



Kingdom of the Netherlands

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Dutch Good Growth Fund (DGGF) one of the new investors for the first closing of ARF

The African Rivers Fund LLC (ARF), a fund created by XSML Capital, has been capitalised by the Dutch Good Growth Fund (DGGF) to an amount of EUR 7.2 million. The capitalisation of the ARF by the DGGF is part of the DGGF mandate to invest in fragile states. This funding will serve to boost young and sustainable SME's in a number of selected countries in the Great Lakes area. XSML, the fund manager, currently oversees a EUR 17.3 million fund in the DRC and CAR. XSML distinguishes itself through its investment in SME's around Africa while focusing on mezzanine financing combined with a hands-on approach and a technical support line for the SME's it is funding. The ARF will invest up to EUR 4.5 million in the Great Lakes area through mezzanine investments including debt, a stake in profits or equity. Approximately 30 small and medium sized enterprises will be financed by the ARF, which will have a serious impact on local communities through augmented employment, a better access to finance, services and education. The DGGF will provide technical support through its Seed Capital & Business Development programme.

(Photo: africacapitaldigest.com)

From the Netherlands

PAGE 2

- DHI: first round of tender applications open until 8 April 2016
- Foreign investments create employment in the Netherlands
- Business Day during Ambassadors Conference 2016
- Call for proposal Common Fund for Commodities: Deadline April 30
- The Netherlands enters partnership to strengthen lending to SMEs

Headlines from the DRC

PAGE 3

- Kinshasa hosted International Conference on private investment
- Congo drops mining code revision in face of industry pressure
- CENI launches international tender for the revision of electoral register
- Orange acquires Millicom activities in Congo-Kinshasa
- DRC installs interbank telecommunications fiber-optic network
- DRC: the scandal of public servants' payroll embezzlement continues
- Standard & Poor's lowered the outlook of the DRC's credit rate

Headlines from Congo-Brazzaville

PAGE 4

- Congo gets financial support from France to improve its energy supply
- Inauguration of the first stretch of road between Congo-Cameroon
- Beijing doubts Brazzaville's creditworthiness
- Congo - Italy: launch of a fishery development program
- Southern bridge of Brazzaville open to traffic

PAGE 5

Post Scriptum

- Photo report: the Embassy of the Netherlands held a workshop on the access to finance in the DRC
- Practical Information & Contact

2 From the Netherlands

DHI: first round of tender applications open until 8 April 2016



DHI, the grant scheme for demonstrations, feasibility studies and preparatory investments studies will replace the DHK. With this scheme, the Ministry of Foreign Affairs aims to increase and empower the number of SME's to successfully expand into upcoming markets and developing countries. Hence, the DHI program is only open to Dutch firms.

The Ministry thereby positively contributes to local and sustainable development in developing countries. The DHI-scheme is a tender; meaning that there will be rounds whereby an application for a grant can be filed. The available budget for the first round is 2,5 million euros for upcoming markets and 2 million euros for developing countries. The scheme is open to a large numbers of countries: all upcoming markets and those countries listed under the Dutch Good Growth Fund (DGGF). More information: www.rvo.nl/subsidies-regelingen/dhi (Photo: www.onewovision.com)

Business Day during Ambassadors Conference 2016



Do you aspire to become an international entrepreneur, or expand your international activities? Come to the Business Day on March 30th, where more than 135 ambassadors and consul-generals will be happy to explore possible business opportunities with you. The Business Day is a part of the yearly Ambassadors Conference. During the Business Day, you have the opportunity for one-on-one meetings with the ambassadors and consul-generals. You can apply for a maximum of 4 conversations per company. Availability is limited and provisional.

Also present are advisors from the Ministry of Foreign Affairs, the Netherlands Enterprise Agency (RVO), VNO-NCW and the Chamber of Commerce. The Business Day will be concluded by an informal networking opportunity. Application is possible until the 9th of March. For more information, please contact RVO's customer service department via klantcontact@rvo.nl or +31 88 042 42 42. (Photo: www.rijksoverheid.nl)

Foreign investments create employment in the Netherlands



In 2015, 300 foreign companies, such as Tesla and EasyJet, have invested 1,87 billion euros in the Netherlands. Together, these companies have generated 9.300 extra jobs. The investments were obtained by The Netherlands Foreign Investment Agency (NFIA) together with different regional partner: they form Invest in Holland. NFIA is responsible for 7.779 jobs, and works closely together with the Innovation Attaché Network.

Examples of investors are: American fashion label Michael Kors, which is opening a large distribution center in Venlo; American fashion label Forever 21, which decided to upscale its European distribution capacity in Bergen op Zoom; ExxonMobil, building a large gasoil refinery in Rotterdam and finally, Tesla, which expanded with a new assembling plant for electrical cars in Tilburg. The Invest in Holland network attempts to profile the Netherlands as an attractive country to invest in or expand into. The network helps interested investors with the initiation and expansion of their international activities in Holland. In 2016, the chemical, agrifood, high-tech, life-sciences & health and ICT-sectors are mainly targeted. (Source : Investinholland.com. Photo: www.expatica.com)

Call for proposals Common Fund for Commodities: Deadline April 30

The Common Fund for Commodities (CFC) is issuing a call for proposals. The CFC provides a range of financial instruments for the support of business activities in the field of commodity development that besides giving a sound financial return, also provide for a measurable social and environmental return. The call asks for proposals for projects that have a social, economic and environmental impact. Moreover, the indirect development impact of the project should also be described, encompassing both the value chain in which the applicant operates and the larger market system.

Eligible for this call are organisations that operate in commodity value systems in CFC member states or provide financial services to MSME. The organization should have a proven track record of sound commercial operations in the field of the proposed project over the last three years. Lastly, the organisation should adhere to the UN Global Compact rules. A suitable monitoring and evaluation system should be an integral part of the proposal. More information: <http://common-fund.org/call-for-proposals>.

The Netherlands enters partnership to strengthen lending to SME's



At the end of last year, the Netherlands signed agreements with International Finance Corporation (IFC) on a \$ 27 million contribution to the Global SME Finance Facility, in which the United Kingdom Department for International Development (DFID), the Netherlands, IFC, the European Investment Bank (EIB) and other development banks partner up to support local banks which lend to SMEs in difficult-to-reach segments.

The funds under the Facility are largely of a revolving nature, and the Netherlands is expected to be paid back in 2025 at least a large part of its contribution. Local banks traditionally shy away from lending to SMEs, and this facility tries to address this issue through finance and capacity building. The first Steering Committee attended by the Netherlands focused on the portfolio overview, the gender action plan and stepping up of Monitoring & Evaluation activities. (Source : BUZA. Photo: www.harmony-loan.com)

Kinshasa hosted International Conference on private investment

The conference was held from 24 to 25 February in the presence of the Secretary General of the UN, Ban Ki-moon. It was organized by the Office of the Special Envoy of the Secretary General of the UN for the Great Lakes Region and the Executive Secretariat of the ICGLR with the support of the Government of the Democratic Republic of Congo.

Its aims were to promote regional integration, economic cooperation and to provide an effective contribution to lasting peace and stability in the region. It also served to inform investors about the business climate in the region. The focus was on seven sectors, namely energy, mining, agriculture, tourism, infrastructure, telecommunications and finance. (Source: Radio Okapi)

CENI launches international tender for the revision of electoral register



CENI has received government funds to finance the electoral process. Part of these funds will be used for the revision of the electoral register. In this context, CENI has published a tender on the website of the Public Procurement Regulatory Authority (ARMP) for kits to enlist voters, voter registration cards and energy-equipment (generators), in order to equip the electoral process in the DRC. A preferential margin of 15% will be given to supplies coming from COMESA countries.

Interested candidates can obtain the complete files for issuing the tender, in French, for 300 USD. Bank guarantees ranging from 200,000 to 500,000 USD are required to submit the tender. Tenders must be submitted to BCECO, no later than March 10, 2016. (Photo: www.lobserveur.cd)

DRC: The scandal of public servants' payroll embezzlement continues

New massive diversions with payrolls were discovered in the Democratic Republic of Congo. For several months, at the request of the Government, trade unions have monitored the salaries of officials from four different ministries in the health, education and research sectors. The research started in Kinshasa; the second part took place in the former provinces of Bandundu, Equateur, Kongo-Central and both Kasais. In Kinshasa, the results are staggering. Over a period of three months, the embezzled amount represents 13.6 billion Congolese francs. For the five provinces, the total reaches nearly 12.6 million FC.

Yet; the Equateur leads with 6.9 billion diverted FC (about 6.6 million euros). The surveillance could not be executed similarly everywhere as some local officials were obstructing the investigation, according to the researchers (Source: RFI)

Congo drops mining code revision in face of industry pressure



DRC has dropped plans to revise its mining code to boost government revenues, the country's mines minister said, bowing to fierce industry pressure amid steep commodity price drops. The government initiated the review of the country's 2002 mining code in 2012, but mining companies objected strenuously to proposed tax and royalty increases, which they said would chase off new investment. Mines minister Martin Kabwelulu told delegates at an annual mining conference in Cape Town that the government would not change the code, assuring investors their money was safe.

London-based campaign group Global Witness, however, criticized the decision as a missed opportunity to improve management of a sector riddled with corruption. "Congo's government appears to have caved in to industry pressure to maintain the cozy fiscal terms and lax regulations governing Congo's mining sector," Nathaniel Dyer, a Congo campaigner for the group, said in a statement. (Source: Reuters. Photo: fr.africain.com)

Orange acquires Millicom activities in Congo-Kinshasa

The French telecommunications group Orange is to acquire the subsidiary of its counterpart in the DRC: the Luxembourg-based company Millicom. The transaction was completed a total of 160 million USD (143.3 million euros), states Millicom - a brand operating under Tigo DRC.

"The mobile market in the DRC is experiencing significant growth and is currently the largest mobile market of West and Central Africa apart from Nigeria, with over 40 million users. Tigo DRC is a perfect match with Orange, given the complementary nature of their geographical and cultural operations", said Orange in a statement. "This agreement will allow Orange to significantly strengthen its presence in the DRC and to become one of the country's leading operators. It will also create significant synergies." (Source: The World Africa)

DRC installs interbank telecommunications fiber-optic network

An interbank telecommunications fiber-optic network was installed on February 2 at the headquarters of the Central Bank of Congo. The coordinator of this project, Alain Lungungu, said the infrastructure will reduce the time of financial transactions between the DRC and foreign countries.

"Transfers can take up to a week or more; this time will be drastically shortened. Now, the transfer will be made the same day," he says. This network is connected to 19 licensed commercial banks, the Treasury and the Ministry of Finance. It will also allow the establishment of a national payment system. It was funded by the World Bank, at a total of 30 million USD. The second phase, which will involve the implementation of an electronic banking system, is now entered. The network was built by Standard Telecom. (Source: Radio Okapi)

Standard & Poor's lowered the outlook of the DRC's credit rate



Standard & Poor's (S&P) lowered the outlook of the sovereign credit rating of the DRC, which fell from "stable" to "negative". The sovereign credit rating remained at "B-" for the long-term and 'B' for the short-term. Causes were the decline of foreign exchange reserves, rising current account deficits and electoral uncertainty. S&P noted that the foreign exchange reserves of the country have "reached a low of 1.2 billion USD on December 31, 2015, corresponding to about one month of current payments."

This decline and the deficit are directly related to "the falling copper prices," says S&P, which criticized the DRC's "dependency" on the resource. The agency estimates copper prices at 4600 dollars per ton in 2016, against 6000 dollars per ton for 2016-2017. (Source: Jeune Afrique. Photo: www.cardhub.com)

Congo gets financial support from France to improve its energy supply



Congo has just received a loan of more than 40 billion FCFA from the French Development Agency to help improve the National Electricity Company (SNE). The loan is to be repaid within 15 years, with 5 years of possible extension. According to the Congolese Ministry of Energy and Water, the investment program was developed together with the SNE and Électricité de France (EDF).

It aims to create reliable supply by the SNE, by restoring the quality of the electricity supply and reducing technical malfunctions. The investments to be made under this loan include, among others, the connection between Pointe-Noire and Brazzaville; the rehabilitation of the 110 KV Moukoulou-Mindouli line (south) and the rehabilitation of positions of the "South network" to increase distribution capacity. (Source: Xinhua. Photo: www.pennenergy.com)

Congo-Italy: Launch of a fishery development program



The two delegations met in Brazzaville to finalize the work: "we came to finalize the agreements signed last year between the two countries, to launch the development program for the fishery and aquaculture sectors", said Luigi Giannini, representative of the national federation of fishing companies Italy (Fector Pesca).

This program, he said, will bring job opportunities in Congo for the Italian industry and also supply the local population. It will improve the quality of fishery products and hence enhance Congo's export opportunities to the European market, including Italy. Riccardo Fenelli, representative of the Italian financial agency responsible for import and export, ensures that the Sace is willing to finance such programs. It will help Congo to acquire fishing equipment in Italy. (Source: Agency of Central Africa Information. Photo: mg.co.za)

Inauguration of the first stretch of road between Congo-Cameroon



The head of the Congolese state, Denis Sassou-Nguesso, inaugurated the first stretch of road to link the Congo to Cameroon. The total cost of the works is estimated at more than 101,143 billion CFA. The work was executed by the Chinese company Syno Hydro for a total cost of over 98,167 billion. The audit was conducted at a price of 2,525 billion FCFA by the Louis Berger group CIRA.

The project was funded for 54,220 billion CFA (56.65%) by the Congolese and 47,121 billion FCFA (43.35%) by the African Development Bank (ADB). The commissioning of this first section of the road, 312 kilometers long, will amplify the activities and producer returns. (Source: Journal of Cameroun.com. Photo: www.africanews.com)

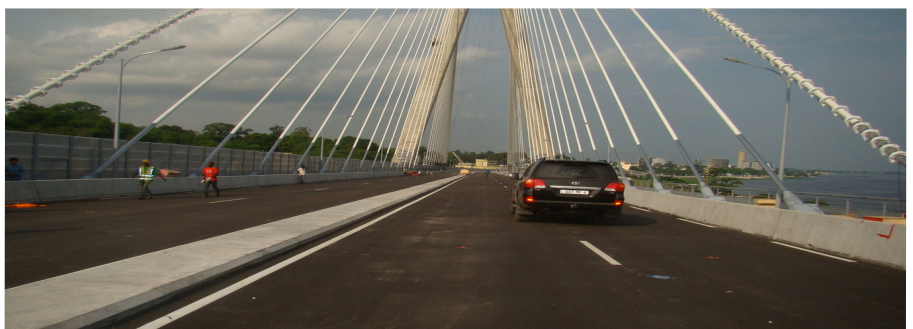
Beijing doubts Brazzaville's creditworthiness

The Chinese state export Guarantee Company is reluctant to grant a loan, issued during the summer of 2015 to the Republic of the Congo by the Export-Import Bank of China, Exim Bank.

The reluctance of Sinosure, the main public body of Chinese credit insurances for export, is linked to the declining oil prices and doubts about Brazzaville's repayment capacity. For President Denis Sassou-Nguesso, China has become a true "strategic partner", with three important Chinese partners financing export: Exim Bank, the Development Bank and Sinosure.

Last year, however, several Chinese construction companies active in Congo were forced to slow down or halt their projects due to the termination of the payment by the state. This time, Beijing does not seem willing to wipe the slate clean. (Source: BBC)

Southern bridge of Brazzaville open to traffic



The first 2500 km of the coast road between the Case de Gaulle and the Boat Club Mami Wata was opened to the public. The construction was carried out by the Chinese company China Road and Bridge Corporation (CRBC) and funded by the Congolese state and lasted a total of 28 months, amounting to 72,270 billion FCFA. The viaduct, with panoramic views, is a cable-stayed bridge with a curved road deck, 500 meters wide and 545 meters long.

Before commissioning, several load tests were carried out for a period of four days and were positive. The mayor of Brazzaville, Hugues Ngoulondélé, announced that the municipality will issue an order prohibiting traffic on this section every Sunday from 6 am to 18h, to allow people to come and visit the construction. (Source: Adiac. Photo: www.dce-presidence.cg)

POST SCRIPTUM

Photo report : The Embassy of the Netherlands held a workshop on access to finance in the DRC.

On 2 March 2016, The Embassy of the Netherlands held a workshop on access to finance in the DRC. Representatives of 4 Dutch financial institutions (Oikocredit, Triodos, FMO, Rabobank) took part in the workshop. On the Congolese side, both banks and state parties participating (Central Bank of Congo, the Ministry of Finance, Economy and SMEs) as well as partners such as IFC, UNCDF, GIZ, FPM and Agri-Profocus.



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