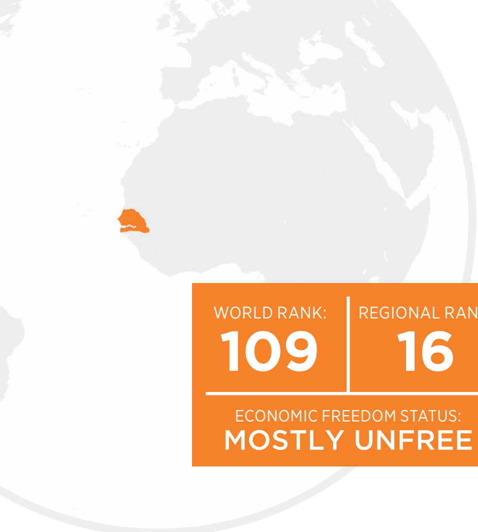


WORLD RANK: **109** | REGIONAL RANK: **16**

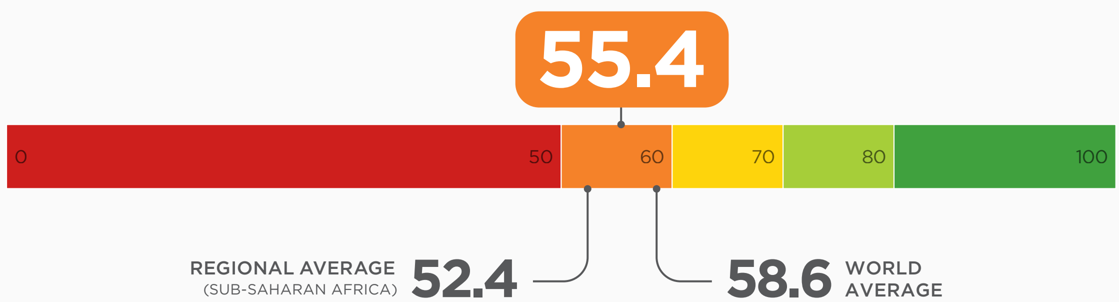
ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

SENEGAL

Senegal's economic freedom score is 55.4, making its economy the 109th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 2.3 points from last year, and Senegal is ranked 16th out of 47 countries in the Sub-Saharan Africa region. The country's economic freedom score is lower than the world average and higher than the regional average. Senegal's economy is considered "mostly unfree" according to the 2024 *Index*.

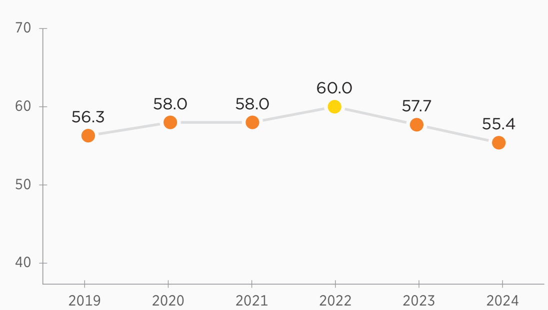
Progress toward greater economic freedom in Senegal has been uneven. The regulatory framework discourages dynamism and tends to curb private-sector development. Despite some streamlining of business formation, deeper institutional reforms are needed to improve the foundations of economic freedom and encourage long-term economic development and greater poverty reduction. The large agricultural sector employs about 70 percent of working Senegalese, and a formal urban labor market has been slow to emerge. Inflationary pressures remain a problem.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1996): –2.8

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
17.2 million

GDP (PPP):
$72.8 billion
4.0% growth in 2022
5-year average growth rate: 4.5%
$4,117 per capita

UNEMPLOYMENT:
3.7%

INFLATION (CPI):
9.7%

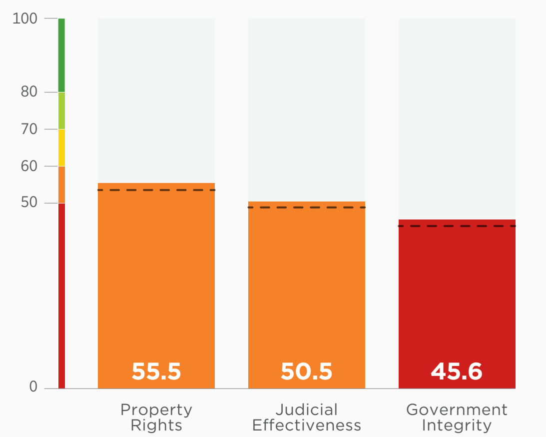
FDI INFLOW:
$2.6 billion

PUBLIC DEBT:
76.6% of GDP

2022 data unless otherwise noted. Data compiled as of October 2023.

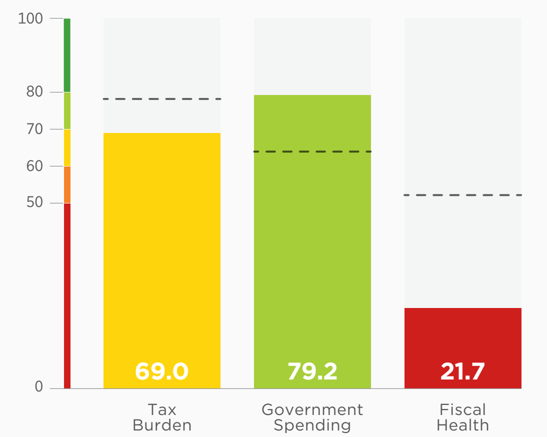
12 ECONOMIC FREEDOMS | SENEGAL

RULE OF LAW



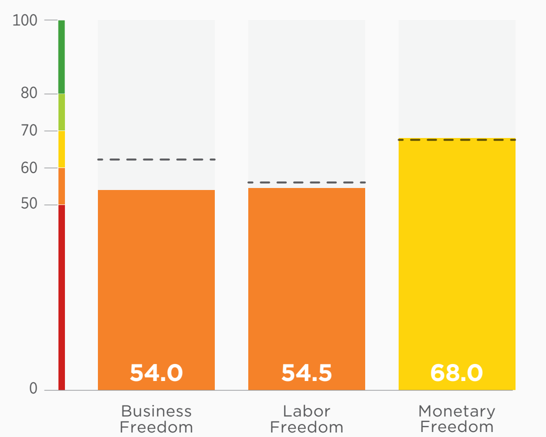
The overall rule of law is relatively well respected in Senegal. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.

GOVERNMENT SIZE



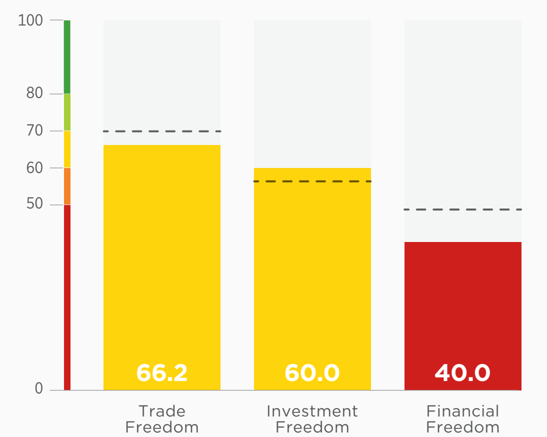
The top individual income tax rate is 43 percent, and the top corporate tax rate is 30 percent. The tax burden equals 18.7 percent of GDP. Three-year government spending and budget balance averages are, respectively, 26.3 percent and –6.4 percent of GDP. Public debt amounts to 76.6 percent of GDP.

REGULATORY EFFICIENCY



Senegal's overall regulatory environment is poorly institutionalized and inefficient. The country's business freedom score is far below the world average; its labor freedom score is below the world average; and its monetary freedom score is above the world average.

OPEN MARKETS



The trade-weighted average tariff rate is 9.4 percent, and layers of complex nontariff barriers are in force. The bureaucratic approval process and poor investment infrastructure can discourage investors. High credit costs and scarce access to financing continue to constrain the small private sector.