



COUNTRY GUIDE BENIN

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ABOUT US

ZAPEO is an International PEO co-employer providing Employer of Record (EOR) Services in more than 113 countries around the world.

As an EOR, we provide employment contracts, payroll employees, pay over any taxes and statutory contributions and provide sponsorship for visa applications in order to comply with specific laws and regulations in the country.

We also assist with onboarding and termination of both local or expatriate employees.

BENEFITS

- Legal compliance
- Flexibility
- Time and cost savings
- Reduced liability
- Access to global talent
- Expertise

**DEPLOY
WITH ZAPEO
IN
3 EASY STEPS**

ENGAGE

You and your employee reach an agreement to work in a country.

EMPLOY

Your employee signs a co-employment agreement with ZAPEO.

ENROLL

Your employee is enrolled on the payroll with a country specific legal entity.



WORK PERMITS AND VISAS

Benin has three general types of visas:

- **Business**
- **Tourist**
- **Transient**

The requirements vary depending on the type, but most employees will need to acquire a business visa and work permit to remain compliant.

Most visas are only valid for 30 or 90 days.

Expatriates must apply before entering Benin.

A foreigner must have a work permit that is supported by a fixed-term job contract. The Ministry of Labor in Benin issues work permits with a 12-month validity.



EMPLOYMENT CONTRACTS

Probation Period

Probationary contracts must be in writing and cannot last more than:

- 15 days for casual, seasonal, or temporary workers
- 1 month for monthly workers.
- 3 months for supervisors, managers, etc.

Notice period

- Hourly employees have a 15-day notice period.
- Employees, workers, and laborers have a one-month notice period.
- Supervisors and executives have the right to three months' notice.

Minimum wage

The monthly minimum wage in Benin is 40 000 CFA francs.

Working hours and overtime

The legal working hours are set at approximately 46 hours per week for agricultural workers and 40 hours per week for all other workers. Workers are not permitted to work more than 240 hours of overtime per year.

Overtime is paid at 112% of the regular hourly rate for the 41st to 48th hour per week and 135% of normal hourly rate after the 48th hour of the week.

Termination

Employers may terminate an employee for a legitimate reason, such as:

- worker health
- inability to maintain employment
- competence or conduct
- organizational or technological changes
- economic hardship or company closure

Severance

Employees have the right to severance pay. The amount depends on length of service:

- 30% of average monthly salary for the first five years of service
- 35% of monthly average salary for 6-10 years of service
- 40% of average monthly salary for 10+ years of service

PAID TIME OFF



Annual Vacation

Employees are generally entitled to 24 paid days of annual leave per year after one year of employment, with increases at the following rate:

- after 20 years and an extra 2 days
- after 25 years, an extra 4 days
- an extra 6 days after 30 years.

Sick

In adherence to Benin's employment regulations, sick leave entitlements are determined by an employee's tenure within a company.

1. Employees with over 12 months of service are entitled to one month of fully paid sick leave.
2. Those with a tenure ranging from 1 to 5 years are granted three months of fully paid sick leave, followed by an additional three months of half-paid sick leave.

Maternity

Female employees are entitled to 6 weeks of paid leave before and 8 weeks after giving birth, with the employer covering half of the cost and social insurance covering the rest.

Paternity

In most cases, fathers are entitled to three days of paid paternity leave.

Family

N/A

National Holidays

Benin has a total of 13 public holidays which are paid.

Other Paid Time Off

N/A



EMPLOYEE BENEFITS

Statutory

	Employee	Employer	Notes
Unemployment	-	-	Benin does not have a dedicated unemployment fund.
Workers Compensation	-	1-4%	Employer social insurance contributions for work injuries range from 1% to 4% of the gross monthly covered payroll, depending on the risk assessment.
Social Security	3.6%	6.4%	Employers contribute an additional 9% towards family allowances. Contributions are based on the legal monthly minimum wage.
Retirement/Pension	-	-	Covered by Social Security.
Health	-	-	Presently operates under a public/private system.

Private

	Notes
Workers compensation	Private workers compensation is not yet available.
Retirement/Pension	There are a few private pension schemes available.
Health	Private health insurance available.
Life	Life insurance policies are also available.



TAX

Personal Income Tax (PIT)

- **Tax year** : Correlates to the calendar year.
- **Tax rate** : Rates range from 0% to 30%.
- **Tax method** : The taxation approach is a progressive income tax.
- **Tax residency requirements** : An individual is regarded as a tax resident in Benin if they satisfy any of the following criteria: they have a permanent residence in Benin, they stay in Benin for more than 183 days during a tax year or they either work professionally or receive income from Benin.
- **Double taxation agreements (DTA's)** : Benin has several double taxation agreements.

Investment Income Tax

Capital Gains Tax

Unless new investment is made within three years, capital gains from the sale of business assets are taxed at the ordinary company income tax rate (under conditions). If the taxpayer ceases operations or sells his business during the three-year period, the reinvested capital gains will be taxed immediately. Non-resident corporations' capital gains are taxed at 30%.

Taxable Income

Individuals are taxed on earnings, salaries, leave pay, fees, commissions, bonuses, gratuities, compensation and commutation payable under any employment or service contract.



PAYROLL

Payroll Elements

- **Income:** Wages, salaries, fees, bonuses, and any other supplementary compensation, such as benefits in kind.
- **Deductions:** The first XOF 60,000 of employment income is tax-free. Deductions are available for dependent children, reducing the tax due.
- **Benefits in Kind:** According to the Benin Labor Code, benefits in kind are considered part of an employee's total compensation package. Examples include employer-provided housing or lodging, a company vehicle, and food stipends.
- **Employer contributions:** Social Security contributions.

Payroll Taxes

Employers must pay a payroll levy (versement patronal sur salaires) of 4% on the gross value of salaries, wages, allowances, and in-kind benefits.

Payroll Calendar

Payrolls can be done weekly, biweekly, fortnightly, or monthly.



LEGISLATION AND STATUTORY BODIES

LEGISLATION

- Constitution of the Republic of Benin 1990
- Labor Code, 1998
- Hiring, Workforce Placement and Termination of the Employment Contract
- General Collective Labor Agreement, 2005
- Act No. 98-019 of 21 March 2003 on the Code of Social Security

STATUTORY BODIES

- Ministry of Labor, Public Service and Social Security
- National Labor Council
- Labor Inspectorate
- National Social Security Institute
- National Employment Agency

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