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**Report Highlights:**

Senegal's Ministry of Agriculture released its 2020/21 Agricultural Program in April 2020. This report provides a summary of the objectives and policies in the 2020/21 Agricultural Program, which consist primarily of subsidies for inputs and equipment. Due to the negative effects the COVID-19 pandemic has had on the agricultural sector, the Government of Senegal (GoS) has increased this year's agricultural program budget by 20 billion CFA francs (\$33.3 million), a 50 percent increase from last year's budget, to provide the sector greater support. The total budget of the 2020/21 Agricultural Program will be 60 billion CFA francs (\$100 million), 40 percent of which will go towards fertilizer subsidies and 50 percent of which will go towards seed subsidies. Priority crops for seed subsidies include peanut, cowpea, rice, and corn.

## **Executive Summary**

The Government of Senegal has historically provided support to agricultural producers across Senegal for key crops, including peanuts, rice, millet, corn, and sorghum. This annual support primarily consists of facilitating producer's access to inputs (i.e. fertilizers, seeds, phytosanitary products) and agricultural equipment through subsidies as well as providing technical and marketing support.

Senegal's Ministry of Agriculture released its 2020/21 Agricultural Program in April 2020. It outlines the policies and objectives of the 2020/21 agricultural season as well as the results and policies of the previous agricultural season. This report provides a summary of the policies in the 2020/21 Agricultural Program. Due to the negative effects the COVID-19 pandemic has had on the agricultural sector, the Government of Senegal (GoS) has increased this year's agricultural program budget by 20 billion CFA francs (\$33.3 million), a 50 percent increase from the previous year. The total budget of the 2020/21 Agricultural Program will be 60 billion CFA francs (\$100 million), 40 percent of which will go towards fertilizer subsidies and 50 percent of which will go towards seed subsidies. Priority crops for seed subsidies include peanut, cowpea, rice, and corn.

Senegal registered its first case of COVID-19 on March 2, 2020. As the number of confirmed cases increased, President Sall announced a state of emergency on March 23, 2020, enacting several measures such as the closure of Senegal's borders with neighboring countries (with the exception of the transportation of merchandise), movement restrictions between regions and departments, the complete or partial closure of weekly markets, and curfews. Although the GoS lifted most of these measures on June 30, 2020, they have already taken a toll on the economy, including the agricultural sector. Like in many other countries, the pandemic has bolstered calls in Senegal for national food self-sufficiency. In a June 29, 2020 public briefing on the GoS' Post-COVID-19 Economic Relaunch Plans, President Sall stated the crisis caused by the COVID-19 made it even more evident Senegal needs to achieve food self-sufficiency as quickly as possible by producing and processing more agricultural, livestock and fishery products.

1 USD = 600 CFA francs

## **The Government of Senegal Tries to Soften the Blow of COVID-19's Impact on the Agricultural Sector**

Senegal registered its first case of COVID-19 on March 2, 2020. As the number of confirmed cases increased, President Sall announced a state of emergency on March 23, 2020, enacting several measures to curb the spread of COVID-19. Certain measures, particularly the closing of weekly markets, curfews, and restrictions on interdepartmental and regional travel made it difficult for farmers and intermediaries to access markets and labor, causing revenue losses due to increased product spoilage. The Government of Senegal (GoS) designated the agricultural sector as being severely affected by COVID-19 measures, and thus increased the 2020/21 Agricultural Program budget by 20 billion CFA francs (\$33.3 million), a 50 percent increase from last year's budget. These additional funds will go towards purchasing more subsidized inputs (seeds, fertilizer, pesticides) and farm equipment. The total budget of the 2020/21 Agricultural Program will be 60 billion CFA francs (\$100 million), 40 percent of which will go towards fertilizer subsidies and 50 percent of which will go towards seed subsidies. Priority crops for seed subsidies include peanut, cowpea, rice, and corn.

In addition to significantly increasing the agricultural program budget, the Ministry of Agriculture announced on May 17, 2020 it would further assist actors in the agricultural sector through the COVID-19 Force Fund, which it is setting up in collaboration with the Ministry of Commerce and the Delegation for Rapid Entrepreneurship of Women and Young People (DER/FJ). According to the Minister of Agriculture, the DER/FJ has in the meantime released an aid package of one billion CFA francs (\$1.67 million) to provide traders financing for the commercialization of horticultural products that were facing difficulty being sold. This special funding was officially announced during the Council of Ministers meeting on June 3, 2020 by President Sall. He also announced the 100 percent subsidization of 700 units of agricultural machinery for women and young producers and funds of 1.2 billion CFA francs (\$2 million) for the purchase of rice harvesting equipment.

On June 29, 2020, during a public briefing on the GoS' Post-COVID-19 Economic Relaunch Plans, the President stated the crisis caused by the COVID-19 pandemic made it even more evident Senegal needs to achieve food self-sufficiency as quickly as possible by producing and processing more agricultural, livestock and fishery products. He also announced the World Bank has granted the GoS \$150 million to reinforce Senegal's agricultural resilience and productivity in the wake of COVID-19. He said these World Bank funds will be used to increase the exportation of high value crops such as horticultural products, to improve the productivity of dairy farms, and to reduce the mortality rate of small ruminants. The President also reiterated during this briefing that the GoS would provide a substantial 50 percent increase to the 2020/21 Agricultural Program, bringing the program's budget to a total of 60 billion CFA francs (\$100 million).

## Objectives of the 2020/21 Agricultural Program

The production targets for the 2020/21 agricultural season were set while considering the national and international ramifications of the Covid-19 pandemic. The GoS aims to produce 1.5 million MT of rice, 1.5 million MT of peanuts, and 630,000 MT of corn, among other priority crops.

**Table 1. Senegal: Official Production Targets for the 2020/21 Agricultural Season**

Crop	2020/2021 Targets			2019/2020 Production (MT)	Change from 2019/2020 Production (%)
	Area (ha)	Yield (kg/ha)	Production (MT)		
<b>Grains</b>					
Millet	950,000	1,000	950,000	807,044	18%
Sorghum	265,000	1,300	344,500	270,168	28%
Corn	300,000	2,100	630,000	530,705	19%
Rice	382,060	3,802	1,483,214	1,155,337	28%
Fonio	6,500	900	5,850	5,151	14%
<b>Total</b>	<b>1,903,560</b>		<b>3,413,564</b>	<b>2,768,405</b>	<b>23%</b>
<b>Industrial Crops</b>					
Peanuts	1,316,750	1,199	1,540,000	1,421,288	8%
Cotton	25,117	985	25,117	15,751	59%
Sesame	43,909	604	26,529	24,304	9%
<b>Total</b>	<b>1,385,776</b>		<b>1,591,646</b>	<b>1,461,343</b>	<b>9%</b>
<b>Diversification Crops</b>					
Cowpeas	326,668	646	211,023	184,137	15%
Casava	117,446	11,930	1,401,239	1,030,592	36%
Watermelon	119,242	20,150	1,714,646	1,190,481	44%
<b>Total</b>	<b>563,356</b>		<b>3,326,908</b>	<b>2,405,210</b>	<b>38%</b>

Source: Ministry of Agriculture and Rural Equipment, Agricultural Program 2020/21

## Seed Subsidies

The GOS funds research and development of foundation seeds through the Senegalese Agricultural Research Institute (ISRA). The foundation seeds are sold to private seed multipliers who sell to farmers mainly through cooperatives. The government also buys seeds from multipliers and selected farmers and traders for subsidized distribution depending on targets set out in the Agricultural Program for that year. The GOS has allocated 30 billion CFA francs (\$50 million) or about half of the entire Agricultural

Program 2020/21 budget to seed subsidies for priority crops such as peanut, cowpea, rice, potato, and corn.

**Table 2. Senegal: 2020/21 Forecast Distribution of Subsidized Seeds (1 USD = 600 FCFA)**

<b>Crop</b>	<b>Quantity</b>	<b>Supplier Price per MT (FCFA)</b>	<b>Subsidy Amount per MT (FCFA)</b>	<b>Subsidy Rate (%)</b>	<b>Total Subsidy Cost (FCFA)</b>	<b>Sale Price per KG (FCFA)</b>
Peanut 55-437	9,000 MT	385,000	220,000	57%	1,980,000,000	165
R3 Peanut	1,615 MT	385,000	210,000	55%	339,150,000	175
R2 Peanut	45,564 MT	390,000	215,000	55%	9,796,260,000	175
R1 Peanut	5,198 MT	400,000	190,000	42%	779,700,000	210
Base Peanut	136 MT	405,000	150,000	37%	20,400,000	255
Other Peanut Varieties	9,000 MT	375,000	210,000	56%	1,890,000,000	165
Certified Sorghum	1,500 MT	500,000	300,000	60%	450,000,000	200
Certified Corn	3,000 MT	500,000	300,000	60%	900,000,000	200
Non-certified Cowpea	14,000 MT	500,000	325,000	70%	4,555,000,000	175
Certified Cowpea	1,000 MT	600,000	400,000	66.7%	400,000,000	200
Certified Sesame	700 MT	800,000	400,000	50%	280,000,000	400
Cassava Cuttings*	20,000 HA	65,000	65,000	100%	1,300,000,000	0
Rice	10,000 MT	415,000	415,000	100%	4,150,000,000	0
Watermelon	20 MT	24,000,000	20,000,000	83.3%	400,000,000	4,000
Fonio	100 MT	600,000	300,000	50%	30,000,000	300
<b>TOTAL</b>					<b>27,270,510,000</b>	

Source: Ministry of Agriculture and Rural Equipment, 2020/21 Agricultural Program

\*Quantity provided in terms of hectares

In addition to the seed subsidies in Table 2, the 2020/21 Agricultural Program allocates 3 billion CFA (\$5 million) to seed potato subsidies. The breakout for this budget line was not provided in the 2020/21 Agricultural Program.

### Subsidized Fertilizers

The GOS has allocated 23.7 billion CFA francs (\$39.5 million), or about 40 percent of the entire Agricultural Program 2020/21 budget, to subsidize 150,000 MT of fertilizer, up 25 percent from the previous season. These fertilizer subsidies are not tied to specific crops.

**Table 3. Senegal: 2020/21 Forecast Distribution of Subsidized Fertilizer (1 USD = 600 FCFA)**

Fertilizer Type	Quantity (MT)	Supplier Price per MT (FCFA)	Subsidy Amount per MT (FCFA)	Subsidy Rate (%)	Total Subsidy Cost (FCFA)	Sale Price per Bag (FCFA)
<b>NPK 6 20 10</b>	33,000	269,100	147,100	55%	4,854,300,000	<b>6,100</b>
<b>NPK 15 15 15</b>	20,000	335,500	167,000	50%	3,340,000,000	<b>8,425</b>
<b>NPK 15 10 10</b>	12,000	290,600	144,600	50%	1,735,200,000	<b>7,300</b>
<b>NPK 9 23 30</b>	3,000	381,300	189,900	50%	569,700,000	<b>9,570</b>
<b>NPK 10 10 20</b>	7,000	329,700	163,700	50%	1,145,900,000	<b>8,300</b>
<b>DAP</b>	12,000	350,900	174,900	50%	2,098,800,000	<b>8,800</b>
<b>Urea</b>	63,000	317,625	158,125	50%	9,961,875,000	<b>7,975</b>
<b>TOTAL</b>	<b>150,000</b>				<b>23,705,775,000</b>	

Source: Ministry of Agriculture and Rural Equipment, Agricultural Program 2020/21

### Subsidized Farm Equipment

Although a much smaller portion of the 2020/21 Agricultural Program, rudimentary farm equipment will also be provided to small-scale farmers. The GOS has allocated 4.9 billion CFA francs (\$8.2 million) or about 8 percent of the 2020/21 Agricultural Program budget to purchase seeders, hoes, plows, and carts.

**Table 4. Senegal: Farm Equipment Acquisition Objectives for the 2020/21 Agricultural Season**

<b>Equipment</b>	<b>Quantity</b>
Manual seeders	14,000
Three tine hoes	1,500
Western hoes	1,000
UCF plows	300
Horse carts	1,000
Donkey carts	700
<b>Total units of farm equipment</b>	<b>18,500</b>
<b>Total cost of farm equipment (CFA francs)</b>	<b>4,865,000,000</b>

Source: Ministry of Agriculture and Rural Equipment, Agricultural Program 2020/21

**Attachments:**

No Attachments.