

Executive Summary

This fact sheet provides key trade and investment related statistics for the Democratic Republic of Congo (DRC). Specifically, it shows global trade and investment flows including an analysis of top markets and products for the DRC in relation to South Africa and the Western Cape, highlighting the largest and fastest growing products and sub-sectors. The key highlights in the fact sheet are provided below:

Trade

- Both the DRC's services export and services imports increased in 2020, with services exports increasing by 1.22%, and services imports by 19.09%. Travel services accounted for the largest proportion (56.25% or USD80.79m) of services exported by the DRC in 2020. While transport services accounted for the largest proportion of services imports at 39.98% (or USD1076.06m) in 2020.
- Refined copper dominated the country's goods export basket, accounting for 61.42% of total exports at a value of USD8673.45m in 2020. Unused postage, revenue dominated the import basket with a total import value of USD1192.02m and comprising a 17.89% share.
- In 2020, the DRC accounted for 0.1% of global exports, making it the 76th largest global exporter.
- South Africa's export receipts with the DRC totalled ZAR12.72bn in 2020, a decrease of 14.25% from the 2019 value of ZAR14.83bn. Associated import costs increased by 35.25% to a value of ZAR837.79m in 2020, up from ZAR619.46m incurred in 2019. South Africa's leading export product to the DRC in 2020 was petroleum oils (excluding crude) at a value of ZAR996.06m.
- Western Cape export receipts from its trade with the DRC stood at ZAR656.36m in 2020, decreasing by 27.31% from the 2019 value of ZAR902.93m. Import costs stood at ZAR4.29m in 2020, decreasing by 16.08% from the 2019 value of ZAR5.11m. The Western Cape's leading export product to the DRC in 2020 was sulphur, at a value of at ZAR77.37m.

Investment

- Over the period January 2003 to May 2021, there were 125 companies which invested 150 FDI projects into the DRC, reaching a total capex of ZAR288.05bn and creating 47, 562 jobs.
- Asia-Pacific was the largest source region for FDI projects and capex into the DRC, with 43 projects invested with a total capex of ZAR91.60bn over the period 2003 to May 2021.
- China was the largest source markets for FDI into the DRC in terms of projects, (16 projects) with a total capex of ZAR26.99bn over the period under review.
- The metals sector in the DRC attracted the largest number of FDI projects over the period 2003 to May 2021. More specifically, this sector attracted 44 projects, with a total capex value of ZAR175.78bn.
- Between January 2003 and May 2021, a total of 4 companies from the DRC invested 4 projects globally. This undertaking reached a cumulative capex to the value of ZAR2.57bn and created 334 jobs.
- Between January 2003 and May 2021, only one company from the DRC invested into South Africa, with one project invested into Gauteng.
- In turn, there were 14 outward FDI projects from South Africa (and two from the Western Cape) into the DRC over the period 2003 to May 2021. The undertaking of these projects reached a total capex value of ZAR22.80bn.

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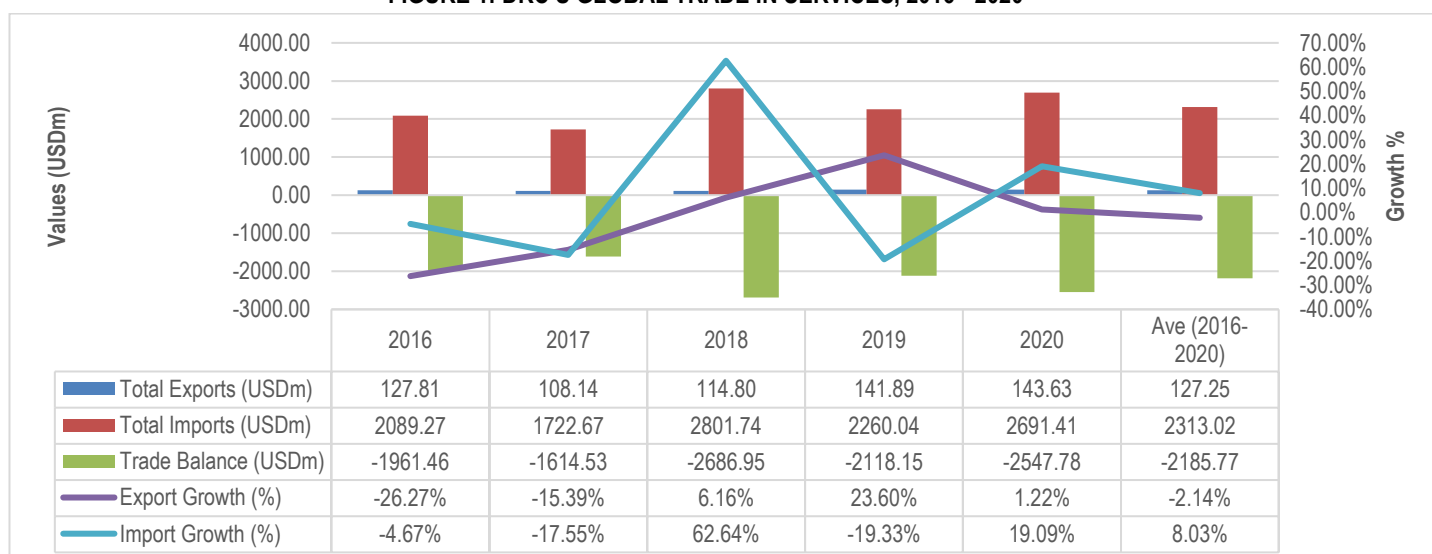
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1. TRADE

1.1 THE DRC'S TRADE IN SERVICES

The Democratic Republic of Congo (DRC)'s global trade in services for the period 2016 to 2020 is shown in the figure below. The country's services imports consistently outpaced its services exports throughout the period under review, firmly establishing the DRC's position as a net importer of services. In 2020, both services exports and services imports increased. Services exports increased slightly by 1.22% to a value of USD143.63m in 2020 from USD141.89m recorded for 2019, while service imports increased by 19.09% from USD2260.4m recorded in 2019 to USD2691.41 in 2020. Overall, average services export growth declined by 2.14% per annum from 2016 to 2020, while import growth increased by 8.03% per annum over the same period.

FIGURE 1: DRC'S GLOBAL TRADE IN SERVICES, 2016 - 2020



Source: TradeMap, 2021

As shown in the table below, travel services dominated the country's global export services trade in 2020, accounting for 56.25% (USD80.79m) of services exported by the DRC (in 2020). Government goods and services, and transport services followed in second and third place, accounting for 19.80% (USD28.43m) and 16.39% (USD23.55m), respectively in the same year. Further to this, travel services trade recorded the highest growth in export services, growing at an average annual rate of 1047.50% over the period 2016 to 2020.

TABLE 1: DRC – TOP 10 EXPORTED SERVICES, 2020

	EXPORTED VALUE (USDm), 2020	% SHARE 2020	AVE GROWTH (%), 2016 - 2020
Travel	80.79	56.25%	1047.50%
Government goods and services	28.43	19.80%	-4.15%
Transport	23.55	16.39%	-19.16%
Other business services	4.41	3.07%	-4.15%
Telecommunications, computer, and information services	3.82	2.66%	-4.15%
Financial services	2.56	1.78%	-4.15%
Personal, cultural, and recreational services	0.07	0.05%	-3.91%
ALL SERVICES	143.63	100.00%	-2.14%

Source: TradeMap, 2021

Turning to key trade service imports, transport services also dominated the country's global import services trade in 2020, accounting for 39.98% (USD1076.06) of all services imported by the country in 2020. Other business services and insurance and pension services ranked second and third, accounting for 20.48% (USD551.17m) and 17.69% (USD476.20m), respectively in the same year. In terms of highest average annual growth rate, telecommunications, computer, and information services came first, growing by 437.94% over the period 2016 to 2020. This was followed by financial services imports (68.25%), and construction services (60.79%).

TABLE 2: DRC – TOP 10 IMPORTED SERVICES, 2020

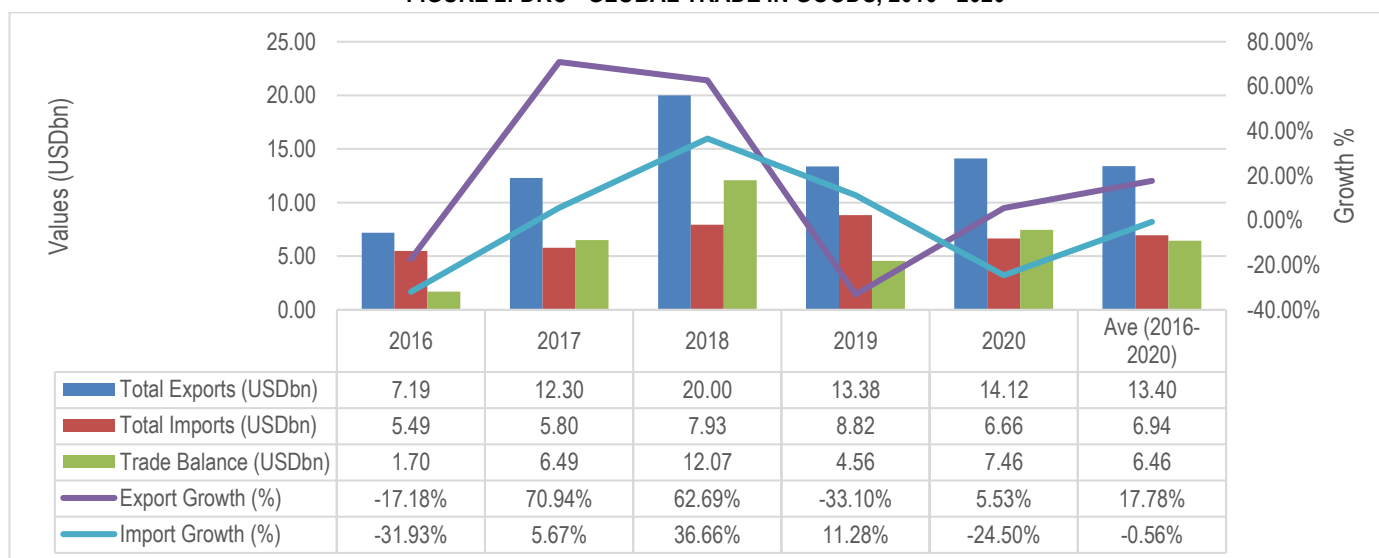
	IMPORTED VALUE (USDm), 2020	% SHARE 2020	AVE GROWTH (%), 2016 - 2020
Transport	1076.06	39.98%	3.97%
Other business services	551.17	20.48%	39.42%
Insurance and pension services	476.20	17.69%	5.33%
Travel	203.73	7.57%	25.25%
Government goods and services	195.16	7.25%	-3.30%
Financial services	110.31	4.10%	68.25%
Construction	65.44	2.43%	60.79%
Personal, cultural, and recreational services	8.97	0.33%	60.75%
Telecommunications, computer, and information services	4.36	0.16%	437.94%
ALL SERVICES	2691.41	100.00%	8.03%

Source: TradeMap, 2021

1.2 THE DRC'S TRADE IN GOODS

The DRC's trade in goods paints a somewhat different picture to that of its trade in services. The DRC recorded a trade surplus in goods trade throughout the period 2016 to 2020. In 2020, good exports increased for the DRC, defying the impact of coronavirus and restrictions on movement of goods during the pandemic. Specifically, goods exports increased by 5.53% to a value of USD14.12bn in 2020 from USD13.38bn in 2019, while imports fell by 24.50% from USD8.82bn in 2019 to USD6.66bn in 2020. Furthermore, export growth increased at a rate of 17.78% per annum, while import growth decreased marginally at a rate of 0.56% per annum from 2016 to 2020.

FIGURE 2: DRC - GLOBAL TRADE IN GOODS, 2016 - 2020



Source: TradeMap, 2021

In terms of the DRC's top traded products, copper (refined) dominated the export basket, accounting for 61.42% of exports at a value of USD8673.45m in 2020. Cobalt oxides and hydroxides followed in a distant second place at an export value of USD3144.00m, accounting for 22.26% of exports in the same year. Copper ores and concentrates placed third at a value of USD812.71m and accounting for 5.75% exported goods from the DRC in 2020. There has been exceptional growth in the exports of petroleum oils (excluding crude) in recent years, increasing at an average annual rate of 3735.88% per annum from 2016 to 2020. Waste and scrap, of copper followed in second place with an average growth of 251.99%, while cobalt mattes and other intermediate products of cobalt metallurgy exports followed in third with a growth rate of 62.18% per annum.

TABLE 3: DRC – TOP 10 EXPORTED GOODS, 2020

	EXPORTED VALUE (USDm), 2020	% SHARE 2020	AVE GROWTH (%), 2016 - 2020
Copper, refined	8673.45	61.42%	12.77%
Cobalt oxides and hydroxides	3144.00	22.26%	40.93%
Copper ores and concentrates	812.71	5.75%	22.56%
Copper, unrefined	500.79	3.55%	-
Ores and concentrates	166.97	1.18%	34.60%
Cobalt mattes and other intermediate products of cobalt metallurgy	147.91	1.05%	62.18%
Diamonds	113.46	0.80%	-
Cocoa beans, whole or broken, raw or roasted	87.27	0.62%	26.37%
Petroleum oils (excluding crude)	68.85	0.49%	3735.88%
Waste and scrap, of copper	56.65	0.40%	251.99%
ALL PRODUCTS	14122.15	100.00%	17.78%

Source: TradeMap, 2021

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In terms of key trade export markets, China was the leading destination market for the DRC's exports at a value of USD5793.85m in 2020. Tanzania followed in second place, with exports reaching a total value of USD1667.4m. Zambia came third, with exports to this nation reaching a total value of USD1243.64m. Of the top 10 export markets, the fastest growing markets for the DRC's exports over the five-year period leading up to and including 2020 were Mozambique (3875.34%), Singapore (1928.28%) and Hong Kong, China (625.20%).

South Africa was the DRC's 4th largest export market in 2020 at a value of USD1091.97m.

TABLE 4: DRC – TOP EXPORT GOODS MARKETS (USDm), 2020

RANK	COUNTRY	VALUE 2020 (USDm)	AVE GROWTH (%)
			2016-2020
1	China	5793.85	54.10%
2	Tanzania, United Republic of	1667.74	29.36%
3	Zambia	1243.64	19.46%
4	South Africa	1091.97	-0.89%
5	Singapore	1019.71	1928.28%
6	United Arab Emirates	849.91	32.95%
7	Switzerland	810.75	110.75%
8	Mozambique	681.08	3875.34%
9	Vietnam	232.42	284.89%
10	Hong Kong, China	147.02	625.20%
TOTAL EXPORTS		14122.15	17.78%

Source: TradeMap, 2021

Turning to imports, unused postage, revenue was the largest imported good into the DRC in 2020, reaching a total import value of USD1192.02m and comprising a 17.89% share of the entire import basket. Petroleum oils (excluding crude) ranked second with a value of USD280.12m (4.20%), while sulphur ranked third with a value of USD227.77m. The import of unused postage, revenue had the highest growth in imports, increasing at an average annual rate of 27.95% per annum from 2016 to 2020. Sulphuric acid followed in second place with an average growth of 20.88%, while natural magnesium carbonate product imports followed in third with a growth rate of 14.34% per annum.

TABLE 5: DRC – TOP 10 IMPORTED GOODS, 2020

	IMPORTED VALUE (USDm), 2020	% SHARE 2020	AVE GROWTH (%), 2016 - 2020
Unused postage, revenue	1192.02	17.89%	27.95%
Petroleum oils (excluding crude)	280.12	4.20%	-4.15%
Sulphur	227.77	3.42%	9.72%
Medicaments	149.15	2.24%	6.41%
Machinery for sorting, screening, separating, washing	138.59	2.08%	7.96%
Sulphuric acid	135.74	2.04%	20.88%
Motor vehicles for the transport of goods	135.11	2.03%	2.80%
Quicklime, slaked lime and hydraulic lime	126.71	1.90%	6.42%
Natural magnesium carbonate	108.04	1.62%	14.34%
Pumps for liquids	104.69	1.57%	1.99%
ALL PRODUCTS	6663.10	100.00%	-0.56%

Source: TradeMap, 2021

China was also the leading source market for the DRC's imports at a value of USD1687.80m in 2020. The US followed in second place with exports reaching a total value of USD1418.93m. South Africa came third, with exports reaching a total value of USD611.68m in 2020. Of the top 10 export markets, the fastest growing markets for the DRC's exports over the five-year period leading up to and including 2020 were the US (133.97%), China (11.64%), and the Russian Federation (5.11%).

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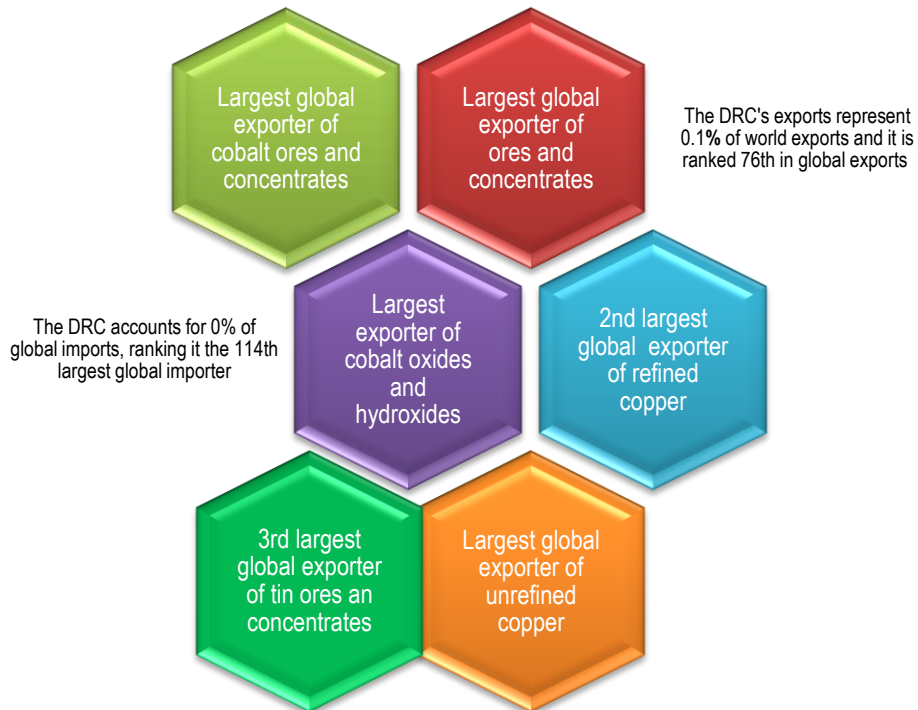
TABLE 6: DRC – TOP IMPORT GOODS MARKETS (USDm), 2020

RANK	COUNTRY	VALUE 2020 (USDm)	AVE GROWTH (%)
			2016-2020
1	China	1687.80	11.64%
2	United States of America	1418.93	33.97%
3	South Africa	611.68	-11.74%
4	Zambia	326.09	7.46%
5	India	315.23	-5.98%
6	United Arab Emirates	212.27	2.46%
7	Germany	137.45	-7.55%
8	Belgium	124.56	-14.92%
9	Japan	102.85	-3.64%
10	Russian Federation	100.99	5.11%
TOTAL IMPORTS		6663.10	-0.56%

Source: TradeMap, 2021

The figure below illustrates the DRC's ranking in global trade. In 2020, the DRC accounted for 0.1% of global exports making it the 76th largest global exporter. Furthermore, the DRC held a clear trade advantage in exports of cobalt ores and concentrates; ores and concentrates and cobalt oxides and hydroxides.

FIGURE 3: DRC'S COMPETITIVE TRADE ADVANTAGE, 2020

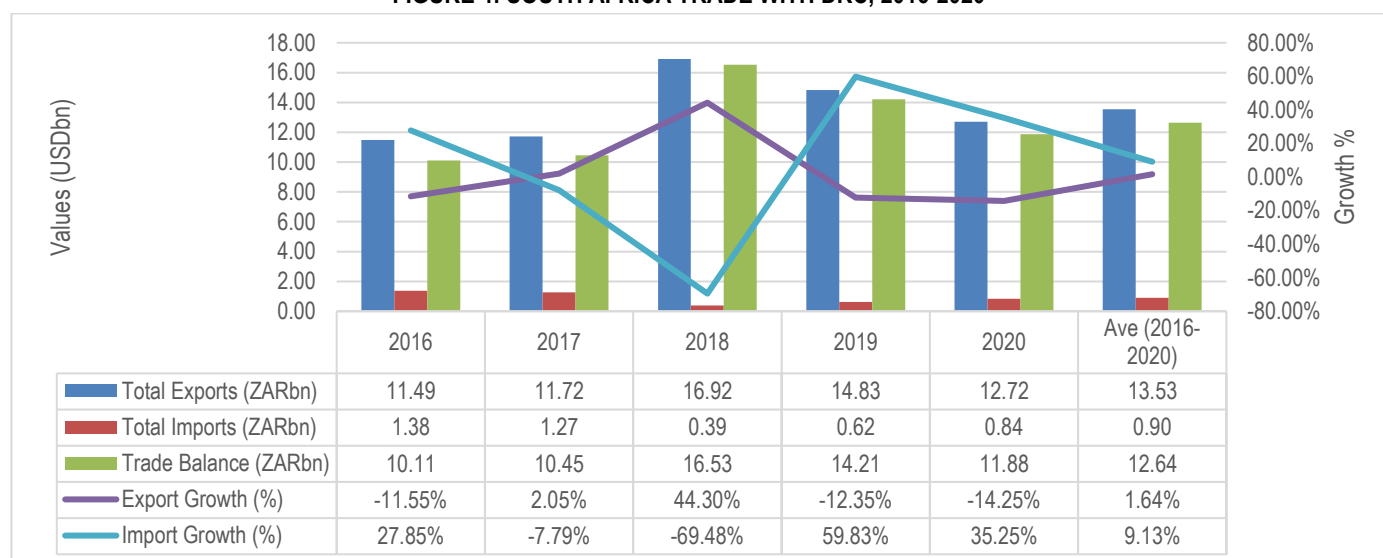


Source: TradeMap, 2021

1.3. THE DRC's TRADE WITH SOUTH AFRICA

South Africa's trade with the DRC for the period 2011 - 2020 is shown in the figure below. In 2020, South Africa's export receipts with the DRC decreased from a value of ZAR14.83bn recorded in 2019 to ZAR12.72bn in 2020. In contrast, South Africa's imports from the DRC increased by 32.25% to a value of ZAR0.84bn (or ZAR837.79m) in 2020, up from a cost of ZAR0.62bn or (ZAR619.46m) incurred in 2019. Overall, South Africa's export growth to the DRC increased at an average annual rate of 1.64% per annum from 2016 to 2020, while imports increased at an average rate of 9.13% over the same period.

FIGURE 4: SOUTH AFRICA TRADE WITH DRC, 2016-2020



Source: Quantec, 2021

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The export of petroleum oils (excl. crude) dominated South Africa's export basket to the DRC, accounting for 7.83% of total exports at a value of ZAR996.06m in 2020. The unclassified category ranked second, reaching a value of ZAR741.93m and accounting for 5.83% of total exports to the DRC in 2020, while pumps for liquids was in third position at a value of ZAR591.48m and accounting for 4.65% exported goods. The export of the unclassified had the highest growth in exports, increasing at an average annual rate of 803.53% per annum from 2016 to 2020. Cereal groats, meal and pellets followed in second place with an average growth of 223.97%, while insulated wire, cable product exports followed in third place with a growth rate of 11.43% per annum.

TABLE 7: SOUTH AFRICA TOP 10 EXPORTS TO THE DRC, 2020

	EXPORTED VALUE (ZARm), 2020	% SHARE 2020	AVE GROWTH (%), 2016 - 2020
Petroleum oils (excl. crude)	996.06	7.83%	5.70%
Unclassified	741.93	5.83%	803.53%
Pumps for liquids	591.48	4.65%	4.49%
Machinery for sorting, screening, stone, ores	478.39	3.76%	4.81%
Parts suitable for use with the machinery	445.32	3.50%	2.91%
Cereal groats, meal and pellets	394.73	3.10%	223.97%
Taps, cocks, valves	261.63	2.06%	3.69%
Insulated wire, cable	259.70	2.04%	11.43%
Centrifuges	220.80	1.74%	8.50%
Transmission shaft	198.85	1.56%	-4.85%
ALL PRODUCTS	12715.24	100.00%	1.64%

Source: Quantec, 2021

Turning to South Africa's import basket from the DRC, refined copper and copper alloys held the majority share at a value of ZAR762.18m of imports in 2020, which was equivalent to at 90.97% of total imports. This was followed by other aircraft (for example, helicopters, aeroplanes) (ZAR22.79m or 2.72%); and copper waste and scrap (ZAR13.08m or 1.56%). Further to this, parts for use with machinery reached the highest growth rate in imports, growing at an average annual rate of 66.19% per annum from 2016 to 2020. This was followed by refined copper and copper alloys (57.08%).

TABLE 8: SOUTH AFRICA TOP 10 IMPORTS FROM DRC, 2020

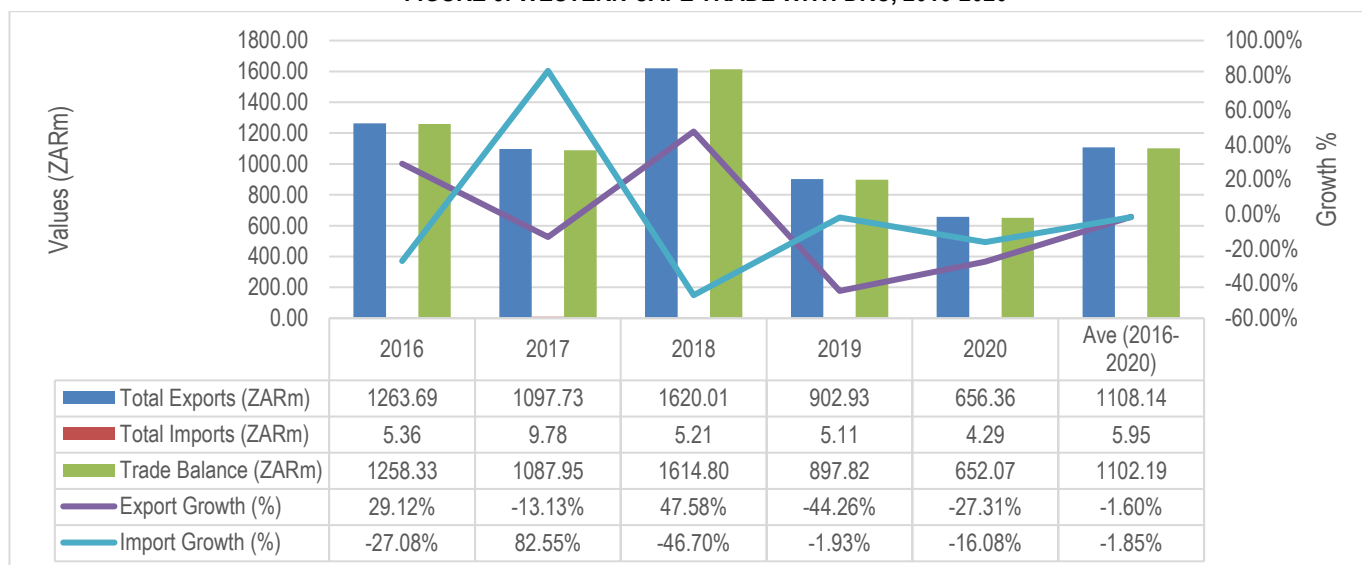
	IMPORTED VALUE (ZARm), 2020	% SHARE 2020	AVE GROWTH (%), 2016 - 2020
Refined copper and copper alloys	762.18	90.97%	57.08%
Other aircraft (for example, helicopters, aeroplanes)	22.79	2.72%	0.00%
Copper waste and scrap	13.08	1.56%	-2.93%
Diamonds	12.49	1.49%	-59.53%
Other lifting, handling, loading, or unloading machinery	5.57	0.67%	--
Parts for use with machinery	3.53	0.42%	66.19%
Vegetable alkaloids	2.68	0.32%	-13.47%
Wood sawn or chipped lengthwise	1.97	0.24%	-54.30%
Ferrous waste and scrap	1.75	0.21%	-21.61%
Self-propelled bulldozers, angledozers	1.39	0.17%	-
ALL PRODUCTS	837.79	100.00%	35.25%

Source: Quantec, 2021

1.4. THE DRC'S TRADE WITH WESTERN CAPE

Turning to the Western Cape's trade with DRC for the period 2016 – 2020, in 2020, both the Western Cape's exports too and imports from the DRC declined. To this end, exports decreased by 27.31% from ZAR902.93m in 2019 to ZAR656.36m in 2020, while the imports fell by 16.08%, from a value of ZAR5.11m in 2019 to ZAR4.29m in 2020. Overall, the Western Cape's export growth to the DRC fell by an average annual rate of 1.60% from 2016 to 2020, while imports fell by an average rate of 1.85% over the same period.

FIGURE 5: WESTERN CAPE TRADE WITH DRC, 2016-2020



Source: Quantec, 2021

The Western Cape's dominant export product to the DRC in 2020 was sulphur at a value of ZAR77.37m. This was equivalent to 11.79% of all export receipts earned by the Western Cape from trade with DRC in the year. Petroleum oils, other than crude placed second at a value of ZAR75.93m (11.57%), followed by fish at ZAR49.24m (7.50%). The Western Cape's fastest growing export product categories over the six-year period leading up to and including 2020 (to the DRC) were fish (1994.87%), cereal groats, meal and pellets (458.16%), and sulphur (336.89%).

TABLE 9: WESTERN CAPE TOP 10 EXPORTS TO DRC, 2020

	EXPORTED VALUE (ZARm), 2020	% SHARE 2020	AVERAGE GROWTH (%), 2016 - 2020
Sulphur	77.37	11.79%	336.89%
Petroleum oils, other than crude	75.93	11.57%	12.44%
Fish	49.24	7.50%	1994.87%
Acrylic polymers in primary forms	39.29	5.99%	46.17%
Food preparations	38.09	5.80%	208.32%
Apples, pears and quinces	26.49	4.04%	23.59%
Natural magnesium carbonate (magnesite)	18.70	2.85%	28.65%
Fruit juices (including grape must)	17.80	2.71%	43.10%
Cereal groats, meal and pellets	15.15	2.31%	458.16%
Centrifuges	13.80	2.10%	3.32%
ALL PRODUCTS	656.36	100.00%	-1.60%

Source: Quantec, 2021

Wood sawn or chipped lengthwise dominated products imported by the Western Cape from the DRC in 2020 at a cost of ZAR1569.10 (or ZAR1.57m). This was equivalent to 36.58% of all import costs incurred by the Western Cape with the country in 2020. Vegetable alkaloids placed second at a cost of ZAR1329.14 (or ZAR1.33m). Wood sawn or chipped lengthwise was the only product category that increased between 2016 and 2020, growing at an average annual growth rate of 94.55%.

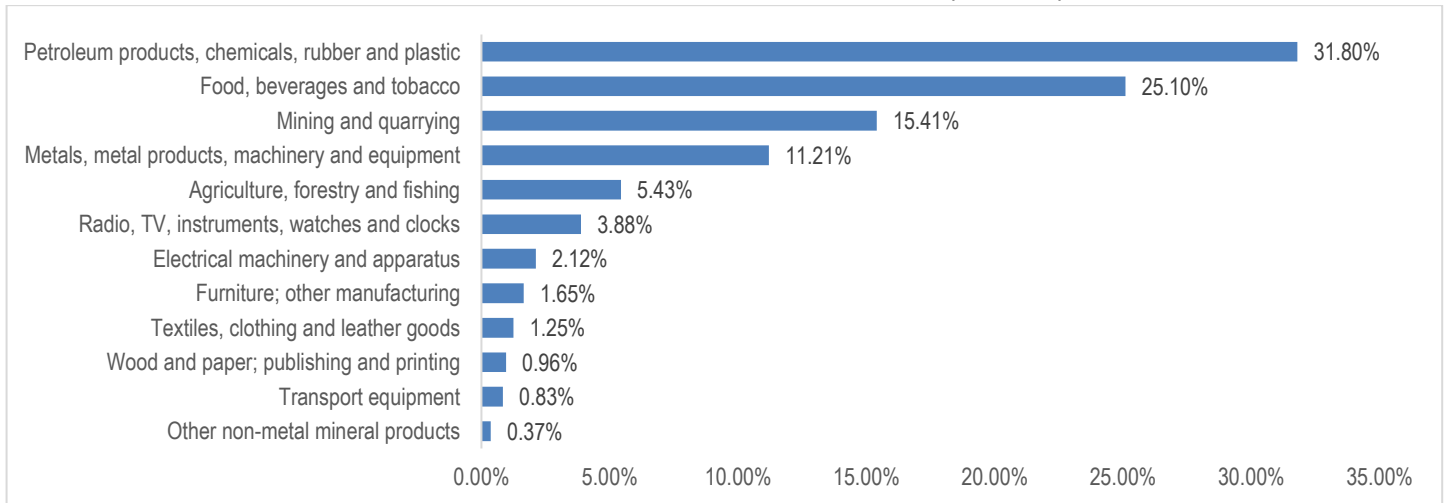
TABLE 10: WESTERN CAPE TOP 10 IMPORTS FROM DRC, 2020

	IMPORTED VALUE (ZAR 000'), 2020	% SHARE 2020	AVERAGE GROWTH (%), 2016 - 2020
Wood sawn or chipped lengthwise	1569.10	36.58%	94.55%
Vegetable alkaloids	1329.14	30.98%	-
Pumps for liquids	346.33	8.07%	-
Parts suitable for use solely with machinery	295.44	6.89%	-
Transmission shafts (including cam shafts and crank shafts)	198.24	4.62%	-
Ferrous waste and scrap	145.68	3.40%	-
Centrifuges	80.13	1.87%	-
Containers for compressed or liquefied gas	65.01	1.52%	-
Compression-ignition internal combustion piston engines	64.44	1.50%	-
Gaskets	41.96	0.98%	-
ALL PRODUCTS	4290.00	100.00%	-1.85%

Source: Quantec, 2021

Trade between the Western Cape and DRC is relatively well diversified. The two diagrams below are reflective of this and provide an overview of key trade flows between the Western Cape and the DRC on a *sector level*. As indicated in the graphs below, the petroleum, chemicals, rubber and plastics sector was the Western Cape's top sector in terms of export receipts earned from trade with DRC in 2020, accounting for 31.80% of export earnings. Food, beverages and tobacco placed second, accounting for 25.10% of all Western Cape's export receipts from the DRC, while the mining and quarrying industry accounted for 15.41% in third position in 2020.

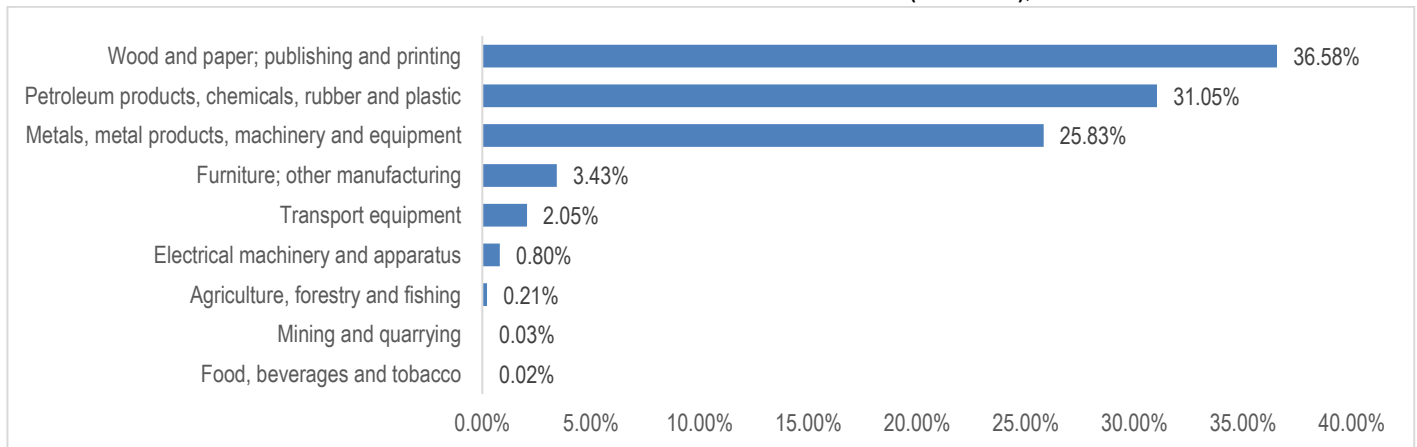
FIGURE 6: WESTERN CAPE EXPORTS TO DRC BY SECTOR (% SHARE), 2020



Source: Quantec, 2021

In terms of the Western Cape's top import sectors (ranked by associated cost) with DRC in 2020, wood and paper, publishing and printing dominated, accounting for 36.58% of all import costs incurred in 2020. The petroleum products, chemicals, rubber and plastic sector followed accounting for 31.05% of import costs incurred with DRC in 2020, while the furniture; while metals, metal products, machinery and equipment ranked in third position (25.83%).

FIGURE 7: WESTERN CAPE IMPORTS TO DRC BY SECTOR (% SHARE), 2020



Source: Quantec 2021

1.5. CUSTOMS, REGULATIONS AND STANDARDS

TRADE REGULATIONS, MARKINGS AND STANDARDS

Trade barriers

- 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 for commercial matters to require protracted negotiations with numerous officials.
- Many laws are not fully or consistently implemented, particularly at the provincial level. Some are contradictory. As a result, many local traders have their own private networks to expedite the movement of goods.
- One significant trade barrier is the slow and confusing customs clearance process.

Import Tariffs

- The DRC's tariff customs structure (import duties) includes three rates as follows:
- Five percent for equipment goods, raw materials, agricultural and veterinary supplies, and unassembled equipment.
- Ten percent for large, consumed food items, industrial inputs, spare parts, items for social services such as for hospitals and disabled persons.
- Twenty percent 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.
- Exemptions are 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 percent on the CIF value of these products.
- In addition to tariffs, there are multiple taxes collected on imported goods by several government agencies with often limited or no coordination. Added to official tariffs on imported goods, the additional taxes importers pay on goods and services range between 0.59 and 40 percent. The VAT is fixed at 16 percent.

The following goods are exempt from VAT:

- goods imported by non-profit organizations for social, sport, cultural, religious, educational, and philanthropic purposes
- official stamped papers
- organs, prosthetic devices, and human blood imported by medical facilities or accredited organizations
- pharmaceutical products and inputs and medical material covered by a ministerial decree; 5) fishing equipment
- equipment, material, and chemicals imported by mining and oil companies for prospecting, exploration, and research
- 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
- 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
- goods from an inheritance given by a deceased person to a person living in the DRC; 10) funeral equipment
- used on an experimental basis
- 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 authorizes the importation of vehicles no more than 20 years old.

Prohibited and Restricted Imports

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 GDRC authorization before importation.

Trade Agreements

The DRC has bilateral trade agreements with over 50 countries and belongs to several international and regional trade organizations, including: the World Trade Organization (WTO), the Southern African Development Community (SADC), the Common Market for Eastern and Southern Africa (COMESA), the Economic Community of Central African States (ECCAS), the Nile Basin Initiative (NBI), the Economic Community of the Great Lakes Countries (ECGLC), the Organization for harmonization of the business law in Africa (OHADA).

The DRC has signed but not yet ratified the African Continental Free Trade Area.¹

1.6. TARIFFS

The table below shows tariffs imposed by the DRC on South Africa's exports in 2021.

TABLE 11: TARIFFS IMPOSED ON SOUTH AFRICAN EXPORTS BY THE DRC, 2021					
HS CODE AND PRODUCT DESCRIPTION	TARIF F, %	HS CODE AND PRODUCT DESCRIPTION	TARIF F, %	HS CODE AND PRODUCT DESCRIPTION	TARIF F, %
H01: Live animals	8	H33: Essential oils, perfumes, cosmetics, toiletries	13	H65: Headgear and parts thereof	20
H02: Meat and edible meat offal	10	H34: Soaps, lubricants, waxes, candles, modelling pastes	19	H66: Umbrellas, walking-sticks, seat-sticks, whips	19
H03: Fish, crustaceans, molluscs, aquatic invertebrates	12	H35: Albs.uminoids, modified starches, glues, enzymes	10	H67: Bird skin, feathers, artificial flowers, human hair	18
H04: Dairy products, eggs, honey, edible animal product	8	H36: Explosives, pyrotechnics, matches, pyrophorics	20	H68: Stone, plaster, cement, asbestos, mica, articles	17
H05: Products of animal origin	10	H37: Photographic or cinematographic goods	17	H69: Ceramic products	15
H06: Live trees, plants, bulbs, roots, cut flowers	7	H38: Miscellaneous chemical products	8	H70: Glass and glassware	14
H07: Edible vegetables and certain roots and tubers	8	H39: Plastics and articles thereof	9	H71: Pearls, precious stones, metals, coin	20
H08: Edible fruit, nuts, peel of citrus fruit, melons	10	H40: Rubber and articles thereof	13	H72: Iron and steel	11
H09: Coffee, tea, mate, and spices	14	H41: Raw hides and skins (other than fur skins) and leather	9	H73: Articles of iron or steel	11
H10: Cereals	5	H42: Articles of leather, animal gut, harness, travel goods	20	H74: Copper and articles thereof	6
H11: Milling products, malt, starches, inulin, wheat gluten	8	H43: Fur skins and artificial fur, manufactures thereof	20	H75: Nickel and articles thereof	5
H12: Oil seed, oleagic fruits, grain, seed, fruit,	8	H44: Wood and articles of wood, wood charcoal	19	H76: Aluminium and articles thereof	10
H13: Lac, gums, resins, vegetable saps and extracts	5	H45: Cork and articles of cork	20	H78: Lead and articles thereof	7

¹ Source: *International Trade Administration, 2021.*

H14: Vegetable plaiting materials, vegetable products	5	H46: Manufactures of plaiting material, basketwork, etc.	10	H79: Zinc and articles thereof	5
H15: Animal, vegetable fats and oils, cleavage products,	14	H47: Pulp of wood, fibrous cellulosic material, waste	11	H80: Tin and articles thereof	7
H16: Meat, fish, and seafood food preparations	10	H48: Paper & paperboard, articles of pulp, paper, and board	9	H81: Other base metals, cermet's, articles thereof	7
H17: Sugars and sugar confectionery	18	H49: Printed books, newspapers, pictures	10	H82: Tools, implements, cutlery, of base metal	11
H18: Cocoa and cocoa preparations	15	H50: Silk	6	H83: Miscellaneous articles of base metal	13
H19: Cereal, flour, starch, milk preparations and products	13	H51: Wool, animal hair, horsehair yarn and fabric thereof	10	H84: Nuclear reactors, boilers, machinery	7
H20: Vegetable, fruit, nut food preparations	18	H52: Cotton	8	H85: Electrical, electronic equipment	11
H21: Miscellaneous edible preparations	11	H53: Vegetable textile fibres paper yarn, woven fabric	11	H86: Railway, tramway locomotives, rolling stock, equipment	5
H22: Beverages, spirits, and vinegar	19	H54: Manmade filaments	10	H87: Vehicles other than railway, tramway	12
H23: Residues, wastes of food industry, animal fodder	6	H55: Manmade staple fibres	13	H88: Aircraft, spacecraft, and parts thereof	5
H24: Tobacco and manufactured tobacco substitutes	8	H56: Wadding, felt, nonwovens, yarns, twine, cordage	20	H89: Ships, boats, and other floating structures	8
H25: Salt, sulphur, earth, stone, plaster, lime, and cement	6	H57: Carpets and other textile floor coverings	16	H90: Optical, photo, technical, medical apparatus	6
H26: Ores, slag, and ash	5	H58: Special woven or tufted fabric, lace, tapestry	10	H91: Clocks and watches and parts thereof	18
H27: Mineral fuels, oils, distillation products,	7	H59: Impregnated, coated, or laminated textile fabric	20	H92: Musical instruments, parts, and accessories	19
HS28: Inorganic chemicals	5		20	H94: Furniture, lighting, signs, prefabricated buildings	18
H29: Organic chemicals	5	H61: Articles of apparel, accessories, knit or crochet	20	H95: Toys, games, sports requisites	18
H30: Pharmaceutical products	15	H62: Articles of apparel, accessories, not knit or crochet	15	H96: Miscellaneous manufactured articles	18
H31: Fertilizers	5	H63: Other made textile articles, sets, worn clothing	20	H97: Works of art, collectors pieces and antiques	20
H32: Tanning, dyeing extracts, tannins, derivatives, pigments	8	H64: Footwear, gaiters and the like, parts thereof	13	H99: Commodities not elsewhere specified	0

Source: TradeMap, 2021.

(NOTE: Exporters should not take the HS2 tariff as conclusive and as the actual tariff that will be applied to the exported product. The tariffs indicated above are average tariffs and for products within the category it may be higher or lower than indicated. Where the tariff is zero it can be assumed that there is zero tariff applicable to all products within that HS code. Tariffs are determined according to the importing country's national tariff line from the HS6 level and upwards. Exporters are advised to visit www.macmap.org to determine the exact tariff applicable to the product at HS6.)

1.7. PORT-TO-PORT



DRC's two current main ports, Matadi and Boma are shallow water ports, limited by the depth of the Congo river, where they are sited. For deep water cargo, DRC relies on its neighbour, the Republic of the Congo.

Matadi Port is the most important maritime port of DRC with 90% maritime traffic (not including oil tankers). It has a handling capacity of 2,500,000 metric tons of cargo per year. The port is connected with Kinshasa by railroad.²

The table below shows some of the most important ports in South Korea. It also shows the **distance** and **time** it takes goods to travel from Cape Town Port terminal to these ports.

TABLE 12: CAPE TOWN PORT TERMINAL TO MAIN SEA PORTS IN DRC		
PORTS	DISTANCE	TRANSIT TIME
Boma	3319.14 km	5 days 17 hours
Matadi	3364.21 km	5 days 19 hours

Source: Sea-Rates, 2021.

² Source: Sea Rates, 2021

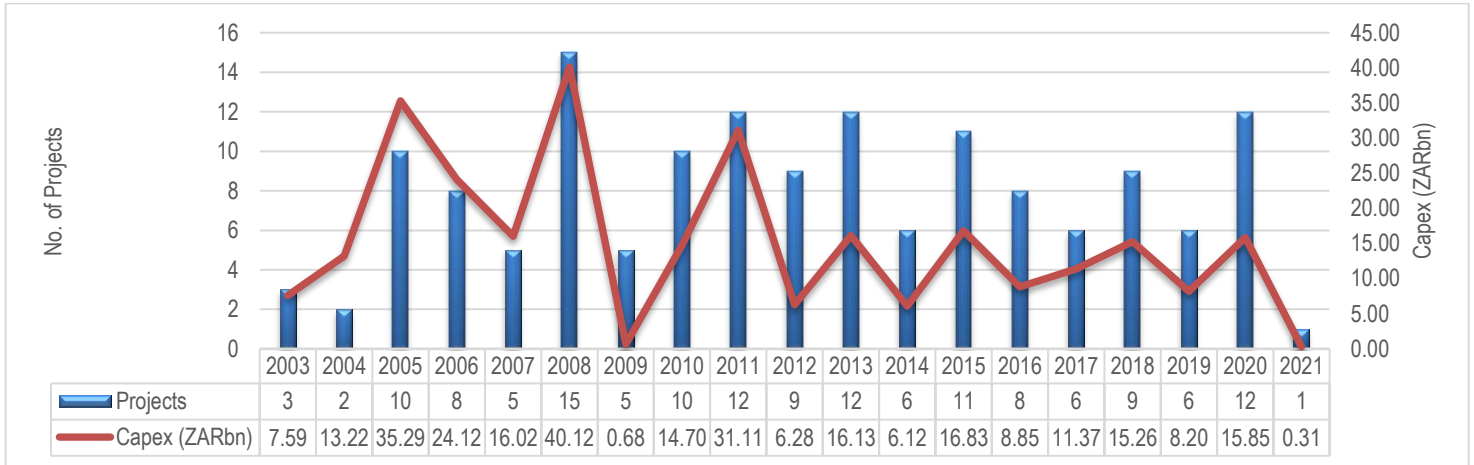
2. FOREIGN DIRECT INVESTMENT

2.1 GLOBAL INVESTMENT INTO THE DRC

Figure 8 below shows a 19-year trend in FDI projects and capital expenditure (capex) into the DRC overing the period 2003 to May 2021.

The total number of FDI projects into DRC for the period was 150. These projects represented a total capital investment of ZAR288.05bn, which equated to an average investment of ZAR1.92m per project. During the period, 47 562 were jobs created.

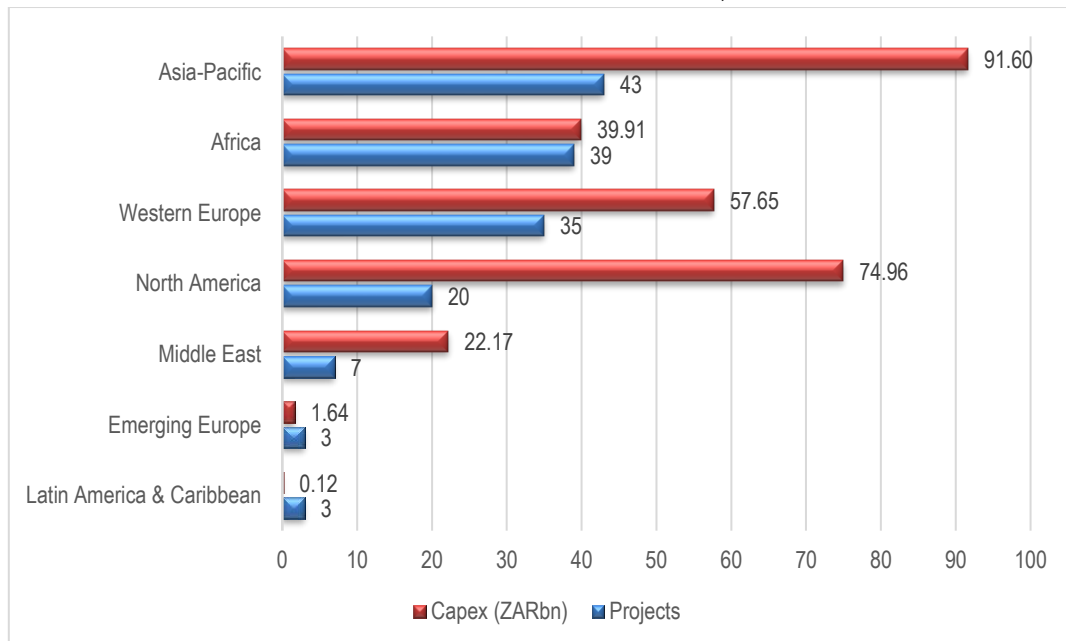
FIGURE 8: FDI INTO THE DRC BY PROJECTS AND CAPEX, 2003 - 2021



Source: FDI Markets, 2021

Asia Pacific was the largest source region for FDI projects and capex into the DRC, with 43 projects invested with a total capex of ZAR91.60bn over the period 2003 to May 2021. Africa followed with the second largest number of projects invested (39 projects) and a total capex value of ZAR39.919bn over the same period. The Western Europe region followed in third place, with 35 projects invested, reaching a capex value of ZAR57.65bn.

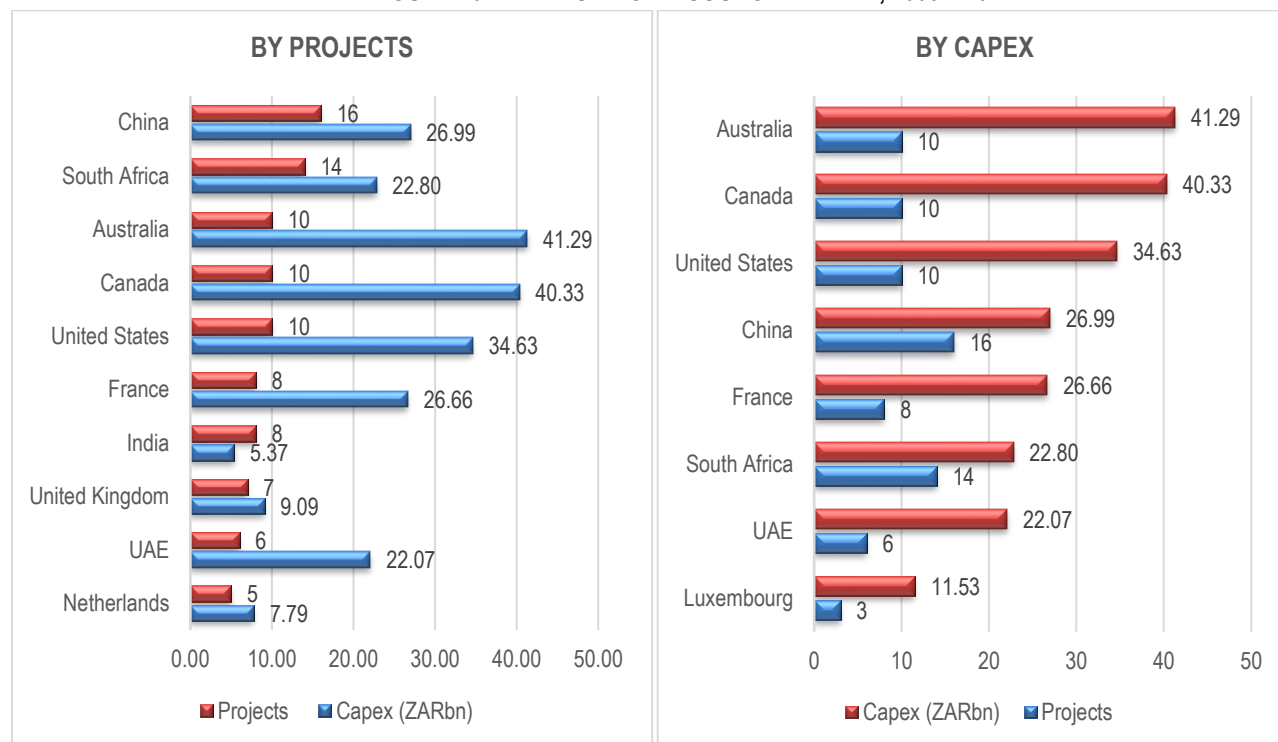
FIGURE 9: FDI INTO DRC BY SOURCE REGION, 2003 – 2021



Source: FDI Markets, 2021

For the period 2003 to May 2021, China was the largest source market for inward FDI into the DRC with 16 investment projects and accounting for 10.67% of total projects. South Africa ranked second, with South Africa the source market for 14 FDI projects (equivalent to 9.33% of all projects) while Australia, Canada, and the United States ranked in joint third position with 10 FDI projects each (equivalent to 6.67%), as shown below.

FIGURE 10: FDI INTO DRC BY SOURCE MARKET, 2003 – 2021



Source: FDI Markets, 2021

Table 13 below shows the top 10 companies (by projects) investing into the DRC over the period 2003 to 2021. Anvil Mining with headquarters in Australia, and Banro from Canada invested the most projects (4 projects each), both into the metals sector of the DRC. The cumulative investment reached a total capex of ZAR288, 053.8m and created 1,834 jobs in the DRC over the period 2003 to May 2021.

TABLE 13: TOP 10 COMPANIES, FDI INTO DRC (BY PROJECTS), 2003 - 2021

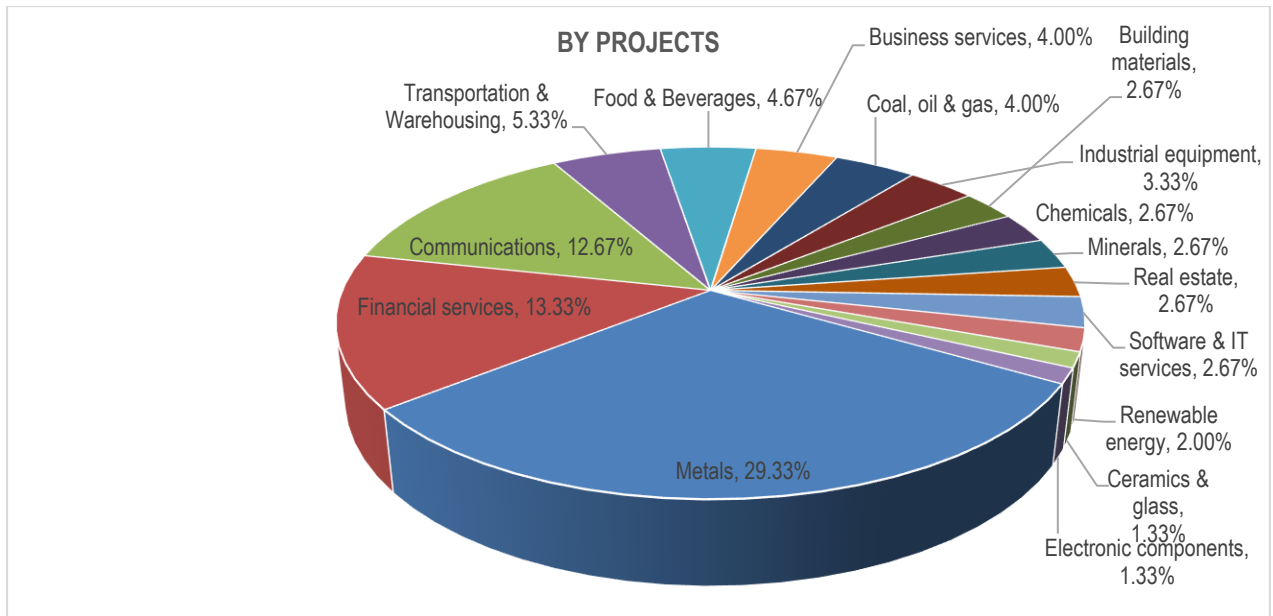
TOP 10 COMPANIES INVESTING INTO DRC, 2003 - 2021					
RANK	INVESTING COMPANY	SOURCE COUNTRY	SECTOR	PROJECTS	CAPEX (ZARm)
1	Anvil Mining	Australia	Metals	4	18 676.4
2	Banro	Canada	Metals	4	21 690.1
3	Atlas Copco	Sweden	Industrial equipment	3	182.7
4	Ecobank Transnational	Togo	Financial services	3	431.6
5	Freeport McMoRan	United States of America	Metals	3	30 673.7
6	Tiger Resources	Australia	Metals	3	13 336.6
7	United Bank for Africa (UBA)	Nigeria	Financial services	3	965.3
8	Vale (Companhia Vale do Rio Doce)	Brazil	Metals	3	120.8
9	Airtel DRC	India	Communications	2	713.5
10	Central African Mining & Exploration Co (Camec),	United Kingdom	Metals	2	2 704.4
TOTAL				150	288 053.8

Source: FDI Markets, 2021

Classification of FDI

The figure below presents global FDI into the DRC economic sectors by number of projects. The metals sector was the largest recipient of FDI in terms of number of projects, equivalent to 29.33% of the total number of inward projects received over the review period. This was followed by the financial services sector (13.33%) and communications (12.67%).

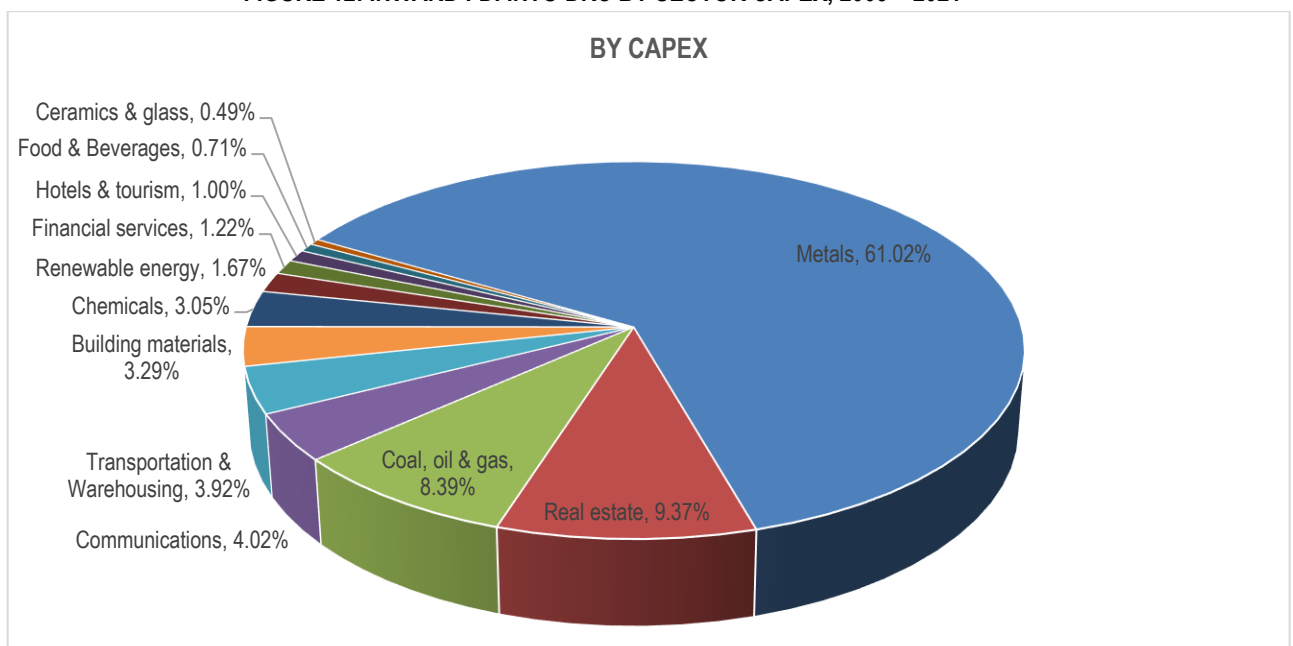
FIGURE 11: INWARD FDI INTO DRC BY SECTOR PROJECTS, 2003 – 2021



Source: FDI Markets, 2021

In terms of sector classification of FDI by capex over the 2003 to May 2021 period, these are the key sector recipients of inward FDI. The metals sector was the largest recipient of FDI in terms of capex, equivalent to 61.02% of total capex related investment received. Real estate placed a joint second at 9.37%, followed by the coal, gas and oil sector at 8.39%.

FIGURE 12: INWARD FDI INTO DRC BY SECTOR CAPEX, 2003 – 2021



Source: FDI Markets, 2021

2.2 GLOBAL OUTWARD INVESTMENT FROM THE DRC

Between January 2003 and May 2021, a total of 4 companies from the DRC invested 4 projects globally. This undertaking reached a cumulative capex to the value of ZAR2, 567.77m and created 334 jobs.

FIGURE 13: FDI FROM THE DRC, 2003 - 2021



Source: FDI Markets, 2021

The following investments were made by DRC into the world between 2003 to May 2021:

TABLE 14: OUTWARD INVESTMENT PROJECTS MADE BY THE DRC, 2003 - 2021

DATE	INVESTING COMPANY	DESTINATION COUNTRY	INDUSTRY SECTOR	BUSINESS ACTIVITY	CAPEX (ZARm)	JOBS
Mar 2014	ETS LM DYNA	France	Textiles	Headquarters	10.07	5
Sep 2010	Cabemery & Partners	South Africa	Business services	Business Services	97.82	15
Oct 2008	George Forrest International	Namibia	Building materials	Manufacturing	2301.65	305
Mar 2008	BPC Bank	Angola	Financial services	Business Services	158.24	9
TOTAL					2567.77	334

Source: FDI Markets, 2021

2.3 BILATERAL FDI BETWEEN THE DRC AND SOUTH AFRICA

2.3.1 DRC FDI INTO SOUTH AFRICA

Between January 2003 and May 2021, only one company from the DRC invested into South Africa. This FDI undertaking reached a cumulative capital investment of ZAR97.82m and created 15 jobs in the South African economy over the period under review.

TABLE 15: FDI INVESTMENTS MADE BY THE DRC INTO SOUTH AFRICA, 2003 - 2021

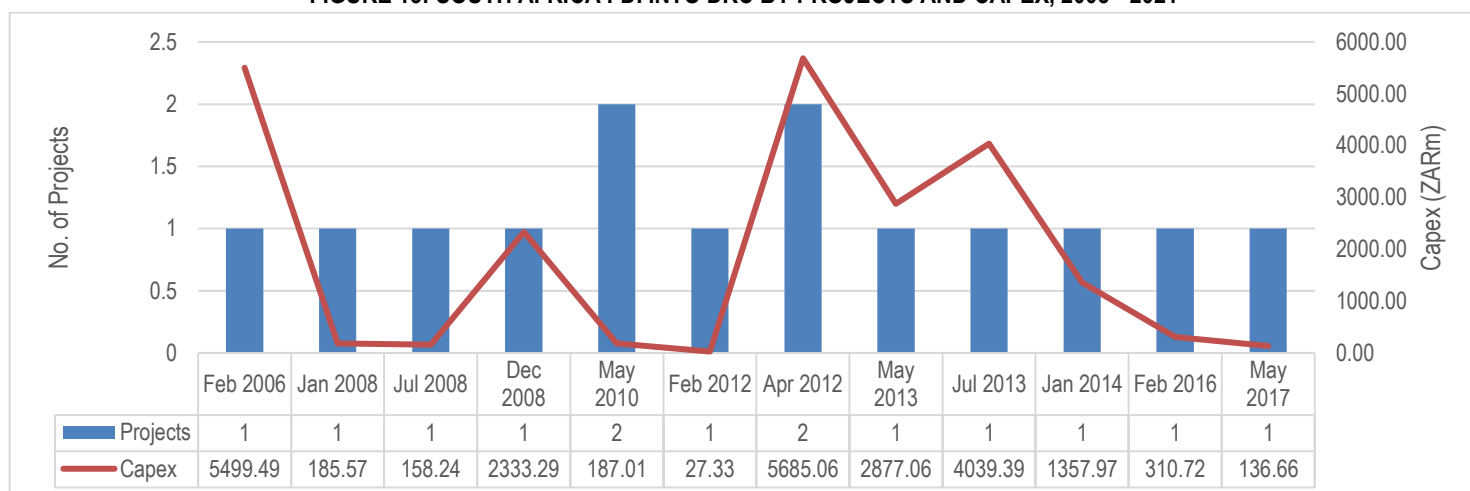
DATE	INVESTING COMPANY	DESTINATION PROVINCE	INDUSTRY SECTOR	BUSINESS ACTIVITY	CAPEX (ZARm)	JOBS
Sep 2010	Cabemery & Partners	Gauteng	Business Services	Business services	97.82	15
TOTAL					97.82	15

Source: FDI Markets, 2021

2.3.2 SOUTH AFRICA FDI INTO THE DRC

Between January 2003 and May 2021, a total of 13 South African companies invested 14 FDI projects into DRC. This FDI undertaking reached a cumulative capital investment of ZAR22.80bn and created 3, 344 jobs in the economy of DRC over the period under review.

FIGURE 13: SOUTH AFRICA FDI INTO DRC BY PROJECTS AND CAPEX, 2003 - 2021

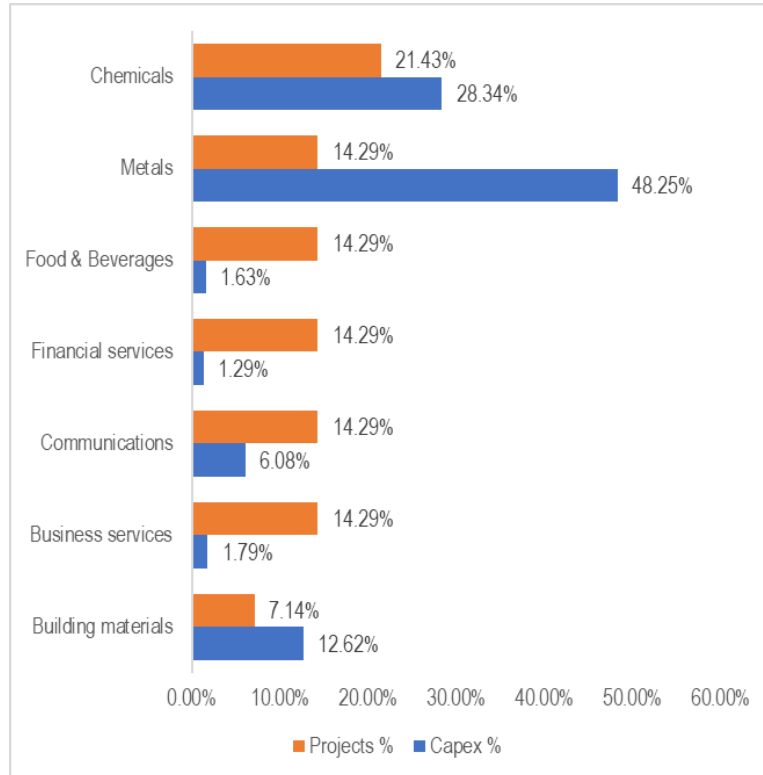


Source: FDI Markets, 2021

In terms of the sector classification of outward FDI South Africa into the DRC as measured primarily by the number of projects (with the CAPEX value as the secondary value), the following sectors were the key recipients of FDI over the period 2003 – May 2021:

- Chemicals with three projects accounted for 21.43% of total outward FDI projects by South Africa into the DRC. The relative capex % value stood at 28.34%.
- All other sectors except for building materials had two projects each, accounting for 14.29% of total FDI projects.

FIGURE 14: SOUTH AFRICA FDI INTO DRC BY SECTORS, 2003 – 2021



Source: FDI Markets, 2021

Table 16 below shows the top 10 South African companies (by projects) investing into the DRC over the period 2003 to May 2021. Metorex Group invested the most projects (2 projects) into the corporate sector of DRC. The total cumulative investment reached a total capex of ZAR22, 798m and created 3, 344 jobs in the DRC over the period 2003 to 2020.

TABLE 16: TOP 10 SOUTH AFRICAN COMPANIES INVESTING IN DRC, 2003- 2021

RANK	COMPANY	SECTORS	PROJECTS	CAPEX (ZARm)	JOBS
1	Metorex Group	Corporate	2	7 833	1 161
2	AngloGold Ashanti	Wholesale of clothing and footwear	1	5 499	1 012
3	AEL Mining Services	Corporate	1	4 039	295
4	PPC (Pretoria Portland Cement)	Other activities auxiliary to insurance and pension funding	1	2 877	435
5	Skywire	Corporate	1	1 358	72
6	Murray & Roberts	Tour operator activities	1	311	33
7	Pick n Pay	Manufacture of wearing apparel, except fur apparel	1	186	133
8	Shoprite	Corporate	1	186	133
9	Standard Bank Group	Service activities incidental to air transportation	1	158	18
10	Verdant Capital	Manufacture of electronic components	1	137	22
TOTAL			14	22 798	3 344

Source: FDI Markets, 2021

2.3.3 WESTERN CAPE FDI INTO THE DRC

Between January 2003 and May 2021, a total of two companies from the Western Cape invested two FDI projects into the DRC. This FDI undertaking reached a cumulative capital investment of ZAR371.1m and created 266 jobs in the economy of DRC over the period under review.

TABLE 17: FDI INVESTMENTS MADE BY THE WESTERN CAPE INTO DRC, 2003 - 2021

DATE	INVESTING COMPANY	INDUSTRY SECTOR	BUSINESS ACTIVITY	CAPEX (ZARm)	JOBS
Apr-12	Pick n Pay	Food & beverages	Retail	185.57	133
Jan-08	Shoprite	Food & beverages	Retail	185.57	133
TOTAL				371.14	266

Source: FDI Markets, 2021

There were no outward FDI projects from the DRC into the Western Cape over the period 2003 to May 2021.

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