

Report to G20 Compact with Africa – Policy Matrix A1:D11			
BENIN			
Goal: Improve framework conditions for private investment (domestic and foreign)			
Focus	Government action	Indicators and targets	Partner's supports
Areas			
Macroeconomic framework			
Macroeconomic framework Stability	Maintaining macroeconomic stability and reinforcement of Public Finances management	Debt-to-GDP (Net Present value) <50%; Inflation rate <3% ; Budget deficit <3% by 2019	<p>IMF : Implementation of Economic and Financial reform 2017-2019 program supported by Extended Credit Facility (ECF)</p> <p>AfDB : Country risk assesement to provide access to AfDB sovereign lending on a case-by-case basis to finance flagship projects at improved terms and maintain debt sustainability</p> <p>GIZ : Capacity reinforcement in modelling and analysis. Technical support to rapid-impact initiatives and development of economic turning point indicator. Support for regional trade with best practices sharing platform</p> <p>EU: Implementation of governmental reforms in the agriculture, decentralisation and governance sectors supported by the EU budget supports</p>

Domestic revenue mobilization	Dematerialization of fiscal and non-fiscal receipts' procedures and payments to Tax and Customs authorities (Linking database centers , e-declaration and e-payment, centralized fiscal administration databases)	100% of large firms to report and pay their taxes online by 2019 Ratio of Payments-to-number of VAT self-reporting forms: ≥ 60% by 2020 Tax revenue-to-GDP ratio target of 15.5% by 2020 vs. 13.5% as of 2017	Canada : Support for the Increase of Internal Revenues in Benin Project (PAARIB) World Bank : Fiscal Reform and Growth Development Policy Financing project (FRG) EU : Technical Assistance in the scope of additional support for the Good Governance for Development 2016-2020 framework
Public investment management	Public finance legal framework reinforcement (2018)	Comprehensive judicial framework for managing investments Coverage ratio for the different phases of public investment lifecycle by regulation: 100% in 2019.	World Bank : Public Investment Management and Governance Support Project (PIMGSP) EU : Additional support for the implementation of Public Finances Global Reforms Plan. Support Program for the Improvement of Economic Governance (PAGE)
	Operationalization of institutional framework for perennial public investment programming (budgeting in commitment authorizations and payment credits)	Proportion of Ministries presenting budgets in Commitment Authorization and in Payment Credits in 2019: 100%	GIZ : Reconstitution of Public Investment Program database. Diagnostic study of monitoring system for investment programs and projects. In-depth training for investment project cost evaluation EU : Additional support for the implementation of Public Finance Global Reforms Plan. Support Program for the Improvement of Economic Governance (PAGE)
Business Framework			

Business environment and regulation	Reinforcement of <i>Doing Business</i> indicator monitoring	Improve Benin's ranking to one of the top performers on the first five indicators by 2020	World Bank : International Finance Corporation (IFC)/ World Bank Group (WBG) support for implementation of <i>Doing Business</i> reforms (Benin Invest Advisory Project)
	Rationalization and simplification of procedures of Investment Code authorizations	Adoption of new investment code Investment code authorization processing time of less than 20 days	World Bank : Crossborder tourism competitiveness project
	Set up Special Economic Zones (SEZs)	Development of all targeted SEZs by 2019 Technical partner identification and recruitment in 2018	
Investor protection and dispute resolution	Operationalization of new commerce jurisdictions created by 2017 law	Number of functional courts and appeals courts for commerce: 2 in 2018 and 4 by 2020 Legal dispute processing limit of 4 months maximum	World Bank : Competitiveness and Integrated Growth Opportunity Project (CIGOP) EU : Support program for reforms relative to the fight against corruption and impunity in the judicial and budget control sectors. Support program for Private sector partners (improvement of commerce courts, increased number of specialized magistrates).
Use of standard clauses in PPP	Set up management framework for Public-Private Partnership contracts	Proportion of PPP projects using standard clauses : 80% in 2020	World Bank : WBG Technical assistance for the implementation of institutional framework for PPP projects and the preparation of PPP projects. AfDB : Technical Assistance from the African Judicial Support Facility for the capacity reinforcement and negotiation of PPP contracts in the Energy and Mining sectors
Financing framework			

Reduce investment risks	Set up zoning system and electronic recording of property titles	Proportion of property titles delivered by new system Property title issuance waiting time	AfDB : Support for the elaboration of the 35 rural zoning maps in the scope of the land code reform
	Reinforce and diversify financing instruments for SMEs and agricultural firms (National Guarantee Fund, operationalize National Agricultural Development Fund)	Improving number of SME firms accessing bank credit financing to 20% by 2019	World Bank : Policy reform-based guarantee (FRGC). Operationalization of National Agricultural Development Fund (NADF) UE : Support program for Sustainable Development of Agricultural Sector (PADDSA) – Reinforcement of national financing framework for the agricultural sector (NADF, FADEC etc.); European Fund for Sustainable Development Guarantee for reducing the investment risks, including for agriculture and SME financing in the framework of the External Investment Plan
Mobilization of private & institutional investments	Improve Benin's credit rating with debt restructuring and the support of internationally-renowned credit rating agencies	Improvement of resources mobilized by private sector and multilateral institutions	AfDB : Making partial credit guarantee available to improve sovereign debt issuance rating on international bond markets
	Reinforce access to opportunities offered by multilateral and bilateral institutions in order to reduce non-commercial risks for private and institutional investors	Number of projects financed via multilateral guarantee agencies	World Bank : Risk sharing facility project (IFC, WB) EU : European Fund for Sustainable Development Guarantee in five thematic areas as well as blended finance, including the form of risk capital and other risk sharing mechanisms, to leverage private financing in the framework of the External Investment Plan