

BENIN

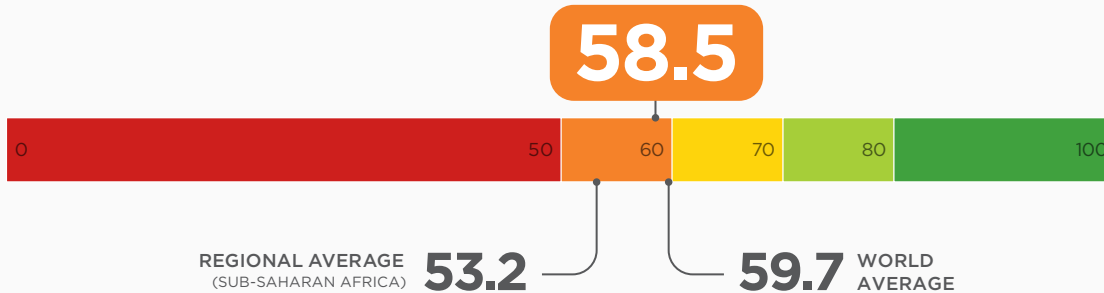
WORLD RANK: **96** | REGIONAL RANK: **8**

ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

Benin's economic freedom score is 58.5, making its economy the 96th freest in the 2025 *Index of Economic Freedom*. Its rating has increased by 0.8 point from last year, and Benin is ranked 8th out of 47 countries in the Sub-Saharan Africa region. The country's economic freedom score is lower than the world average but higher than the regional average. Benin's economy is considered "mostly unfree" according to the 2025 *Index*.

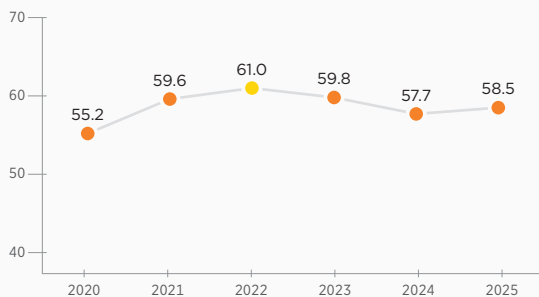
The lack of political momentum continues to impede necessary reform. The most visible constraints on private-sector development are related to the weak rule of law. Bureaucratic inefficiency and corruption affect much of the economy, undermining the foundations of economic freedom. Efforts to increase power generation capacity have aimed to stimulate economic growth. Expansion of the privately managed port of Cotonou, which accounts for approximately 60 percent of GDP, could encourage growth by increasing port services to regional neighbors.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1996): +4.0

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
13.7 million

GDP (PPP):
\$58.3 billion
6.4% growth in 2023
3-year average growth rate: 6.6%
\$4,244 per capita

UNEMPLOYMENT:
1.5%

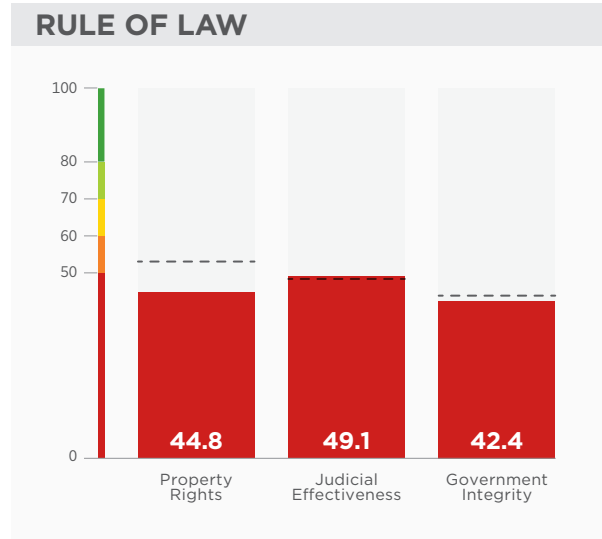
INFLATION (CPI):
2.8%

FDI INFLOW:
\$267.0 million

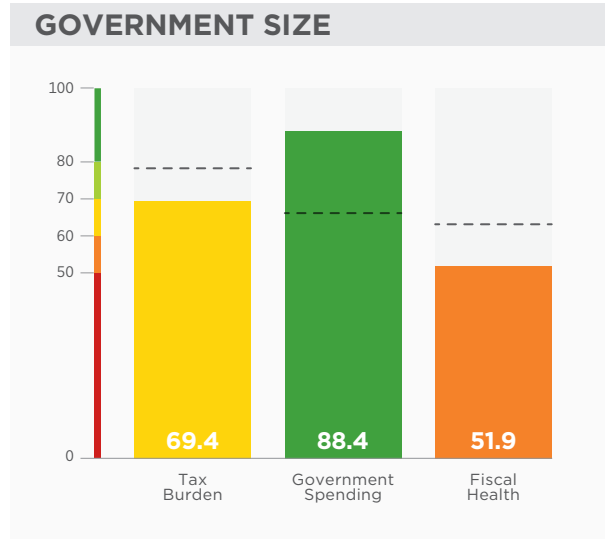
PUBLIC DEBT:
54.5% of GDP

2023 data unless otherwise noted. Data compiled as of November 2024.

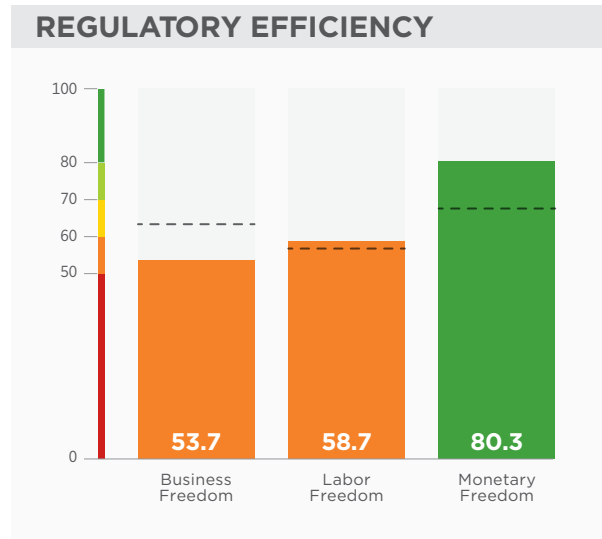
12 ECONOMIC FREEDOMS | BENIN



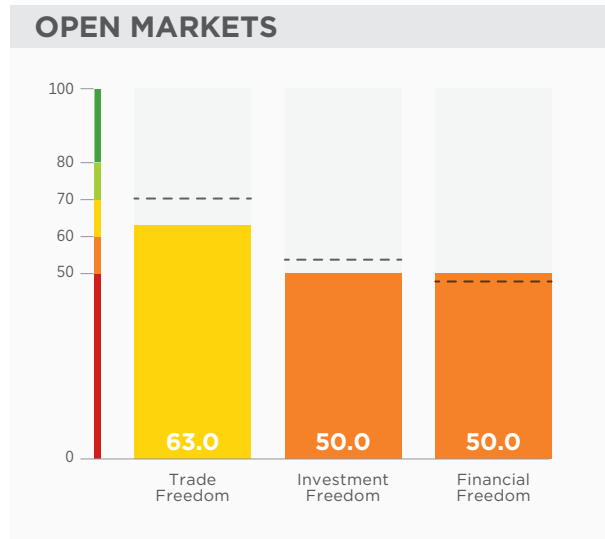
The overall rule of law is weak in Benin. The country's property rights score is below the world average; its judicial effectiveness score is above the world average; and its government integrity score is below the world average.



The top individual income tax rate is 45 percent, and the top corporate tax rate is 30 percent. The tax burden equals 11.5 percent of GDP. Three-year government spending and budget balance averages are, respectively, 19.6 percent and -5.1 percent of GDP. Public debt amounts to 54.5 percent of GDP.



Benin's overall regulatory environment is relatively well institutionalized but lacks efficiency. The country's business freedom score is far below the world average; its labor freedom score is above the world average; and its monetary freedom score is well above the world average.



The trade-weighted average tariff rate is 11.0 percent, and various nontariff measures are in effect. Dynamic flows of foreign investment are constrained by persistent policy and institutional weaknesses. Despite the development of microfinance institutions, overall access to credit remains low.