



MILLENNIUM
CHALLENGE CORPORATION
UNITED STATES OF AMERICA

FINAL STATUS REPORT



Benin Compact

AS OF MARCH 2012

COMPACT GOAL

The five-year, \$307,298,040 MCC Compact with Benin was designed to increase investment and private sector activity by improving access to land, access to financial services, access to justice and access to markets.



COMPACT AT A GLANCE

Compact Signed	02-22-2006
Entry Into Force	10-06-2006
Compact End Date	10-06-2011
Compact Total	\$307,298,040
Amount Committed	\$302,263,090
Amount Expended	\$302,263,090*
Estimated Program Beneficiaries	8,791,832
Estimated Increase in Household Income	\$409,000,000

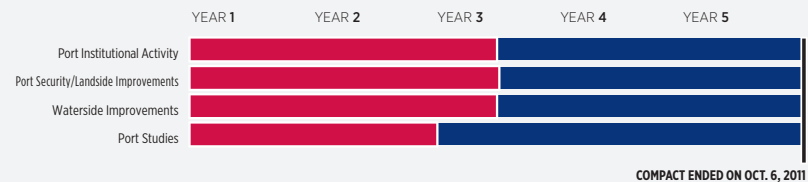
% OF TOTAL COMPACT		BUDGET (USD MILLIONS)
61%	Access to Markets	\$188.8
10%	Access to Land	\$31.9
7%	Access to Justice	\$19.9
6%	Access to Financial Services	\$17.2

■ Project Preparation ■ Project Implementation

Access to Markets

PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES ¹
\$188,866,208	\$188,703,987	\$188,703,987

This project was designed to modernize the Port of Cotonou by improving management performance, physical security, and cargo capacity, thereby reducing transportation costs to consumers. Customs reforms and IT investments complemented physical and management improvements. By 2013, a private concessionaire is expected to invest over \$130 million in a new cargo terminal.



Projected Long-Term Results (Up to 20 years)

ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME
8,791,832	\$262,300,000

PROJECTED OUTCOMES

Project was expected to reduce costs and waiting times for containers and cargo to maximize the Port's efficiency and competitiveness; to increase the volume of merchandise traffic from 4 million to 6.3 million metric tons per year thanks to improvements in the Port of Cotonou; and to decrease the time required to clear customs from 4 days to 1 day, reducing costs to consumers.

RESULTS AT END OF COMPACT

All major construction and goods procurements were completed by the Compact end date, October 6th, 2011. The Government of Benin is completing the process of putting new facilities and buildings into operation.

PROJECT ACHIEVEMENTS

Scheduling procedures recommended by the MCC-financed Port Advisor cut costs for port customers. The new perimeter road provides safer access to the expanding petroleum storage areas of the port. Other operational improvements, which include annual independent financial audits and implementing the auditor's recommendations for financial management at the port, have been adopted by the port authority and are continuing after the Compact end date.

Access to Land	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES ¹
	\$31,932,939	\$30,978,490	\$30,978,490

This project was designed to strengthen property rights and investments by securing land tenure and creating effective, transparent governance of land and property issues. This project was expected to increase land security and reduce the time and cost to obtain a land title.

Projected Long-Term Results
(Up to 20 years)

ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME
260,679	\$50,100,000

Beneficiary count based on the assumption that 10,902 households will benefit from receiving urban land titles and 72,300 rural land holders will benefit from the registration of rural land plots over the course of 20 years.

PROJECTED OUTCOMES	RESULTS AT END OF COMPACT	PROJECT ACHIEVEMENTS
Households in Access to Land beneficiary communities were expected to increase incomes by 7%. Approximately 75,000 households in 300 villages were expected to gain secure property rights under rural landholding plans, and up to 30,000 households were expected to benefit from conversion of occupancy permits to secure urban land titles.	By the end of the compact, rural landholding plans were completed for 294 villages. More than 900 rural citizens requested and received land certificates based on the plans, which can be used in transactions, judicial proceedings and credit applications. In urban zones, more than 1,600 files have been verified and are being entered into the registry books. 507 titles were completed, and 112 landholders have retrieved their titles.	Seven Continuously Operating Reference Station/Global Navigation Satellite System (CORS/GNSS) stations constructed and operating to assist with land mapping. New computer systems installed for documentation management in state and municipal land registry agencies. Decree on the Declaration of National Policy for Landholding and the Domain adopted by the Council of Ministers along with 8 Decrees that implement the Rural Landholding Law of 2007.

COMPACT ENDED ON OCT. 6, 2011

Access to Justice	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES ¹
	\$19,975,580	\$19,383,915	\$19,383,915

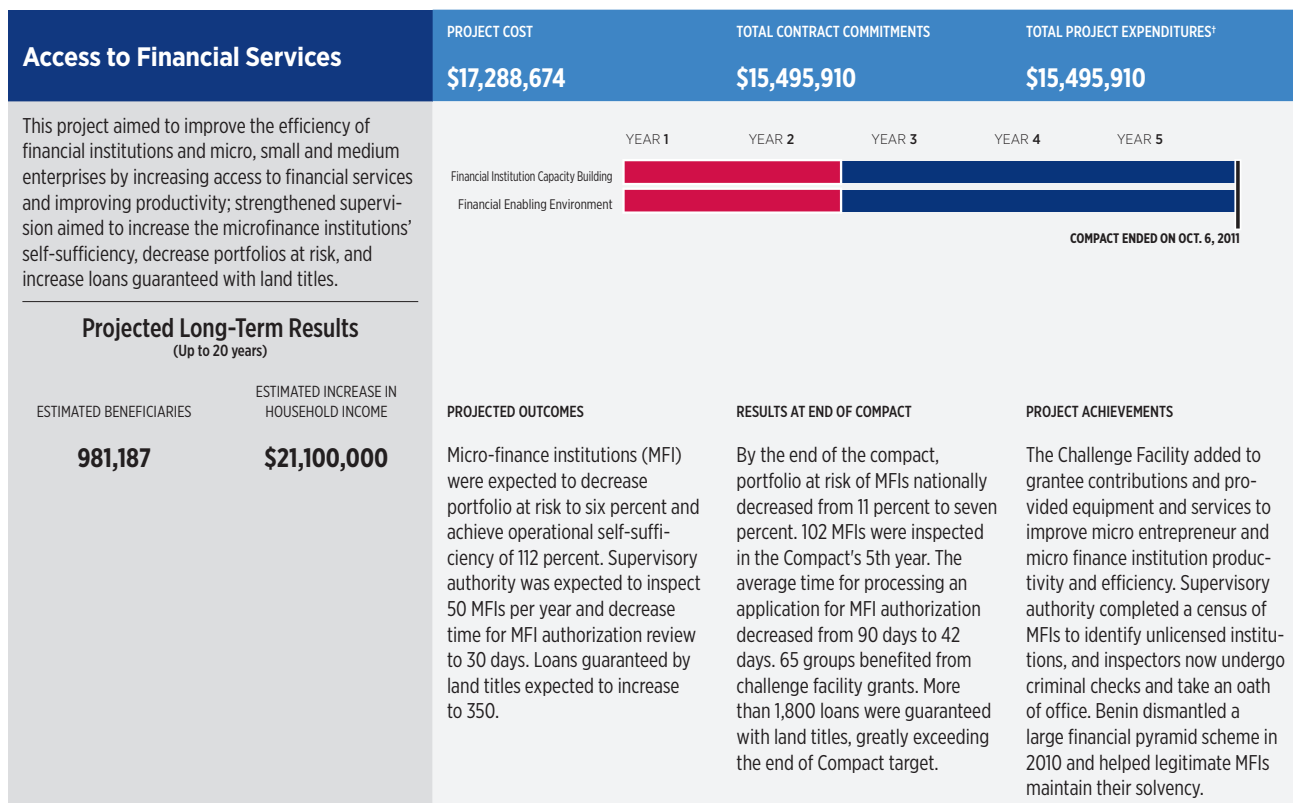
This project was designed to improve the efficiency of the judicial systems in enforcing contracts and resolving claims to strengthen the institutional environment for business. It aimed to reduce the time to solve cases by increasing staff and facilities, to increase cases treated by a local arbitration center, and to decrease time required to register a business.

Projected Long-Term Results
(Up to 20 years)

ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME
2,237,063	\$76,100,000

PROJECTED OUTCOMES	RESULTS AT END OF COMPACT	PROJECT ACHIEVEMENTS
The project was expected to increase business confidence in the judiciary (from 35% to 60%), reduce the time for processing cases in the Courts of 1st Instance to three months, reduce the time for processing cases in Courts of Appeals by 15 months, and decrease the time to register a business from 37 to 2 days.	By the end of the compact, 272 businesses had accessed the arbitration center (CAMEC), and 92 cases had been processed. Business registration times reduced from 10 to 7 days,** and more than 9,000 enterprises had registered through the one-stop center. 100 magistrates and 60 court clerks were trained. Five new courthouses and one legal information center were built. 54% of firms reported confidence in the justice system from a baseline of 35%.	The new code of civil, commercial, social and administrative procedures was passed by the National Assembly and automated case management set the stage for faster and fairer dispute resolution. In 2011, the new authority and fiscal reform reduced the time and cost required to register new businesses.

COMPACT ENDED ON OCT. 6, 2011



* \$594,931 of total expenditures attributed to remaining payments to be made post-closure period by MCC.

**MCA-Benin's methodology and sample for this indicator is not comparable to the World Bank's Doing Business 2010 data. Efforts of the Government of Benin prior to the actual start of the Compact activities resulted in a decrease in the time to register a business in advance of our program.

MCC is committed to reporting results and will fund evaluations to assess the full extent of impacts that can be attributed to MCC programs. These evaluations will be posted on www.mcc.gov as they become available.

†Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.