



Investment Opportunities
G20 Compact with Africa

COUNTRY CONTEXT

Stable and secure environment—

Beacon of democracy and security in West Africa. Peaceful and credible elections since 1990. Violence-free political alternations at the Presidency. Ranked 4th ECOWAS country in the Global Peace Index

Strategic geographic position—

At the crossroads between Nigeria (approximately 190 million inhabitants) and seven West African countries (more than 90 million people). Fast and secure gateway for landlocked countries such as Niger and Burkina Faso

Stable macroeconomic framework

Average GDP growth rate of 5% over the past five years. National budget deficit forecasted to remain contained to 3% of GDP between 2017 and 2021. Subdued inflation rate of less than 3%

Continuously improving business environment—

Simpler, swifter & easier procedures. Creation of businesses under 24 hours. Efficient building permit delivery (7th of 49 SSA countries in Doing Business rankings). Suppression of visas for African country nationals, member of African Trade Insurance Agency

Regional integration—

Member of the West African Monetary Union (stable monetary zone) and the Economic Community of West African States (Market access to more than 300 million consumers)

Connectivity—

Mobile telephone density 108% in 2015 and mobile internet penetration of 25,2% in 2016. Access to SAT3 and ACE submarine cables

Rich agricultural potential—

80% of arable land in the country of which only 20% in use. 70 000 ha of arable land in inner country valleys. 13 billion m³ of surface water reserves and 1.8 billion m³ of underground water reserves for agriculture



KEY FACTS

Official language	French
Currency	CFA Franc
Government type	Presidential Republic
Land area	114,763 Km ²
Coastline	125 Km
Major urban areas	Cotonou, Porto-Novo, Parakou
Literacy rate (2013)	43,1%
GDP (current, 2016 est.)	US\$ 8,622.5 million
GDP Growth (2016 est.)	4.0%
GDP per capita (2016 est.)	US\$ 777.6
Natural resources	Limestone, iron ore, marble and kaolinite



COMPACT MEASURES

MACROECONOMIC FRAMEWORK

- Sustaining a stable macroeconomic framework through accelerated economic growth based on the foundational impact of structural investments
- Reinforcing public debt management including, liabilities tied to Public-Private Partnerships (PPPs) and state enterprise debt
- Reforms aimed at the increase and modernization of resource mobilization
- Improving the quality and efficiency of public spending

BUSINESS ENVIRONMENT FRAMEWORK

- Reforming fiscal control procedures and clarification of rights and obligations in matters of fiscal litigation
- Development of economic promotion zones (creation of a special economic zone)
- Reforming private sector relations and investment promotion platform
- Restructuring the “Doing Business” reform monitoring framework and making significant progress in ranking tables

FINANCING FRAMEWORK

- Reforms to access opportunities offered by multilateral and bilateral institutions in order to reduce non-commercial risks and build confidence for private and institutional investors
- Development of national and subregional financial market
- Development of new tools to facilitate resource mobilization
- Operationalization of framework to execute the law pertaining to Public-Private Partnerships



OPPORTUNITIES

HERITAGE & TOURISM

Benin has a rich and untapped touristic potential rooted in its heritage. Its strongpoints lie in its culture, the arts and voodoo civilization, the memory and remnants of the slave trade and the largest animal park in West Africa. The objective is to develop tourism into a full-fledged economic sector. The sector's contribution to GDP is projected to grow to US\$ 628 million in 2021 compared to US\$ 182 million in 2016.

Specific opportunities

- Positioning Pendjari park as the Natural Park of reference in the West African region (US\$ 26 million)
- Reinventing the Lake City of Ganvié (US\$ 43 million)
- Developing beachside resorts (US\$ 333 million)



OPPORTUNITIES

AGRICULTURE

The objective is to promote inclusive growth and leverage agriculture as an economic growth vehicle to generate jobs and wealth for Benin.

Specific opportunities

- Extension of sown areas, improvement of productivity and development of high value added agricultural product transformation (maize, rice, pineapple, cashew, cassava, cotton)
- Development of 500 ha of aquaculture zones for the production of 20,000 tons of fish over 5 years
- Improvements in meat, milk and egg production: Reaching 104,000 tons of meat, 172,000 tons of milk and 25,000 tons of eggs produced by 2021



OPPORTUNITIES

ELECTRICITY

The objective is to achieve energy independence in the short-term and ensure distribution at competitive prices.

Specific opportunities

- Construction of floating gas storage and gas regasification units near the Port of Cotonou to supply onshore gas-powered plants generating 500 MW
- Development of renewable energy - Rebalancing of thermal production mix with the construction of 2 hydroelectric dams and the implantation of solar farms
- Extension and rehabilitation of national power distribution network



OPPORTUNITIES

LIVING ENVIRONMENT

The objective is to ensure inclusive and sustainable development built around resilient and secure cities.

Specific opportunities

- Development and rehabilitation of 850 kilometers of urban main access roads, secondary and tertiary access roads in 9 cities
- Development of Cotonou lagoon banks and sanitization of lagoon
- Development of social housing real estate programs to accommodate approximately 20,000 housing units
- Construction of multidisciplinary urban complex dedicated to international forums and culture – National theater of 3,000 seats, conference centre of 3,500 seats and various other attractions



OPPORTUNITIES

INFRASTRUCTURE AND ICT

The objective is to consolidate Benin's comparative advantage as the natural corridor towards the West African Economic and Monetary Union (WAEMU) member states as well as the Economic Community of West African States (ECOWAS)

Specific opportunities

- Construction of a northern bypass Cotonou expressway including a city-crossing bridge and the development of 3 water-pumping stations in lower elevation zones
- Modernization and extension of Cotonou Port and re-development of access roads to the Port area
- Construction of toll expressway road between Sèmè-Kpodji and Porto-Novo
- Deployment of high-speed internet access and very high-speed internet access over the entirety of the national territory - Facilitate a target internet penetration rate of 60% for high-speed internet access and an overall internet access target penetration rate of 80%



OPPORTUNITIES

International Knowledge & Innovation City (Sèmè City)

Sèmè City will host establishments in the fields of education (world-class universities, vocational and technical schools, lifelong learning), research (laboratories and research centers), and business incubation in a modern campus. The objective is to train a new generation of talent and promote inclusive and sustainable growth based on the spirit of "Innovation Made in Africa".

Specific opportunities

- Conceived as a sustainable smart city over more than 100 ha capitalizing on the natural benefits of the coast of Benin and integrating a full range of services (sports and leisure activities, a corridor of soft mobility and green spaces, sustainable living environment, etc.)
- Offering incentives for investment in education, research and incubation activities

PARTNER SUPPORT FOR REFORMS

Macroeconomic framework

- Ensuring macroeconomic stability and debt sustainability while mobilizing domestic resources for public investment
- Ensuring better management of public investment
- Strengthening financial governance and implementation of a legal framework for public finances in line with WAEMU directives

Business environment framework

- Reforming private sector relations and investment promotion platform
- Restructuring the “Doing Business” reform monitoring framework and making significant progress in ranking tables
- Operationalization of trade courts and staff capacity building

Financing framework

- Development of new tools to facilitate resource mobilization
- Development of national and subregional financial market
- Operationalization of framework to execute the law pertaining to PPPs

CONTACT US

Ministry of Economy and Finance

Tel: (+229)21 30 10 20 Fax : (+229) 21 30 18 51

www.finances.bj

Abdou Rafiou BELLO, Economic Technical Advisor

Tél : (+229) 97 07 65 90

Email : rbello@finances.bj

Aristide MEDENOU, Director General of Economic Affairs

Tél : (+229) 97 26 44 46

Email : amedenou@finances.bj