BENIN

LEGAL & TAX FRAMEWORK FOR INVESTMENT — JUNE 2026 EDITION

The most dynamic economy in **WAEMU** — with growth expected around **7% in 2026**, the highest in the Union (World Bank) — Benin has established itself as a land of **pro-business reforms** and **local processing**. Driven by cotton, soy and cashew, equipped with the **Port of Cotonou** (the logistics gateway for Niger, Nigeria, Burkina Faso and Mali) and the **Glo-Djigbé Industrial Zone (GDIZ)**, the country applies the unified **OHADA** business law and is part of **WAEMU** — a single-currency monetary zone pegged to the euro. This factsheet summarises the macroeconomic, tax and legal data relevant to an entry decision, with particular focus on the **legal securing** of the investment.

POPULATION	CURRENCY	GDP GROWTH
~14 M	**FCFA · XOF**	**~7%**
2026 est. (UN / Worldometer)	CFA franc BCEAO — fixed peg €1 = XOF 655.957	2026f (World Bank) — highest in WAEMU

INFLATION	GDP PER CAPITA	TOP EXPORT
~1.1%	**≈ $1,590**	**COTTON**
2025 · ~2.0% projected 2026	2025 (World Bank / IMF)	~49% of exports · soy, cashew

HEAD OF STATE	CAPITALS	LOGISTICS EDGE
R. WADAGNI	**PORTO-NOVO**	**PORT + GDIZ**
Romuald Wadagni — in office since 2026	Official capital · economic hub: Cotonou	Port of Cotonou · Glo-Djigbé Industrial Zone

PRO-BUSINESS REFORMS & LOCAL PROCESSING

With growth expected around **~7%** in 2026 (World Bank, Global Economic Prospects 01/2026), Benin shows the most dynamic trajectory in WAEMU. The country overhauled its **General Tax Code in 2025** (a 2-year CIT exemption for start-ups, then −50% in year three) and steers its incentives strongly towards the **local processing** of cotton, cashew and textiles within the **GDIZ**. Combined with the **logistics-hub** role of the Port of Cotonou for the landlocked hinterland, this strategy opens an agribusiness value chain that calls for anticipated legal structuring.

A HARMONISED BUSINESS-LAW FRAMEWORK

- **OHADA** — Benin applies the uniform business law of OHADA (17 member states, 9 Uniform Acts: companies, security interests, debt recovery, insolvency, arbitration, etc.). Disputes may be brought before the **CCJA** (Common Court of Justice and Arbitration), whose awards are enforceable across the 17 states.
- **WAEMU** — an 8-state economic and monetary union (central bank: BCEAO); free movement of goods and a common foreign-exchange framework.
- **Revised SYSCOHADA accounting** — the mandatory accounting framework, readable by any investor across the zone.
- Also a member of the **African Union**, the **AfCFTA**, the **WTO**, **ECOWAS**, **OAPI** (intellectual property) and **CIMA** (insurance).

COMMON OHADA COMPANY FORMS

FORM	MINIMUM CAPITAL
SA	XOF 10,000,000
SAS	Set freely by the by-laws
SARL	Set freely by the by-laws
Branch	Attached to the foreign company (OHADA duration limit)

Registration with the RCCM; investment one-stop shop: APIEx.

TAX REGIME — THE ESSENTIALS

TAX	RATE	DETAILS
Corporate income tax (CIT)	30%	2025 General Tax Code. **Start-ups exempt from CIT for 2 years**, then a 50% reduction in year three. Minimum flat tax: **1.5% of turnover (excl. tax)**, floor **XOF 500,000**, due even where no profit is recorded.
VAT	18%	Standard rate. Exemptions and special regimes by sector.
Withholding taxes (non-residents)	10 / 12%	Services / royalties paid to non-residents: approx. 10% (foreign individual) / 12% (foreign company). Reduced by the applicable tax treaty — to be checked case by case.
Tax treaties	BJ NETWORK	France, Norway, United Arab Emirates, Morocco, Rwanda + WAEMU / ECOWAS regional frameworks. Source: DGI Benin (impots.bj).

Tax source: 2025 General Tax Code (finances.bj) — minimum flat tax: art. 55 revised CGI (1.5% / XOF 500,000).

ATTRACTIVE SECTORS

- **Cotton & agribusiness** — cotton makes up ~49% of exports; soy (~12.5%) and cashew (~11%) complete the mix. Strong momentum in local processing.
- **GDIZ (Glo-Djigbé Industrial Zone)** — a processing hub for cotton/cashew/textiles, agribusiness and digital; dedicated customs and tax regimes.
- **Port of Cotonou** — a logistics and transit hub for Niger, Nigeria, Burkina Faso and Mali.
- **Digital & services** — reforms digitalising the administration and business services.
- **Construction & infrastructure** — sustained public investment programmes.

INVESTMENT INCENTIVES

- **Investment Code** — tax and customs benefits during the installation and operating phases, depending on the amount invested and the sector.
- **APIEx** — one-stop shop for incorporation and approvals.
- **GDIZ** — preferential regime for local processing and export-oriented activities.
- **CIT exemption for start-ups** (2 years, then −50% in year three) — a lever for innovation and digital.

FOREIGN-EXCHANGE REGULATION

- **WAEMU / BCEAO framework.** Cross-border financial transactions fall under WAEMU's common foreign-exchange regulation, administered by the BCEAO; capital movements are regulated, channelled through approved intermediaries and subject to declaration.
- **Repatriation of dividends and capital.** Transfer is permitted but conditional on documenting the flows and paying the taxes due — to be structured from the moment of entry into the capital.
- **Good practice.** Funding in foreign currency and keeping documentary traceability of each flow secures the later transfer of funds.

Precise terms (thresholds, documents, timelines) to be checked with the BCEAO and an approved intermediary.

SECURING THE INVESTMENT

Beyond the figures, a successful entry rests on command of the legal framework. In a country driven by pro-business reforms and the rise of **local processing**, contractual structuring and the choice of incentive regimes are decisive.

THE UGGC ANGLE — OHADA LEVERS

§ **CCJA arbitration** — awards enforceable across OHADA's 17 member states.

§ **Security interests (Uniform Act)** — mortgage, pledge, autonomous guarantee, security agent; secure financings.

§ **FX & repatriation** — WAEMU/BCEAO rules: structure dividend and capital repatriation upfront.

§ **Governance & compliance** — OHADA company law, SYSCOHADA, GDIZ eligibility.

Our support in Benin. UGGC Africa supports investors in Benin from its **Africa Desk in Casablanca**, drawing on its pan-African network.

Sources: IMF (World Economic Outlook / Benin 2025-2026) · World Bank (Global Economic Prospects 01/2026, Macro Poverty Outlook) · UN / Worldometer (population) · 2025 General Tax Code (finances.bj) · APIEx / GDIZ · OHADA (ohada.org) · BCEAO · WAEMU · uggcafrica.com.