# THE WAVERLEY SERIES

# BENIN

*An Insight of Investment, Trade and Economy*

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For Advisory & Partnership

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# BENIN — AT A GLANCE

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| **Capital** | Porto-Novo (official); Cotonou (seat of government and economic capital) |
| **Population** | ≈ 14.5 million (2024) |
| **Real GDP growth** | 8.1% in 2025, up from 7.5% in 2024, among the fastest rates in Africa; projected around 7.0-7.5% for both 2026 and 2027 depending on the source, with growth over the past decade averaging 4.8% annually against a 3.8% African average |
| **Inflation** | Exceptionally contained at approximately 1.1-1.3% |
| **Fiscal position** | Gross financing needs reduced to 6.3% of GDP by 2026 through debt-management measures |
| **Key growth drivers** | Public works, textiles and agribusiness were particularly strong in 2025; the Glo-Djigbé Industrial Zone (GDIZ) remains a key driver of industrial transformation |
| **Strategic geography** | Approximately 121 kilometres of Atlantic coastline; borders Nigeria, Niger, Burkina Faso and Togo; sits at the intersection of the Abidjan-Lagos and Cotonou-Niamey trade corridors |
| **Poverty and human capital** | Sustained growth has not translated efficiently into poverty reduction, with a GDP-per-capita-to-poverty-reduction elasticity of 0.26 against a 1.1 average for Sub-Saharan Africa (2018-2021); human capital development remains below peer-country levels |
| **Governing framework** | President Romuald Wadagni took office in April 2026 as chosen successor to Patrice Talon, who stepped down after two five-year terms; the ruling coalition holds all 109 seats in the National Assembly following the January 2026 parliamentary election, after the main opposition candidate was disqualified from the presidential race for insufficient sponsorship; a December 2025 coup attempt was foiled with ECOWAS assistance |

Benin enters this reporting period under new President Romuald Wadagni, who took office in April 2026 as Patrice Talon's chosen successor after Talon respected Benin's two-term limit and stepped down, a genuinely orderly transition in that specific respect. This transition, however, unfolded within an electoral system critics say has become predetermined: the main opposition candidate was disqualified before the vote for insufficient sponsorship, and the ruling coalition now holds all 109 seats in the National Assembly. This political consolidation coincides with genuinely exceptional economic performance, GDP growth of 8.1% in 2025 among the fastest in Africa, alongside inflation of just over 1%. This month's Benin Deal Room investment forum in Cotonou, presenting a structured pipeline of more than 20 projects worth $2-3 billion, reflects the government's continued push to convert this growth into durable, private-sector-led economic transformation.

# 1. INVESTMENT & FDI

***The newly launched Benin Deal Room presents investors with a structured, pre-vetted pipeline of over $2 billion in projects, marking a deliberate shift from***

### *conventional investment conferences toward implementation-ready deal-making.*

The Republic of Benin launched the Benin Deal Room 2026 (BDR 2026), a government-backed investment platform connecting investors with more than 20 public-sector projects valued at $2-3 billion, running from 16-18 September 2026 in Cotonou. Unlike a conventional investment conference, the platform is built around a pipeline of projects that have already undergone technical and commercial assessment before being presented to investors, with organisers explicitly aiming to move beyond discussion toward a structured pathway to financing and implementation. The initiative was formally introduced at a diplomatic and investor briefing at Benin's Embassy in Abuja on 1 July 2026, attended by ambassadors, senior diplomats, business leaders and prospective regional investors.

- **A deliberately implementation-focused investment format:** the pre-vetted project pipeline, assessed technically and commercially before investor presentation, represents a genuinely distinctive approach designed to shorten the path from initial investor interest to actual financing and construction.
- **Active regional business engagement ahead of the main event:** the July 2026 Abuja briefing, and the Abuja Chamber of Commerce's direct highlighting of Nigeria-Benin economic ties, reflect deliberate, sustained outreach to Nigerian and regional investors specifically, ahead of the September forum.
- **A concrete state-backed regional SME investment:** CDC Bénin, the state deposit institution, subscribed units in the Enko PME fund on 11 September 2026, a regional vehicle targeting small and medium-sized companies across the West African Economic and Monetary Union, with the fund targeting 20 billion CFA francs (approximately $35 million) and a minimum institutional commitment of 1 billion CFA francs (approximately $1.8 million).

## 2. TRADE & BUSINESS

### *Benin's strategic position at the intersection of two major West African trade corridors continues underpinning its logistics-driven growth model, anchored by continued Port of Cotonou modernisation.*

With approximately 121 kilometres of Atlantic coastline and borders with Nigeria, Niger, Burkina Faso and Togo, Benin sits at the intersection of the Abidjan-Lagos corridor and the Cotonou-Niamey corridor, giving it access to one of Africa's most dense trade networks. Continued modernisation of the Port of Cotonou and expansion of the Glo-Djigbé Industrial Zone are helping offset the end of Niger-Benin pipeline-related investment and sustain broader demand-side growth. Gross financing needs have been reduced to 6.3% of GDP by 2026 through debt-management measures combined with similar actions taken in 2021 and 2024.

- **A genuine, differentiated strategic trade position:** Benin's location at the junction of two major regional corridors provides a structural logistics advantage that is directly informing the government's broader positioning of the country as a production, processing and logistics hub.
- **Continued fiscal management supporting external stability:** the reduction in gross financing needs to 6.3% of GDP reflects a sustained, multi-year debt-management effort rather than a single isolated measure.
- **A genuine demand-side transition underway:** the substitution of GDIZ-linked industrial investment for the winding-down Niger-Benin pipeline investment illustrates a real, structural shift in what is driving Benin's growth on the demand side.

## 3. MAJOR ECONOMIC DEVELOPMENTS

### *Exceptional economic growth continues even as a new president takes office through an electoral process critics say has become predetermined in favour of the ruling coalition.*

Benin recorded estimated real GDP growth of 8.1% in 2025, up from 7.5% in 2024, with particular strength in public works, textiles and agribusiness, while inflation remained exceptionally contained at approximately 1.1%. Politically, Patrice Talon, in power since 2016, stepped down after two five-year terms as scheduled, and Romuald Wadagni, his chosen successor and former Finance Minister, won the April 2026 presidential election. The main opposition candidate, Renaud Agbodjo of The Democrats, was disqualified by the Constitutional Court for insufficient sponsorship under a threshold requiring backing from 15% of elected officials, up from 10% previously, leaving only two candidates to contest the race. In the preceding January 2026 parliamentary election, opposition parties failed to meet a similarly raised 20% vote threshold, resulting in Talon's allied parties winning all 109 seats in the National Assembly. Sponsorship and certification requirements introduced under Talon have reduced the number of registered political parties from nearly 200 before 2017 to just 12 by 2024. In December 2025, a coup attempt by a group of soldiers was foiled by the Beninese army with assistance from the Economic Community of West African States; independent analysis noted the coup's failure, amid public displeasure with aspects of Talon's governance, reflected continued underlying public support for the democratic process over violence. Separately, a November 2025 legislative reform extended future presidential terms from five to seven years while maintaining the existing two-term limit.

- **A genuinely orderly transfer of executive power:** Talon's decision to step down after two terms, as scheduled, distinguishes Benin's 2026 transition from several other cases in this series where incumbents have sought to extend their own tenure.
- **A presidential race narrowed before voting began:** the disqualification of the main opposition candidate for insufficient sponsorship, leaving only two approved candidates, means the April 2026 election proceeded without the genuine multi-candidate competition a fully open process would have featured.
- **A complete legislative sweep for the ruling coalition:** the ruling parties' capture of all 109 National Assembly seats, following opposition parties' failure to meet a raised 20% threshold, represents a comprehensive consolidation of legislative power independent of the presidential transition itself.
- **A dramatic, multi-year reduction in political party plurality:** the fall from nearly 200 registered parties before 2017 to just 12 by 2024 illustrates the cumulative effect of Talon-era sponsorship and certification requirements on Benin's formal political landscape.
- **A foiled coup reflecting continued public support for democratic process:** despite the narrowed political competition, the December 2025 coup attempt's failure, and the ECOWAS-assisted response, suggest that public sentiment favoured constitutional continuity over a military alternative even amid genuine governance grievances.
- **Growth not yet translating efficiently into poverty reduction:** the 0.26 elasticity between GDP-per-capita growth and poverty reduction, well below the 1.1 Sub-Saharan African average, indicates that Benin's impressive headline growth has been driven substantially by physical capital accumulation rather than broader human-capital development, a structural gap the government has yet to close.

## 4. MAJOR PROJECTS & INFRASTRUCTURE

### *The Glo-Djigbé Industrial Zone's continued expansion anchors Benin's industrial-transformation strategy, alongside Port of Cotonou modernisation and new agricultural infrastructure in the north.*

- **Glo-Djigbé Industrial Zone expansion:** continuing to serve as a key driver of industrial transformation, particularly in textiles and processing, GDIZ remains central to Benin's strategy of moving up the value chain beyond raw commodity exports.
- **Port of Cotonou modernisation:** ongoing infrastructure investment continues strengthening Benin's core logistics asset, directly supporting its positioning at the intersection of two major regional trade corridors.
- **Northern Benin irrigated agriculture:** the World Bank-financed Agricultural Competitiveness and Export Diversification Support Project, including a $150 million additional financing tranche approved in June 2024, is developing 3,000 hectares of irrigated rice and vegetable production specifically in Northern Benin.

## 5. CONFERENCES, FORUMS & EXHIBITIONS

***The Benin Deal Room 2026 represents a genuinely distinctive investment-promotion format, built around pre-vetted, implementation-ready projects rather than open-ended discussion.***

- **Benin Deal Room 2026, Cotonou:** held 16-18 September 2026 and organised by the Directorate General for Economic Attractiveness and Diplomacy under the Ministry of Foreign Affairs, in partnership with multiple government agencies and the Chamber of Commerce and Industry of Benin, the forum's explicit design intent was to move beyond conventional investment-conference discussion toward structured financing pathways for a pre-assessed project pipeline.

## 6. BUSINESS & INVESTMENT EVENTS

***A formal diplomatic and investor briefing in Abuja laid the groundwork for this month's Cotonou investment forum, directly engaging Nigerian business leaders and regional diplomats.***

- **Abuja Embassy investment briefing:** held 1 July 2026, this event brought together ambassadors, senior diplomats accredited to Benin, business leaders and development partners specifically to introduce the Benin Deal Room initiative ahead of its September launch.

## 7. GOVERNMENT & INTERNATIONAL PARTNERSHIPS

***A foiled coup attempt drew regional ECOWAS support, even as Benin continues diversifying its military and diplomatic partnerships beyond its traditional relationship with France.***

- **ECOWAS:** the regional bloc's assistance in foiling the December 2025 coup attempt represents a concrete, recent instance of collective West African security cooperation directly benefiting Benin's political stability.
- **Diversified military partnerships:** Benin has strengthened ties with Rwanda, the United States and Belgium, and increased its regional and international military commitments, while maintaining its traditional relationship with France; the country was separately reported to be considering sending police officers to help secure Port-au-Prince, Haiti.
- **World Bank:** continued financing through the Agricultural Competitiveness and Export Diversification Support Project, alongside separate SME capacity-building programming, represents Benin's most substantial ongoing multilateral development relationship.

- **Nigeria:** actively promoted economic cooperation, highlighted specifically at this month's Abuja-linked investment briefing, reflects a deliberate deepening of Benin's most immediate and economically significant neighbouring relationship.

## 8. SME & PRIVATE-SECTOR DEVELOPMENTS

***A state-backed investment in a regional SME fund and World Bank-supported capacity-building programmes reflect concrete, if still modest-scale, efforts to deepen Benin's private-sector financing ecosystem.***

The World Bank reports that an average of 10 companies received training in financial and accounting management in 2025, with 2026 programming set to expand into governance, environmental and social standards, and operational improvements. Separately, CDC Bénin's investment in the regional Enko PME fund, described in Section 1, extends Benin's state-backed capital specifically into the broader West African Economic and Monetary Union's small and medium-sized enterprise ecosystem, rather than confining support to domestic companies alone.

- **Expanding World Bank SME capacity-building scope:** the planned 2026 extension into governance and environmental and social standards represents a genuine broadening of support beyond basic financial management training alone.
- **A regional, rather than purely domestic, SME investment approach:** CDC Bénin's participation in a fund targeting the wider UEMOA region reflects a deliberate strategy of supporting Beninese state capital's exposure to regional SME growth, not solely companies within Benin's own borders.

## 9. NEW INVESTMENT OPPORTUNITIES / PROJECTS ANNOUNCED

***A $2-3 billion structured project pipeline, spanning infrastructure, industry and agriculture, defines Benin's most concretely promoted new investment opportunities this year.***

- **Benin Deal Room's 20-plus project pipeline:** valued at $2-3 billion and pre-assessed technically and commercially, this represents the single largest, most structured new investment opportunity set described in this briefing.
- **Continued GDIZ expansion:** textile and industrial-processing capacity within the zone remains open for further investment and co-development.
- **Northern Benin irrigated agriculture:** the 3,000-hectare rice and vegetable production development under PACOFIDE offers a concrete, geographically specific agricultural investment opportunity.
- **Regional SME fund participation:** the Enko PME fund, now backed by CDC Bénin, offers a specific, if smaller-scale, private-equity-style investment channel into West African small and medium enterprises.

## SUMMARY ASSESSMENT

Benin enters this reporting period under new President Romuald Wadagni, who took office in April 2026 as Patrice Talon's chosen successor after Talon respected Benin's two-term limit and stepped down, a genuinely orderly transition in that specific respect. This transition, however, unfolded within an electoral system critics say has become predetermined: the main opposition candidate was disqualified before the vote for insufficient sponsorship, and the ruling coalition now holds all 109 seats in the National Assembly following January 2026 parliamentary elections.

This political consolidation coincides with genuinely exceptional economic performance: GDP growth of 8.1% in 2025, among the fastest in Africa, alongside inflation of just over 1%, anchored by continued Glo-Djigbé Industrial Zone expansion and this month's Benin Deal Room investment forum presenting a pre-vetted $2-3 billion project pipeline. A foiled December 2025 coup attempt and continued jihadist insurgency spillover from the Sahel represent ongoing security considerations.

**Investors should weigh Benin's genuine, sustained economic transformation and structured investment-promotion approach against a political environment where formal opposition competition has been substantially narrowed, and against the persistent gap between strong physical-capital-driven growth and comparatively weak poverty reduction and human-capital development.**