



Kingdom of the Netherlands

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ECONOMIC NEWSLETTER EMBASSY OF THE KINGDOM OF THE NETHERLANDS IN KINSHASA



Workshop on access to finance will take place in Kinshasa on the 2nd of March

The objective of the workshop organized by the Dutch Embassy is to facilitate discussions on the possibilities of capitalizing the Dutch financial expertise and resources, in order to help improve the Congolese financial sector. Dutch banks Rabobank, FMO, Triodos and Oikocredit International have already confirmed their participation in this workshop. On the Congolese side, many financial institutions operating in the DRC and actors from the public sector (Central Bank, the Ministry of Finance) have been invited. Given the state of the Congolese financial sector, this initiative poses an opportunity to improve the private sector's access to finance and hence enable more economic growth and enhance job creation. With this in mind, leading figures from similar initiatives such as XSML, UNCDF, USAID, DFID, IFC, KfW and/or Adam Smith International are also invited to be involved in the discussions.

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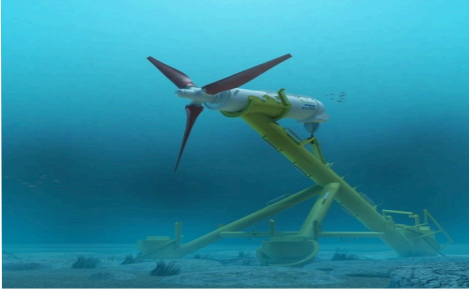
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2 From the Netherlands

World's biggest commercial tidal installation in Holland



The Netherlands are the world leader in the stimulation of tidal energy. At the end of 2015 Tocado built an innovative tidal installation in the Oosterschelde to power 1000 households. Hans van Breugel, Tocado's CEO, lovingly called the water turbines "underwater windmills". Van Breugel: "The upside of this source is that it is entirely invisible. Moreover, it provides the most reliable supply of energy; tides are always there". Tocado worked twelve years to develop these turbines.

Van Breugel not only envisions to power up to 150 thousands Dutch households in 2020, but also wants to export more than 200 gigawatt: the power necessary for 10 to 20 per cent of the global energy consumption. (Source: RVO. Photo: inhabitat.com)

PUM volunteer deceased after terrorist attack in Burkina Faso



The Dutch organization PUM Netherlands Senior Experts was appalled to hear that their country coordinator for Burkina Faso and Nigher, Arie Houweling (67), was the victim of a violent attack in Ouagadougou, Burkina Faso. Arie Houweling (center in the photo) was in Burkina Faso to visit business leaders who had previously been advised by PUM. Arie was a volunteer for the organization; a non-profit under Dutch law operating in more than 68 developing countries.

Mr. Houweling's last visit to the DRC dates back to November 2015, when he took part in a workshop presenting the Dutch economic programs that are accessible to the Congolese private sector in Goma, North Kivu. His enthusiasm, warmth and sincere commitment will be missed. Our most sincere condolences to his family, friends and colleagues.

Electric transport strengthens Dutch economy



Employment in the sector of electric transport has risen with 25% in 2015, to a total of 3.200 jobs. With 14 different solar cars, a solar boat and an electric motorbike, student-teams from all over the Netherlands came to The Hague to demonstrate what the Netherlands can do to further develop this sector.

Some of them have participated in the prestigious World Solar Challenge in Australia. Two teams from the Universities of Delft and Eindhoven won prizes in different categories.

Minister of Economic Affairs Kamp commented: "Dutch enterprises show they belong to the global top with their innovations relating to sustainable electric transport. This is important, because they do not only contribute to our growth, but also to the solution of global problems related to energy and climate". (Source: RVO. Photo: d-incert.nl)

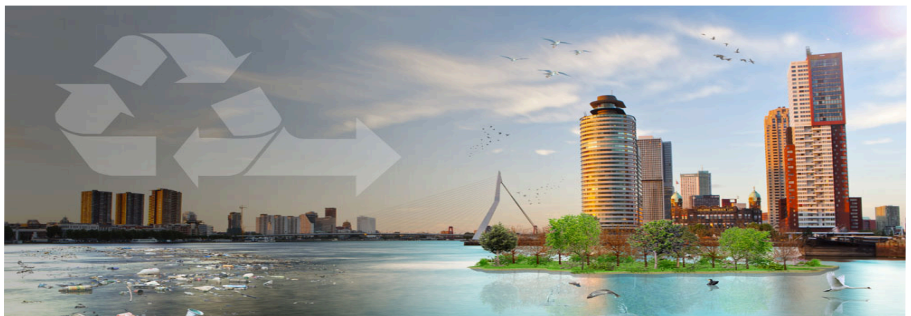
Protection with one patent for 26 member states one step closer

Entrepreneurs looking to introduce their innovative products can protect their inventions from 2017 onwards with one single patent in 26 countries. All participating nations of the European Patent Bureau have agreed to the removal of the last barrier, that is the determination of the compensation.

The introduction of a unitary European patent ends a discussion of more than 40 years about official languages and amounts of compensation. The costs for the new unitary patent are comparable to the protection granted in four countries: Germany, France, the United Kingdom and the Netherlands.

These four countries already validate most European patents. An entrepreneur who intends to prosecute based on violation of a patent can, from 2017 onwards, do so at new specialized courts with centralized and local establishments, such as in the Netherlands. The sentences of these courts are binding on the national markets of the participating countries. (Source: RVO)

Harbors enable unlimited delivery of plastic



From the first of January 2016 onwards, sea ships can deliver an unlimited amount of plastic for free in the harbor of Rotterdam. The waste material must be delivered separated and clean: harbor installations made this agreement with waste collectors in the harbors.

The responsible Minister, Melanie Schultz, noted this so-called Green Deal "is a good step towards the reduction of waste plastic on the oceans. Plastic waste is no longer an expense, but can be handed in for free, and can be used for recycling purposes."

This measure is part of the 2014 Green Deal, whereby agreements were made to prevent waste material in the provisioning of ships, waste inspection, separate delivery and the harmonization of procedures in the harbors. (Source: RVO. Photo: recycledpark.com)

Congolese government plans to reduce retirement age

The age of retirement in the DRC could rise from 55 to 65 Minister of Public Service Pascal Isumbisha recently announced. The proposition is currently being examined by Parliament. Employees should from now on contribute to their own retirement. The measures are introduced in order to create a pension fund that would allow retirement under more or less acceptable conditions.

Salaries in the public sector are among the lowest, and officials are also being excluded from the social security system. Hence, it is the state that is to ensure them of their pension after retirement. Yet, for lack of financial resources, the Congolese government has not allowed their staff to retire for several years. (Source: RFI)

Apple may be using Congolese cobalt mined by children, Amnesty says



Chinese companies buying cobalt from the DRC and supplying companies such as Apple and Samsung are not fully checking their suppliers and may be acquiring the minerals from mines that rely on child labor, Amnesty International said. As much as 20% of cobalt may come from artisanal mines in the southeastern Katanga region, where adults and children work in dangerous conditions, Amnesty and African Resources Watch, a Congolese non-governmental organization, said in a report.

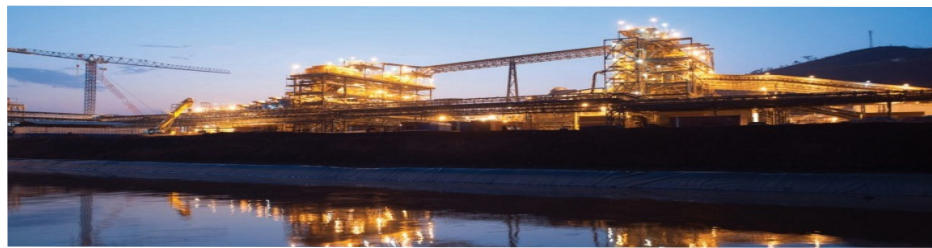
Amnesty said Apple has not directly answered its questions about this particular case. The company is evaluating "dozens of different materials, including cobalt, in order to identify labor and environmental risks as well as opportunities for Apple to bring about effective, scalable and sustainable change," it told Amnesty. (Source: Bloomberg. Photo: theverge.com)

Inga 3: warnings for new debts

The Congolese civil society has involved itself in one of the biggest dam construction projects in the world, Inga 3 Lower Chute, which should allow the DRC to produce the equivalent of 3 third generation nuclear reactors. Justin Mobomi, coordinator of the NGO-coalition for monitoring reforms of public action (CO-RAP), said: "The population has to be informed in order to avoid enormous debts such as the 14 billion USD the DRC contracted to construct Inga 1 and 2..."

Civil society reminded the government of its commitments to the World Bank, to involve the Board of Directors of the Agency for the Development and Promotion of Inga (ADEPI), the organization in charge of the implementation of the Inga 3 project. (Source : Le Phare Online)

Randgold to double its operations in the DRC



The British company has signed agreements with three active Canadian mining companies in the DRC. Randgold created joint-ventures with Kilo Goldmines (six operating licenses covering an area of 361 square kilometers in Ngayu), Loncor Resources (13 permits covering an area of 2087 square kilometers), and Deveron Resources, a subsidiary of Greencastle Resources.

The formalization of these joint-ventures is subject to the finalization of prior audits conducted by Randgold and agreement of regulatory authorities. "If we discover gold deposits and if we realize our feasibility studies, we will own 65% of the joint-ventures", said Mark Bristow, CEO of the British group. These agreements enlarge Randgold's footprint in the DRC to 6539 square kilometers, whereof 3300 are in the Ngayu area. (Source : Mediacongo.net. Photo: miningreview.com)

Kuwait committed to building a modern city in Kinshasa

An agreement between the Congolese government and real estate group Rokomesko Development of 400 million was signed in Kinshasa. The deal ensures the construction of a modern city, according to international standards. The document was signed by the Minister of Planning, Urbanization and Housing, Omer Egwake, and Prince Fahad al Rashid Ibrahim, head of the Kuwaiti delegation.

The contract aims to construct a modern city of four blocks of eight floors each, including shopping centers, schools, and hospitals. The minister promised government support to this project before indicating that the business relations between the two countries are growing closer. He prompted his guests to build this city according to international norms, like those in Dubai. (Source: PCA)

Housing: greedy landlords risk one to three months imprisonment

According to the new law on residential leases in the DRC promulgated on 31 December, a landlord who receives a rental guarantee of more than three months for a residential lease incurs a penalty of one to three months in prison. Lack of timely contract registration will result in a payment, in addition to registration fees, of a penalty equal to one month's rent, split between the two parties.

This law also prohibits the landlord to demand advance payments of rent, risking three months of jail-time and a fine of three months' rent. For contracts signed prior to the date of legislation, parties have six months to conform to the new provisions. (Source: Tropical Storm)

The DRC is to expect a rail renaissance in 2016



SNCC Director General Ilunga Ilunkamba looked forward to 2016 as the year that would see the 'renaissance' of the state railway, in his message to staff delivered on December 31. Under the Multimodal Transport Project funded by the World Bank, 38 new locomotives were being acquired and track renewals were underway on various sections of the 1 067 mm gauge network.

However, the current state of SNCC infrastructure was 'worrying', he said, responsible for 24 derailments in the month of December alone. Production was 'stagnant', while the financial health of the company was 'still precarious'. Ilunkamba urged staff to draw on all their know-how to beat the targets set by the 2016 budget, including the production of 268 million traffic units and turnover of US\$51-98m.

Given the currently limited size of the operational locomotive fleet, this was 'a realistic but minimalist budget', he said, noting that 50% of SNCC income went to pay the wages bill. (Source: Railway Gazette. Photo: helenstakeon.com)

Sundance Resources announces the elimination of jobs



The Australian mining company Sundance Resources, which is developing a large iron mining project in the area of Nabeba in the Republic of Congo and Mbalam in Cameroon, has indicated that it will conduct a “significant” reduction of its workforce in Australia, Cameroon and Congo. Sundance Resources said that this measure is “difficult, but necessary.”

There will also be a reduction of salaries for the remaining staff. The postponement of signing contracts on the railway also makes it difficult for the mining company to find strategic partners to develop the project.

Moreover, Citibank has once more lowered the price for iron ore to 36 USD per ton, compared to 40 USD for 2016. (Source: Agence Ecofin. Photo: e-mj.com)

Commisimpex: The noose is tightening on the Congo



For thirty years, the Anglo-Lebanese businessman Mohsen Hojeij (photo) mobilized courts around the world, from France to the United States, via Belgium and the UK, to claim a huge sum from the Congolese president, which is now approaching one billion euros.

Destabilizing the financial well-being of the Congo, this amount is equivalent to 18% of the country's GDP. Last December, three court decisions in France and the United States suddenly advanced the case. A total of 6 million euros from French accounts belonging to the Congolese authorities has already been confiscated.

Other property seizures, including diplomatic ones, are to take place. For their part, the Congolese authorities had declared Commisimpex bankrupt in 2012, allocating a huge tax debt of 700 million euros. This request has been rejected by the US court. (Source: The World Africa. Photo: pressreader.com)

Presidential deposit raised from 5 to 25 million FCFA



The deposit for the presidential candidacy has risen from 5 to 25 million FCFA in Congo-Brazza, stated in a new law that was unanimously adopted by the deputies. The law, adopted by almost all members of Parliament including opposition, also concerns raising the cost of participation in local elections from 100,000 FCFA to 500,000 FCFA and for the legislative elections from 1 to 1.5 million FCFA.

According to the Minister of Interior Affairs and Decentralization, Raymond Zéphirin Mboulou, with this law the National Organizing Elections Committee will disappear, and make way for a National Independent Commission (CNI). Moreover, the law introduces the single ballot in the Congolese election system, explains Raymond Zéphirin Mboulou. He adds that biometrics will be gradually introduced in the country's electoral system. The presidential election will be held on March 20, 2016. (Source: ABS. Photo: telegraph.co.uk)

Civil society coalition stirs up heated debate on health budget

According to the conclusions of a platform made up out of six organizations from the civil society in Congo-Brazzaville, more than half of the projects prevised in the health budget have not been implemented during 2014.

Only 8% of the projects were fully completed and are operational, according to the survey of this coalition. “We were in all departments. What is dramatic is that after on-site inspections, we realized that of all project that were planned in 2014, 54,2% had not started at all”, says Christian Mounzeo, coordinator of the coalition Publish What You Pay.

The Congolese Minister of Health, François Ibovi, however believes that their study is unreliable and explained that the budget has been subject to amendments during the year. (Source : RFI)

Congo - Brazzaville: new refinery will target 5 million tons per year



The new refinery, located midway between the capital Brazzaville and Ouessou in the north, will have an annual production capacity of 5 million tons. Brazzaville also plans to install a pipeline along 1,300 km, linking Pointe-Noire, where the current refinery is located, to Ouessou.

These projects are still under investigation, said the minister of Hydrocarbons Jean-Marc Thystère Tchicaya. The priority for now is increasing the Congolese refining capacity (Coraf), the only refinery in the country and a subsidiary of the National Society of Petroleum of Congo (SNPC).

The Minister added that he expansion of current capacities will come to an end in late January and will boost the capacity of 850 thousand to 1.2 million tons, thus covering between 85 and 90% of national demand. (Source: Jeune Afrique. Photo: total.com)

POST SCRIPTUM

Call for firms (or consortia of firms) capable of financing and ensuring the implementation and exploitation of the project management of the Plaza of the *Palais du Peuple*, Lot 2 Kinshasa, as a part of a public-private partnership (PPP)

Review number / AMI / ACGT / DG / CGMP / PPP / 01/2015

The Congolese Agency for Major Works (ACGT) is launching a development and modernization program for the Esplanade of the Palais du Peuple Lot 2, consisting of the following work:

- Modernization of the grandstand (1460 seats)
- Pavement of the area behind the podium
- Extension of the parking (210 spaces)
- Development of a consumption area
- Development of a game park (600 spaces)
- Construction of a community center (897 places)
- Construction of a mall (136 shops and six offices)
- Construction of a 5 star hotel, R + 6,9848,738m2 of built area, 141 rooms including 93 standard rooms, 45 deluxe rooms and 3 VIP suites
- Construction of the ACGT building
- Construction of the Kinshasa City Hall

ACGT is seeking firms (or consortia of firms) able to finance, ensure the implementation, manage and operate the project of the esplanade of the *Palais du Peuple*.

The objectives of this partnership are:

- The mobilization of funds
- The funding and implementation for a maximum period of 18 months
- The management, operation and maintenance of the space and structures constructed for a period not exceeding 20 years, to ensure recovery of the investment.

To apply, firms (consortia), Congolese and foreign alike, will have to provide the following information:

- Composition of the firm clearly showing the various sources envisaged for funding this project and the expertise to deploy for this purpose;
- Identity, statutes, addresses and trade registration (in the case of a consortium, each member will have to provide its own documents) or the equivalent, and any other documentation likely to support the capabilities of the company.

Applications must be written in French and must be sent by ordinary mail in a sealed envelope to the address below on or before 02/12/16 at 12:00 exactly, Kinshasa time (GMT + 1) and clearly marked with the reference :

"AMI/ACGT/DG/CGMP/PPP/01/2015 – Recrutement d'une firme (entreprise ou consortium) capable de financer et d'assurer la mise en œuvre du projet d'aménagement de l'esplanade du palais du peuple lot 2 à Kinshasa, dans le cadre d'un partenariat public privé (PPP)"

Congolese Agency for Major Works
Department "ADMINISTRATIVE"
1, Avenue de l'OUA, Commune of Ngaliema
Ref. : Pregnant Procoki - Email: contact@acgt.cd
Democratic Republic of Congo

Join us Wednesday 10 February at MINING INDABA

Are you participating in Mining Indaba 2016? The Netherlands Consulate General in Cape Town together with Dutch Company partners and the Netherlands Water Partnership (NWP) is organizing several events on the 10th of February on water-related mining challenges.

INTERESTED? Please let us know which event(s) you would like to attend: kaa-RSVP@minbuza.nl



PRACTICAL INFORMATION

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Friday 08:00 – 13:30

Opening hours consular department

Monday & Wednesday 09:00 - 12:00
Otherwise by appointment only

Consulate in Brazzaville

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Opening hours

Monday - Friday 09:00-16:00 (Consulate)
Tuesday & Thursday 09:00-12:00 (Consular affairs)

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For comments, suggestions and remarks on this Newsletter, or any others business, please contact the Embassy's economic policy officer:

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