BRINGING DOWN THE BARRIERS – CHARTING A DYNAMIC EXPORT DEVELOPMENT AGENDA

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Benin
Background Country Paper

WINNING NATIONAL STRATEGIES FOR EXPORT DEVELOPMENT
1. Introduction

The Benin Government’s ambition for the end of 2011 is to make Benin an emergent country. It could be possible, if the country could have economic growth and can reduce poverty. To achieve this goal, the government has adopted a strategy for growth and Poverty reduction for the period 2007-2009. Therefore, it has drafted a priority action plan for the same period.

The present document briefly presents the major strategic axes and orientations included in those two key instruments for economic development policy of Benin.

2. Major axes of the Growth Strategy for Poverty Reduction (SCRP)

Despite the government efforts to implement the Poverty Reduction Strategy (PRS) for the year 2003-2005, the monetary poverty is still striking due to the weakness of the economy. This weakness of the economy is profitable to the most advantaged socio-economic part of the society. In another hand there is a constant improvement of certain social indicators contributing to the serious improvement of living conditions of the populations. This situation has lead the government to define a policy targeting the intensive growth which intends to generate enough wealth to improvement the populations living conditions and reduce monetary poverty. This policy is included in the Benin Development strategic orientations (2007-2011) which aims at facing two challenges:

- Improvement of the global and sectoral competitiveness of the economy
- Eradication of poverty and improvement of populations quality living conditions

The Government’s vision included in the Development Strategic Orientation (DSO) is to make Benin a country which attracts investments, accelerate economic growth and share equitably the induced effects, a country which integrated itself in the global economy through its export capacity.

The government intends to operate this vision through the implementation of Growth strategy for poverty Reduction (GSPR)/(SCRP) for the years 2007-2009.

Five strategic axes have been retained and are parted into prior intervention areas which precise the actions and measures which will be implemented during the period 2007-2009.

Axis 1: Growth acceleration;
Axis 2: Infrastructures Development;
Axis 3: Human capacity building;
Axis 4: Promotion of good governance;
Axis 5: National balanced and sustainable Development.

Four objectives have been retained by the government to achieve this ambition
(i) the stabilization of the macroeconomic framework; (ii) the stimulation of the private sector in order to increase national revenue; (iii) diversification of the economy; and (iv) Promotion of regional integration.

The stabilization of the macroeconomics framework
The Government is ready to enhance the macroeconomics framework, to supervise the business environment and facilitate the tax framework.

The stimulation of private sector
Many reforms will be realized to improve a best environment for business and to keep more investments. In this case, actions will enable to reduce the cost factors, to improve the legal framework of business and to draw a real model of monitoring and evaluation of private sector program.

The diversification of the economy
Other the product of cotton, it is necessary for Benin which wish economic emergency to develop another products such cashew nut, shea. An agriculture plan is formulated and Benin will be divided into poles. There are some specific programs which have a direct link on the National Export Strategy; the Integrated Framework, the Millennium Challenge Account.
Integrated Framework.
This is a program which is an initiative of ITC, WTO, UNDP, UNCTAD, IMF and World bank. The objective is to develop the trade sector specially the export in order to increase the national growth and to reduce the poverty.

At Benin, the process began in 2004 when the World Bank realized the DTIS. After that there was a national workshop to validate the DTIS and to begin its implementation. The National Committee and Local Projects approbation Committee were created.

Three projects are validated by LPAC and these were put in a program named: Program of Export Development (PADEx).
PADEx is divided into three components:
1- the first component is to build capacity of the actors of trade ministry and other institutions which are in charge of the development of exports. There is this one component related to the development of cashew nut export. ITC is the implementation agency.
2- The second component is for the tourism. The main tool of this project is PRPE, which is one tool of ITC to enable people in the towns to take profits from the project and to increase their revenue.
3- The third and last project is a sort of feasibility study in order to determinate the best practice of institution which can support the actors of primary and secondary sectors (agriculture, trade, industry) because nowadays there is no financial agencies to lend money for the actors to improve their activities.

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The MCA program:
There are four components:
1- market access
2- financial services access
3- land access
4- legal services access

The MCA is realizing a lot of actions in those four sectors specially at the Port of Cotonou, on the customs procedures and in the actualization of the legal texts.

3. Conclusion

We are sure that all with the actual vision of the government and with the technical and financial partners and all the specific programs specially IF, the National Export Strategy will be a success.
Institutional chart of the Management and implementation of the Program

National leading Committee
Of the Integrated Framework

Local Projects Approval Committee
(LPAC)

National Focal Point CI (DGCE)

Technical Secretariat CI
Project Managing Team

Implementation Unit
Component-1

Implementation Unit
Component-2

Implementation Unit
Component-3

National Counterpart Structure:
Ministry of Industry and Commerce

Implementation Agency:
Ministry of Industry and Commerce

Implementation and cooperation Agency:
CCI, CNUCED

Supporting operational Agency:
PNUD

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National Counterpart Structure:
Ministry of Handicraft and Tourism

Implementation Agency:
Ministry of Industry and Commerce

Implementation and cooperation Agency:
CNUCED, CCI

Supporting operational Agency:
PNUD

Donors Facilitator:
Kingdom of Denmark

National Counterpart Structure:
MIC / MDEF / MAEP

Implementation Agency:
Ministry of Industry and Commerce

Implementation and cooperation Agency:
PNUD

Supporting operational Agency:
PNUD

Donors Facilitator:
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