

A Simplified Analysis of the Approved Senegal 2024 National Budget

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SENEGAL

 WILLIAM + FLORA
Hewlett Foundation

About BudgIT Senegal

BudgIT Senegal is a civic organization whose aim is to make Senegal's budget and public data understandable and accessible to all levels of literacy. BudgIT's innovation in the public circle comes from the creative use of government data by presenting it in simple tweets, interactive formats or infographics. Our main objective is to use creative technology to cross-citizen engagement with institutional development to drive societal change in Senegal.

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Sources:

- Ministry of Finance and Budget,
- Direction Générale du Budget,
- National Assembly of Senegal
- Directorate of Budget Planning
- Directorate General of Taxes and Domain

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Law N°2023-18 of 15 December 2023 on the Finance Law for the year 2024



Currency
CFA



Amount
In Billion CFA



Approved
Dec 15, 2023



Implementation
duration
12 months

Overview of the 2024 Senegal Budget



The 2024 budget priorities are based on the Senegal Emerging Plan (ESP), a ten-year strategy spanning from 2014 to 2023, guided by a vision of an emerging Senegal by 2035. The ESP comprises three pillars:

- Structural transformation of growth.
- Human Capital and Social Protection.
- Institutional Governance, Peace, and Security.

The Senegalese government spearheaded a significant boost to the ESP by introducing the Priority Action Plan (PAP) and its subsequent iteration, PAP2A, in 2020. These initiatives aimed to revitalize the Senegalese economy, especially in response to the adverse effects of the COVID-19 pandemic.

Continuing this strategic trajectory, the government has unveiled PAP 3 for 2024-2028. This plan outlines public policies, projects, programs, and reforms slated for implementation over the next five years. Formulating PAP 3 involved a comprehensive diagnosis conducted within the framework of the ESP, identifying five critical challenges:

1. Building a competitive, inclusive, and resilient economy.
2. Developing high-quality human capital and harnessing the demographic dividend.
3. Strengthening community resilience against disaster risks.
4. Consolidating governance structures.
5. Promoting modern, transparent, and efficient public administration.

Senegal boasts a rich mining heritage dating back to the 1940s, encompassing phosphate extraction in the Thiès region and artisanal gold mining in the Kédougou region since the 1980s. The country's mineral wealth extends to minerals such as zircon, ilmenite, rutile, and iron ore. Recognizing the sector's pivotal role in economic advancement, the Emergent Senegal Plan (ESP) views mining as a cornerstone of growth, poised to generate employment opportunities and foster prosperity.

In 2014, the discovery of oil and gas reserves within national territory sparked heightened interest in the

extractive industry among governmental bodies, the private sector, civil society organizations, research institutions, and citizens. The anticipated launch of oil and gas production, including projects like the Sangomar oil project and the GTA gas project, was initially slated for the third quarter of 2023. However, logistical challenges, particularly those faced by executing companies such as WoodSide and BP, led to a delay in production until 2024.

In the 2024 budget, the Ministry of Oil and Gas actively allocated a significant budget of 316.258.610.318 CFA to support the sector's operations and facilitate the implementation of oil and gas production projects.

Oil and gas revenue is expected to contribute about 8.8% of the total GDP this year, with the general budget set at CFAF 4,693.7 billion, compared with CFAF 3,919.5 billion in the budget for 2023, an increase of CFAF 774.3 billion (+19.8%).

The government's fiscal consolidation plan for 2024 involves actively reducing the budget deficit of N840.2 billion (3.9% of the GDP). They intend to achieve this by streamlining tax exemptions and enhancing revenue collection efforts across the country. Additionally, the new administration must prioritize maintaining a sustainable debt level to ensure continued credibility with international investors and financing bodies, such as the International Monetary Fund (IMF). It is essential to adhere to the provisions outlined in the Extended Fund Facility (EFF), the Extended Credit Facility (ECF), and the Resilience and Sustainability Facility (RSF) requirements to secure approval of Senegal's US\$ 279.31 million credit line during the second review stage.

To ensure the success of the 2024 Senegal budget, the Senegalese government must actively maintain its tradition of peaceful transitions of power. It is imperative that the new administration wholeheartedly embrace transparency and accountability in managing the proceeds from oil and gas, as well as the forthcoming credit line. This includes taking concrete steps to limit corruption and actively promote the dividends of democracy by implementing equitable societal reforms.

Fiscal Framework



Key Components of the 2024 National Budget

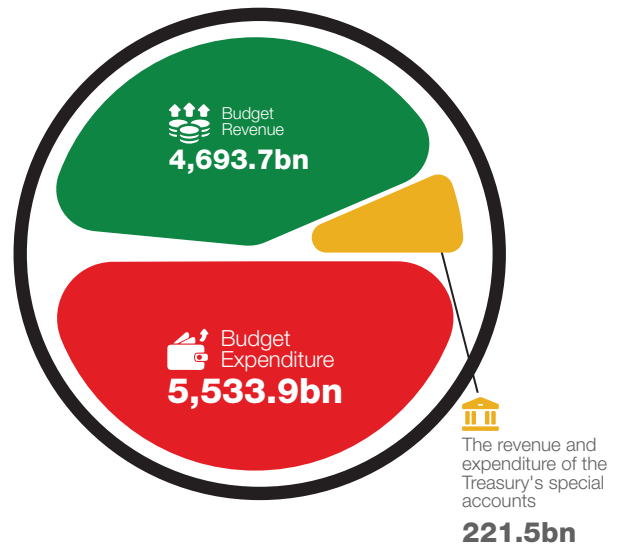
- Key figures for the 2024 budget**

The key figures for the Senegal 2024 budget are as follows:

General budget revenue is set at CFAF 4,693.7 billion, compared with CFAF 3,919.5 billion in the budget for 2023, an increase of CFAF 774.3 billion (+19.8%).

General budget expenditure is set at a total of CFAF 5,533.9 billion, compared with CFAF 4,965 billion for 2023, an increase of CFAF 568.9 billion (11.5%).

The revenue and expenditure of the Treasury's special accounts are in balance at CFAF 221.5 billion.



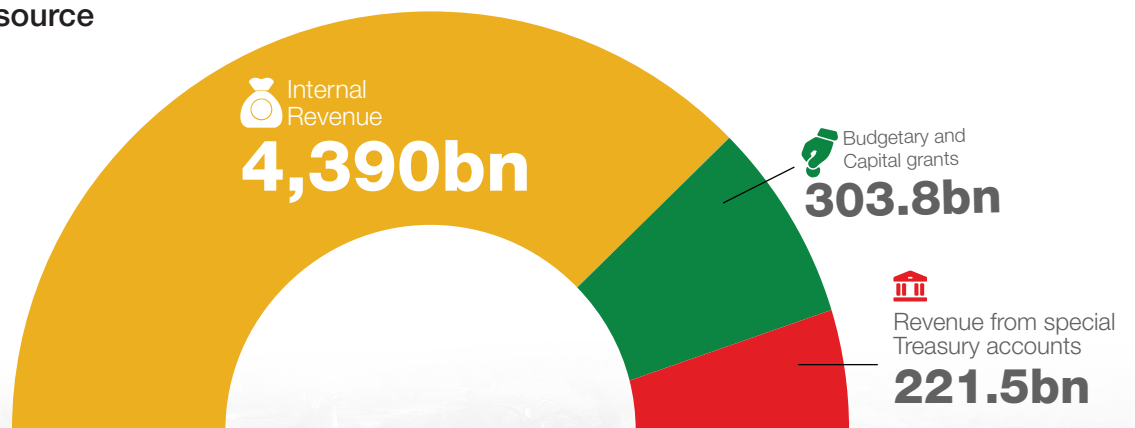
2024

- Revenue**

Senegal's General Budget Revenue encompasses the total funds the government anticipates generating from diverse sectors of the economy. For the 2024 fiscal year, revenue forecasts reach **CFAF 4,915.2 billion**, marking a significant increase from **CFAF 4,096.4 billion** in the 2023 budget—a rise of **FCFA 818.8 billion** (+20%). This revenue stream comprises:

How does the government source its revenue?

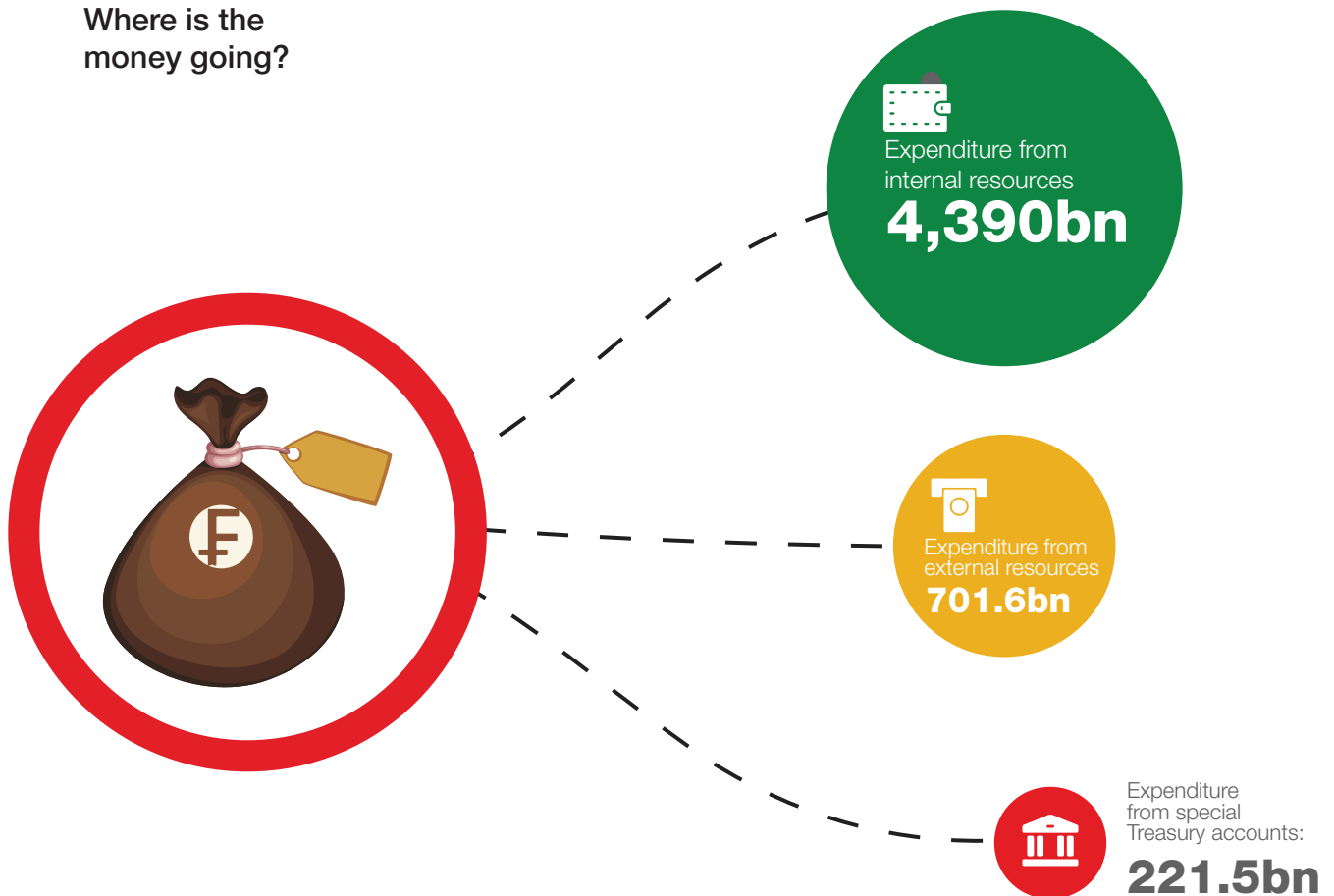
Unit - Billion CFAF



- Expenditure**

Budget Expenditure reflects the government's planned allocation of funds across various programs, services, and initiatives to meet its obligations and responsibilities. Categorized into recurrent and capital expenditures, the total expenditure for the 2024 budget stands at **CFAF 5.755.4 billion**, a notable increase from **CFAF 5.141.9 billion** in 2023—an uptick of **CFAF 613.5 billion (+11.9%)**. The breakdown includes:

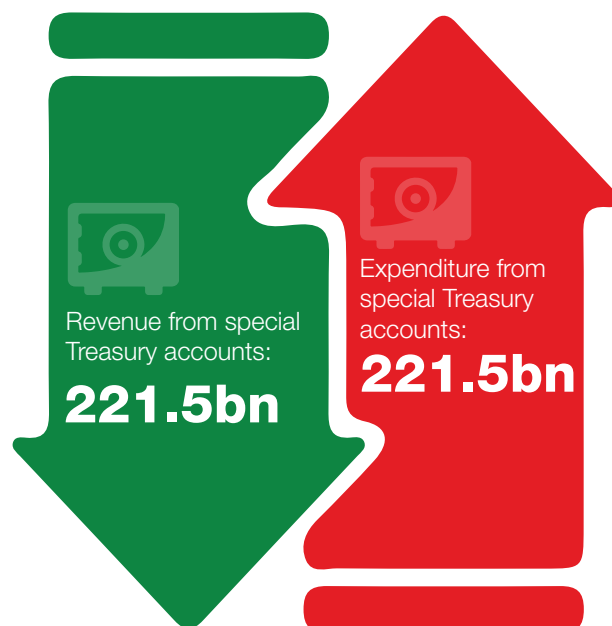
Where is the money going?



- Special Treasury Account**

A special treasury account is a dedicated government fund established for a specific purpose or program. It operates separately from the government's general operational funds and is utilized to manage and hold funds allocated for particular initiatives.





- **Implementation of precautionary reserve**

The allocation of the precautionary reserve comprises a portion of the credits designated in the budgets that were inaccessible at the start of the management period. These funds are strictly earmarked for specific projects and will not be diverted elsewhere.

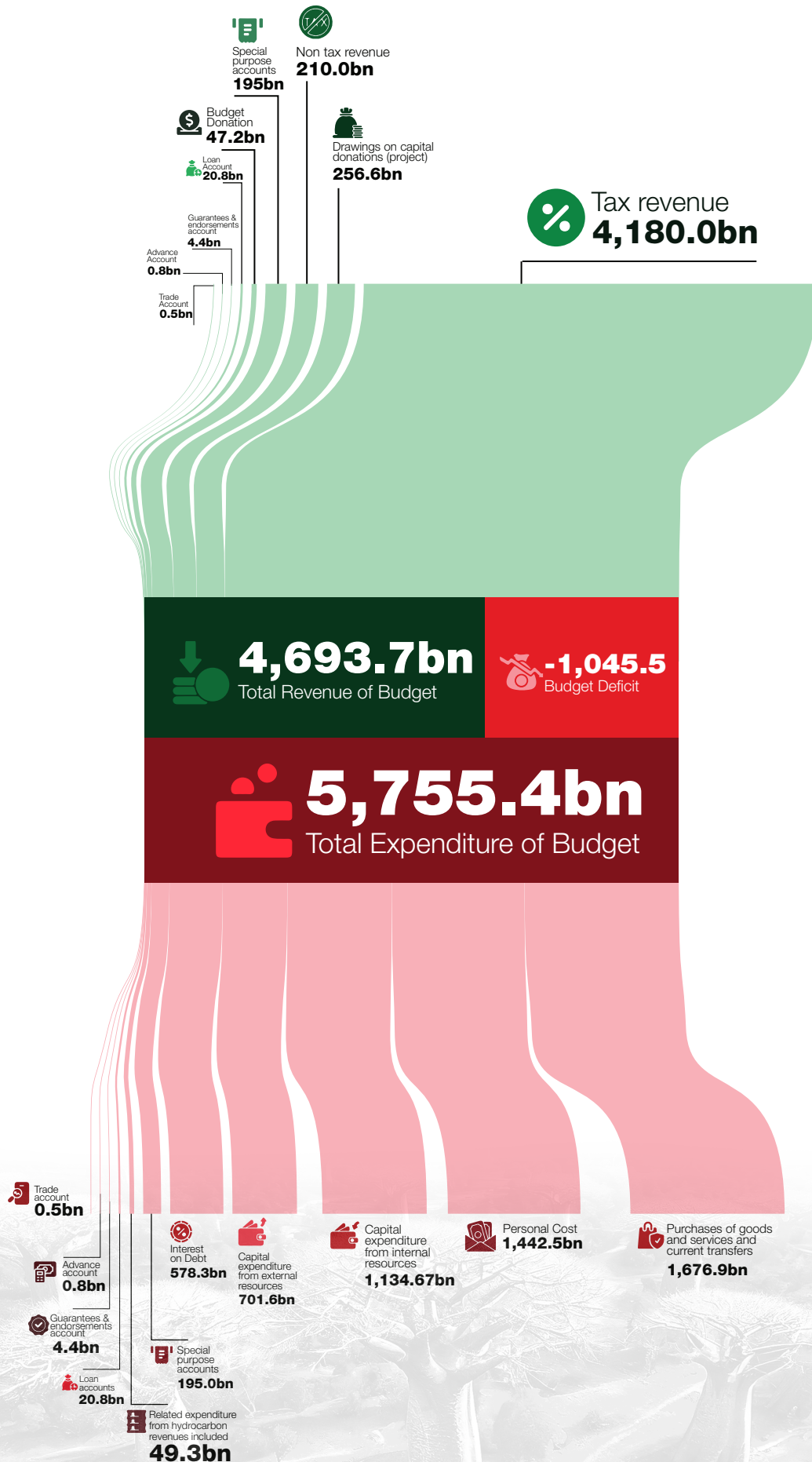
Continuing the practice from previous budgets, the Government plans to establish a precautionary reserve of **CFAF 90 billion** for 2024, drawing from both internal and external resources. This provision acknowledges the challenging and uncertain global landscape, marked by significant fluctuations in commodity prices and economic activity. Given the ongoing risks that could impact revenue collection, the establishment of this reserve will provide the flexibility to make necessary adjustments throughout the year, aligning with sound budget management practices.

- **Budget Deficit**

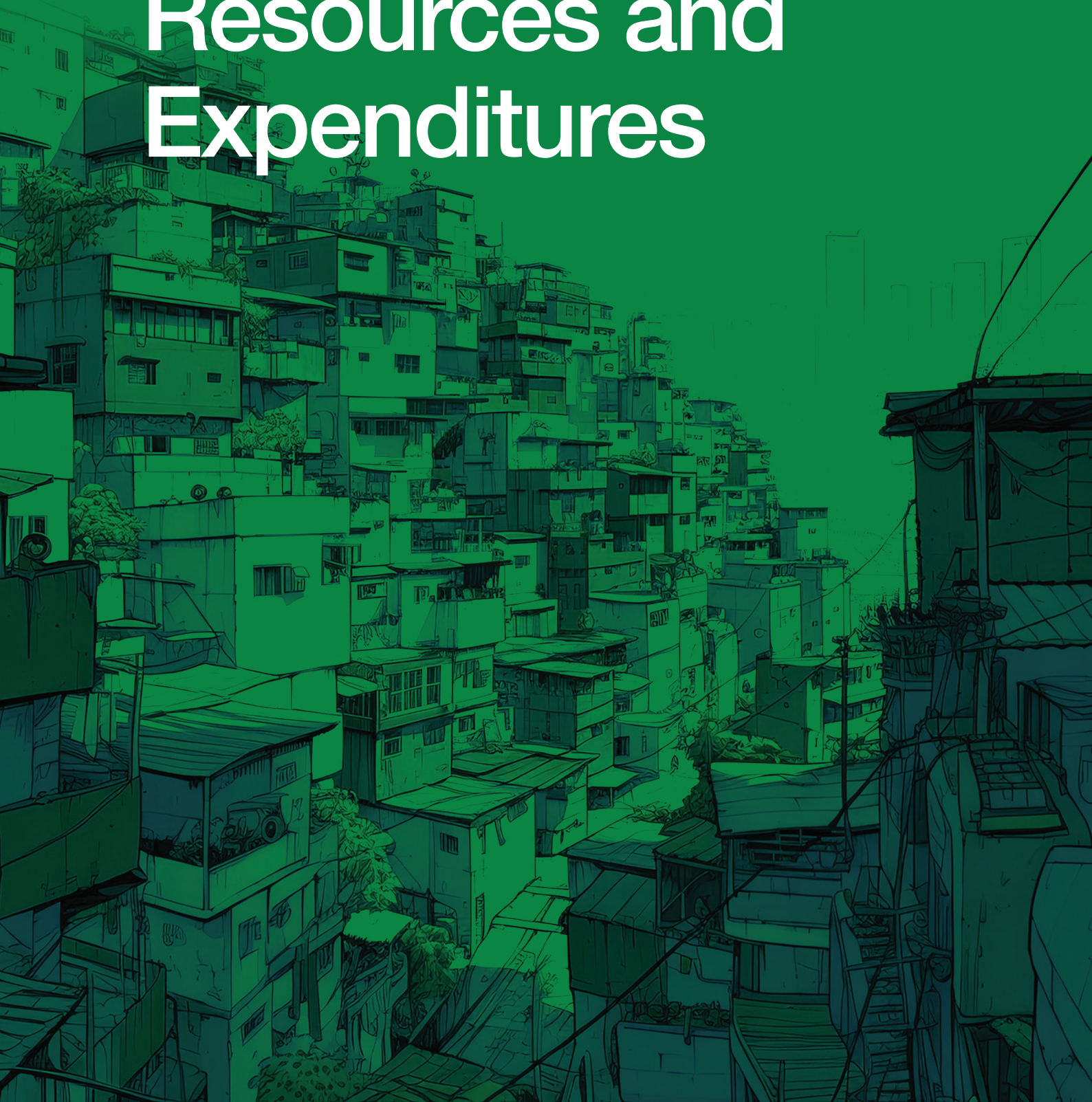
A budget deficit arises when government expenditure exceeds its revenue. While the government anticipates that implementing this budget will help mitigate the public deficit and regulate debt management, it's crucial to recognize that accumulating more debt burdens future generations.

The projected figures indicate a budget deficit of CFAF 840.2 billion, equivalent to 3.9% of the GDP forecast 2024, compared to CFAF 1.045.5 billion (5.5%) in 2023. This deficit is anticipated to gradually decrease, approaching the African Union's ceiling of 3.0% from 2025 onwards, driven by the growth anticipated over the 2024-2028 period.

2024 Fiscal Budget Framework



Provisions Relating To The Balance of Resources and Expenditures

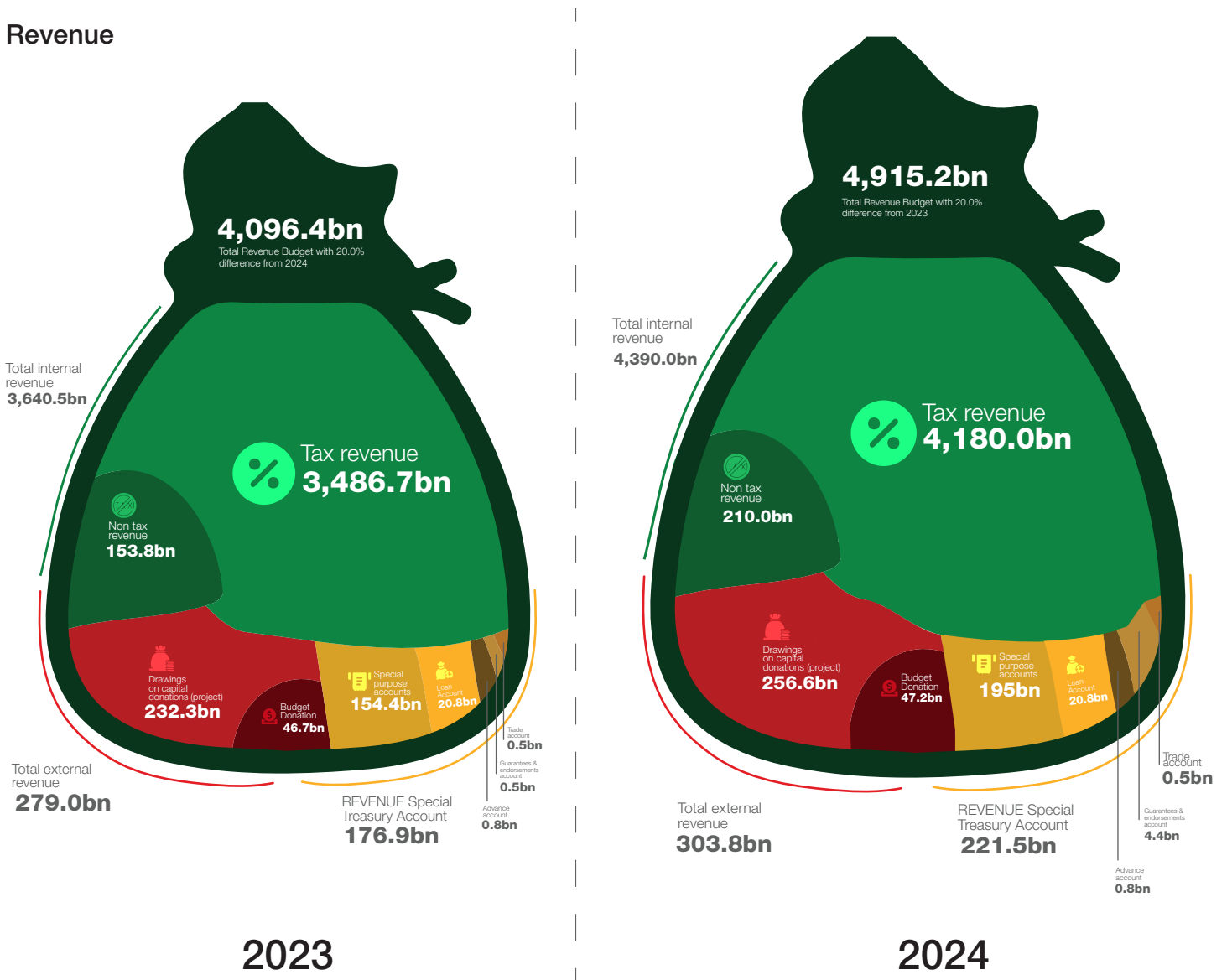


Provisions Relating To The Balance of Resources And Expenditures

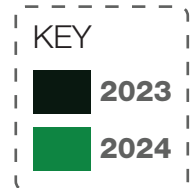
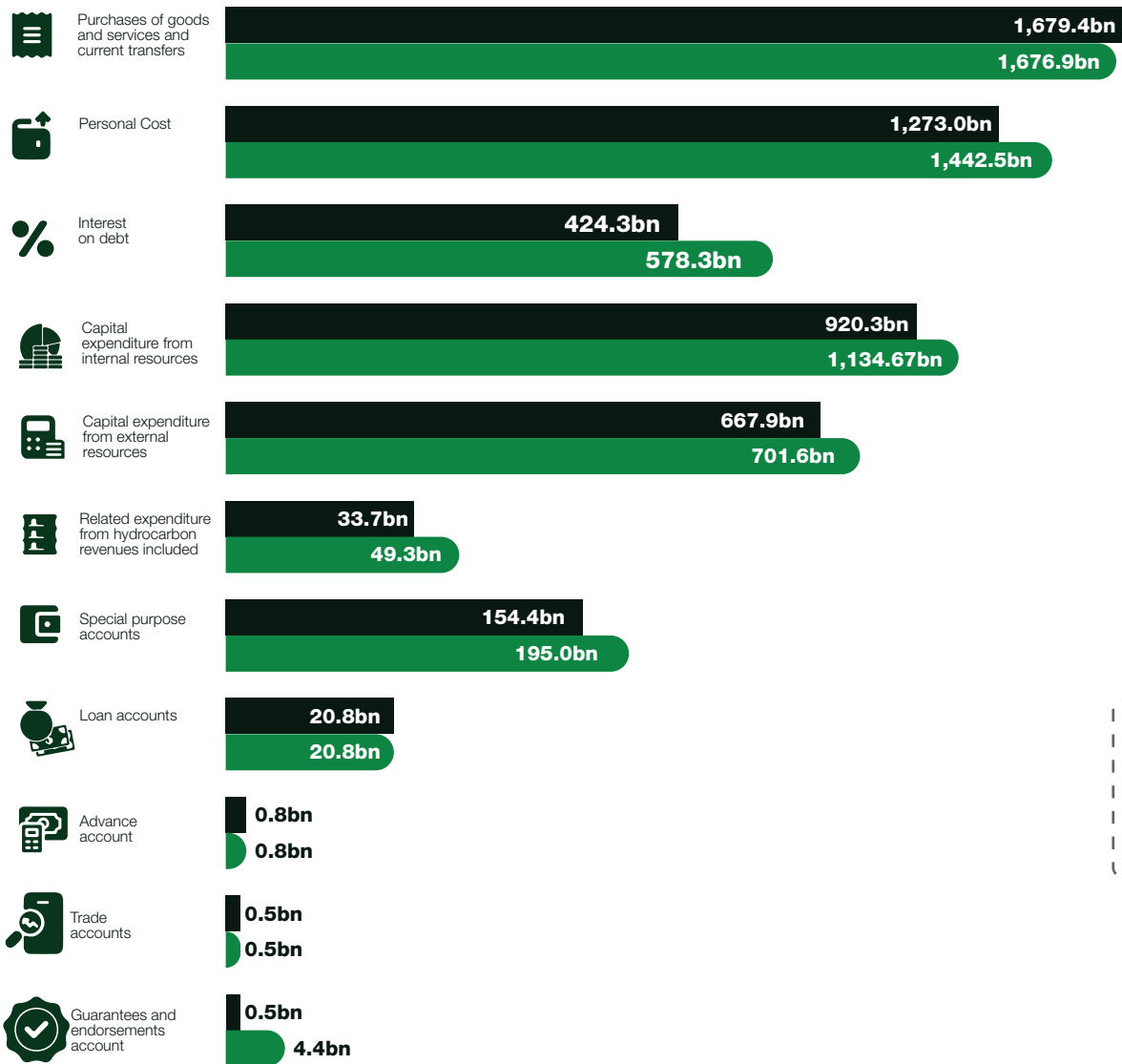
- Budgetary and financial balance**

For the year 2024, the estimates of State resources and the ceilings on State expenditure, as assessed in the previous articles of this budget, and the resulting deficit, are set at the amounts indicated in the table below :

Revenue



Expenditure



- **Budget Loan**

In 2024, the Minister of Finance is granted authority to secure loans, accept donations on behalf of the State of Senegal, and raise cash resources totaling FCFA 2.442.133.618.000. These treasury operations may be conducted either domestically through the national market or internationally with foreign countries, organizations, and international institutions, subject to conditions established by decree or agreement.

- **Approval of the financing table**

The financing table outlining cash resources and expenditures amounting to FCFA 2,138,376,718,000 for the year 2024 is ratified in accordance with existing laws and regulations, particularly the provisions outlined in this Budget.

FUNDING THE BUDGET DEFICIT

	Budget 2023	Budget 2024	Difference In Budget 2024/Budget 2023
Debt depreciation	1,269.6	1,248.2	-1.7%
Funding of deficit	1,045.483	840.2	-19.6%
Other operation of funding	-	-	-
Deficit operational expenditure	30.0	50.0	66.7%
Total reimbursement	2,345.1	2,138.4	-8.8%
Projects Loans	435.6	445.0	2.2%
On Provisional funding to be carried forward	-	381.0	-
Program Loans	158.0	300.0	89.9%
Other Loans	1,751.5	1,012.4	-42.2%
Total	4,690.2	4,276.4	-8.8%

• Projects and Public Investments in the 2024 Budget

The government intends to continue implementing the ESP in 2024 and has set aside funds to support public projects in the Senegalese regions. While it is unclear which administration will carry out these projects, the current administration proposes boosting non-hydrocarbon growth by focusing on critical sectors such as agriculture, manufacturing, and tourism. The newly discovered oil and gas revenue is expected to drive development and economic growth; however, for this to happen, the government must prioritize investments in human capital development and other critical sectors such as education, healthcare, infrastructure, food security, and poverty alleviation programs.

BudgIT Senegal urges citizens to actively ensure that their taxes and natural resource revenues are utilized for the greater good of the populace by closely monitoring and demanding the implementation of the projects listed below. We also encourage the government to provide detailed information about the project location, contractors, and responsible agency for adequate follow-up.

S/N	Project Titles	Concerned ESP pillar	Amount in FCFA provided for in the 2024 budget	Source of funding (internal or external resources)
1.	Improving Agricultural Productivity	1	79 861 347 509	Internal : 100%
2.	Road Maintenance	1	53 000 000 000	Internal : 100%
3.	Investment Programme For State-Owned Assets	1	29 195 833 333	Internal : 100%
4.	Second Compact MCA Senegal/Energie	1	35 957 494 981	Internal : 8 500 000 000 External : 27 457 494 981
5.	Customs Modernisation Programme (Promad)	1	25 000 000 000	Internal : 100%
6.	Programme For the Competitiveness Of Agriculture And Livestock Competitiveness	1	24 958 250 000	External : 100%
7.	Project To Build the Dakar-Aibd Rail Link	1	21 800 128 996	Internal : 12 500 000 000 External : 9 300 128 996
8.	National Fund For Rapid Entrepreneurship	1	31 095 285 774	Internal : 20 800 285 774 External : 10 295 000 000
9.	Mbour - Fatick - Kaolack Toll Motorway Construction Project	1	19 309 370 853	Internal : 100%
10.	Programme For the Competitiveness Of Agriculture And Livestock / Livestock Component	1	13 395 489 301	External : 100%

S/N	Project Titles	Concerned ESP pillar	Amount in FCFA provided for in the 2024 budget	Source of funding (internal or external resources)
11.	Construction Of the Dakar-Tivaouane-St Louis Motorway	1	14 000 000 000	External : 10 000 000 000 Internal : 4 000 000 000
12.	Rehabilitation of Inland Railway Lines, Halts, Stations and Ticket Offices On Inland Services	1	10 000 000 000	Internal : 100%
13.	Seed Capital Replenishment Programme	1	9 000 000 000	Internal : 100%
14.	Programme To Open Up Agricultural And Rice-Growing Production Areas (Dande Maayo Louga Keur Momar Sarr Richard Toll)	1	10 981 954 179	Internal : 2 000 000 000 External : 8 981 954 179
15.	Rapid Transit Bus Pilot Project (Brt)	1	12 226 166 932	Internal : 3 500 000 000 ; External : 8 726 166 932
16.	Work To Rehabilitate the Senoba-Ziguinchor Road and Build A Bypass To Open Up the Town Of Ziguinchor	1	8 650 000 000	External : 8 400 000 000 Internal : 250 000 000
17.	Road Maintenance	1	7 000 000 000	Internal : 100%
18.	Monitoring Programme For Investment Projects Nearing Completion	1	7 000 000 000	Internal : 100%
19.	National Public Lighting Programme (E.g. Project To Install 100,000 Solar-Powered Street Lamps)	1	5 000 000 000	Internal : 100%
20.	National Programme Of Family Security Grants	2	52 930 875 200	Internal : 100%
21.	Fund To Finance Vocational and Technical Training	2	30 000 000 000	Internal : 100%
22.	Employment, Economic Transformation and Recovery Programme (Prog. Eter)	2	22 000 000 000	External : 100%

S/N	Project Titles	Concerned ESP pillar	Amount in FCFA provided for in the 2024 budget	Source of funding (internal or external resources)
23.	Hann Bay Depollution Project	2	24 673 625 409	External : 100%
24.	Project To Build And Equip Scientific Laboratories	2	20 000 000 000	Internal : 100%
25.	Electrification 2000 Villages Programme	2	20 000 000 000	Internal : 100%
26.	Project To Build 4 Stadiums (Léopold Sedar Senghor Sedar Senghor, Lamine Gueye, Elimanel Fall and Aline Siteo Diatta)	2	19 000 000 000	Internal : 800 000 000 ; External : 18 200 000 000
27.	Programme To Promote Towns In Senegal (Promovilles)	2	19 500 000 000	Internal : 10 500 000 000 External : 9 000 000 000
28.	USAID Health Programme 2021-2025	2	12 277 181 203	External : 12 177 181 203 Internal : 100 000 000
29.	Diamniadio Mother and Child Centre Construction and Equipment Project	2	10 518 448 801	External : 100%
30.	Pemergency Community Development Programme (PUDC)	2	15 235 616 933	External : 10 235 616 933 ; Internal : 5 000 000 000
31.	Project To Rehabilitate Damaged University Infrastructure	2	10 000 000 000	Internal : 100%
32.	Malaria And Other Endemic Diseases Programme	2	8 169 252 905	External : 100%
33.	Project To Promote the Integrated Management and Economy Of Solid Waste In Senegal (PROMOGED)	2	8 169 252 905	External : 100%
34.	Empowerment of Oxygen Hospitals	2	8 968 719 383	Internal : 100%
35.	Touba Sanitation Project	2	8 663 665 101	Internal : 100%
36.	Routine Maintenance of Non-Classified Roads / Youth Employment	2	6 690 000 000	Internal : 100%

S/N	Project Titles	Concerned ESP pillar	Amount in FCFA provided for in the 2024 budget	Source of funding (internal or external resources)
37.	USAID Programme (Governance - Democracy - Peace And Security)	3	6 500 000 000	External : 100%
38.	Land Management Modernisation Project (PROMOGEF)	3	8 383 545 053	Internal : 8 083 545 053 External : 300 000 000
39.	Local Authority Equipment Fund	3	40 726 933 149	Internal : 100%
40.	Infrastructure Modernisation Programme / Ministry Of Justice	3	25 100 000 000	Internal : 100%
41.	Support Project For Municipalities and Conurbations In Senegal/ Adm	3	22 755 236 022	Internal : 500 000 000 External : 22 255 236 022



Glossary

Financial Act (Budget): In Senegal the Budget is a law that is voted every year by the national assembly, before the government execute any budget

Initial Financial Act (Budget): The First budget presented by the Ministry of Finance and Budget that is approved by the national assembly for execution

Rectifying Financial Act (Budget): Sometimes it happens some changes in the budget orientation of the government, in this case the government goes back to the national assembly vote a rectifying finance law for execution

The Settlement Act (Budget): At the end of budget execution the government goes finally to the national assembly for voting the settlement act which refers to evaluation of the budget execution

Revenues: It refers to the sources of the money to be collected by the government.

Expenditures: It refers to the destination of the money collected by the government.

Special Treasury Account: Special Treasury Accounts refers to auxiliary budgets that are reserved for unincorporated government departments that produce goods or services for which payments are made.

The special accounts fall into four categories:

- special appropriation accounts (CAS) (for final transactions) ;
- Trade accounts (for transactions of an industrial or commercial nature carried out on an ancillary basis by government departments);
- Monetary transactions accounts
- Financial assistance accounts (loan accounts and imprest accounts).

Authorization of Engagement: the upper limit of expenditure that can be legally committed to projects and investments.

Payment Credit: This refers to the upper limit of expenditure that may be ordered or paid during the financial year.



