



SENEGAL AUTOMOBILE MARKET REPORT

TIA, Dakar



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AUTOMOTIVE SECTOR IN SENEGAL

Senegal's automotive sector represents a key segment of the country's economy, fueled by population growth trends, rapid urbanization, as well as a growing interest in commercial and personal vehicles. However, this sector also faces challenges such as dependence on imports and the lack of a large-scale domestic production industry. The Senegalese market stands out for the high demand for used vehicles, although efforts to encourage local assembly are beginning to bear fruit.

The following is HS Code-wise ITC data for Senegal for import of vehicles from 2021 to 2023:

Product code	Product label	Senegal's imports from Pakistan			Pakistan's exports to world			Senegal's imports from world		
		Value in 2021	Value in 2022	Value in 2023	Value in 2021	Value in 2022	Value in 2023	Value in 2021	Value in 2022	Value in 2023
'8703	Motor cars and other motor vehicles principally designed for the transport of ...	14	0	36	1320	1005	2162	173050	170527	233695
'8704	Motor vehicles for the transport of goods, incl. chassis with engine and cab	0	0	0	51	46	950	107323	148907	198365
'8702	Motor vehicles for the transport of >= 10 persons, incl. driver	0	0	0	49	8	123	38466	12799	84526
'8705	Special purpose motor vehicles (other than those principally designed for the transport of ...	0	0	23	7731	147	1303	36119	40388	67678
'8701	Tractors (other than tractors of heading 8709)	0	1	25	47758	35644	32827	47570	42467	60928
'8708	Parts and accessories for tractors, motor vehicles for the transport of ten or more persons, ...	4	75	24	22954	23519	20764	23375	28162	32153
'8716	Trailers and semi-trailers; other vehicles, not mechanically propelled (excl. railway and tramway ...	0	27	0	1257	1445	690	15508	18656	24403
'8711	Motorcycles, incl. mopeds, and cycles fitted with an auxiliary motor, with or without side-cars; ...	6	0	0	4306	8260	18216	15721	16393	21210
'8710	Tanks and other armoured fighting vehicles, motorised, whether or not fitted with weapons, ...	0	0	0	0	0	0	1002	5436	11356
'8714	Parts and accessories for motorcycles and bicycles and for carriages for disabled persons, ...	1	0	0	523	771	848	2721	3745	3603
'8707	Bodies, incl. cabs, for tractors, motor vehicles for the transport of ten or more persons, ...	0	0	0	27	22	47	254	802	530
'8712	Bicycles and other cycles, incl. delivery tricycles, not motorised	0	1	0	72	40	99	259	614	523
'8713	Carriages for disabled persons, whether or not motorised or otherwise mechanically propelled ...	0	0	0	0	0	11	43	243	145
'8715	Baby carriages and parts thereof, n.e.s.	0	0	0	0	0	0	50	139	134

'8709	Works trucks, self-propelled, not fitted with lifting or handling equipment, of the type used ...	0	0	0	54	960	181	501	344	115
'8706	Chassis fitted with engines, for tractors, motor vehicles for the transport of ten or more ...	0	0	0	0	0	180	18	18	84

1. General context of the Automotive Sector¹

Economic growth and urbanization

Senegal has experienced sustained economic growth in recent years, with an annual GDP growth rate of **around 5 to 6%**. This dynamic is fuelled by **rapid urbanisation** (nearly **60%** of the population lives in urban areas), the **growth of the middle class**, and increased investment in transport and logistics infrastructure. In Dakar, the capital, the demand for private vehicles and public transport has increased accordingly.

Population

Senegal's population was estimated at around **18 million in 2024**, with a high population concentration in **Dakar** (nearly **3.5 million inhabitants**). The Senegalese population is growing at a rate of **2.5%** per year, which supports the demand for adapted means of transport.

2. Senegal Automotive Market Size

a. Vehicle Sales

Available data shows that vehicle sales have increased in recent years, although the market remains relatively small compared to the continent's major automotive markets. In 2023, the total number of vehicles (new and used) sold in Senegal was estimated at around **30,000 vehicles**.

1. **New Vehicle Sales** : Approximately **10,000 to 12,000 new vehicles** were sold in 2023, accounting for approximately **30-40%** of the total vehicle sales market.
 - **Used vehicle sales** : Approximately **20,000 used vehicles** were sold, accounting for **60-70%** of total sales. The used vehicle market is largely dominated by imported vehicles, especially from Europe, Japan and China.

b. Importing Vehicles

The Senegalese market remains largely dependent on vehicle imports. Vehicle imports in 2023 were estimated to be around **25,000 to 30,000 vehicles**, of which **20,000 to 25,000** were used vehicles.

¹ <https://futures.issafrica.org/geographic/countries/senegal/>

1. **Used vehicles** : About **70-80%** of imported vehicles are used vehicles. These vehicles come mainly from countries such as **France, Germany, and Japan.**²
2. **New vehicles** : About **20-30%** of imports are new vehicles. Brands such as **Toyota, Renault, Hyundai, Nissan, and Kia** are the most represented on the new vehicle market in Senegal.

c. Popular Vehicle Types

The Senegalese market is dominated by several types of vehicles:

1. **SUVs and off-road vehicles (4x4)**: Very popular, especially in urban areas and for professionals. The dominant brands are **Toyota** (Land Cruiser, Fortuner), **Hyundai** (Santa Fe, Tucson), and **Renault** (Duster).
2. **Sedans and compact vehicles** : Increasingly popular with the urban middle class, especially **Renault** (Clio, Logan) and **Nissan** (Micra, Sentra) models.
3. **Commercial vehicles**: Trucks and **pick-ups** account for a significant share of sales, especially in the construction and transportation sector.

3. Brands and Main Players

a. Dominant brands

The new vehicle market is dominated by several international brands, which are widely distributed through official dealers and local distributors. The top brands and their market shares in 2023 were:

1. **Toyota**: About **30-35%** of the new vehicle market. Toyota is the most popular brand, especially thanks to its **Hilux, Land Cruiser, and Fortuner models**.
2. **Renault**: About **20-25%** of the market. Renault particularly dominates in the **compact vehicle and commercial vehicle sector**.
3. **Hyundai** : About **15-20%** of the market, with popular models like the **Tucson and Santa Fe**.
4. **Nissan** : About **10-15%** of the market, with models like the **Navara** and the **Sentra**.
5. **Kia and Peugeot** : These brands have smaller market shares, but they are growing.

b. Distributors and dealers

Large dealerships play a central role in the distribution of new vehicles. Some of the major players in the Senegalese automotive market are:

1. **SENINDUS** (main distributor of **Renault** and **Nissan**).
2. **Toyota Senegal** (official Toyota distributor).
3. **Hyundai Senegal** (Hyundai distributor).
4. **Kia Motors Sénégal**.

² Used Vehicles Exported to Africa, Netherlands Human Environment and Transport Inspectorate, Ministry of Infrastructure and Water Management, 2020

c. Second-hand market

The used vehicle market is a very active segment in Senegal, fueled by imports from Europe, Japan and China. Local companies specializing in the import and sale of used vehicles, such as **Auto-Senegal** and **Occasions Dakar**, dominate this segment.

4. Market Share and Local Vehicle Performance

a. Local assembly

There is a small market for local vehicle assembly in Senegal, although it is a nascent sector. In 2023, around **2,000 to 3,000 vehicles** were assembled locally. Local assembly projects mainly concern **commercial vehicles** and **minibuses**.

- a) **Renault** has launched an initiative to assemble certain models in Senegal, particularly for the sub-regional market.
- b) **Suneor** is another company that is committed to local assembly, with initiatives to produce **light commercial vehicles**.

b. Perspective of local car assembly

Although local assembly remains limited, it is being developed through government initiatives to encourage investment in the sector through tax incentives and public-private partnerships.

5. Eligibility for Importing Cars

- **Residency Requirement:** Typically, only individuals who are residents of Senegal can import vehicles into the country.
- **Age Limit on Imported Vehicles:** Senegal has a policy that restricts the importation of used cars older than **5 years** from the date of manufacture. However, cars more than 5 years old can still be imported, but they may face higher taxes or duties.

a. Taxes and Duties for Importing Cars

The cost of importing a car to Senegal is significant due to various taxes and duties that must be paid. These include:

- **Customs Duty:** The customs duty for cars is typically around **25% to 30%** of the vehicle's value.
- **Value Added Tax (VAT):** A VAT of **18%** is applied to the total value of the car, including the customs duties.
- **Special Consumption Tax (SCT):** This tax varies depending on the type and engine size of the vehicle. Cars with larger engines generally incur higher taxes.
- **Registration Fees:** In addition to taxes, registration fees are required to get the vehicle registered in Senegal.
- **Environmental Tax:** Some vehicles, particularly those with higher emissions, may be subject to an environmental tax to encourage eco-friendly vehicles.

b. Technical Inspection and Standards

Imported cars must pass a **technical inspection** to ensure they meet the country's safety and environmental standards. The inspection checks various aspects such as emissions, safety features, and overall condition.

c. Documentation Required for Importation

When importing a car, the following documents are typically required:

- **Proof of Ownership** (original title or bill of sale)
- **Certificate of Conformity** to ensure the vehicle meets Senegalese standards
- **Customs Declaration Form** filled out for customs processing
- **Insurance Policy** (at least third-party insurance)
- **Proof of Identity** (passport or national ID)

d. Vehicle Registration

Once the car arrives in Senegal, it needs to be registered with the **Senegalese Vehicle Registration Authority**. This requires presenting proof of payment of duties and taxes, the customs clearance document, the technical inspection certificate, and proof of insurance.

6. Importation through Authorized Ports

All imported vehicles must enter through approved ports in Senegal, primarily **Port of Dakar**, which is the main entry point for most imports.

a. Exemptions and Special Cases

- **Diplomatic or International Organizations:** Cars imported for use by diplomats or international organizations may be eligible for certain exemptions from taxes and duties.
- **Specific Car Models:** Some vehicles, such as electric vehicles, may benefit from reduced taxes to promote sustainability.

b. Procedure for Importing Cars

1. **Select the Car:** Choose the car you wish to import, either new or used (keeping in mind the 5-year age restriction).
2. **Customs Declaration:** Submit the necessary customs documents to Senegalese authorities.
3. **Pay Duties and Taxes:** Upon arrival, the car is subject to customs duties and taxes as per the local regulations.
4. **Technical Inspection:** Ensure the car passes a technical inspection, which may involve checking compliance with emission standards and road safety regulations.
5. **Register the Car:** Complete the registration process with the local vehicle registration office

7. Challenges and Opportunities

a. Challenges

1. **High vehicle costs** : High import taxes and tariffs make new vehicles relatively inaccessible to the middle class. Most imported vehicles are used vehicles, which raises questions related to quality and safety.
2. **Limited financing** : Access to car credit remains limited, and interest rates on loans for the purchase of new vehicles are relatively high.

b. Opportunities

- **African Continental Free Trade Area (AfCFTA)**: Pakistan can take advantage of opportunities arising from the AfCFTA, which aims to increase intra-Africa trade by reducing tariffs and barriers. This can facilitate smoother trade routes for Pakistani car exporters entering Senegal or other West African markets.
- **Potential for CKD (Completely Knocked Down) Kits**: Senegal has a developing assembly industry, with an interest in local vehicle assembly to reduce costs and create jobs. Pakistani car manufacturers can explore sending **CKD kits** (Completely Knocked Down kits) to Senegal, where local companies could assemble these vehicles. This can be a cost-effective option for both Pakistani manufacturers and the Senegalese economy.

Example: If a Pakistani car maker establishes an assembly plant in Senegal, it can create local jobs, take advantage of lower labor costs, and benefit from reduced import duties for vehicles assembled locally.

Demand for Used Cars

Like many African countries, Senegal has a substantial market for **used cars**, especially those under 5 years old. If Pakistani exporters can supply high-quality used cars, they could fill this demand at competitive prices. Ensuring the cars meet Senegal's technical standards and emissions requirements would be key to success in this segment.

- **Opportunity for Pakistani Used Car Exporters**: Vehicles like used Suzuki Swift, Suzuki Wagon R, or even imported models from the likes of **Honda** and **Toyota** produced in Pakistan could find a market in Senegal.

Increasing Focus on Eco-Friendly and Fuel-Efficient Vehicles

There is a growing interest in **eco-friendly, fuel-efficient vehicles** across Africa, including Senegal. While electric vehicles (EVs) are still developing in the region, **hybrid** and **fuel-efficient** vehicles could appeal to Senegalese consumers who are increasingly conscious of fuel costs.

- Pakistani manufacturers could explore producing more fuel-efficient cars that meet international emissions standards, creating opportunities in the eco-friendly segment.

8. Conclusion

The automotive sector in Senegal continues to grow, supported by a developing economy, strong demand for mobility, and infrastructure investments. However, challenges remain,

particularly in terms of costs, access to credit and infrastructure adapted to market developments, especially for electric vehicles. Local vehicle assembly could also offer long-term opportunities, but more efforts are needed to overcome regulatory and infrastructural hurdles.
