



Doing Business in the Democratic Republic of the Congo: 2014 Country Commercial Guide for U.S. Companies

INTERNATIONAL COPYRIGHT, U.S. & FOREIGN COMMERCIAL SERVICE AND U.S. DEPARTMENT OF STATE, 2010. ALL RIGHTS RESERVED OUTSIDE OF THE UNITED STATES.

- [Chapter 1: Doing Business In ...](#)
- [Chapter 2: Political and Economic Environment](#)
- [Chapter 3: Selling U.S. Products and Services](#)
- [Chapter 4: Leading Sectors for U.S. Export and Investment](#)
- [Chapter 5: Trade Regulations, Customs and Standards](#)
- [Chapter 6: Investment Climate](#)
- [Chapter 7: Trade and Project Financing](#)
- [Chapter 8: Business Travel](#)
- [Chapter 9: Contacts, Market Research and Trade Events](#)
- [Chapter 10: Guide to Our Services](#)

[Return to table of contents](#)

Chapter 1: Doing Business in the Democratic Republic of the Congo

- [Market Overview](#)
- [Market Challenges](#)
- [Market Opportunities](#)
- [Market Entry Strategy](#)
- [Market Fact Sheet link](#)

Market Overview

[Return to top](#)

- The Democratic Republic of the Congo's (DRC) rich endowment of natural resources, large population, and strategic location in Central Africa make it an attractive market for U.S. companies. However, the DRC's investment climate remains highly challenging.
- Following decades of economic collapse due to economic mismanagement, corruption, and conflict, successive Governments in the DRC have undertaken economic reforms since 2001 with the aim to reconnect with sustainable growth, to ensure the control of inflation, to maintain the stability of the macroeconomic framework, and to reduce the weight of external debt and rehabilitate certain basic infrastructure. The efforts made by successive Governments from 2001 to 2013 gave good results but in relation to the challenges, there is still much to do.
- The DRC's economy stabilized and resumed strong growth in 2010 following a significant economic slowdown in late 2008 and throughout 2009 as a result of the global financial crisis. The GDP growth rate more than doubled from 2.8% in 2009 to 7.1% in 2010. From 2011 to 2013, the GDP growth rate rose from 6.9% to 8.5%. In 2014, the GDP growth rate is expected to reach 9.5%. This growth, which is due mainly to the mining, trade, and services sectors, remains insignificant with regard to the great economic potential of the country.
- In 2013, appropriate government monetary and fiscal policies helped ensure unprecedented low inflation 1.6%, while the national currency was very stable throughout the year. The rate of the Congolese franc has stabilized around 920 CDF for a dollar since 2010. In 2013, two times, the Central Bank has lowered the primary lending rate, moving it successively from 4% to 3% then to 2%. This last rate remains today.

- The DRC reached the Highly-Indebted Poor Countries (HIPC) completion point in 2010, having implemented necessary policy measures (“triggers”). HIPC debt relief alleviates the DRC’s external debt burden, previously estimated at \$13.5 billion, and provides additional resources for spending on priority programs.
- The DRC’s development framework includes implementation of the Poverty Reduction Strategy Paper (PRSP), approved in mid-2006 by the IMF and World Bank boards, and the government’s five-year program, approved by the National Assembly in February 2007. The five-year program, known as the five pillars or “cinq chantiers” in French, is based on the PRSP and focuses heavily on President Kabila’s five priority areas: infrastructure; employment; education; water/electricity; and health. The DRC has launched its “second generation” Growth and Poverty Reduction Strategy Paper (GPRSP). The GPRSP covers the period 2011-2015 and is based on five pillars: 1) reinforcing state authority and consolidating peace and stability, 2) consolidating macroeconomic stability and accelerating growth, 3) improving access to social services and building human capital, 4) protecting the environment and addressing climate change, and 5) fighting HIV/AIDS. The DRC put in place the National Program for Agriculture Investment-PNIA. This program is a large scale agricultural and rural development project. PNIA should be executed from 2013-2020 for a total cost of USD 5.7 billion.
- Since the re-election of President Kabila in November 2011, the slogan “Revolution of modernity” was launched to demonstrate the commitment of President Kabila to encourage economic development initiatives, and make the DRC an emerging country by 2030. The actions of the current Government tend to support this slogan. However, certain challenges could quickly make this slogan obsolete. GDP has grown since 2003, yet the level of gross national income is, on a downward trend and the overall annual net savings rate has remained negative since 1957.
- The DRC’s primary sectors have traditionally been agriculture and natural resources. Both sectors collapsed in the 1990s, but have begun to slowly revive over the past decade. Today, economic growth in the DRC is driven mostly by mining, construction, public works, and general trade. Much of the DRC’s economic activities are dominated by the informal sector. Domestic industries that once processed raw materials and fabricated consumer goods for local markets have all but disappeared. Most consumer goods are imported, with Chinese, South Asian, and Lebanese businesses dominating this trade.
- The DRC seeks to promote regional integration and trade and currently is a member of AU; SADC; COMESA; CEEAC; OHADA; CEPGL; and CEP.

- Congolese attitudes toward the U.S. are generally favorable. U.S. businesses are well-received. U.S.–DRC bilateral trade continues to grow. Bilateral trade between the DRC and the United States totaled \$245 million in 2013, including approximately \$169 million in US exports to the DRC and approximately \$75 million in imports from the DRC.

Key economic indicators:

- Economic growth Rate: 2008-(6.2%); 2009-(2.8%); 2010-(6.9%); 2011-(6.9%); 2012-(7.1%) 2013-(8.5%); 2014 projected-(9.5%)
- Official Inflation Rate: 2010-(9.8%); 2011-(15.4%); 2012- (2.7%); 2013-(1.6%); 2014 projected – (4%)
- Exchange rate: FC 920= USD 1 ((2013)
- Income per capita: USD 319 (2013)
- Gross Domestic Product (GDP):USD 18.3 Billion (2009); USD 21.2 Billion (2010); USD 25.3 Billion (2011); USD 28.4 Billion (2012), USD 31.4 Billion (2013)
- Imported products in million: USD 3,229.8 (2009); USD 4,308.4(2010); USD 5,247.6 (2011);USD 4,764.4(2012)
- Exported products in million: USD 2,777.5 (2009); USD 5,612.1(2010); USD 6,915.1 (2011);USD 4,997.8(2012)

Main customers 2010-2013:

- China
- Belgium
- United States
- South Korea
- Finland

Main Suppliers in 2010-2013

- South Africa
- China
- Belgium
- France
- Germany
- United States

Major Competitors in the DRC market by sector:

- India and Pakistan- Banking, Pharmaceutical Products, Consumer Products and General Trade
- France- Petroleum
- China- Civil Engineering and Infrastructure Development, Mining
- United States- Mining
- South Africa- Telecommunications Sector, Mining

- Japan- Export of Vehicles
- Lebanon- General Trade, Restaurant Business, Housing
- Belgium- Aviation

Market Challenges

[Return to top](#)

The DRC remains a highly challenging environment in which to do business.

Key market challenges include:

- Corruption
- Underdeveloped infrastructure
- Inadequate contract enforcement
- Limited access to credit
- Continued insecurity in eastern DRC
- High levels of bureaucracy and red tape
- Lack of an adequate judicial system
- Inconsistent application of commercial laws
- Lack of transparency in the decision-making process
- Inefficient and burdensome tax and customs administrations
- Inadequate protection of property rights
- High cost of basic infrastructure (water, electricity, transportation)
- Low domestic purchasing power
- Lack of qualified human resources
- Dominance of the informal sector
- French language as the official language for business and administration in the DRC

Market Opportunities

[Return to top](#)

Market opportunities include:

- Infrastructure rehabilitation and reconstruction
- Hydroelectric power
- Mining (copper, cobalt, diamonds, gold, coltan, etc.)
- Textiles (e.g. used clothing)
- Plastics
- Pharmaceuticals
- Telecommunications
- Aviation
- Electrical Machinery
- Automobiles (especially off-road vehicles and heavy trucks)
- Food (rice, wheat, dried milk products, canned meat, frozen meat (particularly poultry), fish, tree crops, agricultural processing)
- Food processing equipment and parts
- Forestry

- Bi-laterally or multilaterally funded projects (e.g. World Bank-funded projects)
- Microfinance (e.g. financing of Small and Medium Enterprises (SMEs))
- Agricultural equipment

See also Chapters 3, 4 and 7.

Market Entry Strategy

[Return to top](#)

- Conduct research through as many sources as possible and make initial contacts remotely. Face-to-face meetings are advisable, including at least one initial visit to the DRC.
- Conduct due diligence on potential business partners, including: obtaining copies of registration papers; verifying a physical location; confirming with the Congolese Chamber of Commerce (FEC); and confirming banking information.
- Contact the U.S. Embassy's Commercial Section for suggestions or assistance in verifying the legitimacy of potential business partners.

Note: Unless one is a major supplier for one of the DRC's few large companies, finding a reputable local business partner is probably the single most important factor for successful commercial activities. Most businesses in the DRC have purchased from the same vendor for many years. Reliable information regarding most business partners and the creditworthiness of customers is only available in-country and on an ad-hoc basis.

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/index.htm>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 3: Selling U.S. Products and Services

- [Using an Agent or Distributor](#)
- [Establishing an Office](#)
- [Franchising](#)
- [Direct Marketing](#)
- [Joint Ventures/Licensing](#)
- [Selling to the Government](#)
- [Distribution and Sales Channels](#)
- [Selling Factors/Techniques](#)
- [Electronic Commerce](#)
- [Trade Promotion and Advertising](#)
- [Pricing](#)
- [Sales Service/Customer Support](#)
- [Protecting Your Intellectual Property](#)
- [Due Diligence](#)
- [Local Professional Services](#)
- [Web Resources](#)

Using an Agent or Distributor

[Return to top](#)

Agents are the most common form of commercial representation in the DRC. In the formal sector, agents are generally the exclusive vehicle for distribution of a wide range of consumer goods and some industrial raw materials. The larger trading houses often represent numerous firms and product lines. Distributors are often established wholesalers of industrial equipment, building supplies, and consumer goods that require maintenance of inventories. The prospective distributing company thus buys access to an established name and reputation. Credit arrangements should be established to permit offering flexible payment terms to the distributors. A branch office or sales subsidiary may also be a useful method of representation when a large continuing market exists or where frequent contact with customers is required. A U.S. exporter might also consider organizing a group of firms selling complementary items to establish a joint-owned sales subsidiary.

Establishing an Office

[Return to top](#)

As is the case with most formalities in the DRC, establishing an office can be complex and time-consuming. The World Bank estimates that it takes 31 days to launch a business in the DRC. This is due to the complexity of procedures involved in establishing a company. Residency permit requirements, foreign and domestic labor regulations, and tax regulations can change with little advance notice or with no official publication. Engage a competent local lawyer and collect current information from local businesspersons and commercial associations on rules and practices, as these vary by location. The Congolese government signed a decree dated November 1, 2012 related

to the creation, organization, and functioning of the Guichet Unique, a “one-stop shop” for business creation which came into force on April 25, 2013. This place for business creation is the only center with the authority to perform essential formalities for business creation and completes the process within 3 days of receiving the application. The National Agency for Investment Promotion (ANAPI) provides assistance to investors who are interested in doing business in the DRC. In order to benefit from incentives under the DRC’s Investment Code (which include customs duty and tax exemptions), investors should submit a business plan and a USD 1,000 fee to ANAPI. According to current regulations, ANAPI has 30 days to decide on an investment project.

General steps to establish a business in the DRC:

- Fill application form available at the single window of business creation or on its website
- Drop application at the reception of the Guichet Unique or register online
- Get note of perception at the single-window and make fees’ payment at a bank
- Return to the Guichet Unique to withdraw the certificate registration at the Trade and Personal Property Credit Register

Required information to include in the application:

- For legal entities: Application form/Company’s charter (four copies)/Statement of Subscription/Specimen of the signature of the manager
- For sole proprietors: Copy of identification document of the applicant/Copy of judiciary record of the applicant/Residence attestation/ Business creation’s application/Specimen of the signature of the applicant

Note: For official fees, legal entities pay USD 120 to the Guichet Unique to certify the company’s charter; to register at the Trade and Personal Property Credit Register; to publish the company’s charter at Official Journal; and to acquire the opening authorization and business license. Limited liability companies pay USD 290. Sole proprietors pay USD 40, which covers their National Identification Number, Business registration, and Opening authorization.

Some sectors have particular rules for opening and running activities. Here are some of them.

MINING

A. Open a diamond-gold trading post

When applying for opening and running a mining trading post, the application must be addressed to both the Ministry of Mines and the Director of the Service of Mines. The application should have the following elements:

- Sole Proprietorship:

- A copy of the identity card or the resident card for foreigners
 - Three copies of the passport
 - Certified copy of the new trade register
 - A valid fiscal attestation
 - Banking references
 - Evidence of a deposit of USD 50,000 for diamond trading post and USD 25,000 for gold one
 - Evidence of the ability to pay an annual royalty of USD 200,000 for diamond trading post and 50,000 for gold one to the treasury
 - Judiciary record of the first residence
- Corporation:
- The new trade register
 - Notarized statutes with proof of deposit
 - National identification number
 - Fiscal attestation
 - Banking references
 - Evidence of a deposit of USD 50,000 for diamond trading post and USD 25,000 for gold one
 - Evidence of the ability to pay an annual royalty of USD 200,000 for diamond trading post and 50,000 for gold one to the treasury

B. Activities/conditions for a diamond –gold trading post:

- Trading post may only operate in Kinshasa or the immediate zone of the mine
- The agreement is valid for one year, renewable
- All buyers must have official ID cards issued by the Ministry of Mines
- Tax for exported diamonds and gold are levied at 1.25% of the value
- During exploitation, the minimum purchase for a gold trading post is 25 kilograms per month
- During exploitation, the minimum purchase for a diamond trading post is:
 - First quarter: USD 10,500,000
 - Second quarter: USD 12,000,000
 - Third quarter: USD 15,000,000
 - Fourth quarter: USD 10,500,000

FORESTRY

- A. Forest Exploitation: Obtain exploitation authorization from the Ministry of Environment's Direction of Forest Management

Official fees:

- Forest concession royalties: USD 0.50 per hectare for industrial logging
- To cut down timber: 1.25% ex-works value per cubic meter of rough timber
- To license traditional logging: USD 50 per hectare

B. Lumber exportation: Obtain a purchasing contract from the Ministry of Environment's Forestry Direction

Official Fee:

- \$2,500 per contract for artisanal lumber with official permit from the Ministry of Environment
- \$3,000 per contract for concessionaires with official forest title from the Ministry of Environment
- \$10,000 per contract for other businesspeople/non-official loggers

C. Reforestation: Obtain a concession contract from the Ministry of Environment

Official Fee for the reforestation tax:

- 4% ex-works value per cubic meter of rough timber
- 2% ex-works value per cubic meter of exported rough timber

Official fee for the wood-cutting tax: USD 2 per hectare.

BANKING INSTITUTIONS

Since January 2010, the Central Bank of Congo (BCC) requires shareholders to have minimum capital of at least USD 10 million to create a commercial bank. Presidential authorization is obligatory prior to operating as a commercial bank in the DRC. Financial Intermediation: Obtain Presidential Authorization from the Central Bank of Congo.

Official Fees:

- Initial Agreement Fee (Governor of Central Bank acceptance of the project): USD 2,195.
- Obtain final agreement from BCC: USD 100,000 (which represents 1% of minimum capital required prior to opening a bank.)

TRANSPORTATION

A. Air transport:

- Import aircraft: Authorization from the Ministry of Transport's Civil Aviation Division

Official Fee: From USD 1,500 to 2,000

- Aircraft registration: Authorization from the Ministry of Transport's Civil Aviation Division

Official fee: From USD 750 to 1,000

- Exploitation License: Authorization from Ministry of Transport's Civil

Aviation Division
Official Fee: USD 2,000

b) Road Transport:

- Authorization to transport passengers: Obtain from the Ministry of Transport's Office for Road Transport

Official Fee: Ranges from USD 20 to 50 annually

- Authorization to transport goods: Obtain from the Ministry of Transport's Office for Road Transport

Official Fee: Ranges from USD 35 to 100 annually

- Authorization for international transport: Obtain from the Ministry of Transport's Office for Road Transport

Official Fee: Up to USD 100 annually

- Travel warrant of international transport: Obtain from the Ministry of Transport's Office for Road Transport

Official Fee: USD 10 annually

- Toll for foreign vehicles at border crossings

Official Fee paid per turnpike:

Car: USD 20

Small Truck: USD 30

Truck: USD 30

Tractor: USD 50

- Technical control certificate: Obtain from the Ministry of Transport's Office for Road Transport

Official Fee: Ranges from USD 7 to 15 annually

- Driving license for roadways and railways: Obtain from the Ministry of Transport's Office for Road Transport

Official Fee: Ranges from USD 20 to 75 annually

TELECOMMUNICATION

The Authority of Regulation of Posts and Telecommunications (ARTC) prepares the license and specifications, which are then approved and signed by the Ministry of Post, Telephone, and Telecommunication and published in the official journal.

The main procedures to operate in the telecommunications industry under the public service concession are as follows:

- Obtain a license specifying frequency
- Create business as a limited liability company

INTERNET PROVIDERS

Steps to implement an internet network are the following:

- Submit an application to the ARTC
- Fulfill the requirements of license offered by ARTC

Franchising

[Return to top](#)

Congolese law does not contain any specific provisions for franchising, though international franchises do exist in the DRC.

Direct Marketing

[Return to top](#)

Direct marketing in the DRC is difficult. Few possibilities exist beyond billboards, banners, radio, and television advertising in major cities. Direct marketing is nearly impossible outside of major urban centers, and the extremely low purchasing power renders such marketing limited. There are several market research organizations in the DRC, and Congolese banks and the FEC (Chamber of Commerce) may also assist by providing some basic client demographic information.

Joint Ventures/Licensing

[Return to top](#)

Congolese law does not contain any specific provisions for licensing. See Franchising, above.

Selling to the Government

[Return to top](#)

Selling for the government has been a main source of revenue for many businesses in the DRC, given the relatively large contribution of the government and parastatals to overall demand, the dominance of large trading houses, and the tendency for large private sector firms to purchase directly from traditional external vendors.

During President Kabila's first term, the GDRC's development program was based on the Republic's "5 Chantiers" or 5 pillars of work: infrastructure, health & education, electricity & water, housing, and employment. This national program offered tremendous sale opportunities to businesses. Today, the GDRC's development program sustains the slogan "Revolution de la modernité" launched by President Kabila as an ambitious target during this current presidential term.

Project work can be difficult to obtain, because government ministries and parastatals have ill-defined and overlapping responsibilities, procurement procedures are unclear or non-existent, key personalities play pivotal roles, and financing is often difficult to obtain. Businesses therefore often pursue deals via specific ministries, parastatals, or the office of the President. Patience and personal connections appear to be businesses' most valuable assets in such dealings. The Parliament passed a new public procurement law in April 2010 and has begun implementing the law, which will greatly increase transparency in government procurement. The regulatory authority for public procurement (ARMP) is one of the institutions set up under the new public procurement law. ARMP is a public institution under the authority of the Prime Minister's office. Its principal goal is regulating public procurement throughout the DRC. The World Bank finances its funded projects through several Congolese agencies, including the Bureau

Central de Coordination (BECECO), Unite de Coordination du Project (UCOP) and Central Office for Infrastructure Contracts (BCMI).

Distribution and Sales Channels

[Return to top](#)

Most products enter through the maritime ports of Matadi and Boma in Bas-Congo province, N'djili international airport in Kinshasa; Kasumbalesa customs post on the Zambian border, or through several entry points on the Rwandan and Ugandan borders.

After customs clearance, the importers move the products to their warehouses by truck, although some limited rail service is available in Matadi and Katanga province.

Importers sell their products either directly from the warehouse or move them to wholesale shops.

The wholesalers sell the products to retailers, whose shops may vary from Western-style buildings to open air markets.

Major distribution centers include Kinshasa, Lubumbashi, Matadi, Mbuji-Mayi, Mbandaka, Kananga, Kikwit, Kisangani, Goma and Bukavu.

The DRC's distribution system functions on both modern and traditional levels, but the economic crisis and the shift of economic activity into the informal sector blurred these distinctions. Several firms, particularly Congolese, Lebanese, Indian and Pakistani firms, conduct at least part of their business through informal channels. Smuggling, under-invoicing and tax evasion are widespread.

Large trading firms that engage in a variety of commercial activities dominate most sectors. The formal sector caters to the Congolese elite, the expatriate community, and small traders engaged in traditional commercial activities who buy wholesale from larger traders. There are a growing number of small and medium-sized businesses that work with traditional merchants or serve DRC's middle-and lower classes. Often dynamic, but small and frequently inexperienced, these firms are generally unable to obtain credit, are often ignored by chambers of commerce, and increasingly look to cooperative credit associations for assistance. Traditional commercial activities, such as operating small shops, continue to flourish, especially as unemployed former wage-earners turn to agriculture, commerce, and artisanal mining to make ends meet.

Most economic activity centers on the DRC's major cities. In the country's interior, transportation can be difficult, expensive, and nearly impossible in the rainy season. The 1990s' hyperinflation and pillages ruined many small businesses, and activity in rural areas was only slowly returning before the recent economic downturn. (Insert text here)

Selling Factors/Techniques

[Return to top](#)

Product names and slogans can be in English, but detailed information and publicity materials should be in French, Lingala, Swahili, Kikongo and Tshiluba. Products aimed at the average Congolese consumer must account for low purchasing power: price is

often far more important than quality. It is better to advertise the products independently of the wholesalers used for distribution, because of the multiplicity of such distributors. Distinctive packaging will help to better identify products and distinguish them from Asian and West African imitators. Placement of the U.S. flag and highlighting “made in USA” on products is advantageous, because American products are highly regarded in the DRC.

Electronic Commerce

[Return to top](#)

Electronic commerce remains very limited in the DRC because of poor information technology infrastructure—most commercial transactions remain cash based. However, in recent years, a number of commercial banks have begun to offer web-based products. Visa and master card programs and tokens, are offered to clients for making secure internet purchases 24 hours a day, and for better assisting them in commercial transactions. These web-based services are accessible only to a small category of economic operators. Electronic commerce may face difficulties in the DRC due to low education levels, lack of infrastructure, and low domestic purchasing power. According to the UN Agency for Information and Communications Technologies, only 0.75 percent of the Congolese population has access to the internet, which hinders development of e-Commerce in the DRC.

With assistance from international donors, the Central Bank of Congo has undertaken a broad reform of its national payments systems, which includes ensuring an appropriate legal framework for electronic payments such as mobile banking. In early 2012, mobile operators and banks began receiving licenses to provide mobile banking services. Tigo cash, Airtel money (M-falanga), and M-pesa are examples of mobile banking services already operational in the DRC, specifically in Kinshasa. They allow users with a national ID or passport to deposit, withdraw and transfer money easily through a mobile device.

Trade Promotion and Advertising

[Return to top](#)

Only a few firms in the DRC have used mass advertising because it is relatively expensive for local businesses. For example, in *Le Potentiel*, a major Congolese daily, a quarter-page advertisement costs USD 250 and a half-page costs USD 500 for a one day print advertisement. Billboards and street banners are a popular medium in the major cities, as are novelty items such as pens, t-shirts, caps, and pocket calendars.

Radio, and to a certain extent television, are the best communication outlets, and all broadcasters accept paid advertising. The radio division of the state-owned RTNC has regional stations that offer a mix of local and taped national programming. The national midday news and some special events are taped live on most stations on the network. Broadcasts are in French and major local languages. Privately operated FM radio stations emerged in the 1990s; private businesses and, in some cases, religious organizations are the primary operators.

RTNC currently broadcasts television programming in Kinshasa, Lubumbashi, and several other cities. Kinshasa also has more than forty private television stations, some of which have branch operations in interior cities. In Kinshasa and Lubumbashi, private

firms re-broadcast international programming to subscribers with decoders. Like state radio, government television broadcasts both local and canned programming, though equipment is sometimes non-functional.

Since the liberalization of the DRC media in 1990, there has been a press boom, with most outlets linked to one or more of the DRC's numerous political factions. Kinshasa has 10 daily newspapers (published 5 days a week) and numerous weekly papers. Some regional capitals also have newspapers, but these are usually published sporadically. Because newspapers are relatively expensive and are passed on to other readers, total readership is higher than circulation figures indicate. Radio remains a more accessible medium. According to one survey, 97 percent of Kinshasa residents watch television while only 2 percent read a newspaper. (Reliable survey research outside Kinshasa is often not available. However, *Les Experts* does a relatively good job collecting data on Kinshasa). The only Kinshasa papers with any significant advertising sections are *Le Palmares*, *La Référence Plus*, *Le Phare*, *L'Avenir*, *Le Potentiel*, and *L'Observateur*. DRC's business press is limited. *Numerica* and *La Bourse* are weekly newspapers devoted primarily to economic affairs, but carry little advertising. Some companies, NGOs, and chambers of commerce publish informative newsletters and may be receptive to external advertising.

Kinshasa also has a month-long annual trade fair called FIKIN (Foire Internationale de Kinshasa). Exhibitors can rent space during the FIKIN trade fair at the following rates for the duration of the fair:

- USD 53 for a 10 square meter open space
- USD 60 for a 20 square meter covered space
- USD 25,000 for a half hall of 500 square meters
- USD 42,000 for a hall of 1,000 square meters
- An additional fee of USD 10 is paid by exhibitors for hygienic purposes

Participants also benefit from the receipt of promotional prices when buying services and products during the FIKIN trade fair.

Fikin e-mail address: fikin@yahoo.fr

Fikin website: www.fikin.com

Newspaper websites:

- L'Observateur: www.lobservateur.cd
- L'Avenir: www.groupelavenir.cd
- Le Potentiel: www.lepotentielonline.com
- Le Phare: www.lephare.com
- Forum Des As: www.forumdesas.com
- La Reference Plus: www.groupelareference.cd
- La Prosperite: www.laprosperteonline.net

Television and radio station websites:

- www.digitalcongo.net

- www.congowebtv.cd
- www.brt-africa.com
- www.radiookapi.net

Online news websites:

- www.mediacongo.net
- www.dia-afrique.org
- www.syfia-grands-lacs.info
- www.acpcongo.cd

Pricing

[Return to top](#)

Transportation costs and government regulations affect the determination of prices in the DRC. The lack of usable roads, limited barge and rail traffic, and the high cost of air transport add considerably to retail costs. Prices at a particular location depend largely upon the transportation links. Price control, although inconsistently enforced, can have significant impact because nearly all manufactured goods and many food items sold in the DRC are imported.

Prices fall nominally under the control of the Ministry of Economy and an inter-ministerial consultative price commission. The inter-ministerial consultative price commission is responsible for setting prices for electricity, water, transportation and oil. The regulations set a schedule of permissible profit margins expressed as a percentage of the selling price, varying according to the product. The selling price of an imported product is calculated by adding the following to the purchase price (often the manufacturer's "list price") in the country of origin: (1) transportation, (2) import duties and fees, (3) breakage, insurance, taxes, and bank fees, and (4) storage (including cold storage when needed). Wholesalers' profit may be 10 to 20 percent of the selling price, while retailers' profits range from 15 to 25 percent. The Interior Market Police under the Ministry of Economy is in charge of verifying that sellers are complying with price regulations. The DRC introduced a 16% Value Added Tax (VAT) on January 1, 2012.

Sales Service/Customer Support

[Return to top](#)

Local agents and distributors are, for the most part, the only entities that provide any customer service. Independent local firms offering after-sales service and spare parts are generally unreliable or unavailable.

Protecting Your Intellectual Property

[Return to top](#)

Intellectual property theoretically enjoys full legal protection in the DRC, but enforcement of IPR regulations is virtually non-existent. The DRC's legal system and public administration are ill-equipped to enforce intellectual property regulations. The DRC is a member of the World Intellectual Property Organization (WIPO) and the Paris Convention for the Protection of Industrial Property and the Berne Convention for the

Protection of Literary and Artistic Works, so Congolese and foreign patent-holders receive the same protection. Patents are valid for 20 years from the date of application, and registrations of foreign patents can also have up to a 20-year duration. Trademark registrations are valid for 20 years from the date of filing and are renewable, but they are subject to cancellation if not used within three years of the application.

A Congolese Society for Authors' and Artists' Rights (La Société Congolaise des Droits d'Auteurs et Voisins- SOCODA) was established in 2011 to oversee copyright protection of Congolese artists. SOCODA replaced the ineffective National Society of Editors, Composers and Authors (SONECA). SOCODA in collaboration with the Ministry of Culture and Arts is working on the revision of the current copyright law dated 1886. SOCODA has signed a partnership agreement with a Belgium company, "Société Belge des Droit d'Auteurs" in order to facilitate exchanges on best practices. SOCODA works under the supervision of the Ministry of Culture and Arts.

The Ministry of Industry oversees industrial property issues.

Losses due to piracy and locally produced counterfeit goods remain relatively small due to the DRC's weak economy and nominal industrial base. However, pirated books, sound recordings, and visual media are common. Privately owned television stations in Kinshasa routinely broadcast U.S. films apparently without securing exhibition rights from the owners. The government is also unable to prevent most pirated goods from being imported into the country or their subsequent distribution and sale.

Protecting Your Intellectual Property in the Democratic Republic of Congo (DRC)

Several general principles are important for effective management of intellectual property ("IP") rights in DRC. First, it is important to have an overall strategy to protect your IP. Second, IP is protected differently in the DRC than in the U.S. Third, rights must be registered and enforced in the DRC, under local laws. Your U.S. trademark and patent registrations will not protect you in the DRC. There is no such thing as an "international copyright" that will automatically protect an author's writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, most countries do offer copyright protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so you should consider applying for trademark and patent protection even before selling your products or services in the DRC market. It is vital that companies understand that intellectual property is primarily a private right and that the US government generally cannot enforce rights for private individuals in the DRC. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in the DRC law. The U.S. Commercial Service can provide a list of local lawyers upon request <http://kinshasa.usembassy.gov/attorneys-in-drc.html>.

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken the fundamental steps necessary to securing and enforcing their

IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in the DRC require constant attention. Work with legal counsel familiar with the DRC laws to create a solid contract that includes non-complete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both DRC-based and U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at www.StopFakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**.
- For more information about registering for copyright protection in the US, contact the US Copyright Office at: **1-202-707-5959**.

- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, a free online training program is available at www.stopfakes.gov.
- For U.S. small and medium-size companies, the Department of Commerce offers a "SME IP Advisory Program" available through the American Bar Association that provides one hour of free IP legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and . For details and to register, visit: http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.StopFakes.gov This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.
- The U.S. Commerce Department has positioned IP attachés in key markets around the world.

Due Diligence

[Return to top](#)

Due diligence is essential in the DRC given high levels of corruption and lack of transparency, as well as numerous bureaucratic procedures. Checking business credentials can be accomplished in-country. Bankers and lawyers tend to have the best contacts and possess the experience to obtain and interpret public records.

Local Professional Services

[Return to top](#)

See http://kinshasa.usembassy.gov/economic_and_commercial_section.html. Note: The U.S. Embassy does not endorse any particular service providers.

Web Resources

[Return to top](#)

Government of the Democratic Republic of Congo (GDRC): www.primature.cd

Bureau Central de Coordination (BECECO): www.bceco.cd

Central Bank of Congo: www.bcc.cd

Government Development Program "Cinq Chatiers" www.cinqchantiers-rdc.com/home.php

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

International Donors:

Embassy of Belgium in DRC: www.diplomatie.be/en/default.asp

Embassy of Belgium's Economic Office: www.beltrade-DRC.be
Embassy of Canada in DRC: knsha-cs@international.gc.ca
Embassy of Germany in DRC: amballemagne@ic.d
Embassy of South Africa in DRC: vanaswegenjm@foreign.gov.za
Embassy of United Kingdom in DRC: <http://ukindrc.fco.gov.uk>
European Union: delegation-dem-rep-of-congo@cec.eu.int
IMF (DRC page): www.imf.org/external/country/COD/index.htm
U.S. Embassy of Kinshasa: <http://kinshasa.usembassy.gov>
U.N. Mission in DRC: www.monusco.org
UNDP: www.undp.org
World Bank DRC page: www.worldbank.org/afr/cd/index.htm

Business Associations:

DRC Chamber of Commerce (FEC): www.fec.cd

International Associations:

Pacific (CBL-ACP— the Chamber of Commerce, Industry and Agriculture for Belgium, Luxembourg, and the African, Caribbean and Pacific group of states. This website gives guidance to people interested in doing business in the DRC): www.cblacp.org
WIPO: www.wipo.int

Consultants:

Deloitte & Touch DRC (Consultants): www.deloitte.com
Price Waterhouse Coopers (Consultants): www.pwc.com

Other Sources :

Encyclopédie 2010 de l'Industrie et du Commerce: www.optimiseafrica.com/retail.html

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 4: Leading Sectors for U.S. Export and Investment

Commercial Sectors

- [\(DRG\)](#) – Drugs/Pharmaceuticals
- [\(FPP\)](#) – Food Processing Equipment
- [\(ELP\)](#) - Electrical Power Systems
- [\(MIN\)](#) – Mining Industry Equipment
- [\(OGS\)](#) – Oil, Gas, Mineral Production/Exploration Service
- [\(TXP\)](#) – Textile Products- Made Up
- [\(AGS\)](#) – Agricultural Services
- [\(AUT\)](#) – Autos/Light Trucks/Vans
- [\(PMR\)](#) – Plastic Materials/Resins
- [\(MED\)](#) – Medical Equipment
- [\(IRN\)](#) – Iron/Steel
- [\(FOD\)](#) – Foods-Processed
- [\(GCG\)](#) – General Consumer Goods
- [\(HCG\)](#) – Household Consumer Goods
- [\(NFM\)](#) – Non-Ferrous Metals

Agricultural Sectors

- [Frozen Poultry](#)
- [Rice, particularly Long-Grain Rice](#)
- [Wheat and Wheat Flour](#)
- [Maize](#)
- [Soya](#)
- [Sugar](#)

Drugs/Pharmaceuticals (DRG)

Sub-Sector Best Prospects

[Return to top](#)

Vaccines and medicines.

Opportunities

[Return to top](#)

The DRC continues to be affected by outbreaks of disease, including malaria. The health sector receives little budgetary support from the Government of the DRC. Pharmaceutical products will attract a large demand among the DRC population of approximately 70 million. U.S. pharmaceutical products also enjoy wide popularity among the Congolese because of their quality. Counterfeit pharmaceutical products are common in the DRC, and thus, Congolese eagerly seek genuine American brands.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Ministry of Agriculture (e-mail address): www.rdc-agriculture.com

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

Food Processing Equipment (FPP)

Sub-Sector Best Prospects

[Return to top](#)

Restaurant ice cream machines, microwave ovens, stoves, refrigerators and freezers.

Opportunities

[Return to top](#)

Owners of medium-sized businesses often seek to purchase food processing equipment.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo (this site provides useful contact information for best business prospects in the DRC): www.jcc.cd

Ministry of Agriculture (e-mail address): www.rdc-agriculture.com

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

Electrical Power Systems (ELP)

Sub-Sector Best Prospects

[Return to top](#)

Electric generating sets and rotary converters, electrical switching apparatus, electrical apparatus for telephone lines, electronic integrated circuits and microassembly parts, parts of electric motors, generators, and sets.

Opportunities

[Return to top](#)

There is a huge demand for electricity in the DRC. Only 9 percent of the population currently has access to electricity. The Government of the DRC has made it a priority to ensure that 19% of the population has access to electricity by 2015. The Congo River in the DRC possesses the second largest hydroelectric potential in the world, after the Amazon River.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo (this site provides useful contact information for best business prospects in the DRC): www.jcc.cd

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

Mining Industry Equipment (MIN)

The Democratic Republic of Congo is home to vast natural resources and mineral wealth. Copper, cobalt, gold, coltan, tin and zinc are the big metals being mined and produced in the DRC. The DRC also contains diamonds and oil.

Sub-Sector Best Prospects

[Return to top](#)

Spare parts for mining equipment, machines having individual functions, self-propelled bulldozers, graders, scrapers, mechanical shovels, excavators, boring machines for earth/mineral ores, pumps for liquids and liquid elevators.

Opportunities

[Return to top](#)

Investment opportunities are numerous, but successful investing requires substantial time, patience and prior experience.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo (this site provides useful contact information for best business prospects in the DRC): www.jcc.cd

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

The DRC's Ministry of mines: www.mines-rdc.cd

The DRC's Ministry of Trade: www.mincommerce.cd

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

Oil, Gas, Mineral Production/Exploration Service (OGS)

The Democratic Republic of Congo is home to vast natural resources and mineral wealth. Current U.S. Foreign Direct Investment in the DRC's mining sector is at least USD 3 billion.

Sub-Sector Best Prospects

[Return to top](#)

The DRC is home to significant mines producing copper, cobalt, gold, coltan, tin, zinc and diamonds. The DRC may also have considerable oil reserves.

Opportunities

[Return to top](#)

Investment opportunities are numerous, but successful investing requires substantial time, patience and prior experience.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

Single-window for business creation: www.guichetunique.cd

The DRC's Ministry of mines: www.mines-rdc.cd

The DRC's Hydrocarbons' Ministry: www.hydrocarbures.gouv.cd

The DRC's Ministry of Trade: www.mincommerce.cd

Textile Products- Made Up (TXP)

Sub-Sector Best Prospects

[Return to top](#)

Used clothing, used or new rags, scrap twine, made-up textile articles, tarpaulins, textile remnants, bed sheets and curtains.

Opportunities

[Return to top](#)

American textile products enjoy wide popularity in the DRC because of their quality.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

The DRC's Ministry of Trade: www.mincommerce.cd

Agricultural Services (AGS)

Sub-Sector Best Prospects

[Return to top](#)

Crop planting, cultivation and protection, land and wildlife conservation, and soil preparation services.

Tractor rental: Tractor rental is a common agricultural service offered to farmers in the DRC, due to most farmers' lack of capital to own and maintain their own equipment.

Opportunities

[Return to top](#)

The DRC has 80 million hectares of arable land. Agriculture is the mainstay of the Congolese economy, accounting for 37.4% of GDP in 2010. The main cash crops include coffee, palm oil, rubber, cotton, sugar, tea and cocoa. Food crops include cassava, plantains, maize, groundnuts and rice. However, commercial agricultural production remains limited, with many producers engaged in subsistence food agriculture. To cope with food shortage, agro-industrial parks are underway in several locations.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Ministry of Agriculture (e-mail address): www.rdc-agriculture.com

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

The DRC's Ministry of Trade: www.mincommerce.cd

Autos/Light Trucks/ Vans (AUT)

Sub-Sector Best Prospects

[Return to top](#)

Four-wheel drive/off-road passenger vehicles, Motor Cars and Vehicles for Transporting Persons, Parts and Accessories for Motor Vehicles, Motor Vehicles for Transport of Goods, Used Cars and Motorcycles.

Opportunities

[Return to top](#)

There is a robust demand for second-hand vehicles in the DRC, especially vans which can be used as minibuses.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

Plastic Materials/Resins (PMR)

Sub-Sector Best Prospects

[Return to top](#)

Plastic articles (including Polymers and Resins), Ethylene Polymers in Primary Forms, Acrylic Polymers in Primary Forms, Polymers of Vinyl Chloride in Primary Forms, Amino-Resins, Phenolics and Polyurethanes in Primary Forms.

Opportunities

[Return to top](#)

American products enjoy wide popularity in the DRC marketplace because of their quality.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

The DRC's Ministry of Trade: www.mincommerce.cd

Medical Equipment (MED)

Sub-Sector Best Prospects

[Return to top](#)

X-Ray Equipment, Oscilloscopes, Spectrum Analyzers, Medical, Surgical, Dental, and Veterinary Instruments

Opportunities

[Return to top](#)

There continues to be a high demand for health care and medical-related products in the DRC.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

The DRC's Ministry of Trade: www.mincommerce.cd

Iron/Steel (IRN)

Sub-Sector Best Prospects

[Return to top](#)

Iron or Steel Tubes and Pipes, Iron or Steel Structures and Parts, Iron or Steel Tube or Pipe Fittings, Screws, Nuts, Bolts, Washers, Iron or Steel Articles

Opportunities

[Return to top](#)

Demand for iron and steel is high as a result of the ongoing construction boom in the DRC.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Five Pillars of the DRC: www.cinqchantiers-drc.com

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

Foods-Processed (FOD)

Sub-Sector Best Prospects

[Return to top](#)

Sauces, Mixed Condiments, Mustard, Food Preparations, Extracts of Coffee or Tea, Canned foods, such as vegetables, meat, and fish.

Opportunities

[Return to top](#)

Several DRC supermarkets are beginning to stock their shelves with more American products. However, demand will be contingent on the cost of the products in relation to goods from Europe and Asia.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Five Pillars of the DRC: www.cinqchantiers-drc.com

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

General Consumer Goods (GCG)

Sub-Sector Best Prospects

[Return to top](#)

Sauces, Mixed Condiments, Mustard, Food Preparations, Extracts of Coffee or Tea, Canned foods, such as vegetables, meat and fish.

Opportunities

[Return to top](#)

Several DRC supermarkets are beginning to stock their shelves with more American products. However, demand will be contingent on the cost of the products in relation to goods from Europe and Asia.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Five Pillars of the DRC: www.cinqchantiers-drc.com

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

Household Consumer Goods (HCG)

Sub-Sector Best Prospects

[Return to top](#)

Cleaning preparations and agents, lubricating preparations, preparations for anti-rust and treating textiles.

Opportunities

[Return to top](#)

Several DRC supermarkets are beginning to stock their shelves with more American products. However, demand will be contingent on the cost of the products in relation to goods from Europe and Asia.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Five Pillars of the DRC: www.cinqchantiers-drc.com

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

Non-Ferrous Metals (NFM)

Sub-Sector Best Prospects

[Return to top](#)

Copper Bars, Rods and Profiles, Copper Nails, Tacks and Screws

Opportunities

[Return to top](#)

Today, many of DRC's biggest cities are experiencing a boom in the building sector. This is due to the DRC's huge demand for housing -- estimated to be in the millions of houses.

Web Resources

[Return to top](#)

DRC Chamber of Commerce: www.fec.cd

ANAPI: www.anapi.org

Promo Congo: www.jcc.cd

Five Pillars of the DRC: www.cinqchantiers-drc.com

Global Trade Atlas: <http://www.gtis.com/gta/secure/gateway.cfm>

National Agency for Investment Promotion (ANAPI): www.anapi.org

Regulatory Authority for Public Procurement (ARMP): <http://armp-rdc.com>

Steering Committee for the Climate and Investment improvement: <http://cpcai.over-blog.com>

One-Stop Shop for business creation: www.guichetunique.cd

Frozen Poultry
Rice, particularly Long-Grain Rice
Wheat and Wheat Flour
Maize
Soya
Sugar
Cassava bread

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 5: Trade Regulations, Customs and Standards

- [Import Tariffs](#)
- [Trade Barriers](#)
- [Import Requirements and Documentation](#)
- [U.S. Export Controls](#)
- [Temporary Entry](#)
- [Labeling and Marking Requirements](#)
- [Prohibited and Restricted Imports](#)
- [Customs Regulations and Contact Information](#)
- [Standards](#)
- [Trade Agreements](#)
- [Web Resources](#)

Import Tariffs

[Return to top](#)

The DRC's external tariff is based on a decree of 1949 and was enforced by the law of 1950 (Note: The DRC gained independence from Belgium in 1960). So far, it has not been substantially amended. The DRC adopted a harmonized system of tariff classification in 1998. According to the WTO, the DRC's average tariff rate was 12% in 2008. All of DRC's tariffs are *ad valorem* and charged on a CIF (Cost, Insurance and Freight) basis. The DRC's tariff customs structure (import duties) includes three rates as follows: 5% for equipment goods, rough raw materials, agricultural and veterinary supplies and unassembled equipment; 10% for large consumed food items, industrial inputs, spare parts, items for social services such as for hospitals and disabled persons; and 20% for clothing, furniture, cigarettes and other finished products. However, postage stamps, fiscal stamps, stamped papers (which have a face value), central bank notes, and titles are exempt from import duties in the DRC. Exoneration is given to the following categories: imported goods for official usage of embassies, consulates, and international organizations; imported goods for personal usage of diplomatic agents, consular and international civil servants; and imported goods given as a donation or non-reimbursable subsidiary in the framework of bilateral and multilateral cooperation projects. Imports of cement are also exempted from import duties as well as some agricultural sector equipment. Importers of pharmaceutical equipment and inputs and medical materials are charged a preferential rate of 2% on the CIF value of these products. In order to improve the investment climate, in August 2010, President Kabila promulgated a new customs code, which came into effect in February 2011.

In addition to tariffs, there are a multitude of taxes collected on imported goods by several government agencies with often limited or no coordination. Added to official tariffs on imported goods, these additional taxes importers pay on goods and services range between 0.59 and 40%. The government introduced a value-added tax (VAT) on January 1, 2012. The VAT replaced tax on turnover. It is fixed to 16%. The following goods are exempt from VAT: 1) goods imported by non-profit organizations for social, sport, cultural, religious, educational and philanthropic purposes; 2) official stamped

papers; 3) organs, prosthetic devices and human blood imported by medical facilities or accredited organizations; 4) pharmaceutical products and inputs and medical material covered by a ministerial decree; 5) fishing equipment; 6) equipment, material and chemicals imported by mining and oil companies for prospecting, exploration and research; 7) goods imported for official use of diplomatic missions, consulates, and international organizations according to the quota set by the Ministries of Finance and Foreign Affairs; 8) furniture that is imported not for industrial or commercial purposes, but for personal use by people immigrating or coming back to settle in the DRC; 9) goods from an inheritance given by a deceased person to a person living in the DRC; 10) funeral equipment; 11) products used on an experimental basis; 12) donations, bequests or gratuities offered to the state, provinces, decentralized territorial entities and public enterprises; and 13) the baggage of travelers that are exempt from duties and taxes related to the customs code. A ministerial decree forbids importing vehicles that have been manufactured 10 years ago.

The principal tax collection agencies include: the DRC Customs Authority (DGDA), Industrial Incentive Fund (FPI), Office of Maritime Freight Management (OGEFREM), National Office of Transportation (ONATRA), Tax Authority (DGI), General Direction of Administrative Incomes (DGRAD) and the import-export control agency (OCC).

The DGDA assesses and collects tariffs and duties based on established rates under the DRC's tariff schedule. The OCC charges a 2% tax (ad valorem) on the CIF value of all imports exceeding USD 2,500 plus an additional charge of \$5 per ton of goods, and uses a sliding scale for imports valued less than USD 2,500. Importers of duty-free goods must pay a nominal sum for internal consumption. Importers of duty-free goods must pay an ad valorem administrative fee of 5% (This case applies only when the importer is partially exonerated).

Trade Barriers

[Return to top](#)

As is the case in much of the Congolese business environment, most of the country's trade barriers result from complex regulations, a multiplicity of overlapping administrative agencies and a frequent lack of capacity and control by officials responsible for regulatory enforcement. The DRC has numerous agencies with legal authority in trade matters. Required signatures are often difficult to obtain, and regulations are complex and poorly codified. Application of regulations varies widely across the country. Corruption is endemic, and it is common in commercial matters to require protracted negotiations with numerous officials. Many laws are not fully or consistently implemented, particularly at the provincial level. As a result, many local traders have their own private networks to expedite the movement of goods.

With international assistance, the government continues to work to implement the various technical and legislative reforms to facilitate the movement of goods. Significant progress has occurred in the customs sector. In April 2011, the GDRC established a steering committee to set up a "Guichet Unique Integral," a new version of the "one-stop shop." The Guichet Unique Integral would streamline administrative procedures for import-export operations and process data easier and faster than the original version. All data would be transferred into one payment. The single window should reduce fraud, increase the tax base, and unify different customs expenses. The new information and communications technology of the Guichet Unique Integral would be implemented at all

major DRC border posts. However, lack of funding continues to hinder the activities of the steering committee and has slowed down implementation of the new Guichet Unique Integral. However, through an international invitation for tenders, the GDRC has already appointed BIVAC International to implement the project. The BIVAC is waiting for a ministerial decree to start operating.

In September 2013, the GDRC launched the Sydonia World's software at the DGDA's Guichet Unique at the Kinshasa International Airport. The Sydonia World software simplifies customs procedures and facilitates international trade. It aims to reduce fraud in declarations and collections thereby increasing revenue to the state. The software currently covers only two customs posts in Kinshasa. In the future, it will be extended to all customs posts in the DRC.

Import Requirements and Documentation

[Return to top](#)

Effective June 2006, the French-owned company BIVAC International became the DRC's authorized agent for pre-shipment inspection of imports valued at USD 2,500 or greater, pursuant to an agreement with the DRC customs authority (DGDA) and the OCC. Exporters must provide BIVAC with an invoice containing a detailed description of the goods to be shipped and a statement accepting inspection.

The BIVAC and OCC work together. The process is as follows: 1) The importer receives a pro forma invoice from the exporter; 2) the importer presents the invoice to an authorized commercial bank in order to receive and import; 3) after the validation of the import license, the importer submits it to BIVAC international; 4) BIVAC International assigns a code number to the import license; 5) the code number is transferred to the BIVAC of the exporting country; 6) on behalf of the OCC, the BIVAC performs the pre-shipment inspection of the goods; 7) the BIVAC verifies that quality, quantity and value declared on the pro forma invoice are the same and complies with international standards; and 8) when the control is verified, the BIVAC of the exporting country issues a certification of validation and submits it to the importer through the BIVAC of the importing country.

The certification of validation contains the supplier's invoice number, the bill of lading number, the number of containers, the import license number and the confirmation of the quantity of the product. The certification of validation determines the CIF (cash, insurance and freight). The amount of the CIF can never be changed by DGDA (the DRC customs authority) when the certification has already been validated. The OCC charges 2% of the Free on Board (FOB) value of the imported goods. In exchange for its services, BIVAC receives from OCC 0.75% of the FOB value of the imported goods. Both OCC and DGDA require that all documents be in French. Other required shipment documents are a commercial invoice, packing lists, bills of lading/air waybill, import license, pro forma invoice, the U.S. shipper's export declaration, an insurance certificate, and often a certificate of origin.

The following goods are exempted from pre-shipment inspections: imports with a FOB value below USD 2500, live animals, fresh eggs, fruits, vegetables, fish and meat, fresh or refrigerated food, newspapers and periodicals, personal property including motor vehicles imported by DRC residents who are returning to their country of origin, parcels without commercial value, commercial samples, personal gifts, donations offered by foreign governments or international organizations to charities, donations offered by

foreign governments, international organizations, or private individuals for disaster relief, supplies and gifts imported for their own use by diplomatic entities, the United Nations, or other NGOs that have customs tax exemptions.

To streamline customs procedures as well as improve the DRC's investment climate, President Kabila promulgated a new customs code in August 2010, which provides numerous incentives to entrepreneurs such as simplified customs procedures, intellectual property rights protection, verification of goods before payment, payment facilities, established special economic areas and a customs decision appeals process.

U.S. Export Controls

[Return to top](#)

Please see:

www.export.gov

www.bis.doc.gov/licensing/ExportingBasics.htm

www.treas.gov/offices/eotffc/ofac/sanctions/index.html

www.ustr.gov

Temporary Entry

[Return to top](#)

Goods in transit are not taxed, but are subject to administrative fees, handling costs, and bank charges.

Labeling and Marking Requirements

[Return to top](#)

There are no specific packing regulations; shippers should follow international norms. Goods should be securely packed to withstand excessive tropical heat, moisture, pests, rough handling, pilferage, and delays. IATA (International Air Transport Association), ICAO (International Civil Aviation Organization), and U.S. regulations should be followed in the labeling, packing, and shipment of any hazardous or restricted materials.

Prohibited and Restricted Imports

[Return to top](#)

Firearms, ammunition, water hyacinths, and pornographic materials are prohibited commercial imports. Coins, commemorative coins, bank notes, and second-hand materials intended for investment are restricted commercial imports, and require GDRG authorization before importing them.

Customs Regulations and Contact Information

[Return to top](#)

DGDA (Direction Générale des Douanes et Assises)
Direction Générale: Place le Royal, Immeuble Sankuru
BP 8248 Kinshasa – Gombe
Tel: 0024810577194
Email: ofida_cab@ic.cd

Standards

[Return to top](#)

- [Overview](#)
- [Standards Organizations](#)
- [Conformity Assessment](#)
- [Product Certification](#)
- [Accreditation](#)
- [Publication of Technical Regulations](#)
- [Labeling and Marking](#)
- [Contacts](#)

Overview

[Return to top](#)

The DRC does not have its own national standards regimes, but rather applies regional and international organizations' standards, including the WTO (World Trade Organization) COMESA (Common Market for Eastern and Southern Africa), SADC (South African Development Community), ISO (International Organization for Standardization) and ARSO (African Regional Organization for Standardization).

The DRC has lagged behind other countries in using standards. The DRC's standards and conformity assessment regime has been undermined by a lack of an updated standards law, lack of resources to enforce standards, and lack of capacity among personnel in the field of standards and conformity assessment. Generally, DRC standards, testing, labeling and certification requirements have little effect on U.S. exports to the DRC.

The Ministry of Industry is responsible for standards and conformity assessments. The OCC, established in 1974, is responsible for developing standards and performing conformity assessments on exports and imports, operating under the supervision of the Ministry of Industry. The Ministry of Industry has established a National Committee for Standardization, but it is not yet functioning well.

A separate body, reporting to the Ministry of Mines, is responsible for the certification of precious minerals: the CEEC (Center for Evaluation, Expertise and Certification). The CEEC has focused only on certifying diamonds and gold.

The Ministry of Agriculture's Animal and Vegetable Quarantine Service (SQAV in French) is responsible for the application of sanitary and phytosanitary (SPS) measures on animal and plant products in the DRC. SQAV has a staff of 1,012 agents comprised of veterinary doctors, agronomic engineers, technical engineers and other experts. SQAV is one of several public agencies that conduct inspections at national borders, including the Office of Congolese Control (OCC), DGDA (the DRC's Customs Authority) and the Directorate General of Migration (DGM).

DRC mostly relies on the "Codex alimentarius" for food items. The Codex is applied to imports, but not to exports because of lack of adequate equipment in the OCC lab. In practice, however, most imports are admitted into the country without the need to meet specific standards. As a result of frequent political interference, OCC is often unable to fulfill its mission of watchdog.

Standards Organizations

[Return to top](#)

As discussed in the overview, the OCC is the only government body in the DRC that is actively developing and enforcing standards and performing conformity assessments on imports and exports, operating under the Ministry of Industry. It consults with local research institutions and manufacturers, chambers of commerce, and consumer unions, but does not have an annual standards plan.

The OCC executes its technical functions through two branches. The Metrology Lab is responsible for the development, compilation and publication of standards and liaising with regional and international measurement and standards organizations, while CEDIN (Center for Documentation and Information on Standards) is the testing and certification body. CEDIN performs requisite tests, calibrations and conformity assessments prior to delivering a certificate of conformity, documents the results of its tests and control analyses and compiles internationally and nationally approved standards. Its database contains 10,000 standards, including 5,000 from the ISO, 500 from the British Standards Institute (BSI), 100 from COMESA, 60 from SADC. As of 2010, the DRC has 217 national standards covering such items as wheat flour, cement, wood, steel, sizes/units and conformity assessments. The DRC recently adopted a set of 450 additional norms enacted by the COMESA free trade zone to cover fishing, industry, livestock and agricultural and other sectors. However, a ministerial decree and Parliamentary authorization are still required for the enforcement of the norms (i.e. to enact their implementing regulations).

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL:

<http://www.nist.gov/notifyus/>

Conformity Assessment

[Return to top](#)

See above.

Product Certification

[Return to top](#)

There is no operating accreditation body in the DRC, although the Ministry of Industry has established a structure for it. In the interim, the OCC is responsible for filling this role, although it is itself unable to do so and is in the process of working with both the South African National Metrology Lab and COFRAC (Comité Français d'Accréditations) for accreditations.

Accreditation

[Return to top](#)

The National Committee of Standardization, reporting to the Ministry of Industry, has the authority to propose regulations and standards for the export and import of goods, to follow up on their enforcement, and to report all discrepancies for improvement. The

Ministry of Industry has the prerogative to pass draft regulations and standards by a ministerial decree. Since 2014, a bill on Standardization and Metrology is pending approval to the Senate. The Ministry of Industry is responsible to sell national standards. OCC sells international standards such as those from ISO. When a businessperson would like to have a specific standard to use in his or her activity, he or she can refer to OCC or the Ministry of Industry for guidance. The OCC has all quotations for the payment of international standards, while the Ministry of Industry has for the national standards.

Publication of Technical Regulations

[Return to top](#)

The OCC stamps or labels products to indicate their conformity with the relevant standards. As noted above, there are no specific packing regulations. The DRC used to have requirements for any machine, box, or other object used in the manufacture or packing of food products, but these have not been enforced for several years. Shippers should follow international norms and pack goods securely to withstand excessive tropical heat, moisture, pests, rough handling, pilferage, and delays. LATA (Latin American Trade Association), ICAO (International Civil Aviation Organization), IMCO (Inter-Governmental Maritime Consultative Organization), and U.S. regulations should be followed in the labeling, packing, and shipment of any hazardous or restricted materials.

Labeling and Marking

[Return to top](#)

The OCC stamps or labels products to indicate their conformity with the relevant standards. As noted above, there are no specific packing regulations. The DRC used to have requirements for any machine, box, or other object used in the manufacture or packing of food products, but these have not been enforced for several years. Shippers should follow international norms and pack goods securely to withstand excessive tropical heat, moisture, pests, rough handling, pilferage, and delays. LATA (Latin American Trade Association), ICAO (International Civil Aviation Organization), IMCO (Inter-Governmental Maritime Consultative Organization), and U.S. regulations should be followed in the labeling, packing, and shipment of any hazardous or restricted materials.

Contacts

[Return to top](#)

Professor Makengo Lukimba Hubert
OCC
Director of Standardization Department
Tel: [+243] – 8121430338
E-mail: makengo238@yahoo.fr

Mr. Kanama Viki Mbuya
OCC
Director of Metrology and Control Department
Avenue des Inflammables
Kinshasa, Kingabwa
P.O. Box 8614 Kinshasa 1
Tel: [+243] – 815082006
Fax: [+243] – 813016685

E-mail: kanama_viki@yahoo.fr

Mr. Bertin Ntumba B.

President of the Association for the Promotion of Metrology and Standardization in the DRC (APROMEN)

Avenue du Port, 2nd floor of Nioki Building (Ex-Forescom)

Kinshasa, Gombe

Tel.: [+243] – 815-043-047

E-mail: bertin_bu2002@yahoo.fr

Trade Agreements

[Return to top](#)

The DRC has bilateral trade agreements with 53 countries.

The DRC belongs to several international and regional trade organizations, including:

- World Trade Organization
 - SADC
 - COMESA
 - Economic Community of Central African States (ECCAS)
 - Nile Basin Initiative (NBI)
 - Communauté Economique des Pays des Grands Lacs (CPGL)
 - Organization for Harmonization of the Business Law in Africa (OHADA)
- (Insert text here)

Web Resources

[Return to top](#)

SADC: www.sadc.com

COMESA: www.comesa.int

ECCAS: www.ceeac-eccas.org

NBI: www.nilebasin.org/

International Air Transport Association (IATA): www.iata.org/

International Civil Aviation Organization (ICAO): www.icao.int

International Organization for Standardization (ISO): www.iso.org

African Organization for Standardization (ARSO): www.arso-aran.org/

Association for the Promotion of Metrology and Standardization in the DRC (APROMEN): www.apromenrdc.gom

OCC: www.occ-rdc.cd

DGDA: www.douanesrdc.com

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 6: Investment Climate

- [Openness to Foreign Investment](#)
- [Conversion and Transfer Policies](#)
- [Expropriation and Compensation](#)
- [Dispute Settlement](#)
- [Performance Requirements and Incentives](#)
- [Right to Private Ownership and Establishment](#)
- [Protection of Property Rights](#)
- [Transparency of Regulatory System](#)
- [Efficient Capital Markets and Portfolio Investment](#)
- [Competition from State Owned Enterprises](#)
- [Corporate Social Responsibility](#)
- [Political Violence](#)
- [Corruption](#)
- [Bilateral Investment Agreements](#)
- [OPIC and Other Investment Insurance Programs](#)
- [Labor](#)
- [Foreign-Trade Zones/Free Ports](#)
- [Foreign Direct Investment Statistics](#)
- [Web Resources](#)

Openness to Foreign Investment

[Return to top](#)

The GDRC has prioritized attracting foreign investment; however its efforts to improve economic governance and the business climate have stalled. Congolese investment regulations prohibit foreign investors from engaging in small retail commerce and ban foreign majority-ownership of agricultural firms. Visas for foreign workers are limited to three months at a time. After the approval of a work permit, they may qualify for an establishment visa, which is more expensive but valid for up to a year. Expatriate salaries are also taxed at a higher rate than those of locals. Foreign investors, like local businesses, face frequent harassment, demands for bribes, and subjective, predatory interpretation of regulatory and taxation policies. Most foreign direct investments are governed by the Investment Code of February 2002. The mining, hydrocarbons, finance and other sectors are governed by sector-specific investment laws. The DRC will officially join the Organization for the Harmonization of Business Laws in Africa (OHADA) in September 2014.

In 2002, the GDRC created the National Agency for Investment Promotion (ANAPI) to overcome hurdles and to simplify and facilitate investment. ANAPI's mandate is to simplify the investment process, make procedures more transparent, assist new foreign investors, and improve the image of the DRC as an investment destination.

With support from international donors, the GDRC is also working to implement a series of reforms aimed at improving the business climate. Specifically, in August 2009, the

GDRC launched the Steering Committee for the Improvement of Business and Investment Climate (CPCAI) under the Ministry of Plan with the goal of improving the GDRC's ranking on the World Bank's Doing Business report. The main objectives of CPCAI are to reduce red tape, decrease delays and the cost of establishing a business, improve transparency of procedures, and strengthen judicial security. CPCAI has achieved the elimination of 46 "zero-revenue" taxes among the 117 that were previously applied in cross-border trade. In April 2013, a one-stop window was created to simplify business creation, cut the processing time from five months to three days, reduce the number of formalities, and reduce fees from \$3000 to \$120 for forming a corporation. The one-stop window has sped-up business creation, but businesses continue to complain of corruption and the need to visit multiple ministries.

The Steering Committee for the Reform of Public Enterprises (COPIREP), funded by the World Bank but falling under the Ministry of Portfolio, seeks foreign investors to enter into public-private partnerships (PPPs) with Congolese state-owned companies. However restructuring approximately 60 Congolese parastatals, none of which were profitable, has stalled. The parastatals not yet restructured include the national power utility (SNEL), port and river authority (SCTP), and rail company (SNCC).

Broadly, there are no formal limits or screening mechanisms imposed upon foreign ownership of most businesses in the DRC. However, the processes of granting permits and licenses in the mining and telecommunication sectors often suffer from arbitrariness, lack of transparency, and corruption. Investment projects which benefit from Investment Code incentives must have an assessment completed by ANAPI agents every six months. All investors in the DRC face multiple audits by various government enforcement agencies seeking evidence of violations of tax laws or price controls. Foreigners and Congolese alike suffer the consequences of non-functional judicial institutions. Inadequate physical infrastructure – including internal land, river, and air transport, energy and social services – presents a serious challenge and additional cost for nearly all commercial operators in the DRC. International donors and a 2009 multi-billion dollar Sino-Congolese agreement have begun to provide critically needed resources for infrastructure development, but significant constraints remain.

One trend of note in recent years is the propagation of so-called "vulture fund" legal actions against the DRC government for recuperation of decades-old unpaid private debts owed by DRC parastatal companies. These legal actions have sought to sequester and redirect profits and other payments owed by private multinational companies to DRC public enterprises through joint venture projects, including mining joint ventures. These "vulture fund" legal actions add uncertainty to the investment climate, especially for private multinational companies which are in joint ventures with DRC public enterprises.

The Democratic Republic of Congo (DRC) remains a highly challenging environment in which to conduct business. The DRC's rich endowment of natural resources, large population and generally open trading system provide potential opportunities for U.S. investors.

The Millennium Challenge Corporation, a U.S. Government entity charged with delivering development grants to countries that have demonstrated a commitment to reform, produced scorecards for countries with a 2012 per capita gross national income (GNI) of \$4,085 or less. A list of countries/economies with MCC scorecards and links to

those scorecards is available here: <http://www.mcc.gov/pages/selection/scorecards>.
 Details on each of the MCC's indicators and a guide to reading the scorecards are available here: <http://www.mcc.gov/documents/reports/reference-2013001142401-fy14-guide-to-the-indicators.pdf>

Measure	Year	Rank or value	Website Address
TI Corruption Perceptions index	2013	154 of 177	http://cpi.transparency.org/cpi2013/results/
Heritage Foundation's Economic Freedom index	2013	172 of 177	http://www.heritage.org/index/ranking
World Bank's Doing Business Report "Ease of Doing Business"	2014	183 of 189	http://doingbusiness.org/rankings
Global Innovation Index	2013	N/A	http://www.globalinnovationindex.org/content.aspx?page=gii-full-report-2013#pdfopener
World Bank GNI per capita	2012	USD 230	http://data.worldbank.org/indicator/NY.GNP.PCAP.CD
MCC Government Effectiveness	2014	-0.74 (RED)	http://www.mcc.gov/pages/selection/scorecards
MCC Rule of Law	2014	-0.75(RED)	http://www.mcc.gov/pages/selection/scorecards
MCC Control of Corruption	2014	-0.39 (RED)	http://www.mcc.gov/pages/selection/scorecards
MCC Trade Policy	2014	63.0 (RED)	http://www.mcc.gov/pages/selection/scorecards
MCC Regulatory Quality	2014	-0.76 (RED)	http://www.mcc.gov/pages/selection/scorecards
MCC Business Start Up	2014	0.658(RED)	http://www.mcc.gov/pages/selection/scorecards
MCC Land Rights Access	2014	0.54 (RED)	http://www.mcc.gov/pages/selection/scorecards
MCC Natural Resource Mgmt	2014	59.9 (GREEN)	http://www.mcc.gov/pages/selection/scorecards
MCC Access to Credit	2014	18 (RED)	http://www.mcc.gov/pages/selection/scorecards
MCC Inflation	2014	2.1(GREEN)	http://www.mcc.gov/pages/selection/scorecards
MCC Fiscal Policy	2014	1.0 (GREEN)	http://www.mcc.gov/pages/selection/scorecards
MCC Political Rights	2014	9 (RED)	http://www.mcc.gov/pages/selection/scorecards

Conversion and Transfer Policies

[Return to top](#)

The DRC adopted a free-floating exchange rate policy in 2001 as part of broader economic reforms. The DRC has also lifted restrictions on business transactions nationwide. International transfers of funds take place freely when sent through local commercial banks. The bank declaration requirement and payments for international transfers now take less than one week to complete, on average.

The Congolese Central Bank (BCC) is responsible for regulating foreign exchange and trade. The only currency restriction imposed on travelers is a USD 10,000 limit on the amount an individual can carry when entering or leaving the DRC. The GDRC also requires that the Central Bank license exporters and importers. The DRC's informal foreign exchange market is large and unregulated and offers exchange rates similar to the official rate. The DRC's economy remains highly dollarized. The largest banknote in circulation is the 20,000 Congolese franc (CDF) note (worth approximately USD 22), though it is very rare. Far more common are the 500 and 1000 franc notes worth approximately 54¢ and \$1.08, respectively. U.S. banknotes are readily accepted in all major transactions. Banks provide accounts denominated in either currency. The GDRC has begun the process of de-dollarizing the economy by requiring tax records be kept in CDF and tax payments from mining companies must be in CDF.

The Congolese franc depreciated by 35% against the U.S. dollar between December 2008 and September 2009, but the GDRC has since maintained a stable exchange rate. Inflation in 2012 (2.7%) and 2013 (1.07%) remained under the BCC's target of 4%. Although GDRC fiscal policy may loosen in the run-up to elections in 2015 and 2016, it is expected to continue prioritizing a stable exchange rate and low inflation. As of May 2014, the exchange rate was 925 CDF per dollar at the BCC, and 938 CDF per USD in the parallel market. The DRC finished 2013 with international reserves of USD 1,766,450,000, corresponding to 9.4 weeks of import cover.

The BCC is drafting a new strategic plan for 2014-2017, which will focus on four major axes: sustaining monetary stability, promoting financial system stability, developing the financial system, and financing the real economy.

Expropriation and Compensation

[Return to top](#)

The DRC's land law allows for expropriation of property by the government for the sake of public interest, such as the protection of community heritage, completing public works (such as infrastructure projects) and the presence of precious minerals. The illegitimate acquisition of property is also grounds for expropriation. In any case of expropriation, the GDRC is required to offer fair compensation; as with many Congolese laws, these requirements are not always fully respected. Activities that have an impact on the environment, such as mining, energy and forestry are at greater risk for expropriation. There have been no expropriation actions against U.S. citizens in the past year. Post is aware of a number of existing claims against the GDRC, some of which were taken to arbitration (see Dispute Settlement section below). Arbitration judgments against the GDRC, however, have not been paid in a timely manner, if at all.

Dispute Settlement

[Return to top](#)

On paper, the DRC's official policies are satisfactory and even attractive to business, but in recent years they have often been inoperative in practice due to problems with the judicial system. Courts are marked by a high degree of corruption, public administration is not reliable, and both expatriates and nationals are subject to selective application of a complex legal code. Official channels often do not provide direct and transparent recourse in the event of property seizure, for which legal standing can rarely be determined. Seizures have been made via the police and/or military, often supported by questionable decisions from the courts. Foreign enterprises may have slightly better security of ownership due to the presence and intervention of their diplomatic missions. Many Congolese business contracts provide for external arbitration, but this is an expensive and time-consuming option with little value for resolving routine, day-to-day business problems.

The U.S.-DRC Bilateral Investment Treaty (BIT) provides for International Center for Settlement of Investment Disputes (ICSID) reconciliation or binding arbitration in the case of investment disputes. In the case of a dispute between a U.S. investor and the GDRC, the investor is subject to the Congolese civil code and legal system. If parties cannot reach agreement, under the terms of the U.S.-DRC BIT, the dispute is taken to the ICSID or the Paris-based International Chamber of Commerce (ICC). A number of U.S. firms pursued claims against the GDRC for damages resulting from civil disturbances by military mutinies in 1991 and 1993. Two investors have won settlements from the ICSID. In early 2004, a claimant under the BIT won a settlement from ICSID but has not yet collected payment from the GDRC. The other investor, who successfully collected the compensation awarded by the ICSID, received damages in 1999. A third U.S. Company won a settlement from a Jersey, Channel Islands court in October 2010, but has not yet collected payment from the GDRC. The DRC is in the process of becoming a party to the New York Convention of 1958 on the Recognition and Enforcement of Foreign Arbitral Awards.

In 2008, the DRC established commercial courts in Kinshasa and Lubumbashi. These courts are led by professional judges specializing in commercial matters and exist in parallel with an otherwise inadequate judicial system. The DRC will officially join the Organization for the Harmonization of Business Laws in Africa (OHADA) in September 2014. The core purpose of OHADA is to promote economic development and integration between its members, as well as to ensure a secure commercial environment in Africa. OHADA members agree to adopt a common set of commercial laws – including contract, company and bankruptcy laws – and to submit interpretation of those laws to the final jurisdiction of the OHADA court, which sits in Abidjan, Cote d'Ivoire.

Performance Requirements and Incentives

[Return to top](#)

The DRC does not have any barriers specifically targeting or restricting U.S. trade or investment. There are, nevertheless, some non-tariff related barriers, including the multitude of taxes collected on imported goods by several government agencies and expensive, slow and burdensome customs procedures. The DRC has not maintained any measures that are inconsistent with the WTO's Trade Related Investment Measures (TRIM) requirements. However the GDRC has signaled its intention to impose local content/sourcing requirements on foreign investors, particularly in the mining sector. Although there are no specific performance requirements for foreign investors, there are investment conditions that must be negotiated with ANAPI. The DRC has shortened this procedure to approximately 30 days, and has created a number of incentives to attract

foreign investment. Negotiated incentives can range from tax breaks to duty exemptions, and are dependent upon the location and type of enterprise, the number of jobs created, the extent of training and promotion of local staff, and the export-producing potential of the operation. Investors who wish to take advantage of customs and tax incentives of the 2002 Investment Code must apply to ANAPI, who will in turn submit their applications to the Ministry of Finance and Ministry of Plan for approval. The Ministry of Labor controls expatriate residence and work permits. For U.S. companies, the BIT assures the right to hire staff of their choice to fill some management positions, but the companies agree to pay a special tax on expatriate salaries.

Performance requirements agreed upon initially with ANAPI include a timeframe for the investment, the use of Congolese accounting procedures and periodic authorized GDRC audits, the protection of the environment, periodic progress reports to ANAPI, and the maintenance of international and local norms for the provision of goods and services. The investor must also agree that all imported equipment and capital will remain in place for at least five years. There is no discriminatory or excessively onerous visa, residence or work permit requirement designed to prevent or discourage foreigners from investing in the DRC, though corruption and bureaucracy can create delays in obtaining necessary permits. ANAPI and the Congolese Chamber of Commerce (FEC) play a vital role in addressing business issues in the DRC.

According to the terms of the Investment Code, the GDRC may require compliance with an investment agreement within 30 days of notification. Continued violations of an agreement may result in sanctions, including repayment of benefits received (such as tax exemptions) and eventual nullification of the agreement.

Foreign investors may bid on government contracts on the same terms as domestic investors. Foreign firms may even be favored in the bidding process because they can more easily access and present international insurance funding guarantees. There is no discrimination against U.S. or foreign firms in participating in government-sponsored or subsidized research and development programs, since participation is done on a national treatment basis. With the sponsorship and technical assistance of the World Bank, a tender board now works under the supervision of the Ministry of Budget. Normally, however, public companies and/or parastatals do not participate in the bidding process, due to the financing guarantees required beforehand. In addition, contracts are often negotiated directly with the GDRC, not through an international tender process, thus reducing transparency. Parliament passed a new procurement law in April 2010 and the GDRC has also adopted key implementing steps, institutions, and a manual of procedures to implement the new procurement law. The government said it would launch a public procurement website by December 2011, but it has not yet done so.

Right to Private Ownership and Establishment

[Return to top](#)

The DRC's Constitution (chapter 2, articles 34-40) protects private ownership without discrimination between foreign and domestic investors. It also protects investments against takeover, unless the investment conflicts with some overriding public interest. In this case, there are legal provisions for equitable and appropriate compensation for the parties involved. As with many Congolese laws, these requirements are not always fully respected.

Foreign investors can operate in the DRC either through establishing a branch or local subsidiary. The individual business may either be designated a “Société en Commodite Simple” (SNC), a “Société Privée à Responsabilité Limité (SPRL), a “Société par Actions à Responsabilité Limité (SARL), or a “Société Cooperative.” The most common adopted forms of establishment are the SPRL and SARL, which are both limited liability companies. While in an SPRL shares are not freely negotiable, SARL shares are freely negotiable in principle, unless there are particular arrangements already within the SARL. Incorporation of an SARL requires a minimum of seven shareholders. Furthermore, incorporation of an SARL requires authorization of the Head of State. The Ministry of Justice is entitled to receive 1% of the original stock invested in the business by its founders. Some sectors, including mining, insurance, and banking, have different procedures for creating a company.

The GDRC has restricted some categories of small businesses to Congolese nationals. This includes artisanal production, small retail commerce, small public transport firms, small restaurants, and hotels with fewer than ten beds. Despite GDRC restrictions, some foreign-owned small retailers, particularly Chinese-owned stores, have opened. Additionally, the GDRC bans the majority foreign-ownership of agricultural firms.

Protection of Property Rights

[Return to top](#)

Ownership interest in movable property (e.g. equipment, vehicles, etc.) is secured and registered through the Ministry of the Interior’s Office of the Notary. Real estate property (e.g. buildings and land) is secured and registered at the Ministry of Land’s Office of the Mortgage Registrar. Land registration can be particularly problematic as records are often incomplete and legal disputes over land deals are very common.

In principle, Intellectual Property Rights (IPR) are legally protected in the DRC, but enforcement of IPR regulations is virtually non-existent. The country is a signatory to a number of international agreements with organizations such as the World Intellectual Property Organization (WIPO), and the Paris Convention for the Protection of Intellectual Properties, which protects trademarks and patents. The DRC is also a member of the Berne Convention that protects copyrights, artistic works, and literary rights. The maximum protection that these conventions provide is 20 years for patents and 20 years, renewable, for trademarks, beginning from the date of registration. If it is not used within three years, a trademark can be cancelled. The DRC has not yet signed the WIPO Internet Treaties.

In July 2011, the Ministry of Culture and Art established the Société des Droits d’Auteur et des Droits Voisins (SOCODA) to address IPR issues faced by authors. The Ministry of Culture in collaboration with SOCODA has presented a law to the government that seeks to rectify the flaws of the existing 1986 IPR law. The law is still pending Parliamentary approval.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO’s country profiles at <http://www.wipo.int/directory/en/>.

Embassy point of contact: Economic and Commercial Section at KinshasaEcon@state.gov

Local lawyers list: <http://kinshasa.usembassy.gov/attorneys-in-drc.html>

Transparency of Regulatory System

[Return to top](#)

Implementing a transparent regulatory system is still a challenge in the DRC. It is still far from securing a complete legal and regulatory framework for the orderly conduct of business and the protection of investments. The GDRC authority on business standards, the Congolese Office of Control (OCC), oversees participation by foreign businesses.

There are no formal or informal provisions by any private or public structure, in any business-related environment, used to impede foreign investment. Problems encountered within the GDRC tend to be administrative and/or bureaucratic in nature since reforms and improved laws and regulations are often poorly or unevenly applied. Proposed laws and regulations are not published in draft format for public discussion and comments. Normally discussion only occurs within the governmental or administrative entity that drafts them and at the parliament prior to a vote.

In 2008, the DRC became a candidate country for the Extractive Industries Transparency Initiative (EITI), a multi-stakeholder effort to increase transparency in transactions between governments and companies in the extractive industries. The GDRC has taken positive steps under EITI; however it remains a suspended candidate due to repeated deficiencies in the DRC's EITI reports.

Efficient Capital Markets and Portfolio Investment

[Return to top](#)

The banking sector is expanding rapidly, but lack of finance remains a significant constraint on economic growth. The banking penetration rate is only about 6%, but this has doubled since 2009. This places DRC among one of the most under-banked nations in the world. Although the banking system is growing rapidly, it remains limited in its ability to lend to anything but the largest and most profitable enterprises in the country. All economic operators, foreign and domestic, have access to credit markets in the DRC without discrimination. However, foreign investors are more likely to benefit from this type of credit, since they are able to provide guarantees and collateral secured by foreign banks.

Borrowing options for small and medium enterprises are limited and maturities for loans are usually only 3-6 months, and interest rates are high at 16-18%. The weakness of the legal system, the hostile business climate and the difficulty of obtaining inter-bank financing discourage banks from providing long term loans. There are limited possibilities to finance major projects in CDF, given the banks' limited holdings in the national currency (roughly \$12 million per bank), while foreign currency deposits account for 89% of their holdings.

The DRC had approximately 3.1 million bank accounts in 2013, up from 1.6 million in 2012, most of which are dollar-denominated. Much of this increase is the result of the GDRC paying employees through bank transfers. Banks are increasingly offering savings accounts that pay approximately 3%, but few Congolese hold savings in banks. Most account holders withdraw their balance in full shortly after their salary is deposited.

As of March 2014, there were 18 commercial banks and one development bank, SOFIDE (Société Financière de Développement). All 18 banks are supported primarily with foreign capital. The DRC also has approximately 150 microfinance institutions.

Money transfer agencies are concentrated in Kinshasa and Katanga Provinces, while credit cooperatives are concentrated in North and South Kivu and Kinshasa Provinces. The volume of deposits was \$3.15 billion in March 2014, up from \$2.34 billion in 2012. The overall balance sheets of the DRC banking system amounted to \$4.43 billion in March 2014 up from \$3.47 billion in 2012 while lending volume reached \$1.9 billion in March 2014 up from \$1.4 in 2012.

Portfolio investment is not yet developed in the DRC. Cross-shareholding and stable shareholding arrangements are not common in the DRC. There are occasional complaints about unfair competition between investors in profitable sectors such as mining and telecommunications.

Competition from State Owned Enterprises

[Return to top](#)

The DRC's state-owned enterprises (SOEs) are a large burden on the country's economic development. The SOEs stifle competition and are unable to provide reliable electricity, transportation and other important services over which they have near monopolies. Most of the SOEs are overstaffed and laden with large debts, usually including salary arrears, and large unpaid debts to foreign creditors, other SOEs and the state. The GDRC, via the Steering Committee for the Reform of Public Enterprises (COPIREP), and with support from international donors, began working to reform SOEs in 2010; however it has made little progress.

Corporate Social Responsibility

[Return to top](#)

The GDRC requires companies in key sectors to provide significant Corporate Social Responsibility (CSR) to surrounding communities, including many services normally provided by government. Mining companies are frequently required to support and maintain infrastructure projects such as roads, schools, dams and hospitals. Many companies involved in extractives industries are required to establish a community development fund with projects selected by a committee of representatives from surrounding communities and indigenous groups.

Political Violence

[Return to top](#)

The Department of State's Security Environmental Threat List Report has designated the DRC as a high-threat post for political violence. The DRC has suffered bouts of civil unrest and conflict for many years. Large-scale military looting in 1991 and 1993, for example, resulted in significant loss of economic productive capacity and flight of foreign investors. In addition, widespread looting and destruction associated with wars in the DRC from 1996-1997 and from 1998-2003 further damaged the Congolese economy.

The country's first democratic elections in more than 40 years took place in 2006, under a new constitution that established national and provincial governments. National presidential and legislative elections took place on November 28, 2011. Incumbent President Kabila was declared the winner, although local and international observers reported widespread irregularities, logistical problems, and a lack of transparency. Local and national elections are expected in 2015 and 2016.

The United Nations has its largest peacekeeping operation in the world in the DRC. Known by its French acronym of MONUSCO, it has over 20,000 peacekeepers deployed throughout the country, with a majority of them in the east. The DRC military has conducted a series of operations against the Democratic Forces for the Liberation of Rwanda (FDLR), the Allied Democratic Forces (ADF), the Lord's Resistance Army (LRA) and other armed groups in the eastern DRC in an effort to restore state authority to the region. As a result of conflict and the resulting humanitarian crises, there are approximately 2.7 million internally displaced persons in the DRC. In April 2012, a group calling itself M23 began an aggressive rebellion in North Kivu province, occupying large parts of the province including the provincial capital of Goma for two weeks in November 2012. The Congolese Army, with the assistance of a new UN rapid intervention brigade, defeated M23 in November 2013.

Political instability results in a highly unpredictable security situation in many parts of the country including Kinshasa. On December 30, 2013, clashes occurred when armed supporters of a religious leader attacked strategic government locations in Kinshasa, including the airport, as well as key locations in three other Congolese cities. Over 100 people were killed across the country when Congolese police and military units responded with live gunfire, effectively shutting down the capital until the situation stabilized.

The security situation in the DRC remains unstable and difficult to predict. All travel by Embassy personnel outside of Kinshasa must be vetted by Embassy security staff for approval.

In addition to continuing instability in the eastern DRC, chronic strikes by civil servants, public transport providers and teachers continue to cause social upheaval. Military and police personnel remain poorly trained and underpaid.

Corruption

[Return to top](#)

Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: <http://www.justice.gov/criminal/fraud/>

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. This country is party to [add instrument to which this country is party], but generally all countries prohibit the bribery and solicitation of their public officials.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see <http://www.oecd.org/dataoecd/59/13/40272933.pdf>). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA. The DRC became a party to the UN Convention in 2010.

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery.

The DRC is not a signatory to the UN Anti-Corruption Convention. However, the DRC did pass its own anti-corruption law in 2004. Additional legislation includes the 2004 Money Laundering Act, under which the DRC cooperates with African and European crime-fighting organizations. The DRC is not a signatory of the OECD Convention on Combating Bribery. In September 2007, the DRC ratified the protocol agreement with

SADC (Southern African Development Community) on Fighting Corruption. The GDRC is also preparing to ratify the African Union Convention on the Prevention and Fighting of Corruption.

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see <http://www.oas.org/juridico/english/Sigs/b-58.html>) [Insert information as to whether your country is a party to the OAS Convention.]

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see www.coe.int/greco.)

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize “active bribery” of public officials (offering bribes to any public official must be made a criminal offense, both domestically and trans-nationally) as well as domestic “passive bribery” (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: <http://www.ustr.gov/trade-agreements/free-trade-agreements>. The DRC has no free trade agreement in place with the United States at this time.

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department’s U.S. and Foreign Commercial Service can provide assistance with navigating the host country’s legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company’s overarching compliance program when choosing business partners or agents overseas.

The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department's Advocacy Center and State's Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center "Report A Trade Barrier" Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

Public sector corruption, including bribery of public officials, remains a challenge for U.S. firms operating in the DRC. U.S. and domestic businesses routinely cite corruption as a principal constraint to doing business. In principle, there are laws that punish corruption, for both offering and accepting bribes. The GDRC has recently made some progress on corruption; however bribery is still routine in public and private business transactions, especially in the areas of government procurement, dispute settlement, and taxation. The DRC was ranked 154 out of 177 nations on Transparency International's 2013 Corruption Perception Index.

Corruption, including bribery, raises the costs and risks of doing business. According to a report published in 2012, corruption adds approximately 30-40 % to the cost of transactions in the DRC, compared approximately 10-30% in neighboring countries.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a “Lay-Person’s Guide to the FCPA” is available at the U.S. Department of Justice’s Website at: <http://www.justice.gov/criminal/fraud/fcpa>.
- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/department/0,3355,en_2649_34859_1_1_1_1_1,00.html. See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: <http://www.oecd.org/dataoecd/11/40/44176910.pdf>.
- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.
- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See <http://www.transparency.org/publications/gcr>.
- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See <http://info.worldbank.org/governance/wgi/index.asp>. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: <http://data.worldbank.org/data-catalog/BEEPS>.
- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See <http://www.weforum.org/s?s=global+enabling+trade+report>.
- Additional country information related to corruption can be found in the U.S. State Department’s annual *Human Rights Report* available at <http://www.state.gov/g/drl/rls/hrrpt/>.
- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: <http://report.globalintegrity.org/>.

Bilateral Investment Agreements

[Return to top](#)

The United States and the DRC (then-Zaire) signed a Bilateral Investment Treaty (BIT) in 1984 that entered into force in 1989. This treaty guarantees reciprocal rights and privileges to each country's investors. The BIT provides for binding third-party arbitration in the event of an investment expropriation dispute. There is no Bilateral Taxation Treaty between the U. S. and the DRC.

Germany, France, Belgium, Italy, South Korea, and China (PRC) have signed bilateral investment agreements with the DRC. South Africa and Kenya are negotiating bilateral investment agreements with the DRC. Lebanon, Ivory Coast, and Burkina Faso have negotiated, but not yet signed, bilateral investment treaties with the DRC.

OPIC and Other Investment Insurance Programs

[Return to top](#)

The U.S. Overseas Private Investment Corporation (OPIC), which provides political risk insurance and project financing to U.S. investors and non-governmental organizations, has granted political risk insurance for projects in the DRC in the past and is open to working on future projects in the DRC.

The DRC is a member of the World Bank's Multilateral Investment Guarantee Agency (MIGA), which offers insurance on new foreign investments to protect against foreign exchange losses, expropriation, and civil unrest. The GDRC is negotiating resumption of the MIGA program which would allow for investment insurance in other sectors of the economy. The DRC is also a member of the African Trade Insurance Agency, which provides political risk insurance.

Labor

[Return to top](#)

The DRC's large urban population provides a ready pool of available labor, including a significant number of high school and university graduates, a few of whom have studied at American universities. Employers cannot, however, take diplomas at face value. Skilled labor is in short supply and must usually be trained by individual companies.

The GDRC sets regional minimum wages for all workers in private enterprise, with the highest pay scales applied in the cities of Kinshasa and Lubumbashi. Most foreign employers pay higher wages than the official minimum wage.

The Labor Code is in compliance with the recommendations of the International Labor Organization. The code provides for tight control of labor practices and regulates recruitment, contracts, the employment of women and children, and general working conditions. Strict labor laws can make termination of employees difficult. The code also provides for equal pay for equal work without regard to ethnicity, sex, or age. The DRC Parliament passed a new labor code in April 2014 which will enforce a six day work week, allow married women to work without their husband's approval, permit pregnant women to take leave without suspending their work contract, and ban discrimination on the basis of HIV status.

Employers must cover medical and accident expenses. Larger firms are required to have medical staff and facilities on site, with the obligations increasing with the number

of employees. Mandated medical benefits are a major cost for most firms. Employers must provide family allowances based on the number of children, paid public holidays and annual vacation based on length of service. Employers must also provide daily transportation for their workers or pay an allowance in areas served by public transportation. Outside the major cities, large companies often provide infrastructure, such as roads, schools and hospitals. The Ministry of Labor must grant permission for staff reductions. Generous severance packages are required by the labor code.

Every foreign employee must apply for a work permit from the National Committee of Employment of Foreigners within the Ministry of Labor. The right to strike is recognized and the law provides for reconciliation procedures in cases where the government is not involved.

Foreign-Trade Zones/Free Ports

[Return to top](#)

The DRC does not have any areas designated as free trade or have any free port zones. The DRC is a member of the Southern African Development Community (SADC) and the Common Market of Eastern and Southern Africa (COMESA), but has not yet joined either COMESA or SADC free trade Areas. During the 2014 COMESA forum, the GDRC expressed its intention to join the free trade area of the COMESA.

Foreign Direct Investment Statistics

[Return to top](#)

Obtaining reliable statistical data on foreign direct investment (FDI) in the DRC remains a challenge. Most data of FDI presented by authorized public institutions and agencies are estimates. There are currently two sources of information on FDI in the DRC: the Central Bank (BCC) and the National Agency for Investment Promotion (ANAPI). BCC statistics are based on funds reported to the bank from actual investment projects underway, and are more accurate than those of ANAPI. These figures, however, may not capture all FDI flowing into the DRC. Actual FDI amounts are probably higher than the BCC figures shown here. For the last seven years, BCC has published the following totals:

FDI (in millions of USD):

Year	FDI in the DRC	DRC Investment Abroad	Net FDI
2007	1,808	14.3	1,793.7
2008	1,726.9	54.1	1,672.8
2009	663.8	34.8	629
2010	2,939.3	7.2	2,932.1
2011	1,686.9	90.9	1,596.0
2012	3,312.1	420.5	2,891.6
2013	2,098.3	400.7	1,697.6

The following ANAPI-registered data are obtained from proposals by potential foreign investors. They summarize approved projects in services (including telecommunication, transportation, lodging, and electricity), industry (construction, mining, pharmaceuticals, brewery, manufacturing sector, and agribusiness), forestry / agriculture, and infrastructure.

FDI (in millions of USD)

	2010	2011	2012	2013
SERVICES	512	1,230	1,635	1,888
INDUSTRY	757	697	470	600
FORESTRY / AGRICULTURE	323	39	18	24
INFRASTRUCTURE	2023	61	-	53
TOTAL	3,615	2,027	2,123	2,565

Web Resources

[Return to top](#)

Millennium Challenge Corporation: <http://www.mcc.gov/pages/selection/scorecards>.

Millennium Challenge Corporation: <http://www.mcc.gov/documents/reports/reference-2013001142401-fy14-guide-to-the-indicators.pdf>

Millennium Challenge Corporation: <http://www.mcc.gov/pages/selection/scorecards>

International Intellectual Property Organization: <http://www.wipo.int/directory/en/>

Transparency International: <http://cpi.transparency.org/cpi2013/results/>

The Heritage Foundation: <http://www.heritage.org/index/ranking>

Doing Business: <http://doingbusiness.org/rankings>

Global Innovation Index: <http://www.globalinnovationindex.org/content.aspx?page=gii-full-report-2013#pdfopener>

World Bank: <http://data.worldbank.org/indicator/NY.GNP.PCAP.CD>

Local Lawyers List: <http://kinshasa.usembassy.gov/attorneys-in-drc.html>

U.S. DOJ: <http://www.justice.gov/criminal/fraud/>

OECD: <http://www.oecd.org/dataoecd/59/13/40272933.pdf>

U.N. Office on Drugs and Crime:

<http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>

Organization of American States: <http://www.oas.org/juridico/english/Sigs/b-58.html>

Council of Europe: www.coe.int/greco

U.S. Trade Representative: <http://www.ustr.gov/trade-agreements/free-trade-agreements>

U.S. Trade: www.trade.gov/cs

U.S. DOC: tcc.export.gov/Report_a_Barrier/index.asp

U.S. DOJ: www.justice.gov/criminal/fraud/fcpa

U.S. DOC Anti-Bribery report: http://www.ogc.doc.gov/trans_anti_bribery.html

U.S. DOJ: <http://www.justice.gov/criminal/fraud/fcpa>

OECD: <http://www.oecd.org/dataoecd/11/40/44176910.pdf>

http://www.ogc.doc.gov/trans_anti_bribery.html

World Bank: <http://data.worldbank.org/data-catalog/BEEPS>

World Economic Forum: <http://www.weforum.org/s?s=global+enabling+trade+report>

U.S. DOS: <http://www.state.gov/g/drl/rls/hrrpt/>

Global Integrity Report: <http://report.globalintegrity.org/>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 7: Trade and Project Financing

- [How Do I Get Paid \(Methods of Payment\)](#)
- [How Does the Banking System Operate](#)
- [Foreign-Exchange Controls](#)
- [U.S. Banks and Local Correspondent Banks](#)
- [Project Financing](#)
- [Web Resources](#)

How Do I Get Paid (Methods of Payment)

[Return to top](#)

For international transactions, wire transfers and letters of credit are the most secure payment methods. Cash, checks and local wire transfers are generally used for domestic transactions. Pro-Credit Bank, Raw Bank, BIAC and Trust Merchant Bank launched, respectively, Visa card programs, Web Surfer, and MasterCard programs to better assist commercial transactions. The Web Surfer program is a prepaid card offered by Rawbank to its clients for surfing and making secure internet purchases, 24 hours a day. Other commercial banks have also implemented similar card programs. More commercial banks have also begun to set up Automatic Teller Machines (ATMS). Electronic methods of payment are becoming more common in the DRC's banking system.

How Does the Banking System Operate

[Return to top](#)

The DRC's banking system is comprised of the Central Bank and 18 commercial banks as well as savings/credit cooperatives, microfinance institutions, and financial transfer services. A postal checking system and several credit cooperatives exist, but most of these institutions do not function well, if at all. The vast majority of commercial banking activity in the DRC is focused on short-term credit, which is offered to a restricted number of private enterprises, exchange market operations, and export-import services. Citibank-DRC, a wholly-owned subsidiary of Citicorp, is the only major U.S. bank in the DRC.

DRC financial services are almost entirely focused on the short term: 75 percent of credit disbursed is short-term, less than one year. The political context, the weakness of the legal system, and the hostile business climate do not encourage banks to provide long-term loans, despite the dire need for longer-term investment to finance the renovation and rehabilitation of the DRC's derelict industrial and agricultural sectors. Loans are generally denominated in foreign currencies which further diminishes what little confidence economic operators have in the national currency. There are only limited possibilities for the banks to finance major projects in francs, given the comparison between the level of their own Congolese franc holdings (on average USD 12 million per bank) and foreign currency deposits which account for on average 70.3% of their commitments.

Currently, many of the DRC's commercial banks do not require the payment of service fees to open bank accounts. Most banks require individuals and companies to have a

minimum deposit of up to \$100. Some banks, like Citibank and Standard Bank work with only companies and institutions, and require a minimum deposit of \$2,500 to open a bank account.

Though the Banking system is gradually expanding, most bank accounts are used only to receive pay checks and these are usually withdrawn in full shortly after being deposited.

U.S. Banks and Local Correspondent Banks

[Return to top](#)

Most commercial banks in DRC maintain correspondent arrangements with banks operating in the United States. See Chapter 3 (Local Professional Services).

Project Financing

[Return to top](#)

In general, the DRC's commercial banking system does not currently engage in project financing, with the exception of Rawbank which has benefited from a USD 15 million-credit line from the International Finance Corporation, aimed at financing small and medium-sized enterprises (SMEs). BIAC, Pro-Credit Bank and Trust Merchant Bank have also provided financing to SMEs.

In FY 2011 USAID launched new USG Development Credit Authority (DCA) loan guarantee agreements to help catalyze the availability of credit in the agricultural and small enterprise sectors (Please see Chapter 6). The DRC's commercial banking system also provides a limited amount of trade financing. Most foreign business ventures in the DRC are financed privately because the existing political risk generally precludes other sources of financing. Local sources of commercial credit remain scarce, but are available to established businesses. However, only a handful of Congolese firms are usually considered good credit risks, and most traders operate on the basis of irrevocable Letters of Credit Insurance, which remains expensive.

Several bi-lateral and multi-lateral organizations fund infrastructure and development projects, including U.S. Agency for International Development (USAID), the World Bank (WB), the United Nations Development Program, the European Commission (EC) and the African Development Bank Group (AfDB). U.S. investors should investigate procurement opportunities through these organizations.

Web Resources

[Return to top](#)

Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: <http://www.opic.gov>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>

U.S. Agency for International Development: <http://www.usaid.gov>

African Development Bank: <http://www.afdb.org/en/>

World Bank Group: <http://www.worldbank.org/>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 8: Business Travel

- [Business Customs](#)
- [Travel Advisory](#)
- [Visa Requirements](#)
- [Telecommunications](#)
- [Transportation](#)
- [Language](#)
- [Health](#)
- [Local Time, Business Hours and Holidays](#)
- [Temporary Entry of Materials and Personal Belongings](#)
- [Web Resources](#)

Business Customs

[Return to top](#)

Protocol: Congolese are generally open and accommodating in both personal and business dealings. However, protocol remains important in business meetings and transactions, particularly with government officials. Common sense, courtesy, and European traditions of social etiquette apply. Hands are shaken with men and women on encounter and departure. Do not use first names until invited to do so. “Monsieur,” “Madame,” and “Mademoiselle” are the usual forms of address. Senior government officials should be addressed with the appropriate formal title (such as Excellency or Mr. Minister). French is the language of business in the DRC; almost all meetings will be conducted in French. Requests for meetings, particularly with government officials, should be sent by formal written request.

Time: It is the rare business trip to DRC that sticks to its schedule. Most require more time, patience, and meetings than in the U.S. In scheduling appointments, allow extra time and resources to establish a date and time. Be prepared for delays or cancellations on short notice, particularly meetings with government officials, with the length of delay increasing proportionally to the official’s position. The private sector tends to be slightly more punctual. Lunches generally run two hours, dinners begin at eight or nine, and nightclubs operate from midnight to dawn. Reconfirm appointments one day in advance.

Attire: Business attire (“tenue de ville”) is appropriate for business meetings with private sector or government officials, and is also recommended for most dinner engagements, unless more casual dress (décontractée) is explicitly indicated. Bring casual wear for club or outdoor functions and an umbrella during the rainy season, which is usually October through April. Given the heat and humidity, natural fibers provide the most comfort. Laundry and dry cleaning is available at major hotels and several small outlets.

Travel Advisory

[Return to top](#)

http://travel.state.gov/travel/cis_pa_tw/cis/cis_1104.html

A valid passport, visa, and vaccination certificate showing a current yellow fever immunization are required for entry into the DRC. American citizens should not travel to the DRC without a valid visa, and should apply for one well in advance of any trip to allow for unanticipated delays. Visas are not available at the airport. Travelers should not count on Congolese visas being available in neighboring countries. Visitors planning extended stays must apply for a “Visa d’ Établissement” after arrival in DRC. These have been difficult to obtain for business purposes if original entry was made on a tourist visa, but many Congolese embassies will not issue business-entry visas. Current information on Congolese visa requirements is available from the DRC’s Washington, D.C. and New York missions. See below for contact information for the Washington mission.

Congolese officials closely scrutinize travel documents at border crossings and while traveling within the country. All airline passengers have their passports and travel documents examined and stamped, even for domestic flights. Do not attempt to bully or bluster your way past officials. Make photocopies of all travel documents; after arrival, make your business rounds with the copies and leave the originals in a secure place. Other papers: Many areas in DRC’s interior (notably in Orientale, Kasai, Katanga, North Kivu and South Kivu provinces) are officially demarcated as mining regions, travel to which requires government permission, regardless of the visitor’s purpose. The Interior Ministry issues the permit, also known as a “Sauf conduit”, and obtaining one may be a lengthy process.

Photography of public buildings, airport, harbors, military installations, hospitals, and border areas is forbidden, and photography is often frowned upon in other places, particularly in Kinshasa. Offenders risk confiscation of equipment, arrest, and fines. Penalties for possession, use, and trafficking in illegal drugs are strictly enforced.

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/>

DRC Mission in Washington, DC: 1800 New Hampshire Avenue NW, Washington, DC 20009

Phone: (202) 234-7690, 7691; Fax: (202) 234-2609

<http://www.ambardcusa.org/>

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/>

The DRC's communication network epitomizes the country's unpredictable blend of 21st century technology and glaring insufficiencies. Advanced telecommunications and modern courier services are often available, but landline telephone system and state postal services are unreliable or non-existent. The DRC also has several cellular phone providers and numerous private radio-telephone networks. However, the cellular networks are not fully linked and suffer from overload and occasional service interruption. Hence, many persons subscribe to at least two different services, and satellite phones are popular for remote areas in the interior of the country. The DRC's major cellular phone providers are Zain, Vodacom, Tigo, Orange and Africell. International links are easier and more efficient than domestic networks. International courier services (e.g. DHL) are available in the major cities. Many large firms have their own radio-telephone systems, including satellite uplinks. The DRC also has a growing number of private internet service providers (ISPs).

Dialing instructions:

To dial from outside the DRC: (+ or 00) + 243 (country code) + the ten digit number provided (drop the first zero).

Dialing within the DRC: Use only the ten digit number, always starting with 0.

Transportation

[Return to top](#)

The overall road, railway, maritime and airport infrastructure system is dilapidated and requires a huge amount of public and private investment for rehabilitation.

Entering the DRC: Travelers from the United States generally enter the DRC via daily flights from Paris or Brussels. Flights are also available from Nairobi, Addis Ababa, Casablanca, and Johannesburg.

Domestic Travel: Once in-country, most travelers prefer to hire a vehicle and driver for intra-urban ground transport. Road conditions do not usually permit travel between major cities, but several airlines offer domestic air service. The U.S. Federal Aviation Administration (FAA) has assessed the Government of the DRC's Civil Aviation Authority as not being in compliance with International Civil Aviation Organization (ICAO) aviation safety standards for oversight of the DRC's air carrier operations. Civil aviation in the DRC experiences frequent air incidents and accidents; more than a dozen air crashes and in-flight accidents resulted in more than 300 fatalities between 2000 and 2008. There have also been several incidents since 2008 causing deaths and injuries. Flights are often crowded, delayed for hours and cancelled on little or no notice, and some airlines have poor maintenance records.

Public ground transportation is generally crowded, unreliable, unsafe or non-existent. Many taxis are unlicensed and thus not easily identifiable. Rates vary and the fare should be established before entering the vehicle. Because taxis carry several passengers, travelers wishing to be the vehicle's sole occupant should establish this fact at the outset.

Language

[Return to top](#)

French is the business language. Four regional languages have official status: Kikongo (Bas-Congo and Bandundu), Kiswahili (Katanga, Kivus and Orientale), Lingala (Kinshasa, Equateur and within the Congo River Valley), and Tshiluba (Kasais). Many expatriates and some Congolese businesspersons have some knowledge of English.

Health

[Return to top](#)

Potential health hazards are widespread in tropical Africa and greatly impact the local population. Most business travelers will have few difficulties if they secure proper immunizations, take an anti-malarial medication and stick to some basic rules, including drinking only bottled water and seeing a doctor at the first sign of malaria. Traffic accidents are one of the most common causes of death or serious injury, given the poor road conditions, bad driving habits and the lack of emergency services. Guidebooks for Africa generally have good information and there are several health manuals for international travelers. Specific information is available from the international traveler's hotline, Center for Disease Control, Atlanta (tel: 404-332-4559). Medical facilities are extremely limited, and medicine is in short supply. Full and immediate cash payment is expected for health services. Not all American medical insurance is valid outside the U.S.; supplemental insurance with overseas coverage may be necessary.

For more health information regarding the DRC, please consult the Center for Disease Control (CDC) website: <http://www.cdc.gov>

Local Time, Business Hours, and Holidays

[Return to top](#)

The DRC spans two time zones, which are GMT+ 1 in the Western part of the country, including Kinshasa Capital, and GMT +2 in the eastern part included Lubumbashi. Business hours for most firms and government offices are from 8 a.m. to 5 p.m., Monday through Friday, with a two-hour break taken at some point between noon and 3 p.m. It is not unusual, however, for offices to close early in the afternoons. Saturday mornings, many offices in the private sector are open, and government officials are often at work but usually do not take visitors. Banks are closed to commercial transactions on Saturdays. See <http://kinshasa.usembassy.gov> for US Embassy Kinshasa hours.

Congolese holidays include:

January 1: New Year's Day

January 4: Day of the Martyrs

January 16 and 17: National Heroes' Day

May 1: Labor Day

May 17: Liberation Day

June 30: Independence Day

August 1: Parents' Day

December 25: Christmas Day

Note that Congolese holidays are often subject to government confirmation one day in advance, and international organizations and diplomatic missions have varying holiday schedules.

Temporary Entry of Materials and Personal Belongings

[Return to top](#)

Issues related to temporary entry of materials and personal belongings are mainly under the discretion of the DRC's Customs Authority (DGDA). The DRC's Import-Export Controller (OCC) and the DRC's Migration Authority (DGM) will sometimes get involved in such issues.

Web Resources

[Return to top](#)

CDC: <http://www.cdc.gov>

US Embassy Economic and Commercial section:
<http://kinshasa.usembassy.gov/business.html>

See also links above.

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 9: Contacts, Market Research and Trade Events

- [Contacts](#)
- [Market Research](#)
- [Trade Events](#)

Contacts

[Return to top](#)

See information available at the following link:

http://kinshasa.usembassy.gov/economic_and_commercial_section.html

Market Research

[Return to top](#)

To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/mrktresearch/index.asp> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

Trade Events

[Return to top](#)

Please click on the link below for information on upcoming trade events.

<http://www.export.gov/tradeevents/index.asp>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 10: Guide to Our Services

The President's National Export Initiative aims to double exports over five years by marshaling Federal agencies to **prepare U.S. companies to export successfully, connect them with trade opportunities** and **support them once they do have exporting opportunities**.

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: www.export.gov

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link: (Insert link to Products and Services section of local buyusa.gov website here.)

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRAD(E)**.

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.

[Return to table of contents](#)