



The Democratic Republic of the Congo

Annual AGOA Eligibility Review for 2020 Country Eligibility

**Commissioned in Behalf of the
Government of the Democratic
Republic of the Congo**

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August, 2019

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1. Introduction

The Democratic Republic of Congo gained its AGOA's eligibility in October 2003 (GAO, 2015, p. 14). The country enjoyed AGOA benefits and exported goods to the United States reaching \$ 5 million in exports in 2008 (AGOA Info 2019).

Following specialized US agencies' reports on human rights abuse and pursuant to section 506A(a)(3) of the 1974 Act, the President of the United States determined that the DRC was not making continual progress in meeting the requirements described in section 506A(a)(1) of the 1974 Act. Accordingly, he decided to terminate the designation of the DRC as a non-beneficiary sub-Saharan African country for purposes of section 506A of the 1974 Act, effective on January 1, 2011(White House, 2011).

AGOA Eligibility Review

In order to qualify for AGOA trade benefits, the country requesting the review must demonstrate that it is inter-alia making continual progress toward establishing market-based economies, the rule of law, political pluralism, and elimination of barriers to U.S. trade and investment, among others.

The reform objectives related to AGOA Eligibility Criteria in the African Growth and Opportunity Act (AGOA) are summarized as follow (GAO, 2015):

Reform objective	AGOA eligibility criteria	
	Each country under review must show that it has established or is making continual progress toward establishing each of the following conditions:	Each country under review must also:
Economic	<ul style="list-style-type: none"> • A market-based economy that protects private property rights, incorporates an open rules-based trading system, and minimizes government interference in the economy through measures such as price controls, subsidies, and government ownership of economic assets. • The elimination of barriers to U.S. trade and investment, including by <ul style="list-style-type: none"> ○ the provision of national treatment and measures to create an environment conducive to domestic and foreign investment, 	

	<ul style="list-style-type: none"> ○ the protection of intellectual property, and ○ the resolution of bilateral trade and investment disputes. 	
Political	<ul style="list-style-type: none"> • The rule of law; political pluralism; and the right to due process, a fair trial, and equal protection under the law. • A system to combat corruption and bribery, such as signing and implementing the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. • Protection of internationally recognized labor rights, including the right of association; the right to organize and bargain collectively; a prohibition on the use of any form of forced or compulsory labor; a minimum age for the employment of children; and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health. 	<ul style="list-style-type: none"> • Not engage in activities that undermine U.S. national security or foreign policy interests. • Not engage in gross violations of internationally recognized human rights. • Not provide support for acts of international terrorism. • Cooperate in international efforts to eliminate human rights violations and terrorist activities. • Have implemented its commitments to eliminate the worst forms of child labor.
Development	<ul style="list-style-type: none"> • Economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, promote the development of private enterprise, and encourage the formation of capital markets through micro-credit or other programs. 	

Congo DRC Background

After decades of violence, turmoil and coup d'état, the opposition candidate Felix-Antoine Tshisekedi was announced the election winner on 10 January 2019 and inaugurated two weeks later. This was the first transfer of power to an opposition candidate without significant violence or a coup since the DRC's independence (World Fact book, 2019).

Once in office, President Felix-Antoine Tshisekedi has put in place several reforms that showed a determined leadership for good governance at the national level et and a willingness to improve the country's national and international commerce.

Human Rights Abuse during Previous Regime

The human rights Abuse during previous regime is well documented by national and international organizations. Much of the violence was linked to the country's worsening political crisis when previous government delayed elections and used violence, repression, and corruption to entrench his hold on power beyond the end of his constitutionally mandated two-term limit on December 19, 2016.

The previous regime presided over a system of entrenched impunity in which those most responsible for abuses were routinely rewarded with positions, wealth, and power. Congolese security forces carried out or orchestrated much of the violence, in some cases by creating or backing local armed groups.

During the reign of the previous regime attacks on civilians intensified especially in Eastern Congo provinces. Besides documented terrifying accounts of massacres, rapes, and decapitation, more than 200,000 people were forced to flee their homes. Also, during this period, worshippers, pro-democracy activists and political opposition leaders or supporters were arrested as part of the government's campaign of political repression.

Corruption under Previous Regime

According to Global Witness report, a toxic combination of corruption and mismanagement in Congo's revenues agencies and state mining companies was leaching a fifth of mining revenues away from the state budget that should be used on vital public services such as schools, hospitals and roads. Since 2012, Congo has lost out on \$1.4 billion through a series of opaque mining deals with offshore companies (Global Witness, 2017).

a) Extent of Corruption

Until the inauguration of President Felix-Antoine Tshisekedi, the corruption continued to undermine the economy and administration in the post-conflict era. All available data and country reports indicated persistent, widespread and endemic forms of corruption in the DRC. In 2018, the country ranked 161st of 180 countries assessed by Transparency International's Corruption Perceptions Index (CPI), scoring 20 on a scale of 0 (highly corrupt) to 100 (highly clean) (Transparency International, 2019).

It is fair to say that the political legacy of previous regimes starting with the 32 years of Mobutu's reign, public resources were siphoned off to sustain a web of patronage networks that overshadowed the Congolese political landscape. This legacy has encouraged both street-level and grand forms of corruption involving a wide range of state officials from low ranking civil servants to the highest members of government.

b) Economic Freedom

The Democratic Republic of Congo's economic freedom score is 50.3, making its economy the 157th freest in the 2019 Index. Its overall score has decreased by 1.8 points, with sharp declines

in monetary freedom, business freedom, and labor freedom. The Democratic Republic of Congo is ranked 34th among 47 countries in the Sub-Saharan Africa region, and its overall score is well below the regional and world averages (Heritage Foundation, 2019).

Against this background, different reports pointed to mismanagement and rampant corruption as major obstacles to doing business in the country, which contribute to driving much economic activity into the informal sector

II. Reforms under the New Leadership

Since his swearing-in as President, His Excellency Felix-Antoine Tshisekedi who inherited a troubled country with all the liabilities of past regime mismanagement and human rights abuse has announced and started the implementation of specific reforms.

Justice and Human Rights Reforms

As noted by Human Rights Watch, during his inaugural speech, President Felix-Antoine Tshisekedi promised to “guarantee to each citizen the respect of the exercise of their fundamental rights” and to end all forms of discrimination. Since then, the president has taken some important steps, including:

A. Justice Reforms

One of the first measures taken by President Felix-Antoine Tshisekedi was to close down all the jails and detention centers that were being used by the political police.

B. Release of prisoners of conscience

- 1) Just a few days after taking office, his Excellency President Felix-Antoine Tshisekedi Tshilombo launched regional diplomacy by successively visiting Angola, Kenya Congo Brazzaville, Uganda, Rwanda, Burundi, Senegal, South Africa, Guinea Bissau, Zambia to promote peace, regional and economic integration.
- 2) In the aftermath of his election, President Felix-Antoine Tshisekedi Tshilombo demonstrated his commitment for freedom of expression and peaceful demonstrations by giving free rein to opposition demonstrations covered by the national press.
- 3) The new president of the Democratic Republic of the Congo, Felix-Antoine Tshisekedi, signed a decree pardoning about 700 political prisoners and fulfilling a promise he made in his inaugural address in January 2019.

C. Prosecution of Security Force Agents

- 1) On January 28, 2019 in Lubumbashi, tree students and a police officer died during weekend clashes at a protest over water and power outages, the police officer who

ordered to shoot the peaceful students without warning was brought before a military court to face the rigor of the law;

- 2) In March 2019, President Félix Tshisekedi removed the head of the National Intelligence Agency (Agence nationale de renseignements, ANR), and the director the Department for Internal Security. Under their leadership, these two agencies were an instrument of political repression against opposition leaders and human rights and pro-democracy activists during the country's protracted political crisis. President Tshisekedi's removal of these two officers proved to be an important step toward ending systematic abuse by the Congolese intelligence services;

Combatting Corruption

- a) On April 4, 2019 at the Council on Foreign Affairs in Washington DC, during a public conversation presided by Reuben E. Brigety II, the Dean of Elliott School of International Affairs, George Washington University and Adjunct Senior Fellow for African Peace and Security Issues, President Felix-Antoine Tshisekedi announced that he sanctioned the managers of state-owned companies and ministers who have been complicit in illegal activities and misconduct;



- b) Committed to combatting corruption, President Felix-Antoine Tshisekedi attended, together with the US Ambassador Michael (Mike) A. Hammer the first anti-corruption conference organized by the Observatory of Corruption and Professional Ethics (the state's interface for the prevention and monitoring of corruption).

Peace, Economic Cooperation, and Regional Integration

Respectful of regional institutions, President Felix-Antoine Tshisekedi Tshilombo attends the foundations of the 32nd summit of the African Union, a way to reconnect with the African Union to become an important player in African economic integration. His diplomatic charm marked by meetings face-to-face with his counterparts convinced the latter of his abilities as a statesman who supports globalization, including the integration of Africa into world trade, the protection of the environment and the fight against terrorism that threatens American interests in the African continent.

To demonstrate the importance of privileged diplomatic relations with the United States, the US ambassador to the DRC, Mike Hammer was among the first diplomats to be received in audience on January 22, 2019 by his Excellency Felix-Antoine Tshisekedi Tshilombo.

At the multilateral level, on the one hand he exchanges with the Secretary General of the United Nations, Antonio Guterres to express his willingness to continue the collaboration with MONUSCO. On the other hand, on February 15, 2019 during the ceremony of presentation of the vows of the Diplomatic Corps accredited in the Democratic Republic of Congo, he announced the policy of diplomatic opening of his mandate.

Combating Terrorism and Protecting American Interests

According to media sources confirmed by the New York University's Congo Research Group and the Bridgeway Foundation, the Islamic State of Iraq and the Levant (ISIL or ISIS) claimed its first attack in the Democratic Republic of the Congo (DRC) and declared it the "Central Africa Province" of the "caliphate". Congolese president Felix-Antoine Tshisekedi was quick to say that Isis poses a threat to his nation and announced that his government would join the fight against extremists.

Because of the planned actions of these evil forces to attack American interests abroad, the Congolese president Felix-Antoine Tshisekedi sought American expertise and support to find, to capture, to destroy, and to deny safe heaven to terrorist groups in the Democratic Republic of the Congo. in a meeting at the Atlantic Council in Washington on April 4, 2019, he sought a strategic partnership with the United States to receive military intelligence and assistance in order to address the challenge of terrorism.

Business Environment

The president Felix-Antoine Tshisekedi is promoting a free market where the private sector, women and young entrepreneurs are the engine of the country's economic growth. For the president, the role of the government will be the creation of business climate that build trade infrastructure, combat corruption, and streamline business registration and operation process.

As he promotes both, national and international trade, President Felix-Antoine Tshisekedi believes in a "Win-Win" partnership that gives to business owners good return on their investments and at the same time creates national wealth and jobs to lift millions of Congolese out of poverty.

Since taking power, the president Felix-Antoine Tshisekedi has launched national, regional, and international actions that open the country's market to national and foreign investors:

- 1) By opening up Congo DRC to global trade, President Felix-Antoine took unprecedented step to make the United States his first partner among the developed countries to reestablish economic ties and open the country's market to American foreign investment;
- 2) In Niamey, he joined his voice to the creation of the African Continental Free Trade Area (AfCFTA);
- 3) On the African regional integration, especially in the Southern African Development Community (SADC), he met with his counterpart to strengthen peace, security and intra-borders trade;

- 4) In all his foreign visits, he met with foreign investors and took with him Congolese women, young, and businessmen owners to create opportunities for trade partnerships.

On the economic development stage, President Felix-Antoine Tshisekedi has two-folded assets: (a) reassuring the international community with his willingness and determination to bring meaningful change to an unacceptable quagmire the country has been bogged into for too long; (b) the courage of taking baby-steps yet following a well-designated blue-print such as his 100 days plan in office that brings together local and international expertise as showed in the following summary that addresses the pivotal sectors of the entire country such as roads, health, education, housing, energy, jobs, agriculture, fishing, and farming.

Reforms that Pay-off

Advanced economies, regional and international communities have showed their support to the reforms taking place under the leadership of President Felix-Antoine Tshisekedi:

- a) The United States led by the Trump Administration was the first developed economy to throw its support into national and international actions of President Felix-Antoine Tshisekedi to bring back Congo Democratic Republic into the global economic stage. In June 2019, following President Felix-Antoine Tshisekedi official visit in Washington DC and all the positive development recorded on the ground, the Secretary of State Michael Pompeo released this unequivocal and powerful statement:

The recent transfer of power was historic, and today we salute your commitment to building a better, more stable and more prosperous future for the Democratic Republic of the Congo. We appreciate this renewed opportunity to strengthen ties between our two nations through our Privileged Partnership for Peace and Prosperity, which focuses on improving governance, promoting peace and security, combating corruption, advancing human rights, and creating conditions for greater U.S. investment and economic growth.

- b) The International Monetary Fund (IMF) staff concluded at the end of its mission in May 2019 that the Fund stands ready to support the Congolese authorities in their reform efforts and looks forward to future opportunities for continued cooperation;
- c) After a comprehensive review of the 6 months of President Felix-Antoine Tshisekedi's policies, the members of the Security Council noted some positive new political developments in the Democratic Republic of the Congo since the election of President Félix Tshisekedi. They welcomed the efforts of President Tshisekedi towards reconciliation and peace and stability in the Democratic Republic of the Congo. They further welcomed the steps he has taken to open political space, including the release of members of the political opposition and of civil society, the return of political actors to the Democratic Republic of the Congo, his efforts in support of freedom of opinion and expression, and encouraged further action to deliver on his commitment to ensure the Government of the Democratic Republic of the Congo respects human rights and fundamental freedoms. They further welcomed his commitment to fight corruption and

impunity and called for further efforts to hold those responsible for such crimes to account. The members of the Security Council reiterated their continued support and commitment, in collaboration with regional actors and international partners, for the consolidation of peace, stability and development in the Democratic Republic of the Congo;

- d) The African Development Bank announced its support for the Inga hydropower site, a mega-project with an estimated total capacity of 44,000 MW expected to power the African continent and possibly nations beyond the continent;
- e) Countries in European Union such as France and Belgium that opposed the results of December 2018 elections were quick to change their position and sent high ranking politicians and diplomats to open talks with the new regime and seek favorable economic cooperation.

III. Conclusion et Recommendations

Despite a somber past, decades of bad governance, and human right abuse. The new Democratic Republic of Congo has appeared at the horizon thanks to the Congolese people who has paid the ultimate sacrifice and to the international community under the leadership of the United States with its unwavering support to the MONUSCO through the United Nations.

With the encouragement of the international community, the non-violent actions imbedded in democratic values have demonstrated once more that elections of a good leader are critical to the starting of a new chapter for the Congolese nation in which economic growth, and global trade become again possible for national and foreign investments.

After swearing-in, the President Felix-Antoine Tshisekedi has canalized all its efforts:

- towards reconciliation and peace and stability in the Democratic Republic of the Congo;
- to open political space, including the release of members of the political opposition and of civil society;
- the return of political actors to the Democratic Republic of the Congo;
- the respect of human rights and fundamental freedoms;
- the commitment to fight corruption and impunity by holding those responsible for such crimes to account;
- to pursue national unity, strengthen the rule of law, and further political inclusiveness and peacebuilding;
- to open market economy to regional and international investors through the signing of Win-Win partnerships.

The above tangible actions show that the Democratic Republic of Congo is making continual progress in meeting the requirements described in section 104 of the African Growth and Opportunity Act (AGOA) that warrant the President of the United States to designate the

Democratic Republic of Congo (DRC) as an eligible sub-Saharan African country pursuant to section 104 of the AGOA.

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