

Senegal

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Introduction

- ◆ Agricultural products account for 20 percent of Senegal's total merchandise exports, while food imports absorb 29 percent of total foreign exchange earnings.
- ◆ Agricultural exports are dominated (to the extent of over 50 percent) by groundnut products, followed by cotton, fruit and vegetables and hides and skins
- ◆ Senegal is a net food importer, particularly for rice, which represents almost 75 percent of cereal imports.

Policies related to agriculture

- ◆ The CFA franc was devalued in January 1994, but exports did not increase as expected.

Changes in trade policy

Table 1: Common External Tariff (CET) of UEMOA

Category/products	Tariff
<u>Category I</u> : Essential social products: pharmaceutical products, books, newspapers, etc.	0%
<u>Category II</u> : Basic consumption products: raw materials, equipment and specific inputs, etc.	5%
<u>Category III</u> : Intermediate consumption products and inputs	10%
<u>Category IV</u> : Final consumption products and all other products not listed in I-III	20%

Source: Ministry of Economy, Finance and Planning of Senegal

Rice in food imports (1/2)

- ◆ Senegal is a large net agricultural importer.
- ◆ Rice is a staple food, the domestic production covers only one third of consumption requirements.

Rice in food imports (2/2)

- ◆ Food imports accounted for almost 90 percent of total agricultural imports in 1998, averaging 85 percent in 1985-1998.
- ◆ Five product or product groups accounted for around 80 percent of the total: cereals (rice and wheat) (46 percent); dairy products (8 percent); refined sugar, vegetable oils (oil of colza, oil of soybean) (20 percent); and fruit and vegetables (6 percent).

Liberalization of the rice sector

(1/2)

◆ 1984

Abolition of the stabilization system and the subsidy provided to rice producers

◆ January 1992

Abolition of the requirement of prior authorization to import rice

Liberalization of the rice sector

(2/2)

◆ Mid-1994

Abolition of the administered price of domestic paddy rice

◆ March 1995

Liberalization of wholesale and consumer prices of broken rice and application of a surtax of 20 percent on imported intermediate and whole rice

Senegal's agenda at the WTO

- ◆ Preserving existing preferences
- ◆ Asking for special and differential treatment
- ◆ Eligibility for the compensation under Marrakesh Decision for Net Food Importing Developing Country
- ◆ Anticipates negative effects of the AoA and regional trade agreements