



Cahier des Charges —

of the Economic
Zone of
Glo-Djigbe

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1. Préambule

The Government of the Republic of Benin is mindful of socio-economic development of the country as well as improved standard of living and quality of life of the population. To create jobs and increase productivity, Republic of Benin is promoting industries through Decree n°2020-062 of February 5, 2020, creating the "Special Economic Zone of Glo-Djigbe", abbreviated as the Glo-Djigbe Industrial Zone, in abbreviated "GDIZ" or the "Zone".

The main objectives of the GDIZ are as follows :

Promote and attract multi-sector investments of agricultural, industrial, commercial and service types by promoting the establishment of production units.

Support and facilitate investors to set-up a manufacturing industrial unit to create value added product(s) or to deliver services, aimed at increasing export and reduce Benin's dependence on imports.

Create modern infrastructure, both inside and outside the Zone, to help industrial Units inside the Zone improve their productivity.

Developing the logistics zone including in particular warehousing container yards, terminal market which, as part of the GDIZ, will meet the logistics needs of the Units and the Users and exclusively manage truck traffic within the Zone and in the view to support industrial activities.



Besides generating jobs and helping the industries in the Zone achieve higher productivity, this Zone will also help transform Cotonou into a truly international gateway to the Benin as well as preferred destination and access point for the neighbouring countries.

The state has confided the development and management of the GDIZ, along with creation of an industrial ecosystem, to the "Société d'investissement et de Promotion de l'Industrie - Benin", hereinafter designated "SIPI-Bénin", which is a joint-venture of Arise, SEZ and the "Société des Patrimoines Immobiliers de l'Etat (SoPIE)" - an investment company fully owned by the Republic of Benin.

The Republic of Benin considers the creation of GDIZ as strategic for its economic development and the growth of the country's industrialisation.

2. Definitions

DaIn this *Cahier des Charges*, unless the context otherwise requires, terms beginning with a capital letter have the following meanings:

Activities means the following activities, carried out by a Unit mainly: agricultural, industrial activities, container handling and storage within the Zone, car park and truck terminal, rental of storage space, storage, Terminal Market, collection centre and model farms as well as the activities of construction, management, maintenance of infrastructures allowing the realization of the aforementioned activities, (ii) on an ancillary basis and for the needs of its main activity: rental of housing and commercial premises.

General Administrator means the representative appointed by the State who heads the Administrative Authority is defined by Law.

Approval means the decision of admission of an Investor in the Zone to benefit from the advantages provided for by the Law.

APIEX designates the Agency in charge of Investment and Export Promotion in the Republic of Benin performing the functions of Administrative Authority of the Zone.

Regulatory Authorisations means, depending on the nature of the Investors' applications, any approval, permits, licences, registrations and all other authorisations necessary for the Investors' activities within the Zone, in accordance with the laws of the Republic of Benin.

Administrative Authority means the State services (excluding police, fire brigades, and more generally excluding services with a national dimension such as safety and health), which are grouped together in the Single Window to facilitate the completion of administrative formalities whose attributions are exercised within the GDIZ by the APIEX.

Regulatory Authority means the regulatory authority in charge of the objectives of the GDIZ.

Other State Services means the administrations which are not present within the Single Window and which ensure the application of laws and regulations in Benin.

GDIZ administrative building means the building constructed SIPI-Bénin the Zone where the Single Window, the offices of SIPI-Bénin and a business center are located.

Cahier des Charges means the present *Cahier des Charges* as referred to in Article 14 of the Law which will be binding on any Investor operating within the Zone, in any capacity whatsoever, as amended or modified from time to time

Lease Contract means any type of lease contract appropriate to the activities to be carried out within the Zone, concluded between a Unit and SIPI-Bénin.

Decree means the decree n°2020-062 dated February 5, 2020, which create and organize the Glo-Djigbe Industrial Zone (GDIZ).

General Operating Guidelines or **DGE** means the document drawn up by SIPI-Bénin join to this *Cahier des Charges*, and which supplements it, containing the detailed rules applicable to the Units established within the Zone and to Users of the Zone. The DGE contain the detailed rules applicable to the Units installed within the Zone and to its Users, in particular in terms of health, safety, environmental protection, hygiene, and waste management and which sets their rights and obligations, particularly in terms of access to Common Facilities and other infrastructures in the Zone, access to certain services (water, electricity, electronic communications, sanitation, waste, etc.), of assistance for the deployment of their activities.

State means the Republic of Benin and/or its branches.

Force majeure refers to the cases usually retained by the jurisprudence as well as the following events: war, riot, fire, internal or external strikes, lockout, bad weather, earthquake, flood, water damage, legal or governmental restrictions, legal or regulatory changes, accidents of any kind, epidemic, pandemic, road blockages and supply impossibilities and any other case beyond the express will of the parties or which cannot be overcome or repaired by exercising reasonable prudence and diligence and which prevails for a continuous period of more than three (3) months.

Single Window refers to the administrative department established by the Administrative Authority in accordance with article 5 of the Decree bringing together within the GDIZ all of the competent administrative Authorities (and/or their representatives) in charge of receiving and processing the various applications, according to accelerated procedures, for permits, licences, registrations and other authorisations submitted by Investors who wish to set up their operations within the Zone - or who are already established within the Zone - and issuing the Regulatory Authorisations to Investors in accordance with applicable laws.

Common Infrastructures refer, without limitation, to the following infrastructures: canteen, school, medical centre, business Center, offices of the Single Window, etc.

Investor means any person, whether natural or legal, having an Approval allowing such person to create, install and operate one or more Units within the Zone.

Law means the law n°2017-07 dated 19 June 2017 fixing the regime of Special Economic Zones in the Republic of Benin and its subsequent modifications.

Terminal Market means the integrated marketplace developed and managed by SIPI-Bénin within the GDIZ to facilitate the handling of bulk goods of agricultural products.

OHADA refers to the Uniform Acts of the OHADA

Port means the independent Port of Cotonou.

Unit(s) means a manufacturing, production or services supply company established by any Investor having an Approval within the Zone.

User means any authorized person (service provider, supplier, subcontractor, logistics facility user, etc.) intervening in the Zone on demand or on behalf of an Investor.

Zone or **GDIZ** refers to the Glo-Djigbe Special Economic Zone.

3.

Purpose of the Cahier des Charges

The purpose of this *Cahier des Charges* is to define the commercial, technical and legal conditions that will guide the organisation and operation of the entire Zone as well as the rights and obligations of the Units within GDIZ:

- With one another.
- In respect of the Administrative Authorities.
- In respect of SIPI-Bénin and the State.

The *Cahier des Charges* constitutes the framework for the regulation of the administration, operation and maintenance of the GDIZ. In this context, SIPI-Bénin shall develop regulations, operational guidelines, an operating model with reasonable fees for the management of all services offered by SIPI-Bénin in order to ensure the sustainable and profitable operation of the Zone.

The provisions of the *Cahier des Charges* are enforceable and binding to all persons operating in the Zone.

In this respect, this document is supplemented for its implementation by the General Operating Guidelines (the "DGE").

The Administrative Authority shall ensure compliance with the *Cahier des Charges* in order to support the effective operation of the GDIZ and to ensure a harmonious, stable and equitable environment for the Units to operate in the Zone in the long-term interest of the Republic of Benin.

This *Cahier des Charges* applies to any Unit and SIPI-Bénin in accordance to Law and the Decree.



The amendments to the *Cahier des Charges* must be approved in advance by the Administrative Authority and are applicable from the date of their entry into force. The modifications are not retroactive.

The Administrative Authority and SIPI-Bénin guarantee to the Units, with all the stipulations contained in this *Cahier des Charges*.

SIPI-Bénin will submit to the Administrative Authority proposed modifications to the present *Cahier des Charges*, in order to complete or adapt it, in the event of needs related to improving the regulation of administration, operation or maintenance of the GDIZ.

The Administrative Authority and SIPI-Bénin guarantee compliance, by the Units, with all the stipulations contained in this *Cahier des Charges*.

This *Cahier des Charges* (as amended from time to time) is incorporated into and forms an integral part of the Lease Contract entered into by a Unit and SIPI-Bénin.

4. Organization of the GDIZ

4.1 Regulatory Authority :

The Regulatory Authority is an advisory body responsible to monitoring the objectives of the GDIZ. Regulatory Authority shall be responsible to give their opinion and recommendations :

- In the event of a conflict between the stakeholders, SIPI-Bénin, the Investors, the Administrative Authority or the Other State Services.
- To the State in the event of a situation that could compromise the achievement of the Zone's development objectives and for difficulties in implementing the *Cahier des Charges*.

The Regulatory Authority shall refer the matter to the Administrative Authority in case of any breach of the provisions of this *Cahier des Charges* and in general, of the provisions of Law.

In accordance with Law which defines in its Article 18 the composition of the Regulatory Authority, the Regulatory Authority is composed of five (5) members as follows :

- Two (2) representatives appointed by the State. One of the members shall be nominated by the President of the Republic of Benin and the second one by the Ministry in charge of Finances.
- Two (2) representatives appointed by SIPI-Bénin. The representative may be one of director of the company.
- one (1) representative designated by the State local Authorities, i.e. the mayor of the municipality in which the GDIZ is located.

The operating conditions of the Regulatory Authority are set by Decree issued by the Council of Ministers.

4.2 Administrative Authority : APIEX

In accordance with Decree, the powers of the Administrative Authority in the Zone are assigned to the APIEX.

The Administrative Authority is in charge ensuring the respect of the laws and regulations in force in the Republic of Benin by the Units installed in the Zone and by the Users.

The Administrative Authority shall coordinate with the various administrations, competent States services to ensure the State commitments to the development and maintenance of the external infrastructure of the Zone.

The Administrative Authority approves the modifications made to the Master Plan by SIPI-Bénin in order to incorporate the Investors' requirements and/or to improve the operation of services, Common Infrastructures and others of the Zone.

The Administrative Authority issues its opinion after verifying that the application for Approval complies with the objectives of the GDIZ as well as the laws and regulations applicable in the Republic of Benin. Failure to give its opinion within maximum five (5) days is deemed to be favourable. In the event of an unfavourable opinion, the Administrative Authority is required to justify its opinion. Any Investor whose file has not received a favourable opinion may submit an amended application for Approval.



4.3 General Administrator

The Administrative Authority is headed by a General Administrator assisted by a Deputy General Administrator.

The General Administrator heads the Administrative Authority; in this capacity, he is, in particular, the administrative head of the Single Window.

4.4 Single Window

The State administrations and services involved in the process of creation and control of Units operating in the Zone are grouped together within the Single Window.

The Single Window is the sole point of contact for the Investors which carry out all the formalities and administrative procedures related to their establishment in the Zone.

The Single Window acts as a central agency that coordinates and supervises the support of the various competent administrations and other services of the State within the Zone. The various components and services of the Single Window will group together, in particular, the departments or services that will be set up by the competent administrations and Other State Services concerned, as described below.

The Departments identified of the competent Administrative Authorities grouped together within the Single Window are indicative : the *Direction Générale du Travail*, the *Direction Générale du Commerce* (DGC), the City Hall of Zé, the *Agence béninoise pour l'Environnement*, the *Bureau des Douanes*, the *Direction Générale des Impôts* (DGI), the *Direction Générale du Développement Industriel* (DGGI), the *Conseil National des Chargeurs* (CNCB), the *Direction de l'Immigration*, the *Direction de la Production Végétale* (DPV). These administrations are located in the administrative building of the GDIZ.

The Single Window is in charge, provided that the activities of the Investors meet the objectives of the Zone :

- To facilitate the procedures related to the establishment of companies, including all registrations and formalities for the legal operations of companies in the Zone, such as issuance of the company identification number, registration with the tax department, as well as their registration with the competent agencies, such as registration with the labor department, social security office.

- To facilitate the procedures for obtaining and issuing the Regulatory authorizations necessary for the proper operation of the Units at the request of the Unit(s) and subject to the completion of administrative formalities, including any fees and charges or fees that may be applicable under the regime chosen by the Investor.
- To facilitate the procedures and simplify the procedures for transferring goods of the Units.
- To receive, process and check all tax, customs and social security declarations and any other obligations imposed on the Units.
- To facilitate the issuing of building permits against presentation of the building permit application file.
- To facilitate the issuing of work permits, residence permits and visas, etc.
- To ensure the execution of regulatory measures issued by the State.



The procedures of assessment and issuance of the Administrative Authorisations by the Single Window will be reviewed every 6 (six) months, by SIPI-Bénin and the Administrative Authority, in order to make any improvements required to meet the best international standards applicable in this sector.

The Single Window is located in the administrative building of the GDIZ.

4.5 Development and Management Company: SIPI-Bénin

The missions of SIPI-Bénin within the framework of the development and the management of the GDIZ are as follows:

- Develop, promote, operate and manage the GDIZ for industrial growth in the country.
- Develop and continuously improve the methods, to efficiently organise the operations within the Zone.
- Develop, promote and manage the Common Infrastructures, with the intention to attract new investors in the GDIZ and boost the productivity of all the industrial Units inside GDIZ.
- Provide various services within the Zone to ensure smooth and hassle-free operation of the Zone as well as hassle free production for Unit holders.
- Develop, promote, operate and manage the industrial, commercial, residential and logistics zones within the GDIZ and in particular facilitate the Investors who want to set-up their Units within the Zone.
- Lease land parcel or built-up premises to Investors, for an industrial use in the Zone or any other associated authorized operations within the logistics and commercial zone.
- Develop, promote, operate and manage within Logistics Zone the value-added operations like Container Yard (both bonded and non-bonded), Closed Warehouse (both bonded and non-bonded) and Open Stock-yards (both bonded and nonbonded) with associated infrastructure, to ensure smooth and hassle-free export/import and storage for all the investors inside the Zone as well as for exporters/importers outside the Zone.
- Develop, promote, operate and manage exclusively within logistics zone the truck terminal with associated infrastructure to support industrial operations inside the Zone and allow efficient management of truck movements from the Zone to the Port.

- Conceive, develop, build and manage the agricultural product collection system and supporting infrastructure inside and outside the GDIZ. This will include handling equipment; efficient logistical support and a Terminal Market fully equipped within the Zone and ensure a regular supply of agricultural products to the Units having processing activities located within the Zone and other interested companies located around the Zone.
- Develop and manage the model farms and associated processes and systems, the mechanism to boost agriculture production, including the integration with the collection system and transport up to the Zone.



- SIPI-Bénin is responsible for the development administration, organization, promotion, management and maintenance of the GDIZ and of its Common Infrastructures including the following but not limited to :
 - Industrial Zone
 - Commercial Zone
 - Logistics Zone
 - Residential Zone

In accordance with the provisions of this *Cahier des Charges*, SIPI-Bénin is responsible for assessing the Investors' applications for Approval, including in particular the elements set out in **Exhibit B**, and for issuing the Approvals after prior opinion of the Administrative Authority.

5. The Glo-Djigbe Industrial Zone in accordance to the Decree



5.1 Situation

The GDIZ is located around 45 (Forty-Five) kilometers from the city of Cotonou, and it extends over a surface area of around 1640 (one thousand six hundred and forty) hectares.

5.2 Elements de Development

The GDIZ shall be developed on the basis of a Master Plan (a copy of which is attached in **Exhibit A**) with facilities developed in accordance with the present *Cahier des Charges* and shall include construction, operation, maintenance and management of the Zone. The GDIZ is organized with distinct zones based on the nature and type of activities.

The various activities developed, authorize and managed by SIPI-Bénin within the GDIZ are as follows :

5.2.1

An Industrial Zone, where the Unit, after issuance of the Approval to the Investor, is assigned plot for its authorized operations. Unit shall set up and develop manufacturing or production facility for the transformation of products or processing of the raw materials to produce the value-added products. This also include the various services which is created to support the industrial operations. Units will be labeled as “*Export Oriented Unit*” or “*intra community-oriented Unit*” as per the Law.

5.2.2

5.2.2

A Commercial Zone is area equipped with all support facilities developed by SIPI-Bénin and which hosts all support services, non-industrial by nature and primarily oriented to services including but not limited to Banking, Finance and Insurance related services, repair and maintenance services, retails, motel, restaurants, custom handling services, other consultancy services etc. that may be required for industrial operations etc. This zone also has some of the services of the Single Window and the offices of SIPI-Bénin.

5.2.3

A Residential Zone wherein all the support services are provided by the SIPI-Bénin to the various types of residential areas development as per the demand including opportunity for the development of social infrastructure to support community facilities like schools, clubs, recreational facility etc. to showcase GDIZ as ‘*Work, Live, Learn and Play*’ community. SIPI-Bénin may construct and rent out residential villas and apartments of different categories. The provision of these housing units to the Investors and their employees is done according to an adapted scheme to support the industrial operations.

5.2.4

A Logistics Zone: the logistics zone has facilities (for storage and transportation services, facilities), public facilities (for industry and commerce, taxation, customs, commodity inspection, worker facilities, specialized market catering to logistics equipment needs, other service facilities) and related facilities (offices, accommodation, catering and other services facilities, fuel station, motels etc.).

SIPI-Bénin shall develop the various subcomponents of the Logistics Zone and lease them to the Investors in the form of bare plots of land as well as developed plots and built-up spaces.

The Administrative Authority is responsible for the management of all administrative procedures necessary for the smooth operations of the bonded and non-bonded facilities within the Logistics Zone. The Logistics Zone can be used by all companies and by all trucks from abroad or from the hinterland to the Zone or the Port.

The subcomponents of the Logistics Zone of the GDIZ shall be:

a) Truck Terminal

The truck terminal may be used by Units located in the Zone as well as by users not based in the Zone and by all trucks coming from abroad or from the hinterland to the Port. If necessary, SIPI-Benin will develop, in cooperation with the port authorities, an efficient system to allow the fluidity of the movements of trucks from the Zone to the Port.

b) Container Yard

“Container Yard”; “Dry Ports”; “Inland Container Depots”; “Inland Clearance Depots”, “Container Freight Station” are words used interchangeably used to designate the relevant infrastructure for the facility which will be dedicated to the handling of all types of cargo: containerized, noncontainerized break-bulk and bulk cargoes for domestic and international trade.

The Container Yard has both a bonded area as well as a non-bonded area.

SIPI-Bénin shall develop and operate container yard services within the limits of the Zone on use and pay basis both by Units as well as Users, such as:

- Trans-shipment of the Cargos - Containerized or Bulk Cargo.
- Stuffing & de-stuffing of the Cargos.
- Short-term storage of the containers or the bulk storage before being transferred to the port in case of Units not having sufficient space within their plots.
- Short-term storage of containers or bulk storage loaded with materials under import till the container is empty for dispatch to the shipping lines.
- Storage of empty containers for next use.
- The container yard develops as inland container depot (ICD) or Dry Port to be effectively used for receiving, paperwork processing, customs inspection, sorting, and consolidating containers for all inward and outward containerized cargo as well as the bulk cargo.

- SIPI-Benin will be able to collaborate with port authorities and shipping companies to develop processes and systems, including modern technologies, to increase Port efficiency through efficient management of trucks to the Port.
- SIPI-Bénin shall develop packaged value-added services along with standard tariffs and implement the same on pay and use basis for all the Units and the Users and Users.
- The Administrative Authority is responsible for the issue and renewal of all the approvals required for the smooth operation of the bonded and nonbonded Container Yard.



e) Warehouse and Storage Yard

SIPI-Bénin shall plan and develop a customized storage building warehouse along with open stock yards which will enable stockpiling goods, e.g., to build up a full load prior to transport, or hold unloaded goods before further distribution, or store goods like the agro-commodities that are stored on year-round basis to maintain the uninterrupted supply and distribution of the raw materials to the Units and, in this instance:

- Both the covered warehouse and the open storage yard will have a bonded and a non bonded portion, depending on demand.
- The Administrative authority shall be responsible of the delivery of all the approvals required for the smooth operations of the bonded and nonbonded Warehouse and bonded and non-bonded open storage area.

- SIPI-Bénin shall be able to work out operational model and associated fees and charges that will allow safe, secured storage and handling of the raw materials as well as the finished products in case being stored in the warehouse or the open stockyards before being transferred to its destination.



d) Terminal Market

The Terminal Market is developed and managed by SIPIBenin in order to facilitate the handling of bulk goods of The Terminal Market in the Zone by collecting the agro-products from the collection centers developed by SIPI-Bénin inside the country and, if necessary, other productions decided by the Government in order to favor the supply of raw

The key features of the Terminal Market shall be:

- SIPI-Bénin shall develop, directly or through subcontractors, all the infrastructure required for the smooth functioning of the Terminal Market. SIPI-Bénin may, to the extent permitted by laws and regulations, access land at market conditions in agricultural areas for setting up of collection centers with all required infrastructures like warehouse etc. to facilitate easy collection, storage, loading, unloading and transfer of the agro-commodities to the Terminal Market within the Zone.
- SIPI-Bénin develops an integrated system including logistical services connected to the collection centers and the farms including facilities that will enhance the turn-around time and efficiency of the process.
- The handling of the agricultural products, inside the Zone, is fully managed by SIPI-Bénin.
- The Terminal Market is developed taking into account the Government's priority agricultural orientations to promote the expansion of agricultural production and the development of model farms by SIPI-Bénin.
- The Terminal Market is composed of areas for presorting, grading, and quality checks in order to check the calibration of the products in accordance with international standards.

- The Terminal Market will be designed for backward integration (to farmers and collection centers) and forward integrations (to the processors and export trading).
- SIPI-Bénin provides infrastructure facilities and services in the "Hub-and -Spoke" Format: The Terminal Market (the hub) is linked to several collection centers (the spokes).
- SIPI-Bénin develops a common platform for trade in agricultural products and an open market for the auctioning of products between producers and industries located within the Zone;
- The Units mandatorily have to submit their demand in terms of agricultural raw materials through the stock exchange of the Terminal Market in order to allow a control of the traceability of the products.
- The Administrative authority shall be responsible for providing support for the smooth operations of the Terminal market.

e) Other infrastructures

Subject to the prohibitions or authorisations provided for by laws and regulations and under the conditions provided for by these rules, SIPI-Bénin designs, develops and manages additional activities to enhance industrial support to the Units in order to increase the productivity and competitiveness of the Zone.

6.

Admission in the Glo-Djigbe Industrial Zone et prevailing conditions for authorised operations



6.1

Admission to the GDIZ is open to any Investor wishing to set up a business in the Zone to carry out its activities, provided that their activities correspond to the objectives of the GDIZ.

As a result, any Investor wishing to set up in the Zone must submit a file containing, in particular, the following information and the various duly completed forms which are presented as template in **Exhibit B**.

The registration application file for an Approval is submitted to SIPI-Bénin.

Applications for admission will be examined by SIPI-Bénin within a maximum of fifteen (15) days from the date of submission of a complete file and five (05) days for the Administrative Authority. SIPI-Bénin may request additional documents and information in the event that the Investor's file is incomplete.

6.2

An Investor holding an Approval is authorized to establish a Unit and operate in the Zone in accordance with the terms and conditions set out in the Approval, the *Cahier des Charges* and the Lease Contract.

An Investor is authorized to operate a Unit within the Zone only if it has no outstanding dues against the charges payable to SIPI-Bénin.

6.3 Rules applicable to constructions

All the rules applicable to the use of the plots of land and construction erected by the Units within the Zone are detailed in the Lease Contracts (commercial lease, construction lease or others), between SIPI-Benin and the Investors and in the General Operating Guidelines.

6.3.1

An Investor must present its construction file containing a timetable for the completion of the work to the Single Window. A copy of this file will be sent to SIPI-Bénin.

6.3.2

In the event that the deadline for completion of a project cannot be met, a written notification is submitted to SIPI-Bénin to request an approval for an extension of the deadline according to the conditions provided for in the Lease Contract. The occurrence of a Force Majeure event or unforeseeable technical difficulties may justify an extension of the deadlines.

6.3.3

If a change occurs during the course of the construction project, the Investor must submit to the Single Window, with a copy to SIPI-Bénin, a revised application for a revised building permit with a view to obtaining a new building permit.

6.3.4

In accordance with the regulations applicable to building and demolition permits in the Republic of Benin, the Single Window has a maximum of fifteen (15) working days, starting on the reception day of the application, to grant or refuse the construction permit. Any refusal by the Single Window must be justified by the Administrative Authority or precisely indicate a list of additional documents required for the issuance of the construction permit to the Unit. The Unit will also send a copy of the complete files to SIPI-Bénin.

6.3.7

The Unit shall notify SIPI-Benin and the Single Window of the completion of construction works or the completion of a phase of the construction works in the event that the investment program includes several phases, within a maximum period of fifteen (15) days following completion of the works.

6.3.8

SIPI-Benin carries out within seven (7) working days, with the assistance of the Single Window, the verifications relating to the conformity of the works with the investment program approved within the framework of the Approval, the prescriptions of the Lease Contract and the DGE and, where applicable, the Single Window issues the certificate stating the completion of the works and their compliance

6.4 Construction rules within the perimeter of the Zone

6.4.1

Units must take out a comprehensive insurance policy with a reputable local insurance company covering the responsibilities of the Units including their obligations to third parties.

6.4.2

All construction work must be carried out under the supervision of a consultant (quality control) approved by SIPI-Bénin or an architect approved by SIPI-Bénin. Construction works are carried out with contractors, service providers and raw material suppliers approved by SIPI-Bénin. SIPI-Bénin will make its best efforts to approve, as a priority, Beninese companies. In the event of a change of contractors or suppliers, new providers must have an equivalent level of skill and experience and be approved, or obtain prior approval from SIPI-Bénin.

6.4.3

Units must not create a discharge on the common areas or in the Zone during construction.

6.4.4

The Units must take, at their own expense, risk and peril, the appropriate measures for the disposal of any kind of waste in the place designated by SIPI-Bénin. The temporary storage of waste in the premises of the Unit must not affect the operation of the Zone or the activities of the other Units.

6.4.5

All interior design works, windows and facades, mechanical ventilations, plumbing, including but not limited to all electrical and electromechanical systems must be carried out in accordance with the DGEs and the Lease Contract and generally with best industrial practices.

The Administrative Authority reserves the right to ask SIPI-Bénin to inspect the construction works of the Unit buildings. The cost of inspection shall be payable by the Unit.

6.5 Withdrawal of Approval

SIPI-Bénin may withdraw the Approval, in particular in the event of serious and repeated violation by a Unit of the stipulations of the present *Cahier des Charges* or of its obligations agreed in its Lease Contract signed with SIPI-Bénin.

A Unit which has been the subject of a withdrawal of Approval may no longer exercise activities within the Zone.

6.6 Rules applicable to the leasing

The State grants free of charge to SIPI-Bénin the land ownership that makes up the land area of the Zone to SIPI-Bénin and SIPI-Bénin rents free of charge to the Units the plots necessary for their activities within the Zone.

Without prejudice to the provisions set forth above, SIPI-Bénin is authorized to lease, for valuable consideration, plots that it will have especially developed and any industrial, commercial or housing buildings or premises for which it has carried out the construction works (the "**SIPI-Bénin Buildings**"). SIPI-Bénin freely sets the financial terms and conditions for the rental of SIPI-Bénin Buildings with regard, in particular, the investments it has made.



7. Authorised Access



7.1 Industrial Zone and Logistic Zone

Access to the industrial Zone and to the Logistics Zone (including Container Yard, Truck Terminal, Warehouse and Storage, etc.) is reserved for SIPI-Bénin, the Administrative Authority, the Units authorized to operate within the zone (including their employees and authorized visitors) and Users. The Units are issued access identity card on a chargeable basis by SIPI-Bénin for a limited validity period. Visitors may be authorized upon request by the Units against presentation of their valid identity card or a certificate issued by the Units. Units are obliged to report any loss or damage to the card or when an employee holding a card is no longer employed by them.

7.2 Commercial & Residential Zone

Access to commercial and residential Zones is not controlled.

Physical access to the commercial and residential areas is organised in accordance with the DGE. Each Unit and its employees must strictly comply with the access rules set in the DGE.

Without prejudice to its general regulatory power, the State may issue specific rules applicable to the Zone in order to maintain appropriate conditions of health, safety and security within the Zone.

Without prejudice to the police powers of the State, SIPI-Benin controls vehicle access, recalls the traffic rules applicable within the limits of the Zone and controls activities that may lead to the degradation of the said environmental conditions in the Zone. SIPI-Bénin alerts the State services in the event of any violation of the applicable regulations.

The Units are fully responsible, under the control of SIPI-Bénin, for ensuring compliance by the Users, employees, and visitors with the provisions of this *Cahier des Charges*, the General Operating Guidelines and the applicable regulations and for deploying the appropriate resources within the limits of their plot and they maintain the said conditions in their parcel and ensure that their activities do not affect their operation and the Zone as a whole.

The Other State Services may issue fines to the Units, Users, employees, and visitors of the Units due to violations of laws and regulations and issue injunctions to the Units so that they comply with the *Cahier des Charges*, the DGEs and to the regulations applicable in Benin.

The Administrative Authorities can exercise controls and checks on the movement of people and equipment within the Zone.

8.

Use of common areas and infrastructures



8.1 Management of Common Infrastructures

The plots occupied by a Unit within the Zone are connected to the network of traffic roads, storm sewers and common areas of the Zone.

Roads, street furniture and public spaces with green areas are developed and managed by SIPI-Bénin, in accordance with the requirements of the environmental regulations applicable in Benin.

8.1.1 Use of Common Infrastructures and services related to Common Infrastructures

Units shall pay to SIPI-Bénin the dues, fees and costs relating to the construction, operation and sustainable maintenance overtime of the Common Infrastructures, including, without limitation, the following:

- Roads, streetlight, drainage networks and other facilities.
- Electrical sub-stations, electrical networks, etc.
- Water works, water distribution networks, wastewater conveyance system, sewage treatment.
- Water drainage including lakes, canals within the zone of concern.
- Waste collection and management infrastructure;
- general area surveillance including access controlled gate.
- Green and open spaces.

8.1.2

Fees, dues and charges invoiced by SIPI-Bénin to a Unit for the provision of the plots it occupies and for the services provided to the Unit are determined by SIPI-Bénin and paid by the Unit periodically within the time limits set out in its Lease Contract. A defaulting Unit shall pay delay damages for late payment. In the event of serious or repeated breach of the Lease Contract by the Unit, SIPI-Bénin may temporarily or permanently withdraw the Approval of said Unit.

8.1.3

Units have equal rights to use the Common Infrastructures and to subscribe to the services irrespective of their plot sizes and importance of their activities within the Zone, provided that the Unit has no outstanding payments in relation to its Lease Contract and/or services contracts and under other dues relating to the Common Infrastructures.

8.2 Rules of poster displays and publicity

Units shall have the right to install commercial signboard or display with the name of the company or a product at the entrance wall of their building.

Any other signage or publicity within the Zone is subject to the prior approval of SIPI-Bénin in accordance with the provisions of the OGE.

9. Tariff

Likewise, SIPI-Bénin will freely determine the amount of the fees and charges due by the Units installed within the GDIZ, including in particular: the development, operation and maintenance costs of the various infrastructures created in the Zone, the specific services provided to the Units in the Zone, the day-to-day management charges linked to common areas and common services, as well as the costs of connections to the various networks developed by SIPI-Benin within the Zone (the “**Services**”).

The rates for the Services are calculated on a proportional basis according to the surface area of the plot allocated free of charge to the Units and to the various services provided to the Units by SIPI-Bénin (the “**Tariff**”).

The Tariffs for Services are established by SIPI-Bénin and communicated annually to the Administrative Authority.

The Tariffs for Services are communicated to Investors prior to the conclusion of any Lease Contract.

The Tariffs for Services may be revised annually.

The terms and conditions for the collection of fees and charges due by the Units for the Services are determined in the Lease Contracts.

Tariffs will take into account the objectives of GDIZ, its competitiveness and its profitability.



10. Standards and miscellaneous obligations

10.1 Standards to be applied

Units must be compliant with :

- In terms of construction, in the absence of technical standards in Benin, to best international standards.
- International rules and standards required for products, for exports, including any regulations that may be imposed on the product by the countries of destination, in addition to the law and regulations Republic of Benin may be applicable on the product standards.
- Any other regulation, as defined in the General.
- Operating Guidelines.

10.3 Declarative and informative obligations

Any Unit shall provide SIPI-Bénin and the Administrative Authority with information, declaration, undertakings, in particular :

- The starting date of its activities (construction and operation of the Unit).
- The necessary information related to the realization of its investment program on semi-annual basis.
- Communicate the statistical information related to productions and exports, employment, compliances etc. including photos for the official publication in the newsletters and declaration to the government authorities and international agencies like World Bank and IMF.
- Provide a monthly statement of the imported goods and materials including the materials procured under the regime, to the single window in its prescribed format including the sales or purchase of merchandises between companies in the Zone.
- Any significant loss of merchandise within the Zone.

10.4 Accounting Obligations

A Unit shall comply with the best accounting practices as prescribed by the laws and regulations of Republic of Benin. It shall:

- Maintain financial statements compliant to ORADA rules and regulatory compliance of the company in accordance with the laws and regulations applicable in the Republic of Benin.
- At the end of the calendar year, it sends SIPI-Benin.
- An exhaustive report on its investment program and general information on its activities, particularly for statistical purposes.

10.5 Labour law obligations

The Unit shall implement all social security obligations imposed by the laws and regulations in the Republic of Benin applicable within the Zone and it shall :

- Give priority to employment of Beninese citizens incase of equal level competency of the candidates.
- Sign contract of employment with all employees.
- Obtain all necessary authorization and permits for hiring of ex-pat personnel in the Zone as per the applicable laws.
- Comply with all social and labour laws applicable to the Zone.
- Train local employees.

10.6 Insurance obligations

Any Unit shall subscribe to property and personal liability insurance policies to cover its assets, activities and employees. It shall mandatory subscribe to legal health insurance for all its employees working inside the zone.

The Unit shall comply with the terms and conditions of the insurance policies during the entire period of its construction and operation within the Zone.

11. Environment, Energy and Water Management



11.1 Application of environmental standards

Any Unit must comply with the environmental standards applicable in Benin and comply, moreover, with the best environmental practices and standards in this respect.

The environmental rules are specified in the General Operating Directives and, where applicable, and in particular, in the Lease Contract.

11.2 Management of energy

SIPI-Benin is responsible for the development and maintenance of the electricity distribution network within the Zone, the cost of which is borne by the Units for the running costs of Common Facilities.

SIPI-Bénin shall ensure the supply of electricity up to the electrical counters and distribution board at the cost of the company which will be estimated and presented to the Unit upon the request. Any Unit shall however at its own expense, install its electrical network protection system (to protect GDIZ network) and its internal network including good quality safety appliances in order to protect the main supply system of the supply sub-stations.

Any Unit shall ensure that the internal electricity network is compliant with the laws and regulations of the Republic of Benin and, where applicable, international standards.

11.3 Waste management

The Unit shall be solely responsible for the safe disposal of their industrial waste hazardous or biomedical waste according to the laws and regulations of the Republic of Benin.

It is forbidden for the Unit to dispose the waste in the common areas within the Zone.

If the Unit does not adhere to the rules concerning waste management, and/or if it causes harm to any third party because of its careless waste management, it will be solely responsible for the damage caused and shall be liable to pay for the restoration of the damaged area in its original state and will be obliged to reimburse all costs related to the restoration of the area to its original state and also to pay third parties for any damage caused to them.

Any Unit may choose to install an incineration facility subject to approval and authorization from SIPI-Bénin and the Administrative Authority.

Without prejudice to the stipulations of the above paragraph, SIPI-Bénin ensures the collection and treatment of all waste produced within the Zone by one or more entities approved by the State on the proposal of SIPI-Bénin.

Long-term storage, in particular exceeding fifteen (15) days and the burial of waste are strictly prohibited.

The administrative authority is responsible of facilitating SIPI-Bénin access to the existing dumping yard or the sanitary fill for safe disposal of the waste generated within the Zone.

11.4 Water management

All Unit must be connected to the water distribution network of the Zone, at the expense of the Unit. The responsibility of SIPI-Bénin is to supply water to fill the tank built by the Unit. The Industrial Units will be supplied with untreated groundwater.

Each Unit must develop and manage a water distribution system on its plot in accordance with the laws and regulations applicable in the Republic of Benin, the best industrial practices and international standards.

The Unit shall connect their domestic wastewater disposal pipe to the sewage conveyance system of the Zone through an intermediate underground tank located within its permit and take all required measures to avoid pollution due to its water use. It is prohibited to discharge industrial effluent into sewage networks.

Any Unit must take the appropriate measures to eliminate its industrial effluents after treatment that meets the environmental standards in force.



11.5 Managing toxic, inflammable & hazardous material

Without prejudice the laws and regulations applicable in the Republic of Benin, Units may not previously authorize by SIPI-Bénin, possess, store or hold toxic, flammable and dangerous materials within the framework of their authorizations.

Exceptional authorizations shall however only be delivered after a validated environmental and social impact assessment approved by the *Agence Béninoise pour l'Environnement* as part of the Single Window.

In any case, an authorization cannot be obtained for the storage of radioactive waste material, asbestos, fermentable wastes, non shovellable, powdery or pulverulent, not contained in packaging or treated to avoid dispersion, or wastes having a risk of infection (this list is not limited).

Any Unit which has received an authorization to store or detain toxic, flammable or dangerous material, shall strictly adhere to all applicable laws and regulations in the Republic of Benin concerning waste management and the storing of such materials.

Any Unit shall comply with the following processes

- Validation of the Storage Facility by SIPI-Bénin after the compliance approval from the Administrative Authority, on the condition that they should strictly adhere to applicable laws and regulations in the Republic of Benin. The Administrative Authority shall periodically control the compliance of the installation and deliver a certificate of conformity.
- Maintain Control Register for tracking of authorizations and refusal.
- Maintain a chronological register of waste disposal with information on the control slips along with the identity of the transporters.

12.

Health and Safety of the employees

12.1 Between the Units and their employees

Any Units shall take appropriate measures and apply best practices during the construction and operation of its facility to maintain acceptable level of working conditions including but not limited to the access to basic amenities like:

- Drinking water.
- Separate sanitary areas and changing rooms for men and women.
- Safety gears for working within an industrial preuse.
- Facilities for physically impaired staff.

Any Unit shall maintain basic hygiene conditions within its premises and its production Units in compliance with the laws and regulations in effect in the Republic of Benin.

Moreover, in compliance with the laws and regulations in effect in the Republic of Benin, are prohibited:

- Child Labour.
- Bonded Labour.
- Discrimination based on sex, religion, color, physical ability, nationality etc..
- Non-compliance with Labour Laws.

Any Unit shall immediately report the following to the Administrative Authority the existence of breaches or violations mentioned above.



12.3 Safety and security obligations

SIPI-Bénin ensures the security of common areas and access to the Zone.

The Unit may appoint a reputable security agency approved by SIPI-Benin for security services in order to protect its personnel and equipment within their perimeters.

The Unit will be responsible for the general safety and security of its staff and equipment within its plot and will be responsible for their remuneration.

For security and control reasons and for the proper functioning of the Zone, only suppliers approved by SIPI-Benin may provide services within the Zone. The list of these providers will be published regularly and made available on the website of SIPI-Bénin.

In addition, the Units will be liable for all risks of depreciation, loss, total or partial destruction of their assets, whatever the cause, without recourse against the State or SIPI-Benin.

12.4 Compassion

Units must have consideration for each other and must not adversely affect the productivity or honorability of other Units

Without prejudice to the economic and competitive liberty of a Unit according to the Law, a Unit must take appropriate measures required to avoid harming other Units.

13.

Rules of morality

Any Unit must respect the rules of morality and loyalty.

Units shall not engage in any prohibited act of corruption according to the laws and regulation of the Republic of Benin.

Each Unit shall guarantee that its directors, representatives, employees, agents, consultants, cocontractors, subcontractors or suppliers, and those of any of their affiliated service providers shall be informed that Prohibited Payments must not be made to any person affiliated with the Government of Benin or to a company for any activity conducted within the Zone, and that no illegal transactions, whatsoever should be made to any third party.

A Forbidden Payment means an offer, gift, cash payment, promise to pay or authorization to pay any sum of money or thing of value, including charitable or philanthropic donations, directly or indirectly, to an official of the Administrative Authority, the Public Administration or a third party, knowing or having reason to believe that all or part of the sum of money or thing of value will be paid, offered, promised, given or authorized for the purpose of :

- Influencing a document or decision of a Public agent using his job position.
- Inciting a Public agent to do or not to do something in violation of his legal and deontological obligations.
- Inciting a Public agent to use his influence on the Government of the Republic of Benin or an intermediary governmental body of the Republic of Benin to carry out or influence a document or decision of that the same government or the governmental body in order to help obtain a deal, to maintain a deal or direct a transaction.

**For the Agence de Promotion des Investissements
et des Exportations(APIEX)**

Mr Laurent GANGBES

For SIPI-Bénin

(create under Decree n°2020-062 du 5 Février 2020)

Mr Jasveer SINGH



Exhibits

B.

Approval application forms

1. Sample of covering letter for application for the Investment
2. Application form for setting up Business
3. Sample letter of covering letter for Building Permit
4. Application of Building Permit
5. Information of licensed architects/engineers
6. Construction Permit
7. Building Permit/occupancy Certificate
8. Fire Safety Certificate
9. Residence and work permit
10. Approval form of investment for Glo-Djigbe Industrial Zone
11. Standard Operating Procedures

C. General Operating Guidelines



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