6	41.1	6.3	-34.6	10.4	19.9	-1.4	14.5	-22.9	16.1	-8.3
Livestock	1.8	2.9	3.2	16.3	8.1	3.9	5.8	5.3	4.1	4.0	3.7
Fishing	-3.7	8.6	5.7	15.4	5.4	3.8	6.9	-1.5	11.3	3.7	3.8
Forestry	-2.8	0.6	-4.6	-1.2	-6.7	-32.0	31.7	5.1	13.9	3.0	3.6
Secondary sector	5.7	14.9	2.3	-1.8	2.0	4.9	7.8	8.1	2.1	4.2	1.9
Oil mills	-59.5	295.3	11.9	-16.7	1.8	12.5	33.3	26.2	50.9	22.5	-16.8
Mining	21.4	-38.2	23.8	11.5	6.9	3.2	0.0	34.4	2.3	2.3	0.0
Construction	8.7	13.5	4.0	-4.9	2.3	3.6	5.9	7.1	-6.2	3.0	4.4
Energy	-34.5	65.8	4.8	-8.3	2.9	3.2	4.7	-5.6	7.9	3.3	3.5
Other	14.6	7.7	0.8	0.5	1.7	5.2	7.9	9.2	0.3	3.1	3.1
Tertiary sector	-1.4	12.3	1.1	0.7	2.9	2.6	3.4	2.5	2.6	2.8	2.3
Transportation	-5.0	16.5	1.4	3.7	0.9	3.3	6.5	4.5	5.0	3.0	2.5
Commerce	-3.6	12.3	0.0	-5.0	2.1	13.1	-0.3	1.4	0.5	3.0	2.5
Government services	5.3	5.9	4.6	5.9	3.4	-14.2	3.7	0.2	3.7	1.5	0.5
Other	-0.8	14.7	0.1	3.1	4.8	1.3	6.5	4.4	3.4	3.1	2.9
GDP at market prices	-1.2	15.3	2.2	-4.0	3.8	4.6	4.0	5.1	-0.4	4.5	1.2
By Resource Use											
Gross domestic expenditure	1.8	6.4	1.5	-2.3	6.1	2.8	3.7	3.9	0.7	4.0	0.7
Consumption	2.4	4.3	0.9	-2.0	8.5	0.1	3.1	3.8	1.1	3.3	0.5
Private	2.8	4.3	0.3	-2.9	9.7	-1.0	2.8	4.5	1.8	3.8	0.5
Public	0.1	4.5	4.1	3.0	2.6	6.3	4.5	0.3	-2.7	1.1	0.7
Gross domestic investment	-4.7	28.5	6.5	-5.3	-14.2	30.3	9.1	4.2	-2.4	8.7	2.3
Gross fixed investment	-8.8	7.2	7.2	-4.2	0.1	20.4	5.8	4.3	3.0	3.1	2.3
Private	5.6	9.3	9.4	-7.2	-2.5	22.3	5.9	7.7	1.7	4.6	3.3
Public	-28.5	2.7	2.4	2.8	5.7	16.9	5.8	-2.5	5.9	0.0	0.0
Exports of GNFS	-0.4	33.5	1.3	2.9	-15.9	15.1	1.4	5.0	-3.0	-1.2	2.4
Imports of GNFS	9.2	-0.7	-0.8	7.8	-5.7	6.3	1.1	0.9	1.2	-2.0	0.4

Source: MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 10

SENEGAL: GDP Deflators, 1980-91 (1987=100)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990 Est.	1991 Est.
Primary sector	49.4	52.9	65.0	68.3	70.5	82.0	99.7	100.0	101.5	97.9	99.5	100.9
Agriculture	44.2	44.4	65.2	65.3	62.7	75.3	99.9	100.0	100.5	94.5	95.2	94.4
Livestock	55.9	60.8	65.1	74.8	76.2	86.8	98.1	100.0	103.5	100.7	103.7	106.7
Fishing	59.4	77.5	80.6	87.9	88.1	96.6	97.7	100.0	101.3	103.4	106.5	109.7
Forestry	56.7	57.8	42.5	50.0	74.4	89.5	115.4	100.0	100.7	98.8	101.2	104.0
Secondary sector	55.2	57.5	59.8	67.0	81.3	93.9	99.4	100.0	102.3	101.8	104.2	106.5
Oil mills	64.9	73.3	47.5	69.7	85.5	105.4	112.7	100.0	100.9	80.6	80.1	76.1
Mining	64.3	61.8	81.0	88.5	93.1	109.7	112.5	100.0	162.8	254.5	260.0	288.9
Construction	55.4	58.0	71.8	81.8	87.4	92.2	96.2	100.0	102.4	104.8	107.9	110.1
Energy	53.9	58.6	47.6	52.3	72.3	81.5	97.3	100.0	99.6	102.2	103.5	105.8
Other	54.9	56.9	59.1	65.5	80.9	95.6	99.7	100.0	101.3	99.2	102.3	104.2
Tertiary sector	61.2	66.7	71.4	78.3	88.1	93.4	97.0	100.0	102.3	104.5	107.5	108.4
Transportation	62.8	64.4	69.9	75.7	86.4	94.3	97.2	100.0	100.4	101.2	104.3	106.3
Commerce	53.8	65.6	71.3	80.9	93.0	103.9	97.5	100.0	104.1	108.0	114.6	115.9
Government services	83.6	84.6	88.8	93.2	97.9	95.6	96.9	100.0	101.5	102.9	98.0	94.9
Other	55.3	56.2	60.3	65.3	75.5	78.1	96.3	100.0	101.7	103.2	105.9	107.8
GDP at market prices	57.6	62.2	68.0	74.0	83.4	91.1	98.0	100.0	102.1	102.7	105.1	106.5
Gross domestic expenditure	60.1	65.7	73.2	80.2	86.6	94.1	97.6	100.0	102.7	102.3	104.8	106.9
Consumption	59.5	64.4	73.2	80.2	86.1	93.4	97.7	100.0	102.3	101.5	103.9	105.7
Private	56.5	61.4	70.6	77.9	83.5	92.1	97.7	100.0	102.6	101.3	104.6	107.0
Public	75.9	81.5	87.5	92.7	99.7	100.2	97.3	100.0	100.8	102.9	100.2	98.8
Gross domestic investment	66.4	78.7	73.3	80.4	90.2	101.2	96.9	100.0	105.7	108.4	111.6	115.5
Gross fixed investment	61.9	69.5	78.8	87.5	93.5	99.2	96.4	100.0	105.8	108.1	111.6	115.5
Private	61.9	69.5	78.7	87.3	93.6	99.4	96.4	100.0	106.4	108.6	112.3	116.2
Public	61.9	69.5	79.0	88.2	93.3	98.7	96.5	100.0	104.3	107.0	110.2	113.9
Resource balance	86.1	92.5	195.3	252.8	146.3	132.7	90.3	100.0	116.0	96.0	98.3	116.8
Exports of GNFS	69.5	85.7	86.2	91.1	110.2	116.3	101.5	100.0	103.0	112.9	115.2	115.4
Imports of GNFS	74.4	88.1	101.1	110.3	116.0	120.4	99.4	100.0	104.9	109.8	112.2	115.7

Source: MEFP, Direction de la Prevision et de la Statistique.

SA Table 11

Senegal : Level of Rainfall in the Groundnut Basin, 1960/61 - 1991/92

Crop season a/	Casamance	Diourbel	Louga	Senegal-oriental	Sine-Saloum	Total
			(In millimeters)			
1960/61	1,079	739	523	602	601	3,544
1961/62	1,254	566	448	789	664	3,721
1962/63	1,319	621	346	862	592	3,740
1963/64	1,219	579	451	943	644	3,836
1964/65	1,310	726	495	1,024	877	4,432
1965/66	1,458	563	449	939	655	4,064
1966/67	1,251	605	371	1,235	181	3,643
1967/68	1,560	858	667	964	907	4,956
1968/69	830	340	237	792	441	2,640
1969/70	1,198	571	372	745	655	3,541
1970/71	1,136	386	285	690	482	2,979
1971/72	983	564	296	1,255	771	3,869
1972/73	702	410	205	622	415	2,354
1973/74	1,118	307	272	723	464	2,884
1974/75	1.110	538	341	957	564	2,401
1975/76	1,322	453	267	783	694	3,519
1976/77	1,282	443	284	970	540	3,519
1977/78	813	302	250	932	415	2,712
1978/79	1,258	571	331	575	941	3,676
1979/80	968	478	247	691	571	2,955
1980/81	760	349	328	609	436	2,482
1981/82	1,109	438	356	878	599	3,380
1982/83	1,073	388	324	736	584	3,105
1983/84	723	197	182	515	355	1,972
1984/85	1,232	463	174	591	609	3,069
1985/86	1,368	391	216	554	634	3,163
1986/87	986	237	349	799	638	3,009
1987/88	950	463	283	667	689	3,052
1988/89	1,304	623	413	938	646	3,924
1989/90	1,197	554	473	756	771	3,751
1990/91	1,111	402	287	656	511	2,967
1991/92	1,270	353	250	671	394	2,938

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

Source: Comite National Agrhymet du Senegal, Bulletin Agro-Hydro-Meteorologique.

SA TABLE 12

SENEGAL: Agricultural Production, Area under Cultivation, and Yield of Principal Crops, 1980/81 - 1990/91

CASH CROPS	80/81	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91
Oil Groundnut											
Production (000 tons)	520	866	1139	570	669	590	821	946	717	819	679
Area (000 ha)	1064	1009	1142	1080	858	594	789	830	885	765	886
Yield (kg/ha)	489	858	997	528	780	995	1041	1140	810	1071	766
Confectionery groundnut											
Production (000 tons)	2	5	5	10	13	11	19	17	20	25	24
Area (000 ha)	9	8	18	29	15	10	18	14	17	19	28
Yield (kg/ha)	181	589	295	349	880	1078	1077	1175	1133	1263	866
Cotton											
Production (000 tons)	21	41	47	37	59	38	25	35	45	29	32
Area (000 ha)	30	32	42	33	46	39	25	29	39	24	36
Yield (kg/ha)	701	1282	1120	1108	1284	969	970	1219	1167	1212	886
FOOD CROPS											
Millet and sorghum											
Production (000 tons)	544	742	585	355	471	949	633	801	594	766	660
Area (000 ha)	1115	1190	990	828	1003	1338	992	1073	1022	1084	1038
Yield (kg/ha)	488	623	591	429	470	710	638	746	581	706	636
Maize											
Production (000 tons)	57	95	82	61	103	151	112	119	129	131	133
Area (000 ha)	78	78	86	70	84	102	102	112	96	117	117
Yield (kg/ha)	727	1219	953	860	1223	1478	1165	1167	1147	1413	1141
Rice (paddy)											
Production (000 tons)	65	127	108	101	136	147	143	133	146	169	156
Area (000 ha)	67	73	68	51	66	78	71	74	79	79	73
Yield (kg/ha)	963	1739	1582	1975	2055	1881	1998	1803	1858	2121	2139
Cowpeas											
Production (000 tons)	17	29	13	10	16	80	55	29	17	26	12
Area (000 ha)	54	68	48	42	51	128	117	71	69	65	45
Yield (kg/ha)	315	420	276	234	309	621	466	400	250	407	270
Manioc											
Production (000 tons)	25	32	32	17	19	31	75	53	55	59	69
Area (000 ha)	8	8	9	6	7	8	20	14	16	16	19
Yield (kg/ha)	3271	4162	3722	2742	2958	4035	3788	3861	3437	3651	3516
Vegetables											
Production (000 tons)	91	103	100	100	102	125	130	135	140	150	160
Area (000 ha)	6	7	7	6	7	8	9	9	8	9	10
Yield (tons/ha)	14.6	15.2	15.0	15.7	15.7	14.9	14.0	15.1	17.6	16.7	16.0

Sources: Ministere du Developpement Rural, Direction de l'Agriculture; and USAID/Senegal/ADO, "Senegal: Agricultural Sector Analysis" (January 1991).

SA TABLE 13

SENEGAL: Producer Prices of Main Agricultural Products, 1980/81-1991/92

	Weights a/	80/81	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92
						(Prices in CFA Francs per kilogram)							
Oil groundnuts b/		44.0	60.0	50.0	50.0	60.0	90.0	90.0	90.0	70.0	70.0	80.0	80.0
Confectionery groundnuts		54.5	80.0	80.0	80.0	90.0	110.0	110.0	110.0	85.0	85.0	85.0	85.0
Cotton (1st category)		60.0	68.0	70.0	70.0	70.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Millet/sorghum c/		40.0	50.0	50.0	55.0	60.0	70.0	70.0	70.0	73.0	73.0	73.0	73.0
Maize c/		37.0	47.0	47.0	50.0	60.0	70.0	70.0	70.0	77.0	77.0	77.0	77.0
Paddy		41.5	51.5	51.5	60.0	66.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
Cowpeas		33.0	43.0	43.0	60.0	60.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0
						(Nominal Price Indices, 1980/81 = 100)							
Oil groundnuts	75.2	100.0	136.4	113.6	113.6	136.4	204.5	204.5	204.5	159.1	159.1	181.8	181.8
Confectionery groundnuts	1.3	100.0	146.8	146.8	146.8	165.1	201.8	201.8	201.8	156.0	156.0	156.0	156.0
Cotton (1st category)	6.5	100.0	113.3	116.7	116.7	116.7	166.7	166.7	166.7	166.7	166.7	166.7	166.7
Millet/sorghum	8.9	100.0	125.0	125.0	137.5	150.0	175.0	175.0	175.0	182.5	182.5	182.5	182.5
Maize	1.5	100.0	127.0	127.0	135.1	162.2	189.2	189.2	189.2	208.1	208.1	208.1	208.1
Paddy	6.2	100.0	124.1	124.1	144.6	159.0	204.8	204.8	204.8	204.8	204.8	204.8	204.8
Cowpeas	0.4	100.0	130.3	130.3	181.8	181.8	333.3	333.3	333.3	333.3	333.3	333.3	333.3
General index	100.0	100.0	133.1	116.2	118.9	138.6	199.7	199.7	199.7	165.9	165.9	183.0	183.0
						(Real Price Indices, 1980/81 = 100) d/							
Oil groundnuts	75.2	100.0	122.0	89.1	79.6	84.9	116.5	115.6	119.1	93.3	93.0	106.2	106.2
Confectionery groundnuts	1.3	100.0	131.3	115.1	102.9	102.8	115.0	114.0	117.5	91.5	91.1	91.1	91.1
Cotton (1st category)	6.5	100.0	101.4	91.5	81.8	72.6	95.0	94.2	97.1	97.7	97.4	97.4	97.4
Millet/sorghum	8.9	100.0	111.8	98.0	96.4	93.4	99.7	98.9	101.9	107.0	106.6	106.6	106.6
Maize	1.5	100.0	113.7	99.6	94.7	101.0	107.8	106.9	110.2	122.1	121.6	121.6	121.6
Paddy	6.2	100.0	111.0	97.3	101.3	99.0	116.7	115.7	119.3	120.1	119.7	119.7	119.7
Cowpeas	0.4	100.0	116.6	102.2	127.4	113.2	189.9	188.3	194.1	195.5	194.8	194.8	194.8
General index	100.0	100.0	119.1	91.1	83.3	86.3	113.8	112.8	116.3	97.3	96.9	106.9	106.9

a/ Based on value of marketed output by crop.
b/ Prices for oil groundnuts excludes CFAF 10 in 1981/82 and CFAF 20 in 1982/83-84/85 that are withheld to cover bad debt, seeds and fertilizer.
c/ The prices for millet, sorghum and maize were liberalized in 1988/89.
d/ Deflated by the consumer price indices for the average Senegalese family.

Sources: Ministere du Developpement Rural, Direction de l'Agriculture; and
USAID/Senegal/ADO, "Senegal: Agricultural Sector Analysis" (January 1991).

SA TABLE 14

SENEGAL: Production and Disposition of Groundnuts (Unshelled), 1981/82-1991/92

(in thousands of metric tons)

	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92
Production (total)	884	1109	575	500	600	831	995	702	844	678	754
Production for Exports	524	718	223	139	347	539	676	402	588	250	204
Oil mills	517	701	216	135	340	532	666	390	572	243	196
Confectionery nuts	7	17	7	4	7	7	10	12	16	7	8
Others	360	391	352	361	253	292	319	300	256	428	550
Auto-consumption a/	192	196	201	272	120	169	212	196	150	320	438
Seeds	132	139	130	76	118	105	103	103	105	105	108
Losses	36	56	21	13	15	18	4	1	1	3	4

a/ Including sales on the parallel market.

Sources: SONACOS and MDR, Direction de l'Agriculture.

SA TABLE 15

SENEGAL: Prices of Rice and Paddy, 1981-90
(CFAF per kg)

	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Official Wholesale Price a/	74.6	97.0	120.1	120.1	147.9	148.7	149.0	132.2	120.2	120.2
Official Retail Price a/	80.0	103.0	130.0	130.0	160.0	160.0	160.0	140.0	130.0	130.0
Imported Price (cif) a/ b/	79.4	74.6	89.0	91.2	81.1	50.7	45.8	75.4	85.0	61.0
Producer Price of Paddy	41.5	41.5	51.5	51.5	60.0	66.0	85.0	85.0	85.0	85.0
Price of Paddy-Equivalent in Rice c/	63.8	63.8	79.2	79.2	92.3	101.5	130.8	130.8	130.8	130.8

a/ Broken rice.
b/ Calendar year average.
c/ Converted at the rice/paddy ratio of .65.

Sources: USAID/Senegal, "Senegal Agricultural Sector Analysis", January 1991; and staff estimates.

SA TABLE 16

SENEGAL : Estimated Value of Total and Marketed Output by Crop
(in billions of CFAF)

	Groundnuts		Cotton	Millet/ Sorghum	Maize	Rice	Cow- peas	Fresh Fruits	Toma- toes	Other	Nominal Value of Output		Real Value of Output a/	
	Oil	Confec- tionary									Total	Market -ed b/	Total	Market- -ed b/
60/70 c/	19.4	0.0	0.2	8.3	0.5	2.1	0.4	2.8	0.2	4.4	38.3	22.4	179.2	104.8
70/80 c/	31.1	0.6	1.0	16.0	1.2	3.5	0.5	3.5	0.2	5.5	63.2	35.4	158.4	88.8
80/81	22.9	0.1	1.2	21.8	2.1	2.7	0.6	3.8	0.3	8.1	63.6	19.1	102.3	30.7
81/82	51.9	0.3	2.7	37.1	4.4	6.5	1.2	4.3	0.4	9.9	118.7	57.5	174.5	84.6
82/83	56.9	0.4	3.1	29.2	3.9	5.6	0.6	4.3	0.6	10.4	115.0	61.1	155.4	82.6
83/84	28.5	0.8	2.4	19.5	3.0	6.1	0.4	4.4	0.7	11.3	77.1	33.1	92.4	39.6
84/85	40.1	1.2	3.9	28.3	6.2	8.9	0.9	4.6	0.8	14.5	109.4	35.0	120.1	38.5
85/86	53.1	1.0	3.6	66.5	10.5	12.5	5.6	5.0	0.4	12.9	171.1	56.8	174.6	58.0
86/87	73.9	1.8	2.3	44.3	7.9	12.1	3.8	5.9	1.2	10.6	163.8	74.7	163.8	74.7
87/88	85.1	1.6	3.3	56.1	8.3	11.3	2.0	6.6	1.1	9.3	184.7	77.6	180.9	76.0
88/89	50.2	1.9	4.3	44.5	9.7	12.4	1.5	6.9	1.2	10.3	142.9	56.3	138.0	54.4
89/90	57.3	2.3	2.8	54.1	9.4	14.4	1.9	7.3	1.3	10.6	161.4	66.0	151.4	61.9

a/ Deflated by the GDP deflator.
b/ The shares of marketed output are assumed as follows:
confectionary groundnuts (.5), cotton (1.0), millet/sorghum (.1), maize (.1), rice (.3), cowpeas (.1), fresh fruits (.5), tomatoes (.7), and others (.5). The share of oil groundnuts which is marketed varies from year to year and averages 70 percent.
c/ 10-year average.

Sources: USAID/Senegal, "Senegal Agricultural Sector Analysis", January 1991; and staff estimates.

SA TABLE 17

SENEGAL: Fish Catch, 1982-91

(in thousands of metric tons)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Small-scale Fishing	197.6	147.7	140.3	143.2	172.6	169.1	203.1	231.9	237.1	243.5	246.2	248.9
Industrial Fishing 1/	161.6	66.5	91.6	108.0	103.4	108.7	94.9	99.3	98.7	101.9	107.7	114.7
Sardine 2/	15.4	18.4	22.9	22.4	7.9	4.1	2.1	2.0	4.2	13.2	17.9	17.9
Trawler	121.8	37.5	46.4	56.7	60.8	68.5	60.4	57.9	52.7	55.1	55.4	52.0
Tuna	24.4	10.6	22.3	28.9	34.7	36.1	32.4	39.4	41.8	33.6	34.4	44.8
By Senegal-Based Boats	68.2	55.2	68.6	77.2	63.2	68.4	59.2	57.0	45.3	57.9	63.8	58.5
By Foreign-Based Boats	93.4	11.3	23.0	30.8	40.2	40.3	35.7	42.3	53.4	44.0	43.9	56.2
TOTAL	359.2	214.2	231.9	251.2	276.0	277.8	298.0	331.2	335.8	345.4	353.9	363.6
Percentage Annual Change	..	-40.4	8.3	8.3	9.9	0.7	7.3	11.1	1.4	2.9	2.5	2.7

1/ Domestic and foreign vessels.
2/ Only domestic catch.

Source: Centre de Recherche Oceanographique de Dakar-Thiaroye.

SA Table 18

SENEGAL: Production, Sales, and Prices of Phosphates, 1985-91

(in thousands of metric tons)

	1985	1986	1987	1988	1989	1990	1991
Production	2452.9	2087.4	2264.9	2614.9	2463.3	2301.4	1740.0
Annual Rate of Change	0.1	-14.9	8.5	15.5	-5.8	-6.6	-24.4
Lime Phosphates CSPT (Taiba)	1735.0	1739.0	1837.0	2245.0	2189.0	2002.0	1546.0
Lime Phosphates SSPT (Thies)	75.0	75.0	37.0	81.0	84.0	108.0	194.0
Crude Aluminum Phosphates (Thies) a/	355.3	131.3	191.1	119.3	0.0	0.0	0.0
Clinker Phosphates (Thies)	199.6	60.3	88.8	61.2	99.7	90.8	0.0
Attapulgite	88.0	81.8	111.0	108.4	90.6	100.6	0.0
Exports	2017.0	1672.3	1675.6	2070.4	1670.3	1569.2	1326.0
Annual Rate of Change	-8.0	-17.1	0.2	23.6	-19.3	-6.1	-15.5
Lime Phosphates CSPT (Taiba)	1675.0	1327.0	1377.0	1777.0	1416.0	1268.0	1206.0
Lime Phosphates SSPT (Thies)	59.0	89.0	51.0	76.0	79.0	99.0	120.0
Crude Aluminum Phosphates (Thies)	66.4	60.4	45.8	42.4	0.0	0.0	0.0
Clinker Phosphates (Thies)	139.3	97.6	100.6	67.9	86.2	98.4	0.0
Attapulgite	77.3	98.3	101.2	107.1	89.1	103.8	0.0
Local Sales b/	483.5	570.5	528.5	553.0	540.2	659.4	..
Annual Rate of Change	43.0	18.0	-7.4	4.6	-2.3	22.1	..
Lime Phosphates CSPT (Taiba)	483.5	570.5	528.5	550.8	536.3	649.8	..
Lime Phosphates SSPT (Thies)	0.0	0.0	0.0	2.2	3.9	9.6	..
Average Export Prices	(thousands of CFAF per ton)						
Lime Phosphates CSPT (Taiba)	16.053	13.640	11.329	11.467	14.477	12.303	13.176
Lime Phosphates SSPT (Thies)	19.350	15.152	15.203	11.351	13.430	11.790	10.985
Crude Aluminum Phosphates (Thies)	12.7	9.5	8.4	4.8	..	..	..
Clinker Phosphates (Thies)	20.3	17.8	15.4	15.6	14.2	12.5	..
Attapulgite	18.9	18	17.4	13	13.5	12.8	..

a/ SSPT ceased production of crude aluminum in 1989.
b/ To the Industries Chimiques du Senegal (I.C.S.).
.. not available

Sources: Raw data from C.S.P.T. (Compagnie Senegalaise des Phosphates de Taiba) and S.S.P.T. (Societe Senegalaise des Phosphates de Thies). C.C.C.E./Dakar, "Senegal: Note de Conjoncture", March 1991.

SA TABLE 19

SENEGAL: Output of Key Industrial Products, 1980-91

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991 Jan-Sept
Phosphates (1000 tons)	1780.5	2182.8	1316.7	1731.6	2363.9	2175.4	2092.9	2348.1	2752.1	2528.9	2402.6	1601.2
Salt (1000 tons)	140.0	140.0	160.0	170.0	170.0	143.0	145.0	34.1	26.8	161.3	90.8	60.7
Canned tuna (1000 tons)	12.7	19.2	23.9	28.2	28.7	27.4	26.6	14.7	14.0	17.3	21.7	18.3
Shell fish (1000 tons)	3.5	2.5	2.1	1.3	1.4	3.5	4.0	1.5	1.1	1.6	..	..
Packed fresh fish (1000 tons)	27.3	25.1	28.9	19.6	12.7	7.7	11.8	11.5	4.8	14.3	..	..
Liquid milk (1000 hectoliters)	21.9	11.6	14.2	11.1	12.8	8.8	6.8	8.0	0.0	6.1	..	..
Condensed milk (tons)	26.1	22.1	28.8	26.4	22.1	23.4	22.7	18.2	17.1	13.6	..	..
Groundnut cake (1000 tons)	108.2	41.2	273.1	276.4	305.0	119.9	143.7	176.2	243.4	204.9	..	..
Groundnut oil (crude) (1000 tons)	79.8	31.4	219.1	186.3	126.1	91.9	119.6	131.4	134.2	63.1	152.1	54.7
Groundnut refined oil (1000 tons)	35.4	19.9	36.1	47.2	31.6	16.2	24.1	46.6	67.8	72.7	47.5	20.8
Flour (wheat,millet) (1000 tons)	78.9	88.9	80.3	88.9	86.6	66.3	86.4	86.6	103.3	104.4	..	..
Sugar cubes (1000 tons)	38.8	47.0	72.0	74.8	79.1	111.0	50.4	56.4	42.1	48.1	49.5	43.8
Beer and soft drinks (1000 Hl) a/	563.3	506.9	463.3	446.5	401.5	434.3	335.4	455.3	..	..	..	..
Tobacco products (tons)	0.0	0.0	2176.0	2516.0	2501.0	2972.0	2822.0	1862.0	1348.0	1620.0	1697.0	1974.0
Cotton fiber (1000 tons)	16.7	21.6	18.1	18.4	9.6	36.4	16.1	14.9	19.2	15.3	..	..
Cotton thread (tons)	871.0	844.0	1075.0	1286.0	1875.0	1332.0	1453.0	1066.0	1045.0	641.0	..	..
Leather shoes (1000 pairs) b/	640.7	620.8	778.0	705.9	1311.6	613.1	776.4	397.9	0.0	0.0	0.0	0.0
Plastic shoes (1000 pairs)	2718.5	3071.9	3915.6	2644.4	2337.6	3000.0	2700.0	1200.0	600.0	200.0	300.0	200.0
Cloth (tons)	1348.0	1373.8	7273.0	4676.0	1626.0	634.0	998.0	911.0	1277.6	270.5	..	..
Wood (thousands of cubic meters)	27.3	25.3	27.8	26.0	25.5	22.8	19.9	27.0	19.4	15.3	..	..
Petroleum products (1000 tons)	726.4	632.1	542.3	270.9	341.6	435.9	425.7	582.0	704.7	627.2	..	..
Paint (tons)	2676.0	2674.0	2761.0	3124.0	2755.0	3289.0	3230.0	3260.0	3167.0	2868.0	2800.0	2700.0
Soap (1000 tons)	34.2	36.1	35.9	38.5	35.0	29.7	32.3	33.0	32.9	25.6	37.1	36.9
Fertilizers (1000 tons)	80.6	74.1	47.0	63.6	63.1	63.2	62.4	116.6	143.9	116.7	..	..
Cement (1000 tons)	371.3	386.0	375.4	388.2	423.6	408.2	369.6	363.3	393.0	391.7	470.5	503.2
Car assembly (units) c/	261.0	287.0	269.0	348.0	504.0	341.0	219.0	81.0	78.0	0.0	0.0	0.0
Metallic cans (millions of units)	90.0	94.9	120.4	143.5	146.4	139.5	127.9	132.1	102.9	64.0	188.4	212.8
Galvanized iron sheets (tons)	4738.0	2795.0	3047.0	1726.0	1269.0	1068.0	1050.0	1968.0	2116.0	818.0	..	..
Electricity (millions of Kwh)	629.5	606.1	628.9	669.2	684.6	756.0	750.0	777.5	839.5	868.5	902.9	871.4
Water (millions of cubic meters)	55.2	63.3	67.0	66.5	72.7	66.2	78.0	99.9	87.7	80.5	..	..

a/ The one and only producer of beer and soft drinks did not provide data since 1988.
b/ Production ceased in 1988 with closing of Bata.
c/ Production ceased in 1989.
.. not available.

Source: MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 20

SENEGAL: Trends in the Tourism Sector, 1980-91

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
					(in thousands)							
Number of arrivals	220.5	228.1	244.9	268.4	271.5	277.8	271.5	279.5	299.5	302.2	285.7	269.3
Number of beds	7.6	8.1	8.6	8.8	9.5	10.2	10.9	11.7	12.2	12.3	12.2	13.7
Number of nights	931.6	1019.4	1052.7	1126.3	1138.4	1172.7	1116.4	1108.7	1108.1	1214.6	1141.9	1083.8
					(in percent)							
Annual rate of occupancy	46.9	48.1	47.4	47.7	44.5	41.5	39.2	36.0	37.0	38.0	37.5	34.5
					(in billions of CFA francs)							
Gross receipts	19.0	22.0	25.0	29.2	32.1	36.6	38.3	37.7	42.4	43.7	39.8	37.9

Source: Ministry of Tourism.

SA TABLE 21

SENEGAL: Informal Sector in the Greater Dakar Area
(November 1988)

	Number of Businesses		Number of Employees a/	
Manufacturing	4,548		20,511	
Clothing and leather goods		2,748		10,663
Wood works		685		4,739
Metal works		961		4,845
Building materials		58		110
Foodstuff		96		154
Construction	128		387	
Services	2,240		9,981	
Car repairs		709		5,752
Electrical repairs		265		1,073
Food preparation		820		2,086
Other		446		1,070
Trade	21,341		24,097	
Fruit & vegetables		8,965		8,965
Used clothes		2,511		2,611
Manufactured goods		4,326		4,539
Fish		411		411
Hardware		314		627
Grocery		745		2,235
Other		4,069		4,709
TOTAL	28,257		54,976	

a/ Includes the owner(s).

Source: Charbel Zarour, "Etude du secteur informel de Dakar et de ses environs", August 1989.

SA TABLE 22

SENEGAL: SMIG Nominal and Real, 1980-92 a/

	1980 Jan. b/	1981 July	1982 July	1983 April	1985 Jan.	1989 Dec.	1990 Dec.	1992 June
Nominal (hourly rate in CFA francs)	133.8	140.5	152.0	174.9	183.8	201.1	201.1	201.1
Index (Jan. 1980 = 100)	100.0	105.0	113.6	130.7	137.4	150.3	150.3	150.3
Real Index (Jan. 1980 = 100) c/	100.0	99.2	91.4	94.2	78.3	85.4	85.1	86.8

a/ Guaranteed interprofessionnel salary (Salaire minimum interprofessionel garanti).
b/ Dates indicate when the SMIG was raised.
c/ Deflated by the consumer price index for the average Senegalese family.

Source : Staff estimates.

SA Table 23

SENEGAL: Civil Service and the Wage Bill, 1981/82 - 1991/92 a/

	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92 Est.
Wage bill (in billions of CFA francs)	83.3	92.7	100.4	106.6	111.8	119.8	122.3	125.2	126.8	129.5	134.9
Annual change (%)	6.4	11.3	8.3	6.2	4.9	7.2	2.1	2.4	1.3	2.1	4.2
Share of current expenditure (%)	50.4	49.7	48.9	49.1	50.7	51.5	50.0	50.5	49.9	55.8	57.9
Share of total expenditure (%)	39.2	36.5	40.8	41.9	42.0	41.9	42.4	41.0	38.9	43.6	41.7
Share of GDP (%)	11.0	10.4	10.3	9.8	9.0	9.0	8.5	8.6	8.3	8.2	8.1
Number of civil servants b/	63,011	66,310	67,718	67,034	68,843	68,131	67,074	66,500	65,668	65,625	64,125
Annual change (%)	6.3	5.2	2.1	-1.0	2.7	-1.0	-1.6	-0.9	-1.3	-0.1	-2.3

a/ Budget year ending June 30.
b/ Excludes technical assistants and employees in process of retirement.

Sources: MEFP, Direction Centrale de la Solde, and Direction de la Fonction Publique.

SA TABLE 24

SENEGAL: Minimum and Maximum Salaries for Civil Servants, 1980-90

	1980	1981	1982	1983	1985	1989	1990
Nominal Wages			(in CFAF per month)				
Minimum							
Base salary	22,080	22,080	24,080	26,080	27,211	30,211	30,211
Special allowance	4,416	4,416	4,816	5,216	5,442	5,442	5,442
Residence allowance	3,091	3,091	3,371	3,651	3,809	3,809	3,809
Total	29,587	29,587	32,267	34,947	36,462	39,462	39,462
Maximum							
Base salary	172,604	172,604	174,604	176,604	177,735	180,735	180,735
Special allowance	34,520	34,520	34,921	35,321	35,547	35,547	35,547
Residence allowance	24,164	24,164	24,446	24,725	24,883	24,883	24,883
Total	231,288	231,288	233,971	236,650	238,165	241,165	241,165
Nominal Indices			(1980 = 100)				
Minimum	100.0	100.0	109.1	118.1	123.2	133.4	133.4
Maximum	100.0	100.0	101.2	102.3	102.9	104.3	104.3
Real Indices a/							
Minimum	100.0	94.4	87.8	85.1	70.2	75.8	76.1
Maximum	100.0	94.4	81.4	73.8	58.7	59.3	59.5
Salary as a multiple of SMIG							
Minimum	1.3	1.3	1.3	1.3	1.2	1.2	1.1
Maximum	10.5	10.3	9.8	8.5	7.9	7.3	6.7

a/ Deflated by consumer price index for the average Senegalese family.

Sources: MEFP, Direction Centrale de la Solde and staff estimates.

SA TABLE 25

SENEGAL: Consumer Price Indices for the Average Senegalese Family in Dakar, 1980-92

Items	Weights	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992 Jan-Jun
						(1967 = 100)								
General Index	100.0	279.8	296.3	347.6	387.2	434.9	490.5	520.6	499.1	490.1	492.2	493.8	485.1	484.2
Foodstuffs	56.0	315.9	318.3	383.8	427.4	477.2	519.9	554.1	511.5	508.0	512.1	514.9	498.8	493.3
Clothing	11.9	234.1	263.8	301.0	351.8	395.3	440.9	491.4	516.2	463.6	456.3	453.1	459.9	465.3
Housing	16.2	212.6	232.8	264.6	285.0	296.0	355.9	388.3	388.9	387.1	386.3	387.6	385.7	382.8
Household goods	4.0	279.6	320.9	354.0	394.9	599.3	780.6	713.0	668.4	674.4	677.1	689.3	668.8	664.5
Transport and leisure	11.9	246.9	303.6	334.6	369.7	402.8	487.1	508.1	516.5	509.5	515.2	513.4	521.2	537.6
						(Percentage Change Over the Previous Year)								
General Index			5.9	17.3	11.4	12.3	12.8	6.1	-4.1	-1.8	0.4	0.3	-1.8	-0.2
Foodstuffs			0.8	20.6	11.4	11.7	8.9	6.6	-7.7	-0.7	0.8	0.5	-3.1	-1.1
Clothing			12.7	14.1	16.9	12.4	11.5	11.5	5.0	-10.2	-1.6	-0.7	1.5	1.2
Housing			9.5	13.7	7.7	3.9	20.2	9.1	0.2	-0.5	-0.2	0.3	-0.5	-0.8
Household goods			14.8	10.3	11.6	51.8	30.3	-8.7	-6.3	0.9	0.4	1.8	-3.0	-0.6
Transport and leisure			23.0	10.2	10.5	9.0	20.9	4.3	1.7	-1.4	1.1	-0.3	1.5	3.1

Source: MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 26

SENEGAL: Consumer Price Indices for a European Family in Dakar, 1980-1992

Items	Weights	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992 Jan-Jun
					(1961 = 100)									
General Index	100.0	351.9	391.5	442.0	482.4	523.5	565.4	600.5	614.1	611.5	612.3	640.8	666.6	668.4
Foodstuffs	45.0	429.9	483.1	538.9	603.1	658.9	706.1	758.5	774.3	757.6	761.8	809.3	843.5	858.9
Gas, electricity and telephone	2.3	176.3	197.2	221.7	238.9	270.9	314.5	325.2	313.9	305.9	309.0	308.1	314.6	311.3
Housing	4.6	327.0	343.3	347.4	406.7	419.7	437.8	440.7	440.7	440.7	444.0	457.2	477.1	477.1
Household goods	24.5	276.9	288.6	358.2	375.2	398.8	440.4	471.5	489.9	509.0	505.0	515.9	544.0	548.7
Sports and leisure	11.7	300.4	331.7	357.0	366.2	400.4	419.7	423.7	441.7	442.4	433.6	438.1	445.1	444.4
Transport	7.9	345.8	436.5	487.4	527.4	572.6	639.4	665.6	646.8	639.4	649.1	681.9	701.3	702.6
Other	4.0	225.6	245.5	258.7	258.7	291.6	319.3	344.7	383.0	409.1	410.4	426.8	427.5	430.0
					(Percentage Change Over the Previous Year)									
General Index			11.3	12.9	9.1	8.5	8.0	6.2	2.3	-0.4	0.1	4.7	4.0	0.3
Foodstuffs			12.4	11.6	11.9	9.3	7.2	7.4	2.1	-2.2	0.6	6.2	4.2	1.8
Gas, electricity and telephone			11.9	12.4	7.8	13.4	16.1	3.4	-3.5	-2.5	1.0	-0.3	2.1	-1.0
Housing			5.0	1.2	17.1	3.2	4.3	0.7	0.0	0.0	0.7	3.0	4.4	0.0
Household goods			4.2	24.1	4.7	6.3	10.4	7.1	3.9	3.9	-0.8	2.2	5.4	0.9
Sports and leisure			10.4	7.6	2.6	9.3	4.8	1.0	4.2	0.2	-2.0	1.0	1.6	-0.2
Transport			26.2	11.7	8.2	8.6	11.7	4.1	-2.8	-1.1	1.5	5.1	2.8	0.2
Other			8.8	5.4	0.0	12.7	9.5	8.0	11.1	6.8	0.3	4.0	0.2	0.6

Source: MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 27

SENEGAL: Export Value, Volume, and Prices, 1980-91

(Values in CFAF billions; volumes in '000 tons; prices in CFAF/Kg)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Groundnut products	17.6	9.2	42.1	64.9	54.5	23.7	22.6	21.0	34.4	48.0	43.3	31.0
Volume	175.4	58.0	352.8	483.9	203.4	114.8	206.6	257.4	386.8	343.9	318.4	256.8
Price	100.3	158.6	119.3	134.1	267.9	206.4	109.4	81.7	88.9	139.6	136.0	120.7
Crude oil	11.3	6.2	31.1	43.1	39.3	18.4	16.7	15.1	22.0	36.0	35.3	24.7
Volume	62.6	21.6	151.5	177.2	85.5	40.0	80.4	104.3	133.0	150.8	129.5	92.8
Price	180.5	287.0	205.3	243.2	459.6	460.0	207.7	144.8	165.3	238.7	272.6	266.2
Refined oil	1.6	0.2	0.3	2.1	3.3	1.0	0.1	0.2	0.1	0.0	0.0	0.0
Volume	11.2	0.6	0.8	8.0	7.0	1.9	0.3	0.6	0.5	0.0	0.0	0.0
Price	142.9	333.3	375.0	262.5	471.4	526.3	333.3	283.3	200.0	..	..	..
Oilcakes	4.2	1.9	10.0	16.7	7.7	4.2	5.6	5.6	12.2	10.8	7.5	5.5
Volume	98.9	31.9	195.9	274.0	94.8	72.7	124.8	151.7	252.3	185.1	185.3	158.9
Price	42.5	59.6	51.0	60.9	81.2	57.8	44.9	37.0	48.4	58.3	40.5	34.6
Seeds	0.5	0.9	0.7	3.0	4.2	0.1	0.2	0.2	0.1	1.2	0.5	0.8
Volume	2.7	3.9	4.6	24.7	16.1	0.2	1.1	0.8	1.0	8.0	3.6	5.1
Price	185.2	230.8	152.2	121.5	260.9	500.0	181.8	187.5	100.0	150.0	138.9	156.9
Phosphates	16.5	17.9	18.3	18.4	24.4	26.0	23.4	19.8	22.6	22.2	19.2	18.9
Volume	1483.3	1165.6	1102.8	1432.0	1646.0	1575.5	1668.8	1676.0	1804.0	1561.1	1570.1	1470.0
Price	11.1	15.4	16.6	12.8	14.8	16.5	14.0	11.8	12.5	14.2	12.2	12.9
Fish	21.2	28.0	30.2	37.3	49.5	50.6	54.2	48.9	45.8	57.1	55.1	61.3
Volume	71.4	69.2	69.1	72.9	88.6	83.0	82.0	75.2	61.4	91.5	81.0	83.8
Price	296.9	404.6	437.0	511.7	558.7	609.6	661.0	650.3	745.9	624.0	680.2	731.5
Fresh fish	13.9	17.4	18.5	21.1	28.3	30.9	39.2	33.9	31.1	40.8	38.4	41.9
Volume	59.8	54.0	53.7	53.3	64.3	61.9	62.7	56.7	45.2	70.9	61.8	62.9
Price	232.4	322.2	344.5	395.9	440.1	499.2	625.2	597.9	688.1	575.5	621.4	666.1
Canned fish	7.3	10.6	11.7	16.2	21.2	19.7	15.0	15.0	14.7	16.3	16.7	19.4
Volume	11.6	15.2	15.4	19.6	24.3	21.1	19.3	18.5	16.2	20.6	19.2	20.9
Price	629.3	697.4	759.7	826.5	872.4	933.6	777.2	810.8	907.4	791.3	869.8	928.2
Cotton	2.1	2.0	4.8	8.1	6.9	8.7	2.5	2.0	5.4	6.5	6.1	8.5
Volume	5.6	4.2	10.1	13.6	9.1	13.3	7.0	5.3	12.2	14.1	11.6	17.2
Price	375.0	476.2	475.2	595.6	758.2	654.1	357.1	377.4	441.0	461.0	525.9	494.2
Salt	3.2	3.2	2.9	5.1	6.0	5.9	4.7	2.9	2.8	2.5	2.5	2.1
Volume	125.4	147.7	155.8	179.0	186.7	173.3	132.1	96.6	114.4	129.6	82.9	71.4
Price	25.5	21.7	18.6	28.5	32.1	34.0	35.6	30.0	24.5	19.3	30.2	29.4
Fertilizers	2.4	4.4	2.2	4.1	2.7	3.6	1.4	1.3	1.2	2.0	1.8	2.0
Volume	175.4	146.9	138.0	173.6	173.1	182.8	94.3	88.1	75.0	108.1	106.0	109.7
Price	13.7	30.0	15.9	23.6	15.6	19.7	14.8	14.8	16.0	18.5	17.0	18.2
Petroleum products	19.0	38.3	45.8	40.8	43.2	23.0	19.1	14.5	13.8	11.9	6.9	4.3
Volume	425.6	356.8	391.5	323.4	313.9	166.7	278.4	169.0	175.4	210.0	140.0	85.0
Price	44.6	107.3	117.0	126.2	137.6	138.0	68.6	85.5	78.6	56.7	49.3	50.6
Other	19.5	49.3	18.7	52.1	74.0	89.7	99.6	91.3	76.1	91.8	113.4	126.8
ICS (Ind.Chimiques du Senegal)	0.0	0.0	0.0	0.0	12.2	18.4	17.0	16.4	19.1	23.0	24.3	28.2
Miscellaneous products	18.7	32.9	33.8	42.1	44.1	48.4	53.0	54.4	33.8	54.8	65.5	75.7
Re-exports	0.8	16.4	-15.1	10.0	17.7	22.9	29.6	20.5	23.2	14.0	23.6	22.9
O/w: Misc. + Re-exports	19.5	49.3	18.7	52.1	61.8	71.3	82.6	74.9	57	68.8	89.1	98.6
MERCHANDISE EXPORTS (F.O.B)	101.5	152.3	165.0	230.8	261.2	231.2	227.5	201.6	202.1	242.0	248.3	254.9
Memo:												
Avge exch. rates (CFAF/US$)	211.30	271.73	328.62	381.07	436.96	449.26	346.30	300.54	297.85	319.01	272.26	282.11

Sources: BCEAO and MEFP, Direction de la Prevision et de la Statistique.

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SA TABLE 28

SENEGAL: Merchandise Exports, 1980-91 (in US$ million)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Groundnut products	83.3	33.9	128.1	170.3	124.7	52.8	65.3	70.0	115.5	150.5	159.0	109.9
Crude oil	53.5	22.8	94.6	113.1	89.9	41.0	48.2	50.2	73.8	112.8	129.7	87.6
Refined oil	7.6	0.7	0.9	5.5	7.6	2.2	0.3	0.6	0.3	0.0	0.0	0.0
Oilcakes	19.9	7.0	30.4	43.8	17.6	9.3	16.2	18.7	41.0	33.9	27.5	19.5
Seeds	2.4	3.3	2.1	7.9	9.6	0.2	0.6	0.5	0.3	3.8	1.8	2.8
Phosphates	78.1	65.9	55.7	48.3	55.8	57.9	67.6	65.8	75.9	69.6	70.5	67.0
Fish	100.3	103.0	91.9	97.9	113.3	112.6	156.5	162.7	153.8	179.0	202.4	217.3
Fresh fish	65.8	64.0	56.3	55.4	64.8	68.8	113.2	112.8	104.4	127.9	141.0	148.5
Canned fish	34.5	39.0	35.6	42.5	48.5	43.8	43.3	49.9	49.4	51.1	61.3	68.8
Cotton	9.9	7.4	14.6	21.3	15.8	19.4	7.2	6.7	18.1	20.4	22.4	30.1
Salt	15.1	11.8	8.8	13.4	13.7	13.1	13.6	9.6	9.4	7.8	9.2	7.4
Fertilizers	11.4	16.2	6.7	10.8	6.2	8.0	4.0	4.3	4.0	6.3	6.6	7.1
Petroleum products	89.9	140.9	139.4	107.1	98.9	51.2	55.2	48.1	46.3	37.3	25.3	15.2
Other	92.3	181.4	56.9	136.7	169.4	199.7	287.6	303.7	255.5	287.8	416.5	449.5
ICS	0.0	0.0	0.0	0.0	27.9	41.0	49.1	54.4	64.1	72.1	89.3	100.0
Miscell. products	88.5	121.1	102.9	110.5	100.9	107.7	153.0	181.0	113.5	171.8	240.6	268.3
Re-exports	3.8	60.4	-45.9	26.2	40.5	51.0	85.5	68.2	77.9	43.9	86.7	81.2
O/w: Miscell. + Re-exports	92.3	181.4	56.9	136.7	141.4	158.7	238.5	249.2	191.4	215.7	327.3	349.5
MERCHANDISE EXPORTS (F.O.B)	480.4	560.5	502.1	605.7	597.8	514.6	656.9	670.9	678.4	758.6	912.0	903.5
Memo:												
Avge exch. rates (CFAF/US$)	211.30	271.73	328.62	381.07	436.96	449.26	346.30	300.54	297.85	319.01	272.26	282.11

Sources: BCEAO and MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 29

SENEGAL: Import Value, Volume, and Prices, 1980-91

(Values in CFAF billions; volumes in '000 tons; prices in CFAF/Kg)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Food, beverages and tobacco	44.3	73.3	77.1	101.0	110.1	88.7	67.4	62.4	84.2	106.4	98.2	102.1
Rice	18.1	27.0	28.1	38.0	35.9	28.4	17.4	11.1	23.0	38.1	21.1	25.4
Volume	302.5	339.8	376.6	394.0	393.5	342.4	329.2	235.3	299.5	430.8	336.5	394.6
Price	59.8	79.5	74.6	96.4	91.2	82.9	52.9	47.2	76.8	88.4	62.7	64.4
Wheat	5.0	5.5	6.8	7.4	7.1	9.8	7.0	5.1	4.7	12.5	10.1	8.0
Volume	97.1	100.9	112.3	125.0	118.5	134.2	110.0	110.8	113.5	161.5	139.9	151.0
Price	51.5	54.5	60.6	59.2	59.9	73.0	63.6	46.0	41.4	77.4	72.2	53.0
Other food	17.8	36.6	37.3	49.8	61.0	45.2	37.3	39.9	50.1	50.3	59.0	61.4
Beverages and tobacco	3.4	4.2	4.9	5.8	6.1	5.3	5.7	6.3	6.4	5.5	8.0	7.3
Petroleum	58.3	80.8	96.1	90.9	112.6	77.5	61.7	53.2	49.3	49.5	43.2	41.8
Volume	951.0	990.2	984.5	958.2	1090.6	856.8	1191.1	1064.4	1080.0	1083.0	942.3	831.6
Price	61.3	81.6	97.6	94.9	103.2	90.5	51.8	50.0	45.6	45.7	45.8	50.3
Crude oil	43.7	47.1	44.3	29.5	37.8	13.3	26.9	22.7	25.6	25.5	29.5	25.8
Volume	749.2	604.2	473.8	304.5	383.7	132.6	647.7	528.7	757.2	583.0	641.9	495.9
Price	58.3	78.0	93.5	96.9	98.5	100.3	41.5	42.9	33.8	43.7	46.0	52.0
Refined oil	14.6	33.7	51.8	61.4	74.8	64.2	34.8	30.5	23.7	24.0	13.7	16.0
Volume	201.8	386.0	510.7	653.7	706.9	724.2	543.4	535.7	322.8	500.0	300.4	335.7
Price	72.3	87.3	101.4	93.9	105.8	88.6	64.0	56.9	73.4	48.0	45.6	47.7
Other consumer goods	32.0	36.9	50.7	54.2	48.9	45.1	48.6	56.4	58.9	64.9	60.6	60.9
Capital goods	33.3	32.5	45.0	62.4	47.0	37.3	48.2	49.9	43.0	55.1	53.0	55.7
Interm. goods (incl. reexports)	65.6	91.5	54.5	88.7	88.0	157.6	121.7	104.5	88.1	86.0	108.6	119.6
o/w reexports	11.3	22.7	-27.6	-5.1	-21.5	55.0	32.4	19.2	1.9	-10.2	-5.0	-4.9
MERCHANDISE IMPORTS (c.i.f)	233.5	315.0	323.4	397.2	406.6	406.2	347.6	326.4	323.5	361.9	363.6	380.1
Freight and insurance	28.0	37.8	36.5	47.7	48.8	48.7	41.7	39.2	38.8	43.4	43.6	45.6
MERCHANDISE IMPORTS (f.o.b)	205.5	277.2	286.9	349.5	357.8	357.5	305.9	287.2	284.7	318.5	320.0	334.5
Memo:												
Avge exch. rates (CFAF/US$)	211.30	271.73	328.62	381.07	436.96	449.26	346.30	300.54	297.85	319.01	272.26	282.11

Sources: BCEAO and MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 30

SENEGAL: Merchandise Imports, 1980-91

(in millions of US$)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Food, beverages and tobacco	209.7	269.8	234.6	265.0	252.0	197.4	194.6	207.6	282.7	333.5	360.7	361.9
Rice	85.7	99.4	85.5	99.7	82.2	63.2	50.2	36.9	77.2	119.4	77.5	90.0
Wheat	23.7	20.2	20.7	19.4	16.2	21.8	20.2	17.0	15.8	39.2	37.1	28.4
Other food	84.2	134.7	113.5	130.7	139.6	100.6	107.7	132.8	168.2	157.7	216.7	217.6
Beverages and tobacco	16.1	15.5	14.9	15.2	14.0	11.8	16.5	21.0	21.5	17.2	29.4	25.9
Petroleum	275.9	297.4	292.4	238.5	257.7	172.5	178.2	177.0	165.5	155.2	158.7	148.2
Crude oil	206.8	173.3	134.8	77.4	86.5	29.6	77.7	75.5	85.9	79.9	108.4	91.5
Refined oil	69.1	124.0	157.6	161.1	171.2	142.9	100.5	101.5	79.6	75.2	50.3	56.7
Other consumer goods	151.4	135.8	154.3	142.2	111.9	100.4	140.3	187.7	197.8	203.4	222.6	215.9
Capital goods	157.6	119.6	136.9	163.7	107.6	83.0	139.2	166.0	144.4	172.7	194.7	197.4
Interm. goods (incl. reexports)	310.5	336.7	165.8	232.8	201.4	350.8	351.4	347.7	295.8	269.6	398.9	423.9
o/w reexports	53.5	83.5	-84.0	-13.4	-49.2	122.4	93.6	63.9	6.4	-32.0	-18.4	-17.4
MERCHANDISE IMPORTS (c.i.f)	1105.1	1159.2	984.1	1042.3	930.5	904.2	1003.8	1086.0	1086.1	1134.4	1335.5	1347.3
Freight and insurance	132.5	139.1	111.1	125.2	111.7	108.4	120.4	130.4	130.3	136.0	160.1	161.6
MERCHANDISE IMPORTS (f.o.b)	972.6	1020.1	873.0	917.2	818.8	795.8	883.3	955.6	955.9	998.4	1175.3	1185.7
Memo:												
Avge exch. rates (CFAF/US$)	211.30	271.73	328.62	381.07	436.96	449.26	346.30	300.54	297.85	319.01	272.26	282.11

Sources: BCEAO and MEFP, Direction de la Prevision et de la Statistique.

SA TABLE 31

SENEGAL : Services Accounts, 1980 - 1991

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
						(in CFAF billion)						
Non-factor services (net)	8.6	-16.2	-4.7	-17.6	-27.8	-14.8	-25.4	-17.2	-14.2	-6.3	-2.6	-2.6
Non-factor services receipts	83.4	117.7	128.2	133.0	135.5	151.0	143.3	138.5	144.9	158.3	157.6	162.5
Freight and insurance	2.0	2.4	2.8	3.3	5.1	6.2	5.4	4.7	4.7	5.0	3.1	3.1
Other transport	22.0	24.5	35.5	28.2	28.3	26.0	25.0	24.7	22.5	28.6	31.4	32.7
Travel and tourism	20.9	22.6	25.5	29.8	32.7	38.0	39.8	39.1	43.9	45.2	45.6	48.2
Government	30.8	39.7	37.0	40.3	38.4	40.9	45.8	44.8	49.6	44.6	41.5	42.0
Other services	7.7	28.5	27.4	31.4	31.0	39.9	27.3	25.2	24.2	34.9	36.0	36.5
Non-factor services payments	74.8	133.9	132.9	150.6	163.3	165.8	168.7	155.7	159.1	164.6	160.2	165.1
Freight and insurance	28.0	37.8	36.5	47.7	48.8	48.7	41.7	39.2	38.8	43.4	43.6	45.6
Other transports	12.7	12.6	17.4	15.6	15.9	17.4	17.6	16.9	16.3	17.0	22.5	23.5
Travel and tourism	12.6	13.5	15.3	17.1	18.3	17.3	17.0	16.6	22.6	19.0	28.5	29.5
Government	9.7	45.7	48.5	53.0	54.8	55.2	67.1	56.8	62.6	61.2	42.0	42.9
Other services	11.8	24.3	15.2	17.2	25.5	27.2	25.3	26.2	18.8	24.0	23.6	23.6
Factor Income (net)	-21.1	-29.7	-38.0	-39.2	-55.3	-57.1	-57.2	-59.6	-65.0	-65.3	-53.6	-55.0
Factor income receipts	4.5	4.2	4.9	7.8	5.0	2.9	2.8	2.0	3.0	6.5	6.2	6.4
Factor income payments	25.6	33.9	42.9	47.0	60.3	60.0	60.0	61.6	68.0	71.8	59.8	61.4
o/w: Interest payments due	11.7	21.1	28.8	34.9	49.5	50.0	52.8	52.6	59.0	58.6	44.9	46.4
						(in US$ million)						
Non-factor services (net)	40.7	-59.6	-14.3	-46.2	-63.6	-32.9	-73.3	-57.2	-47.7	-19.7	-9.5	-9.2
Non-factor services receipts	396.7	433.2	390.1	349.0	310.1	336.1	413.8	460.8	486.5	496.2	578.9	576.0
Freight and insurance	9.5	8.8	8.5	8.7	11.7	13.8	15.6	15.6	15.8	15.7	11.4	11.0
Other transport	104.1	90.2	108.0	74.0	64.8	57.9	72.2	82.2	75.5	89.7	115.3	115.9
Travel and tourism	98.9	83.2	77.6	78.2	74.8	84.6	114.9	130.1	147.4	141.7	167.5	170.9
Government	145.8	146.1	112.6	105.8	87.9	91.0	132.3	149.1	166.5	139.8	152.4	148.9
Other services	36.4	104.9	83.4	82.4	70.9	88.8	78.8	83.8	81.2	109.4	132.2	129.4
Non-factor services payments	354.0	492.8	404.4	395.2	373.7	369.1	487.1	518.1	534.2	516.0	588.4	585.2
Freight and insurance	132.5	139.1	111.1	125.2	111.7	108.4	120.4	130.4	130.3	136.0	160.1	161.6
Other transports	60.1	46.4	52.9	40.9	36.4	38.7	50.8	56.2	54.7	53.3	82.6	83.3
Travel and tourism	59.6	49.7	46.6	44.9	41.9	38.5	49.1	55.2	75.9	59.6	104.7	104.6
Government	45.9	168.2	147.6	139.1	125.4	122.9	193.8	189.0	210.2	191.8	154.3	152.1
Other services	55.8	89.4	46.3	45.1	58.4	60.5	73.1	87.2	63.1	75.2	86.7	83.7
Factor Income (net)	-99.9	-109.3	-115.6	-102.9	-126.6	-127.1	-165.2	-198.3	-218.2	-204.7	-196.9	-195.0
Factor income receipts	21.3	15.5	14.9	20.5	11.4	6.5	8.1	6.7	10.1	20.4	22.8	22.7
Factor income payments	121.2	124.8	130.5	123.3	138.0	133.6	173.3	205.0	228.3	225.1	219.6	217.6
o/w: Interest payments due	55.4	77.7	87.6	91.6	113.3	111.3	152.5	175.0	198.1	183.7	164.9	164.5
Memo:												
Avge exch. rates (CFAF/US$)	211.30	271.73	328.62	381.07	436.96	449.26	346.30	300.54	297.85	319.01	272.26	282.11

Sources: BCEAO and MEFP, Direction de la Prevision et de la Statistique.

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SA TABLE 32

SENEGAL: Balance of Payments, 1980-91 (in CFAF billion)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Exports of GNFS	184.9	270.0	293.2	363.8	396.7	382.2	370.8	340.1	347.0	400.3	405.9	417.4
Merchandise exports (FOB)	101.5	152.3	165.0	230.8	261.2	231.2	227.5	201.6	202.1	242.0	248.3	254.9
Non-factor service receipts	83.4	117.7	128.2	133.0	135.5	151.0	143.3	138.5	144.9	158.3	157.6	162.5
Freight and insurance	2.0	2.4	2.8	3.3	5.1	6.2	5.4	4.7	4.7	5.0	3.1	3.1
Other transport	22.0	24.5	35.5	28.2	28.3	26.0	25.0	24.7	22.5	28.6	31.4	32.7
Travel and tourism	20.9	22.6	25.5	29.8	32.7	38.0	39.8	39.1	43.9	45.2	45.6	48.2
Government	30.8	39.7	37.0	40.3	38.4	40.9	45.8	44.8	49.6	44.6	41.5	42.0
Other	7.7	28.5	27.4	31.4	31.0	39.9	27.3	25.2	24.2	34.9	36.0	36.5
Imports of GNFS	280.3	411.1	419.8	500.1	521.1	523.3	474.6	442.9	443.8	483.1	480.3	499.6
Merchandise imports (FOB)	205.5	277.2	286.9	349.5	357.8	357.5	305.9	287.2	284.7	318.5	320.1	334.5
Non-factor service payments	74.8	133.9	132.9	150.6	163.3	165.8	168.7	155.7	159.1	164.6	160.2	165.1
Freight and insurance	28.0	37.8	36.5	47.7	48.8	48.7	41.7	39.2	38.8	43.4	43.6	45.6
Other transport	12.7	12.6	17.4	15.6	15.9	17.4	17.6	16.9	16.3	17.0	22.5	23.5
Travel and tourism	12.6	13.5	15.3	17.1	18.3	17.3	17.0	16.6	22.6	19.0	28.5	29.5
Government	9.7	45.7	48.5	53.0	54.8	55.2	67.1	56.8	62.6	61.2	42.0	42.9
Other	11.8	24.3	15.2	17.2	25.5	27.2	25.3	26.2	18.8	24.0	23.6	23.6
Trade balance	-104.0	-124.9	-121.9	-118.7	-96.6	-126.3	-78.4	-85.6	-82.6	-76.5	-71.8	-79.6
Non-factor services (net)	8.6	-16.2	-4.7	-17.6	-27.8	-14.8	-25.4	-17.2	-14.2	-6.3	-2.6	-2.6
Resource balance	-95.4	-141.1	-126.6	-136.3	-124.4	-141.1	-103.8	-102.8	-96.8	-82.8	-74.4	-82.2
Net factor income	-21.1	-29.7	-38.0	-39.2	-55.3	-57.1	-57.2	-59.6	-65.0	-65.3	-53.6	-55.0
Factor income receipts	4.5	4.2	4.9	7.8	5.0	2.9	2.8	2.0	3.0	6.5	6.2	6.4
Factor income payments	25.6	33.9	42.9	47.0	60.3	60.0	60.0	61.6	68.0	71.8	59.8	61.4
O/w: interest due on public debt	11.7	17.6	25.3	33.1	47.5	47.7	49.3	48.2	52.1	52.5	38.6	40.1
interest due on private debt	n.a.	3.5	3.5	1.8	2.0	2.3	3.5	4.4	6.9	6.1	6.3	6.3
Net current transfers (private)	0.0	-2.7	-1.5	-0.6	0.1	3.4	3.7	1.9	1.7	2.0	8.0	8.0
Current receipts	0.0	18.6	21.9	22.6	23.7	26.2	25.4	22.5	23.9	24.0	24.2	24.6
Current payments	0.0	21.3	23.4	23.2	23.6	22.8	21.7	20.6	22.2	22.0	16.2	16.6
Curr Acct Bal.before Off.Transfers	-116.5	-173.5	-166.1	-176.1	-179.6	-194.8	-157.3	-160.5	-160.1	-146.1	-120.0	-129.2
Net official transfers	25.3	48.1	59.9	60.1	60.6	72.8	64.8	68.6	80.7	82.9	72.2	74.8
Credits	..	56.5	68.6	69.1	69.8	86.1	75.6	81.3	91.2	93.4	81.2	83.4
Debits	..	8.4	8.7	9.0	9.2	13.3	10.8	12.7	10.5	10.5	9.0	8.6
Curr Acct Bal.after Off.Transfers	-91.2	-125.4	-106.2	-116.0	-119.0	-122.0	-92.5	-91.9	-79.4	-63.2	-47.8	-54.4
Capital account	60.5	59.8	37.4	62.8	84.7	39.2	124.7	73.6	6.4	37.7	23.4	11.5
Private capital (net)	12.8	21.3	5.0	4.3	45.0	-7.1	9.2	-15.3	-21.2	-4.7	-3.4	-1.1
Net LT public debt	56.9	44.6	36.6	72.1	44.6	50.3	94.2	87.8	34.5	40.9	25.6	16.4
Disbursements	80.3	69.4	64.9	104.9	81.3	86.2	137.8	137.3	96.0	103.0	80.4	69.8
Amortization	23.4	24.8	28.3	32.8	36.7	35.9	43.6	49.5	61.5	62.1	54.8	53.4
Errors and omissions a/	-9.2	-6.1	-4.2	-13.6	-4.9	-4.0	21.3	1.1	-6.9	1.5	1.2	-3.8
OVERALL BALANCE	-30.7	-65.6	-68.8	-53.2	-34.3	-82.8	32.2	-18.3	-73.0	-25.5	-24.4	-42.9
Changes in net reserves	28.6	46.6	41.4	20.1	1.0	46.2	-48.0	-7.8	39.1	-30.2	-17.9	-4.5
Net credit from the IMF b/	9.9	16.5	14.5	8.6	7.6	6.7	-0.4	4.7	0.4	1.6	-7.2	3.1
Purchases	14.3	18.6	19.3	12.8	14.1	25.4	20.1	22.2	17.1	20.9	7.9	16.4
Repurchases	4.4	2.1	4.8	4.2	6.5	18.7	20.5	17.5	16.7	19.3	15.1	13.3
Operations account and reserves (-=increase)	18.7	30.1	26.9	11.5	-6.6	39.5	-47.6	-12.5	38.7	-31.8	-10.7	-7.6
Change in arrears (increase +)	2.1	1.7	-3.8	0.0	0.0	8.6	-8.6	0.0	0.0	11.4	-7.5	5.5
Debt rescheduling c/	0.0	17.3	31.2	33.1	33.3	28.0	24.4	26.1	33.9	44.3	49.8	41.9
MEMORANDUM ITEMS:												
GDP at m.p.	631.4	673.7	848.8	944.7	1021.3	1158.1	1302.9	1382.3	1483.3	1485.4	1589.5	1629.0
Cur acct bal, excl.off transf/GDP (%)	-18.5	-25.8	-19.6	-18.6	-17.6	-16.8	-12.1	-11.6	-10.8	-9.8	-7.5	-7.9
Cur acct bal, incl.off transf/GDP (%)	-14.4	-18.6	-12.5	-12.3	-11.7	-10.5	-7.1	-6.6	-5.4	-4.3	-3.0	-3.3
Avge exch. rates (CFAF/US$)	211.30	271.73	328.62	381.07	436.96	449.26	346.30	300.54	297.85	319.01	272.26	282.11

Sources: BCEAO and MEFP, Direction de la Prevision et de la Statistique.
a/ Including revaluation of assets of the BCEAO.
b/ Includes SAF and ESAF.
c/ Includes debt rescheduling from Paris and London Clubs and the effects of debt cancellation starting in 1989.

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SA TABLE 33

SENEGAL: Balance of Payments, 1980-91 (in US$ million)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Exports of GNFS	875.1	993.6	892.2	954.7	907.9	850.7	1070.7	1131.6	1165.0	1254.8	1490.9	1479.6
Merchandise exports (FOB)	480.4	560.5	502.1	605.7	597.8	514.6	656.9	670.8	678.5	758.6	912.0	903.5
Non-factor service receipts	394.7	433.2	390.1	349.0	310.1	336.1	413.8	460.8	486.5	496.2	578.9	576.0
Freight and insurance	9.5	8.8	8.5	8.7	11.7	13.8	15.6	15.6	15.8	15.7	11.4	11.0
Other transport	104.1	90.2	108.0	74.0	64.8	57.9	72.2	82.2	75.5	89.7	115.3	115.9
Travel and tourism	98.9	83.2	77.6	78.2	74.8	84.6	114.9	130.1	147.4	141.7	167.5	170.9
Government	145.8	146.1	112.6	105.8	87.9	91.0	132.3	149.1	166.5	139.8	152.4	148.9
Other	36.4	104.9	83.4	82.4	70.9	88.8	78.8	83.8	81.2	109.4	132.2	129.4
Imports of GNFS	1326.5	1512.9	1277.5	1312.4	1192.6	1164.8	1370.5	1473.7	1490.0	1514.4	1764.1	1770.9
Merchandise imports (FOB)	972.6	1020.1	873.0	917.2	818.8	795.8	883.3	955.6	955.9	998.4	1175.7	1185.7
Non-factor service payments	354.0	492.8	404.4	395.2	373.7	369.1	487.1	518.1	534.2	516.0	588.4	585.2
Freight and insurance	132.5	139.1	111.1	125.2	111.7	108.4	120.4	130.4	130.3	136.0	160.1	161.6
Other transport	60.1	46.4	52.9	40.9	36.4	38.7	50.8	56.2	54.7	53.3	82.6	83.3
Travel and tourism	59.6	49.7	46.6	44.9	41.9	38.5	49.1	55.2	75.9	59.6	104.7	104.6
Government	45.9	168.2	147.6	139.1	125.4	122.9	193.8	189.0	210.2	191.8	154.3	152.1
Other	55.8	89.4	46.3	45.1	58.4	60.5	73.1	87.2	63.1	75.2	86.7	83.7
Trade balance	-492.2	-459.6	-370.9	-311.5	-221.1	-281.1	-226.4	-284.8	-277.3	-239.8	-263.7	-282.2
Resource balance	-451.5	-519.3	-385.2	-357.7	-284.7	-314.1	-299.7	-342.1	-325.0	-259.6	-273.3	-291.4
Net factor income	-99.9	-109.3	-115.6	-102.9	-126.6	-127.1	-165.2	-198.3	-218.2	-204.7	-196.9	-195.0
Factor income receipts	21.3	15.5	14.9	20.5	11.4	6.5	8.1	6.7	10.1	20.4	22.8	22.7
Factor income payments	121.2	124.8	130.5	123.3	138.0	133.6	173.3	205.0	228.3	225.1	219.6	217.6
O/W: interest due on public debt	55.4	64.8	77.0	86.9	108.7	106.2	142.4	160.4	174.9	164.6	141.8	142.1
interest due on private debt	0.0	12.9	10.7	4.7	4.6	5.1	10.1	14.6	23.2	19.1	23.1	22.3
Net current transfers (private)	0.0	-9.9	-4.6	-1.6	0.2	7.6	10.7	6.3	5.7	6.3	29.4	28.4
Current receipts	0.0	68.5	66.6	59.3	54.2	58.3	73.3	74.9	80.2	75.2	88.9	87.2
Current payments	0.0	78.4	71.2	60.9	54.0	50.8	62.7	68.5	74.5	69.0	59.5	58.8
Curr Acct Bal.before Off.Transfers	-551.3	-638.5	-505.4	-462.1	-411.0	-433.6	-454.2	-534.0	-537.5	-458.0	-440.8	-458.0
Net official transfers	119.7	177.0	182.3	157.7	138.7	162.0	187.1	228.3	270.9	259.9	265.2	265.1
Credits	n.a.	207.9	208.8	181.3	159.7	191.6	218.3	270.5	306.2	292.8	298.2	295.6
Debits	n.a.	30.9	26.5	23.6	21.1	29.6	31.2	42.3	35.3	32.9	33.1	30.5
Curr Acct Bal.after Off.Transfers	-431.6	-461.5	-323.2	-304.4	-272.3	-271.6	-267.1	-305.8	-266.6	-198.1	-175.6	-192.8
Capital account	286.3	220.1	113.8	164.8	193.8	87.3	360.1	244.9	21.5	118.2	85.9	40.8
Private capital (net)	60.6	78.4	15.2	11.3	103.0	-15.8	26.6	-50.9	-71.2	-14.7	-12.5	-3.9
Net LT public debt	269.3	164.1	111.4	189.2	102.1	112.0	272.0	292.1	115.8	128.2	94.0	58.1
Disbursements	380.0	255.4	197.5	275.3	186.1	191.9	397.9	456.8	322.3	322.9	295.3	247.4
Amortization	110.7	91.3	86.1	86.1	84.0	79.9	125.9	164.7	206.5	194.7	201.3	189.3
Errors and omissions a/	-43.5	-22.4	-12.8	-35.7	-11.2	-8.9	61.5	3.7	-23.2	4.7	4.4	-13.5
OVERALL BALANCE	-145.3	-241.4	-209.4	-139.6	-78.5	-184.3	93.0	-60.9	-245.1	-79.9	-89.6	-152.1
Changes in net reserves	135.4	171.5	126.0	52.7	2.3	102.8	-138.6	-26.0	131.3	-94.7	-65.7	-16.0
Net credit from the IMF b/	46.9	60.7	44.1	22.6	17.4	14.9	-1.2	15.6	1.3	5.0	-26.4	11.0
Purchases	67.7	68.3	58.7	33.7	32.3	56.5	58.1	73.9	57.4	65.5	28.9	58.2
Repurchases	20.8	7.6	14.6	11.1	14.9	41.6	59.3	58.3	56.1	60.5	55.3	47.2
Operations account and reserves (-=increase)	88.5	110.8	81.9	30.2	-15.1	87.9	-137.5	-41.6	129.9	-99.7	-39.3	-26.9
Change in arrears (increase +)	9.9	6.3	-11.6	0.0	0.0	19.1	-24.8	0.0	0.0	35.7	-27.5	19.5
Debt rescheduling c/	0.0	63.7	94.9	86.9	76.2	62.3	70.5	86.8	113.8	138.9	182.9	148.5
MEMORANDUM ITEMS:												
GDP at m.p.	2988.2	2479.3	2582.9	2479.1	2337.3	2577.8	3762.3	4599.4	4980.0	4656.3	5838.2	5774.3
Cur acct bal, excl.off transf/GDP (%)	-18.5	-25.8	-19.6	-18.6	-17.6	-16.8	-12.1	-11.6	-10.8	-9.8	-7.5	-7.9
Cur acct bal, incl.off transf/GDP (%)	-14.4	-18.6	-12.5	-12.3	-11.7	-10.5	-7.1	-6.6	-5.4	-4.3	-3.0	-3.3
Avge exch. rates (CFAF/US$)	211.3	271.73	328.62	381.07	436.96	449.26	346.3	300.54	297.85	319.01	272.26	282.11

Sources: BCEAO and MEFP, Direction de la Prevision et de la Statistique.
a/ Including revaluation of assets of the BCEAO.
b/ Includes SAF and ESAF.
c/ Includes debt rescheduling from Paris and London Clubs and the effects of debt cancellation starting in 1989.

SA TABLE 34

SENEGAL: Direction of Trade, 1982-1989

	1982	1983	1984	1985	1986	1987	1988	1989
				Exports				
				(in percent of total exports)				
Industrial countries	47.6	52.6	50.0	41.3	49.2	50.7	58.9	58.7
France	29.4	31.7	30.6	25.9	30.8	34.9	37.6	35.0
Germany, Federal Republic	1.9	2.0	1.1	1.0	0.8	1.2	1.1	1.2
Italy	3.1	3.6	4.1	1.8	2.9	4.1	4.1	6.7
Japan	1.4	1.0	1.6	2.4	3.1	1.2	1.8	4.1
Netherlands	3.4	4.1	2.1	0.5	4.5	1.7	4.1	3.2
Spain	2.0	3.2	2.7	3.2	2.6	2.8	3.8	3.9
United Kingdom	4.1	5.3	5.7	4.7	2.7	1.6	2.0	1.3
United States	0.2	0.6	0.2	0.2	0.2	0.4	0.7	0.2
Other	2.1	1.1	1.9	1.6	1.6	2.8	3.7	3.1
Developing countries	26.3	26.5	28.8	38.7	32.4	36.4	34.3	31.4
Africa	21.2	17.5	21.9	27.3	19.7	25.4	18.8	16.2
Cameroun	0.9	0.9	2.0	2.0	2.4	2.6	1.9	1.8
Cote d'Ivoire	5.8	4.8	5.2	5.5	4.2	4.1	3.2	2.7
Mali	2.6	2.2	2.8	7.3	2.9	7.5	4.1	4.6
Mauritania	4.2	3.4	2.7	3.8	3.7	4.8	3.1	0.9
Nigeria	0.5	1.0	2.4	1.7	0.4	0.3	0.5	0.3
Others	7.2	5.2	6.8	7.0	6.1	6.1	6.0	5.9
Asia	2.0	5.9	2.6	5.6	10.7	5.9	14.4	13.7
Europe	2.9	3.1	1.1	3.1	1.9	0.1	0.9	0.6
Middle East	0.1	..	0.1	0.1	0.1	0.1	0.1	0.5
Western hemisphere	0.1	..	3.1	2.6	..	4.9	0.1	0.4
Other countries	26.1	20.9	21.2	20.0	18.4	12.9	6.8	9.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
				Imports				
				(in percent of total imports)				
Industrial countries	58.0	57.3	55.8	65.0	67.3	70.5	66.0	67.1
France	33.5	34.1	26.3	30.0	33.9	31.7	31.5	31.8
Germany, Federal Republic	3.5	4.3	3.5	4.9	5.4	4.6	3.9	3.2
Italy	2.5	2.7	2.7	2.5	5.6	5.4	3.9	5.3
Japan	1.7	1.8	1.6	2.2	3.0	3.4	4.2	3.1
Netherlands	2.2	2.5	2.4	2.6	3.7	3.3	2.7	3.2
Spain	2.1	2.6	4.6	6.0	3.5	5.4	4.7	4.1
United Kingdom	2.3	1.8	1.4	1.9	2.1	2.3	2.3	1.9
United States	3.7	3.2	5.1	7.7	4.3	4.9	6.4	7.3
Others	6.5	4.3	8.2	7.2	5.8	9.5	6.4	7.2
Developing countries	37.8	38.5	40.0	33.0	30.2	24.0	29.4	30.8
Africa	16.8	25.3	25.9	16.9	21.4	14.1	15.1	16.9
Algeria	2.6	13.8	8.2	5.3	6.0	1.2	0.0	0.4
Cote d'Ivoire	..	3.1	3.3	6.2	4.3	5.3	5.7	4.7
Gabon	0.1	0.1	2.2	1.7	0.1	1.1	2.1	3.6
Nigeria	10.2	7.3	11.2	2.1	8.2	4.0	4.3	5.0
Others	3.9	1.0	1.0	1.7	2.8	2.5	3.0	3.2
Asia	11.9	6.8	10.9	7.8	6.1	7.5	11.1	10.4
China	2.8	2.2	2.9	1.8	2.6	1.9	2.2	1.3
Others	9.1	4.6	8.0	6.0	3.5	5.6	8.9	9.1
Europe	1.1	1.0	1.4	1.6	0.9	0.8	1.0	0.8
Middle East	6.0	1.2	0.2	0.1	1.2	0.1	0.2	0.5
Western hemisphere	2.0	4.2	1.6	6.6	0.6	1.5	2.0	2.2
Other countries	4.2	4.2	4.2	2.0	2.5	5.5	4.6	2.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: IMF, Direction of Trade Yearbook (various issues).

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SA TABLE 35

SENEGAL: External Debt Disbursed and Outstanding, 1980-1991

(in US$ million)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Public and publicly guaranteed (PPG)	1104.7	1234.0	1425.5	1643.6	1691.1	2058.4	2622.9	3328.8	3263.9	2670.1	2945.6	2838.1
Official creditors	652.4	880.1	1127.0	1355.7	1401.2	1780.7	2306.0	3007.5	3027.1	2469.0	2764.7	2694.5
Concessional	410.9	568.7	648.5	741.9	811.9	974.0	1383.6	1919.3	2051.4	1753.9	1987.1	1935.9
Non-concessional	241.5	311.4	478.5	613.8	589.3	806.7	922.4	1088.2	975.7	715.1	777.6	758.6
Bilateral	389.8	509.9	711.0	871.1	909.9	1200.3	1489.6	1857.8	1860.5	1273.8	1406.8	1282.5
Multilateral	262.6	370.2	416.0	484.6	491.3	580.4	816.4	1149.7	1166.6	1195.2	1357.9	1412.0
IBRD	56.6	76.4	78.6	86.3	75.8	89.3	110.4	126.2	105.6	94.1	88.0	75.5
IDA	99.8	146.5	165.6	182.7	198.7	231.8	353.3	506.5	551.8	592.4	742.3	795.4
Private creditors	452.3	353.9	298.5	287.9	289.9	277.7	316.9	321.3	236.8	201.1	180.9	143.6
Commercial banks	128.9	102.1	104.5	107.5	127.2	117.5	137.8	126.7	92.0	86.0	84.9	76.5
Bonds	4.1	2.9	2.2	1.4	1.2	1.5	0.5	0.0	0.0	0.0	0.0	0.0
Other private	319.3	248.9	191.8	179.0	161.5	158.7	178.6	194.6	144.8	115.1	96.0	67.1
Private non-guaranteed (PNG)	9.0	12.8	12.8	10.8	9.7	12.6	39.1	41.7	33.5	33.4	60.1	51.8
Long-term debt (LT = PPG + PNG)	1113.7	1246.8	1438.3	1654.4	1700.8	2071.0	2662.0	3370.5	3297.4	2703.5	3005.7	2889.9
Short-term debt (ST)	219.0	237.0	202.0	192.1	272.0	224.1	273.4	321.3	280.8	266.7	417.4	305.0
Use of IMF credit (IMF)	140.1	186.5	220.7	230.8	230.0	267.7	289.0	342.8	318.3	316.0	314.3	327.4
TOTAL STOCK OF DEBT (LT + ST + IMF)	1472.8	1670.3	1861.0	2077.3	2202.8	2562.8	3224.4	4034.6	3896.5	3286.2	3737.4	3522.3
Memo:												
PPG debt, including undisbursed	1709.5	1952.9	2341.4	2334.8	2402.0	2750.7	3329.4	4240.8	4155.6	3458.3	3832.5	3891.5

Source: World Debt Tables, 1992-93 Edition (BESD extract on 12/16/92).

SA TABLE 36

SENEGAL: Long-Term Loan Disbursements, 1980-1991

(in US$ million)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Public and publicly guaranteed (PPG)	326.8	299.5	300.5	362.1	205.8	170.8	413.4	430.5	278.2	367.4	202.3	131.4
Official creditors	186.2	254.7	272.3	288.1	188.8	156.8	350.1	402.6	272.2	367.3	202.1	129.9
Concessional	118.1	190.2	116.6	147.7	130.9	108.3	320.9	374.6	259.5	346.5	193.7	111.4
Non-concessional	68.1	64.5	155.7	140.4	57.9	48.5	29.2	28.0	12.7	20.8	8.4	18.5
Bilateral	93.5	132.3	211.0	196.8	136.7	104.7	152.1	144.6	150.7	276.8	71.9	19.9
Multilateral	92.7	122.4	61.3	91.3	52.1	52.1	198.0	258.0	121.5	90.5	130.2	110.0
IBRD	18.0	21.9	4.8	11.8	8.8	4.0	9.8	3.4	0.0	0.0	0.0	0.0
IDA	12.1	47.5	21.0	20.0	20.1	28.9	112.9	116.2	65.7	50.1	112.2	50.7
Private creditors	140.6	44.8	28.2	74.0	17.0	14.0	63.3	27.9	6.0	0.1	0.2	1.5
Commercial banks	23.1	1.2	4.3	4.9	0.0	1.7	34.6	10.1	0.9	0.0	0.0	0.0
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other private	117.5	43.6	23.9	69.1	17.0	12.3	28.7	17.8	5.1	0.1	0.2	1.5
Private non-guaranteed (PNG)	0.0	2.5	0.2	0.0	0.0	6.3	4.9	6.3	8.3	8.1	15.2	9.0
Long-term debt (LT = PPG + PNG)	326.8	302.0	300.7	362.1	205.8	177.1	418.3	436.8	286.5	375.5	217.5	140.4
IMF Purchases	67.7	68.3	58.7	33.7	32.3	56.5	58.1	73.9	57.4	65.5	28.9	58.2
TOTAL DISBURSEMENTS (PPG+PNG+IMF)	394.5	370.3	359.4	395.8	238.1	233.6	476.4	510.7	343.9	441.0	246.4	198.6

Source: World Debt Tables, 1992-93 Edition (BESD extract on 12/16/92).

SA TABLE 37

SENEGAL: External Budgetary Support, 1979/80-1990/91 a/
(CFAF billion)

Fiscal Year	Grants	IMF	Others b/	Debt Relief	TOTAL Excl. Relief	TOTAL With Relief
1979/80	..	7.6	22.6	..	30.2	30.2
1980/81	..	12.8	40.8	..	53.6	53.6
1981/82	..	23.7	18.3	25.2	42.0	67.2
1982/83	1.8	14.1	21.8	26.3	37.7	64.0
1983/84	6.2	27.1	11.6	29.2	44.9	74.1
1984/85	7.2	16.2	20.9	28.3	44.3	72.6
1985/86	11.2	17.7	16.7	20.9	45.6	66.5
1986/87	6.1	17.1	55.8	19.1	79.0	98.1
1987/88	9.2	19.5	60.7	17.9	89.4	107.3
1988/89	16.5	25.2	28.0	50.6	69.7	120.3
1989/90	5.7	16.0	22.6	51.3	44.3	95.6
1990/91	12.8	6.2	36.8	28.5	55.8	84.3

a/ Disbursed amounts excluding financing for banking sector reform and voluntary departure program.
b/ Among important donors figure France, the U.S., Arab countries, and IDA and cofinanciers.

Sources: MEFP, Direction de la Prevision et de la Statistique; and staff estimates.

SA Table 38

SENEGAL: Official Resource Flows, 1980-89

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
	(in millions of US dollars)									
Total Gross Official Flows	384	459	497	434	482	352	690	755	625	730
* Official grants	200	199	174	208	241	188	284	338	330	403
o/w TA grants	122	118	103	99	115	92	122	131	131	132
* Official loans	184	260	323	227	241	164	407	417	295	326
Gross Official Development Assistance (ODA)	267	407	291	327	380	303	600	679	599	686
. Multilateral Sources	79	130	81	65	66	63	228	261	184	111
. EEC	24	61	40	16	21	6	65	74	65	23
. IDA	12	47	21	20	20	29	113	116	59	50
. Bilateral Assistance	188	277	210	262	314	240	372	418	415	575
. France	111	129	98	88	93	82	154	175	187	274
. U.S.	36	38	33	47	69	44	40	48	35	41
. Arab countries	2	57	17	48	60	39	36	33	27	16
Other Official Flows (OOF)	117	52	206	107	102	49	90	76	26	43
Repayments of Principal	18	43	25	26	38	21	66	88	100	86
Total Net Official Flows	366	416	472	408	444	331	624	667	525	644
Memorandum Items:	(in percent of gross official flows)									
. ODA	70	89	59	75	79	86	87	90	96	94
. OOF	30	11	41	25	21	14	13	10	4	6
. Multilateral	30	32	28	20	17	21	38	38	31	16
. Bilateral	70	68	72	80	83	79	62	62	69	84
. Grants	52	43	35	48	50	53	41	45	53	55
. Loans	48	57	65	52	50	47	59	55	47	45

Source: OECD, Geographical Distribution of Financial Flows to Developing Countries.

SA TABLE 39

SENEGAL: Structure and Terms of Long-Term External Public Debt, 1980-1991

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
ALL CREDITORS												
Commitments (US$ million)	469.9	473.3	548.2	256.3	275.2	138.6	425.6	535.3	321.6	349.0	358.0	295.1
Interest (%)	5.9	5.8	5.0	4.4	3.7	5.5	3.1	2.9	1.8	1.5	1.9	3.7
Maturity (years)	20.0	19.1	27.4	26.8	22.1	23.6	28.2	28.7	31.6	31.5	33.5	28.7
Grace period (years)	5.7	5.2	7.7	6.2	6.0	6.1	7.9	7.6	8.8	9.4	8.7	7.2
Grant element (%)	30.3	27.3	40.4	44.0	44.1	34.6	52.6	53.0	66.4	69.1	67.5	..
OFFICIAL CREDITORS												
Commitments (US$ million)	421.4	354.9	498.7	209.4	262.7	107.7	384.0	533.8	320.7	349.0	353.8	295.1
Concessional	250.1	180.7	327.9	157.0	227.8	76.0	357.6	477.1	320.5	340.1	329.2	158.2
Non-concessional	171.3	174.2	170.8	52.5	34.9	31.7	26.4	56.8	0.2	8.9	24.6	136.9
Bilateral	247.1	156.5	405.7	114.6	193.4	71.6	175.9	190.1	157.6	221.5	138.7	6.1
Multilateral	174.3	198.4	93.0	94.8	69.3	36.1	208.1	343.7	163.1	127.5	215.1	289.0
IBRD	10.0	55.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
IDA	47.6	38.1	18.8	59.1	34.2	24.5	125.0	99.9	129.3	66.0	143.2	110.0
Interest (%)	5.4	5.6	4.6	3.4	3.4	4.2	2.5	2.9	1.8	1.5	1.8	3.7
Maturity (years)	21.3	21.7	29.1	29.8	22.8	28.1	30.6	28.7	31.6	31.5	33.7	28.7
Grace period (years)	6.0	6.2	8.2	7.0	6.2	7.0	8.4	7.6	8.8	9.4	8.8	7.2
Grant element (%)	33.8	31.2	43.6	51.6	46.0	44.6	57.9	53.2	66.6	69.1	68.1	..
PRIVATE CREDITORS												
Commitments (US$ million)	48.5	118.5	49.5	46.8	12.5	30.8	41.6	1.4	0.9	0.0	4.2	0.0
Interest (%)	10.8	6.3	8.3	8.8	9.2	9.9	8.9	8.0	11.4	0.0	8.2	0.0
Maturity (years)	8.4	11.3	11.2	13.6	6.5	8.0	5.7	6.4	5.7	0.0	10.0	0.0
Grace period (years)	2.5	2.4	2.9	2.7	1.5	2.8	3.6	1.9	1.6	0.0	2.6	0.0
Grant element (%)	-0.7	15.7	7.7	9.8	2.2	-0.4	3.3	6.4	-4.0	0.0	6.6	0.0

Source: World Debt Tables, 1992-93 Edition (DESD extract on 12/16/92).

SA TABLE 40

SENEGAL: External Debt Service Payments, 1980-1991
(in US$ million)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
I. PRINCIPAL REPAYMENTS												
Public and publicly guaranteed (PPG)	151.9	76.3	28.1	27.5	42.5	47.9	95.9	150.8	159.0	123.6	130.1	133.0
Official creditors	19.1	13.7	9.0	13.8	21.6	27.5	59.9	100.3	103.4	72.9	111.4	99.6
Concessional	7.7	4.5	1.6	4.7	8.3	10.3	20.7	36.7	35.3	40.6	54.4	45.8
Non-concessional	11.4	9.2	7.4	9.1	13.3	17.2	39.2	63.6	68.1	32.3	57.0	53.8
Bilateral	16.3	9.9	3.5	5.9	10.8	14.5	34.3	53.7	58.5	24.6	52.8	37.8
Multilateral	2.8	3.8	5.5	7.9	10.8	13.0	25.6	46.6	44.9	48.3	58.6	61.8
IBRD	2.0	2.0	2.6	4.1	4.2	4.1	7.0	10.0	9.6	9.6	13.2	12.7
IDA	0.2	0.4	0.5	1.5	1.7	2.2	3.3	1.6	1.8	1.9	2.8	3.0
Private creditors	133.0	62.7	19.1	13.7	20.9	20.4	35.9	50.5	55.7	50.7	18.6	33.4
Commercial banks	58.4	27.5	4.3	1.4	8.1	6.7	16.2	27.5	31.0	28.0	4.5	7.4
Bonds	0.5	0.4	0.3	0.3	0.0	0.0	1.2	0.5	0.0	0.0	0.0	0.0
Other private	74.1	34.8	14.5	12.0	12.8	13.7	18.5	22.5	24.7	22.7	14.1	26.0
Private non-guaranteed (PNG)	4.4	2.8	2.4	2.0	2.0	4.5	2.5	8.3	8.2	8.2	11.5	8.3
Long-term principal paid (LT=PPG+PNG)	156.3	79.1	30.5	29.5	44.5	52.4	98.4	159.1	167.2	131.8	141.6	141.3
IMF repurchases	8.3	8.9	14.7	11.8	17.7	47.3	66.9	66.8	64.2	60.5	55.3	47.4
TOTAL PRINCIPAL PAID (PPG+PNG+IMF)	164.6	88.0	45.2	41.3	62.2	99.7	165.3	225.9	231.4	192.3	196.9	188.7
II. INTEREST PAYMENTS												
Public and publicly guaranteed (PPG)	66.9	49.2	37.0	41.6	58.9	50.0	97.8	119.2	115.4	148.1	81.6	89.1
Official creditors	21.6	19.9	22.2	32.9	39.2	29.9	81.8	97.8	94.0	127.3	71.4	74.5
Concessional	7.6	5.4	4.3	6.1	8.1	3.6	18.5	22.7	31.3	75.4	29.9	31.4
Non-concessional	14.1	14.5	18.0	26.8	31.2	26.3	63.4	75.1	62.8	51.9	41.6	43.1
Bilateral	15.4	10.9	11.5	21.1	25.4	21.4	58.8	73.9	66.7	90.1	45.5	43.9
Multilateral	6.2	9.0	10.7	11.8	13.8	8.5	23.0	23.9	27.3	37.2	25.9	30.6
IBRD	3.8	4.4	5.6	5.6	6.0	6.0	7.5	10.1	9.2	8.2	6.2	8.7
IDA	0.6	0.8	1.2	1.3	1.5	1.9	2.5	3.3	4.5	4.2	4.1	6.3
Private creditors	45.3	29.3	14.8	8.7	19.7	20.1	16.0	21.4	21.4	20.8	10.2	14.6
Commercial banks	22.7	19.9	10.7	5.0	13.3	14.1	8.2	11.0	11.6	11.1	5.4	8.3
Bonds	0.4	0.0	0.2	0.1	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0
Other private	22.2	9.4	3.9	3.6	6.4	6	7.4	10.4	9.8	9.7	4.8	6.3
Private non-guaranteed (PNG)	0.3	0.8	0.5	0.4	0.5	1.0	1.1	3.1	3.1	1.3	2.7	3.3
Long-term interest paid (LT=PPG+PNG)	67.2	50	37.5	42	59.4	51	98.9	122.3	118.5	149.4	84.3	92.4
Short-term debt (ST)	24.4	38.5	29.2	19.1	23.5	19.8	16.7	21.3	23.0	24.0	29.0	21.3
IMF charges	3.3	6.3	11.5	14.1	16.8	19.2	19.5	17.9	18.3	16.2	14.7	10.0
TOTAL INTEREST PAID (PPG+PNG+ST+IMF)	94.9	94.8	78.2	75.2	99.7	90.0	135.1	161.5	159.8	189.6	128.0	123.7
LONG-TERM DEBT SERVICE PAID (PPG+PNG)	223.5	129.1	68.0	71.5	103.9	103.4	197.3	281.4	285.7	281.2	225.9	233.7
IMF DEBT SERVICE	11.6	15.2	26.2	25.9	34.5	66.5	86.4	84.7	82.5	76.7	70.0	57.4
TOTAL DEBT SERVICE PAID (PPG+PNG+ST+IMF)	259.5	182.8	123.4	116.5	161.9	189.7	300.4	387.4	391.2	381.9	324.9	312.4
DEBT RESCHEDULING a/	..	63.7	94.9	86.9	76.2	62.3	70.5	86.8	113.8	138.9	182.9	148.5
TOTAL DEBT SERVICE BEFORE RESCHEDULING	259.5	246.5	218.3	203.4	238.1	252	370.9	474.2	505	520.8	507.8	460.9

Source: World Debt Tables, 1992-93 Edition (BESD extract on 12/16/92).
a/ From balance of payments table.

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SA TABLE 41

SENEGAL: Paris and London Clubs Rescheduling

	Date	Amount
		(CFAF billion)
Paris Club I	7/81-6/82	23.1
Paris Club II	7/82-6/83	22.3
Paris Club III	7/83-6/84	23.9
Paris Club IV	1/85-6/86	47.2
Paris Club V	7/86-10/87	30.9
Paris Club VI	11/87-10/88	21.9
Paris Club VII	1/89-12/89	43.5
Paris Club VIII	1/90-12/90	31.5
Paris Club IX	1/91-6/92	37.0
London Club I	6/81-6/82	49.0
London Club II	7/82-6/84	47.6
London Club III	7/84-6/86	20.8
London Club IV	9/89-7/92	37.1

Source: Awa Thiongane et al., "Financement exterieur du developpement de l'Afrique au Sud du Sahara dans les annees 1990: Une etude comparative, Cas du Senegal"

SA TABLE 42

SENEGAL: External Debt Indicators, 1980-1991

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Debt Outstanding as percent of GDP (%):												
Public and publicly guaranteed (PPG)	37.0	49.8	55.2	66.3	72.4	79.9	69.7	72.4	65.5	57.3	50.5	49.2
Official creditors	21.8	35.5	43.6	54.7	59.9	69.1	61.3	65.4	60.8	53.0	47.4	46.7
Concessional	13.8	22.9	25.1	29.9	34.7	37.8	36.8	41.7	41.2	37.7	34.0	33.5
Non-concessional	8.1	12.6	18.5	24.8	25.2	31.3	24.5	23.7	19.6	15.4	13.3	13.1
Bilateral	13.0	20.6	27.5	35.1	38.9	46.6	39.6	40.4	37.4	27.4	24.1	22.2
Multilateral	8.8	14.9	16.1	19.5	21.0	22.5	21.7	25.0	23.4	25.7	23.3	24.5
IBRD	1.9	3.1	3.0	3.5	3.2	3.5	2.9	2.7	2.1	2.0	1.5	1.3
IDA	3.3	5.9	6.4	7.4	8.5	9.0	9.4	11.0	11.1	12.7	12.7	13.8
Private creditors	15.1	14.3	11.6	11.6	12.4	10.8	8.4	7.0	4.8	4.3	3.1	2.5
Commercial banks	4.3	4.1	4.0	4.3	5.4	4.6	3.7	2.8	1.8	1.8	1.5	1.3
Bonds	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Other private	10.7	10.0	7.4	7.2	6.9	6.2	4.7	4.2	2.9	2.5	1.6	1.2
Private non-guaranteed (PNG)	0.3	0.5	0.5	0.4	0.4	0.5	1.0	0.9	0.7	0.7	1.0	0.9
Long-term debt (LT = PPG + PNG)	37.3	50.3	55.7	66.7	72.8	80.3	70.8	73.3	66.2	58.1	51.5	50.0
Short-term debt (ST)	7.3	9.6	7.8	7.7	11.6	8.7	7.3	7.0	5.6	5.7	7.1	5.3
Use of IMF credit (IMF)	4.7	7.5	8.5	9.3	9.8	10.4	7.7	7.5	6.4	6.8	5.4	5.7
TOTAL STOCK OF DEBT (LT + ST + IMF)	49.3	67.4	72.1	83.8	94.2	99.4	85.7	87.7	78.2	70.6	64.0	61.0
Memo:												
PPG debt, including undisbursed	57.2	78.8	90.6	94.2	102.8	106.7	88.5	92.2	83.4	74.3	65.6	67.4
As percent of exports of goods & services (%):												
Debt service before rescheduling/XGS	28.9	24.4	24.1	20.9	25.9	29.4	34.4	41.6	43.0	40.8	33.5	30.7
Debt service after rescheduling/XGS	28.9	18.1	13.6	11.9	17.6	22.1	27.8	34.0	33.3	29.9	21.5	20.8
Principal/XGS	18.4	8.7	5.0	4.2	6.8	11.6	15.3	19.8	19.7	15.1	13.0	12.6
Intetrest/XGS	10.6	9.4	8.6	7.7	10.8	10.5	12.5	14.2	13.6	14.9	8.5	8.2
MEMO ITEMS:												
Nominal GDP (in CFAF billion)	631.4	673.7	848.8	944.7	1021.3	1158.1	1302.9	1382.3	1483.3	1485.4	1589.5	1629.0
Avge exch. rate (CFAF/US$)	211.3	271.7	328.6	381.1	437.0	449.3	346.3	300.5	297.9	319.0	272.3	282.1
Nominal GDP (in US$ million)	2988.2	2479.3	2582.9	2479.1	2337.3	2577.8	3762.3	4599.4	4980.0	4656.3	5838.2	5774.3
Exports of goods & services (US$ million	896.4	1009.1	907.1	975.1	919.3	857.2	1078.8	1138.8	1175.1	1275.2	1513.6	1502.3

Source: World Debt Tables, 1992-93 Edition (BESD extract on 12/16/92).

SA TABLE 43

SENEGAL: Budgetary Revenue, 1980/81-91/92
(In CFAF billion)

	80/81	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92
TAX REVENUE	118.2	139.7	164.5	177.4	190.1	185.1	196.0	205.5	196.2	219.0	241.4	263.3
Direct taxes	35.4	37.0	43.3	47.2	51.2	52.0	53.9	59.4	59.9	63.9	69.3	84.4
Taxes on net income & profits	29.4	32.0	36.7	40.1	43.9	44.0	45.4	51.2	51.1	55.3	61.3	60.6
Taxes on industrial & commercial profits & professional income	10.3	8.9	9.8	10.6	13.2	12.1	12.8	13.7	13.1	15.0	16.1	18.1
Taxes on wages and salaries	8.4	12.6	11.9	12.3	13.0	13.8	14.5	17.5	18.1	12.5	0.1	0.0
Tax on capital income	2.8	2.1	2.6	3.2	3.6	3.5	3.2	3.4	3.0	3.6	8.4	4.5
Tax on rental income	0.0	0.0	0.0	0.2	0.3	0.5	0.3	0.3	0.4	0.6	0.3	1.0
Tax on real estate capital gains	0.1	0.1	0.2	0.2	0.2	0.4	0.3	0.3	0.3	0.5	0.2	0.2
General income tax	7.8	8.3	12.2	13.6	13.6	13.7	14.3	16.0	16.2	13.1	1.7	1.9
Individual income tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.0	34.5	34.9
Employer's payroll tax	2.1	1.6	3.8	4.3	4.5	4.7	5.1	4.7	4.7	4.8	4.5	4.3
Property taxes	3.9	3.4	2.8	2.8	2.8	3.3	3.4	3.5	4.1	3.8	3.5	19.5
Real estate taxes	1.4	1.3	0.5	0.2	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Registration duties	2.1	1.9	2.2	2.5	2.4	3.2	3.2	3.2	3.8	3.4	3.1	19.2
Mortgage duties	0.4	0.2	0.1	0.1	0.1	0.1	0.2	0.3	0.3	0.4	0.4	0.3
Taxes on goods & services	36.6	41.0	48.8	54.2	58.2	58.0	60.4	59.3	58.2	60.3	62.9	57.1
Value-added tax	28.5	33.0	39.1	43.6	48.0	48.6	50.3	48.3	48.2	51.5	52.9	47.3
Excise duties	4.0	3.7	4.2	5.1	4.3	4.1	4.5	5.1	4.5	3.8	4.7	4.8
Tax on insurance contracts	0.8	0.9	1.3	1.2	1.4	1.2	1.4	1.5	1.3	1.0	1.0	1.0
Tax on vehicles	1.2	1.1	1.2	1.2	1.6	1.6	1.7	1.8	1.8	1.7	1.7	1.6
Excise duties earmarked to CAA a/	2.1	2.3	3.0	3.1	2.9	2.5	2.5	2.6	2.4	2.3	2.6	2.4
Taxes on foreign trade	44.6	60.6	71.2	74.2	79.0	73.7	80.0	83.4	74.3	91.1	104.1	115.0
Import duties b/	43.1	59.3	70.1	73.5	78.5	73.4	79.4	82.7	73.6	n.a.	n.a.	n.a.
Export duties	1.5	1.3	1.1	0.7	0.5	0.3	0.6	0.7	0.7	n.a.	n.a.	n.a.
Other taxes	1.6	1.1	1.2	1.8	1.7	1.4	1.7	3.4	3.8	3.7	5.1	6.8
Of which: stamp duty	0.7	0.8	1.2	1.4	1.2	1.0	1.3	2.2	2.3	2.3	3.9	5.2
NON TAX REVENUE	7.3	12.2	11.2	12.0	13.8	33.6	55.0	45.9	49.5	40.9	59.5	44.0
Property income	1.1	1.0	1.4	1.2	2.0	1.8	1.1	1.4	2.4	2.3	6.4	8.2
Service fees	0.2	0.4	0.8	1.4	2.2	1.6	1.3	1.1	1.0	2.6	6.4	3.8
Revenue earmarked to the CAA c/	0.8	2.4	5.8	4.1	5.8	6.9	3.3	2.8	1.3	0.9	5.2	5.2
Other d/	5.2	8.4	3.2	5.3	3.8	23.3	49.3	40.6	44.8	35.1	41.5	26.8
Of which: SAR	0.0	0.0	0.0	0.0	0.0	19.3	45.0	35.4	39.1	34.0	29.2	23.1
TOTAL REVENUE	125.5	151.9	175.7	189.4	203.9	218.7	251.0	251.4	245.7	259.9	300.9	307.3
Memo: Nominal GDP	652.6	756.8	891.6	977.5	1083.9	1244.3	1338.3	1433.1	1450.2	1529.4	1584.9	1655.4

a/ Taxes on alcohol and cement.
b/ Including Regional Cooperation Tax, value-added tax, and other surcharges on imports for which no breakdown is available.
c/ Profit transfers from BCEAO, interest on special deposits, and proceeds from water sales.
d/ Including unclassified revenue.

Source: MEFP, Tresorerie Generale.

SA TABLE 44

SENEGAL : Government Financial Operations, 1981/82-91/92 (in CFAF billion)

GOVERNMENT/IMF PRESENTATION

	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92	
TOTAL REVENUE AND GRANTS	160.6	180.9	201.6	216.1	237.9	266.1	271.4	274.2	279.5	327.2	327.5	
Revenue	151.9	175.7	189.4	203.9	218.7	251.0	251.4	245.7	259.9	300.9	307.3	
Tax revenue	139.7	164.5	177.4	190.1	185.1	196.0	205.5	196.2	219.0	241.4	263.3	
Nontax revenue	12.2	11.2	12.0	13.8	33.6	55.0	45.9	49.5	40.9	59.5	44.0	
Grants	8.7	5.2	12.2	12.2	19.2	15.1	20.0	28.5	19.6	26.3	20.2	
Capital grants	8.7	3.4	6.0	5.0	8.0	9.0	10.8	12.0	13.0	13.5	13.0	
Non-capital grants	0.0	1.8	6.2	7.2	11.2	6.1	9.2	16.5	6.6	12.8	7.2	
TOTAL EXPENDITURE AND NET LENDING	212.6	254.2	246.3	254.2	266.0	285.8	288.2	305.1	325.9	297.0	323.8	
Current expenditure	165.4	186.6	205.3	217.1	220.3	232.7	244.7	248.1	254.3	232.1	232.9	
Wages and salaries	83.3	92.7	100.4	106.6	111.8	119.8	122.3	125.2	126.8	129.5	134.9	
Interest due	18.3	26.7	36.9	44.4	41.0	39.6	46.1	47.7	41.2	38.1	36.0	
Of wh: external	(17.0)	(26.2)	(36.4)	(43.8)	(40.3)	(39.3)	(43.6)	(42.6)	(36.6)	(31.1)	(29.8)	
Materials, maintenance & unclassified	39.4	38.8	37.4	33.8	41.8	44.7	47.3	50.3	52.1	38.1	62.0	a/
Transfers, subsidies and scholarships	24.4	28.4	30.6	32.3	25.7	28.6	29.0	24.9	34.2	26.4	..	
Capital expenditure	30.6	39.0	40.3	34.7	33.8	38.1	41.7	41.0	39.8	44.5	71.2	
Budgetary	6.9	7.9	10.0	9.7	5.8	8.1	11.7	11.0	7.8	12.0	37.2	
Extra-budgetary	23.7	31.1	30.3	25.0	28.0	30.0	30.0	30.0	32.0	32.5	34.0	
Treasury special accounts	-21.6	-16.3	-6.9	-4.1	-12.9	-14.8	-9.5	-11.0	-16.0	-11.4	-3.1	
Treasury correspondent accounts	5.0	-12.3	6.2	1.7	1.0	-0.2	7.7	-5.0	-4.1	0.5	-12.7	
Banking sector reform	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.7	0.7	0.0	
Voluntary departure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	8.8	3.9	
OVERALL BALANCE (Commitment basis)	-52.0	-73.3	-44.7	-38.1	-28.1	-19.7	-16.8	-30.9	-46.4	30.2	3.7	
Adjustment to cash basis	-20.7	6.8	-22.6	-11.6	-12.6	-26.3	-37.1	-4.4	17.4	-31.6	2.4	
Variations in Gov. arrears	-11.1	5.6	-2.0	-7.6	-9.6	-14.0	-14.0	0.0	21.5	-20.0	9.0	
Repayment of crop credit	-9.6	1.2	-20.6	-4.0	-3.0	-12.3	-23.1	-4.4	-4.1	-11.6	-6.6	
OVERALL BALANCE (Cash basis)	-72.7	-66.5	-67.3	-49.7	-40.7	-46.0	-53.9	-35.3	-29.0	-1.4	6.1	
Memorandum Items:												
Nominal GDP (CFAF billion)	756.8	891.6	977.5	1083.9	1244.3	1338.3	1433.1	1450.2	1529.4	1584.9	1655.4	
					(Percent of GDP)							
Tax revenue	18.5	18.4	18.1	17.5	14.9	14.6	14.3	13.5	14.3	15.2	15.9	
Nontax revenue	1.6	1.3	1.2	1.3	2.7	4.1	3.2	3.4	2.7	3.8	2.7	
Wages and salaries	11.0	10.4	10.3	9.8	9.0	9.0	8.5	8.6	8.3	8.2	8.1	
Other current expenditures	10.8	10.5	10.7	10.2	8.7	8.4	8.5	8.5	8.3	6.5	5.9	
Capital expenditure	4.0	4.4	4.1	3.2	2.7	2.8	2.9	2.8	2.6	2.8	4.3	
Fiscal balance, excl. grants												
Commitment basis	-8.0	-8.8	-5.8	-4.6	-3.8	-2.6	-2.6	-4.1	-4.3	0.2	-1.0	
Cash basis	-10.8	-8.0	-8.1	-5.7	-4.8	-4.6	-5.2	-4.4	-3.2	-1.7	-0.9	
Cash basis (exc.banking sector and departure program)	-10.8	-8.0	-8.1	-5.7	-4.8	-4.6	-5.2	-4.4	-2.4	-1.1	-0.6	

a/ include transfers, subsidies and scholarships.

SA TABLE 44 (continued)

SENEGAL : Government Financial Operations, 1981/82-91/92 (in CFAF billion)

GOVERNMENT/IMF Presentation

	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92
FINANCING	72.7	66.5	67.3	49.7	40.7	46.0	53.9	35.3	29.0	1.4	-6.1
External	29.1	48.5	36.7	38.0	28.0	52.0	51.9	47.7	56.8	7.2	33.1
Drawings	33.8	49.5	35.9	40.9	36.7	76.8	79.9	53.0	62.4	31.2	54.8
Treasury (excl.IMF)	18.8	21.8	11.6	20.9	16.7	55.8	60.7	28.0	22.6	6.5	15.5
Project loans	15.0	27.7	24.3	20.0	20.0	21.0	19.2	18.0	19.0	19.0	32.6
Banking sector reform	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.0	13.6	1.5	6.7
Voluntary departure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.2	4.2	0.0
Amortization due (excl.IMF) a/	-29.9	-27.3	-28.4	-31.2	-29.6	-43.9	-45.9	-55.9	-56.9	-52.5	-53.8
Debt relief	25.2	26.3	29.2	28.3	20.9	19.1	17.9	50.6	51.3	28.5	32.1
Domestic	43.6	18.0	30.6	11.7	12.7	-6.0	2.0	-12.4	-27.8	-5.8	-39.2
Banking sector (incl.IMF) b/	38.7	20.2	35.2	17.9	19.6	1.8	6.0	-9.9	-17.2	-19.4	-21.3
Reimbursement of consolidated debt to banks	0.0	-2.0	-8.8	-10.0	-8.0	-12.0	-8.6	-3.6	-4.2	-6.1	-7.2
Nonbank borrowing	3.0	2.0	1.4	2.0	0.8	2.2	1.0	0.0	0.0	0.6	2.9
Other c/	1.9	-2.2	2.8	1.8	0.3	2.0	3.6	1.1	-6.4	19.1	-13.6

a/ Contractuel basis (before debt relief).
b/ Includes counterparts of IMF purchases and repurchases, as well as those of loans under the SAF and ESAF.
c/ Includes errors and omissions.

Source: MEFP, Tresorerie Generale and IMF.

SA TABLE 45

SENEGAL: Government Financial Operations, 1981/82-91/92 (in CFAF billion)

ALTERNATIVE PRESENTATION

	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92	
	(in CFAF billion)											
TOTAL REVENUE	151.9	175.7	189.4	203.9	218.7	251.0	251.4	245.7	259.9	300.9	307.3	
Tax revenue	139.7	164.5	177.4	190.1	185.1	196.0	205.5	196.2	219.0	241.4	263.3	
Nontax revenue	12.2	11.2	12.0	13.8	33.6	55.0	45.9	49.5	40.9	59.5	44.0	
TOTAL EXPENDITURE	222.2	253.0	266.9	258.2	269.0	298.1	311.3	309.5	330.0	308.6	330.4	
Wages and salaries	83.3	92.7	100.4	106.6	111.8	119.8	122.3	125.2	126.8	129.5	134.9	
Interest due	18.3	26.7	36.9	44.4	41.0	39.6	46.1	47.7	41.2	38.1	36.0	
Materials, maintenance & unclassified	39.4	38.8	37.4	33.8	41.8	44.7	47.3	50.3	52.1	38.1	62.0	a/
Transfers, subsidies & scholarships	24.4	28.4	30.6	32.3	25.7	28.6	29.0	24.9	34.2	26.4	n.a.	
Crop credit reimbursement	9.6	-1.2	20.6	4.0	3.0	12.3	23.1	4.4	4.1	11.6	6.6	
Special & correspondent accounts (net)	16.6	28.6	0.7	2.4	11.9	15.0	1.8	16.0	20.1	10.9	15.8	
Capital expenditure	30.6	39.0	40.3	34.7	33.8	38.1	41.7	41.0	39.8	44.5	71.2	
Banking sector reforms	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.7	0.7	0.0	
Voluntary departure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	8.8	3.9	
OVERALL FISCAL BALANCE (Payment order basis)	-70.3	-77.3	-77.5	-54.3	-50.3	-47.1	-59.9	-63.8	-70.1	-7.7	-23.1	
CURRENT BALANCE	-39.7	-38.3	-37.2	-19.6	-16.5	-9.0	-18.2	-22.8	-30.3	36.8	48.1	
Memorandum Items:												
Nominal GDP (CFAF billion)	756.8	891.6	977.5	1083.9	1244.3	1338.3	1433.1	1450.2	1529.4	1584.9	1655.4	
	(Percent of GDP)											
Tax revenue	18.5	18.4	18.1	17.5	14.9	14.6	14.3	13.5	14.3	15.2	15.9	
Nontax revenue	1.6	1.3	1.2	1.3	2.7	4.1	3.2	3.4	2.7	3.8	2.7	
Wages and salaries	11.0	10.4	10.3	9.8	9.0	9.0	8.5	8.6	8.3	8.2	8.1	
Interest due	2.4	3.0	3.8	4.1	3.3	3.0	3.2	3.3	2.7	2.4	2.2	
Materials & maintenance	5.2	4.4	3.8	3.1	3.4	3.3	3.3	3.5	3.4	2.4	3.7	
Transfers and subsidies	3.2	3.2	3.1	3.0	2.1	2.1	2.0	1.7	2.2	1.7	0.0	
Crop credit reimbursement	1.3	-0.1	2.1	0.4	0.2	0.9	1.6	0.3	0.3	0.7	0.4	
Special & correspondent accounts (net)	2.2	3.2	0.1	0.2	1.0	1.1	0.1	1.1	1.3	0.7	1.0	
Capital expenditure	4.0	4.4	4.1	3.2	2.7	2.8	2.9	2.8	2.6	2.8	4.3	
Fiscal Deficit	-9.3	-8.7	-7.9	-5.0	-4.0	-3.5	-4.2	-4.4	-4.6	-0.5	-1.4	
Current Balance	-5.2	-4.3	-3.8	-1.8	-1.3	-0.7	-1.3	-1.6	-2.0	2.3	2.9	
Deficit (excluding banking sector and departure program)	-9.3	-8.7	-7.9	-5.0	-4.0	-3.5	-4.2	-4.4	-5.3	-1.1	-1.6	

Source: Staff estimates.
a/ Include transfers, subsidies and scholarships.

SA TABLE 45 (continued)

SENEGAL: Government Financial Operations, 1981/82-91/92 (in CFAF billion)

ALTERNATIVE PRESENTATION

	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92
	(in CFAF billion)										
FINANCING REQUIREMENTS	111.3	101.0	121.6	117.6	118.9	134.6	144.1	141.0	127.2	100.1	88.4
Fiscal deficit	70.3	77.3	77.5	54.3	50.3	47.1	59.9	63.8	70.1	7.7	23.1
Amortization due	29.9	27.3	33.3	45.7	51.0	61.5	61.6	73.6	74.4	66.3	67.1
o/w: IMF	0.0	0.0	4.9	14.5	21.4	17.6	15.7	17.7	17.5	13.8	13.3
Debt payments to banks	0.0	2.0	8.8	10.0	8.0	12.0	8.6	3.6	4.2	6.1	7.2
Arrears payments (- = accumulation)	11.1	-5.6	2.0	7.6	9.6	14.0	14.0	0.0	-21.5	20.0	-9.0
FINANCING	111.3	101.0	121.6	117.6	118.9	134.6	144.1	141.0	127.2	100.1	88.4
EXTERNAL	91.4	95.1	104.4	97.6	94.5	128.1	137.3	157.3	149.3	92.4	116.9
Project financing	23.7	31.1	30.3	25.0	28.0	30.0	30.0	30.0	32.0	32.5	45.6
Grants	8.7	3.4	6.0	5.0	8.0	9.0	10.8	12.0	13.0	13.5	13.0
Loans	15.0	27.7	24.3	20.0	20.0	21.0	19.2	18.0	19.0	19.0	32.6
Budgetary assistance	42.5	37.7	44.9	44.3	45.6	79.0	89.4	69.7	45.2	25.7	32.5
Grants	0.0	1.8	6.2	7.2	11.2	6.1	9.2	16.5	6.6	12.8	7.2
Loans	42.5	35.9	38.7	37.1	34.4	72.9	80.2	53.2	38.6	12.9	25.3
o/w: IMF	23.7	14.1	27.1	16.2	17.7	17.1	19.5	25.2	16.0	6.4	9.8
Debt relief b/	25.2	26.3	29.2	28.3	20.9	19.1	17.9	50.6	51.3	28.5	32.1
Specific financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.0	20.8	5.7	6.7
Banking sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.0	13.6	1.5	6.7
Voluntary departure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.2	4.2	0.0
DOMESTIC	19.9	5.9	17.2	20.0	24.4	6.5	6.8	-16.3	-22.1	7.7	-28.5
Banking sector	16.9	3.9	15.8	18.0	23.6	4.3	5.8	-16.3	-22.1	7.1	-31.4
Nonbank borrowing	3.0	2.0	1.4	2.0	0.8	2.2	1.0	0.0	0.0	0.6	2.9

Source: MEFP, Tresorerie Generale and staff estimates.

b/ Includes debt rescheduling from the London and Paris Club, and the impact of debt cancellation starting in 1989/90.

SA TABLE 46

SENEGAL: Current Expenditures, Economic Classification, 1980/81-90/91

	80/81	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91
ECONOMIC CLASSIFICATION					(in CFAF billion)						
Wages and salaries	78.3	83.3	92.7	100.4	106.6	111.8	119.8	122.3	125.2	126.8	129.5
Materials, supplies and maintenance	34.8	30.3	36.9	35.4	33.5	40.2	43.2	46.5	49.3	50.8	38.0
Interest on government debt a/	11.7	18.3	26.7	36.9	44.4	41.0	39.6	46.1	47.7	41.2	38.1
Domestic	0.7	1.3	0.5	0.5	0.6	0.7	0.3	2.5	5.1	4.6	7.0
External	11.0	17.0	26.2	36.4	43.8	40.3	39.3	43.6	42.6	36.6	31.1
Scholarships	2.5	2.7	2.8	3.0	2.5	2.8	2.8	3.8	3.5	4.1	4.4
Other transfers and subsidies	15.7	21.7	25.6	27.6	29.8	22.9	25.8	25.2	21.4	30.1	22.0
Unclassified	8.3	9.1	1.9	2.0	0.3	1.6	1.5	0.8	1.0	1.3	0.1
Total	151.3	165.4	186.6	205.3	217.1	220.3	232.7	244.7	248.1	254.3	232.1
					(in percent of total)						
Wages and salaries	51.8	50.4	49.7	48.9	49.1	50.7	51.5	50.0	50.5	49.9	55.8
Materials, supplies and maintenance	23.0	18.3	19.8	17.2	15.4	18.2	18.6	19.0	19.9	20.0	16.4
Interest on government debt a/	7.7	11.1	14.3	18.0	20.5	18.6	17.0	18.8	19.2	16.2	16.4
Domestic	0.5	0.8	0.3	0.2	0.3	0.3	0.1	1.0	2.1	1.8	3.0
External	7.3	10.3	14.0	17.7	20.2	18.3	16.9	17.8	17.2	14.4	13.4
Scholarships	1.7	1.6	1.5	1.5	1.2	1.3	1.2	1.6	1.4	1.6	1.9
Other transfers and subsidies	10.4	13.1	13.7	13.4	13.7	10.4	11.1	10.3	8.6	11.8	9.5
Unclassified	5.5	5.5	1.0	1.0	0.1	0.7	0.6	0.3	0.4	0.5	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

a/ Includes scheduled interest on government debt serviced by the Caisse Autonome d'Amortissement (CAA) through a Treasury special account.

Sources: MEFP, Direction du Budget and IMF staff estimates.

SA TABLE 47

SENEGAL: Current Expenditures, Functional Classification, 1980/81-90/91

FUNCTIONAL CLASSIFICATION	80/81	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91
	(in CFAF billions)										
General public services	48.5	48.4	62.2	70.4	65.7	70.2	74.7	71.0	..	73.2	68.9
National defense	19.7	22.8	23.2	26.0	27.5	28.2	28.6	29.8	..	31.8	30.8
Education	33.3	37.0	37.4	39.3	43.1	45.0	48.4	51.4	..	59.4	62.1
Health	7.3	7.6	7.9	8.8	8.1	8.9	8.9	9.2	..	9.8	10.3
Social and community services	4.6	5.0	6.7	6.3	5.9	8.7	9.3	8.9	..	7.7	5.0
Economic services	10.6	10.2	12	12.3	13.2	13.4	13.8	13.5	..	13.0	10.6
Unclassifed	27.3	34.4	37.2	42.2	53.6	45.9	49.0	60.9	..	59.4	44.4
Of which: interest on govt debt	11.7	18.3	26.7	36.9	44.4	41.0	39.6	46.1	47.7	41.2	38.1
Total	151.3	165.4	186.6	205.3	217.1	220.3	232.7	244.7	248.1	254.3	232.1
	(in percent of total)										
General public services	32.1	29.3	33.3	34.3	30.3	31.9	32.1	29.0	..	28.8	29.7
National defense	13.0	13.8	12.4	12.7	12.7	12.8	12.3	12.2	..	12.5	13.3
Education	22.0	22.4	20.0	19.1	19.9	20.4	20.8	21.0	..	23.4	26.8
Health	4.8	4.6	4.2	4.3	3.7	4.0	3.8	3.8	..	3.9	4.4
Social and community services	3.0	3.0	3.6	3.1	2.7	3.9	4.0	3.6	..	3.0	2.2
Economic services	7.0	6.2	6.4	6.0	6.1	6.1	5.9	5.5	..	5.1	4.6
Unallocable	18.0	20.8	19.9	20.6	24.7	20.8	21.1	24.9	..	23.4	19.1
Of which: interest on govt debt 1/	7.7	11.1	14.3	18.0	20.5	18.6	17.0	18.8	19.2	16.2	16.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Sources: MEFP, Direction du Budget and IMF staff estimates.
1/ Including scheduled interest on government debt serviced by the CAA through a Tresaury Special account.

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SA TABLE 48

SENEGAL: Monetary Survey, 1983 - 1991

	1983	1984	1985	1986	1987	1988	1989	1990	1991
	(in billions of CFA francs; at year end)								
Net foreign assets	-182.5	-210.2	-264.3	-204.2	-204.7	-250.8	-220.3	-191.5	-184.0
Central bank	-170.4	-181.9	-228.1	-180.0	-172.2	-211.4	-181.2	-163.4	-159.4
Commercial banks	-12.1	-28.3	-36.2	-24.2	-32.5	-39.4	-39.1	-28.1	-24.6
Domestic credit	480.6	501.2	547.5	548.2	554.3	593.6	574.5	523.6	510.6
Credit to the Government (net)	107.3	122.4	144.0	148.7	143.0	150.5	126.9	107.6	109.8
Credit to the economy	373.3	378.8	403.5	399.5	411.3	443.1	447.6	416.0	400.8
Ordinary credit	351.3	364.2	375.2	372.3	381.4	422.2	429.5	404.4	393.6
ONCAD	67.7	67.7	67.7	67.7	66.4	65.8	65.8	65.3	65.3
Reclassified crop credit	4.8	..	5.6	2.2	5.9	46.2	38.7	31.7	27.0
Other	278.8	ERR	301.9	302.4	309.1	310.2	325.0	307.4	301.3
Crop credit	22.0	14.6	28.3	27.2	29.9	20.9	18.1	11.6	7.2
Money and quasi-money	273.0	287.1	300.1	333.6	332.8	334.5	368.9	351.1	371.6
Currency in circulation	78.3	77.3	86.2	104.3	100.7	92.8	102.7	95.2	97.5
Demand deposits	110.9	114.3	107.3	122.6	113.7	122.1	128.1	108.9	115.7
Time deposits	83.8	95.5	106.6	106.7	118.4	119.6	138.1	147.0	158.4
Other items (net)	25.0	3.9	-17.0	10.4	16.7	8.4	-14.7	-19.0	-45.0
Of which: ONCAD	26.8	29.3	20.7	17.0	18.6	13.1	13.8	16.6	18.5
Domestic assets (net)	455.5	497.3	564.5	537.8	537.6	585.2	589.2	542.6	555.6
	(change in percent of beginning-of-period money stock)								
Net foreign assets	-8.8	-10.1	-18.8	20.0	-0.1	-13.9	9.1	7.8	2.1
Central bank	-11.7	-4.2	-16.1	16.0	2.3	-11.8	9.0	4.8	1.1
Commercial banks	2.9	-5.9	-2.8	4.0	-2.5	-2.1	0.1	3.0	1.0
Domestic credit	13.0	7.5	16.1	0.2	1.8	11.8	-5.7	-13.8	-3.7
Credit to the Government (net)	7.4	5.5	7.5	1.6	-1.7	2.3	-7.1	-5.2	0.6
Credit to the economy	5.6	2.0	8.6	-1.3	3.5	9.6	1.3	-8.6	-4.3
Ordinary credit	10.0	4.7	3.8	-1.0	2.7	12.3	2.2	-6.8	-3.1
ONCAD	..	0.0	0.0	0.0	-0.4	-0.2	0.0	-0.1	0.0
Reclassified crop credit	-2.5	ERR	ERR	-1.1	1.1	12.1	-2.2	-1.9	-1.3
Other	12.5	ERR	ERR	0.2	2.0	0.3	4.4	-4.8	-1.7
Crop credit	-4.6	-2.7	4.8	-0.4	0.8	-2.7	-0.8	-1.8	-1.3
Money and quasi-money	4.0	5.2	4.5	11.2	-0.2	0.5	10.3	-4.8	5.8
Currency in circulation	-2.5	-0.4	3.1	6.0	-1.1	-2.4	3.0	-2.0	0.7
Demand deposits	2.4	1.2	-2.4	5.1	-2.7	2.5	1.8	-5.2	1.9
Time deposits	4.0	4.3	3.9	0.0	3.5	0.4	5.5	2.4	3.2
Other items (net)	0.2	-7.7	-7.3	9.1	1.9	-2.5	-6.9	-1.2	-7.4
Of which: ONCAD	..	0.9	-3.0	-1.2	0.5	-1.7	0.2	0.8	0.5
Domestic assets (net)	12.8	15.3	23.4	-8.9	-0.1	14.3	1.2	-12.6	3.7

Sources: BCEAO and IMF staff estimates.

SA TABLE 49

SENEGAL : List of Commercial Banks as of September 1990

	Shareholders		Date of Establishment	Date of Closing	Total Assets	Deposits
	Public a/	Others				
Existing Commercial Banks					(CFAF billion)	
1. Credit Lyonnais - Senegal	5%	95%	6/89		44.9	32.8
2. Banque Internationale pour l'Afrique Occidentale-Senegal (BIAO-S)	29%	71%	7/65		49.5	25.6
3. Banque Internationale pour le Commerce et l'Industrie du Senegal (BICIS) b/	42%	58%	3/65		85.7	55.8
4. Societe Generale de Banque au Senegal (SGBS)	0%	100%	3/65		120.0	62.6
5. CITIBANK	0%	100%	11/75		21.5	13.6
6. Banque de l'Habitat du Senegal (BHS)	37%	63%	12/79		35.6	17.5
7. Banque du Credit et du Commerce International, Overseas Limited (BCCI) c/	0%	100%	7/82		12.2	6.6
8. Banque Islamique du Senegal (BIS) d/	0%	100%	7/82		8.3	2.2
9. Caisse Nationale de Credit Agricole du Senegal (CNCAS) e/	64%	36%	6/84		39.4	4.1
10. Banque Senegalo-Tunisienne (BST)	27%	73%	7/86		4.6	2.8
Commercial Bank Closed since 1989						
1. Banque Nationale de Developpement du Senegal (BNDS)	81%	19%	3/65	9/90	235.6	9.4
2. Banque Senegalo-Koweitienne (BSK)	5%	95%	4/74	9/90	49.5	11.7
3. Societe Financiere Senegalaise pour le Developpement de l'Industrie et du Tourisme (SOFISEDIT)	58%	42%	9/74	11/89	19.8	0.4
4. ASSURBANK	0%	100%	5/87	11/89	14.6	5.8
5. Societe Nationale de Banque (Sonabanque)	88%	12%	12/84	11/89	7.4	3.2
6. Societe Nationale de Garantie et d'Assistance au Commerce (SONAGA)	76%	24%	3/65	11/89	64.8	9.6

a/ Includes the Senegalese Government and other public institutions.
b/ The share of the Government has been reduced to 25 percent in April 1991.
c/ BCCI has since been closed in the aftermath of the crisis affecting the bank.
d/ Formerly known as Masaref Faycal Al Islami du Senegal (MFIS).
e/ The share held by the Government is currently 29 percent. The BCEAO, classified here as a public sector shareholder, holds 35 percent.

Sources: BCEAO and staff estimates.

SA TABLE 50

SENEGAL: Distribution of Credit to the Economy, 1985-1991

	1985	1986	1987	1988	1989	1990	1991
	(in CFAF billion; end of period)						
Short-term	239.6	257.2	276.2	319.6	333.9	329.1	292.2
Medium-term	88.5	99.0	83.0	75.1	72.9	74.1	71.5
Long-term	69.5	60.5	63.8	73.0	73.2	72.6	73.1
Total	397.6	416.7	423.0	467.7	480.0	475.8	436.8
of which: public enterprises	142.7	151.8	142.9	180.1	177.0	163.6	151.4
Agriculture and related activities	3.6	4.8	4.5	6.0	15.8	12.4	13.0
Fishing	11.3	7.7	9.2	10.4	11.3	11.9	11.2
Industry	88.2	86.9	78.4	73.2	68.4	73.4	65.1
of which: food	32.7	32.9	26.3	22.8	19.0	18.7	17.7
chemicals	20.8	21.4	20.0	17.5	16.9	21.4	18.8
textiles	10.1	10.6	11.0	11.4	11.2	10.8	8.9
Construction and public works	25.2	27.8	28.8	31.6	33.7	33.9	28.1
Transportation and communication	15.3	17.5	19.5	28.1	22.6	24.1	26.2
Tourism	10.1	11.7	13.2	14.1	13.2	11.1	9.8
Commerce	174.9	184.2	179.9	220.9	218.7	202.4	190.2
Wholesale	150.5	158.1	150.7	188.9	186.2	175.4	160.2
Retail	24.4	26.1	29.2	32.0	32.5	34.0	30.0
Other	69.0	76.1	89.5	83.4	96.3	106.6	93.2
	(Percent of Total)						
Short-term	60.3	61.7	65.3	68.3	69.6	69.2	66.9
Medium-term	22.3	23.8	19.6	16.1	15.2	15.6	16.4
Long-term	17.5	14.5	15.1	15.6	15.3	15.3	16.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
of which: public enterprises	35.9	36.4	33.8	38.5	36.9	34.4	34.7
Agriculture and related activities	0.9	1.2	1.1	1.3	3.3	2.6	3.0
Fishing	2.8	1.8	2.2	2.2	2.4	2.5	2.6
Industry	22.2	20.9	18.5	15.7	14.3	15.4	14.9
of which: food	8.2	7.9	6.2	4.9	4.0	3.9	4.1
chemicals	5.2	5.1	4.7	3.7	3.5	4.5	4.3
textiles	2.5	2.5	2.6	2.4	2.3	2.3	2.0
Construction and public works	6.3	6.7	6.8	6.8	7.0	7.1	6.4
Transportation and communication	3.8	4.2	4.6	6.0	4.7	5.1	6.0
Tourism	2.5	2.8	3.1	3.0	2.8	2.3	2.2
Commerce	44.0	44.2	42.5	47.2	45.6	42.5	43.5
Wholesale	37.9	37.9	35.6	40.4	38.8	36.9	36.7
Retail	6.1	6.3	6.9	6.8	6.8	7.1	6.9
Other	17.4	18.3	21.2	17.8	20.1	22.4	21.3

Source: BCEAO, Centrale des Risques.

SA TABLE 51

SENEGAL : Nominal and Real Effective Exchange Rates, 1970-90 a/
(1977 = 100)

Year	Effective Exchange Rates b/			Real Exchanges Rates vis-a-vis France	
		Real			
	Nominal	CPI/FWPI	CPI/FCPI	CPI/FWPI	CPI/FCPF
1970	95.6	84.8	86.8	79.8	86.3
1971	95.1	84.1	84.3	81.2	85.3
1972	97.6	87.9	87.0	82.5	85.1
1973	102.1	91.6	94.2	79.9	88.2
1974	97.6	83.1	92.1	72.1	90.6
1975	105.1	111.2	114.5	100.8	106.6
1976	101.9	99.5	101.2	94.9	98.3
1977	100.0	100.0	100.0	100.0	100.0
1978	101.4	98.0	95.6	99.1	94.8
1979	102.4	97.1	96.1	95.9	93.9
1980	102.6	94.6	93.0	95.9	90.2
1981	95.1	83.2	81.1	91.5	84.2
1982	89.8	85.4	82.4	96.7	88.4
1983	85.7	84.0	80.7	97.1	90.0
1984	82.8	81.9	80.0	95.9	93.6
1985	85.1	91.4	88.1	104.2	100.1
1986	99.9	114.9	106.1	113.8	103.7
1987	112.8	122.1	110.3	108.9	96.2
1988	112.5	110.1	99.9	101.6	91.9
1989	115.3	104.1	94.8	96.7	89.2
1990	125.8	111.7	99.1	98.2	86.6
1991	128.5	109.6	94.6	97.7	82.4

a/ The nominal effective exchange rate (NEER), foreign wholesale price index (FWPI), foreign consumer price index (FCPI), and the real effective exchange rate (REER) are all trade-weighted average or Senegal's 20 most important trading partners. The weights are those calculated by the IMF using the methodology described in "A Revised Weighting Scheme for Indicators of Effective Exchange Rates", IMF WP/87/87, which provides for the inclusion of countries which are competitors in export markets but which do not trade directly with the concerned country. The exceptions concern Taiwan, Brazil, Argentina and Nigeria. Zero weights are assigned to Taiwan for lack of data and to Brazil and Argentina because of hyperinflation and the resulting data problems. Nigeria, which receives zero weight in the IMF calculations, is assigned a 10 percent weight to take account of the recent rapid increase in trade with that country.

b/ A rise in the index indicates an appreciation of the currency, a decline a depreciation.

Source: Staff estimates.

SA TABLE 52

Senegal: Customs Tariff and VAT Rates, 1979-90 (percent)

	1979	May 85	Sept 86	July 88	Sept 89	Aug 90
Customs duty (DD) a/	5	15	10	10	15	15
Fiscal tax						
Reduced (DFR)	10	10	10	10	10	10
Ordinary (DFO)	35	40	30	20	20	20
Increased (DFM)	45	50	35	30	30	30
Special (DFS)	70	75	65	50	50	50
Customs fee (timbre douanier)	-	-	-	-	-	3

a/ This rate is applicable to goods originating in countries enjoying most-favored-nation treatment by Senegal. A rate equal to three times the minimum tariff applies to other countries. Goods originating from other ECOWAS countries are subject to a lower tariff of 5 percent.

VAT Rates

	1979	Aug. 81	Sept. 89	Dec. 90
Exceptional rate a/	-	-	-	6.5
Reduced rate	6.5	7	7	7
Normal rate	18.5	20	20	20
Augmented rate	50	50	30	30
Special rate for petroleum products	34	34	34	34

a/ For sugar, tomato concentrate, wheat flour, and cooking oils.
The following items are not subject to the VAT:
rice, millet and corn, couscous, onions, potatoes, vegetables, fruits, meat, eggs, medecines, and newsprint.

Source: Direction Generale des Douanes, Direction de la Reglementation Douaniere.

SA TABLE 53

SENEGAL: Evolution of Tariff and VAT Rates for Selected Products, 1985-90 a/

Item	May 1985	Sept 1986	July 1988	Sept 1989	Aug 1990
Meat products	90	40	40	45	46
Flour and cereals	66	50	50	55	57
Tea	98	68	68	89	90
Rice (4kg bags)	55	40	40	45	46
Refined sugar	77	55	50	55	57
Whisky	128	110	110	115	117
Tomato and tomato paste	98	74	74	74	76
Cigarettes	128	110	110	98	100
Soap	128	74	74	55	57
Cotton cloth	98	74	74	89	90
Clothing	98	74	74	89	90
Shoes	98	74	68	89	90
Tools	50	44	44	50	51
TV sets	98	44	44	76	77
Cars (1300cc and less)	98	74	68	89	90
Cars (more than 1300cc)	98	74	68	89	90
Pleasure boats	185	110	92	115	117
Watches	128	110	68	89	90

a/ The taxation of imports consists of three elements:
- a customs duty (droit de douane) at a uniform rate (see SA Table 52);
- a fiscal tax (droit fiscal) which has 4 different rates; and
- a value-added tax at variable rates.

A 3% customs fee (timbre douanier) was introduced in August 1990.

Source: Staff estimates.

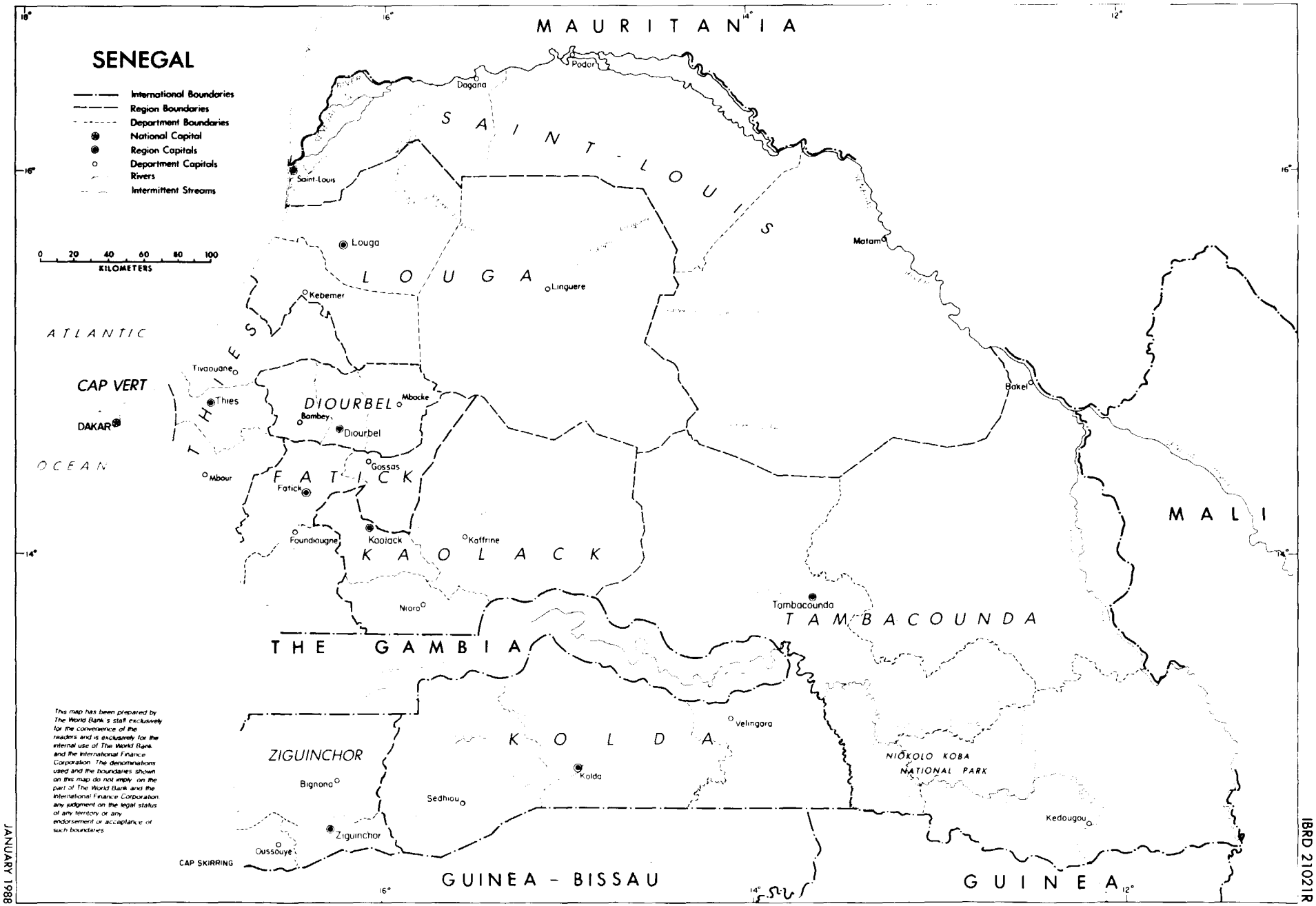
SA TABLE 54

SENEGAL: Effective Rates of Protection a/

SITUATION IN 5/85 b/ c/	Output tax	Input tax	E.R.P.	Average
Social goods	55	25	125.00	
Ordinary goods	65	25	158.33	165.42
Luxury goods	90	25	241.67	
SITUATION IN 7/86 c/				
Social goods	40	20	86.67	
Ordinary goods	45	20	103.33	111.00
Luxury goods	75	20	203.33	
SITUATION IN 7/88 c/				
Social goods	30	20	53.33	
Ordinary goods	40	20	86.67	89.33
Luxury goods	60	20	153.33	
SITUATION IN 9/89				
	Output tax	Input tax	E.R.P.	Average
Social goods	35	25	58.33	
Ordinary goods	45	25	91.67	94.58
Luxury goods	65	25	158.33	
SITUATION IN 8/90				
	Output tax	Input tax	E.R.P.	Average
Social goods	38	28	61.33	
Ordinary goods	48	28	94.67	97.73
Luxury goods	68	28	161.33	

a/ The effective rates of protection (ERP) were calculated using prevalent tariff rates for three types of imports (social goods, ordinary goods, and luxury goods).
b/ Changes in nominal tariff rates were made at these dates.
c/ Until 1988, the ERP incorporated the impact of quantitative restrictions.

Source: Staff estimates.


SENEGAL
International Boundaries
Region Boundaries
Department Boundaries
National Capital
Region Capitals
Department Capitals
Rivers
Intermittent Streams
0 20 40 60 80 100
KILOMETERS
MAURITANIA
Podor
Dagana
Saint-Louis
SAINT-LOUIS
Louga
LOUGA
Linguere
Matam
Kebemer
ATLANTIC
OCEAN
CAP VERT
DAKAR
THIES
Tivaouane
Thies
DIOURBEL
Mbacke
Bambey
Diourbel
Bakel
Gossas
FATICK
Mbour
Fatick
MALI
Foundiougne
Kaolack
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KAOLACK
Nioro
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