

The Integrated Framework in the Democratic Republic of Congo (DRC)



The DRC became a beneficiary of IF in March 2008. A familiarization mission by the DRC Trade Officials was undertaken to Geneva in May 2008 and was followed by a familiarization workshop in Kinshasa in January 2009, attended by ITC, UNDP, the World Bank and the WTO/IF Secretariat.

The **World Bank** has been appointed to lead the **DTIS**, and a concept note has been drafted; the validation workshop is expected to take place late 2009 or early 2010.

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DRC's **Poverty Reduction and Growth Strategy 2006** has five pillars, of which the second focuses on macro-stability and growth. Sectors with growth potential include agriculture, forestry, transport infrastructure, mining, electricity and private sector development. The strategy aims at

- revitalising the productive structure of the agricultural, livestock and fisheries sector. Result of the strategy is the restoration of food self-sufficiency, production of marketable surpluses and improved yields. In particular, this part of the strategy also aims at the development of agricultural export sub-sectors, i.e., non-traditional products that are readily exportable and have a high commercial value, i.e., market garden and fruit crops. Specific actions are:
 - introduction of a production and distribution plan for market garden seeds and plans for fruit production;
 - train supervisors and line personnel in the sector; and
 - organize and guide producers' associations.
- restructuring the forestry sector to guarantee its sustainable exploitation. As part of this segment of the strategy, it is planned to promote controlled industrial exploitation to generate incomes through trade in wood, charcoal and a wide range of non-timber products;
- building up transport infrastructure to support trade within the country, region and overseas;
- mining sector reforms aim at attracting investment and improving the governance of the sector. This sector produces exclusively for export; and
- improving the business climate to promote private sector growth will stimulate export sector development accordingly.

An M&E Framework including measurable indicators to track the progress under the strategy is yet to be developed.

Issues: The economy of the DRC – a nation endowed with vast potential wealth – is slowly recovering from two decades of decline. Conflict, which began in August 1998, dramatically reduced national output and government revenue and increased external debt. The DTIS is likely to focus on the potential of construction, telecommunications and mining, all of which are benefiting from foreign investment, but will also explore other sources of growth, mainly through agriculture.

Much economic activity still occurs in the informal sector and is not reflected in GDP data. Renewed activity in the mining sector, the source of most export income, boosted Kinshasa's fiscal position and GDP growth. Government reforms and improved security leading to increased government revenues, outside budget assistance and foreign direct investment, will also be addressed in the DTIS.