



📍 CAPITAL CITY: PORTO-NOVO

Key Facts



POPULATION

13.9 million (2024)



CURRENT GDP

US\$ 17.4 billion (2022)



LEADER

Patrice Talon



PRIMARY EXPORT

Raw Cotton
US\$ 587 million (2022)

CFC COUNTRY FACTSHEET: Benin

Benin is currently undergoing full economic development after successfully combining democracy and political stability, offering reliable economic growth, promising stable inflation and promoting sound public finances.

After reaching 6.3% in 2022, GDP growth remained resilient in 2023, slowing down to 5.5% (IMF), fueled by robust agricultural production, an expanding agroindustry sector supported by new operations at the Glo Djigbe Industrial Zone (GDIZ), and active construction projects. Economic growth is expected to pick up to an annual average of 5.9% in 2024 and 5.5% next year, reflecting higher infrastructure spending, increased agricultural output, and a wider regional recovery.

The country is at the heart of a vast market of more than 300 million consumers due to its membership in the Economic Community of West African States (ECOWAS) and West African Economic and Monetary Union (WAEMU), and its proximity to Nigeria, which constitutes its main regional markets.



INTERESTS & CURRENCY

EXCHANGE RATES

Central Bank rate
Rate : 5.5%

Currency
West African CFA franc
(CFA/XOF)

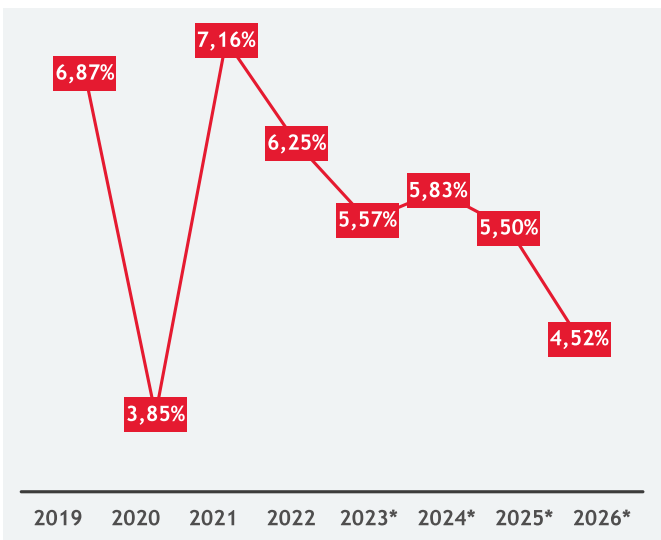
USD 1 = XOF 602.18

EUR 1 = XOF 655.48

Central Bank of West African States (BCEAO), 2024



GDP GROWTH



2% Inflation (Feb 2024)

1.4% Unemployment rate (2022)

2.6% Demographic growth (2024)

-6.4% Current account (2022)

US\$ 266 million FDI (Net Inflows) (2022)

60 years Life expectancy (2021)

US\$ 1302 GDP per capita (2022)

45.8% Literacy Rate (2021)

What are the most attractive industries ?

Here are some of the attractive industries in Benin:

- 
Agriculture: Benin has fertile land and favorable climate conditions suitable for agriculture. The government has been focusing on agricultural development to enhance food security and promote exports.
- 
Energy: With increasing demand for electricity, there are opportunities in renewable energy, such as solar and wind power, as well as traditional energy sources like oil and gas.
- 
Tourism: Benin boasts a rich cultural heritage and natural attractions, including historical sites like the Royal Palaces of Abomey, the Pendjari National Park, and the Ouidah Museum of History.



Benin's International Membership

- United Nations **(UN)**
- African Union **(AU)**
- World Trade Organization **(WTO)**
- West African Economic and Monetary Union **(WAEMU)**
- Economic Community of West African States **(ECOWAS)**

Leading Companies in Benin

1. Banque Internationale du Bénin (Banking)
2. COTAIR (Airlines)
3. Société Nationale de Commercialisation des Produits Pétroliers (Oil and Gas)
4. Compagnie Béninoise de Négoce et de Distribution (Consumer services)

What is the tax regime in Benin?

Corporate income tax rate:

- The corporate income tax rate for nonindustrial companies is **30%**.
- Industrial companies are subject to a **25%** rate.
- The rate is between **35%** and **45%** for oil companies carrying out research and the exploitation, production, and sale of natural hydrocarbons.
- Branches of foreign companies are subject to the same rate as domestic companies.

Withholding tax (WHT):

Payments	Rate for Resident	Rate for Non Resident
Dividends	0%/15%	0%/15%
Interest	15%	15%
Royalties	See note*	10%/-12%

*Royalties paid to a resident individual are considered non-commercial profits and are subject to personal income tax at progressive rates. Royalties paid to a resident company are subject to corporate income tax at the 30% rate.

Personal income tax rate:

- The general income tax is imposed at progressive rates ranging from **30%** to **40%**.

Value Added Tax:

- The standard rate is **18%**. Exempt activities include imports of certain products, banking, and general insurance.

Tax treaties

Benin has concluded tax treaties with the following jurisdictions and organizations.

COUNTRY	DIVIDENDS	INTEREST	ROYALTIES
France	15%	15%	0%
Norway	18%	25%	15%
WAEMU	10%	15%	15%

Investment incentives offered in Benin

General incentives

Incentives are granted under several laws, including the Investment Code, Mining Code, Petroleum Code, Environment Code, Free Zone Law, etc.

Tax Incentives

- New or expanding companies that contribute to the government's economic and social objectives may be eligible for incentives during a "setting-up" period of up to 30 months, and 5 to 9 years of business operations.
- Enterprises investing at least XOF 500 million and creating at least 20 new jobs for nationals of Benin will be able to import production plant, machinery, and spare parts, and will be exempt from tax on industrial and commercial profits for an approved period.
- Enterprises investing at least XOF3 billion may obtain tax stability guarantees. 50% of profits re-invested in approved projects may be deducted from taxable income.
- New industrial enterprises or divisions of established corporations may be granted a five-year income tax exemption.
- Enterprises licensed to operate in Industrial Free Zones (IFZs) may be granted a 10-year exemption from income tax on industrial and commercial profits, and a 50% reduction in the rate of VPS (employer payment) for five years, as well as other tax concessions.
- Financial and banking institutions, holding companies in general, and insurance companies may obtain a license to operate in IFZs.

As a foreigner, do I need a work permit ?

Work permits are required for expatriates who come to Benin with a long-term visa (i.e., valid for one year).

The employment contract of the expatriate must be submitted to the Ministry of Labour for approval, and once a work permit is issued, it will be valid for one year, with the possibility for renewal.

A resident permit issued by the Immigration Ministry is also required for all expatriates.



Useful Links / Sources

1. [Central Bank of West African States \(BCEAO\)](#)
2. [Benin investment promotion agency \(APIEX\)](#)
3. [GLO-GJIGBÉ INDUSTRIAL ZONE \(GDIZ\)](#)
4. [World Bank](#)
5. [World Investment report](#)
6. [Deloitte guide to fiscal information](#)

