



**GOVERNMENT OF PAKISTAN  
EMBASSY OF PAKISTAN – DAKAR  
COMMERCIAL SECTION**



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**IMPORT PROFILE OF SENEGAL**

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## 1 ECONOMIC ENVIRONMENT

### 1.1 Main features

1.1. Senegal is a coastal country with an area of 196,712 km<sup>2</sup> and a population projected to be 16.2 million in 2019. The Senegalese population is mostly young, with an estimated median age of 19 years. The Senegalese economy is largely built on services, which account for around 60% of GDP, including public administration. The main commercial services are commerce, with post and telecommunications, real estate and transport playing a supporting role. The share of the agricultural sector (including livestock, hunting, fishing and forestry) varied around 15% of GDP, while the manufacturing share is about 13%. Senegal's external sector is characterized by a structural deficit in merchandise trade, which is partially offset by remittances from Senegalese migrants. These transfers represent approximately 11% of GDP per year and are a stable source of foreign exchange for the country.

1.2. Administratively, Senegal is organized into 14 regions, subdivided into 45 *départements* (sub regions). The sub regions are in turn subdivided into *arrondissements* (districts) and *communes* (municipalities). Local authorities have their own budgets and resources. Implementation of the decentralization policy continued during this review period (Decentralization, Act III), eliminating regions as local authorities and creating "economic development hubs"; elevating sub regions to local authorities; and elevating rural communities and district municipalities (*communes d'arrondissements*) to "fully fledged communes" ("*communes de plein exercice*").

1.3. The Senegalese economy has a low level of productivity, partly due to the many structural problems it faces, including a large informal sector, inflexible labor regulations, a deficient infrastructure stock, and expensive and limited access to finance. On the Global Competitiveness Index, Senegal is ranked 110<sup>th</sup> out of 140 economies (Global Competitiveness Report 2016-2017).

1.4. Senegal is a member of both the West African Economic and Monetary Union (WAEMU) and the Economic Community of West African States (ECOWAS), so it's monetary and foreign exchange policies are set by the Central Bank of West African States (BCEAO). The common currency in the WAEMU countries is the African Financial Community franc (CFAF), which is pegged to the euro at a rate of CFAF 655.957. As part of their multilateral surveillance framework, the WAEMU countries have established several convergence criteria, which are described in section 1 of the common report.

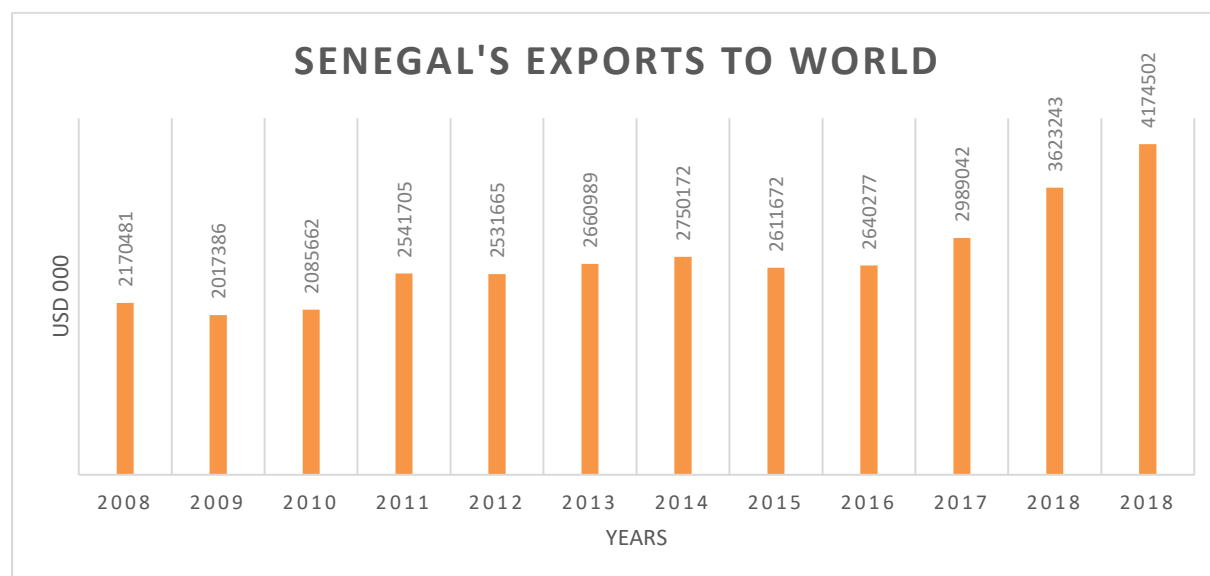
### 1.2 Recent economic developments

1.5. In 2014, the authorities adopted the Emerging Senegal Plan (PSE) for the period 2014-2023, which aims to implement a group of projects with high value-added and employment content, to enable the country to attain upper middle-income status by 2035. The Priority Action Plan (PAP) is a subset of the PSE covering the period 2014-2018 based on the following three pillars: the structural transformation of the economy; the promotion of human capital, social protection and sustainable development; and the consolidation of institutions, peace and security. Financing estimated at CFAF

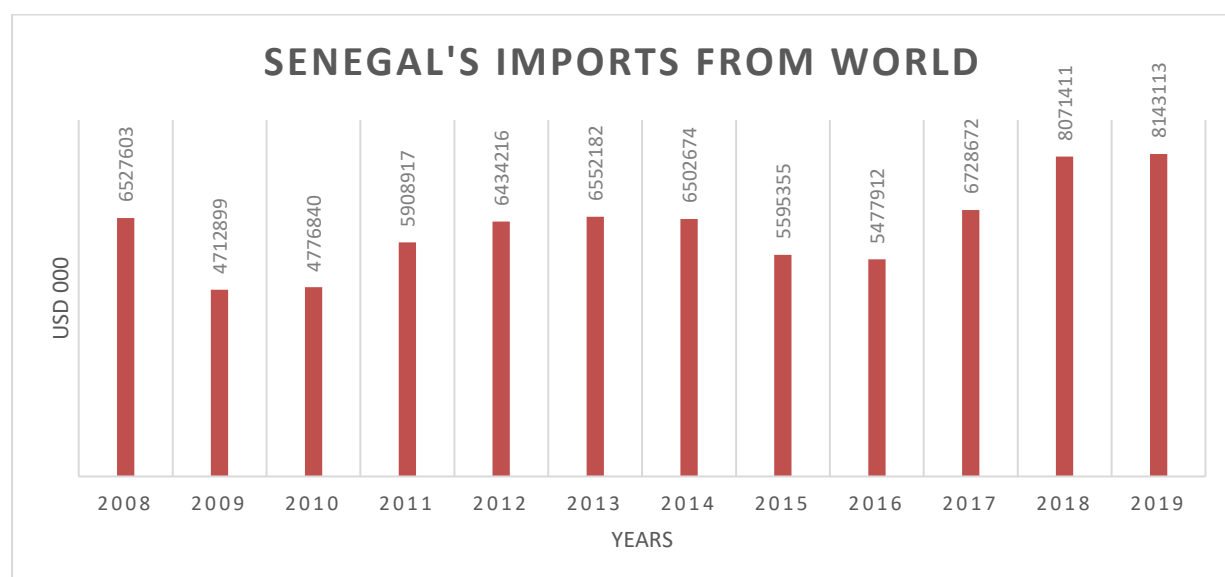
9,685.6 billion is expected to come mainly from concessional loans and partnerships with the private sector.

### 1.3 Trade performance

1.6. Senegal's exports show varying trend over the period of 11 years but have increased from USD 2.1 in 2008 Bn to USD 4.1 Bn in 2019 with an increase of 106.93%.



1.7. On the other hand, Senegalese imports expanded more slowly than exports over the period of 11 years, with 72.78% increase from USD 6.53 bn in 2008 to USD 8.14 Bn in 2019.



Source: ITC Database

## 2 OVERVIEW OF IMPORTANT IMPORT REGULATIONS

2.1. Trade policy design, implementation and assessment are the purview of the Ministry responsible for trade. The Ministry is responsible for international trade negotiations jointly with the Ministries in charge of the economy, finance and planning.

2.2. For the purposes of international negotiations, the Ministry responsible for trade relies on the National Committee on International Trade Negotiations (NCITN), established in 2001. The NCITN is a consultative body comprising representatives of different sectoral departments, as well as the private sector and employer and professional bodies. It is organized into sub-committees, each responsible for one of the following areas: trade in goods; trade in agricultural produce; trade facilitation; trade in services; trade and environment; trade, investment and development. and trade-related intellectual property rights. The work of the NCITN is in principle endorsed by the Government and taken on board during trade negotiations. The TRIPS sub-committee took part in the deliberations that led to the identification of the priority needs for the implementation of the TRIPS Agreement.

2.3. Senegal's trade policy is in part determined by its commitments at the multilateral, regional and sub-regional levels. Senegal also plans to take advantage of trade opportunities existing both subregionally and multilaterally, as well as those available through unilateral preferences accorded by its trading partners. Under the Emerging Senegal Plan, the Government plans to deepen regional integration, by rehabilitating and developing the infrastructure network; eliminating barriers to the free movement of persons, goods and services; and developing intra-community trade. The Government also plans to strengthen community initiatives on food security, agriculture and energy policy, and those falling under regional economic programs. In WTO negotiations, Senegal plans to rely on its regional partners to conduct proactive sub-regional diplomacy and militate for more equitable trade rules. Following important regulations are required to be followed: -

- i. Authorization of the Minister of Inland is required for import of weapons.
- ii. The import of certain endangered species of plant, live animals and their products is prohibited or restricted under CITES.
- iii. Cats and dogs must be accompanied by:
  - a. Rabies vaccination certificate issued more than 1 month and less than 6 months before departure; and
  - b. Veterinarian health certificate issued less than 48 hours before departure.
- iv. Baggage is cleared at the first airport of entry in Senegal. However, baggage of transit passengers with a destination outside of Senegal.

### 2.2 Trade and Investment Regimes

2.4. Senegal adopted or amended several laws relating to trade and/or investment.

### 2.2.1 Main trade-related laws and regulations adopted or amended, 2009-2017

Area	Instrument/text	Latest amendment
General	Constitution of the Republic of Senegal, dated 22 January 2001 Law No. 2013-10 containing the General Code on Local Authorities	2016
Customs regime	Law No. 2014-10 containing the Customs Code	
Trade and investment	Law No. 2014-14 on the manufacture, packaging, labelling, sale and use of tobacco Law No. 2009-27 of 8 July 2009 on biosafety Law No. 2004-06 of 6 February 2004 on the Investment Code Law No. 13/2017 on the establishment, organization and functioning of commercial courts and commercial appeal chambers. Law No. 2017-06 of 6 January 2017 on special economic zones (ZES) Law No. 2011-07 on the land ownership regime	2012  2011
Taxation	Law No. 2012-31 containing the General Tax Code	2015
Government procurement	Decree No. 2014-1212 containing the Government Procurement Code Law No. 2014-09 on public-private partnership (PPP) contracts Decree No. 2015-386 implementing the PPP Law	2015
Agriculture and related activities	Law No. 2015-18 of 13 July 2015 containing the Maritime Fisheries Code	
Mining and energy	Law No. 2016-32 containing the Mining Code Law No. 2010-21 establishing the framework law for renewable energy Law No. 2010-22 of 15 December 2010 establishing the framework law for the biofuel industry Law No. 98-05 of 8 January 1998 containing the Petroleum Code	2012
Environment	Law No. 2015-09 on the banning of plastic bags	
Services	Law No. 2011-01 containing the Telecommunications Code Decree No. 2012-320 on universal service	

Source: Information provided by the Senegalese authorities.

### 2.2.2 Investment regime

2.5. The legal framework for business in Senegal is governed mainly by the provisions of the Organization for the Harmonization of Business Law in Africa. Senegalese Govt. has reformed mainly on lowering the minimum capital requirement for starting a business; shortening the time-frame for the processing of construction permits; and setting up a credit information bureau.

2.6. The main business start-up formalities are:-

- i. obtaining a police record (including from the country of origin, in the case of foreigners);
- ii. preparing notarized documents;
- iii. putting up the capital (with a notary for private persons, and with a bank for companies);
- iv. registration of articles of association (if applicable);
- v. registration in the trade and personal property credit register;
- vi. registration with the National Identity Number for Businesses and Associations (NINEA);
- vii. the declaration of establishment; and,
- viii. for companies, publication of the appropriate legal notices.

The formalities connected with the registration of articles of association, inscription in the RCCM and the NINEA, as well as the legal notice can be affected at the Business Creation Support Bureau (BCE). Business start-up costs depend on the type of enterprise.

2.7. The institutional framework for the supervision of businesses comprises the (i) Agency for the Promotion of Investment and Major Works (APIX), (ii) the Senegalese Export Promotion Agency, and (iii) the SME Development and Management Agency (ADEPME). This arrangement exists side-by-side with the Presidential Council on Investment (PCI), a dialogue framework in which to identify constraints on the development of investment and propose remedial action or formulate guidelines. In 2007, APIX was transformed into a public limited company with a majority State holding, and a Board of Directors that includes private sector representatives. It is funded by the State and by partners.

2.8. In addition to the provisions of ordinary law, investment legislation encompasses the Investment Code; the Law on Free Export Enterprises; and the Law on the Integrated Special Economic Zone.

2.9. Reformed in 2012, the General Tax Code (CGI) covers the main taxes and charges levied on enterprises set up in Senegal (Table below). The corporation tax rate is still within the range prescribed under community provisions. In 2013, it was readjusted from 25% to 30%, with a reduced 15% rate for free export enterprises. The minimum flat rate tax (IMF), which is payable in the event of a deficit or a weak performance, is now proportional to turnover, and capped at CFAF 5 million (instead of the progressive flat-rate amount levied previously).

2.10. Apart from import duties and taxes, indirect taxation includes: value added tax; excise duty; the financial transaction tax; and the tax on insurance agreements. Some legal documents and acts are subject to registration fees and stamp duty. Under the CGI, the VAT regime has been revised to be more closely aligned with community directives. The tax on bank transactions has been extended to all financial activities. The revision of the CGI also brought the introduction of a specific regime (the "profit-margin scheme") for travel agencies, organizers of sightseeing tours and traders in second-hand goods.



### Main direct taxes and charges in force, May 2017

<b>Tax/charge</b>	<b>Trigger</b>	<b>Rate and tax base</b>
Corporation tax (IS)	Business profits in Senegal	30% of profits
Minimum flat-rate tax (IMF)	Companies subject to the IS, in the event of a deficit	0.5% of the prior year's turnover (CFAF 500,000)
Single global contribution (GCU)	<ul style="list-style-type: none"> <li>Traders (turnover of less than CFAF 50 million)</li> <li>Service providers (turnover of CFAF 25 million or less)</li> </ul>	CFAF 5,000 to 4.2 million CFAF 10,000 to 3 million
Personal income tax	Receipt of income from Senegalese and/or foreign sources (in the case of a tax domicile in Senegal)	Progressive scale with rates of 20% (CFAF 630,000 - 1.5 million) to 40% (more than CFAF 13.5 million)
Flat-rate employer contribution	Payment of wages, salaries, allowances and emoluments	3% of wages and salaries
Social security contributions	Employment	10% of wages and salaries
Property tax on developed land (CFPB)	Developed land, land used for commercial or industrial purposes, industrial establishments	As % of rental value: <ul style="list-style-type: none"> <li>7.5% for factories and industrial establishments</li> <li>5% for other buildings</li> </ul>
Property tax on undeveloped land (CFPNB)	Land, registered or not, occupied by quarries, mines and peat bogs, ...	5% of market value
Business tax	Engagement in a trade, an industry or a profession	Fixed rate based on turnover, and proportional rate based on the rental value of the premises and installations
Licence fee	Sale of alcoholic or fermented beverages	Flat rate, according to activity (five categories) and region (five zones)

Source: General Tax Code, and information provided by the Senegalese authorities.

2.11. The CGI introduced a global property tax for natural persons with low property incomes (CFAF 3 million). This tax liberates those who pay it from other taxes and charges, including the IMF, CFPB, CFPNB, VAT, and the tax on property income. The tax rate ranges from 8% (on gross annual income of less than CFAF 1.8 million), to 14% on gross income between CFAF 2.4 and CFAF 3 million.

2.12. Senegal has signed 28 bilateral investment treaties (BITs) of which 16 are currently in force. BITs were concluded with Canada (signed in 2014, in effect since 2016); Kuwait (signed in 2009); Portugal (signed in 2011); and Turkey (signed in 2010, in force since 2012). Besides, BITs also took effect with Argentina (2010); France (2010); India (2009); Mauritius (2009); and Spain (2011).

2.13. Senegal has concluded agreements for the avoidance of double taxation with Belgium, Canada, Egypt, France, Kuwait, Lebanon, Malaysia, Mauritania, Mauritius, Morocco, Norway, Qatar, Chinese Taipei, and Tunisia. Since 2009, new agreements have been concluded with Malaysia (in 2010) and Portugal (in 2016).

### 2.2.3 Investment Code

2.14. In addition to the community framework, Senegal's investment regime consists primarily of the Investment Code and the Law on free export enterprises (EFE). Approval under these various regimes is issued by Senegal's Agency for the Promotion of Investment and Major Works (APIX). The time periods are ten days for approval under the Investment Code and 21 days for obtaining EFE status. The priority objectives of the Code remain focused on developing existing enterprises and establishing new ones; job creation; and setting up businesses in the interior of the country. The Code was amended in 2012, in particular to restrict the scope of the incentives and transfer certain provisions to the CGI.

2.15. The Code's provisions apply to newly established enterprises and to expansion projects involving a minimum investment of CFAF 100 million. The Code is open to enterprises active in traditional sectors (agriculture, manufacturing, mining and tourism), as well as health care, education and training, services and transport infrastructure. Trading is excluded from it. Enterprises approved under the Code may enjoy three years' exemption from customs duties on imports of materials and equipment needed to implement the investment, provided that they are not also produced locally. These enterprises also benefit from certain flexibilities under the labour regime.

### 2.2.4 Other regimes

2.16. The Integrated Special Economic Zone (ZESI) regime was established in 2007 and has replaced the free zone regimes. It is meant to constitute a framework in which enterprises enjoy preferential access to infrastructure (roads, water, electricity, telecommunication services), as well as tax and customs concessions. The ZESI is located close to the new international airport (the Blaise Diagne International Airport), and is linked with Dakar by a toll highway. Eligible activities include industry and real estate, as well as financial, logistical and distribution services. Approval under the ZESI is issued by APIX.

2.17. According to the authorities, the effective deployment of the ZESI regime has been especially hampered by the weakness of its governance framework and the fact that it is limited to one ZESI in Dakar. It was therefore replaced in 2017 by a Special Economic Zone (ZES) regime, which extends the scope of application specifically to include activities geared towards developing agribusiness, information and communication technologies, tourism, medical services, and manufacturing industries. Enterprises approved under the ZES regime may be granted tax and customs concessions for up to 25 years. These include: imports of goods, raw materials and equipment free of all duties and taxes levied at the customs cordon (except for community levies); the application of a reduced 15% corporation tax rate; and exemption from certain taxes and charges such as the business tax and property taxes.

2.18. In May 2017, a new zone was created in DIASS under the ZES regime. The zone is dedicated to enterprises with a minimum investment of CFAF 100 million and which are able to create at least 150 direct jobs during their first year of operation. These enterprises undertake to generate at least 60% of their turnover from exports.

### **3 TARIFF AND NON-TARIFF MEASURES**

#### **3.1 Tariff Measures (External Taxes in Senegal)**

3.1. Imports into Senegal face the following common WAEMU taxes:

- i. the Common External Tariff (CET);
- ii. the “Taxe Dégressive de Protection” (TDP);
- iii. the “Taxe Conjoncturelle à l’ Exportation” (TCI);
- iv. a 1 percent statistical tax (that replaced the 5 percent stamp tax);
- v. a 1 percent “Prélèvement communautaire de solidarité” (to compensate WAEMU members from tariff revenue losses arising from the implementation of the CET);
- vi. other taxes.

##### **3.1.1 Common External Tariff (CET)**

3.2. The CET has four rates:

- i. zero tariff on social, cultural, scientific goods, agriculture inputs, capital goods, computer and data equipment that is not available through local production;
- ii. 5 percent tariff on raw materials, crude oil and cereals for industrial use;
- iii. 10 percent tariff on intermediate goods, diesel and fuel oil and other cereals; and
- iv. 20 percent on consumer goods.

##### **Deviations**

3.3. As in a number of other WAEMU countries, the applicable tariff deviates from the WAEMU CET. In Senegal’s case, the deviations arise from:

- i. 20 percent surtax on imports of onions, potatoes, bananas, cigarettes and rice and a 10 percent surtax on some cereals products such as mil and sorgho; and
- ii. 798 tariff lines (out of a total of 5868) that do not have a tariff line in the WAEMU’s CET.

3.4. The situation with respect to additional tariff lines is worse in Senegal than in many other WAEMU countries—for example, there are no additional tariff lines in Burkina Faso, 17 in Togo, 31 in Mali, 47 in Benin, and 389 in Cote d’Ivoire. However, the tariffs on these additional tariff lines do not appear to be excessive.

##### **3.1.2 Taxe Dégressive de Protection (TDP)**

3.5. The TDP was created to compensate domestic firms for the reduction in protection levels associated with the introduction of CET. According to WAEMU decisions, the TDP can be applied to tobacco, matches, tomato paste, candies, batteries, powdered milk

and candies, and rates were to be reduced from 25 to 15 percent in 2002, although WAEMU regulations requires the TDP to be 10 percent by January 1, 2002. The implementation of the TDP is left to the discretion of member countries, and Senegal only applied the TDP on cigarette imports until recently, when it was suspended.

### **3.1.3 Taxe Conjoncturelle à l' Exportation" (TCI)**

3.6. The TCI was intended to protect local producers from large variations in world prices and to counter-act unfair trade practices, and as such; countervailing duty and anti-dumping duty, as a safeguard clause. It can be applied to a number of commodities (such as vegetables, rice, onions, potatoes, sugar and flour) at a 10 percent rate when world prices drop and threaten local producers.

3.7. The trigger for the application of the TCI is defined as the weighted average of the import price (30 percent weight) and the production costs in the domestic market (70 percent weight). This trigger, however, appears to be determined in a non-transparent way (e.g. how the weights were chosen), and its application is complicated given the difficulty in determining local costs of production. In practice, the TCI is applied in Senegal only on imports of sugar.

3.8. TCI have protectionist effect, because exporters and importers would agree to raise the export price until it is above the trigger price and share what would have otherwise be transferred to the government.

### **3.1.4 Other Taxes**

- i. Value Added Tax (VAT)
- ii. Excise Duty
- iii. Additional tax on alcoholic beverages
- iv. Registration tax on imported vehicles
- v. levy on goods being shipped by sea
- vi. Special tax on cement
- vii. advance tax on imports

### **3.1.5 Application of external taxes**

3.9. International transactions are one of the major sources of government tax revenue in Senegal. Senegal is applying ECOWAS common external tariff (CET), derived from CET of WAEMU, since January 2015, together with the other community duties and taxes.

3.10. Senegal has bound all its tariff lines at rates ranging from 15% to 30%. With a maximum CET at 35%, the rates applied by Senegal exceed bound levels for 115 tariff lines. Senegal bound "other duties and taxes" on imports at 150%. In 2015, Senegal notified the WTO that it reserved the right to modify its schedule of tariff concessions over the following three years, but the work of renegotiation has not yet commenced.

3.11. The special import tax (TCI) is levied on some food products when their import price falls below the trigger price.

3.12. Senegal has applied the import adjustment tax (TAI) since February 2016 on beef and pork (tariff subheadings HS 0201, 0202 and 0203) at a rate of 5%. Accordingly, the customs duty on these products is 25% in 2016, 30% in 2017 and 35% in 2018.

3.13. Senegal has sent a request to ECOWAS with a view to applying the supplementary protection tax (TCP) on oil.

3.14. VAT is an important source of revenue for Senegal's Government, accounting for 38% of fiscal revenue, with imports yielding 57.8% of the VAT collected. The VAT regime has been bound at the community level, with a degree of flexibility as to rate. Senegal has opted for a standard rate of 18% and a reduced rate of 10% for services provided by approved tourism accommodation facilities. In addition, VAT is suspended for operators approved under the Investment Code for the duration of their investment. As zero VAT applies to exports, the tax paid on inputs is refunded.

3.15. The refund of VAT credits usually takes the form of a VAT exemption certificate, which can be used to pay taxes and levies or endorsed to another taxpayer. The General Tax Code (CGI) provides for a time-limit of two months for dealing with requests for refunds (one month for exporting companies). In practice, the time required ranges from four to six months.

3.16. Senegal applies excise duty in accordance with the community provisions. For Excise duty, the products concerned and the rates applied by Senegal are:

- i. cosmetics (10%, or 15% for depigmentation agents);
- ii. alcohol and liquid with an alcohol content of 1% or more (40%);
- iii. other beverages, except for water (3%);
- iv. tobacco and cigarettes (45%);
- v. wheat flour (1%);
- vi. edible oils and fats (5% or 12% depending on the product);
- vii. coffee and tea (5%);
- viii. passenger vehicles of 13 hp or more (10%); and
- ix. petroleum products (CFAF 10,395 to CFAF 21,665/hectolitre).

3.17. Like other members of WAEMU, Senegal levies an additional tax on alcoholic beverages with the aim of discouraging their consumption. The rates virtually doubled in 2015 and are CFAF 1,500/litre for beverages of 6° to 15° proof, and CFAF 5,000/litre for beverages exceeding 15° proof. These rates are specific and, for certain low-cost beverages, exceed the *ad valorem* margins prescribed by WAEMU.

3.18. The registration tax on imported vehicles is amounting to 1% for new vehicles and 2% for used vehicles. The tax base is the c.i.f. value plus the duties and taxes determined by the customs administration (except for VAT).

3.19. A 0.4% levy on the c.i.f. value of goods being shipped by sea applies to finance the COSEC and the Energy Sector Support Fund, although exports and some imports are exempt from this levy.

3.20. Special tax on cement was introduced under the 2017 Finance Law and applies to imported or locally produced cement at a rate of CFAF 3/kg. The proceeds from this tax are paid into the State's general budget.

3.21. The CGI for 2013 introduced an advance tax on imports to be paid by taxpayers falling under the industrial and commercial profits regime. It is levied on some clearly identified goods at the rate of 3% of the c.i.f. value, plus the duties and taxes payable, except for VAT and the registration tax.

3.22. Senegal has abolished the surtax previously levied on the import of onions and potatoes, as well as the parafiscal tax of 1% on fabrics.

### **3.1.6 Contingency tariff measures**

3.23. Senegal still imposes the TCI on some food products when their import price is equivalent to or lower than the trigger price. It is levied at the rate of 10% of the difference between the customs value and the following trigger prices: CFAF 701/kg of milk (0401.20.00.00); CFAF 659/kg of orange juice (2009.19.00.00); CFAF 663/kg of pineapple juice (2009.49.00.00); CFAF 634/kg of apple juice (2009.71.00.00); CFAF 697/kg of apple juice (2009.79.00.00); CFAF 650/kg of guava juice (2009.80.10.00); CFAF 694/kg of mango juice (2009.80.30.00); CFAF 399,672/tonne of sugar; CFAF 877,300/tonne of sweetened condensed milk; CFAF 645,300/tonne of unsweetened condensed milk; CFAF 201,400/tonne of tomatoes; CFAF 201,400/tonne of wheat flour; and CFAF 626/kg of mixed juice (2009.90.00.00). The revenue generated by the TCI is paid into the State's general budget. The application of this measure could be problematic with regard to the WTO provisions on safeguard measures.

## **3.2 Non-tariff Measures**

### **3.2.1 Tardiness and administrative complexity**

#### **3.2.2 Corruption**

3.24. The rampant corruption in issuing the import authorization has increase the cost of doing business/imports

#### **3.2.3 Import prohibitions, restrictions and licensing**

3.25. Senegal has notified the WTO that it does not have an import licensing regime. In addition to the import prohibitions decided at the community level or under multilateral agreements it has signed, Senegal applies prohibitions, for reasons of public order, security or morality; to protect the life or health of persons and animals; to protect the environment; and to safeguard competition. For example, drugs and narcotic substances, pornographic publications, hallucinogenic products and filament lamps cannot be imported. For environmental reasons, used bicycles and motorized bicycles of a cylinder capacity not exceeding 50 cc, used vehicles over a certain age (8 years as of 2020), plastic bags with handles of a thickness not exceeding 30 microns are banned.

3.26. Some products may be the subject of temporary import restrictions for economic reason. Some seasonal products such as carrots, potatoes and onions, which may be subject to an import freeze depending on the time of year. According to the authorities, the purpose of these measures is to ensure that domestic production can be marketed satisfactorily. The import freeze generally occurs from January to June for potatoes and from January to August for onions.

3.27. Approval or authorization has to be obtained to import some products. For example, the import of foodstuffs requires an import declaration for food products.

### Products subject to authorization or approval, March 2017

Product	Type of authorization/validity	Authority
Food products and beverages	Import declaration for food products (DIPA)	Directorate of Internal Trade
Veterinary medicines	Endorsement Validity: 5 years	Directorate of Veterinary Services
Pharmaceuticals	Endorsement Validity: 5 years	Directorate of Pharmacies and Medicines
Gold	Approval: 1 year	Ministry of the Economy and Finance
Arms and ammunition	Authorization	Ministry of the Interior
Transmitter-receiver apparatus	Approval	Regulatory Authority for Telecommunications and Postal Services
Petroleum products	Licence	Ministry responsible for energy
Plastic bags of a thickness exceeding 30 microns	Prior authorization	Directorate of the Environment and Classified Establishments

Source: Information provided by the Senegalese authorities.

3.28. Senegal has ratified the Montreal Protocol on ozone-depleting substances. Import of such substances and equipment containing them is either banned (list I in the annexes to the Montreal Protocol) or subject to prior authorization (list II). In the latter case, a quota is distributed among the major importers taking into account their performance record. Senegal should achieve total elimination of these substances by 2030.

3.29. Pursuant to the Public Health Code, the import of pharmaceuticals requires endorsement from the Ministry responsible for health. Only persons exercising the profession of pharmacist may import them. Some medicines can only be imported by the National Supply Pharmacy, which is also the main supplier for most public health facilities.

### 3.2.4 Trader's permit and an importer's/exporter's permit/Card

3.30. In addition to the business start-up formalities, any operator wishing to engage in the import or export of goods for commercial purposes must be in possession of a trader's permit and an importer's/exporter's permit. These can only be issued in Dakar, which means higher costs and longer delays for operators in the provinces.

- i. A trader's permit is issued by the Directorate of Internal Trade against payment of CFAF 10,500<sup>1</sup>, is valid for three years and costs CFAF 5,000 to renew.
- ii. An importer's/exporter's permit is issued by the Directorate of Foreign Trade against payment of CFAF 33,500.<sup>2</sup> Economic operators may apply for these permits

<sup>1</sup> The cost is broken down as follows: CFAF 2,000 for the fiscal stamp; CFAF 3,500 for administrative fees; and CFAF 5,000 for preparing the badge.



through the Chambers of Commerce, Industry and Agriculture, but additional fees of CFAF 5,000 and CFAF 10,000 apply.

### 3.2.5 Import Verification Program (PVI) (pre-shipment Inspection)

3.31. Pursuant to the provisions of article 18 of the Customs Code and in accordance with decree No. 91-1221 of November 14, 1991, establishing an Import Verification Program (PVI).

3.32. Under PVI, Goods imported into Senegal, whose FOB value is equal to or greater than 3,000,000 FCFA are, prior to embarkation operations, required to be checked (verifying the quality and quantity of the goods, checking the documents, determining the classification and the customs value) by a specialized control company, mandated for this purpose. It is mandated for all imports of goods from both the public and private sectors.

3.33. Partial deliveries will remain subject to inspection, provided that their total value is equal to or greater than this floor value. Likewise, goods transported by personalized container (FCL) will be inspected, whatever their values.

3.34. The programme is administered by the company Cotecna Inspection S.A. under a contract, renewed in 2013 for a period of five years. At the end of the contract, the inspection company must transfer its expertise and related technology to the customs administration. The contract also obliges Cotecna to work on a tool to aid decision-making, transit and risk analysis. A steering committee and several working groups have been set up to monitor fulfilment of the contract. Inspection fees are paid by the State. The following goods are exempted from PSI:

- i. Imports with a total order FOB value equal to or below CFAF 3 million
- ii. Objects of art, precious stones and gold
- iii. Used personal and household effects including one used vehicle
- iv. Arms and ammunition other than those for hunting and/or sport
- v. Explosives and pyrotechnic products
- vi. Live animals
- vii. Perishable goods for human consumption neither frozen nor deep frozen (meat, fish, vegetables and fruit)
- viii. Parcel post and samples
- ix. Scrap metals
- x. Plants and flowers
- xi. Cinematographic films, exposed and developed
- xii. Current newspapers and periodicals, postal and fiscal stamps, stamped papers, bank notes and check books
- xiii. Personal gifts
- xiv. Crude oil
- xv. Donations offered by foreign governments to international organizations, charities or philanthropic organizations recognized as being helpful to the public
- xvi. Bona fide gifts and imports for diplomatic entities and for United Nations organizations for their own use in Senegal

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<sup>2</sup> The cost is broken down as follows: CFAF 10,000 for the fiscal stamp; CFAF 3,500 for purchasing the application form from the Chamber of Commerce; CFAF 8,000 to the Directorate of Foreign Trade for preparing the badge; and CFAF 10,000 for the subscription to the Senegalese Shippers' Council.



- xvii. Vehicles, other than railway, and parts thereof (HS chapter 87 in Senegal)
- xviii. Cereals (HS chapter 10) imported or approved by the public sector
- xix. Printed books, newspapers, pictures and all other items of HS Chapter 49
- xx. Imported goods after having been fixed/repared in a foreign country
- xxi. Parts and spare parts imported by airline companies
- xxii. Counterfeit goods
- xxiii. Goods imported by certain importers, which have a special exemption authorization from the Government.

### **3.2.6 Prior Import Declaration (DPI)**

3.35. Any import of goods, unless their FOB value is less than 1,000,000 FCFA, whether or not they are subject to the PVI, is subjected to a Prior Import Declaration (DPI).

3.36. At the end of each inspection, a report written in French is issued, attesting to the results of this inspection. The original of this report will be sent to the importer and will form part of the documents necessary for the admissibility of the customs declaration. The inspection report takes the form of either a Verification Certificate (AV) or a Certificate Refusal Notice (ARA) in which case the customs declaration is inadmissible.

### **3.2.7 Bank direct debits**

3.37. Under Regulation No. R09 / 98 / CM / UEMOA / of 20 December 1998, relating to the external financial relations of the member states of UEMOA, any import with financial settlement of an FOB value greater than 5,000,000 F.CFA, must, irrespective of its source, be domiciled with an approved intermediary bank. In conjunction with the domiciliation operation, a Prior Import Declaration (DPI), established on the form provided for this purpose by the regulations, is filed and automatically registered by the approved intermediary bank.

3.38. Imports without financial regulations are subject to exemption from bank domiciliation, but subject to the prior visa of the Directorate in charge of External Finance, housed at the national BCEAO. Domiciliation is compulsory on import for any amount greater than 5,000,000 FCFA or in consideration; it is governed by Regulation No.R09 / 98 / CM / UEMOA of December 20, 1998, relating to the external financial relations of the member states of UEMOA.

### **3.2.8 Endorsement of LC**

3.39. Invoices issued abroad for imports, whose payment is made through a letter of credit (L / C), are also required to be labelled by COTECNA offices in the country of export.

### **3.2.9 Other measures**

3.40. Senegal applies the trade sanctions adopted by the United Nations or by regional organizations to which it belongs. It does not take part in counter-trade and has not signed any agreement with foreign governments or enterprises with a view to influencing the quantity or quality of the goods or services exported to its market. The authorities have indicated that there are no provisions on the percentage of local content. Buffer stocks have been created for some food products and petroleum products.

### 3.2.10 Exemptions

3.41. By way of derogation from the above provisions, the following are exempt from inspection:

- i. Imports of export processing free enterprises, enterprises in free zones and free points;
- ii. The goods listed in Annex 1;
- iii. Goods exempt under the exceptional tax regimes described in Annex 2, as well as goods benefiting from tariff exemption.

### 3.3 Standards and other technical regulations

3.42. The Senegalese Standardization Association (ASN) is in charge of standardization, quality promotion and certification of products. It is the national enquiry point for the purposes of the WTO Agreement on Technical Barriers to Trade and also keeps Senegal's standards database. It has 16 technical committees, each organized into sub-committees. The State remains the main contributor (55% of its financing). Other sources of financing include subscriptions from members (15%); studies on standards and advice (15%); and the sale of publications on standards (10%). The private sector is represented on ASN's decision-making bodies and occupies six of the ten seats on its Governing Board.

3.43. The ASN belongs to the African Organization for Standardization (ARSO), the African Electrotechnical Standardization Commission (AFSEC) and the International Organization for Standardization (ISO). It also participates in the Affiliate Country Programme of the International Electrotechnical Commission (IEC). At the community level, it takes part in the activities of the Regional Standardization, Certification and Quality Promotion Secretariat (WAEMU) and the ECOWAS Technical Standardization Committee.

3.44. On 21 June 2017, Senegal's catalogue listed 518 standards (including those established by WAEMU). The areas with the largest number of standards are the agri-food industry, construction and civil engineering, the environment, and the electrotechnical industry. The Senegalese market is based on European standards: 50 cycles, 220 volts. Some 30 technical regulations are in force, but have not all been notified to the WTO. Various directorates and institutions in charge of the relevant areas are responsible for verifying conformity with technical regulations. The certificates and authorizations issued by these agencies form part of the admissibility criteria for customs declarations.

#### Technical regulations in force, December 2016

Area	Description	Reference	Notification to the WTO
<b>Electrotechnical industry</b>	Technical and testing requirements for energy saving and equivalent lamps	NS 01-003-July 2014	No

Area	Description	Reference	Notification to the WTO
	Requirements for lighting for general use – Requirement concerning electromagnetic (CEM) compatibility	NS 01-004-March 2011	No
	CEM compatibility part 3-2- Limits for harmonic current emissions	NS 01-005-March 2011	No
	Integrated ballast lamps for general lighting – Safety requirements	NS 01-006-March 2011	No
	Integrated ballast lamps for general lighting – Performance requirements	NS 01-007-March 2011	No
	Limits and methods for measuring radio disturbance characteristics of electrical appliances, lighting and similar equipment	NS 01-008-March 2011	No
<b>Construction</b>	Reinforcements for reinforced concrete. Deformed rods and wire rod	NS 02-035-1994	No
<b>Livestock</b>	Meat – Transport	NS 03-005-2004	No
<b>Additives</b>	Iodized food salt – Specifications	NS N UEMOA 1000: 2016	No
<b>Cereals</b>	Common wheat flour enriched with iron and vitamin B9 - Specifications	NS-03-052-2013	No
<b>Food industry</b>	Tomato paste	NS 03-036-2001	No
	Vinegar	NS 03-040-1994	No
<b>Oilseeds</b>	Refined edible oil enriched with vitamin A		G/TBT/N/SEN/8, 16/11/2009
	- Palm	NS-03-072-2015	
	- Cotton-seed	NS-03-073-2015	
	- Palm kernel	NS-03-074-2015	
	- Groundnut	NS-03-075-2015	
	- Sesame	NS-03-076-2015	
	- Sunflower seed	NS-03-077-2015	
	- Colza	NS-03-078-2015	
	- Maize	NS-03-079-2015	
	- Soyabean	NS-03-080-2015	
<b>Environment</b>	Wastewater – Standards for discharge	NS-05-061-2001	No
	Atmospheric pollution – Standards for release	NS 05-062-2004	No
	Packaging of non-biodegradable paper	NS 05–095	G/TBT/N/SEN/9, 4/05/2016

Area	Description	Reference	Notification to the WTO
Fuel	Specifications for butane	429. NS 09-044-2011	G/TBT/N/SEN/7, 27/08/2009
	Specifications for kerosene	430. NS 09-045-2011	G/TBT/N/SEN/5, 27/08/2009
	Specifications for regular petrol	431. NS 09-046-2011	G/TBT/N/SEN/4, 27/08/2009
	Specifications for gas-oil	433. NS 09-048-2011	G/TBT/N/SEN/6, 27/08/2009
	Specifications for diesel fuel	434. NS 09-049-2011	G/TBT/N/SEN/2, 27/08/2009
	Specifications for No. 2 Type 380 fuel oil	435. NS 09-050-2011	G/TBT/N/SEN/1, 27/08/2009
	Specifications for fuel oil 180	436. NS 09-051-2011	G/TBT/N/SEN/3, 27/08/2009

Source: WTO documents on TPR.

3.45. In 2016, Senegal notified the WTO of a draft standard for specifications and requirements in respect of biodegradable packaging. The standard was adopted and became a technical regulation.

3.46. The procedure for adopting a standard commences with an examination of its usefulness by the ASN. If there is no pertinent international standard, the ASN draws up a preliminary draft standard, which is then forwarded to the competent technical committee. If the technical committee approves the preliminary draft, a period of 30 days commences for a public enquiry. This may be reduced to ten days in emergencies. At the end of the consultation period, the draft standard is updated and submitted once again to the technical committee for endorsement. The standard is then approved by the ASN's Governing Board and published in the Official Journal. A standard becomes a technical regulation by means of an inter-ministerial order (or presidential decree).

3.47. The ASN also promotes quality in Senegal; after being certified, a product may be given a national mark showing conformity with Senegalese standards. The national mark of conformity with Senegalese standards is "*NS Qualité Sénégal*", which is administered by the ASN as part of its product certification activities. The cost of the certification procedure depends on the product and the type of testing required. So far, only crude groundnut oil has been certified for this purpose. The certification procedure for water in plastic bags is under way. Senegal has not signed any mutual recognition agreements.

### 3.4 Packaging, marking and labelling requirements

3.48. Pre-packaged foodstuffs must be labelled according to the relevant Codex standard. Some products must indicate "*Vente au Sénégal*" (for sale in Senegal). This applies to boxes of matches and cigarettes; bottles of beverages exceeding 20° proof; R20-type electric batteries; packaging for household candles; and "*Légos*" and "*Wax*" printed fabrics. Requirements regarding wrapping, packaging, labelling and marking are governed by the provisions of Decree No. 68-507 of 7 May 1968, and by the relevant standards in the *Codex Alimentarius*. Indications must be in French.

### 3.5 Sanitary and Phyto-sanitary requirements

3.49. There were no major changes to the regulatory framework governing sanitary and phytosanitary measures during the review period. According to the authorities, such measures are prepared on the basis of international standards, notably those of the International Plant Protection Convention, the World Animal Health Organization, and the *Codex Alimentarius*.

3.50. As a general rule, an import declaration for food products (DIPA) is required in order to import foodstuffs. This is issued by the Directorate of Internal Trade and, according to the authorities, its purpose is to protect consumers. Depending on the case, the documents required for its issue include a certificate of origin, a sanitary and health certificate, a phytosanitary certificate, a certificate that the product is not radioactive, and a certificate that it is not contaminated by dioxin. The importer has to provide four samples of the product. The DIPA is issued if the test results show that the product complies with the prevailing standards. Conformity analyses are mandatory for food products of a "sensitive nature" and those that are the subject of a technical regulation. The cost of the analyses has to be borne by the importer. Local food industry products are checked by the Division of Consumption and Consumer Safety before they can be released for consumption. An authorization of release for consumption (FRA authorization) is then issued. *Ex post* controls are carried out by the Directorate of Internal Trade.

3.51. The import of plant and animal products requires a phytosanitary permit for plants and their by-products and a sanitary permit for animals and their by-products. The import of plants and plant products has to be accompanied by a phytosanitary certificate issued by the authorities in the country of origin; for animals and animal products, it must be accompanied by a sanitary certificate issued by the competent agencies in the country of origin. The Plant Protection Directorate verifies the phytosanitary certificate and assesses the quality of the products at the border.

3.52. Most of the SPS measures have not been notified to the WTO. The import of live poultry, edible poultry meat and offal, poultry products, used poultry-breeding equipment and appliances has been banned since 2005. The import of one-day-old chicks for breeding may be authorized upon submission of an animal health certificate issued by the veterinary authorities in the exporting country certifying that they are free of avian flu. Quarantine applies when they arrive and is paid for by the importer. The same applies to eggs for hatching, which have to be disinfected upon arrival.

3.53. Senegal has submitted three notifications to the Committee on Sanitary and Phytosanitary Measures: a phytosanitary agreement with Cabo Verde on the exchange of information and joint action on control; a technical regulation regarding the requirement to disinfect materials and packaging made of wood (adoption of a directive of the International Plant Protection Convention); and a temporary ban on the import of tomatoes from zones infested with tomato leaf miner (this measure is no longer in effect).

3.54. Some food products are the subject of special restrictions. For example, tomato paste must not contain any ingredient other than pure tomatoes. Meat and edible offal must be accompanied by a certificate stating that it is free of dioxin, in addition to the sanitary certificate.

3.55. The movement and use of genetically modified organisms (GMO) are governed by the Biosafety Law, adopted in 2009. The import and use of such organisms is, in principle, prohibited, but may be authorized by the Minister responsible for the environment under certain conditions. Applications for authorization have to be sent to the National Biosafety Authority (ANB) and are examined by the National Biosafety Committee, which assesses the risks and makes proposals to the ANB. No application has been received by the ANB so far.

## **4 IMPORT PROCESURES**

### **4.1 Customs Code**

4.1. In 2014, Senegal adopted a new Customs Code, repealing that of 1987. The new Code incorporates the provisions of the WTO Customs Valuation Agreement; the International Convention on the Simplification and Harmonization of Customs Procedures (revised Kyoto Convention); the Johannesburg Convention on Mutual Administrative Assistance in Customs Matters (Johannesburg Convention); and the WAEMU Customs Code.

4.2. Senegal applies the customs economic regimes adopted at the community level, supplemented by Senegal's own special regimes, for example, the petroleum security deposit procedure, which allows products to be imported with suspension of all duties and taxes and foreign exchange measures; and the industrial warehouse procedure, which enables companies to utilize goods imported with suspension of the applicable duties and taxes provided that they re-export at least 40% of the compensating products. The free export enterprises regime, with the obligation to re-export 80% of output, has expired.

### **4.2 Customs clearance Software (ASYCUDA)**

4.3. Customs clearance is handled through the computerized processing (ASYCUDA), which is used by the majority of other members of WAEMU. Senegal pursued its efforts to make customs procedures paperless. A first stage was completed in 2010 with the amalgamation of the pre-customs clearance system (collection and transmission of documents accompanying customs declarations) and customs clearance itself into one system, GAINDE 2010. An electronic payment module (CORUS) was then incorporated into the system in 2012 (Integrated GAINDE). The new Customs Code confirms the admissibility of copies and digital signatures, which has allowed all customs procedures to be paperless since November 2016. The time taken for customs clearance (from registration of the declaration at the customs to issue of the release note) has thus been reduced from a maximum of eight to two days, with an average of half a day.

4.4. Risk analysis has been computerized and takes place through the so-called "Electronic risk analysis and treatment of goods" (TAME) system, which has been operating since August 2015. Depending on a series of selection criteria (sensitive nature of the product, its origin, the identity of the importer, etc.), the goods are directed to one of the following five channels: blue (release note issued immediately); green (inspection of the documents); yellow (post-clearance home inspection); orange (scanning of the goods); and red (physical inspection).



4.5. In 2012, Senegal launched an approved economic operators programme, called the privileged partners programme (PPP). This is directed at industrial, commercial, exporting companies and those involved in the logistics chain. Approval for the programme depends on criteria concerning the internal organization of the company and its predictable level of compliance with the regulations. There are three main types of benefit under the PPP, with a progressive level of advantages:

**Category A:** immediate release of goods as soon as the declaration is registered and accelerated clearance procedure; possibility of obtaining binding information in advance; declaration of conformity for transactions directed randomly to a control channel and priority of treatment;

**Category B:** the advantages in category A; determination of fixed time-frame for handling by the customs service for all stages of the clearance procedure; possibility of signing protocols to deal with special situations; reduction and rationalization of post-clearance controls; and

**Category C:** the advantages in category B; possibility of replacing the customary guarantees such as security or deposits by the company's own guarantee; physical inspection on the company's premises; and streamlined export procedure.

4.6. The customs administration may conduct an audit in order to verify the applicant's predictable level of trustworthiness. Operators who have met all the criteria and been given a positive audit report may be given the title of corporate citizen.

4.7. Some products deemed to be sensitive may only be cleared at customs posts in the autonomous port of Dakar (which deal with close to 95% of customs revenue). These are motor vehicles, sugar, wheat flour, tomato paste, pepper, refined vegetable oil, electric batteries and exercise books.

4.8. In August 2016, Senegal ratified the WTO Agreement on Trade Facilitation and identified 19 measures (or 45% of the total) as category A commitments, meaning measures which must come into effect on 22 February 2018. For Category B, extension has been granted up to August 2020. However, for Category - C measures notified indicative date is 22 February 2021, while due date for definitive date of notification is up to 22 August 2022.

### 4.3 Senegal's category A commitments under the TFA

Subject	Description (article/paragraph)
Introduction/amendment of laws and regulations	Possibility of presenting remarks and information before entry into force (Article 2.1) Consultation between border agencies and traders or stakeholders (Article 2.2)
Appeal and review	Appeal or review procedures, carried out in a non-discriminatory manner (Article 4)
Other measures	Detention (Article 5.2) Test procedures (Article 5.3)
Release and clearance of goods	Pre-arrival processing (Article 7.1) Electronic payment (Article 7.2)

Subject	Description (article/paragraph)
	Separation of release from final determination of customs duties, taxes, fees and charges (Article 7.3) Risk management (Article 7.4) Establishment and publication of average release times (Article 7.6)
Goods under customs control	Movement of goods intended for import under customs control (Article 9)
Formalities	Acceptance of copies (Article 10.2) Use of international standards (Article 10.3) Single window (Article 10.4) Use of customs brokers (Article 10.6) Common border procedures and uniform documentation requirements (Article 10.7) Rejected goods (Article 10.8) Temporary admission of goods and inward and outward processing (Article 10.9)
Customs cooperation	Customs cooperation (Article 12)

4.9. An electronic cargo tracking note (BESC) has been compulsory since 2008. Its purpose is to monitor maritime cargo more closely and to exercise more control over transport costs. It is required for all imports entering by sea and intended for local consumption. The Senegalese Shippers' Council (COSEC) issues the CTN/BESC at a cost which varies depending on the form of packing and the type of cargo: CFAF 10,000 for vehicles weighing less than 5 tonnes and 20-ft containers; CFAF 20,000 for vehicles weighing over 5 tonnes and 40-ft containers; and CFAF 32,500 per 300 tonne tranche for bulk or conventional cargo. There is no charge for the CTN for imports of rice, and goods in transit are exempt, as are medicines, products and equipment for locust control or combating avian flu, and goods imported by companies approved under the free export zone procedure.

#### 4.4 The free baggage allowances

4.10. The Free baggage included, free import of:-

- i. for passengers of 18 years or older:
  - a. 200 cigarettes or 50 cigars or 250 grams of tobacco or tobacco products;
  - b. 1 bottle of spirit;
- ii. for all passengers:
  - a. 1 bottle of perfume for personal use;
  - b. personal effects.
- iii. Currency Import:
  - a. Residents:
    - i. local currency (CFA Franc-XOF) and banknotes of countries of the French Monetary Area: unlimited.



- ii. Foreign currencies other than those above: unlimited if declared on arrival and exchanged within 8 days.
- b. Non-residents:
  - i. local currency and currencies of the French Monetary Area within Europe or Africa: unlimited.
  - ii. Foreign currencies other than those above: unlimited. Amounts exceeding the equivalent of CFA 1,000.000.- must be declared on arrival.
- iv. Currency Export:
  - a. Residents: for journeys to:
    - i. Benin, Burkina Faso, Cote d'Ivoire, Niger and Togo: unlimited, without declaration;
    - ii. other countries using the CFA franc: declaration required for amounts exceeding XOF 200,000 -;
    - iii. countries outside the French Monetary Area:
      - a. max. XOF 20,000- or equivalent in XAF; and
      - b. foreign currencies (if holding currency declaration and presentation of a bank attestation for foreign currencies):
        - i. tourist journeys (yearly allowance) max. equivalent of XOF 200,000-;
        - ii. XOF 100,000- for children up to 10 years;
        - iii. business journeys max. equivalent of XOF 20,000- per day (equivalent of max. XOF 300,000- per journey).
  - b. Non-residents: local currency (CFA Franc-XOF) and XAF and foreign currencies: up to the amount imported and declared.

#### 4.5 Customs valuation

4.11. In principle, Senegal applies the WTO Customs Valuation Agreement. Minimum values have not been used since 2009, although the authorities have indicated that "correction values" are applied to some products in the informal sector. These serve more as an aid to decision-making and are only used after all other methods have been exhausted. Discounts on invoices are allowed for up to 15% of the value shown on the invoice.

#### 4.6 Rules of origin

4.12. Senegal applies WAEMU's rules of origin, which for the main part have been harmonized with those of ECOWAS. The National Approvals Committee is responsible for managing the approval procedures for the two communities' preferential schemes. For exports to the ECOWAS area, certificates of origin are issued by the Directorate of Industry, and by the Senegalese Export Promotion Agency for exports going outside this area.

#### 4.7 Documents required for imports

4.13. The following documents are required for importing goods into Senegal:

- i. the exchange authorization already covered by the DMC;

- ii. the import certificate;
- iii. an import-export card;
- iv. the supplier's commercial invoice and the freight bill;
- v. the proforma invoice or any other form of commercial contract;
- vi. the certificate of origin issued by the Chamber of Commerce of the country of origin;
- vii. the packing list (document listing all parcels and their characteristics);
- viii. authorisation to import goods subject to quota (if applicable);
- ix. the insurance certificate;
- x. a phytosanitary certificate;
- xi. a health certificate;
- xii. products subject to technical regulations, an attestation or certificate issued by the competent body is one of the requirements for admissibility of the declaration;
- xiii. the preliminary declaration of import (DPI) on values higher than or equal to F CFA 1,000 000. This declaration must be domiciled in a local bank.
- xiv. Additional documents may be required based on the type of import.
- xv. To import samples, one should use an ATA carnet (also known as Merchandise Passport).

4.14. The bank registers everything, opens a file to which it assigns a number as for all the other documents produced and returns to its importing client, the import certificate which he will have to have stamped by the customs services, on arrival goods. The file is considered cleared, when it is added to:

- i. the import certificate approved by customs,
- ii. bank settlement notices at most for the domiciled amount
- iii. a copy of the bill of lading or any other transport document.

#### **4.8 Compulsory nature of the detailed declaration:**

4.15. all imported or exported goods must be the subject of a detailed declaration assigning them a customs procedure. The exemption from duties and taxes, either on entry or on exit, does not exempt from this obligation. The detailed declaration must be lodged at a customs office open for the proposed operation.

#### **4.9 Persons empowered to declare the goods in detail:**

4.16. Imported or exported goods must be declared in detail by their owners benefiting from a removal credit or by natural or legal persons having obtained the approval of customs broker or the authorization to clear customs under the conditions provided for by the Customs Code.

#### **4.10 Authorization to clear customs for others:**

4.17. Any natural or legal person who, without exercising the profession of customs broker, intends on the occasion of his industry or trade, to carry out customs operations for others, must obtain the authorization. This authorization can only be granted on an exceptional basis for specific operations which cannot be generalized, under the

conditions set by Decree no. 85863 of August 9, 1985 on the organization of the profession of approved commission agent, in its article 20.

4.18. However, when their value is less than an amount fixed by decree (100,000 CFA francs), imported or exported goods can be declared in detail by their owners even if they do not benefit from the removal credit.

## **5 MEASURES DIRECTLY AFFECTING EXPORTS**

### **5.1 Export procedures and requirements**

5.1. All exporters must have the status of trader and be in possession of an importer's/exporter's permit. Exports require a detailed customs declaration drawn up by an approved customs agent. Depending on the type of goods exported, the documentation required may include a phytosanitary certificate or a certificate of origin. The release note is issued automatically when the declaration is registered with the customs. Export formalities do not usually take more than half a day. In some cases, streamlined procedures allow the goods to be exported immediately, the transaction being formalized subsequently.

### **5.2 Export taxes, duties and levies**

5.2. Since January 2017, exit duty amounting to CFAF 15/kg has been imposed on exports of groundnuts in the shell and CFAF 40/kg on shelled groundnuts. This measure is intended to boost local processing, to guarantee sufficient supplies of raw materials for local oil mills, and to prevent diversion of the subsidies for inputs granted for production upstream. Zero VAT applies to the export of goods and services.

### **5.3 Export prohibitions, restrictions and licensing**

5.3. Senegal imposes prohibitions and controls on the export of some products pursuant to the community provisions and to multilateral agreements it has signed. Following the inclusion of *Pterocarpus erinaceus* in Appendix II to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in 2017, trade in this wood now requires a permit from the environment authorities.

5.4. The export of some goods requires authorization from the competent authorities. This applies to gold (Ministry responsible for finance); groundnut seeds (Ministry responsible for trade); hides and skins (Ministry responsible for livestock); and petroleum products (Ministry responsible for energy).

5.5. On export, the domiciliation of the operation is an obligation for any amount greater than 5,000,000 FCFA or in equivalent of any other currency. The main features are:

### **5.4 Export support and promotion**

5.6. Export promotion is the responsibility of the Senegalese Export Promotion Agency (ASEPEX), in operation since 2005. It is responsible for building the export capacity of enterprises; implementing various incentive and export promotion mechanisms; and issuing certificates of origin for exports. In 2013, the authorities adopted measures to provide ASEPEX with more diversified sources of financing and these now include a

percentage (10%) of the statistical tax collected on imports, and a percentage of the tax for the Senegalese Shippers' Council. ASEPEX's activities include organizing fairs and workshops, providing export guarantees and loans on favourable terms (for companies showing export potential).

5.7. The free zone regime and, since 2017, the Special Economic Zone (ZES) regime, are the main tools for promoting exports in Senegal. Zero-rate VAT applies to exports, giving the right to refund of VAT on goods, services and works that have been used to produce the exports. The interest, agios or commissions received from financial transactions financing sales for export are subject to the tax on financial transactions at a reduced rate of 7% (the standard rate being 17%).

## 5.5 Incentives for production and trade

5.8. Senegal grants exemptions and duty and tax reductions to companies established under the Investment Code or free export enterprise regime and also under certain sectoral regimes (Mining Code and Petroleum Code in particular). After reaching a peak in 2012, the total amount of exemptions fell to CFAF 64 billion in 2013, equivalent to almost 5% of fiscal revenue. Exemptions under the Mining Code account for close to two thirds of these exemptions.

5.9. Until 2013, tax incentives involved a dual system that distinguished between the ordinary law applicable to special regimes such as the Investment Code, the Law on free export enterprises, the Law on the Integrated Special Economic Zone and the various sectoral regimes (Mining Code, Petroleum Code, etc.). As part of the reform of the CGI, these incentives were brought under the Code's ordinary law regime and thus became available to any sector of activity. They may be in the form of an exemption, a reduction in the tax base or the tax, delayed payment (suspension of VAT) or a tax credit.

5.10. Companies may be given a tax credit for investment made, but have to prove minimum investment of CFAF 100 million. This threshold decreases to CFAF 15 million for companies operating in the primary sector and related activities, as well as those providing certain services (social services, maintenance of industrial equipment and tele-services). To be eligible, projects to expand the company must result in an increase of at least 25% in production capacity, or consist of investment of CFAF 100 million in production equipment.

5.11. The tax credit for investment depends on the nature of the investment and the place where it is made. Start-ups may receive a reduction of 40% of the value of the investment (not exceeding 50% of the taxable profit). This limit is raised to 70% for companies established in areas other than Dakar. The reduction applies to the profits for five years following completion of the investment. Eligible projects to expand companies are eligible for a 30% reduction of taxable profits, under the same conditions.

## 6 TRANSIT

6.1. The international transit regime is governed by several agreements to which Senegal is party. Goods in transit may only be transported by carriers approved by the Minister responsible for transport or by approved carriers from countries with which Senegal has signed such agreements.

6.2. There are no import duties or taxes on goods in transit, but a customs declaration is required. A guarantee must also be given against any potential loss of revenue for the Senegalese authorities if the transit is not genuine. A guarantee fund has been established for this purpose and is financed through a non-refundable levy corresponding to 0.5% of the c.i.f. value of the goods covered by each transit operation. Like other countries, Senegal is finding it difficult to implement the ECOWAS inter-State road transit scheme.

6.3. A physical escort is the principal method for monitoring goods in transit. The escort follows a clearly defined route. Each customs unit along the way must confirm the passage of the goods, including the final post which gives a discharge to the escort (responsible for ensuring the integrity of the goods escorted). The operator is responsible for the escort charges.

6.4. An electronic monitoring system (SSE) for goods in transit has been operating since 1 December 2009 along certain corridors: Dakar-Kidira (towards Mali), and Dakar-Rosso (towards Mauritania). It consists of placing a GPS or GPRS portable beacon so that the load can be monitored. The SSE is administered by the company Cotecna under a contract. Its efficacy is, however, hindered by the lack of network coverage in some areas. Certain goods deemed to be sensitive require an escort up to the border.

## 6.1 ATA Carnet (Admission Temporaire / Temporary Admission)

6.5. The ATA Carnet facilitates international trade by simplifying customs formalities while reducing transaction costs. The ATA Carnet (Admission Temporaire / Temporary Admission) replaces the various customs documents normally required for a temporary import operation, temporary export or transit and thus allows foreign trade operators to carry out their operations under suspension of duties and taxes. This procedure makes it possible in particular to participate in trade fairs, to present commercial samples or even to use professional, scientific or educational equipment. The ATA Carnet can be used in trade with States which have acceded to the Brussels ATA Convention (1961) and / or the Istanbul Convention (1990) to cover the temporary admission of goods. The essential of ATA are:-

- i. The validity period of an ATA Carnet is **twelve months**.
- ii. The ATA Carnet can be **ordered online** on the GEFI platform.
- iii. The **price of the ATA Carnet** is **variable** and depends on several factors
- iv. The ATA Carnet is not required for intra-community exchanges, except for operations carried out in Metropolitan France,

6.6. This ATA Carnet is issued by guaranteeing associations approved by the customs authorities and affiliated to an international guarantee chain: the WCF (World Federation of Chambers).

6.7. The operator must obtain the forms necessary for the creation of the book from the Chambers of Commerce. The operations carried out by means of the ATA Carnet constitute real customs operations and as such must in particular be accompanied by documents corresponding to specific regulations (sanitary, phytosanitary control, war material, Washington Convention, BDU etc.). The form, in A4 format, is made up of:

- i. a green cover page which includes:

- a. on the front, information relating to the international guarantee chain, the issuing association (number of the book and its date of issue, its period of validity (limited to one year) signature), the holder of the book and his representative, to the intended use of the goods, to the certificate of the customs authorities of the country of departure when taking over the book (verification of the goods, recording of the book),
  - b. on the back, the information relating to the goods for which the book is issued (order number, commercial designation, number, weight, value (commercial value).
- ii. a yellow insert and yellow sheets containing the formalities related to temporary export and re-import.
- iii. a white insert and white sheets for temporary admission and re-export operations.
- iv. a blue insert and blue sheets grouping transit operations.

6.8. An ATA notebook can only be issued to a single holder (natural or legal person), who must fulfill the conditions to be able to benefit from the temporary admission or export regime given the nature of the proposed transaction (indicated in front of notebook cover). The holder may be represented by the natural person using the ATA Carnet. on his behalf. The designated representative may himself be replaced by a third party, in the event of his incapacity, provided that the latter presents a power of attorney proving that he is acting on behalf of the holder. The holder also has the possibility of having recourse to an approved commission agent or a carrier provided with a power of attorney, under the same conditions.

**6.9.** There is no exhaustive list of eligible products on an ATA Carnet. However, the goods to be worked or repaired cannot be included in an ATA book. However, it can be used for:-

- i. goods intended to be presented or used at an exhibition, fair, congress or similar events
- ii. professional equipment
- iii. containers, pallets, packaging, samples and other goods within the framework of a commercial operation
- iv. goods imported within the framework of an operation of production
- v. goods imported for educational, scientific or cultural purposes
- vi. personal effects of travelers and goods imported for sporting purposes
- vii. tourist propaganda material
- viii. goods imported in border traffic
- ix. goods imported for humanitarian purposes
- x. means of transport
- xi. animals
- xii. goods imported with partial suspension of import duties and taxes

6.10. For each of these reasons, specific conditions must be met to benefit from the total exemption. For example: for professional equipment, it must be used exclusively by the person who goes to the importing country or under his own direction.

6.11. The ATA Carnet can be used for temporary exports of Community goods to countries acceding to one of the conventions governing the ATA Carnet. In addition, it is

also permitted to use the ATA Carnet as the only temporary export procedure to countries which are not signatories to the ATA / Istanbul Conventions.

6.12. The ATA Carnet can be used as a transit document, when temporarily exported Community goods have to pass through third countries to reach their destination if the countries crossed are contracting parties to one of the conventions, as well as, on import, for third-party goods simply crossing the Community customs territory. It will also be used as a transit document:

- i. when the office of entry is not able to check whether all the conditions are met for the granting of the temporary admission scheme
- ii. when the clearance of the scheme temporary admission is carried out at a re-export office other than the office of exit.

6.13. Prior to any operation, the operator must present the book and the goods to the customs office closest to his company to identify the goods and register the book. Subsequently, as operations progress, the holder of the book is required to present the goods and book again to the customs authorities concerned, both when entering and leaving a new territory.

6.14. These formalities for taking over the carnets must normally be completed in full-service customs offices and during the opening hours of these offices for commercial operations.

## **7 SUGGESTED STRATEGIES TO ENTER MARKET**

### **7.1 Market Development through Trade Promotion**

#### **7.1.1 Participation in Trade Fairs/Exhibition**

7.1. The West Africa, especially Senegalese market has many built in challenges for new exporters. Among them language barriers (French is the official language and Wolof is the local language), longer travel time (15-18 hours), expensive air tickets are important challenges. Therefore, it becomes very much difficult for the new businessmen to establish their presence in Senegal market. Unfortunately, TDAP has not included any of the above important Trade fairs in Senegal in its planned annual activities, without which effective marketing cannot take place. Though, these fairs are not comparable to those in Germany, France, UAE or China but they have their own importance keeping in view the geographical importance of Senegal in the region, being the gateway to many west African countries like Mali and Burkina Faso for their access Europe and Americas through Atlantic Ocean.

7.2. Participation in the international trade fairs and exhibitions plays an important role in building sustainable businesses to business linkages and promotion of exports. It helps the manufactures to showcase their products and services in the new and existing markets. This is an effective tool used for maximizing the export potential of Pakistan and shall be effectively perused in the Senegal market. The major international events held in the Senegal include:



#	Exhibition/Event Name	Cycle	Dates	Venue
1	SISDAK EXPO 2020	Annual	17-20 June 2020	CICES
2	OIC Health Expo	Decided by ICDT	17-20 June 2020	CICES
3	Dakar International Trade Fair (FIDAK)	Annual	13-20 December 2020	CICES
4	17 <sup>th</sup> OIC Trade Fair	Decided by ICDT	13-20 December 2020	CICES
5	SIAGRO International Food Exhibition & Food Processing Equipment	every 2 years	3-7 October 2020	CICES
6	DAK'ART - Biennale of African Contemporary Art	every 2 years	28 May 2020 (32 days)	IFAN Museum
7	WEST AFRICACOM (Optimising Business Models and Networks in West & Central Africa's Converging Communications Market)	once a year	7-8 August 2020	Radisson Blu Hotel, Dakar
8	SENEFOOD (international trade fair in West Africa, focusing on Food and Food Processing)	once a year	29 September to 2 October, 2020	CICES
9	SENEPACK (international trade fair in West Africa, focusing on Food Packaging)	once a year	29 September to 2 October, 2020	CICES
10	SALON INTERNATIONAL E-BUSINESS DE DAKAR (e-business international fair)	once a year	November 2020	CICES
11	SIM SENEGAL (Senegalese Mining Conference & Exhibition)	every 2 years	November 2020	King Fahd Palace
12	INTERMODAL AFRICA (Ports, Shipping and Logistics Exhibition and Conference)	twice a year	24-27 November 2020	King Fahd Palace
13	SENCON (International Building, Building Materials & Construction Machinery Expo)	once a year	Feb. 2021	CICES
14	SENHABITAT DAKAR (Senegal International Housing, Building & Construction Exhibition & Conference)	every 2 years	October 2021	King Fahd Palace



### 7.1.2 Product Promotion

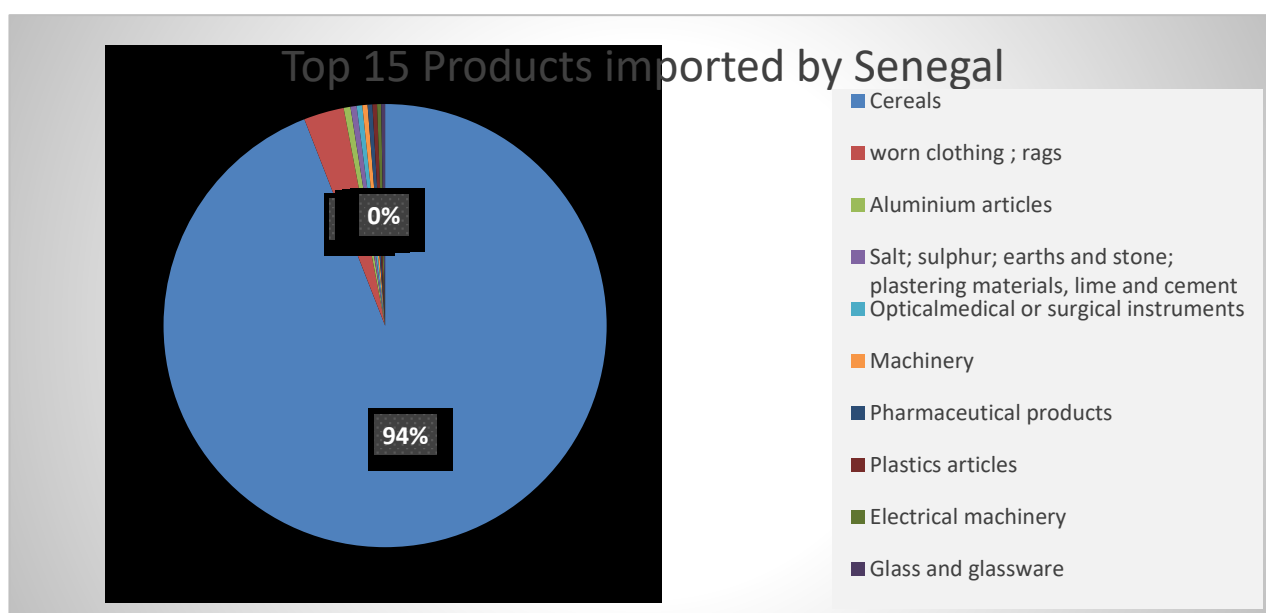
7.3. In the year 2019, Pakistan's merchandise exports to Senegal were recorded at USD 51 Million. In the Senegalese market, among top 10 imports more than 95% shares is of cereals (Broken Rice). However, other sectors include worn clothing, aluminum articles, surgical instruments and machinery. Breakdown of Pakistan's export composition reveal that Home Textiles (Chapter-63) are the 2<sup>nd</sup> largest exports from Pakistan. The focus may be shifted to readymade garments (RMG) for which market has a good potential which is currently dominated by Turkey and China.

#### Strategy:

- i. Trade events relating to Food, Surgical instruments & Pharmaceuticals, readymade garments and machinery may be targeted, and maximum Pakistani companies may made efforts for participation in these events.
- ii. Keeping in view the huge potential of Broken Rice in Senegalese market, special focus be given to that product. Delegation of REAP should visit the market and have B2B meetings with the leading importers of Rice.

### 7.1.3 Market Penetration through Business Networking with Importers/Business Community

7.4. The Senegalese retail market is not much organized only a few French chain stores are providing services. They source their merchandise goods from multiple sources i.e. directly from the exporting countries/manufactures or through middlemen/wholesalers. In the grocery sector, the major players are like Auchan, Hypermarche, Aurca and Casino etc. These retail outlets also keep a significant range of clothing product lines. In the low to medium end textile market, Auchan is a famous store, whereas Aurka and Casino are mid to high-end markets.



**Strategy:**

- i. Effective networking with the big retailers, middlemen/wholesalers can be helpful for increasing Pakistan's share in these retail sectors of the Senegal.
- ii. Proactive interaction with the sourcing heads of the major retail outlets, wholesalers/middlemen by Pakistani exporters.
- iii. Holding B2B meetings with import managers of retail stores.

**7.1.4 Exchange of Trade Delegations**

7.5. Exchange of Business Delegations is yet another important tool in promoting commercial relations between the two countries. The MoU between the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) and the Union of Chambers of Commerce, Industry and Agriculture of Senegal was signed on 21<sup>st</sup> July, 2017 in Senegal during 1<sup>st</sup> JMC session. A delegation of businessmen from the areas of Textiles, Agriculture and Pharmaceuticals also held B2B meetings with Senegalese businessmen on the sidelines of the session.

**Strategy:**

- i. Frequent exchange of trade delegations at regular intervals.
- ii. Facilitation to the business community, through visa facilitation, arranging relevant B2B meetings and connecting with TDAP.
- iii. Holding of 2<sup>nd</sup> session of Pak – Senegal Joint Business Forum in Islamabad. TDAP will be requested to arrange match-making B2B meetings.

**7.1.5 Single Country Exhibition in Senegal / Pakistan - Africa Trade Development Conference**

7.6. The Islamic Centre for Development of Trade (ICDT), of OIC organised a number of OIC Trade Fairs in Senegal, regularly. 17<sup>th</sup> OIC Trade Fair is being held in Dakar in December 2020. ICDT has asked Pakistan to become Guest of Honour Country in 17<sup>th</sup> OIC Trade Fair. Senegal has not only accepted the participation of Pakistan in 17<sup>th</sup> OIC Trade Fair as guest of honour country but has also offered to be the guest of honour in FIDAK 2020 (a major Annual Trade Fair in Dakar). The country of guest of honour is offered following opportunities: -

- i. The government authority (Head of State or Minister of Commerce) of country of guest of honour is invited during the official opening ceremony of fair, which is generally chaired by the President of the Republic, or the Prime Minister or the Minister of Commerce.
- ii. Offered priority over the reservation of exhibition spaces in the Tertiary or Green pavilions (depending on the area reserved), which covers an area of 1200 m<sup>2</sup>.
- iii. Highlighted in all of the Fair's media communications (interviews, editorial, national day, official visits), which is covered by print, electronic and social media in Senegal and in certain participating countries

- iv. Mentioned in all of FIDAK's promotional media, which inter alia includes; promotional letters, information guide, website, banners in the print or electronic media, TV & radio trailers and on fixed or electronic urban signs boards, etc.
- v. Special Guest of Honor Trophy is also awarded at the close of FIDAK.
- vi. Country of guest of honour is also expected for an active participation in the cultural activities to highlight its folk, culinary, clothing potential (fashion shows) etc.

7.7. CICESS is planning to hold both events (17<sup>th</sup> OIC Trade Fair and FIDAK 2020) simultaneously; to attract bigger participation from Muslim countries other than Africa, like Turkey, Indonesia, Malaysia and Middle Eastern countries etc. In order to finalise the arrangements of the fairs and promotional campaigns, the country of guest of honour is required to confirm its participation as guest of honour, officially. However, due to prevalent COVID-19 situation both events have been postponed till next year.

7.8. In FIDAK, the exhibitors can sell their products after paying the custom duties. However, if the exhibitors do not want to sell their products then the goods imported have to be re-exported to the country of origin. Thus, FIDAK not only offers opportunity for B2B meetings and attracts exhibitors from all over Africa, especially the West African countries but it also provides the opportunity to new/small businesses to come and sell their products and get themselves introduced in the Senegalese market.

### **Strategy**

- i. Participation of Pakistan in 17<sup>th</sup> OIC Trade Fair in Dakar as Guest of honour country along with holding of Single Country Exhibition and Pakistan – Africa Trade Development Conference on the side-lines of these events will enhance Pakistan's soft image in host country and will boost trade ties among business community of both countries.

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