

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

BENIN

Africa West

Dialogue | Trust | Partnership

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Cotonou (Port & Economic Capital)	West Africa's key deep-water port gateway serving Benin and, historically, landlocked Niger, Burkina Faso and Mali; concentrates finance, logistics and government decision-making.	Port logistics, financial services, trade facilitation, real estate
Glo-Djigbe Industrial Zone (GDIZ)	1,640-hectare Arise IIP-developed export zone turning Benin's raw cotton, cashew and soya into finished goods; centerpiece of the government's strategy to stop exporting raw agricultural materials.	Textiles & garments, cashew/soya processing, agro-industry, light manufacturing
Banikoara (Alibori) - the 'white gold capital'	Produces over a third of Benin's national cotton harvest, but sits inside the Alibori security corridor directly exposed to JNIM activity near the Niger and Burkina Faso borders.	Cotton cultivation, agro-processing, feeder-road logistics
Parakou (Borgou)	Benin's third-largest city and the rail/road hub linking the cotton-growing north to the port; a US-refurbished airfield supports medevac and logistics for northern security operations.	Agro-logistics, warehousing, regional trade
Seme-Podji (Nigeria border)	Terminus of the Niger-Benin crude oil export pipeline and the principal land crossing with Nigeria, Benin's largest informal trading partner.	Oil & gas logistics, cross-border trade, customs modernization
Atacora Department / Pendjari National Park	Home to one of West Africa's premier wildlife reserves and ecotourism assets, but also the epicenter of JNIM's expansion into Benin since 2021-22, with recurring military losses nearby.	Ecotourism, conservation finance, hospitality (currently constrained)
Malanville / Niger River corridor (Alibori)	Historic trade artery to Niger and the wider Sahel, idled since Benin enforced the 2023 ECOWAS sanctions border closure, now the subject of a bilateral reopening committee under President Wadagni.	Cross-border agri-trade, river logistics, customs normalization

INVESTOR ENTRY ROUTES

- Register via APIEX (Benin's Investment and Exports Promotion Agency), which runs a single-window business registration portal reducing standard company formation to roughly 24-72 hours.
- Enter Benin's industrial supply chains directly through GDIZ, which offers turnkey factory space, bonded-zone customs treatment and incentives to agro-processing and textile investors.
- Use the Port of Cotonou's container and bonded-warehouse facilities as a West Africa / Sahel distribution base, particularly for goods eventually destined for Niger, Burkina Faso and Mali once land corridors normalize.
- Access WAEMU's CFA-franc monetary union and its euro peg, giving investors currency stability and capital mobility across eight member states from a single Beninese base.
- PARTICIPATE IN BENIN'S EUROBOND-FUNDED INFRASTRUCTURE AND AGRO-INDUSTRIAL PIPELINE - 2025 liability-management operations freed fiscal space for public-private co-investment.

- Engage sector ministries and the Presidency directly through Benin's small, centralized decision-making structure, where President Wadagni's finance-ministry background gives investors a continuity-focused, technocratic counterpart.

MARKET-ENTRY OBSERVATION

Benin enters the second half of 2026 as one of West Africa's most closely watched reform stories. Moody's upgrade to Ba3 in August 2026 cited the fastest growth since 1990 (8.1% in 2025), a deficit cut from roughly 7% to about 3% of GDP since 2021, and proactive debt management including a \$500 million Eurobond partly used to retire costlier 2032 notes. The government's industrialisation strategy, anchored by the Glo-Djigbe Industrial Zone, is visibly working: Benin now processes roughly a fifth of its cotton harvest domestically rather than exporting it raw, and finished-garment exports to Europe have begun. For investors focused purely on macro trajectory and ease of doing business, Benin reads as a rare African success case.

That picture sits alongside a political landscape that consolidated sharply in 2026. President Romuald Wadagni won the April presidential election with over 94% of the vote against a single permitted opposition candidate; that candidate's party then dissolved into the ruling coalition weeks before the May inauguration, leaving Benin's legislature, presidency and, per rights groups, much of its civil-society space under unified ruling-coalition control. A December 2025 coup attempt - foiled only with Nigerian air and ground support - underscored how exposed that consolidation still is to the security grievances of a military stretched thin by the fastest-escalating jihadist insurgency on West Africa's coast. Investors should treat Benin's economic and political trajectories as related but distinct variables: one is strengthening, the other narrowing.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Northern security deterioration	JNIM attacks in 2025 alone exceeded roughly 80% of the previous four years combined, with an April 2025 ambush killing dozens of soldiers and about 35,000 people displaced; cotton and ecotourism assets in Atacora/Alibori sit inside the affected corridor.	Concentrate greenfield activity in Cotonou/GDIZ/Parakou; use armed-escort and insurance protocols for any upcountry logistics; monitor French/US/EU security-assistance flows as a proxy for containment progress.
Closed Niger border limiting Sahel transit trade	The land corridor to Niger, and indirectly the wider Sahel, has been shut since 2023, cutting off a historically significant transit-trade and crude-pipeline route.	Track the bilateral reopening committee's progress under Presidents Wadagni and Tiani; structure logistics contracts with reopening triggers rather than fixed timelines.
Narrowed political competition	With the sole opposition party absorbed into the ruling coalition and rights groups citing arbitrary detentions and media pressure, near-term policy predictability is high but long-term succession and governance risk is harder to price.	Engage directly with APIEX and sector ministries rather than relying on parliamentary oversight signals; watch Amnesty International/Human Rights Watch reporting as an early indicator of investment-climate shifts.
Thin domestic revenue base	Government revenue was just 15.8% of GDP in 2025, well below the roughly 27% median for similarly rated sovereigns, constraining the state's capacity to fund security and infrastructure simultaneously.	Expect continued reliance on Eurobond and multilateral financing; structure PPP proposals to ease, not add to, fiscal burden.
Statistical and data inconsistency	Growth, debt and inflation figures vary meaningfully across IMF, World Bank and government sources (2026 growth cited anywhere from about 6.4% to 7.8%; debt-to-GDP citations ranging from roughly 51% to over 57%), complicating financial modelling.	Use Moody's and IMF Article IV figures as primary references and treat government or promotional figures as indicative only.
Dominant informal sector	86% of Beninese companies operated informally as of 2023, limiting the pool of bankable local partners and formal-sector productivity.	Partner with GDIZ-anchored or APIEX-registered formal entities; budget for extended local supplier-development timelines.
Weak poverty-to-growth translation	Benin's poverty elasticity of growth (about 0.26) is far below the Sub-Saharan African average (about 1.1), meaning strong GDP figures are not yet reducing poverty at a comparable pace.	Pair market entry with visible local-content and smallholder-inclusion commitments, particularly in cotton and cashew value chains.

INVESTOR RISK NOTE

Benin presents an unusual combination for investors: a textbook case of fiscal consolidation and industrial upgrading - a Moody's Ba3 upgrade, record 8.1% growth, falling deficits, and a cotton sector finally processing domestically rather than exporting raw - running

directly alongside a security and political picture that is tightening, not easing. JNIM's insurgency had its worst year on record in 2025, a coup attempt required foreign military intervention in December 2025, and the April 2026 election left the country with no meaningful organized opposition. None of this has yet derailed the economic program; all of it narrows the margin for error if security or succession pressures resurface.

MARKET ACCESS

Benin is a WAEMU/UEMOA member state sharing the CFA franc, pegged to the euro, with seven other West African economies, giving investors monetary stability and free capital movement across the bloc. It is also an ECOWAS and AfCFTA member, and the Port of Cotonou is a designated gateway for landlocked Sahel states once land corridors normalize. The EU remains a key destination for Benin's cotton and textile exports under preferential access, and GDIZ-based manufacturers increasingly target direct EU shipment of finished garments rather than raw fiber.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Presidency / President Romuald Wadagni	A decade-long former finance minister now holds near-unchecked executive authority following the ruling coalition's sweep of the presidency, National Assembly and, since May 2026, the former opposition party; sets investment policy continuity but also concentrates political risk.	Direct ministerial and presidential-office engagement is unusually accessible for a technocratic government seeking to prove its growth mandate.
APIEX (Investment & Exports Promotion Agency)	Runs the single-window business registration and investor-facilitation process.	First point of contact for incorporation, incentive applications and matchmaking with GDIZ-based projects.
Arise IIP (GDIZ developer)	Private developer-operator of the Glo-Djigbe zone, Benin's flagship industrialisation vehicle for cotton, cashew and soya processing.	Co-investment, anchor-tenant and off-take discussions run through Arise IIP directly rather than government alone.
Armed Forces of Benin (FAB) / National Guard	Absorbing the brunt of the JNIM insurgency and the grievances underlying the December 2025 coup attempt (pay, equipment, northern deployment conditions); troop morale remains a live political variable.	Not a direct investor counterpart, but security-sector stability is the single largest swing factor for northern agro-industrial and tourism assets.
ECOWAS / Nigeria	Nigeria's air and ground intervention saved the government during the December 2025 coup attempt; ECOWAS has since organized a regional support force, binding Benin's internal security closely to regional military diplomacy.	Regional investors should track ECOWAS-Nigeria-Benin security cooperation as a leading indicator of political stability.
IMF / Moody's / Eurobond holders	The IMF program and Moody's Ba3 rating anchor Benin's external financing access; continued compliance underpins the Eurobond pricing that funds the industrial and infrastructure pipeline.	Debt-market investors and project financiers should track IMF Article IV outcomes and the next rating action.
Fulani community leadership (north)	Government outreach to Fulani leaders aims to blunt JNIM's recruitment narrative, which exploits herder-farmer and ethnic grievances in Atacora and Alibori.	Agribusiness investors operating in the north benefit from parallel community-relations engagement, not security measures alone.

CURRENT INTERNATIONAL BUSINESS CHANNELS

Formal entry runs through APIEX's single-window registration (roughly 24-72 hours for standard incorporations) and, for industrial investors, direct negotiation with Arise IIP for GDIZ plots, warehousing or off-take agreements. Port-linked logistics and trade-finance deals typically route through Cotonou-based banks and the Port Autonome de Cotonou's concession holders. Government-to-government and donor-linked infrastructure opportunities - French, EU, US and Chinese-financed roads and energy projects - are coordinated through the relevant sector ministries and, increasingly, the Presidency directly, given the technocratic, centralized nature of the Wadagni administration.

INVESTOR PROFILE BEST SUITED

Benin currently suits investors comfortable underwriting West African frontier-market risk for genuinely strong fundamentals: agro-industrial processors of cotton, cashew and soya able to anchor inside GDIZ's bonded-zone incentives, port-and-logistics operators positioning for an eventual Sahel-corridor reopening, and fixed-income investors tracking Benin's improving but still sub-investment-

grade credit profile. It is less suited to investors requiring either upcountry physical presence in Atacora or Alibori in the near term, or genuine multi-party political-risk diversification, given the near-total consolidation of power around a single governing coalition.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Confirm the growth and fiscal picture independently

Cross-check Moody's August 2026 Ba3 upgrade rationale and IMF Article IV data against government and promotional figures, which diverge meaningfully on 2026 growth (roughly 6.4%-7.8%) and debt-to-GDP (roughly 51%-57%+) estimates.

STEP 2: Register through APIEX and scope GDIZ fit

Engage APIEX's single-window service for incorporation and, for agro-industrial or textile projects, open parallel discussions with Arise IIP on GDIZ plot availability, incentives and off-take structures.

STEP 3: Map security exposure by geography

Treat Cotonou, GDIZ and Parakou as the stable operating core; treat Atacora, Alibori and the Niger border corridor as monitored, escort-dependent or currently inactive zones pending the security and border-reopening trajectory.

STEP 4: Build in political-continuity assumptions, not political-diversification ones

With the presidency, National Assembly and former opposition now aligned under one coalition, plan around policy-continuity risk - succession, security-driven unrest - rather than classic multi-party electoral-cycle risk.

STEP 5: Sequence capital to Eurobond and donor financing cycles

Align project financing asks with Benin's active Eurobond, IMF and EU/French/US donor-financed infrastructure cycles, where co-investment appetite is currently highest.

WAVERLEY'S ROLE

- Independent verification of Benin's fiscal and growth data against Moody's, IMF and World Bank sources, reconciling the material gaps investors would otherwise have to resolve themselves.
- Direct introductions to APIEX and Arise IIP for agro-processing, textile and logistics mandates inside the GDIZ ecosystem.
- Ongoing monitoring of the JNIM security situation and the Benin-Niger border-reopening process, translated into geography-specific go/no-go guidance for upcountry assets.
- Political-risk tracking of Benin's post-consolidation governance landscape, flagging shifts in civil-society space, succession dynamics or security-sector cohesion that would change the investment calculus.

INVESTOR CALL TO ACTION

Waverley Gateway advises investors to engage Benin now, on the strength of its genuine fiscal and industrial turnaround, while building explicit contingencies for its narrowing political space and escalating northern insurgency.

Verify fundamentals → Enter via APIEX/GDIZ → Anchor in Cotonou/Parakou → Monitor north/border → Scale with the security and reopening trajectory

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities cluster around GDIZ-anchored cotton, cashew and soya processing, as capacity continues to build out across the zone's 1,640 hectares; Port of Cotonou logistics and bonded-warehouse expansion; and Chinese-financed road corridors, such as the 184km Djougou-Banikoara route, that will eventually de-risk access to the cotton north. Medium-term upside depends on the Niger border reopening, which would restore Benin's historic role as the Sahel's coastal gateway; Pendjari ecotourism recovery is a longer-dated opportunity contingent on the security situation stabilizing.

POSITIONING

Benin's position in October 2026 is genuinely two-sided, and investors who treat it as a single story in either direction will misprice it. The economic and fiscal narrative is as strong as almost anywhere in West Africa: an August 2026 ratings upgrade, record growth, a credible industrialisation program turning raw cotton into finished textiles, and a technocratic president with a decade of finance-ministry credibility. None of that is a sanctions narrative or a fragile one-off.

At the same time, the state has just absorbed a coup attempt that required a neighbouring country's air force to put down, fought off the worst year of jihadist violence on its own soil, and conducted an election that leaves it with no organized opposition at all. Waverley Gateway's view is that Benin rewards investors who can hold both truths simultaneously: build real positions around Cotonou and GDIZ now, and treat the north and the border as a distinct, separately monitored track rather than let either story override the other.

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