



# BUSINESS ENVIROMENT IN DRC



Kampala | Nairobi | Dar es Salaam | Bujumbura | Kigali | Addis Ababa | Kinshasa



**KEY FACTS | KTA-EABC REGIONAL  
BUSINESS FORUM**

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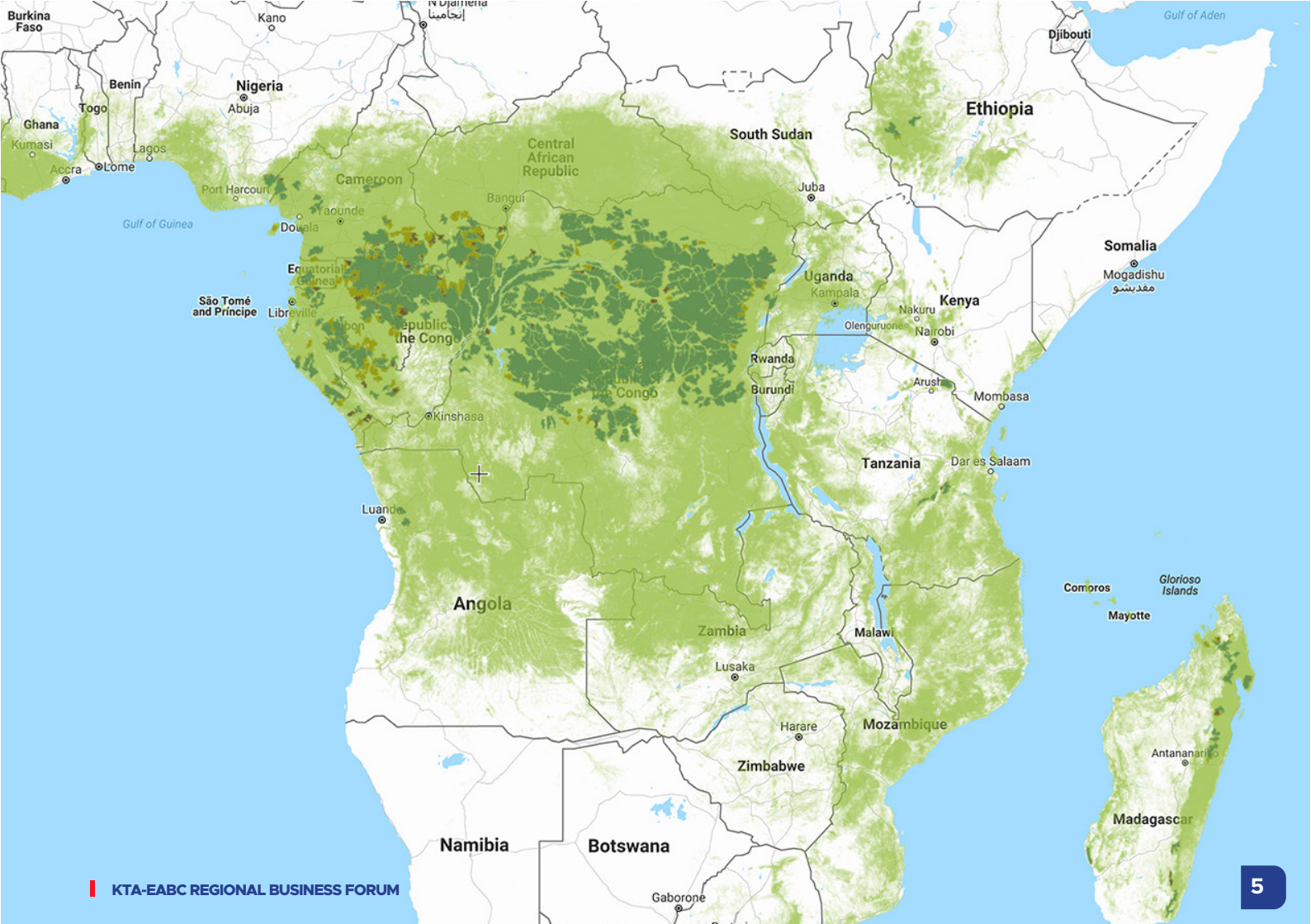
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# About DRC

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- Vast Country - Area: 2,345,409 km<sup>2</sup>
- 2nd largest country in Africa  
Population: 111,859,928 people( “Congo Democratic Republic of the”. The World Factbook (2023 ed.). Central Intelligence Agency. Retrieved 24 September 2022).
- GDP/Capita: US \$1,327(“World Economic Outlook Database, October 2022”. IMF.org. International Monetary Fund. October 2022. Retrieved 14 December 2022)
- Dialling code: +243
- Language: French (predominant)
- Currency: Congolese Franc & USD
- Exchange rate: Congolese Franc (CDF)/United States Dollar (USD) 1: 2200 (steady after long period of depreciation)
- 26 provincial subdivisions incl. Kinshasa (new constitution)










# DRC as a member of the East African Community

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- Joined the EAC on 29th March 2022
- For other East African states this presents an opportunity for increased trade opportunities due to the large market in DRC
- DRC is strategically located which will open up other East African states to the Atlantic Ocean.
- For DRC it will reduce tariffs for goods received from the ports of Mombasa and Dar-es-salaam. It will also aid easy movement of labour from DRC around the region.



## EAST AFRICAN COMMUNITY

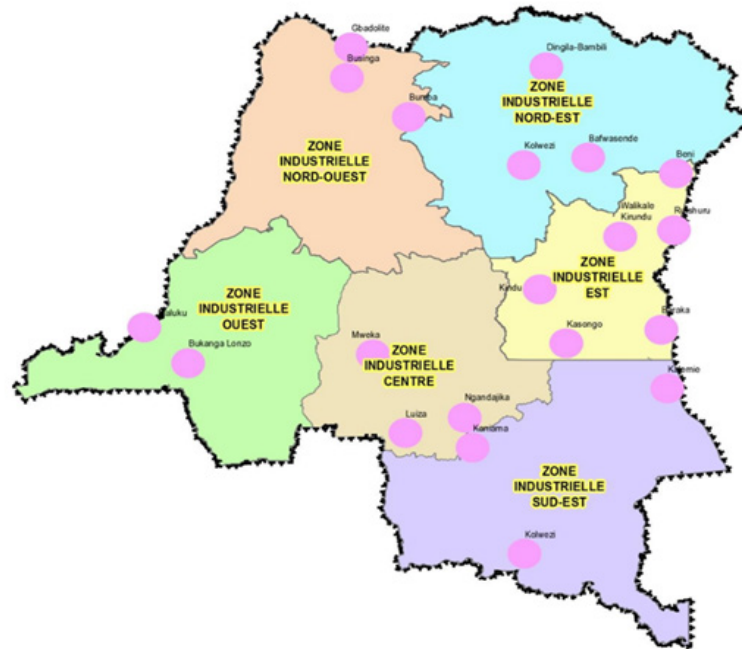
-  Burundi
-  DRC Congo
-  Kenya
-  Rwanda
-  South Sudan
-  Tanzania
-  Uganda



The Presidents look at the new EAC map. PHOTO @StateHouseKenya

# DRC Economic Model

- DRC has established Special Economic Zones (SEZs) in several regions.





# Investment Opportunities in DRC

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- Natural Resources - DRC is rich in natural resources including copper, cobalt, diamonds, gold, and oil. 60% of the world's cobalt reserves are in DRC.
- Agriculture - DRC has a large agricultural sector with opportunities in cocoa, coffee, cotton, and palm oil. DRC has over 80 million hectares of arable land abundant rainfall.
- Infrastructure - DRC has a significant need for infrastructure development including roads, bridges, and power plants.



**An artisanal miner holds a cobalt stone at the Shabara artisanal mine near Kolwezi**



Virunga National Park home of Mountain Gorillas  
in DR Congo

- Health sector-Construction and provision of medical equipment. DRC has 474 general hospitals of reference and 8431 health centers.
- Tourism-Rehabilitation and construction of hotels, development of new tourist sites, eco-tourism etc. DRC has 9 national parks and 63 protected areas. It is the only country in the world where four of the five species of great apes live (Mountain Gorillas, Okapi, Bonobo and Congolese Peacock).
- Insurance sector-Insurance sector has been liberalized by the 2015 Insurance Code. Current market is estimated at USD 900 Million and potential market is USD 3-5 Billion.



Okapi Wildlife Reserve in Congo



Cocoa beans in Congo



# Cross border trade

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- DRC's highest imports are refined petroleum, vehicles, pharmaceuticals, poultry meat, and machinery.
- DRC's mostly exports cobalt, tin ores, raw copper, refined copper and crude oil.

# Logistics in DRC

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The sea port of Matadi at the Congo River



- The terrain and climate of the Congo Basin present serious barriers to road and rail construction in some areas, and the distances are enormous across this vast country. Inland travel is mostly by air.
- Matadi is the chief sea port of the Democratic Republic of the Congo and the capital of the Congo Central province, adjacent to the border with Angola. Other ports include

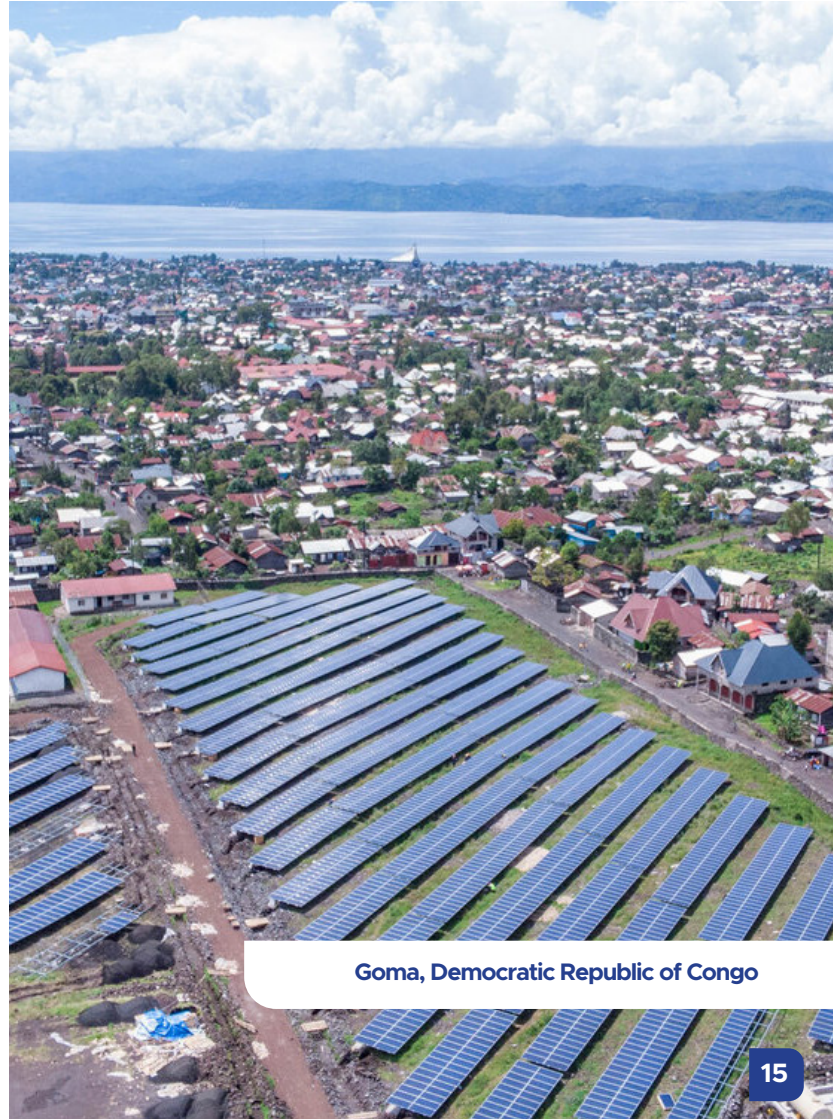
another smaller port at Boma, near Matadi, and a deep-sea port under construction at Banana, towards the mouth of the Congo River.

- Airports include Kinshasa, Lubumbashi, Mbandaka, Gemena, Kisangani, Goma, Kinshasa, Kananga, Tshikapa, Lodja, Mbuji Mayi, Kavumu). Others are Matadi and Bunia.

# Why invest in DRC

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- Abundant and low cost labour force
- Liberalized economy
- Large market
- Digitization of key procedures eg payment of taxes, company incorporation
- Attractive business potential and opportunities despite the challenging business environment



Goma, Democratic Republic of Congo



Kinshasa, Democratic Republic of Congo



# Incentives given to Investors in DRC

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- Investment Code - DRC has an investment code that provides a framework for investors to benefit from tax and customs exemptions such as property tax exemption, exemption on entrance of machinery and materials, exemption from fixed or proportional duty for 5 years.
- Agricultural Act-Exemption from import duties and taxes on goods, inputs, raw materials and equipment for the project and exemption from property tax on built and unbuilt areas used exclusively for farming.
- Electricity Act- Exemption from VAT for startup investments and on import of electrical energy for 4 years.
- SEZs - DRC has established Special Economic Zones (SEZs) in several regions that offer various investment incentives, including reduced taxes and customs exemptions. For instance a developer is exempt from property, movable and professional taxes on profits for 10 years. For a company the same is exempt for 5 years.
- Investment Guarantees - DRC offers political risk insurance and protection of intellectual property.

# Opportunities for Financing in DRC

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- International Financial Institutions - DRC has received significant investment from International Financial Institutions including the World Bank and the African Development Bank.
- Private Equity - DRC has attracted a growing number of private equity funds that invest in various sectors.
- Development Finance Institutions - Several Development Finance Institutions, such as Proparco and CDC, have invested in DRC's infrastructure.





Central Bank of the Democratic Republic of Congo

# Market Entry in DRC

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- Partnering with local businesses - Partnering with local businesses helps navigate the complexities of the DRC market, builds local networks, and eases regulatory barriers.
- Local representation - Companies can appoint local representatives who understand the market and the business environment.
- Market research - Conducting market research helps companies understand the local market and tailor their products and services to local needs.





The People's Palace is the seat of the National Assembly and Senate in Kinshasa.



Copper mine in DR Congo





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AMANI IP



SACU

Small text below SACU logo: SACU is a regional trade bloc...

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