

A vibrant rainbow arches across a dark, stormy sky above a dense green forest. In the foreground, a river flows through a sandy, rocky landscape. The overall scene is dramatic and colorful.

DR Congo entry into EAC

A game changer to Intra regional trade ?

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-Tapping into opportunities DR Congo brings to EAC

-on 29th March 2022, the DRC as the second largest country was admitted and became the 7th member state of the EAC; joining Burundi, Rwanda, Kenya, South Sudan, Tanzania and Uganda

-Challenges and Opportunities

this development comes with many advantages as the admission of DR Congo comes with a huge market of more than 90 million population to the regional trading bloc

Challenges and Opportunities

-boosting the intra-trade facilitated by free movement of goods and persons across the border of EAC members; as congolese citizens can travel freely to the other EAC member states, henceforth trade will be become much cheaper and easier .

- Potential for Trade & Investments, Continental market, Tourism opportunities. However, the country's poor infrastructure and insecurity is still a matter of concern to EAC member states



The implications and the way forward

-Stronger Market Access:

DR Congo present more market opportunities to exploit, Kenya, Uganda, Rwanda and Tanzania are scouting multiple opportunities in DR Congo as they seek to expand their market base and take advantage of the huge population

there is also potential investments in sectors such as mining as the country has a rich portfolio of precious metals including gold, coltan, cobalt and other natural resources

-Infrastructure development in DR Congo & Beyond without sustainable peace and better infrastructure, the gains and opportunities that DR Congo brings into the regional trading bloc can't be fully exploited.

-Improving and Enhancing Security since the country has been admitted as a member state of the EAC is likely to get support from the bloc as recently the partner state agreed to establish a regional force to curb the unrest

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-Overlapping Membership and Potential risk of conflict of interest

- DR Congo as other EAC Partner states belong to the central African States (ECCAS) and also member state of SADC.

-Therefore, there is a potential risk of conflict of interest as a result the current overlapping membership and this can be a source of delay in the implementation of regional initiatives .



Conclusion

Prior the accession of the DR Congo to the regional bloc, Rwanda and Uganda have been the leading EAC exporters to DRC

- Since the DRC has joined the regional trading bloc, **it is estimated that free trade with DRC will increase the current level of trade by 24% for Rwanda, 30% for Uganda, 34% for TZ and 29% for KE.**

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- The main economic sectors/ Industries poised to benefit from DRC membership are Agro-processing, metal products (Iron and Steel) and mining industries
- Therefore many observes considers the accession of DRC into the EAC Regional bloc as a complete game-changer to the Bloc's trade performance, given its natural resources base and vast consumer market of 90 million people
- More importantly, DRC is the world's biggest producer of Cobalt and Coltan which constitute a significant component in the manufacture of rechargeable batteries for electric vehicles as the world is shifting to clean and renewable energy.

Thank you, Asante Sana, Murakoze Cyanee!



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