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Senegal: A New Geopolitics of Investments

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In 2024, Senegal attracted USD 2.02 billion in Foreign Direct Investment (FDI) inflows, compared to USD 4.79 billion in 2023. The country's FDI stock has grown substantially, rising from USD 1.7 billion in 2010 to USD 19.38 billion in 2024. Successive Senegalese governments have consistently reinforced policies to promote private investment. As a result, private investment as a percentage of GDP surged from 16.8% in 2014 to 34.6% in 2023.

FDI in Senegal: Current Situation

FDI Inflows 2024

2.02 billion USD

Total FDI Stock

USD 19.38 Bn

Africa Ranking

9th country

2nd in West Africa

Key Sectors

- Hydrocarbons
- Energy
- Mining

Private Investment / GDP Ratio

34.6%

Key Takeaways

Senegal in 2026 represents an appealing yet moderately risky paradox: a politically stable country in a volatile West African region, rich in strategic natural resources (oil, gas, gold, phosphate, and zircon) now entering a phase of strong production ramp-up. However, it must manage a high public debt, reassessed at 119–132% of GDP, and a clearly sovereignist policy stance adopted by the new authorities following the March 2024 political transition. Supported by the launch of production at the Sangomar and Greater Tortue-Ahmeyim fields and rising exports of petroleum, gas, and gold, Senegal posted exceptional economic growth in 2025, estimated at 7% to 8% (according to IMF and African Development Bank projections). Its FDI stock reached USD 19.38 billion in 2024, making the country one of the top investment destinations in West Africa.

Yet, in this new context, the Vision Sénégal 2050 and the Master Plan 2025-2034 set a clear strategic direction: all partnerships must actively contribute to the endogenous transformation of the economy, strengthen local content, ensure technology transfer, and deliver genuinely win-win outcomes. Consequently, Foreign Direct Investments (FDI) are no longer seen as simple capital inflows. They have become strategic instruments of power and sovereignty that must align with the long-term priorities of the Senegal 2050 Vision. This shift, combined with the growing diversification of partners and strategic issues, is shaping a new geopolitics of investment that investors and partners must learn to navigate effectively.

This *Strategic Insights – Issue 1* provides a comprehensive mapping of Foreign Direct Investment (FDI) flows in Senegal. It highlights the principal local actors (APIX, COS-PETROGAZ, FONSIS, Club of Investors, etc.), the main bilateral international partners, and examines the strategic alignment between these partners and the Senegalese State's new Vision 2050, along with its sectoral priorities.

This report introduces two key analytical tools:

- **Strategic Convergence Index (SCI):** evaluates how well investors align with the priority sectors of Vision Sénégal 2050 (industry, agro-industry, energy, infrastructure, and mining) and with the country's sovereignist requirements, including the absence of geopolitical conditionalities, technology transfer, and economic endogenization.
- **Geopolitical Convergence Matrix**: combines diplomatic alignment (measured through UN voting patterns) with the Strategic Convergence Index. This matrix identifies structural partnerships (France), strategic partnerships (Türkiye, China, Morocco), and emerging partnerships (United Arab Emirates).

The analysis underscores three major trends:

- The emergence of Southern players competing with traditional Western actors,
- Intensifying sectoral rivalries in gold, phosphate, iron ore, and infrastructure,
- A more vigilant Senegalese public opinion increasingly attentive to ESG standards, transparency, and fairness, factors that can rapidly undermine the "*licence to operate*" of foreign companies and investors.

Current contract renegotiations (BP, Kosmos/GTA, Indorama/ICS, Woodside / Sangomar, and several mining licences) are emblematic of this new reality: contracts deemed unbalanced are being reopened, occasionally resulting in frozen accounts, suspended licences, or licence revocations.

These uncertainties highlight three forward-looking scenarios for the period 2026–2029:

- **Mastered Sovereignty (Probability: 48%)** Maintained cohesion between President Faye and Prime Minister Sonko, successful conclusion of ongoing contract renegotiations without major ruptures, and either a new agreement with the IMF or a viable endogenous financing alternative. This scenario would support sustained economic growth, continued diversification of international partners, and the strengthening of Senegal's role as a regional hub.
- P**olitical Rupture and External Interference (Probability: 30%)** Heightened internal political tensions, increased geopolitical polarisation, and growing distrust among investors.
- **Truncated Sovereignty (22% probability):** A shift back toward traditional partners and a debt restructuring agreement with the IMF, at the risk of social tensions and a rollback of the sovereignist doctrine.

The report also introduces the West African Country Risk Index (WACRI), a proprietary index developed by Economic Soft Power Advisory, which positions Senegal as a moderate overall risk country, while highlighting specific alerts in the regulatory, social, and security dimensions.

Key Recommendations for Investors:

- Align with the sovereignist doctrine: prioritise co-investment with FONSIS/CDC, joint-ventures, high local content, and technology transfer.
- Proactively integrate social acceptability and strengthened ESG standards.
- Structure robust contracts with strong arbitration clauses while emphasising relational trust and long-term confidence-building.
- Establish continuous geopolitical monitoring of key inflection points (contract renegotiations, executive cohesion, IMF agreements, electoral cycles, and the CFA franc).

Senegal remains a major opportunity for those who know how to navigate this new geopolitics of investment: between the demand for sovereignty and the need for capital, between partner diversification and global rivalries.
Those who integrate these dynamics today, rather than suffer them, will secure a decisive competitive advantage in the West Africa of tomorrow.