

WORLD TRADE ORGANIZATION

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Committee on Trade in Financial Services

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COMMUNICATION FROM SENEGAL

Revised Offer on Financial Services

Revision

The following communication from Senegal is circulated to Members of the Committee on Trade in Financial Services.

This offer is conditional upon an outcome deemed satisfactory by Senegal to the negotiations on financial services currently under way in the Committee on Financial Services.

Moreover, Senegal reserves its right to modify or withdraw all or part of its commitments and to list MFN exemptions as it deems necessary.

The offers concerning financial services are made in accordance with the General Agreement on Trade in Services (GATS) and the Annex on Financial Services.

For "prudential" reasons under paragraph 2(a) of the Annex on Financial Services, Senegal will not be prevented from taking certain measures, such as requiring approval by the Minister responsible for finance or the Central Bank and/or any other measures which have or may have a prudential effect.

SENEGAL
CONDITIONAL INITIAL OFFER OF COMMITMENTS IN FINANCIAL SERVICES

Modes of supply:	(1)	Cross-border supply	(2)	Consumption abroad	(3)	Commercial presence	(4)	Presence of natural persons
Sector or subsector	Limitations on market access					Limitations on national treatment		Additional commitments
A. <u>Insurance and insurance-related services</u>	(1) Insurance contracts for persons having resident status in Senegal or for property located in Senegalese territory, and liability insurance contracts, can only be concluded with entities that have been approved for such purpose in Senegal. Approval is granted by the Minister in charge of insurances after consultation with the Insurance Control Commission, which takes account, <i>inter alia</i> , of the following elements: <ul style="list-style-type: none">- Technical and financial resources and their compatibility with the company's programme of activities;- good repute and qualifications of its managers;- general organization of the market;- form of ownership. (2) Unbound					(1) Unbound		
(a) Life, accident and health insurance services						(2) Unbound		
						(3) Unbound		
						(4) Unbound		

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons				
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments	
(b) Non-life insurance services	(1) Insurance contracts for persons having resident status in Senegal or for property located in Senegalese territory, and liability insurance contracts, can only be concluded with entities that have been approved for such purpose in Senegal in accordance with the conditions already mentioned.	(1) Unbound		
	(2) Unbound	(2) Unbound		
	(3) All imports of goods and merchandise directly for trade or industrial purposes must be covered by insurance taken out with one of the entities approved for such purpose in Senegal:	(3) Unbound		
	<ul style="list-style-type: none"> - Either through representatives approved by the Minister in charge of finance or agents of approved entities established in Senegal; - or through brokers established in Senegal or brokerage firms with their headquarters in Senegal. (4) For managers and directors, good repute and professional qualifications are prerequisites to the granting of approval.	(4) Unbound		

Modes of supply:		(1)	Cross-border supply	(2)	Consumption abroad	(3)	Commercial presence	(4)	Presence of natural persons
Sector or subsector		Limitations on market access			Limitations on national treatment		Additional commitments		
(c) Reinsurance and retrocession services		(1)	Unbound		(1)	Unbound			
		(2)	Unbound		(2)	Unbound			
		(3)	Insurance companies incorporated in Senegal and foreign insurance companies operating in the country must cede 20 per cent of the premiums charged by them and 20 per cent on their reinsurance treaties to SEMRE (<i>Société sénégalaise de réassurance</i>).		(3)	Unbound			
		(4)	Unbound		(4)	Unbound			
(d) Services auxiliary to insurance (including brokerage and agency services)		(1)	Unbound		(1)	Unbound			
		(2)	Unbound		(2)	Unbound			
		(3)	Brokers and brokerage firms must be approved and established in Senegal in accordance with the regulations in force, having fulfilled the necessary administrative formalities.		(3)	Unbound			
		(4)	For the managers and directors, good repute and professional qualifications are prerequisites to the granting of approval.		(4)	Unbound			

Modes of supply:		(1)	Cross-border supply	(2)	Consumption abroad	(3)	Commercial presence	(4)	Presence of natural persons
		Sector or subsector	Limitations on market access			Limitations on national treatment			Additional commitments
B. <u>Banking and other financial services (excluding insurance)</u>									
(a) Acceptance of deposits and other repayable funds from the public			(1) Unbound				(1) Unbound		
			(2) Unbound				(2) Unbound		
			(3) Banks operating in Senegal must be set up in the form of a public limited company whatever their legal status, the location of their headquarters or their main office, and the nationality of the owners or managers. In exceptional cases, they may be set up as cooperative or mutual open stock companies. Financial establishments other than banks may only accept deposits from the public within the framework of their activities, and provided they have been authorized to do so by decree and under conditions laid down by decree. Approval is granted on a non-discriminatory basis.				(3) Unbound		
(b) Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transactions			(4) Unbound				(4) Unbound		
			(1) Unbound				(1) Unbound		
			(2) Unbound				(2) Unbound		
			(3) These operations may only be carried out by approved banks or financial establishments. Foreign currency loans by banks are subject to authorization by the Minister in charge of finance.				(3) Unbound		
			(4) Unbound				(4) Unbound		

Modes of supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence (4) Presence of natural persons				
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments	
(d) All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts	(1) Unbound	(1) Unbound		
	(2) Unbound	(2) Unbound		
	(3) Credit and charge cards may be issued by the banks and other issuing entities approved by the Minister in charge of finance.	(3) Unbound		
	(4) Unbound	(4) Unbound		

REPUBLIC OF SENEGAL - LIST OF ARTICLE II (MFN) EXEMPTIONS CONCERNING FINANCIAL SERVICES

Sector or subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
<u>FINANCIAL SERVICES</u>				
A. Insurance and insurance-related services	Preferential treatment for services and service suppliers of member countries of ECOWAS, WAEMU and the Inter-African Insurance Market Conference (CIMA).	Member countries of ECOWAS, WAEMU and signatories of the CIMA Code.	Unlimited	Commitments in the context of regional arrangements. The West African financial market is in the process of being built up and requires preferential treatment in order to support the drive to harmonize national policies in this sector, so as to attain a competitive position at world level.
B. Banking and other financial services (excluding insurance)	Preferential treatment for services and service suppliers of member countries of ECOWAS, WAEMU and the Inter-African Insurance Market Conference (CIMA).	Member countries of ECOWAS, WAEMU and signatories of the CIMA Code.	Unlimited	Commitments in the context of regional integration and need for special and hence preferential treatment to support the efforts to harmonize policies in this sector, which remains very weak in the West African subregion, with a view to achieving a better competitive position.