THE WAVERLEY SERIES

THE GAMBIA

An Insight of Investment, Trade and Economy

September 2026

For Advisory & Partnership

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THE GAMBIA — AT A GLANCE

Capital	Banjul
Population	≈ 2.93 million
Real GDP growth	5.9-6.1% in 2025 (estimates vary by source), up from 5.6% in 2024, led by services, tourism and trade; the Central Bank notes growth has consistently exceeded 5% since 2021; projected at 4.9-5.1% for 2026 and around 5.0% for 2027
Poverty	Extreme poverty declined to 20.3% in 2025 from 21.5% in 2024
Fiscal position	The deficit narrowed to an estimated 1.3-2.8% of GDP in 2025 (sources vary) from around 4.0% in 2024, producing a primary balance surplus for the first time since 2019
Tax revenue	Averaged just 10.3% of GDP from 2017 to 2024, below the 15% benchmark the World Bank considers necessary to support basic government functions
Public debt	Estimated at 66.9% (IMF) to 76.4% (World Bank) of GDP in 2025, a divergence of nearly 10 percentage points; projected to decline to roughly 68.8% in 2026, though the country remains at high risk of debt distress per the December 2025 joint World Bank-IMF Debt Sustainability Analysis
Currency	Dalasi, freely floating with no peg or currency board; traded at approximately 72.63 per US dollar as of 19 September 2026, having stabilised after a roughly 5.8% depreciation in the first half of 2025
Remittances	Reached a record USD 872 million in 2025, a dominant external financial inflow, though no institution has published their precise share of GDP given a break in the underlying data series
Foreign direct investment	FDI per $1,000 of GDP runs at nearly seven times the ECOWAS average and four times that of other African least developed countries, with total FDI stock of approximately USD 1.4 billion as of end-2023, the largest among regional peers relative to GDP excluding Mauritania
Governing framework	President Adama Barrow, in office since January 2017; a revised constitutional reform draft was rejected by the National Assembly in July 2025, echoing a similar rejection in 2020; the next presidential election is scheduled for 5 December 2026

The Gambia has built a genuine reputation, endorsed directly by both the World Bank and UNCTAD, as a country that can reform and grow simultaneously. GDP growth has consistently exceeded 5% since 2021, extreme poverty is declining, and 2025 delivered the country's first primary fiscal surplus since 2019. Foreign direct investment dramatically outperforms regional peers, and remittances hit a record $872 million in 2025. This progress unfolds ahead of a 5 December 2026 presidential election, in a country where the National Assembly has twice rejected government-proposed constitutional reforms, a genuine sign of legislative independence. Investors should weigh The Gambia's credible reform momentum against a structurally narrow tax base, continued high risk of debt distress, and a specific, unresolved gap in publicly available guidance on profit and capital repatriation rights.

1. INVESTMENT & FDI

The Gambia's foreign direct investment performance dramatically outpaces its regional peers, even as a specific gap in published repatriation-rights guidance warrants direct investor attention.

UNCTAD's April 2026 investment policy assessment found that The Gambia's FDI per $1,000 of GDP runs at nearly seven times the ECOWAS average and four times that of other African least developed countries, with total FDI stock reaching approximately $1.4 billion by the end of 2023, the largest among regional peers relative to GDP excluding Mauritania; UNCTAD credited sustained reform to investment legislation and regional investment agreements, e-government rollout, and public-private dialogue despite multiple global crises since 2017. The Gambia Investment and Export Promotion Agency has processed applications for sixteen projects, spanning manufacturing, agriculture, fisheries, energy and other services, worth an estimated $204.67 million, including fifteen new Special Investment Certificates and one Export Processing Zone licence. However, independent analysis found no explicit GIEPA statement on profit or capital repatriation rights, describing this as a genuine gap in the standard investment climate assessment rather than a reassuring silence.

- **A genuinely exceptional FDI performance relative to regional peers:** the scale of Gambia's FDI outperformance, on both a per-GDP and absolute-stock basis, represents a real, independently verified achievement distinguishing it from most of its immediate regional neighbours.
- **A concrete, currently processing investment pipeline:** the sixteen GIEPA-processed projects worth over $204 million provide tangible evidence that Gambia's favourable FDI reputation is translating into an active, near-term project pipeline.
- **A specific, actionable investor caution:** the absence of published guidance on profit and capital repatriation rights means prospective investors should seek direct, written confirmation of repatriation terms from GIEPA or legal counsel rather than assuming standard protections apply by default.
- **A deliberate tightening of investment incentives:** a 2025 amendment limiting tax incentives and ending special investment certificates for underperforming companies reflects a genuine effort to improve incentive-targeting, even as independent analysis suggests it may curb some near-term private investment.

2. TRADE & BUSINESS

China's dominant, growing trade relationship and a freely floating currency define The Gambia's external trade position, even as remittances remain the single most important external financial flow.

China was The Gambia's top export destination in 2024, accounting for 36.3% of total exports, and its June 2025 removal of tariffs on imports from 53 African countries directly benefits Gambian exporters; by contrast, the September 2025 expiration of the African Growth and Opportunity Act is expected to have minimal direct impact, as US-bound exports represented just 0.3% of Gambia's total exports. The dalasi floats freely with no peg or currency board, trading at approximately 72.63 per US dollar as of 19 September 2026 after depreciating roughly 5.8% against the dollar in the first half of 2025 before stabilising. Remittances reached a record $872 million in 2025, described by one analysis as the single most useful fact about the Gambian economy, though no institution has published their precise share of GDP given a break in the underlying data series following rebasing.

- **A genuinely dominant and deepening Chinese trade relationship:** China's position as Gambia's top export destination, reinforced by its 2025 tariff removal specifically covering African exporters, represents a substantial and growing trade relationship independent of Gambia's more diversified investment-promotion efforts.
- **Minimal AGOA exposure specifically:** the negligible share of Gambian exports historically destined for the US market means the September 2025 AGOA expiration carries limited direct trade consequences for Gambia specifically, unlike several other African economies more dependent on the programme.
- **Record remittances as the central external financial flow:** the $872 million record inflow underscores just how central diaspora remittances remain to Gambia's broader economic stability, likely exceeding both FDI and tourism receipts in absolute terms.
- **A specific central bank reserve-reporting gap:** the central bank has not published a specific dollar reserve figure since October 2025, reporting only a cover ratio since, a transparency gap investors conducting detailed macroeconomic due diligence should note directly.

3. MAJOR ECONOMIC DEVELOPMENTS

A World Bank-endorsed reform and growth story continues even as the country's structurally narrow tax base and persistent debt-distress risk temper the positive momentum.

The World Bank's June 2026 Public Finance Review, titled 'Creating Fiscal Space to Sustain Growth and Boost Job Creation,' found that despite progress since the 2017 democratic transition, including average annual GDP growth of 5%, fiscal vulnerabilities remain: tax revenue averaged just 10.3% of GDP from 2017 to 2024, below the 15% benchmark needed to support basic government functions, while fiscal deficits averaged 4.5% of GDP over the same period. World Bank Economist Ephrem Niyongabo said 'The Gambia has demonstrated that it can reform and grow at the same time,' while Resident Representative Franklin Mutahakana added that 'the Gambia's economic momentum is real and reflects the government's commitment to reform.' In 2025, the fiscal deficit narrowed to an estimated 2.8% of GDP as revenue rose 2.8 percentage points to 24.1% of GDP, producing a primary balance surplus for the first time since 2019. Public debt continued declining to 76.4% of GDP according to the World Bank, though the IMF's own separate estimate for the same year cites a materially different 66.9% figure, a divergence of nearly 10 percentage points; the country remains at high risk of debt distress per the December 2025 joint World Bank-IMF Debt Sustainability Analysis despite the improving headline trajectory. Politically, a revised constitutional reform draft was rejected by the National Assembly in July 2025, echoing a similar rejection in 2020, and the next presidential election is scheduled for 5 December 2026.

- **A genuine, independently endorsed reform-and-growth combination:** the World Bank's direct, on-the-record statement that Gambia can reform and grow simultaneously represents a credible, institutional validation of the country's post-2017 economic trajectory.
- **A specific, quantified structural fiscal weakness:** the 10.3% average tax-to-GDP ratio, explicitly below the 15% benchmark for basic government functions, represents the clearest, most concrete constraint on Gambia's fiscal capacity identified by the World Bank's own analysis.
- **A genuine fiscal milestone in 2025:** the first primary balance surplus since 2019 represents real, verifiable progress on fiscal management, achieved even as expenditure also rose, reflecting stronger revenue mobilisation specifically.
- **A notable, unresolved data discrepancy on debt sustainability:** the nearly 10 percentage point gap between the IMF's and World Bank's 2025 public debt estimates represents a genuine measurement

uncertainty that investors and analysts should note when assessing Gambia's precise debt-sustainability position, rather than relying on either figure in isolation.

- **A demonstrated sign of legislative independence:** the National Assembly's rejection of constitutional reform proposals in both 2020 and 2025 represents a concrete, repeated example of legislative checks on executive power, a governance characteristic distinct from the political dynamics seen in several other markets this series covers.

4. MAJOR PROJECTS & INFRASTRUCTURE

The 2023-2027 National Development Plan continues directing investment toward agriculture, transport, energy and human capital, even as public investment is expected to moderate ahead of the December 2026 election.

- **National Development Plan priority sectors:** the 2023-2027 plan directs government investment toward agriculture, transport, energy and human capital, representing Gambia's core medium-term public-investment framework.
- **A pre-election spending shift:** ahead of the December 2026 presidential election, public investment is expected to slow in favour of social spending, a specific, near-term fiscal-composition signal relevant to infrastructure-sector investors and contractors planning around the election cycle.
- **Gamtel privatisation:** the government's plan to sell up to 60% of its stake in the Gambia Telecommunications Company in 2026 represents a significant planned state-asset transaction with direct implications for the telecommunications infrastructure sector specifically.

5. CONFERENCES, FORUMS & EXHIBITIONS

The World Bank's June 2026 release of the Public Finance Review and companion Economic Update represented the most significant recent institutional economic assessment shaping investor understanding of Gambia's reform trajectory and structural constraints.

6. BUSINESS & INVESTMENT EVENTS

Beyond the GIEPA project-processing activity and World Bank analytical reports described elsewhere in this briefing, no additional major standalone business or investment events were identified for this specific period.

7. GOVERNMENT & INTERNATIONAL PARTNERSHIPS

A deepening trade relationship with China and continued World Bank and IMF engagement define The Gambia's most consequential current international economic relationships.

- **China:** as Gambia's dominant export destination, reinforced by its 2025 tariff removal for African exporters, China represents Gambia's single most significant current trade relationship.
- **World Bank:** the June 2026 Public Finance Review and Economic Update, directly crediting the government's reform commitment, represent Gambia's most substantive recent multilateral analytical engagement.

- **IMF:** continued Article IV engagement, with the most recent consultation completed in January 2024 and outstanding purchases and loans of SDR 136.79 million as of March 2026, remains central to Gambia's macroeconomic policy dialogue.
- **UNCTAD:** the April 2026 investment-policy assessment specifically highlighting Gambia's FDI outperformance relative to regional peers represents a further, independent multilateral validation of the country's investment climate.

8. SME & PRIVATE-SECTOR DEVELOPMENTS

The World Bank's own analysis identifies closing gender-based labour-market gaps as a specific structural opportunity, even as domestic-revenue constraints limit the state's capacity to support broader private-sector development.

The World Bank's companion report, 'Learning Without Earning: Women's Educational Gains and Labor Market Constraints in The Gambia,' examines the specific gap between women's educational progress and their labour-market outcomes, identifying a concrete, evidence-based structural opportunity for broader economic inclusion. Separately, GIEPA continues actively encouraging micro, small and medium enterprises to take advantage of its investment-promotion services, while the government enforces a moratorium on onion and potato imports specifically to support local agricultural producers.

- **A specific, quantified gender-inclusion opportunity:** the World Bank's direct focus on the gap between women's educational gains and actual labour-market participation provides a concrete framework for targeted private-sector and policy interventions specifically.
- **Targeted domestic-producer protection:** the onion and potato import moratorium represents a concrete, if narrowly targeted, example of government support for local agricultural value chains specifically.

9. NEW INVESTMENT OPPORTUNITIES / PROJECTS ANNOUNCED

Telecommunications privatisation, manufacturing and agriculture GIEPA-approved projects, and National Development Plan sectors define The Gambia's most concretely promoted new investment channels.

- **Gamtel privatisation:** the planned sale of up to 60% of the government's stake in 2026 represents the most significant planned near-term state-asset transaction in the telecommunications sector specifically.
- **GIEPA-approved project pipeline:** the $204.67 million in processed applications across manufacturing, agriculture, fisheries, energy and other services represents a concrete, currently active investment pipeline.
- **National Development Plan sectors:** agriculture, transport, energy and human capital remain the government's stated medium-term investment priorities through 2027.
- **Land policy reform:** planned reforms aimed at securing and facilitating access to land and financing offer a structural opening specifically for new business formation and expansion.

SUMMARY ASSESSMENT

The Gambia has built a genuine reputation, endorsed directly by both the World Bank and UNCTAD, as a country that can reform and grow simultaneously. GDP growth has consistently exceeded 5% since 2021, extreme poverty is declining, and 2025 delivered the country's first primary fiscal surplus since 2019. Foreign direct investment dramatically outperforms regional peers on a GDP-adjusted basis, and remittances hit a record $872 million in 2025.

This progress unfolds ahead of a 5 December 2026 presidential election, in a country where the National Assembly has twice rejected government-proposed constitutional reforms, a genuine sign of legislative independence distinct from the political dynamics seen in several other markets this series covers. Set against this genuine progress: tax revenue has averaged just 10.3% of GDP since 2017, well below the benchmark needed for basic government functions, and The Gambia remains at high risk of debt distress despite a declining debt-to-GDP trajectory, with the IMF and World Bank's own estimates for 2025 public debt diverging by nearly 10 percentage points.

Investors should also note a specific, unresolved gap in publicly available guidance on profit and capital repatriation rights, verifying these terms directly rather than assuming standard protections apply. The Gambia's reform credibility is real, but its fiscal foundations remain a genuine work in progress.