



REPUBLIC OF SENEGAL

First presentation under the IMF's Good Offices

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Update on Senegal's Macroeconomic and Fiscal Situation

The Government has already undertaken decisive and proactive measures to address the debt vulnerabilities.

The audit exercise provided a comprehensive assessment of Senegal's fiscal and debt position

Public debt stock in 2024 (Central Government & SOEs)

(Percentages of GDP post rebasing)

Before debt audit

(Stock as of mid-2024)⁽¹⁾

c.73% of GDP

XOF 16,614bn



After debt audit

(Stock as at end 2024)⁽²⁾

c.112% of GDP

XOF 25,583bn

Overall fiscal deficit in 2024

(Percentages of GDP post rebasing)

Before debt audit

(LFI-24)

3.4% of GDP



After debt audit

(actual)

11.7% of GDP

Comprehensive set of actions already implemented by the Government

- **Fiscal consolidation underway:** Deficit narrowed from **11.7% of GDP in 2024 to 5.4% in 2025**, thanks to expenditure rationalization and enhanced revenue mobilization.
- **Structural reforms:** Initial energy-subsidy rationalization measures have been introduced.
- **Enhanced debt transparency and accountability:** 2019-2024 public **debt audit** completed, creation of a single debt management office (DGFD), and regular publication of statistical debt bulletins and dashboards covering signed financing agreements.
- **Liability management of domestic debt:** Since 2024, the Republic has pursued **domestic debt liability-management** operations to smooth the debt-service profile and support access to regional financing and **intends to continue these efforts**.
- **Launch of the debt treatment plan ('PTDS'):** Launch of the **PTDS** and formal request for a treatment of external public debt under an **enhanced Common Framework**.

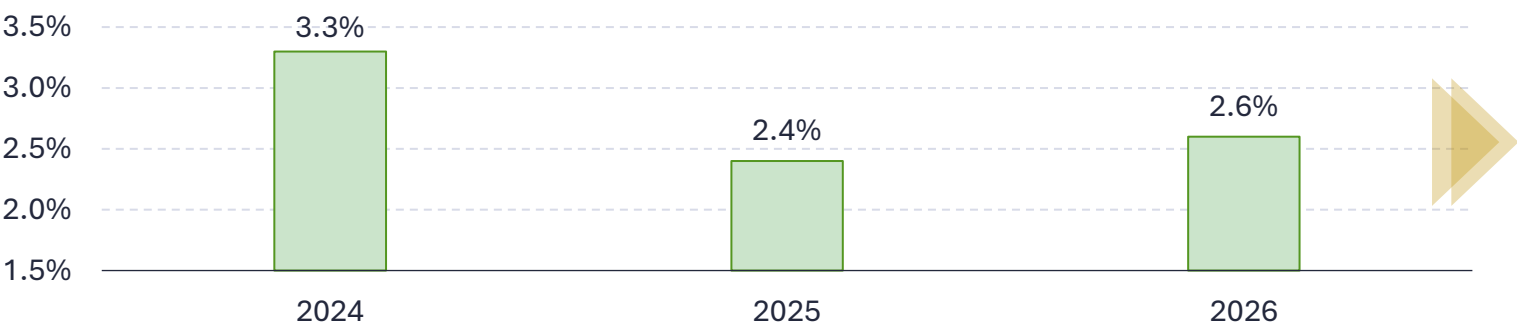
Source: Ministère de l'Économie, des Finances et du Plan (MEFP)

Notes: 1. Debt stock as of the Q2 2024 Statistical bulletin of public debt, which is the latest available data for the pre audit debt stock; 2. Debt stock as of the 2019-2024 statistical bulletin of public debt published in July 2026. All figures are shown as percentages of rebased GDP.

Senegal's macroeconomic outlook remains favorable, underpinned by resilient growth and access to a deeply integrated and liquid regional market.

Economic growth is rebounding and is set to strengthen further under the IMF-supported program.

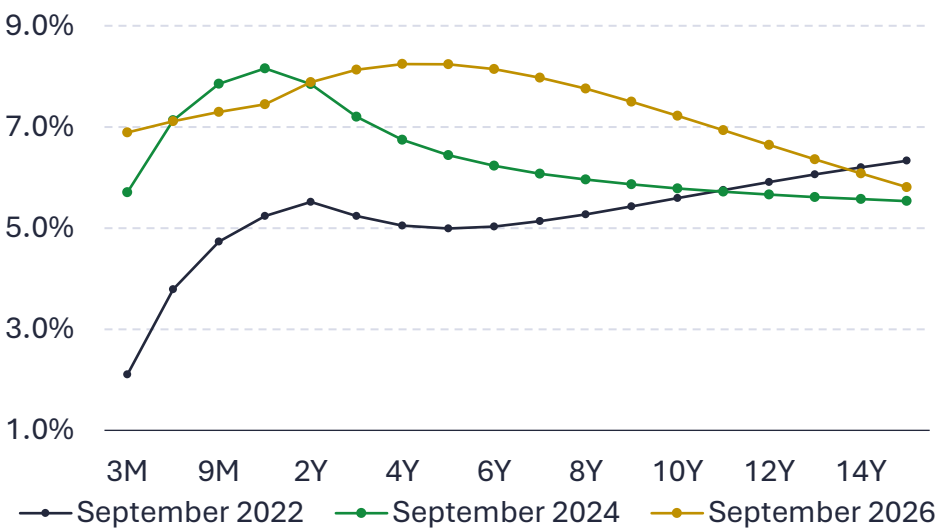
Evolution of Senegal's non-hydrocarbon real GDP growth (% , 2024–2026)



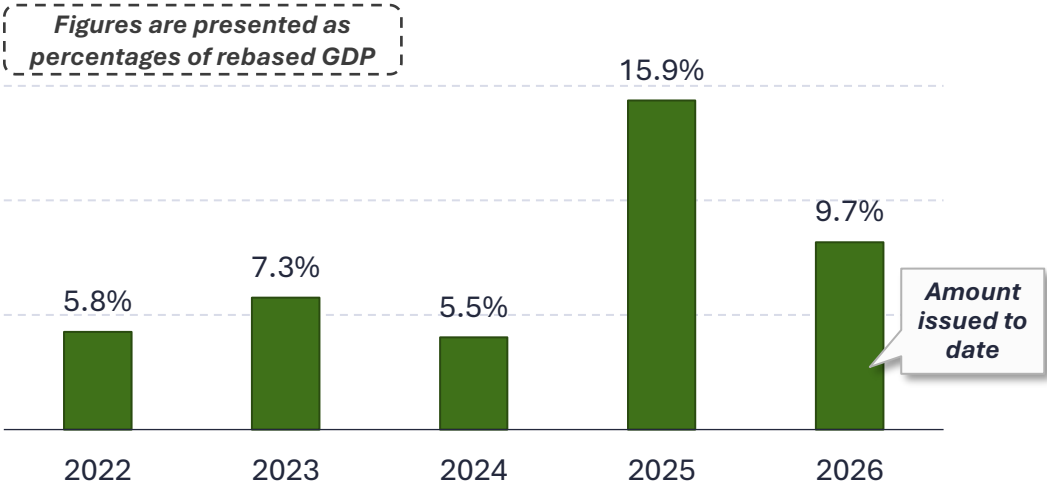
Growth is rebounding in 2026 following the 2025 fiscal-consolidation slowdown

A deep domestic market continues to meet financing needs, albeit at higher – but still manageable – yields.

Evolution of Senegal’s domestic yield curve (%)



Evolution of gross domestic financing volumes raised⁽¹⁾ - Treasury Bills and Treasury Bonds (% of GDP)



Source: UMOA-Titres (Public Securities Primary Market Summary, Statistical Bulletins), IMF (World Economic Outlook, April 2026), ANSD, LFR 2026
Note: 1. The amounts shown cover auctions carried out via UMOA-Titres and through “Appels Publics à l’Épargne” (APE).



Presentation of the IMF-supported program

The upcoming IMF-supported program will enable a return to a sustainable fiscal trajectory while ensuring durable and inclusive growth (1/2)

On 1 September 2026, the Republic of Senegal and IMF staff reached a staff-level agreement on a 36-month Extended Credit Facility of about US\$2.2 billion (SDR 1,537.1 million, or 475% of quota) in support of the Government's 2026-29 reform program.

1 Generating fiscal space while sustaining social protection

- **Revenue and spending reforms:** broadening the tax base, energy subsidies on a downward trajectory.
- **Protected social spending:** targeted cash transfers doubled to XOF 70bn in LFR 2026, protected with a minimum social-spending floor from 2027 onwards.

2 Strengthening fiscal governance and transparency

- **Stronger debt and arrears management:** single debt management office, integrated debt-management system and regular debt reporting, arrears-clearance strategy.
- **Improved SOE oversight and budget integrity:** enhanced State-shareholder framework and performance contracts, tighter control of SOE transfers.

3 Supporting sustainable and inclusive private sector-led growth through structural reforms

- **Improved business and investment environment:** implementation of the new Investment Code, reform of the PPP legal framework and establishment of an independent Competition Authority.
- **Lowered energy costs and strengthened resource governance:** power-sector reforms and transparent management of oil and gas revenues, alongside measures to deepen financial inclusion.

4 Restoring debt sustainability

- **Debt sustainability anchor : Reaching moderate risk of external debt distress over the medium term** under the joint IMF-World Bank LIC Debt Sustainability Framework.
- **Credible debt-management framework:** request for Debt Treatment under the G20 Common Framework treatment and strengthened transparency through the National Public Debt Committee.

The upcoming IMF-supported program will enable a return to a sustainable fiscal trajectory while ensuring durable and inclusive growth (2/2)

Real Economy

- **Growth recovery is driven by the domestic, non-hydrocarbon economy.** Non-hydrocarbon growth remains resilient and is expected to stabilize in 2027-2028 before increasing again in 2029.
- **GDP rebasing strengthens the macroeconomic framework.** The upward rebasing exercise provides a more accurate picture of the macro framework and key debt ratios, with 2025 GDP revised to **XOF 25,767bn**, corresponding to a **20% upward revision**.

Fiscal Sector

- **Steady improvement of the revenues.** Revenues (including grants) are projected to rise progressively over the period.
- **Primary expenditures are projected to decrease steadily**, with the largest part of the reduction in the first years of the program and a stabilization towards the end of the period. This **expenditure-led consolidation is supported by subsidy reform, transfer rationalization and wage-bill restraint**.
- **Credible path back to the WAEMU fiscal norm:** sustained primary surpluses put the overall deficit on track to fall below the **WAEMU convergence criterion of 3% of GDP** over the medium-term.



Debt Mapping as of end-2025

Senegal's public debt stock as at end 2025

PRELIMINARY

Overall Outstanding Public Debt Stock - Central Government & State-Owned Enterprises (as at end 2025) – Breakdown by creditor

Debt figures remain preliminary and subject to reconciliation. A more granular breakdown will be provided once the ongoing review is completed.

	XOFbn	USDm	% of GDP ⁽¹⁾
Debt outstanding - Central Government and State-Owned Enterprises	27,132	48,430	105.3%
External debt	18,394	32,832	71.4%
Multilateral Development Banks (MDBs)^{(2),(3)}	8,585⁽⁵⁾	15,325	33.3%
o/w MDBs with global membership	5,539	9,886	21.5%
o/w Regional Development Institutions (RDIs) ⁽⁴⁾	3,047	5,439	11.8%
Official Bilateral	4,369	7,798	17.0%
Bilateral loans	2,861	5,107	11.1%
Export credits	1,508	2,691	5.9%
Commercial	5,440	9,710	21.1%
Eurobonds	2,929	5,228	11.4%
Other commercial debts	1,511	2,696	5.9%
TRS ⁽⁶⁾	1,000	1,785	3.9%
Domestic debt	8,738	15,598	33.9%
IMF Special Drawing Rights	245	438	1.0%
Treasury bills and bonds	6,086	10,864	23.6%
Banking debts	2,407	4,296	9.3%

Notes : (1) Percentages of rebased 2025 GDP, estimated at 25,767 bn XOF (ANSD). (2) Also includes AFC and Afreximbank. (3) This category includes commercial facilities insured by MDBs, for an outstanding amount of 1,193 bn XOF as at end 2025, subject to reconciliation. (4) This category includes all MDBs that do not have global membership according to the IMF criteria and also includes AFC and Afreximbank. (5) Former IMF program is accounted as external debt whereas SDR allocation is accounted as domestic debt. (6) Includes Financing Amount and Independent Amount. Exchange rate : USD / XOF = 560.2 as at end 2025.

IV

Senegal's debt treatment strategy

The strategy underpinning our Debt Treatment Plan (PTDS).

Guiding principles

- Restore public debt sustainability in line with the IMF and World Bank methodological framework.
- Ensure fair burden sharing through Comparability-of-treatment (CoT).

Contemplated approach by creditor group

MDBs with global membership

Domestic

Official bilateral

Commercial⁽¹⁾

Regional Development Institutions

Exclusion from debt treatment

Debt treatment **compatible with CoT**

Tailored contribution with modalities to be discussed with relevant stakeholders

Method

- **Use of Common Framework** drawing on lessons learnt from previous treatment cases and incorporating **improvements** (*Enhanced Common Framework*)

Rationale for excluding domestic debt from the scope of the debt treatment.

1

Domestic creditors have already contributed materially

- Over the past two years, **domestic creditors have already made a material and voluntary contribution to Senegal's financing needs**. In 2025, they rolled over close to **XOF 1,000bn** of short-term bank claims into **3–10-year Treasury bonds** and provided further c. **XOF 900bn** of fresh financing.
- A majority of these transactions were **priced below auction yields**, generating significant interest savings while extending maturities, demonstrating meaningful burden sharing.

2

Potential material financial-stability and macroeconomic risks

- A treatment of domestic debt could **generate inflationary pressures, constrain bank lending, increase recapitalization needs, and create spillovers to other WAEMU sovereigns**, potentially weakening the macro-fiscal framework and increasing pressure on external creditors.

3

A critical and functional funding source

- The **domestic market remains a functional and reliable source of financing**, expected to **continue meeting most of the Government's funding needs throughout the program period**.

Senegal will pursue a transparent and orderly handling of its Total Return Swaps.

Overview of the Total Return Swaps (TRS) transactions executed between April and November 2025

	Financing Amount (XOF bn)	Independent Amount (XOF bn)	Gross Amount (XOF bn)	Counterparties
Total	721	279	1,000	First Abu Dhabi Bank, Africa Finance Corporation and Société Générale

An instrument enabling international investor access to domestic securities

- Senegal raised XOF 721 billion (2.7% of end 2025 debt stock) from three counterparties through the issuance of local currency-denominated government securities in the WAEMU regional market. The transactions were associated with an 'Independent Amount', a buffer which Senegal recovers at maturity.
- The counterparties subscribed for the Senegal Treasury securities through the standard auction process, using XOF cash to settle their purchases.

Considerations for the treatment of TRS

- Senegal intends to pursue a tailored, orderly handling of its Total Return Swaps, reflecting the instruments' structure and operational features.
- The objective is to secure a constructive contribution from counterparties while limiting any impact on external creditors.
- **The Government will keep stakeholders informed as discussions progress.**

Senegal has opted for an Enhanced Common Framework approach that best reflects its own specificities.

*Senegal intends to pursue its debt treatment **in line with the principles of the G20 Common Framework**, while seeking to address lessons and challenges identified in previous cases:*



Commitments from official creditors on an **accelerated and predictable timeline for treating their debt.**



Information sharing and **consultations with the private sector in parallel and coordinated with the official sector.**



Early clarification of the key elements underpinning the PTDS, including the assessment of RDIs' contributions.

Significant steps have already been taken towards the implementation of the PTDS.

The Enhanced Common Framework (CF) will rely on enhanced transparency, information sharing, and coordination. Four creditor committees and platforms have been set up or are being formed for this purpose.

TWO 'TRADITIONAL' COMMITTEES, TYPICALLY INVOLVED IN SOVEREIGN DEBT TREATMENTS:

THE OFFICIAL CREDITOR COMMITTEE

- Official creditors met with the Senegalese authorities for an information-sharing meeting on 21 September.
- They are to establish an Official Creditor Committee to coordinate negotiations on Senegal's debt treatment.

THE BONDHOLDER COMMITTEE (AHG)

- A significant group of holders of Senegal's sovereign Eurobonds has formed a creditor committee.
- The Committee has met with the Senegalese authorities on 24 September for a first introductory meeting.

TWO 'INNOVATIVE' COMMITTEES, TO IMPROVE COORDINATION UNDER THE ENHANCED CF:

THE BANK CREDITOR COMMITTEE

- Senegal has encouraged the formation of an innovative Committee regrouping its commercial non-bonded creditors.
- Banks met with Senegal on 25 September and have subsequently formed a Committee to coordinate their negotiations.

THE RDI PLATFORM

- RDIs are gathering into a platform to discuss with Senegal and other stakeholders the modes of contribution they consider appropriate to support Senegal while respecting their specific nature and mandate.
- The Platform has had a first productive meeting with Senegal on 25 September.

V

Next Steps

The proposed timeline provides a clear path toward a timely resolution.

