

Benin

Introduction

This note was developed by Global Off-Grid Lighting Association (GONGLA) with the support of the World Bank Group Lighting Global Program, the Energy Sector Management Assistance Program (ESMAP), the Shell Foundation, USAID, Power Africa, the UK Department for International Development (DFID) and Sustainable Energy for All (SEforAll). It is part of a series of briefing notes that provide a high-level overview of the status of different countries' off-grid solar markets, as well as relevant policies and programs¹.

Key statistics^{2&3}

Demographics

Total Population	11,485,048
Population Density per km ²	102
GDP per Capita	USD 901.9
GDP Growth	6.9%

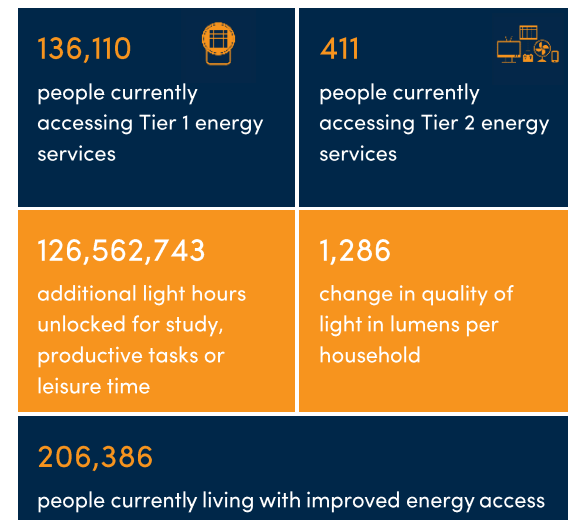
Energy Access Deficit

National Electrification Rate	43%
Urban Electrification Rate	72.5%
Rural Electrification Rate	17%
Number of households without power	1 million

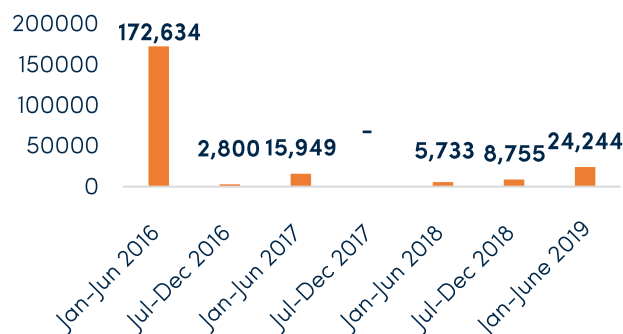
Electrification Planning

Electrification Targets ⁴	Urban/rural electrification rates of 95%/65% by 2025
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Impact⁵



Sales⁶



Sales of Portable Lanterns, Multi-light Systems and Solar Home Systems

¹ The information and views expressed in this brief are GONGLA's alone and are based on our current understanding of the policy situation in this country. We welcome any updates, revisions or clarifications at info@gogla.org.

² <https://data.worldbank.org/>

³ <https://www.usaid.gov/powerafrica>

⁴ <https://www.se4all-africa.org/seforall-in-africa/country-data/benin/>

⁵ Impact numbers have been estimated by plugging the most recent sales data into the [Standardized Impact Metrics for the Off-Grid Solar Energy Sector](#). The reported estimates differ from the previous edition of the country briefings due to the use of a smaller, yet more consistent and recent dataset, considering only products sold by GONGLA members and Lighting Global affiliates since 2016. Note that while the numbers shown represent the aggregate impact of key players in the off-grid solar sector, these estimates do not present the full global impact of off-grid solar lighting products sold.

⁶ All sales data included in this briefing is derived from the "Global Off-Grid Solar Market Report Database", result of a joint primary data collection effort carried out by GONGLA in partnership with IFC Lighting Global and the Efficiency for Access Coalition. The public version of the resulting report of the effort is available [here](#).

Current Status

Around 43% of Beninese currently have access to electricity, with a sharp divide between urban (72.5%) and rural areas (17%). Electricity consumption in Benin is below the average for Africa's low-income countries at 110 kWh/capita per year, equivalent to only 0.01 percent of the average for middle-income countries⁷.

In order to improve energy access, the government has adopted a far-reaching policy reform agenda, with the support of the Millennium Challenge Corporation (MCC). On September 9, 2015, the government signed a second grant agreement 'the Benin Compact', which is valued at US\$375 million, with Benin providing US\$28 million. In order to implement the program, the 'Millennium Challenge Account – Benin' was created to accelerate investment in the electricity sector from June 2017 to June 2022.

As part of this programme, the Benin government has created the 'Off-Grid Clean Energy Facility' (OCEF), which aims to improve access to and availability of electricity for use by households and public infrastructure. Secondary goals include the stimulation of the market for off-grid electricity, adoption of energy efficiency measures, the creation of a regulatory framework, supporting private sector investment and developing governance capacity⁸.

Promoting Quality and Managing E-Waste

Benin currently has no mandatory standards in place for off-grid solar products. However, donor programs like EnDev Benin – coordinated by The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and Netherlands Enterprise Agency – do require that products adhere to the IEC/Lightning Global quality standards. As part of the Economic Community of West African States (ECOWAS), Benin is likely to

adopt national standards that are harmonized with the IEC/Lightning Global quality standards in the near future.

There is currently no particular legislation addressing e-waste in the off-grid sector.

Taxation

Import duty and sales tax are applied to off-grid solar products. However, in 2014, the government's renewable energy agency agreed to waive the then 40% import duty for all solar products meeting Lighting Global Quality Standards⁹, for a project under the Power out of Poverty Partnership – which was a public-private initiative led by the Netherlands Development Organisation (SNV) in partnership with MTN Benin, the Government of Benin, local solar power companies and a local micro-finance institution¹⁰. Under the EnDev Benin program, solar products are currently also exempted from import duty and sales tax.

Investments

In the past, private investment in the off-grid solar sector in Benin has been limited. By creating a long-term electrification policy, the government is now aiming to increase predictability and to attract private sector investment.

Sector Support Programs

As part of the Benin Compact, the MCC has awarded grants to support solar and other clean energy projects in underserved parts of the country. The first call was in May 2018, while the second call was in March 2019¹¹.

The EnDev Benin program (2005-2021) – with a budget of US\$18 million – promotes markets for improved cookstoves and solar products by

⁷ Millennium Challenge Corporation Congressional Notification, 2015

⁸ <https://www.niras.com/development-consulting/projects/off-grid-clean-energy-facility-ocef-in-benin/>

⁹ Known at the time as the 'Lightning Africa Quality Standards'

¹⁰ https://energypedia.info/wiki/Solar_Power_in_Benin

¹¹ Visit [GOGLA Bridge](#) for more information.

financially supporting importers and distributors and advocating for access to clean energy¹².

Benin is also part of the World Bank Regional Off-Grid Electrification Project (ROGEP). The project, with an estimated overall budget of US\$200 million will support the acceleration of regional off-grid markets and improve access to finance.

Opportunities and Barriers

There is political will to create policy to further develop the off-grid solar sector, underlined by the signing of the Benin Compact and the start of the OCEF. The Benin Compact will provide opportunities for companies and investors to enter the off-grid solar market, as considerable investments will be made in infrastructure, policy reform and financing facilities.

Major barriers hindering the scaling up of the off-grid sector in Benin currently include taxation on quality-verified solar products which affects the affordability of products, lack of access to company and consumer finance, and high costs of rural distribution.

Further Information

- [Plan Directeur d'Electrification Hors Réseau, IED & PAC, 2017](#)
- [Politique et Stratégie. Etude pour la mise en place d'un environnement propice à l'électrification hors-réseau, IED & PAC, 2017](#)
- [Benin Fact Sheet, USAID Power Africa, 2018](#)
- [Lighting Africa Country Page - Benin](#)
- [Regulatory Indicators for Sustainable Energy \(RISE\) - Benin](#)

¹² [Energising Development partnership – Country Project Benin, GIZ, 2018](#)