

 Early Warning System

AFDB-P-BJ-K00-006

Benin - Economic Competitiveness Support Programme (PACEB) -
PHASE II



Quick Facts

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| Countries | Benin |
| Financial Institutions | African Development Bank (AFDB) |
| Status | Active |
| Bank Risk Rating | U |
| Voting Date | 2019-07-15 |
| Borrower | MINISTERE DES FINANCES ET DE L'ECONOMIE |
| Sectors | Finance |
| Investment Amount (USD) | \$ 3.63 million |
| Loan Amount (USD) | \$ 3.63 million |



Project Description

The proposed operation concerns the extension of a loan of UA 3,497,974 and a grant of UA 1,544,303 from the resources of the African Development Fund (ADF) to the Republic of Benin for the financing of Phase II of its Economic Competitiveness Support Programme (PACEB-II). PACEB is a programme-based series comprising two consecutive General Budget Support (GBS) operations covering the 2018 and 2019 fiscal years. With overall financing of UA 13 million, PACEB aims to remove the major constraints on Benin's economic competitiveness and narrow the spatial disparities in energy access by supporting, on the one hand, the establishment of a legal and regulatory framework as well as appropriate infrastructure conducive to the development of a well-performing private sector and, on the other hand, strengthening energy sector governance with a view to closing the energy gap and making energy access more inclusive. Phase II of the Programme will continue with support for further reforms required to achieve the programme's goal and the specific expected results, including: (i) sustainable increase in private investment; creation of greater industrial value added and; (iii) increase in electricity supply and improved energy inclusion through increased installed generating capacity and promotion of off-grid electrification. The budget support resources supporting PACEB II will also contribute towards partially bridging the 2019 budget's financing gap, which stands at CFAF 274.3 billion.

PACEB-II is Phase II of PACEB whose key objective is to contribute towards creating favourable conditions for strong and inclusive economic growth, by improving Benin's economic competitiveness. More specifically, the programme will contribute towards: (i) establishing a legal and regulatory framework conducive, on the one hand, to the development of a structured private sector that creates value added and, on the other hand, to public investment optimisation; and (ii) strengthening energy sector governance with a view to closing the energy gap and making energy access more inclusive. The programme addresses the country's key challenges and constraints.

PACEB's direct beneficiaries are the Ministry of the Economy and Finance through financing of the national budget, Ministry of Energy, Electricity Regulatory Authority (ARE), Benin power company (SBEE), Bi-national power company (CEB) and all private sector actors. Indirectly, the programme will benefit Benin's population at large. It will lay the groundwork for a structural transformation of the economy around viable private and public investment projects, which constitute drivers of strong and sustainable economic growth and socio-economic well-being thanks particularly to the induced improvement of basic public services (health, education, drinking water, etc.), private sector development, job creation and reduced urban insecurity.



Investment Description

- African Development Bank (AFDB)



Contact Information

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ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at <https://www.afdb.org/en/independent-review-mechanism/>.



Bank Documents

- [Project Information](#)