Anti-money laundering and counter-terrorist financing measures

Benin

5th Enhanced Follow-up Report & Technical Compliance Re-Rating

Follow-up Report



May 2026

The Inter-Governmental Action Group against Money Laundering (GIABA) is a specialized institution of ECOWAS and a FATF Style Regional Body that promotes policies to protect member State's financial systems against money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction. The FATF Recommendations are recognised as the global anti-money laundering (AML) and counter terrorist financing (CTF) standard.

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5th Enhanced Follow-Up Report of Benin[1]

I. INTRODUCTION

1. The Mutual Evaluation Report (MER) of Benin was discussed and adopted by the 35th Plenary meeting of the GIABA Technical Commission in May 2021. The last FUR with re-rating was adopted in May 2025. The country was scored low effectiveness of its AML/CFT system for the 11 immediate outcomes, with more than eight (8) Recommendations rated NC/PC. Thus, in line with the GIABA Processes and Procedures for the second round of mutual evaluation (August 2020), Benin was placed under the enhanced follow-up process.

2. This FUR analyses Benin's progress in meeting the Technical Compliance requirements set out in Recommendations 16, 24 and 25 under review. A Technical Compliance Re-rating is granted when sufficient progress has been made.

3. Generally, countries are expected to correct most, if not all, Technical Compliance deficiencies by the end of the third year following the adoption of the MER. This FUR does not analyse the progress made by Benin in terms of the effectiveness of its AML/CFT system.

4. The analysis of the request for Technical Compliance Re-rating requested by Benin and the preparation of the report were made by Mr. Sidiki KOUROUMA of the Central Bank of the Republic of Guinea; and Mr. Abdoulie MBOWE of the FIU of The Gambia.

5. The experts were assisted by Mr Madické NIANG and Mrs. Porcila da CUNHA GOMES SÁ from the GIABA Secretariat.

6. Section IV of this report summarises Benin's progress towards improving its technical compliance. Section V establishes the conclusion and summary table of the MER ratings and those updated on the basis of this FUR.

II. CONCLUSIONS OF THE 4th ENHANCED FOLLOW-UP REPORT OF BENIN

7. The ratings obtained by Benin following the adoption of its fourth Enhanced Follow-Up Report in May 2025 are summarized in the table below.

Table 1: Benin's TC rating at the adoption of the 4th FUR (2025)

R.	Rating
1.	LC (MER 2021)
2.	**LC** (MER 2021)
3.	**LC** (MER 2021)
4.	**PC** (MER 2021) **PC (FUR 2025)**
5.	**PC** (MER 2021) **C (FUR 2025)**
6.	PC (MER 2021) LC (**FUR** 2023)
7.	**PC** (MER 2021) **LC FUR 2023)**
8.	**NC** (MER 2021)

R.	Rating
21.	C (MER 2021)
22.	**PC** (MER 2021) **PC (FUR 2025)**
23.	**PC** (MER 2021) **LC FUR 2025)**
24.	**NC** (MER 2021)
25.	**NC** (MER 2021)
26.	PC (MER 2021) LC (**FUR** 2025)
27.	**C** (MER 2021)
28.	**NC** (MER 2021)

[1] The 2013 version of the FATF Methodology applies to this technical compliance rating re-rating exercise. Benin will be evaluated according to the revised standards in its next mutual evaluation exercise or in the subsequent follow up report

9.	**C** (MER 2021
10.	**PC** (MER 2021) **LC (FUR 2025)**
11.	LC (MER 2021)
12.	**PC** (MER 2021) **PC FUR 2025)**
13.	**LC** (MER 2021)
14.	**PC** (MER 2021)
15.	**C** (MER 2021) **NC FUR 2023**)
16.	PC (MER 2021)
17.	**LC** (MER 2021)
18.	**LC** (MER 2021)
19.	**NC** (MER 2021) **LC FUR 2025)**
20.	**PC** (MER 2021) **C FUR 2025)**

29.	**C** (MER 2021)
30.	**C** (MER 2021)
31.	C (MER 2021)
32.	**PC** ((MER 2021) **LC (FUR 2025)**
33.	**LC** (MER 2021)
34.	**PC** (MER 2021) **LC (FUR 2024)**
35.	**LC** (MER 2021)
36.	LC (MER 2021)
37.	**C** (MER 2021)
38.	**LC** (MER 2021)
39.	**LC** (MER 2021)
40.	**LC** (MER 2021)

8. Based on the results of the MER and FUR, Benin was placed under enhanced Follow-Up in May 2025. Furthermore, Benin should be considered to have exited enhanced follow-up in February 2026, provided that it obtains thirty (30) LC/C ratings upon adoption of this FUR (44th Plenary decision).

III. OVERVIEW OF THE PROGRESS MADE IN IMPROVING TECHNICAL COMPLIANCE

3.1 Comprehensive overview of progress made in addressing the gaps identified in the MER and FUR

9. Following the adoption of its Fourth Follow-Up Report (FUR) in May 2025, Benin continued to take measures to correct the residual deficiencies identified in its MER and its last FUR with a view to improving the compliance of its AML/CFT system with the various Recommendations as well as the effectiveness under the Immediate Outcomes. Actions completed during the review period include the reform of legislative and regulatory instruments with the adoption of Law No. 2025-19 of 22 July 2025 on associations and foundations in the Republic of Benin, regulating the activities of Non-Profit Organizations (NPOs); Decree No. 2025-575 of 24 September 2025 establishing the register of associations and foundations in the Republic of Benin; and Order No. 2025/1700-c MEF/DC/SGM/DGI/DLC/SLCI/SP/094SGG25 of 18 June 2025 outlining the conditions and procedures for the identification, declaration and verification of the beneficial owners of legal entities and legal arrangements, establishing a national beneficial ownership register with the Directorate General of Taxes.

3.2 Analysis of the progress made to address the deficiencies in the Recommendations submitted for re-rating.

3.2.1 Recommendation 16 (initially rated PC)

10. The MER (2021) concluded that Benin has not set thresholds for wire transfers. The country does not have requirements regarding technical limitations, identification of wire transfers without the required information, risk-based policies and procedures, tracking of wire transfers without information, filing Suspicious Transaction Reports (STRs) in the countries in question and making transaction information available to the FIU. There are other deficiencies related to criteria 16. 4, 16.5, 16.6, 16.8, 16.16 and 16.18.

11. **Criterion 16.1 [Met]** Benin requires Financial Institutions (FIs) that make domestic and international wire transfers to obtain and verify the originator's full name and account number, where such an account is used to process the transaction or a unique transaction reference number, his/her address or failing that, their national identification number, date and place of birth. The beneficiary's name and

account number, where such account is used to process the transaction, or in the absence of that, a unique transaction identification number. This information must be included in the message or in the payment attached to the message. These measures are applicable, regardless of the amount of the transfer (Art.39, AML/CFT/CPF Law 2024-01).

12. **Criterion 16.2 [Met]** The FIs are obliged to comply with the same requirements in c.16.1 in the context of a transaction involving several wire transfers, originating from the same payer and are bundled in a batch file for transmission to the beneficiaries. The originator information and each payee information must be fully retrievable by the beneficiary's FI (Art. 39, in fine, AML/CFT/CPF Law 2024-01).

13. **Criterion 16.3 [N/A]** Benin does not apply a minimum threshold. The measures provided for in Article 39 of the AML/CFT/CPF Law No.2024-01 apply to all wire transfers.

14. **Criterion 16.4 [N/A]** Benin does not apply a minimum threshold. Therefore, since the requirements of c.16.3 are not applicable, those relating to c.16.4. are not applicable.

15. **Criterion 16.5 [Met]** Domestic wire transfers must contain the same originator information under the conditions provided for in criterion c.16.1 (full name; account number, when used; the address, or failing that, the national identification number; or his place and date of birth) (art 39 (4) (a) of the AML/CFT/CPF Law No. 2024-01).

16. **Criterion 16.6 [N/A]** FIs in Benin are obliged to include the originator and beneficiary information even for domestic wire transfers (Art.39, AML/CFT/CPF Law No.2024-01).

17. **Criterion 16.7 [Met]** The ordering party's financial institution is required to retain all originator and beneficiary information collected under the conditions provided for in Article 23, which refers to the retention of documents for a period of 10 years, and in accordance with Recommendation 11 (Art.40 (1) of the AML/CFT/CPF Law 2024-01).

18. **Criterion 16.8 [Met]** The ordering FI should not be allowed to execute the wire transfer in the event of inability to have the information provided for in Article 39 (obligations to collect, verify and transmit the required information) as required by criteria 16.1 to 16.7 (Art. 42 AML/CFT/CPF Law No 2024-01).

19. **Criterion 16.9 [Met]** For cross-border wire transfers, an intermediary financial institution should be required to ensure that all originator and beneficiary information are accompanied with it (Art. 43 (1), AML/CFT/CPF Law No.2024-01).

20. **Criterion 16.10 [Met]** Where technical limitations prevent the required originator and beneficiary information referred to in Article 39 (obligation to collect, verify, transmit the required information), contained in a cross-border wire transfer, from remaining with a related wire transfer, the intermediary financial institution is required to keep, under the conditions provided for in Article 23 (retention of documents and documents for a period of 10 years), the information received from the ordering financial institution or from another intermediary financial institution (Art. 44 AML/CFT/FP Law No.2024-01).

21. **Criterion 16.11 [Met]** Intermediary financial institutions should be required to take reasonable measures , which are consistent with straight-through processing, to identify wire transfers that lack the required originator or beneficiary information referred to in Article 39 (Art. 45(1) AML/CFT/CPF Law No.2024-01).

22. **Criterion 16.12 [Met**] Intermediary FIs should be required to have risk-based policies and procedures for determining: a) when to execute, reject or suspend wire transfers that lack the originator and beneficiary information referred to in Article 39; b) the appropriate follow-up actions (Art. 43 (2) AML/CFT/CPF Law No.2024-01).

23. **Criterion 16.13 [Met]** The Beneficiary's Financial Institution shall be required to take reasonable measures, which may include post-event monitoring or real-time monitoring where feasible to identify wire transfers that lack the required originator or beneficiary information referred to in Article 39 (Art. 46 (1) of the AML/CFT/CPF Law No.2024-01).

24. **Criterion 16.14 [Met]** The beneficiary FI is required to verify the identity of the beneficiary when this has not been done previously and retain this information under the conditions provided for in Article 23 (retention of documents and documents for a period of 10 years), in accordance with Recommendation 11 (Art.46 (2) of the AML/CFT/FP Law No.2024-01).

25. **Criterion 16.15 [Met]** Article 43 (see above analysis of criterion 16.12) apply to the beneficiary's financial institution (Art. 47 AML/CFT/CPF Law No.2024-01).

26. **Criterion 16.16 [Met]** MVTS providers must comply with all requirements under this Part (and therefore all requirements applicable to wire transfers in accordance with the requirements of Recommendation 16) in the countries in which they operate, directly or through their agents (Art. 34 (1) AML/CFT/CPF Law No.2024-01).

27. **Criterion 16.17 [Mostly Met]** In the case of a MVTS provider that controls both the ordering and the beneficiary side of a wire transfer, it must: (a) take into account all information from the ordering and beneficiary sides to determine whether an STR should be made; (b) file an STR to the FIU, if applicable (Art.34 (2) of the AML/CFT/CPF Law No. 2024-01). However, there is no provision requiring them to file an STR in all countries involved in the suspicious wire transfer as required by criterion 16.17. (b).

28. **Criterion 16.18 [Met]** FIs are required to apply the measures provided for (see c.16.1 to 16.7 above) against persons and entities covered by the UNSCR (sanctions lists) when they make electronic transfers (Art.41, Law No. 2024-01-LBC/FT/FP). The application mechanism is specified (Cf. Decree No. 2022-351 on the TFS regime).

Weighting and conclusion

29. Benin has significantly improved its legal framework for wire transfers, with the adoption of the AML/CFT/CPF Law No.2024-01. However, a minor deficiency remains, namely, the lack of an explicit obligation for a money or value transfer (MVTS) provider, to procure both the originator and beneficiary information of a wire transfer, to report a suspicious transaction in each of the countries involved when a transfer is suspicious.

30. **On this basis, Recommendation 16 is re-rated Largely Compliant (LC).**

3.2.2 Recommendation 24 (initially rated NC)

31. Benin was rated NC for this Recommendation. The conclusions of the MER (2021) pointed out significant weaknesses with regard to Recommendation 24, including, the lack of precision in the mechanisms for collecting information on the beneficial owners of these various legal entities, as well as the procedures for publishing this information; the NRA has not carried out a comprehensive analysis of

the specific risks associated with each category of legal entity; companies themselves should have a register of their shares that includes all the relevant information listed; the country's responses are limited to mechanisms for identifying beneficial owners; The current system does not meet the requirements for identifying beneficial owners and storing and updating information on beneficial owners. Companies are not required to disclose information on their beneficial owners. The penalty referred to in this criterion applies to all legal entities and not only to reporting entities. The available information is not complete.

32. **Criterion 24.1 a and b [Met]** The OHADA Uniform Acts identifies the various types of legal entities that may be created in Benin, including commercial companies (SNC, SCS, SARL, SA, SCA), Economic Interest Groups (EIG), cooperatives, as well as their procedures for creation, licensing and registration in the Trade and Personal Property Credit Register (RCCM) (Articles 10 to 27, OHADA Uniform Act of 20 January 2014 and 15 December 2010, respectively). The scope of legal entities is extended to associations and foundations, the definitions, terms of establishment and general operating principles of which are laid down by law (Law No. 2025-19 of 22 July 2025). Furthermore, the procedures for recording and storing information concerning them are laid down by decree (Decree No. 2025-575 of 24 September 2025). Legal entities are obliged to obtain and retain all the information making it possible to identify their beneficial owners (Art.78 AML/CFT/CPF Law No.2024-01). Furthermore, any beneficial owner of a legal entity and any legal entity holding a direct or indirect interest in a legal entity are required to provide, upon request or otherwise, all information and supporting documents necessary for the identification of beneficial owners (Art. 462, General Tax Code). The BO register also contains information on legal entities and legal arrangements that are recorded in a format that allows for digital searches and are made available to the public (Art. 122, AML/CFT/CPF/CPF Law No. 2024-01-2024). The electronic or printed copy of the register of associations and foundations is available to any interested party (Art. 11, Decree No. 2025-575).

33. **Criterion 24.2 [Met]** Benin conducted an in-depth sectoral assessment of ML/TF risks related to legal entities, legal arrangements and beneficial owners, finalised in May 2024 by the FIU and the National Coordinating Committee. The study mapped all existing legal forms for the period 2019–2023, identified structural threats and vulnerabilities, and determined inherent and residual risk levels by entity type. The Evaluation Report has been approved by the authorised bodies and officially published.

34. **Criterion 24.3 [Met]** Legal entities required by law to register must apply for registration within one month of their incorporation, at the registry of the competent court or competent body. The application for registration, made using the prescribed form, shall contain all the information required by c.24.3 (Art. 46, OHADA Uniform Act). The RCCM (company registry) is maintained by the registry of the court or competent body and a national file centralizes the information recorded in each RCCM. The information contained in the forms submitted to the registry or the competent body, in the registers and directories of the RCCM, is intended for public information (Art. 36, OHADA Uniform Act).

35. **Criterion 24.4 [Met]** Companies in Benin are required to maintain a register of their shareholders or members, containing their names, the number and class of shares held by each shareholder, and the nature of the voting rights attached to those shares. The aforementioned information is kept by legal entities within the national territory, and the location where it is kept must be indicated in the national register of business entities (Art. 76, AML/CT/CPF Law No. 2024-01)

36. **Criterion 24.5 [Met]** Criterion 24.5 had previously been rated 'Met'. The provisions of Articles 35 and 52 of the OHADA Uniform Act on General Commercial Law remain in force and continue to govern the registration, updating and publication of basic information relating to legal persons. Under OHADA law, any change in the taxpayer's circumstances (marital status, matrimonial regime, capacity, activity, legal status) must be reported within 30 days. Partial cessation of activity must also be mentioned.

Requests for amendments must be signed in accordance with Article 39. The registrar or the competent authority shall issue an acknowledgement of registration specifying the formality completed and its date (Art.52, AUDCG). Similarly, the Registrar or the competent authority is required to verify the accuracy of the information provided by the applicant upon registration (Art. 66, AUDCG). The competent authority, in addition to the Registrar, which is exercised by the tax administration, shall not accept any declaration or registration if they are incomplete, do not comply with legal and regulatory provisions or do not correspond to the supporting documents provided. It shall notify the legal entity or the manager of the legal structure or, where applicable, its representative, by post of its refusal to register, which is equivalent to a breach of the reporting obligation provided for by law (Art. 17, Decree No. 2025-1700/MEF/DC/SGM/DGI/DLC/SLCI/SP/094SGG25 of 18 June 2025). Furthermore, legal entities are required to ensure that the information provided is accurate and updated in a timely manner (Art. 77, AML/CFT/CPF Law No. 2024-01).

37. **Criterion 24.6 a, b, c [Met]** Benin has provided several mechanisms that cover the following options: a & b) The competent authority (the Commercial Court Registry) sets up a BO register of legal entities and legal arrangements carrying out their activities in the country (Art.122, AML/CFT/CPF Law No. 2024-01). The BO register is operational. Legal entities carrying out their activities in the country are required to obtain and retain all the information making it possible to identify their beneficial owners. Such information must be accurate and up-to-date (Art.78, AML/CFT/CPF Law No. 2024-011).

38. **Criterion 24.7 [Met]** Benin requires legal entities carrying out their activities within the country to obtain and retain all the information making it possible to identify their BOs (Art. 78, AML/CFT/CPF Law n º 2024-01). Furthermore, the Tax Code requires legal entities governed by Beninese or foreign law, whether or not they are liable to corporation tax or business profits tax, to identify their beneficial owners and keep an up-to-date register for such purpose in the Republic of Benin. The BO register should contain adequate, accurate and up-to-date information (Art.462 (2,3) Tax Code). To ensure the reliability of this information, legal persons must file beneficial ownership details with the tax authorities: (i) at the time of registration or within thirty days of incorporation; (ii) annually no later than 30 April; and (iii) within thirty days of becoming aware, or when they should have become aware, of any change requiring modification of previously submitted information (Art. 462-6, Tax Code). Directors are also required to conduct at least an annual review to ensure that the beneficial ownership information held in the register remains accurate and up to date (Art. 6, Decree 2025/n°1700).The person responsible for maintaining the register-whether the Registrar or the head of the competent authority within the Tax Directorate - has a period of three months to perform the necessary controls (Art. 50, OHADA Uniform Act). Updates must be reflected in the register within thirty days following any modification, transfer, dissolution or deletion (Arts. 51, 52, 55 and 58, OHADA Uniform Act on General Commercial Law). Beneficial owners are themselves required to provide all necessary identification information and supporting documents. In the event of any change, they must submit updated information and documentation within fifteen days (Art. 11, Order 2025/n°1700).

39. **Criterion 24.8 a, b, c [Met]** Benin has introduced a legal provision (Article 130, Ordinance 2024-011) requiring legal entities to cooperate with the competent authorities in identifying beneficial owners, in particular through the following measures: a) the formal designation by legal entities of one or more natural persons resident in Benin authorised to provide basic information and available information on beneficial owners and to provide any other form of assistance to the competent authorities; b) the granting of formal authorisation, where applicable, to the DNFBPs used by legal entities in Benin, to disclose basic information and available information on beneficial owners and to provide any other form of assistance to the competent authorities; c) the adoption of any other necessary measures to strengthen national cooperation on the transparency of legal persons and their beneficial owners.

40. **Criterion 24.9 [Met]** Benin requires all persons, entities and authorities involved in the dissolution and liquidation of legal persons to keep information on the latter and on their BOs for a period of at least ten years after their dissolution or on the date on which they cease to be in contact with the FI or the professional intermediary concerned (Art. 79, AML/CFT/CPF Law N°2024-01). Legal persons are also required to keep the information contained in the BO register and the supporting documents relating to a BO for a minimum period of ten years following the end of the year in which it ceased to be, or following the end of the year of termination of the legal person (Art.462 (5), Tax Code).

41. **Criterion 24.10 [Met]** Judicial, investigative and intelligence authorities have direct and timely access to the information contained in the national beneficial ownership register (Art. 19, Order 2025/n°1700/MEF). In addition, competent authorities, particularly prosecutorial authorities, can exercise all necessary powers to obtain, in a timely manner, basic and beneficial ownership information held by the relevant persons or entities (Art. 123, AML/CFT Order).

42. **Criterion 24.11 [Met]** Benin requires legal entities that bearer negotiable instruments or bearer share warrants to implement mechanisms that prevent their misuse, particularly for ML/TF/F/FP purposes, without however explaining said mechanisms (Art.80, AML/CFT/CPF Law No. 2024-01). However, a provision of the OHADA Uniform Act stipulates that securities, regardless of their form, must be registered in the name of their owner and that they are transferred from account to account (Art. 744-1, OHADA Uniform Act). The latter provision complies with point (a) of this criterion.

43. **Criterion 24.12 a, b, c [Partly Met]** T The laws of Benin require legal entities that issue shares registered in the name of nominees or that have directors acting on behalf of another person to implement mechanisms to ensure that these practices are not used for ML/TF/PF purposes (Art. 81, Law No. 2024-01-LBC/FTP). However, the practice of holding shares in the name of a proxy is prohibited by the revised OHADA Uniform Act on Commercial Companies and Economic Interest Groups (AUSCGIE), which stipulates that securities, in whatever form, must be registered in the name of their owner and that they are transferred from account to account. It also provides that the transfer of ownership of securities results from the registration of said securities in the purchaser's securities account (Art. 744-1, OHADA Uniform Act). However, with regard to directors acting on behalf of another person, Benin has not demonstrated the existence of an obligation on their part to disclose the identity of the person who appointed them, nor the obligation to be duly authorised.

44. **Criterion 24.13 [Mostly Met]** Benin requires each competent authority to introduce measures, disciplinary and/or financial sanctions in the event of non-compliance by entities bound by the requirements relating to BO transparency of persons, without any details on said applicable measures and sanctions (Art.107(p), AML/CFT/CPF Law No.2024-01). However, a provision of the Tax Code specifies that any breach of obligations is sanctioned under the conditions provided for in Article 496(4) of the said Code. The article in question provides for a fine of one million CFA francs (1,524 euros) in the event of failure to provide information or failure to satisfy the information requirements, applicable following a formal notice that has not been complied with after 48 hours. This amount is doubled (3048 Euros) in case of repeated offences. Applicable criminal sanctions are provided for (Art.199, AML/CFT/CPF Law No.2024-01). However, the sanctions provided for by Benin are not proportionate because the range of administrative sanctions is limited to formal notice alone.

45. **Criterion 24.14 [Met]** a) The competent authorities exchange information with their foreign counterparts on money laundering, terrorist financing and the proliferation of weapons of mass destruction and underlying offences, particularly in the processing of requests relating to the beneficial ownership of legal entities and legal arrangements, and shall facilitate access by the competent authorities to information held by legal entities and to the registers referred to in this Law (Article 135(a)

of the AML/CFT/CPF Law No. 2024-01); b) The competent authorities are required to cooperate promptly and effectively with bodies performing similar functions in other WAEMU Member States or other third countries, including through the exchange of information (Article 107 (h) of the AML/CFT/CPF Law No. 2024-01); c) Competent authorities are required to use their investigative powers to obtain information (including information on beneficial owners) on behalf of their foreign counterparts (Article 135(c) of AML/CFT/CPF Law 2024-01).

46. **Criterion 24.15 [Met]** Benin requires competent authorities to ascertain the quality of assistance they receive from their foreign counterparts in response to requests for information, particularly when processing requests relating to beneficial ownership transparency of legal entities, by facilitating access of competent authorities to information held by legal entities and registers (Article 135(c), AML/CFT/CPF Law No. 2024-01).

Weighting and conclusion

47. The adoption of the AML/CFT/FP Law No. 2024-01 has enabled Benin to make progress in its compliance with the requirements on beneficial ownership transparency of legal entities. The establishment of a national BO register and the requirement for legal entities to collect and retain, within the country, all information relating to companies, their shareholders and authorised representatives. Measures are also being taken to facilitate cooperation in the exchange of information. However, some shortcomings remain, including the lack of clarity regarding the natural or legal person responsible for communicating information to the competent authority; the fact that proxy directors are not required to disclose the identity of the person who appointed them the limited range of penalties, particularly for administrative penalties, which are not proportionate.

48. **On this basis, Recommendation 24 is re-rated Largely Compliant (LC).**

3.2.3 Recommendation 25 (initially rated NC)

49. Benin was rated NC for this Recommendation. The MER (2021) concluded that Benin does not recognize trusts and has only limited measures in place to mitigate ML and TF risk associated with foreign trusts and other legal arrangements. The lack of a regulatory framework for trusts hinders the collection and sharing of information on the beneficial owners of legal arrangements. Benin has addressed this lacuna by adopting Uniform Law No. 2024-01-LBC/FT/FP, which transposes Directive No. 1/2023/CM/UEMOA into Beninese national law. The said Uniform Law recognises the activity of a trust company, which falls within the category of DNFBPs in the sense that a professional carries out or participates in: the incorporation, management or administration of companies, trusts or similar legal structures. (Art. 2(20))

50. **Criterion 25.1 [Met]**

a) Trustees are required to obtain and maintain satisfactory, accurate and as up-to-date as possible information on the identity of the settlor, the beneficiary protector and any other natural person who ultimately exercises effective control over the trust (Art. 82(a) of AML/CFT/CPF Law No. 2024-01).

b) Trustees are required to hold basic information about other regulated agents and trust service providers, including investment advisors or managers, accountants and tax advisors. The information to be retained must include: (I) the company name; (ii) proof of incorporation; (iii) the legal form; (iv) the address of the registered office; (v) the main elements governing their operation; (vi) the list of members of the board of directors or equivalent body; (vii) the names of shareholders and the number

of shares held by each shareholder, as well as the class of shares, including the nature of the voting rights attached to them (Art. 82(b) of AML/CFT/CPF Law No. 2024-01).

c) Professional trustees are required to retain the information referred to in point 25.1(b) for a period of at least 10 years after the termination of their involvement in the trust (Art. 82(d) of AML/CFT/CPF Law No. 2024-01).

51. **Criterion 25.2 [Met]** Trustees are required to obtain and hold accurate and as up-to-date as possible information about trusts (settlor, protector and beneficiaries) and any other natural persons who last exercise effective control over the trust, and information held in accordance with the provisions of Article 82(b) of AML/CFT/FP Law No. 2024-01(e.g. corporate name, legal form, incorporation, address of registered office, list of members of the board of directors, names and shares of shareholders, etc.) must be updated in a timely manner, the information collected must be kept for at least ten years after termination (Articles 82(a) and (c) of AML/CFT/FP Law No. 2024-01). Furthermore, legal entities, whether subject to corporation tax or corporate income tax, are required to identify their beneficial owners and to maintain adequate, accurate and up-to-date records and information concerning the identity of their beneficial owners (section 462(2) and (3) of the General Tax Act 2024).

52. **Criterion 25.3 [Met]** Trustees are required to declare their status to FIs and DNFBPs when establishing a business relationship or executing an occasional transaction of an amount greater than a threshold set by the competent authority (Article 82(e) of AML/CFT/CPF Law No. 2024-01). A threshold amount of nine (9) million CFA francs (13,720 euros) has been set for occasional transactions involving trustee services, pursuant to Article 82(e) (Article 9 of UMOA Decision No. 021/12/2023/CM/UMOA).

53. **Criterion 25.4 [Met]** Beninese law does not prevent trustees from providing the competent authorities with information relating to the trust. Notwithstanding any provision to the contrary, trustees are required to provide the competent authorities with all information relating to the trust. They are also required, at the request of FIs and DNFBPs, to provide information relating to beneficial owners and fiduciary assets held or managed as part of the business relationship (Article 83 of AML/CFT/CPF Law No. 2024-02). The trustees are also required to provide the tax authorities with information relating to their beneficial owners (Article 462 (6) of the General Tax Code).

54. **Criterion 25.5 [met]** Competent authorities, including law enforcement authorities, must have timely access to information held by persons acting as trustees and other parties, including information held by FIs and DNFBPs, on (a) beneficial owners, (b) the residence of the trustee, and (c) any assets held or managed by the FI or DNFBP in connection with any trustee with whom they have a business relationship or for whom they perform an occasional transaction (Article 109 of AML/CFT/CPF Law No. 2024-01). They have all the powers necessary to access, in a timely manner, the information referred to in Articles 76, 78 and 122 on legal entities, legal arrangements and their beneficial owners, held by the parties concerned (Article 123, AML/CFT/CPF Law No. 2024-01).

55. **Criterion 25.6 [Met]** The competent authorities share information with their foreign counterparts on money laundering, terrorist financing and the proliferation of weapons of mass destruction and predicate offences, particularly in the processing of requests relating to the beneficial owners of legal persons and legal arrangements. This includes:

a) **[Met]** Facilitating access by the competent authorities to information held by legal persons and to the registers referred to in this law (Article 135(a) of AML/CFT/CPF Law No. 2024-01);

b) **[Met]** Competent authorities are required to provide prompt and effective cooperation to bodies that perform similar functions in other WAEMU Member States or other third States, including through the exchange of information (Article 107 (h) of AML/CFT/CPF Law No.2024-01).

c) **[Met]** Competent authorities are required to use their investigative powers to obtain information (including beneficial ownership information) on behalf of their foreign counterparts (Article 135(c) of AML/CFT/CPF Law 2024-01).

56. **Criterion 25.7 [Met]** Benin requires the competent authorities to take measures, disciplinary and/or financial sanctions against FIs and DNFBPs, as well as persons subject to requirements relating to beneficial ownership transparency of legal entities and legal arrangements (Article 107 (j) and (p) of AML/CFT/CPF Law No. 2024-01). This implies that the trustees (who are part of the DNFBPs) are legally bound to perform the tasks relating to the fulfilment of their obligations. The supervisory authorities are also vested with the power to impose administrative, disciplinary and/or financial sanctions when a subject person, due to a serious lack of vigilance or a deficiency in the organization of his internal control procedures, has not complied with the obligations incumbent on him under Part V, Chapter II of this Law (Article 182 of Law AML/CFT/CPF Law No. 2024-01). Furthermore, directors or employees of natural or legal persons governed by these regulations are liable to imprisonment for six months to two years and a fine of one hundred thousand to one million five hundred thousand CFA francs, or one of these two penalties only, for acts related to money laundering (Article 197 of AML/CFT/CPF Law No. 2024-01).

57. **Criterion 25.8 [Mostly met]** The competent authorities are required to take administrative, disciplinary and/or financial measures in the event of non-compliance by FIs and DNFBPs, and any other person or entity holding the assets, funds or other economic or financial resources of the natural or legal persons, entities or organizations designated in the lists referred to in Article 124 of this Law, with the obligations provided for in Part II of this Law (Article 107(j) of AML/CFT/CPF Law No. 2024-01). Cases of non-compliance may be interpreted broadly to also include failure to provide competent authorities with timely access to information relating to the trust referred to in c25.1. Applicable criminal penalties are provided for (Art. 199, AML/CFT/CPF Law No. 2024-01). Regarding the applicable civil, pecuniary or administrative penalties Article 21 of Decree No. 2025-1700 setting out the conditions and procedures for the identification, BO declaration and monitoring of legal entities and legal arrangements refers to those provided for in Article 496(4) of the Tax Code. The aforementioned article provides for a fine of one million CFA francs (1,526 euros) for failure to provide information or to maintain a register of business entities, for failure to declare basic information and information relating to business entities that is accurate and up to date, or for the provision of inaccurate or incomplete information or documents. The fine is imposed following an unsuccessful formal notice to rectify the situation within eight days. In the event of a repeat offence, the fine is increased to two million CFA francs (3,053 euros). Administrative penalties limited to a formal notice alone are restricted and disproportionate.

Weighting and conclusion

58. The adoption of the AML/CFT/FP Law No. 2024-01, Order n°2025-1700 and amendment of the Tax Code enabled Benin to make progress in its compliance with the requirements on beneficial ownership transparency of legal entities legal arrangements. Some deficiencies however remain. Indeed, the administrative, disciplinary and financial penalties for non-compliance with the obligations set out in Recommendation 25 provides for criminal and financial penalties. However, the administrative penalties provided for in the Act are limited to formal notices, and their proportionality is not guaranteed.

59. **On this basis, Recommendation 25 is re-rated Largely Compliant (LC).**

IV. CONCLUSION

60. Benin has made significant progress in addressing the deficiencies identified in its MER in relation to technical compliance. Benin is re-rated Largely Compliant for Recommendations 16, 24 and 25.

61. Considering the progress made by Benin following the adoption of its Fifth Follow-Up Report (5th FUR), its technical compliance with the FATF Recommendations, is summarised in the table below.

Table 2: Benin's TC rating at the adoption of the 5th FUR (October 2025)

R.	Rating
1.	LC (MER 2021)
2.	**LC** (MER 2021)
3.	**LC** (MER 2021)
4.	**PC** (MER 2021) **PC (FUR 2025)**
5.	**PC** (MER 2021) **C (FUR 2025)**
6.	PC (MER 2021) LC **(FUR** 2023)
7.	**PC** (MER 2021) **LC FUR 2023)**
8.	**NC** (MER 2021)
9.	**C** (MER 2021
10.	**PC** (MER 2021) **LC (FUR 2025)**
11.	LC (MER 2021)
12.	**PC** (MER 2021) **PC FUR 2025)**
13.	**LC** (MER 2021)
14.	**PC** (MER 2021)
15.	**C** (MER 2021) **NC FUR 2023**)
16.	PC (MER 2021) LC(FUR 2026)
17.	**LC** (MER 2021)
18.	**LC** (MER 2021)
19.	**NC** (MER 2021) **LC (FUR 2025)**
20.	**PC** (MER 2021) **C (FUR 2025)**

R.	Rating
21.	C (MER 2021)
22.	**PC** (MER 2021) **PC (FUR 2025)**
23.	**PC** ((MER 2021) **LC (FUR 2025)**
24.	**NC** ((MER 2021) ↑**LC (FUR 2026)**
25.	**NC** (MER 2021) ↑ **LC (FUR 2026)**
26.	PC (MER 2021) **LC (FUR 2025)**
27.	**C** (MER 2021)
28.	**NC** (MER 2021)
29.	**C** (MER 2021)
30.	**C** (MER 2021)
31.	C (MER 2021)
32.	**PC** (MER 2021) **LC FUR 2025)**
33.	**LC** (MER 2021)
34.	**PC** (MER 2021) **LC (FUR 2024)**
35.	**LC** (MER 2021)
36.	LC (MER 2021)
37.	**C** (MER 2021)
38.	**LC** (MER 2021)
39.	**LC** (MER 2021)
40.	**LC** (MER 2021)

62. The Republic of Benin has seven (7) Recommendations rated NC/PC without any Fundamental Recommendations. The country exited the Enhanced Follow-Up Process by decision of the November 2025 Plenary. Benin will be required to provide an update on the status of preparations for its forthcoming 3rd round of mutual evaluation.

Summary of Technical Compliance –Deficiencies underlying ratings

Appendix Table 3. Compliance with FATF Recommendations

	Recommendation	Rating	Factor (s) justifying the rating •
1.	Risk assessment and implementation of a risk-based approach	**LC**	• No specific mechanisms for providing information on the results of the NRA to stakeholders. • There is limited requirement to supervise reporting entities for implementation of their obligations under Recommendation 1. • Benin lacks supervisory mechanisms for DNFBPs. • Application of RBA to supervision and allocation of resources to prevent or mitigate ML/TF risks is very limited or non-existent across sectors. • Exemptions are not based on proven lower ML/TF risks. • There is no express requirement to consider the threats, vulnerabilities and consequences before determining appropriate ways of mitigating the risks.
2.	National cooperation and coordination	**LC**	• There are no provisions for the establishment of cooperation mechanisms at the operational level to combat the financing of the proliferation of weapons of mass destruction.
3.	Money laundering offence	**LC**	• There is no precision, including precedent regarding whether it is not necessary for a person to be convicted of a predicate offence to prove that an asset is the proceed of a crime.
4.	Confiscation and provisional measures	**PC**	• Benin's legal framework does not provide a mechanism for seizure and confiscation of property of equivalent value for underlying offences, or specific provisions for confiscation in such cases; • there are no measures to protect bona fide third parties when confiscation is ordered in the context of prosecutions for underlying offences
5.	Terrorist Financing offence	**C**	• The country has fully met the requirements of Recommendation 5.
6.	TFS related to Terrorism and Terrorist Financing	**LC**	• the country has not yet developed and published any guidelines for FIs, DNFBPs and any other natural or legal person or entity that may hold covered funds or other assets, with respect to their obligations regarding freezing, unfreezing, and de-listing measures; • The ability to request removal from the national list is limited to persons and entities designated in error
7.	Targeted financial sanctions related to proliferation	**LC**	• Benin has not defined any specific sanction measure for violation of TFS obligations related to Proliferation Financing (PF); • The country is yet to designate the DNFBP supervisory authorities; • Non publication of guidelines to FIs and DNFBPs on their obligations concerning freezing, de-listing and unfreezing actions
8.	Non-Profit Organizations (NPOs)	**NC**	• Benin has not conducted any comprehensive assessment of the NPO sector; • Benin has not identified the nature of the threats which TF impose on NPOs at risk; • There is no mechanism or supervisory and monitoring authority using a risk-based approach; • There is no designated competent authority to respond to international information requests on NPOs highly suspected of engaging terrorism financing or providing support by any other means.
9.	Financial institutions secrecy laws	**C**	• The country has fully met the requirements of Recommendation 9
10.	Customer Due Diligence (CDD)	**LC**	• It is not clearly stipulated that the FI must also identify and verify the identity of the person acting on behalf of a customer; • As part of the implementation of constant vigilance, Article 19 refers to the definition of a list of items of information to be used by FIs on the part of the competent authority, but this has not been established; • FIs are required to carry out an STR in all cases where they are unable to implement due diligence obligations, which prevents them from

			making a judgement on the appropriateness of the STR as suggested by c.19(b); • A waiver for FIs not to identify and verify the identity of their customer in the case of online debit/credit transactions on their account opened in Benin, or in a WAEMU country (as the information about it is available and updated), or in a third country that has put in place AML/CFT measures equivalent to those of Benin
11.	Record - Keeping	**LC**	• Benin has not indicated in any explicit provision that the records relating to transactions should be adequate for the reconstitution of individual transactions that could be used as evidence in any prosecution or criminal activity.
12.	Politically Exposed Persons	**PC**	• FIs are not obliged to apply to persons closely associated with PEPs, the children, their spouses or close partners, to national PEPs, measures provided for in 12.1 & 12.2; • Benin does not impose on FIs to seek senior management authorisation for the continuation of the business relationship with an existing customer who becomes a PEP; • In the context of life insurance, the diligences provided for by the Act are applied to the beneficial owner of the life insurance policy and do not appear to cover both the beneficiary of the life insurance policy and the beneficial owner of the beneficiary of the life insurance policy
13.	Correspondent Banking	**LC**	• The obligation of FIs to clearly understand each institution's AML/CFT responsibilities is not specified. • There is no explicit requirement for FIs to gather sufficient information on whether or not a respondent institution has been the subject to a ML/TF investigation or regulatory action.
14.	Money or Value Transfer Services	**PC**	• However, there are no sanctions provided for unlicensed money and value transfer service providers. • Besides, there is no explicit provision that requires service providers to monitor agents' compliance with AML/CFT programmes. Money or value transfer services are not supposed to be licensed or registered with any competent authority. Benin has not taken measures to identify natural or legal persons operating MVTS without license and mete out proportionate and dissuasive sanctions on them.
15.	New Technologies	**NC**	• Benin has not carried out any risk assessment of VA/VASPs; • Also, no legal instrument has been adopted by Benin designed to regulate VA and VASP activities.
16.	Wire Transfers	**PC [MER 2021] ↑LC [FUR2026]**	• lack of an explicit obligation for a money or value transfer (MVTS) provider, to procure both the originator and beneficiary information of a wire transfer, to report a suspicious transaction in each of the countries involved when a transfer is suspicious
17.	Reliance on Third Parties	**LC**	• There is no clear provision on the ultimate responsibility for relying on a third party. • Benin lacks provision on obligation on FIs to: – obtain information from the third party without delay; – Ascertain the regulation, supervision, monitoring and information on risk profile, as reliance on third parties in the same group.
18.	Internal controls, foreign branches and subsidiaries	**LC**	• Benin mostly meets the requirements for internal controls and branches and subsidiaries abroad. • However, there is a deficiency regarding the obligation of branches to make available to the group any information relating to customers, accounts and transactions, when required for AML/CFT, compliance functions and/or audit purposes.
19.	Higher-risk countries	**LC**	• The applicable counter measures provided for by the Act are not specified by the competent authority; • Benin has not indicated what measures have been put in place to inform FIs of the concerns raised by deficiencies in the AML/CFT systems of other countries.
20.	Suspicious Transaction Reporting	**C**	• The country has fully met the requirements of Recommendation 20
21.	Disclosure and confidentiality	**C**	• There is no protection when the illegal activity does not occur. Benin has met all the criteria relating to this Recommendation.
22.	Designated Non-financial Businesses and Professions: Customer Due Diligence	**PC**	• The shortcomings noted under Recommendations 10, 12, 15 and 17, apply to R.22

23.	Designated Non-financial Businesses and Professions: other measures	**LC**	• The DNFBPs are not obliged to include in their policies selection procedures guaranteeing that employees are recruited according to the demanding criteria stipulated in c.18.1(b); • The shortcomings identified under R.19 have a cascading effect on R.23.
24.	Transparency and beneficial ownership of legal persons	**NC [MER 2021] ↑LC [FUR 2026]**	• lack of clarity regarding the natural or legal person responsible for communicating information to the competent authority; • the limited range of penalties, particularly for administrative penalties, which are not proportionate. • proxy directors are not required to disclose the identity of the person who appointed them
25: Transparency and beneficial ownership of legal arrangements		**NC [MER 2021] ↑LC [FUR 2026]**	• the administrative and disciplinary penalties for non-compliance with the obligations set out in Recommendation 25 provided for in the Act are limited to formal notices, and their proportionality is not guaranteed
26 - Regulation and supervision of Financial Institutions		**LC**	• The failure to implement the provision of Article 7 of OHADA, which requires fiduciaries to declare their status to FIs and DNFBPs when they establish a business relationship or carry out an occasional transaction in an amount exceeding the threshold; • Sub-agents offering MVTS are placed under the responsibility and supervision of MVTS providers, who are not supervisory authorities. •
27- Powers of Supervisory authorities		**C**	▪ Benin meets the requirements of this recommendation.
28- Regulation and supervision of Designated Non-financial Businesses and Professions		**NC**	• The mechanism has significant deficiencies; • There are no designated authorities to supervise and monitor the implementation of AML/CFT measures; • With no sectoral risk assessment of DNFBPs, it is difficult to determine their risk profiles and apply the risk-based approach accordingly; • The regulation does not adequately protect DNFBPs from being accessed by criminals or their accomplices.
29- Financial Intelligence Units (FIUs)		**C**	• Benin has met all the requirements of this Recommendation.
30- Responsibilities of Criminal Prosecutorial and Investigative authorities.		**C**	• The anti-corruption authority has no power to freeze and seize assets.
31- Powers of Law Enforcement authorities.		**C**	• Benin has met the requirements of this Recommendation.
32 - Cash Couriers		**LC**	• The country has not set the threshold for amounts in cash or BNIs subject to declaration or communication at intra-community level, in application of Article 71 of Act 2024-01-AML/CFT, which provides for the said threshold; • Benin authorities have not clearly described the coordination mechanism between the competent authorities, in particular the CENTIF, customs, immigration and any other competent authority for the implementation of R.32 in relation to declarations or communications of cash and BNIs
33. Statistics.		**LC**	▪ All AML/CFT stakeholders should have their respective obligations in this area to ensure a more effective centralization by the FIU
34- Guidance and feedback		**PC**	▪ Non-implementation of the guidelines by the DNFBPs
35. Sanctions		**LC**	• However, there are no sanctions provided for unlicensed money transfer service providers. • The mechanism has only minor deficiencies.
36.International Instruments		**LC**	• There is no national or sub-regional list of terrorists and those who finance terrorism. • Benin has not criminalised the financing of an individual terrorist and an organization for any purpose. • The financing of foreign terrorist fighters is not criminalised. •
37. Mutual Legal Assistance		**C**	The country has no significant deficiencies with regard to the requirements of this recommendation.
38- Mutual Legal Assistance: freezing and confiscation		**LC**	• There are agreements with other countries for the coordination of seizure and confiscation measures. • There is indeed a mechanism for the management of seized or

		confiscated assets and the possibility to dispose of them. • There is no clarification on the provisions of Article 151, based on concerted confiscation actions with other countries.
39 - Extradition		• The AML/CFT Act does not provide for a clear case management system and procedures for the timely execution of extradition requests, let alone the establishment of priorities
40- Other forms of international cooperation		• The country does not use clear and secure ways, channels or mechanisms to facilitate and enable the transmission and execution of requests; • Benin does not provide for internal and more precise provisions for examination, prioritization and reasonable deadlines for processing applications received. • The AML/CFT Law does not indicate whether other competent authorities (apart from the FIU) are able to negotiate agreements in a timely manner with the largest number of foreign counterparts



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Anti-money laundering and counter-terrorist financing measures in Benin

Follow-up Report & Technical Compliance Re-Rating

The report also examines whether Benin measures meet the requirements of the FATF Recommendations that have changed since their Mutual Evaluation in 2019.

Follow-up Report