

## Benin

**Background:** Present day Benin was the site of Dahomey, a West African kingdom that rose to prominence in about 1600 and over the next two and a half centuries became a regional power, largely based on its slave trade. Coastal areas of Dahomey began to be controlled by the French in the second half of the 19th century; the entire kingdom was conquered by 1894. French Dahomey achieved independence in 1960; it changed its name to the Republic of Benin in 1975

A succession of military governments ended in 1972 with the rise to power of Mathieu KEREKOU and the establishment of a government based on Marxist-Leninist principles. A move to representative government began in 1989. Two years later, free elections ushered in former Prime Minister Nicephore SOGLO as president, marking the first successful transfer of power in Africa from a dictatorship to a democracy. KEREKOU was returned to power by elections held in 1996 and 2001, though some irregularities were alleged. KEREKOU stepped down at the end of his second term in 2006 and was succeeded by Thomas YAYI Boni, a political outsider and independent. YAYI, who won a second five-year term in March 2011, has attempted to stem corruption and has strongly promoted accelerating Benin's economic growth.



### Basic Facts

Population	10,879,829 <sup>[2]</sup> (82nd)
Area	114,763 km <sup>2</sup> <sup>[1]</sup> (100th)
currency	<a href="#">West African CFA franc</a>
GDP (Nominal)	\$8.302 billion <sup>[4]</sup>

Export Volume	\$625,578
Import Volume	\$2,474,736
Export to OIC Member States	\$314,227
Import from OIC Member States	\$585,469

**Economy - overview:** The free market economy of Benin remains underdeveloped and dependent on subsistence agriculture, cotton production, and regional trade. Cotton is a key export commodity; high prices supported export earnings. Growth in real output has averaged 6.5% since 2014. Inflation has subsided and remained 1% over the past several years.

An insufficient electrical supply continues to hamper Benin's economic growth though the government recently has taken steps to increase domestic power production. Private foreign direct investment is small, and foreign aid accounts for the majority of investment in infrastructure projects.

Benin's 2001 privatization policy continues in telecommunications, water, electricity, and agriculture. Benin has appealed for international assistance to mitigate piracy against commercial shipping in its territory. Though security remains a problem, the Port of Cotonou has made progress towards implementing the International Ship and Port Facility Security (ISPS) Code in an effort to remain competitive. Projects included in Benin's \$307 million Millennium Challenge Corporation (MCC) compact (2006-2011) were designed to increase investment and private sector activity by improving key institutional and physical infrastructure. The four projects focused on access to land, access to financial services, access to justice, and access to markets (including modernization of the port). The Port of Cotonou is the largest component of Benin's economy with revenues projected to account for more than 40% of Benin's national budget. Realizing its economic potential requires further efforts to infrastructure upgrades, stemming corruption, and expanding access to foreign markets in Nigeria and neighboring landlocked countries. In September 2015, Benin signed a MCC second Compact for \$375 million that is designed to strengthen the national utility service provider, attract private sector investment, fund infrastructure investments in electricity generation and distribution, and develop off-grid electrification for

poor and unserved households. In order to raise growth, Benin plans to attract more foreign investment, place more emphasis on tourism, facilitate the development of new food processing systems and agricultural products, encourage new information and communication technology, and establish Independent Power Producers (IPP).