



EVOLUTION OF THE ECONOMIC AND POLITICAL SITUATION IN THE DEMOCRATIC REPUBLIC OF CONGO

Issue 70 | February 2023

Given the war in the East of the country, the challenge of credibility about the electoral process and the accumulation of public deficits: what prospects for the DRC ?

Kinshasa, DRC

RESPONSIBLE EDITOR

MATATA PONYO Mapon

SUPERVISION

LOKOTA ILONDO Michel – Ange
NTAGOMA KUSHINGANINE Jean-Baptiste

REDACTION

LUBAMBA NGIMBI Hector
MUYOMBO USENI Justin
WAULA LUZINGU Sacré

CONTRIBUTION TO THE BOX

BOKA MABELE David

GRAPHIC DESIGN & LAYOUT

MANZAMBI Moïse

CONGO CHALLENGE
THE MONTHLY BULLETIN

**EVOLUTION OF THE ECONOMIC
AND POLITICAL SITUATION IN THE
DEMOCRATIC REPUBLIC
OF CONGO**

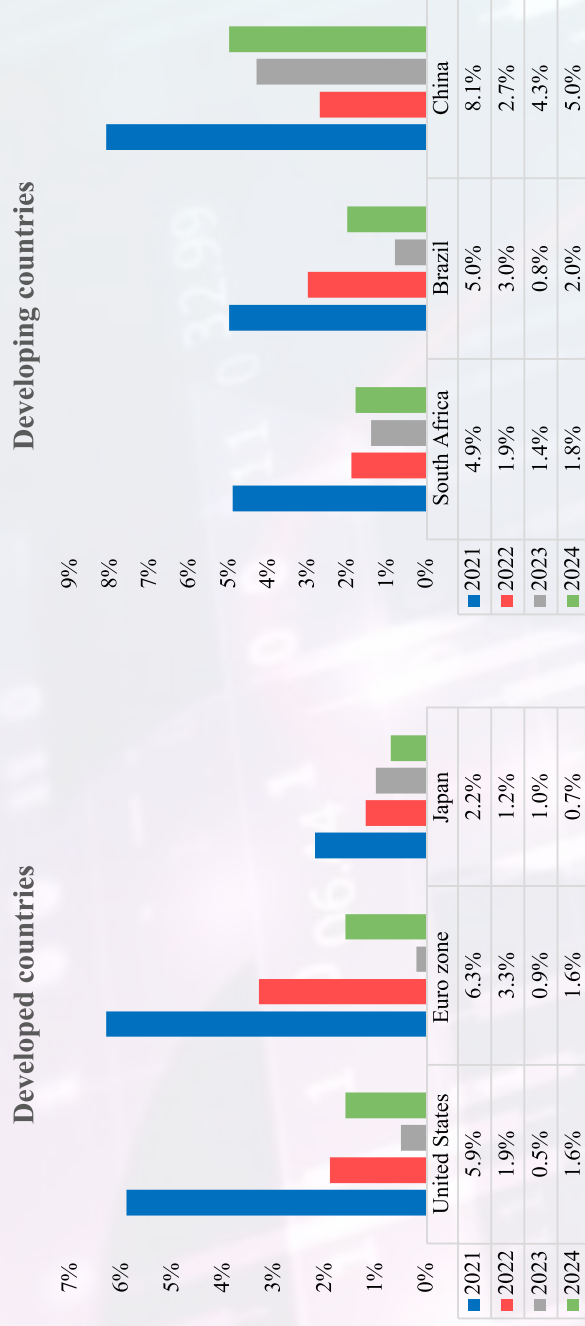
Issue **70** | February **2023**

Given the war in the East of the country, the challenge of credibility about the electoral process and the accumulation of public deficits: what prospects for the DRC ?

This monthly bulletin was translated by Congo Challenge staff. The original version is in French. Thus, the translated version may contain some shortcomings without altering the content of the original one.

Kinshasa, DRC

Global Economic Growth Projections



Summary

What I think	6
Executive Summary	9
International context	11
Economic growth	11
Inflation	12
Financial market	13
Foreign exchange market	15
Market for strategic products	17
International trade	19
National context	25
Evolution of the national economy	25
Economic activity	27
Pricedynamics	28
Exchange rates and foreign exchange reserves	29
Public finance	31
Evolution of the political situation	32
Political and economic perspectives	45





Matata Ponyo Mapon

What I think

Is the electoral process credible ?

I think that elections are an important part of political governance because they allow the population to choose competent leaders who can contribute to the development of the country. In the Democratic Republic of Congo, elections are open to all those who meet the conditions described in the electoral law, and are supposed to take place every five years. They have allowed Congolese to choose the president of the republic and national and provincial deputies several times. In principle, this process should also extend to municipal councilors and local representatives. However, largely because of a lack of political will, elections have never been extended to this level and may never be held. In the absence of elections, the rulers subtly assume power from the people and appoint burgomasters and locality chiefs who are sympathetic to them in order to better control the state apparatus at the grassroots. They often cite a lack of financial resources to disguise their true political motivations.

I think that the current electoral process is marred by many irregularities that cannot produce results acceptable to all. Although the electoral law has been passed by both houses of parliament, it has not incorporated all of the opposition's proposals. The presidential election is still held in a single round, rather than the two rounds proposed by the opposition. The composition of the Independent Electoral Commission (CENI) charged with organizing the electoral process did not conform to the texts that govern it. Representatives of the country's two main churches, the Catholic and Protestant, withdrew from the CENI composition process because of flagrant irregularities. The chairman of CENI was virtually imposed on him by the political powers that be. The largest opposition political grouping, the Common Front for the Congo (FCC) of

honorary president Joseph Kabila Kabange, withdrew from the process.

For this structure, the process is totally irregular. Like the entire opposition, it is demanding that INEC be reconstituted. The same concerns apply to the current composition of the Constitutional Court, which is responsible for validating the results of the elections to be proclaimed by INEC. Here again, the members of the High Court were appointed in flagrant violation of the constitution and other legal texts on the subject. Moreover, the majority of the appointed members are close to political power and often obey its injunctions. This dependence of the judiciary was at the origin of a legal scandal that discredited the highest court in the country three months ago. In fact, in the space of a year, this court issued two contradictory rulings on the same matter without any new information.

In this case, the Court took jurisdiction in November 2022 to try a former Prime Minister, after declaring itself incompetent a year earlier. Between the two decisions, the majority of judges remained the same, despite the fact that the Court has a new, more pro-power presiding judge, the previous one having been ousted for having said the right thing. What if the Court were to issue two conflicting rulings on the election of a president of the Republic? In addition, the voter registration process, which began nearly two months ago throughout the country, suffers from numerous shortcomings such as frequent machine breakdowns, power cuts in some places preventing the machines from working, an insufficient number of machines compared to the number of people to be registered, poor quality of the printed cards, insufficient time for registration, etc.



I think that the electoral process currently being conducted by CENI does not inspire the confidence of a large part of the population, and even less so of the various political actors, especially those of the opposition. The country's two main churches, Catholic and Protestant, are also very concerned. They have strongly criticized the discovery of some voting equipment, such as voter registration cards, in the wrecked vehicle of a national deputy belonging to the Sacred Union, a political grouping supporting the president of the Republic. There are fears that the catastrophic situation that occurred in December 2018 following the presidential and legislative elections could be repeated. Indeed, many of those proclaimed "winners" of the elections were not actually elected.

In short, the results proclaimed by CENI and confirmed by the constitutional court were not fully consistent with the results of the ballot box. This situation is detrimental to democracy and may lead to social unrest if it is repeated in December 2023. Indeed, it is unlikely that the population will remain indifferent to such an outcome, unlike what happened in December 2018. One of the reasons for the previous lull was that the population had obtained the change in political regime that they were desperate for. However, if in December 2023 the population does not get the change it is looking for from the vote, its reaction may be unpredictable. Hence the importance and urgency for the government to take action to restore credibility to the current electoral process. The INEC and the Constitutional Court deserve to be reconstituted in accordance with the laws of the country. The enrolment operation currently underway needs to be made more credible. If all these recommendations are not taken into account, the elections, if they are held in December 2023, will

not achieve their objective of allowing the population to choose the leaders they want and deserve. The government will then have squandered, as in 2018, 500 to 600 million U.S. dollars that should have been used to build the various types of infrastructure that the country sorely needs for its development. Finally, it is important to emphasize that the lack of quality leaders negatively and directly impacts all compartments of the national life of a country. Non-credible elections therefore mortgage the future of an entire country.

Kindu, February 27, 2023.

Executive Summary

Economic situation

- **At the international level**, the International Monetary Fund's projections show that global economic growth will slow to 2.9% in 2023, before rising to 3.1% in 2024. The complete lifting of health restrictions in China is the ultimate factor for a faster than expected economic recovery.
- With respect to inflation, the OECD forecasts that it will decline to 6.6 percent during 2023, but remain well above pre-Covid levels through 2024. Therefore, monetary policy will have to work to restore price stability and fiscal policy will be called upon to ease cost-of-living pressures.
- During the month of February 2023, stock market indices fell overall. These weak stock market performances are due to the monetary tightening measures taken by the central banks to fight against the inflation induced by the Russian-Ukrainian war.
- In the international foreign exchange market, the US dollar appreciated against the euro and the British pound during February 2023, mainly due to the Fed's willingness to continue its rate hike policy. On the Asian continent, the Chinese yuan has also declined against the greenback, and this may be exacerbated by the slowing global economy that threatens exports to China.
- In terms of commodities, copper prices trended downward during February 2023, amid concerns about the global economic slowdown. Gold prices also weakened as a result of upward pressure on the US bond markets. In the crude oil market, prices consolidated their downward trend on negative economic expectations related to the recession.
- With global economic activity projected to slow in 2023, this gloomy outlook is expected to have a negative impact on the evolution of international trade. UNCTAD statistics indicate that the volume of merchandise trade is expected to grow by 1.0% in 2023, down from 3.4% in 2022. Tightening monetary policies and the unpredictability of the Russian-Ukrainian conflict are expected to compound the pessimistic nature of this trade outlook.
- **At the national level**, as in the previous month, the macroeconomic framework deteriorated. Indeed, the national currency depreciated slightly by 0.24% in the interbank market and by 4.16% in the parallel market. During the same month, the national economy recorded positive changes in inflation rates compared to the previous month. Cumulative inflation increased by 40.72% to 3.58% in the third week of February 2023 from 2.54% a month earlier. Similarly, year-on-year inflation increased by 4.16% to 16.27% in the third week of February 2023 from 15.47% in the previous month.
- On the public finance side, the Treasury recorded a deficit of 167,002.00 million CDF in the third week of February 2023. This deficit is the result of an expenditure level of 983,291.00 million CDF compared to revenue of 816,289.00 million CDF. However, it should be noted that the data available relate to the third week of the month and may change at the end of the month, particularly with the continuation of the civil service payroll operation.
- Finally, the economic news of February 2023 was marked by several notable events. More explicitly, these events are presented below: (i) the IMF's recommendations on high priority reforms to be implemented by the Congolese government following the diagnosis of public investment management in the DRC; (ii) the Congolese government's concerns following the drop in the price of cobalt; and (iii) the submission of the report on the audit of petroleum product prices to the Minister of the National Economy.



Political situation

The month of February 2023 will have been particularly marked by the following political events: (i) the visit of Pope Francis to the DRC; (ii) questions about the impact of the EAC regional force in eastern DRC; and (iii) the forum for Unity, Cohesion and Development in Maniema.

Indeed, the head of the Catholic Church began a five-day tour of the African continent on Tuesday, January 31, 2023. Before going to South Sudan, Pope Francis first visited the Democratic Republic of Congo.

His visit was historic and highly anticipated. On Tuesday, January 31, 2023, for his fortieth apostolic journey, Pope Francis visited the African continent. The first stop on this trip was Kinshasa, the capital of the Democratic Republic of Congo. A four-day visit with multiple issues in this Central African country, and not the least, the DR Congo being the largest Catholic country on the continent.

This trip was originally scheduled for July 2022. But it was postponed, according to the Vatican, because of knee pain of the pontiff, now 86 years old. This visit was the first for a pope in the country since John Paul II, 37 years ago.

In addition, the Head of State, Felix Tshisekedi, has openly criticized the leadership of the African Union (AU) under the leadership of Senegalese President Macky Sall. For the Congolese president, the African Union is limited to declarations and remains indifferent to the real problems in African conflicts.

On Monday, January 30, 2023, during his speech to the diplomatic corps accredited to the DRC, Felix Tshisekedi also called on the United Nations to sanction Rwanda for the aggression suffered by the DRC in the East. "The Congolese people refuse to admit that the AU and the regional communities often struggle to extinguish the sources of tension in Africa, limiting themselves to declarations and formulas little followed by facts or in the worst cases are indifferent where they should act quickly to advance the development of the continent," said in substance Felix Tshisekedi.

Félix Tshisekedi thus asked the UN to impose individual and collective sanctions on the Rwandan authorities, the M23 terrorists and the Rwandan state. "The real stakes of the aggression of the DRC by Rwanda are economic and hegemonic (...), that everyone knows, yesterday, today and tomorrow that no generation of my compatriots will give up a square centimeter of the national territory to anyone," explained Felix Tshisekedi.

Finally, the Forum for the unity, cohesion and development of the sons and daughters of Maniema opened on Tuesday, February 14, 2023, in Kindu, capital of Maniema, under the facilitation of Bishop François Abeli of the diocese of Kindu.

Nearly 500 people from Maniema took part in this two-day forum (from 14 to 15 February 2023) which took place in the Mapon amphitheatre of the University of Kindu with the objective of reflecting on the province's progress towards its take-off. Concerned about the unity, cohesion and development of the sons and daughters of their native province, the two great notables of Maniema, Emmanuel Ramazani Shadary and Augustin Matata Ponyo Mapon were reconciled.

This reconciliation between the two native brothers of Kabambare in cold since the elections of 2018 was made possible thanks to the involvement of Professor Ngumbi Casimir who, during the ceremony, asked the two emblematic figures of Maniema to stand, shake hands and then hugs. Let us point out that this is the first fruit of the forum for the unity, the cohesion and the development of the girls and sons of Maniema.

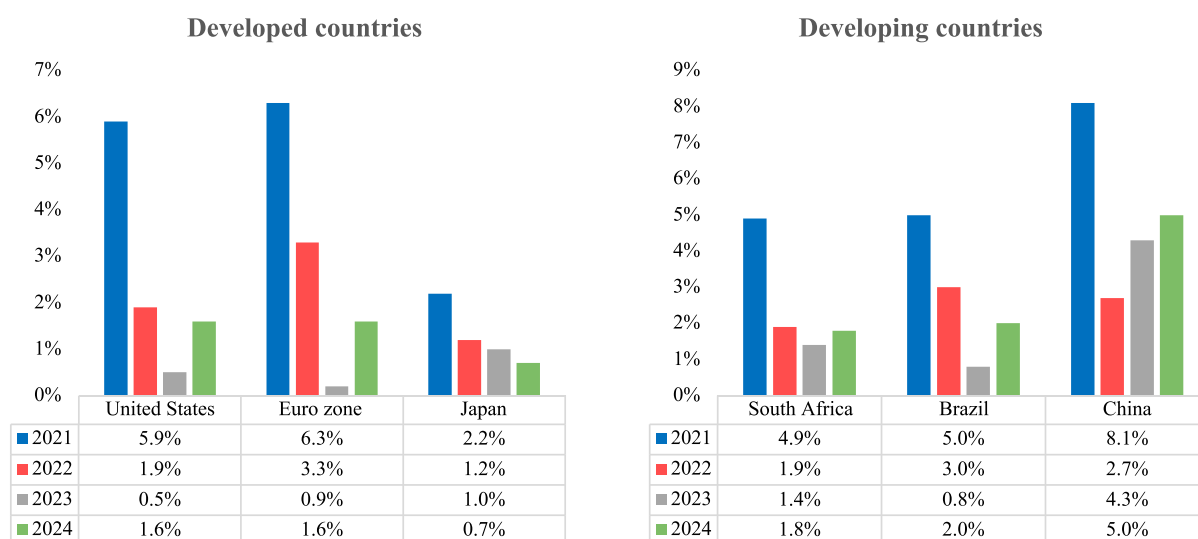
1. International context

I.1. Economic growth

The International Monetary Fund (IMF) forecasts that global economic growth will slow to 2.9% in 2023, before rising to 3.1% in 2024. The increase in interest rates by central banks to curb inflation caused by the

war between Ukraine and Russia has weighed heavily on this downward dynamic of economic activity. Thus, downside risks to the economic outlook will continue to dominate through 2023 (see Figure 1).

Figure 1 » GLOBAL ECONOMIC GROWTH PROJECTIONS



Source : IMF.

Figure 1 shows that the advanced economies will experience a fairly deep recession in 2023, while the emerging economies will be in a stagnant situation in that year (except China). Given the risk of the aforementioned tightening of financial conditions, consideration should be given to targeted fiscal support

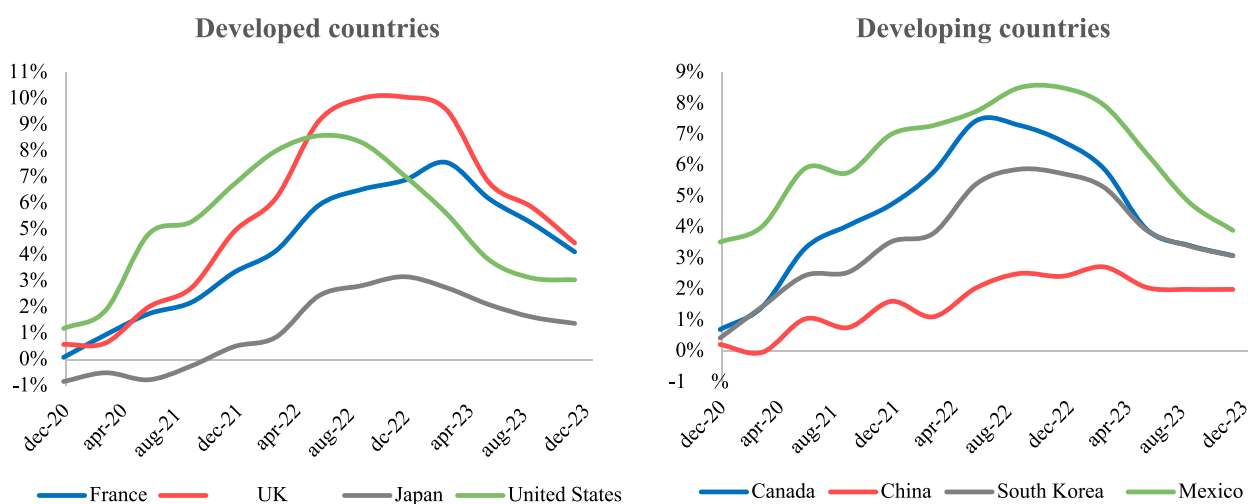
for those households most affected by rising food and energy prices, but also to tax relief measures to ease the burden on businesses. However, the full opening of China's borders would ultimately stimulate a faster-than-expected economic recovery, particularly from 2024 onwards.

I.2. Inflation

After reaching record levels in 2022, the upward momentum of inflation is expected to moderate during 2023. Anticipated lower demand for manufactured goods and efforts to improve global supply chains are among the factors that may explain this disinflation

process. For example, OECD statistics indicate that global inflation is expected to decline from 8.9% in 2022 to 6.6% in 2023. However, these projections remain well above pre-pandemic levels.

Figure 2 » QUARTERLY FORECASTS OF INFLATION RATE IN THE WORLD



Source : OECD.

Following the upward trends observed between 2021 and 2022, Figure 2 indicates that these price pressures will have to subside from 2023 onwards, although above central bank targets. Policies to raise interest rates will increase the cost of borrowing for businesses and drain the financial

resources of households. There is therefore a need for monetary policy to continue to focus on restoring stability to the general price level, and for fiscal policy to focus on alleviating the cost-of-living pressures experienced by those most vulnerable to deteriorating purchasing power.



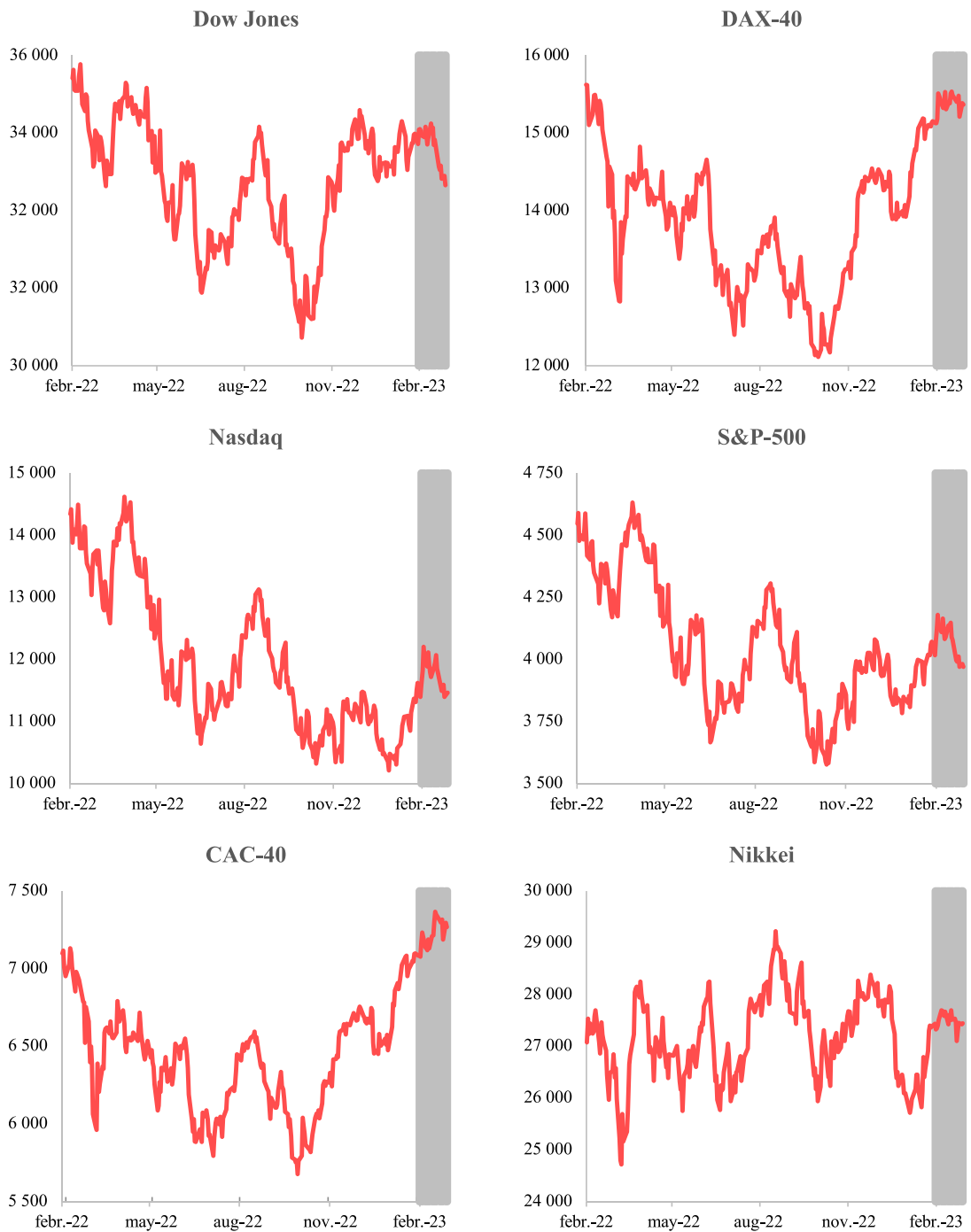
I.3. Financial market

After the rise seen in the previous month, the stock markets showed downward trends during this month of February 2023. On Wall Street, the Dow Jones, the S&P-500 and the Nasdaq reached levels of 32,655 points, 3,970 points and 11,465 points respectively in the last week of the current month. On the European continent, there was a slight stagnation in the stock market indices. On the Paris Stock Exchange, the CAC-40 fluctuated around a level of almost 7,190 points; and on the Frankfurt Stock Exchange, the average level was around 15,210 points for the DAX-40 index. The Tokyo Stock Exchange was also characterized by this same downward dynamic, with the Japanese Nikkei index reaching a low of around 27,100 points in late February 2023.

These falls in the stock market indices are explained by the monetary tightening policies pursued by the central banks to curb the price rises observed following the Russian-Ukrainian conflict. The subsequent appreciation of the US dollar slowed the demand for stock market assets, which in turn led to a decline in their prices. Thus, the prerequisite for improving the level of financial confidence remains the establishment of post-war economic conditions conducive to growth, which will have to be able to dissuade the quantitative tightening plans advocated by central banks to fight inflation.



Figure 3 » DAILY TRENDS IN THE MAIN STOCK MARKET INDICES



Source : Macrotrends.



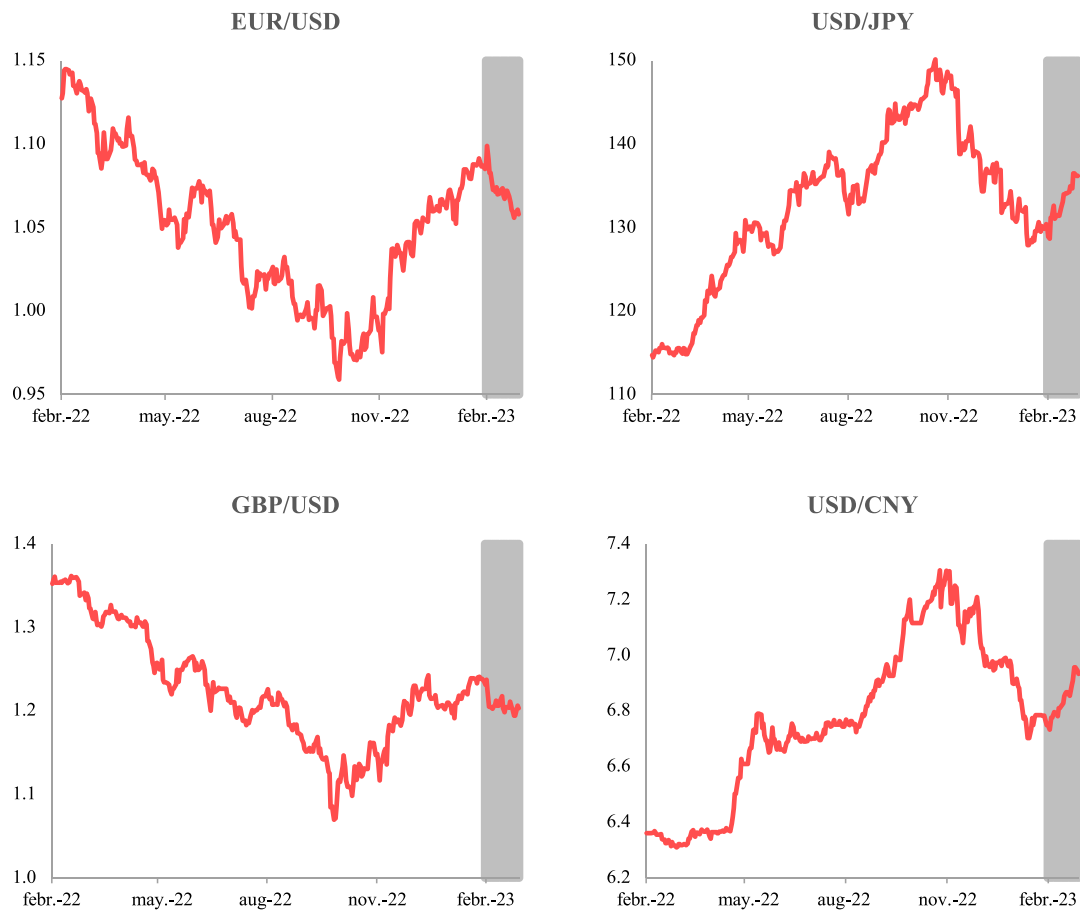
I.4. Foreign exchange market

As a result of the collapse in equity asset gains, given the Fed's willingness to continue its restrictive monetary policy, demand for the safe haven U.S. dollar has been stimulated. As a result, the U.S. currency appreciated significantly against both the euro and the British pound during February 2023. At the close of the month, the European currency was valued at 1.06 EUR/USD, while the British currency reached nearly 1.19 GBP/USD.

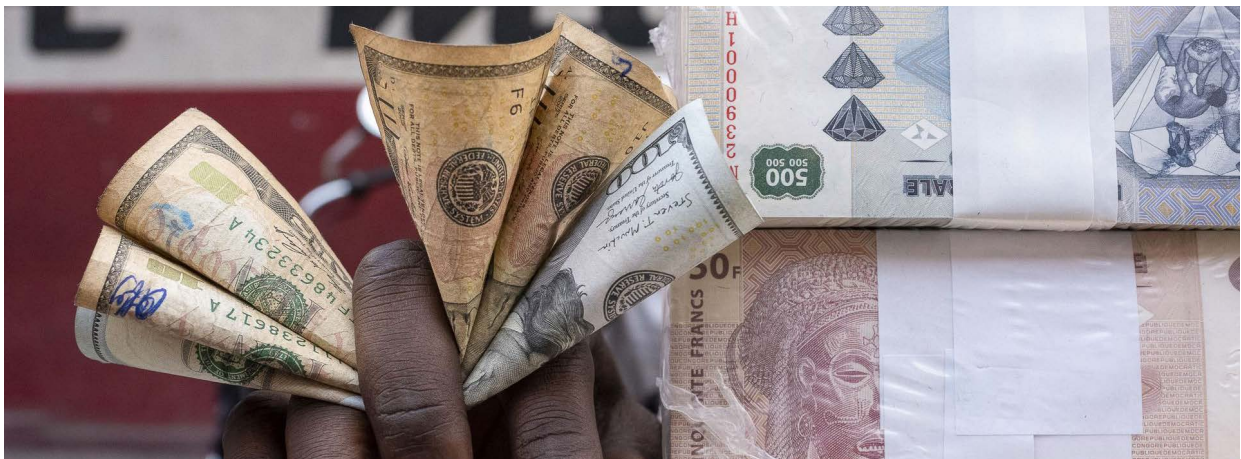
On the Asian continent, the Japanese yen's curve has been rising throughout the current month, reflecting the depreciation of the Japanese currency against the greenback, due in particular to the rise in US bond rates. In Beijing, the Chinese currency was also under attack from the greenback. This decline in the Chinese yuan is expected to be exacerbated by the global economic slowdown, which poses a threat to Chinese exports as it may contract manufacturing activity in China.



Figure 4 » DAILY EVOLUTION OF THE MAIN EXCHANGE RATES



Source : Macrotrends.



I.5. Market for strategic products

- Copper

After temporarily increasing the previous month due to the easing of sanitary restrictions in China, copper prices have confirmed their overall downward trend during this month of February 2023. Indeed, in the last week of the current month, prices for the red metal posted a low of USD 8,723 per metric ton. This is likely to be attributed to concerns about the economic recession, as the price of this commodity is a reliable measure of global economic health.

Figure 5 » DAILY EVOLUTION OF COPPER PRICES (IN USD PER TON)



Source : Macrotrends.

- Gold

After rising steadily throughout the past three months, gold prices fell during the month of February 2023. At the close of that month, gold was valued at approximately US\$1,810 per ounce. Upside pressure in the U.S. bond markets is believed to have dampened the appeal of the yellow metal. Indeed, the appreciation of the greenback has led to a low attractiveness of gold as a store of value, given the negative correlation between the US currency and the yellow metal. This situation is likely to persist as long as the Fed remains determined to fight inflation caused by rising food and energy prices.

Figure 6 » DAILY EVOLUTION OF GOLD PRICES (IN USD PER OUNCE)



Source : Macrotrends.

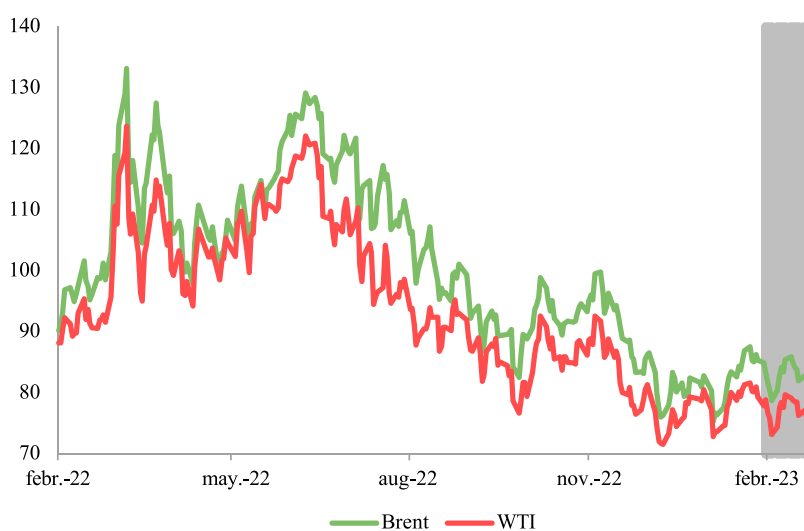
- Oil

Throughout February 2023, the trajectory of crude oil prices revealed two dynamics forming an inverted U-shaped curve. Initially, prices trended upwards in the first half of the month, reaching peaks of USD 85 per barrel and USD 80 per barrel in the European (Brent) and US (WTI) markets respectively. This increase can be attributed to expectations of a recovery

in Chinese demand, given the moderation of its anti-Covid policy. Subsequently, the second half of the month was characterized by a further fall in prices due to rising oil inventories in the United States, but

also to concerns about aggressive monetary tightening by central banks, which increases the risks of a global recession.

Figure 7 » DAILY EVOLUTION OF OIL PRICES (IN USD PER BARREL)



Source : Macrotrends.

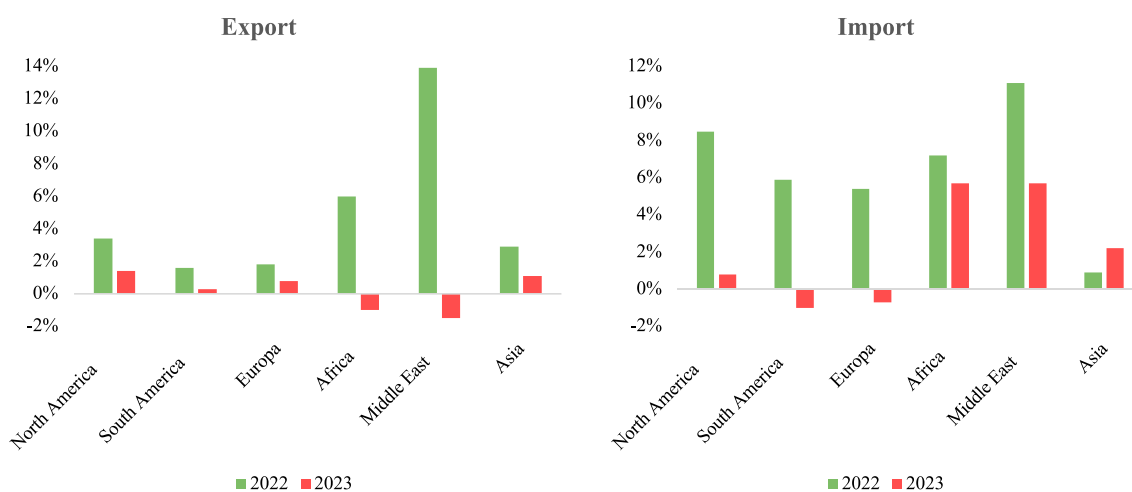


I.6. International trade

Statistics from the United Nations Conference on Trade and Development (UNCTAD) project a slowdown in the volume of international trade during 2023. In a situation where the growth prospects of the world economy will continue to be revised downwards, there will be a negative impact on the dynamics of

trade. UNCTAD data indicate that the volume of merchandise trade is expected to grow by 1.0% in 2023, compared to 3.4% in 2022. Among the factors highlighted to explain this recession are the rise in energy prices, the tightening of financial conditions, and the impact of geopolitical tensions in Ukraine.

Figure 8 » MERCHANDISE TRADE GROWTH



Source: UNCTAD.

Figure 8 shows that import demand is expected to weaken as western economies slow down. In Europe, higher energy prices resulting from the Russian-Ukrainian war will squeeze household spending and increase costs in the manufacturing sector. In North America, tighter monetary policy will impact interest rate sensitive spending on housing, automobiles and fixed asset investment. In Asia, the resurgence of Covid-19 will reduce its demand for strategic minerals as the world's largest industry. Finally, rising food

import bills in Africa and Latin America could lead to food insecurity and debt overhang in these developing economies. If these inhibiting factors consolidate over the course of 2023, the pessimistic forecast for global trade developments could be further revised downward, given the uncertainty of monetary policy developments in advanced economies, but also given the unpredictable nature of Russian actions in the Ukraine conflict.



Box 1. Recent and Future Developments in Microfinance Worldwide and in Sub-Saharan Africa

Microfinance has been an essential tool for providing financial services to low-income households and small businesses in developing countries. It has come a long way since its inception in the 1970s. Over the past few decades, microfinance has undergone significant changes and has evolved to become more inclusive and diversified in its offerings. The microfinance industry has grown significantly over the years, reaching millions of people around the world. It has gained popularity as a way to promote financial inclusion and poverty reduction. In this article, we will examine recent trends in microfinance, focusing specifically on sub-Saharan Africa, and provide an overview of future trends in the sector. Despite progress in the sector, much remains to be done, particularly in sub-Saharan Africa, where a large percentage of the population is still unbanked.

I. Recent trends in microfinance

Recent trends in microfinance show that the industry has continued to grow, despite the challenges posed by the COVID-19 pandemic. According to a Microfinance Barometer report, the global microfinance industry saw an increase in the number of clients served, reaching 140 million at the end of 2020, a 7 percent increase over the previous year. The report also showed that the total value of loans disbursed by microfinance institutions (MFIs) increased by 12 percent in 2020, to \$136 billion.

Sub-Saharan Africa remains the region with the largest number of microfinance clients, with 54 million clients served by MFIs in 2020, an 8 percent increase over the previous year. This is not surprising given the high level of poverty and financial exclusion in the region. However, the pandemic has had a significant impact on the microfinance sector in Africa, with many MFIs facing increased levels of risk and uncertainty.

The pandemic also underscored the importance of digital financial services in the microfinance industry. As people were forced to stay home and businesses had to close their physical locations, many MFIs had to adopt digital channels to continue serving their clients. The use of digital platforms and mobile money has increased dramatically in Africa, offering MFIs the opportunity to reach more clients and reduce operational costs.

In addition to digital financial services, other trends in microfinance include a growing emphasis on client protection and social performance management. Many MFIs have recognized the importance of protecting their clients from over indebtedness and other risks associated with microfinance. As a result, there is a growing interest in social performance management, which involves monitoring and evaluating the social impact of microfinance institutions.

Another trend in microfinance is the increasing use of alternative credit scoring models. Traditional credit scoring models are often not appropriate for microfinance clients, who may not have a formal credit history or collateral. Alternative credit scoring models, such as those based on cell phone usage data, have shown promise in providing MFIs with a more accurate assessment of a client's creditworthiness.

The microfinance industry has undergone significant changes in recent years. The industry has become more inclusive and diverse, offering a range of financial products and services to people of all income levels. Some of the recent trends in microfinance include :

- 1. Technological advances :** Technology has transformed the way microfinance institutions operate, making it easier for them to reach more people. With the rise of cell phones and the Internet, many microfinance institutions have adopted digital platforms to deliver their services, allowing them to reach people in remote areas.
- 2. Product diversification :** Microfinance institutions have diversified their offerings to meet the different needs of their clients. In addition to traditional loans, microfinance institutions now offer a range of products such as savings accounts, insurance and money transfer services.
- 3. Collaboration and partnerships :** Microfinance institutions are increasingly collaborating with other organizations such as NGOs, government agencies, and private sector actors to reach more people and provide a wider range of services.



- 4. Social Impact Investing:** Interest in social impact investing has increased as many investors seek opportunities to invest in socially responsible enterprises. This has led to an influx of funds into the microfinance sector, creating new opportunities for microfinance institutions to grow and expand their services.

Microfinance in Africa

Africa is a continent with vast potential for microfinance, given the high level of poverty and the large number of unbanked people. Despite significant progress in recent years, many Africans remain excluded from the formal financial sector. According to the World Bank, only 43 percent of adults in sub-Saharan Africa have access to formal financial services, compared to a global average of 69 percent.

Microfinance has played a key role in providing financial services to the unbanked in Africa. Microfinance institutions (MFIs) have helped people living in poverty gain access to credit, savings, insurance, and other financial services. By providing access to financial services, microfinance has enabled poor people to invest in their businesses, generate income and improve their livelihoods.

Sub-Saharan Africa has a large microfinance sector, with many microfinance institutions providing financial services to millions of people. According to the Microfinance Barometer, there were over 22 million active borrowers in Sub-Saharan Africa in 2019. Here are some statistics related to microfinance in sub-Saharan Africa:

- 1. Market size:** The microfinance industry in Sub-Saharan Africa is estimated to be worth more than \$11 billion.
- 2. Penetration:** Despite the growth of the microfinance sector, penetration of financial services remains low in SSA. According to the World Bank, only 43% of adults in SSA have access to a bank account.
- 3. Gender:** Women make up a significant proportion of microfinance clients in sub-Saharan Africa. According to the World Bank, women make up 66 percent of microfinance borrowers in the region.
- 4. Repayment rates:** Repayment rates in Sub-Saharan Africa are generally high, with many microfinance institutions reporting repayment rates above 90 percent.
- 5. Impact:** Microfinance has had a significant impact on poverty reduction in sub-Saharan Africa. According to the Microfinance Barometer, microfinance institutions in sub-Saharan Africa have helped lift more than 4.5 million people out of poverty.

II. Future trends in microfinance

The future of microfinance is likely to be shaped by several factors. The first is the continued impact of the pandemic, which has highlighted the need for greater resilience and adaptability in the microfinance industry. The use of digital channels is expected to continue to increase, offering MFIs the opportunity to reach more clients and reduce operational costs.

Another factor is the growing interest in impact investing and social finance. Investors are increasingly looking for investments that not only generate financial returns but also have a positive social or environmental impact. This trend should continue to drive innovation and growth in the microfinance industry.

In sub-Saharan Africa, the future of microfinance is also expected to be shaped by the region's rapid population growth and urbanization. According to the United Nations, the population of sub-Saharan Africa is expected to double by 2050.

The future of microfinance around the world is bright, as more and more governments and financial institutions recognize its potential to promote financial inclusion and help reduce poverty. In particular, the following trends are expected to shape the future of microfinance :

- 1. Digital transformation :** The digital revolution has transformed the way financial services are delivered, and microfinance institutions (MFIs) are no exception. The use of digital platforms and mobile technology allows MFIs to reach more clients, reduce costs and improve efficiency. In addition, digital technology makes it easier for MFIs to collect and analyze data, which can help improve decision making and risk management.
- 2. Innovative financial products :** To remain competitive, MFIs are developing innovative financial products tailored to their clients' needs. For example, some MFIs now offer insurance products, savings accounts, and mobile money services in addition to traditional microcredit. This diversification of financial products reduces the risk of over indebtedness and promotes financial inclusion.
- 3. Collaborations and partnerships :** MFIs are increasingly collaborating with other financial institutions, NGOs, and government agencies to expand their reach and impact. Partnerships with banks, for example, allow MFIs to leverage the infrastructure and expertise of established financial institutions to reach more clients. Similarly, collaborations with NGOs and government agencies can help reduce costs and improve the sustainability of microfinance programs.
- 4. Emphasis on social performance :** In recent years, there has been an increasing emphasis on social performance in the microfinance sector. This trend is driven by the recognition that financial performance alone is not sufficient to achieve the social mission of microfinance. As a result, MFIs are increasingly adopting social performance metrics to measure and report on their social impact, such as the number of people lifted out of poverty, the number of jobs created, and the number of women empowered.

The future of microfinance in Africa

The future of microfinance in Africa looks promising, with several trends indicating significant growth potential.

1. The digitization of microfinance services

The adoption of digital technologies is transforming the microfinance landscape in Africa. Digitization has enabled MFIs to provide financial services to remote areas that were previously inaccessible due to poor infrastructure. The use of cell phones, internet banking, and digital wallets has increased the reach of microfinance services in Africa. Digitization has also helped reduce the cost of providing microfinance services, making them more affordable for low-income households.

2. Collaboration between microfinance institutions

Collaboration among MFIs is critical to the growth of the microfinance industry in Africa. MFIs can collaborate by sharing best practices, pooling resources, and building strategic partnerships. Collaboration can help increase the capacity of MFIs to serve more clients and expand their services. Collaboration can also help to reduce operational costs, making microfinance services more affordable.

3. Focus on women and youth

Women and youth are among the most marginalized groups in Africa. Microfinance has contributed to the empowerment of women and youth by providing access to credit and other financial services. The future of microfinance in Africa lies in a greater focus on women and youth. By empowering women and youth, microfinance can help reduce poverty and promote economic growth.

4. Sustainable microfinance

Sustainability is critical to the long-term success of the microfinance industry in Africa. MFIs must adopt sustainable business models that generate profits while meeting the needs of the poor. Sustainable microfinance requires a focus on social impact and financial performance. MFIs must balance social impact and financial performance to ensure the long-term viability of their operations.

5. Regulatory environment

The regulatory environment plays a crucial role in the growth of the microfinance industry in Africa. The regulatory framework must be conducive to the growth of microfinance while protecting the interests of clients. The regulatory environment must promote transparency, accountability, and consumer protection. The future of microfinance in Africa will depend on a regulatory environment that promotes innovation.

Sub-Saharan Africa is home to some of the poorest countries in the world, and it is estimated that about two-thirds of the region's adult population is unbanked. Microfinance therefore has enormous potential to promote financial inclusion and reduce poverty in the region. However, to realize this potential, the following challenges must be addressed :

- 1. Limited infrastructure :** Many areas in sub-Saharan Africa lack basic infrastructure, such as electricity, internet connectivity, and transportation. This makes it difficult for MFIs to operate in these areas and reach clients who live in remote or rural areas.
- 2. Limited access to funding :** MFIs in sub-Saharan Africa often have difficulty accessing funding, particularly long-term funding, which is necessary to finance their growth and expansion. Lack of access to funding is a major obstacle to the sustainability of microfinance programs in the region.
- 3. Weak regulatory frameworks :** In some sub-Saharan African countries, the regulatory framework for microfinance is weak or non-existent. This creates an environment in which unscrupulous operators can take advantage of vulnerable clients.

In sub-Saharan Africa, several trends can be observed in the microfinance field. One of the most significant is the continued growth of mobile money platforms. In countries such as Kenya and Tanzania, mobile money has already become an essential part of the financial ecosystem, and we can expect to see more and more countries in the region adopt similar platforms.

One of the most significant trends we will see in microfinance is the use of digital technology. Digital financial services have already begun to revolutionize the way microfinance works, and this trend will only accelerate in the coming years. Mobile money platforms, for example, have already had a significant impact on financial inclusion in sub-Saharan Africa, and we can expect to see more and more financial services delivered through mobile devices.

The use of artificial intelligence (AI) and machine learning is another trend we can expect to see in microfinance. AI has the potential to make lending decisions more efficient and accurate, which will help reduce risk for lenders and increase access to credit for borrowers. In addition, AI can also help identify potential fraud or other financial crimes, which will help protect lenders and borrowers alike.

Another trend we can expect to see in microfinance is a shift toward more client-centered products and services. Microfinance institutions have traditionally focused on providing credit to borrowers, but we are now seeing a broader range of financial products and services being offered, including savings accounts, insurance, and investment opportunities. This shift toward more client-centered services will allow microfinance institutions to remain relevant and sustainable in the years ahead.

Another trend we can expect to see in sub-Saharan Africa is the growth of fintech startups. These companies leverage digital technology to provide innovative financial products and services to underserved populations. Fintech startups have the potential to disrupt the traditional microfinance industry and provide new and more efficient ways to deliver financial services to those who need them most.

Another trend we can expect to see in Sub-Saharan Africa is an increased emphasis on financial literacy and education. Many people in the region lack basic financial skills, which can make it difficult for them to access and effectively use financial services. Microfinance institutions and other financial service providers are beginning to recognize the importance of financial literacy and are investing in programs to educate their clients.



Finally, we can expect microfinance in sub-Saharan Africa to continue to focus on social impact. Microfinance has always been about more than just lending; it is about empowering individuals and communities to lift themselves out of poverty. Microfinance institutions in the region will continue to focus on creating positive social impact, whether through job creation, community development, or other means.

2. National context

II.1. Evolution of the national economy

The economic news of February 2023 was marked by several notable events. More explicitly, these facts are presented as follows: (i) the IMF's recommendations on the high priority reforms to be implemented by the Congolese government following the diagnosis carried out on the management of public investments in the DRC; (ii) the Congolese government's concerns following the drop in the price of cobalt; and (iii) the submission of the report on the audit of the prices of petroleum products to the Minister of the National Economy. More explicitly, these facts are presented as follows:

1. IMF Recommendations on High Priority Reforms to be Implemented by the Congolese Government Following the Diagnostic Study of Public Investment Management in the DRC

The International Monetary Fund (IMF) recently conducted a study of public investment management in the Democratic Republic of Congo (DRC), revealing several shortcomings in the country's investment policies. According to the study, the government's level of investment is estimated at only 4 percent of gross domestic product (GDP) since 2003, which is almost half the average for sub-Saharan Africa and low-income countries. In addition, the capital stock per capita in DRC is one of the lowest in the world, at about US\$200, and the infrastructure financed by these investments is of low quality with significant risks of deterioration.

In addition, the IMF has identified weaknesses in the DRC's public investment policy, including a lack of clarity or even absence of rules for evaluating, selecting, and monitoring investment projects. These weaknesses range from a lack of information on investment needs in national and sectoral strategies to the absence of clear project selection criteria. There is

also a heavy reliance on direct contracting procedures in public procurement, and physical and financial project monitoring reports are rare.

To address these problems, the IMF recommended seven "high priority" reforms, including the adoption of a public investment management decree covering all phases of the project cycle, the creation of a single office to coordinate and monitor externally financed projects, and the inclusion of quantified investment needs and projected costs in strategic planning documents. The development and publication of a public investment program, which promotes a more transparent project selection process, is also recommended. The IMF suggests the creation of an integrated project bank, coordination of capital investments between the central government and the provinces, and increased transparency and competition in public procurement.

It should be noted that these reforms require strong political will and sustained implementation to be successful. The IMF has developed a priority action plan for 2022-2024, which has been made available to the Congolese government. The success of these reforms will depend on the government's willingness to implement them, as well as the availability of the necessary resources and technical expertise. Ultimately, the successful implementation of these reforms could have a positive impact on the DRC's economy, promoting sustainable growth, reducing poverty, and improving the standard of living of its citizens.

2. Concerns over falling cobalt prices

The current state of the cobalt market is a major concern for the Democratic Republic of Congo (DRC), which is the world's largest producer of cobalt and whose economy is heavily dependent on mining. The drop in cobalt prices is due to weak global demand and

increased cobalt production from Indonesia, which has resulted in a ton of cobalt trading at \$38,500 on the international market. This drop in price will have a negative impact on the revenues of the Congolese state.

The pound of cobalt has fallen dramatically from US\$40 to US\$17, while the need for cobalt in electric vehicles has increased by 63% in the last year. However, this increase in demand is linked to the growing production of electric vehicles, which has led to a reduction in the use of cobalt in batteries. The use of nickel, iron phosphate and lithium-ion battery manufacturing has relegated cobalt to a secondary role. EU and US reports on global metal requirements have made it clear that lithium will be in greater demand than cobalt in the green transition.

Several experts in the mining sector had predicted that lithium would replace cobalt in the manufacture of electric vehicles. For several years, the Congolese government had been advised to increase lithium production at Manono in Tanganyika province, but unfortunately, this advice was not followed. Today, the facts are catching up with the government, which should have listened to these experts. The evolution of chemistry has changed the future of the blue metal, and its market has gone from boom to bust. While the European automotive industry continues to rely heavily on cobalt-based batteries, it is questioning its dependence on Congolese production and on China, where much of the raw cobalt is processed.

Indonesia's ambition to become a major cobalt producer is a threat to the DRC, but the biggest threat is the substitution of lithium for cobalt in battery production. The DRC has relied heavily on cobalt revenues, but if the country were organized, the substitution of lithium for cobalt would not be a problem, since the world's largest lithium deposit is in Manono. However, this lithium is not exploited for various reasons, which makes the DRC a problematic country and not a "solution country" as it is said in

official speeches, disconnected from reality. It is important for the DRC to anticipate the evolution of the demand for cobalt and to play on the law of supply and demand in order to raise prices.

3. Submission of the audit report on the price of petroleum products to the Minister of National Economy

At the request of the Government, an audit was conducted to analyze the structure of petroleum product prices, with the aim of cleaning up the system. The audit was carried out by the auditing firm MAZAR RDC, which was selected after a call for tenders by the BCECO. The objective of the audit was to re-examine the logistics and operating costs of the oil trading and logistics companies, and to determine the efficiency of the companies, the amounts of the charges, and their proximity to the current price structure.

The Ministry of the National Economy wanted to produce a cross-sectional analysis of the price structure of petroleum products, in order to identify aspects and parameters that could be optimized for better control of the budgetary risk related to losses and shortfalls, and to strengthen petroleum taxation. The audit resulted in several recommendations contained in the report submitted to the Minister, including the establishment of a Regulatory Authority for the DRC's downstream oil sector with a mandate to regulate the sector and strengthen the capacities of the Petroleum Products Price Monitoring Committee.

Other recommendations include re-examining the components of price structures on a five-year basis, updating the calculation of the transport differential, analyzing the impact of exchange rates, changing the way the volume structure is taken into account, revising the calculation of the average border trade price on day "d", defining a safety stock level and cleaning up the downstream sector.

The report has been submitted to the Minister, and the supervisory authority has asked professionals in the oil sector to read it and make comments. The audit demonstrates the Minister's desire to clean up the sector, while preserving the population's purchasing power and relieving the public treasury. Already, some measures and reforms initiated by the Ministry have enabled the public treasury to recover \$ 70 million in this sector.

In summary, the audit report is a crucial tool for the government to improve the efficiency of oil trading and logistics companies, strengthen the regulation of the sector and ensure better control of the budgetary risk related to losses and shortfalls, while strengthening oil taxation. The recommendations contained in the report, if implemented, will contribute significantly to the development of the oil sector in the DRC.

II.1.1. Economic activity

The Business Climate Unit of the Presidency of the Republic has created a national barometer of the business climate, abbreviated BNCA, with the aim of addressing the problems of economic operators by collecting periodic opinions from a representative sample of the private sector. This initiative aims to understand the challenges and difficulties faced by businesses in different economic sectors, to measure the impact of government actions and to identify the progress needed to stimulate investment.

The establishment of this tool demonstrates the commitment of the Congolese state to guarantee a business environment that is conducive to investors. The barometer is intended to be representative of all Congolese businesses and should cover all the country's provinces. Thus, the collection of periodic data from businesses will be essential to understand the problems they face and to adapt public policies accordingly.

The creation of this national barometer is a commendable initiative. The results will accurately reflect the economic situation of the country thanks to the representativeness of the sample of companies and the wide geographical coverage. A healthy and dynamic business environment is essential to stimulate economic growth and attract foreign investment. Ultimately, the implementation of this tool will help improve the business climate in the DRC.

The liberalization of the insurance market in the DRC has led to significant growth in the sector's turnover, from USD 70 million in 2018 to over USD 268 million in 2022. This growth is impressive, with an overall increase of 270% in just four years, representing an annual growth of 54%. This is largely attributed to the entry of new players into the market, with the increase from one to 41 players.

This growth is a clear indication of the opportunity for insurance companies to fully exploit the potential of the insurance industry in Africa, as the theme of the 47th General Assembly of the Federation of African National Insurance Companies (FANAF) highlights. However, the insurance sector in Africa faces many challenges, including the low insurance penetration rate in many African countries.

To meet these challenges, the Congolese government, through the Minister of Finance, has stressed that all stakeholders must work together. This implies the respect of regulations, minimum rates and commitments by insurance companies, as well as the presentation of adapted and appropriate products. African insurance companies must also play their full role and stop acting as intermediaries for parent companies based outside the African continent.

In conclusion, the growth of the insurance market in the DRC is a positive sign for the insurance industry in Africa. However, much remains to be done to improve insurance penetration rates in many African countries.

Insurance companies must continue to work together to find solutions to these challenges and fully exploit the potential of the African market.

The Democratic Republic of Congo (DRC) is receiving US\$300 million in funding from the World Bank for the Empowerment of Women Entrepreneurs and Modernization of MSMEs for Economic Transformation and Employment Project in the DRC. This project is an opportunity for young entrepreneurs and start-ups in the DRC, as it provides them with the possibility to access financing to develop their activities and contribute to the country's economic growth.

However, it is important that funding recipients meet government standards and operate in key sectors such as agribusiness, consumer goods production, handicrafts, among others. This will encourage industrialization and reduce the unemployment rate in the DRC.

It is also encouraging to see that organizations, such as MOJES (Project for the Empowerment of Women Entrepreneurs and Young Enterprises), are mobilizing to support young entrepreneurs and help them prepare and regularize their files to maximize their chances of obtaining financing.

The project for the empowerment of women entrepreneurs and modernization of MSMEs in the DRC is an opportunity for young entrepreneurs and businesses to benefit from financing and contribute to the country's economic growth. The World Bank has made available to the country three hundred million US dollars of which 107,600,000 USD is a grant and 150,000,000 USD is a loan. However, it is important that the beneficiaries respect government standards and operate in key sectors to encourage industrialization and reduce the unemployment rate in the DRC.

II.1.2 Price dynamics

During February 2023, prices moved upward overall compared to January 2023. As shown in Table 1, the inflation rates (cumulative and year-on-year) indicate that prices have increased. This could be mainly explained by developments in food prices. The continued Russian invasion of Ukraine and ineffective government policies may be supporting this price slippage.

As for the year-on-year inflation rate, it stood at 16.27% in the third week of February 2023, an increase of 5.16% compared to that recorded at the close of January 2023 when it stood at 15.47%.

As for the cumulative inflation rate, it stood at 3.58% in the third week of February 2023 compared to 2.54% achieved a month earlier.

The table below shows the evolution of inflation in February 2023.

Table 1 » INFLATION TRENDS (FEBRUARY 2023)

	Weekly i Inflation	Cumulative Inflation	Year-on-year inflation	Annualized Inflation
Week 1	0.23	2.78	15.59	32.99
Week 2	0.17	2.95	15.67	28.67
Week 3	0.61	3.58	16.27	29.86

Source : BCC, February 2023.

In addition, it should be noted that other important developments could further compromise the macroeconomic framework. These include: (i) the insecurity in the east of the country, which has led to massive population displacements, disruption of economic activity in the areas affected by the fighting, and a loss of investor confidence in the country; (ii)

the continuing rise in commodity prices; (iii) the expenses to be incurred during the current electoral year for the organization of the polls; and (iv) the continuing Russian invasion of Ukraine, which will have an impact on the price of agricultural and energy products.



II.1.3 Exchange rates and foreign exchange reserves

During February 2023, the exchange rate deteriorated slightly on the interbank market where it stood at 2,035.90 in the third week of February 2023 compared to 2,031.00 at the end of January 2023, a depreciation of 0.24 percent.

The same is true on the parallel market where the exchange rate stood at 2,308.33 in the third week of February 2023 against 2,216.17 a month earlier, a depreciation of 4.16%.

Table 2 » EXCHANGE RATES TRENDS

	Closing January 2023	February 2023			Variation January- February 2023
		Week 1	Week 2	Week 3	
Interbank market	2 031.00	2 035.53	2 035.75	2 035.90	0.24%
Parallel market	2 216.17	2 236.67	2 319.17	2 308.33	4.16%

Source : BCC.

As for foreign exchange reserves, they were at a higher level than at the end of January 2023. They stood at USD 4.33 billion in the third week of February 2023, an increase of 3.14% compared to the end of January 2023, when they stood at USD 4.20 billion. In terms of the number of months of imports, the Congolese economy has seen an increase in its capacity since the end of January 2023. The coverage of imports by foreign exchange reserves rose from 2.30 months to 2.34 months between the end of January 2023 and the third

week of February 2023, an increase of 1.74%. According to the BCC, this increase in foreign exchange reserves is due to its purchases of foreign currency on the foreign exchange market and the receipt of foreign currency under the Extended Fund Facility (EFF) from the IMF. However, the BCC said that in order to maintain this momentum, it is essential to continue with the appropriate reforms to link macroeconomic stability and economic growth.

Table 3 » FOREIGN EXCHANGE RESERVES TRENDS

	Closing January 2023	February 2023			Variation January- February 2023
		Week 1	Week 2	Week 3	
In billions of USD	4.20	4.30	4.33	4.33	3.14%
In months of imports	2.30	2.30	2.34	2.34	1.74%

Source : BCC.

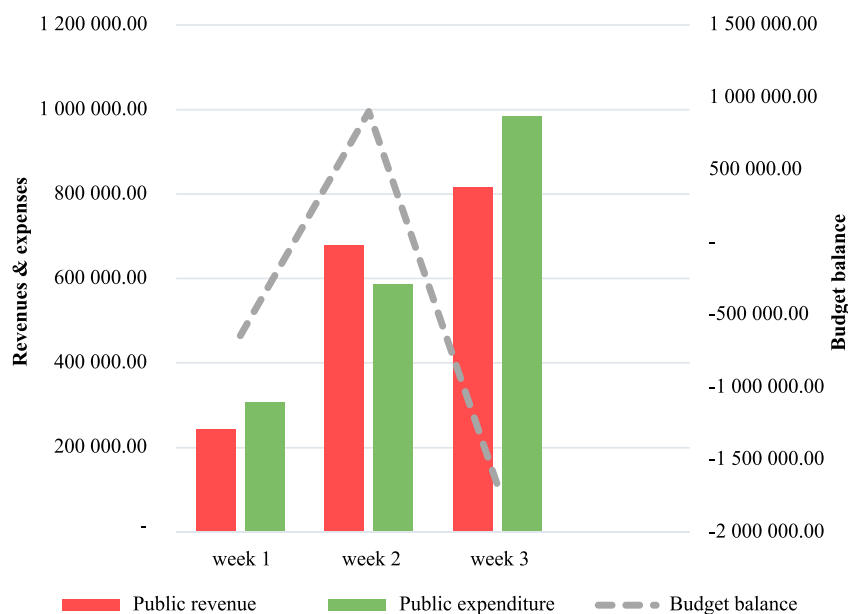


II.1.4 Public finance

CTR (Ministry of Finance) statistics indicate that in the third week of February 2023, the Treasury recorded a deficit of 167,002 million CDF. This deficit is the result of an expenditure level of 983,291 million CDF against a revenue level of 816,289 million CDF. During the

month of February 2023, tax revenues amounted to 689,532 million CDF, compared to 322,045 million CDF spent on civil servants' salaries. Capital expenditures amounted to 34,438 million CDF, representing 3.5% of total expenditures.

Figure 9 » PUBLIC SECTOR AGGREGATES AS OF FEBRUARY 2023 (IN MILLIONS OF CDF)



Source :: CTR (Finance Department).

With respect to the payment of civil servants' salaries, the Congolese government should work to improve the efficiency of public spending and increase tax

revenues to ensure that civil servants receive regular and sufficient salaries on time.



II.2 Evolution of the political situation

The political news of February 2023 was specifically dominated by the facts presented below :

1. Visit of Pope Francis to DRC

The head of the Catholic Church began a five-day tour of the African continent on Tuesday, January 31, 2023. Before heading to South Sudan, Pope Francis first visited the Democratic Republic of Congo, the largest Catholic country in Africa.

His visit was historic and highly anticipated.

Upon his arrival, he was to meet with President Félix Tshisekedi, civil society and the country's religious representatives. One of the most anticipated stages of this visit was the great mass scheduled for Wednesday, February 1er 2023 at the Ndolo airport where more than one million faithfuls were expected.

Contrary to the initial schedule of his visit, Pope Francis unfortunately did not go to Goma (North Kivu), in the east of the country, a region that has been the scene of armed violence for several years.



"For Congolese Catholics, the Pope's visit appears to be a kind of comfort in a context of many problems, much misery, much tension, especially with the conflict in the East," explained Wamu Oyatambwe, a political scientist and specialist in the DR Congo. He then indicated that "many people were waiting for the Pope's visit to draw the world's attention to what is happening in the country.

According to Douglas Yates, a professor at the American University of Paris and an expert on Africa, "the reason Pope Francis went to the DR Congo was to draw the attention of the international community to the perpetual conflict in the east of the country.

Within civil society, many actors were hoping that the Pope would challenge political actors on their irresponsibility in the management of affairs. However, on the political side, expectations were different and even divergent. In the camp of the government, the arrival of Pope Francis was interpreted as a diplomatic triumph. The opposition said the visit should not be used for political purposes.

Wamu Oyatambwe also indicated that this visit of the pope, in the first Catholic country of Africa in number of faithful, represents a recognition of the importance of this great Congolese Church within the Catholic community.

He explains that in the DR Congo, the bishops "are seen as a moral force, not only in conflicts but also in the fight against corruption and in the maintenance of democracy. In this context, he believes that the voice of the Pope could strengthen this role. The Pope's voice, he said, would certainly not influence the warlords in the east of the country, but his voice matters to tens of millions of other Congolese.

For his part, Stéphane Ballong, chief editor of the Africa service of France 24, recalled that the church really plays the role of counter-power in DR Congo.

As such, the Pope's visit was timely, especially in this election year.

Before the Pope, at the Palais de la Nation, President Felix Tshisekedi denounced the role of Rwanda in the destabilization of the Democratic Republic of Congo. The Congolese head of state reminded the pontiff that millions of deaths have been recorded in DR Congo because of the hospitality of the Congolese people.

Over the past three decades, this hospitality that has characterized the DRC has been undermined by enemies of peace and terrorist groups, mainly from neighboring countries, he blasted the Holy Father. The macabre situation in eastern Congo-Kinshasa, added Felix Tshisekedi, makes this region a zone in breach of peace. The guarantor of the nation also stressed that the powerful of the world and the armed groups are plundering the wealth of the DRC.

He indicated that this misfortune, which has lasted for more than 30 years, makes this area a prey to the violence of armed groups and foreign powers who, greedy for the minerals contained in the subsoil of the DRC, commit cruel atrocities with the direct and cowardly support of Rwanda, thus making security the first and great challenge of the government.

For his part, the pope has asked foreign powers to remove their hands from the DRC and Africa. This message from Pope Francis should challenge Rwanda and its president, who are accused of creating chaos in the DRC, as a human rights activist told Ouragan.cd.

Speaking for the first time officially since his release in the 100 days trial, the president of the Union for the Congolese Nation, UNC, expressed his joy at the visit of Pope Francis to the Democratic Republic of Congo. For Vital Kamerhe, this is a great event for the Congolese people, because it is an opportunity to have a global platform.

Vital Kamerhe recalled that the DRC is a hospitable country and a country in the heart of Africa that can, if left in peace, boost the development of the continent. He said that the DRC has an important role to play in several areas for the development of the continent but also for the planet. He noted several challenges for which the DRC could propose the solution. These include: (i) challenges of climate change (with the equatorial forest which is the second largest in the world); (ii) global food deficit, etc.

The former director of cabinet of Felix Tshisekedi also welcomed the speech of the Pope who was, according to him, more than the advocate and ambassador of the DRC to the international community.

It should be noted that in his speech, Pope Francis also called for free, transparent and credible elections in the DRC. He launched this message during his meeting with Congolese authorities, civil society and the diplomatic corps. He also praised the members of civil society who also play an essential role in building a future of peace and brotherhood. He indicated that those who hold civil and governmental responsibilities are called to act with crystal clarity, living the function received as a means to serve society. He recalled that power has meaning only if it becomes a service. He stressed the importance of acting in this spirit, avoiding authoritarianism, the search for easy gain and the thirst for money that the Apostle Paul points out as the root of all evil.

The pope also recommended extending participation in peace processes to women, youth and marginalized groups, and seeking the common good and security of people rather than personal or group interests. He called for strengthening the presence of the State throughout the territory. Above all, he drew the attention of the Congolese people to the fact that they should not allow themselves to be manipulated and

even less to be bought by those who want to keep the country in a state of violence in order to exploit it and to do shameful business, pointing out that this only brings discredit and shame, along with death and misery.

He spoke about the need to get closer to the people to see how they live, indicating that the governed trust when they feel that the rulers are really close, not by calculation or exhibition, but by service.

The Pontiff also challenged leaders at various levels to address the various scourges that plague society. He indicated that, in society, it is often the darkness of injustice and corruption that obscures the light of good. Thus, he indicated that it is necessary not to tire of promoting in all the fields the right and the equity, by fighting against the impunity and the manipulation of the laws and the information.

He also denounced the scourge of child labor as well as the marginalization of girls, recalling how fundamental education is.

He stressed that the continuous repetition of violent attacks as well as the numerous situations of distress could weaken the resistance of the Congolese, undermine their fortitude, lead them to become discouraged and to lock themselves up in resignation. To this end, in the name of Christ and in the name of the dignity and worth of the Congolese people, he invited everyone to a courageous and inclusive new social beginning.

For Martin Fayulu's ECIDÉ, the visit of Pope Francis should allow the usurpers of power to confess and repent before God. For him, the visit of Pope Francis to Kinshasa in the Democratic Republic of Congo should move the lines in the management of the country.



In the same vein, Devos Kitoko, Secretary General of ECIDE, indicated that the visit of the Holy Father should serve as an opportunity to confess and repent in order to draw the necessary consequences before God, for any usurper, embezzler as well as for all the thugs who bleed the public treasury and plunge the people into misery.

It should be noted that during his message at the palace of the nation, the Pontiff had called on Congolese leaders to work for the interest of the country and to stop bleeding the public treasury for their own interests. It should be noted that during the mass said by Pope Francis at the airport of Ndolo, Martin Fayulu and Moïse Katumbi, both opponents of the regime in place, were present.

For his part, the Secretary General of the Union for Democracy and Social Progress (UDPS), Augustin Kabuya, welcomed the involvement of the President of the Republic, Felix Tshisekedi, for the success of the reception of the Pontiff in the DRC. He congratulated and saluted the First Citizen of the Republic, His Excellency Felix-Antoine Tshisekedi, for his personal involvement in the success of this great event. He then thanked Pope Francis for his message focused on reconciliation in Jesus Christ. He indicated that the passage of the pope in DRC remains and will remain marked in the hearts of all believers of the word of God.

For his part, Franck Diongo, president of the political party Mouvement lumumbiste progressiste (MLP), stressed that the Congolese people hope that Pope Francis will carry his message throughout the world and that the DRC will never be balkanized in order to organize elections within the constitutional deadline.

Adolphe Muzito, president of the Nouvel Elan party, hopes that the political class will draw on Pope Francis' message to boost the legitimate struggle to liberate the

country from foreign control. He relied on the Pope's message that, after political colonialism, an equally enslaving economic colonialism has been unleashed in the DRC. He therefore welcomed the papal address as an indictment of the international community. He indicated that Nouvel Elan hopes that the political class and other layers of society will be inspired by it in order to liberate the country from the colonial yoke that has taken other forms.

Also, it is worth noting that on Thursday, February 2, 2023, Pope Francis exchanged, at the Martyrs stadium in Kinshasa, with several young people who sang songs evoking the end of the mandate and the departure of the current president of the Republic. This same attitude was observed during the last years of Joseph Kabila, when the population summoned him to leave power and not to modify the Constitution to give himself a third term.

Challenger of Felix Tshisekedi in the 2018 presidential election, Martin Fayulu definitively turns the page of the truth of the ballot boxes as to these polls that brought the UDPS candidate to the supreme magistracy. The leader of ECiDé who has always claimed his victory, recognized in particular by the Catholic bishops, says he has forgiven those who stole the victory of the people. Fayulu took this decision on the sidelines of the apostolic visit of Pope Francis to Kinshasa, placed under the sign of reconciliation. As a candidate invested by his party for the presidential elections of December 2023, the standard-bearer of the Laumka coalition said he is committed to transparent elections.

The Metropolitan Archbishop of Kinshasa also, in his message, said he hoped that with the message of the Bishop of Rome, the DRC will have good elections, different from those of 2018, which were marred by fraud. Speaking directly to Pope Francis, Cardinal

Fridolin Ambongo stressed the fact that the visit of the pontiff also comes during an election year, which is often a source of social and political tensions in our country indicating that, with the message brought by the Pope, the church and the Congolese people hope to see in the DRC free, transparent and peaceful elections.

Declared candidate for the presidential elections of December 2023, Moïse Katumbi thanked Pope Francis who, he said, during his apostolic visit to Kinshasa, called on the Congolese to fight for free and credible elections. A devout Catholic, the president of the Ensemble pour la République party had made the trip to Kinshasa to attend the mass said by the Pontiff. He thanked the Pope for comforting the suffering population and for giving hope to the youth. He also thanked the Pope for listening to the victims of the atrocities in the East and for the call for free and credible elections.

It should be noted that during a press conference, Monsignor Donatien Nshole, General Secretary of the National Episcopal Conference of Congo (CENCO), first read the message of thanks of the bishops on the visit of Pope Francis in the DRC and then responded to all those who vilify Cardinal Fridolin Ambongo, the opponent of the President of the Republic. He indicated that the polemic around the cardinal is something deplorable. He underlined his indignation about the criticisms of the cardinal without thorough analysis. He pointed out that one should not give the impression that the cardinal does not care about the situation in the East. He reminded Congolese opinion to remember the trip made by the cardinal to the East to touch the reality. Therefore, he believes that the cardinal is the right person to report to the Pope on the situation in the East. He explained that, in Ndolo, the cardinal had only 3 minutes to address the Holy Father. Well after the mass, the Pope had to meet with the victims of the East, which means that Ndolo was not the place to go into the details of the question of the East.

Addressing the leaders of the UDPS (Union for Democracy and Social Progress), Bishop Donatien Nshole stressed that Cardinal Ambongo is not opposed to the Head of State. He indicated that he knows that in the UDPS there are several intellectuals who do not share the fact that some vilify the cardinal who is a pastor loved by thousands of faithful. He indicated that the cardinal has no problem with the president of the Republic, Felix Tshisekedi. Thus, insulting the cardinal is not politically profitable. Furthermore, he took issue with those who call the Catholic Church in Kinshasa ungrateful because the government has spent a lot of money to welcome the Holy Father. For him, to say this is to insult all the faithful who had contributed. He continues by saying that it is normal that the Congolese State spends because it is a head of state who was welcomed by specifying that the church also made its share, in particular to dress the priests, the bishops or to lodge the delegation of the Pope, etc.

On Friday, February 3, 2023, once his visit to the DR Congo was over, the Pontiff went to South Sudan, a land marked by years of bloody civil war.

2. Questions about the impact of the EAC regional force in eastern DRC

Felix Tshisekedi, Congolese head of state, has openly criticized the leadership of the African Union (AU) under the leadership of Senegalese President Macky Sall. For the Congolese president, the African Union is limited to declarations and remains indifferent to the real problems in African conflicts.

On Monday, January 30, 2023, during his speech to the diplomatic corps accredited to the DRC, Félix Tshisekedi called on the United Nations to sanction Rwanda for the aggression suffered by the DRC in its eastern part. "The Congolese people refuse to admit that the AU and the regional communities often struggle to extinguish the hotbeds of tension in Africa, limiting themselves to declarations and formulas little followed

by facts or in the worst cases are indifferent where they should act quickly to advance the development of the continent," said in substance Felix Tshisekedi.

Félix Tshisekedi therefore asked the UN to impose individual and collective sanctions on the Rwandan authorities, the M23 terrorists and the Rwandan state. "The real stakes of the aggression of the DRC by Rwanda are economic and hegemonic (...), let everyone know, yesterday, today and tomorrow that no generation of my compatriots will give up a square centimeter of the national territory to anyone," explained Felix Tshisekedi.

During a meeting with Congolese President Felix Tshisekedi on Friday, February 3, 2023, the Belgian Federal Minister of Foreign Affairs, European Affairs, Foreign Trade and Federal Cultural Institutions, Ms. Hadja Lahbib, reiterated the desire for de-escalation in relations between the DRC and Rwanda, respecting the sovereignty of the Democratic Republic of Congo. "We want the international borders of the DRC to be respected. I also reassured President Félix Tshisekedi that there was no double standard on our part. International borders are international borders. They must be respected. The integrity of the Congo must be respected. We really hope that we will achieve a pacification, a stabilization of this region," she said.

While the tension between the DRC and Rwanda is still not easing, Burundi indicated on Friday, February 3, 2023, that it will never be involved in a conflict between the countries. Burundian President Evariste Ndayishimiye, speaking at the exchange of greetings with members of the diplomatic corps, stressed that his country will not support any group in a non-international armed conflict.

He who is hosting the 20ème summit of heads of state of the East African Community (EAC) on the security situation in the eastern DRC, recalled that Burundi is very active in regional and international organizations

and participates in peacekeeping missions. "The peace and well-being of all citizens of the world in general and Burundi in particular is our permanent concern," he said, expressing the wish to see any conflict, whatever its nature, be resolved by peaceful means by putting forward the dialogue for the amicable settlement.

Members of the Security Council on Friday, February 3, 2023, strongly condemned the recent series of attacks by the M23 in North Kivu and the rebel movement's advances, which are deteriorating security and stability in the region and further exacerbating the current humanitarian situation.

In a press release, the members of the Security Council reiterated their demand for an immediate cessation of hostilities and any further advances by the M23 and its withdrawal from all occupied areas, as agreed in the Luanda process endorsed by the African Union.

They underscored the commitments made by the region, under the peace, security and cooperation framework for the Democratic Republic of Congo and the region, not to tolerate or provide assistance or support of any kind to armed groups.

Six heads of state from the seven member countries of the East African Community (EAC), namely the heads of state of the DRC, Felix Tshisekedi; Burundi, Evariste Ndayishimiye; Tanzania, Samia Suluhu; Uganda, Yoweri Museveni; Kenya, William Ruto; Rwanda, Paul Kagame, and the Minister of East African Affairs of South Sudan, Deng Alor Kuol, representing the South Sudanese President, Salva Kiir Mayardit, participated in the 20ème extraordinary summit of this organization, which took place this Saturday, February 04, 2023, in Bujumbura, Burundi. This summit was mainly devoted to the evaluation of the roadmap of the Luanda mini-summit, which demanded the effective and definitive withdrawal, before January 15, 2023, of the M23/RDF troops from the illegally occupied areas in the DRC.



On this occasion, the EAC Heads of State, in a communiqué issued on Saturday, February 4, 2023, called for an "immediate cease-fire by all parties" and a withdrawal of all armed groups, including foreigners operating in the eastern part of the Democratic Republic of Congo.

However, it is noted that the East African Community (EAC), which is leading the process to bring peace to eastern DRC, does not seem to have the capacity to resolve this security crisis, which has been fueled by one of its member states for decades.

Indeed, since the launch of these initiatives, there have been no developments on the ground. The negative forces are multiplying their offensives and controlling more localities. At the opening of the 20ème summit of EAC heads of state held in Bujumbura on February 4, 2023, President Ndayishimiye acknowledged that the last few months have been marked by the non-implementation of the directives of the heads of state summits.

Without doubt, the EAC has fallen short where the UN had already admitted its impotence. With its amorphous regional force, the Community of East African States is missing out on one of its key objectives: strengthening security within the zone.

Supported by EAC member country Rwanda, M23 rebels are killing and looting in the localities they control in the Congolese province of North Kivu, under the impotent eye of the EAC regional force, which is turning into a humanitarian agency. As a reminder, at the Luanda mini-summit, it was decided that if the M23 did not withdraw, the EAC heads of state would authorize the use of force to compel the group to comply. This decision seems to have already been forgotten by the EAC.

Luanda had ordered the withdrawal of the M23 to its initial positions not beyond the line along Sabinyo (DRC side), Bigega, Bugusa, Nyabikona, Mbuzi, Rutsiro and Nkokwe. The deadline was January 15, 2023. Three weeks later, this movement has not complied. On the contrary, it has spread to other localities. And the Bujumbura summit, which logically, according to Kinshasa, should have authorized the regional force to attack the rebels, was a dead end. At the end of this meeting, which was attended by presidents Paul Kagame (Rwanda), Yoweri Museveni (Uganda), William Ruto (Kenya), Félix Tshisekedi (DRC), and Suluhu Samia (Tanzania) under the leadership of Évariste Ndayishimiye (Burundi), there were no major announcements.

The Heads of State ordered an immediate cease-fire by all parties and for the heads of the defense forces to meet within a week to establish new deadlines for the withdrawal of armed groups and to recommend the appropriate deployment matrix.

For its part, the DRC government reassures that the mandate of the regional force is unequivocally "offensive," in accordance with the communiqués of the three EAC Heads of State Conclaves of April and June 2022 in Nairobi, as well as the Final Communiqué of the Luanda Mini-Summit. The Minister of Foreign Affairs, Christophe Lutundula, said this in a communiqué released on Sunday, February 5, 2023.

To this end, Kinshasa called the East African Regional Force to order. The Kenyan commander of the East African Regional Force was called to order by President Felix Tshisekedi on the sidelines of the East African Community (EAC) Extraordinary Summit held in Bujumbura, Burundi, on the security situation in the Democratic Republic of Congo (DRC). "You did not come to support the M23. And it's a shame that the population is attacking you. You came to help us; you

did not come to have problems. So really pay attention to that. Answer the questions of the population, communicate with the population," said the Head of State, Felix Tshisekedi, unhappy with the behavior of his troops in the field. This recall came immediately after the extraordinary summit during which the Heads of State Ndayishimiye (Burundi), Tshisekedi (DRC), Museveni (Uganda), Kagame (Rwanda), Ruto (Kenya) and Suluhu (Tanzania) noted the failure of M23/RDF troops to implement the Luanda Roadmap and demanded a new timetable for their withdrawal from the DRC from the regional force.

"The Chiefs of Staff of the armies of the member countries of the East African Community have been given responsibility for drawing up a new timetable which will enable the M23 and Rwanda to carry out what had been agreed upon very quickly, and for things to improve," said the Congolese Deputy Prime Minister in charge of Foreign Affairs, Christophe Lutundula, who accompanied the President of the Republic to the summit, at the end of the meeting. "They particularly insisted on the need for a cessation of hostilities, particularly on the part of the M23, and its withdrawal as agreed, so that the Congolese who are displaced by the war return to their homes," he said.

The former Rwandan Prime Minister, Faustin Twagiramungu, strongly disapproves of the expansionist intentions of the current strongman of Kigali, Paul Kagame, who is accused of sponsoring armed groups in order to balkanize the DRC in its eastern part.

In exile, the leader of the Rwandan Dream Initiative (RDI) revealed the true ambitions of the Rwandan president through his material and human support to the negative forces that are killing, pillaging and occupying territories in the eastern DRC. According to Twagiramungu, "Paul Kagame's dream is to detach

the Democratic Republic of Congo from its province of North Kivu through a guerrilla group called M23. The province of North Kivu is rich in "Gold, Cassiterite, wolfram, (Coltan) Colombo-tantalite, niobium, sapphire, monazite, Beryl". For more than two decades, this region has been in instability due to the activism of armed groups supported mainly by Rwanda.

However, the former Rwandan chief executive believes that Kagame's goal will never be achieved. "The rest would be a nightmare for him," he says, because, Faustin Twagiramungu points out, "today, the Congolese people are united, conscious of a better future, and they would not admit the loss of their rich province to another country.

João lourenço, President of Angola is not sure about the mission of the EAC forces on the territory of the Democratic Republic of Congo. He even asked his Congolese counterpart Félix Antoine Tshisekedi Tshilombo to leave this organization. "If I have any advice to give to President Felix Tshisekedi, it is to leave the East African organization and ask for the departure of the EAC," he said. He went on to say that this force is likely to turn against him, to the great misfortune of the Congolese people. For the Angolan president, who has one of the strongest armies in Africa, Felix Antoine Tshisekedi should now invest in the Congolese army now that his country no longer has an embargo on the purchase of arms.

He concluded by pointing out that President Tshisekedi should also reconnect with his predecessor Joseph Kabila. This is especially good since the latter, after 18 years in power in the DRC, has more expertise and cohesion on the issue of territorial integrity. For him, Joseph Kabila has a lot of military and political experience that could be crucial for the country.



One view wonders whether Felix Antoine Tshisekedi can go and consult his predecessor in accordance with the wish expressed by the Angolan president. Another opinion is that, if it is in the interest of the DRC, the two people who surprised the world by proceeding to the peaceful and civilized transfer of power, should discuss the issue.

Senator Francine Muyumba initiated, a few days ago, a petition to the Senate to demand the convening of the extraordinary session to examine the security situation in the East of the DRC. She affirmed, during an interview on Wednesday, February 8, 2023, that this session will aim to put an end to the state of siege and demand that the government provide the army with the necessary means to defeat the enemy, as in 2013.

"I refuse to be silenced at a time when my brothers and sisters in the East are dying and others are not sleeping. Parliament must meet and take clear positions, especially on the EAC regional force, the state of siege and the situation of our FARDC. We can give up our advantages, because we need internal sacrifices to defeat the enemy. It is a question of getting together and making a clear statement on this chaotic security situation in the eastern part of our country," said Francine Muyumba.

The President of the National Assembly, Christophe Mboso, held a meeting on Wednesday, February 8, 2023, in Kinshasa with the Minister of Defense and Veterans on the issue of the inactivity of the EAC (Community of East African States) regional force against M23.

At the end of this meeting, the number one of the lower house of Parliament made it known that he will ask the Head of State to take the necessary decision if this Force does not help the DRC in the face of Rwandan aggression via the M23, of which it is a victim. "(...) Regarding the Regional Force which is in Goma, we, on behalf of the national representation, (...) if within

a reasonable time, the Regional Force does not manage to support us against the aggressor and its soldiers are complacent in supporting or helping our enemies, we will ask the supreme commander of the Armed Forces who is the President of the Republic, Head of State, to take the necessary decision," he said.

Four days after the 20ème extraordinary summit of East African Community (EAC) heads of state on the security situation in eastern DRC, the Rwandan president, accused by the Congolese government of sponsoring the M23 rebels, said the DRC is not respecting most of the agreements it has signed.

During an exchange on Wednesday, February 8, 2023 with diplomats accredited to Rwanda, Paul Kagame, who again refuses to allow his country to bear responsibility for the security crisis in the eastern part of Felix Tshisekedi's country, blasted the attitude of the international community, which, according to him, consists of blaming Rwanda instead of directly asking the Congolese authorities to resolve the problem of armed groups, perpetuated by the non-respect of agreements. "When you say you are following your own interests and think you have an agreement with Kinshasa, the biggest mistake you make is that this person has broken dozens of agreements with others and you think he will honor them! The last time we spoke in Bujumbura, President Tshisekedi was there, we discussed all the ways in which he was involved in the discussions, and then we issued a statement briefly explaining to the population what we had discussed and what should follow. The announcement was read, but the next day in Kinshasa, they read a different announcement than in Bujumbura. So, when you tell me that most of us and others who are far from here do not understand or do not see all this?" said the Rwandan head of state. "I will do everything in my power to ensure that the story of the FDLR and the genocide does not come back.

Paul Kagame's remarks against Félix Antoine Tshisekedi Tshilombo on the security situation in the East of the DRC did not leave the Congolese Minister of Communication and Media, Patrick Muyaya Katembwe, indifferent. In a Breifing, Patrick Muyaya reframed President Kagame on his remarks that do not reflect reality. For the Congolese government spokesman, it is now customary for President Kagame to justify the massacres of his troops in the DRC. "The Luanda communiqué was carried by the international community as the voice that will allow us to settle the problem in the long term...Nowhere in the Bujumbura document was there any mention of the Luanda communiqué," he explained. "Today, there is a roadmap to resolve the problem of security in the eastern Democratic Republic of Congo... Kagame's comments are classic. What he says is to try to justify his hidden agenda to keep the eastern DRC in instability," he continued. "These are agitations that allow him to continue causing harm. Justice will deal with him soon," concluded the Minister of Communication and Media.

For its part, the Lamuka coalition is demanding the withdrawal of the DRC from the community of eastern states. This communication from the opposition political platform follows the worrying security situation in eastern DRC caused by the massacres of the population by the M23 terrorists supported by Rwanda. According to Prince Epenge, one of Lamuka's communicators and president of the Action for Democracy and Development of Congo (ADD Congo), the head of state Felix Tshisekedi should not give a vague speech in the Comoros. "The Congo does not wage war, but defends territorial integrity," said Mr. Epenge, visibly disappointed with the speech of the head of state. "It is a very bad signal that he is sending to the neighbors, four of whom still have expansionist ambitions. Félix Tshisekedi should withdraw his signature from the EAC charter. Lamuka believes Congo can only count on help from the SADC and the ICGLR, within which it has a vocation to shine.

The Deputy Permanent Secretary of the People's Party for Reconstruction and Democracy (PPRD), Ferdinand Kambere, expressed his anger concerning, he said, the occupation of part of the Congolese territory, land of his ancestors, by foreign armies. During a telephone interview granted to *dépêche.cd*, this former national deputy affirms that the agreements signed under the current regime, in connection with the security situation, constitute a high treason. This is particularly true of the one related to the DRC's membership in the East Community Africa (EAC), which he describes as an agreement of misfortune.

Muzito's *Nouvel Élan* political party finds it abnormal that at a time when the Armed Forces of the Democratic Republic of Congo are fighting against Rwandan and Ugandan aggression and the EAC forces, that the Head of State should make himself an accomplice through his demobilizing remarks, which once again border on treason. For the *Nouvel Élan* party, by declaring out loud that he will not wage war against the aggressors of the DRC, the President of the Republic implicitly accepts that the Congolese populations of the East be raped, whispered about, massacred and stripped of their land.

The Tutsi community living in the DRC is up in arms against the Rwandan-backed M-23 rebels who justify their imposed war on the DRC in terms of protecting the Congolese Tutsi community. According to the Minister of Infrastructure and Public Works, Alexis Gisaro, this community has not asked for anything of the sort from Paul Kagame's country. "There are people who want to make themselves the spokesperson for our community, while we ourselves have not asked anything from anyone. We have not invited Rwanda to come and plead our cause, much less wage war on our country, because they are making the situation worse (...) We must let the Congolese solve their own problems," he said.

It should be noted that the deployment of the regional force of the East African Community (EAC) has cost the Democratic Republic of Congo an estimated US\$100 million for a period of 6 months.

3. Forum for Unity, Cohesion and Development of Maniema

The Forum for unity, cohesion and development of the daughters and sons of Maniema opened on Tuesday, February 14, 2023 in Kindu, capital of Maniema, under the facilitation of Bishop François Abeli of the diocese of Kindu.

Nearly 500 people from Maniema took part in this two-day forum (from 14 to 15 February 2023) which took place in the Mapon amphitheatre of the University of Kindu to reflect on the province's progress towards its take-off. Concerned about the unity, cohesion and development of the sons and daughters of their native province, the two great notables of Maniema, Emmanuel Ramazani Shadary and Augustin Matata Ponyo Mapon were reconciled.

This reconciliation between the two native brothers of Kabambare in cold since the 2018 elections was made possible following the involvement of Professor Ngumbi Casimir who, during the ceremony, asked the two emblematic figures of Maniema to stand, shake hands and then hugs. It should be noted that this is the first fruit of the forum for unity, cohesion and development of the daughters and sons of Maniema.

About 500 people from Maniema are participating in this two-day forum (February 14-15, 2023) which is taking place in the Mapon amphitheater of the University of Kindu to reflect on the province's progress towards its take-off.

This forum was held under the theme "United by the fate of being brothers and sisters: let us remain united in the effort for unity, cohesion and development of Maniema".

While in Kindu, capital of Maniema, Emmanuel Ramazani Shadary, Permanent Secretary of the People's Party for Reconstruction and Democracy (PPRD), a political party dear to Honorary President Joseph Kabila, said that the problems are everywhere in the country and the biggest among them is Felix Tshisekedi Tshilombo, current President of the Democratic Republic of Congo.

In an interview with the press on Saturday, February 11, 2023, Emmanuel Ramazani Shadary said that the solutions to these problems are structural, institutional or texts. "There are problems. It is not only in Kindu, but there are problems everywhere and we know that the solutions are structural, institutional (...) We must touch the problems, it is institutional, it is structural, it is the problem of men, it is the problem of behavior and the problem of texts.

When the head does not work, it is the whole body that suffers, the head of the country is Felix, he is the big problem, but we come here to talk about the problem of Maniema," said the unsuccessful candidate in the 2018 presidential election.

"Maniema will encourage the candidacies of the children of Maniema for the presidency". This statement made by the permanent secretary of the PPRD, Emmanuel Ramazani Shadary at the opening of the forum for peace, cohesion and development of this province, has caused a great hullabaloo within the political formation of the former head of state, Joseph Kabila, in loss of momentum since the failure recorded in the last presidential election.

The former dauphin of Kabila, who is unable to reorganize the party a few months before the elections, prefers to excel in identity-based withdrawal. "We must also scare other provinces. If we don't say anything, we will be underestimated," he said, provoking the indignation of some PPRD executives.

Emmanuel Shadary has, however, received the support of India Omari, another member of Kabila's political family, who calls for the dissociation of the behavior of a permanent secretary from that of a notability of Maniema. "...Mr. Shadary Ramazani had been invited not as PPRD but as a son of Maniema and a notable located in a corner of the Republic. Sociologically, it is necessary to dissociate a behavior of a permanent secretary to a notability, it is important", he justified.

The words of the permanent secretary of the PPRD, Emmanuel Shadary, continue to raise a salvo of controversy in this political party. In his speech at the forum of unity for the population of Maniema, Ramazani Shadary called on the sons and daughters of Maniema to trust the nationals of this province during the upcoming elections.

Contacted by Radio Top Congo, Ferdinand Kambere, deputy permanent secretary, called for appeasement among the cadres and militants so as not to give in to manipulation. He did not make his comments as an expert permanent secretary of the PPRD. I believe that there was an extrapolation in what was said. We must hold back and continue to consider that the PPRD party is a legal entity," he said.

It should be noted that this opposition party continues to demand a consensus on the composition of the CENI bureau for the holding of elections within the planned timeframe, i.e. at the end of this year. The PPRD has recently launched a message to all its cadres and activists to boycott the registration operations.

The plan to encircle the government by the opposition seems to be taking shape, a week after the forum for unity, peace, cohesion and development in Maniema province, which resulted in the reconciliation of Matata Ponyo and Emmanuel Ramazani Shadary.

Maniema leaders Matata Ponyo, Salomon Kalonda and Ramazani Shadary met again in Kindu at the home of the former deputy prime minister in charge of the interior and security. Nothing has emerged from their discussions. But according to some sources close to the former Prime Minister, these political figures discussed several current issues, including the organization of the general elections scheduled for the end of the year.

The subject related to the development of the province of Maniema was also discussed. They agreed to join forces and energies in order to overthrow the current government whose record in security, economic, social and even democratic matters leave much to be desired.

Shadary, Salomon Kalonda and Matata Ponyo are already preparing themselves for the idea of a new political offer at the head of the country, which inevitably involves the organization of transparent, credible and inclusive elections in the Democratic Republic of Congo.

3. Political and economic perspectives

On the political level

The presence of armed groups and rebel militias (M23) in the east of the country is a major challenge for the government and the international community. Aggressions by the M23 rebels, supported by Rwanda, are worsening the situation, resulting in numerous deaths and massive population displacements.

This situation occurred in an electoral context, where the voter registration process had just been launched. The ongoing conflict in the east of the country could jeopardize the electoral process, and there are concerns about its inclusiveness and credibility. The government's decision to request military support from the East African Community (EAC) to bring peace to the east also sparked controversy.

Indeed, the DRC's political opposition had formally warned the government against making any risky choices to use the EAC army. The opposition had argued that the EAC is composed of member states that are hostile to the DRC and that, therefore, the deployment of the EAC army in the conflict zone could have negative consequences for the country.

Despite these concerns, the DRC government ratified the EAC accession treaty and requested the deployment of the EAC army to the conflict zone. However, to date, the EAC army has proven unable to bring peace and powerless against the M23 rebels.

The ongoing conflict in the east of the country and the deployment of the EAC army have important implications for the political prospects of the DRC. In this regard, it is essential to examine the impact of the conflict on the electoral process and the possible effects on the tilting of the majority in parliament, government reshuffling, or political dialogue to resolve any of these issues.

This conflict raises questions about whether or not the electoral process should continue, as it is now subject to significant criticism regarding its inclusiveness and credibility. Indeed, the gradual occupation of localities by the M23 and repeated clashes with the regular army have resulted in the displacement of thousands of people, many of whom may not be able to participate in the electoral process because of their displacement. In addition, the conflict has created an atmosphere of fear and intimidation that may deter people from participating in the electoral process.

The conflict also raised questions about the government's ability to hold free and fair elections. The government's use of military intervention to resolve the conflict rather than seeking a peaceful, diplomatic solution raised questions about its commitment to democracy and human rights.

If the conflict persists, it could further undermine the electoral process and raise questions about the legitimacy of the government. This could lead to increased political instability and the possibility of violence.

Thus, this conflict could also have a significant impact on the parliamentary majority. The government's decision to request military support from the EAC has been controversial and could result in a loss of support for the ruling party. The opposition could take advantage of the government's decision and use it to mobilize support and build momentum for the upcoming elections. Indeed, it should be noted that the war in the east has also made it difficult for the government to provide basic services to the population, resulting in widespread discontent and anger among the electorate.



This situation could lead to a government reshuffle or the organization of political dialogue to resolve the country's problems. The government could then enter into discussions with the opposition, civil society groups, and other stakeholders to try to find a solution.

In addition, the conflict could also lead to a realignment of political alliances in the country.

On the economic level

For several years, the DRC has faced significant economic challenges. These challenges are numerous and complex. Over time, the situation has only worsened. As of February 2023, the economic outlook for the DRC remains bleak. To see this, one need only focus on the challenges the country currently faces.

First, it is important to recognize that the ongoing conflict with the rebel militia in the east (M23) is a major obstacle to economic development. This conflict has resulted in the displacement of millions of people, the destruction of infrastructure and the disruption of economic activity. It has also created a sense of insecurity that has discouraged foreign investment and led to a decline in domestic investment. Until this conflict is resolved, it will be difficult for the DRC to achieve sustained economic growth.

Second, the depreciation of the national currency is another important challenge facing the DRC. The Congolese franc has lost value against major currencies in recent years, leading to inflation and a decline in the purchasing power of the population. This has led to a decline in consumer spending and a reduction in economic activity. The government must take steps to stabilize the currency and prevent further depreciation.

Third, the political tensions that could arise from the electoral process, which most political actors describe as not credible, threaten to undermine economic stability. In addition, these political tensions could create uncertainty about the future direction of the country. This uncertainty could discourage

investment and create a climate of instability that makes it difficult for businesses to plan for the future.

Fourth, the continued Russian invasion of Ukraine has created uncertainty about the supply of energy and agricultural products, with negative consequences for the price dynamics of these products. The DRC is a country that relies heavily on imported energy and agricultural products, and any disruption in the supply of these products can have a significant impact on the economy. The government must develop contingency plans to ensure that the country has access to these essential commodities even in the event of a supply disruption.

Fifth, corruption and misappropriation of public funds are widespread in the DRC, which has created a sense of disillusionment among the population. Corruption undermines economic development by diverting resources from productive uses and reducing the effectiveness of government programs. The government must take decisive action to fight corruption and restore public confidence in government institutions.

Finally, growing inequality within the population is a precursor to a deterioration in the living conditions of the population, thus delaying the achievement of the 2030 MDGs. The DRC is a country characterized by high levels of poverty and inequality, and these factors contribute to social unrest and political instability. The government must take steps to reduce inequality and promote inclusive economic growth.

Despite these challenges, there are positive signs for the future of the DRC economy. The country is rich in natural resources, including copper, cobalt and diamonds, which have the potential to spur economic growth. The government has also taken steps to liberalize the economy and promote foreign investment, which could lead to increased economic activity in the country.

In order to unleash the potential of the DRC's economy (its mineral resources, fertile land, strategic location in Central Africa, etc.), the government should take decisive action and undertake appropriate reforms. This would essentially involve :

- i. Improve the business environment* : The DRC ranks poorly on the ease of doing business index, which hinders investment and economic growth. The government needs to streamline procedures for starting and operating businesses, reduce bureaucracy and corruption, and create a stable regulatory framework.
- ii. Infrastructure development* : The country's infrastructure is underdeveloped and in poor condition, with inadequate road networks, limited power supply, and poor communication systems. The government must prioritize infrastructure development to support economic growth, including improving road networks, building new airports, seaports, and railroads, and expanding access to electricity.
- iii. Encourage value-addition* : DRC's mineral resources are mainly exported in raw form, resulting in low value-added and limited job creation. The government should encourage value addition, promote local processing of minerals, and support small and medium-sized enterprises (SMEs) to create jobs and increase exports.

- iv. Improve agricultural productivity* : Agriculture is the backbone of the DRC's economy, but productivity is low due to poor farming practices, limited access to inputs, and lack of extension services. The government must invest in agricultural research and extension services, provide subsidies to farmers, and improve access to credit and markets to boost productivity.
- v. Improve education and skills* : DRC's human capital is underdeveloped, with low literacy rates and limited skills. The government should prioritize education and skills development to create a skilled workforce and attract investment.
- vi. Strengthen governance and accountability*: Corruption and poor governance are major obstacles to economic growth in the DRC. The government must take steps to strengthen governance and accountability, including enforcing anti-corruption laws and improving transparency in public procurement and revenue collection.

By taking these decisive steps, the government can fully exploit the DRC's economic potential and create a more prosperous and stable country.

DIFFERENT PUBLICATIONS OF CONGO CHALLENGE

1. CONGO CHALLENGE JOURNAL (THE SEMI-ANNUAL)

The Semestriel (Revue Congo Challenge) is a completely disinterested scientific periodical, published every semester, with the main objective of promoting scientific studies aiming at contributing to the advancement of knowledge in economic sciences and to offer to economic operators as well as political decision makers, a set of recipes likely to enlighten their decision making or to justify on a proven scientific basis their decision making.



2. FOUR-MONTHLY BULLETIN

This bulletin is published every four months and offers a general and precise overview of economic and political developments at the national, regional and global levels. It allows the reader to adjust his or her forecasts according to the observed developments or to make anticipations taking into account the available information package.

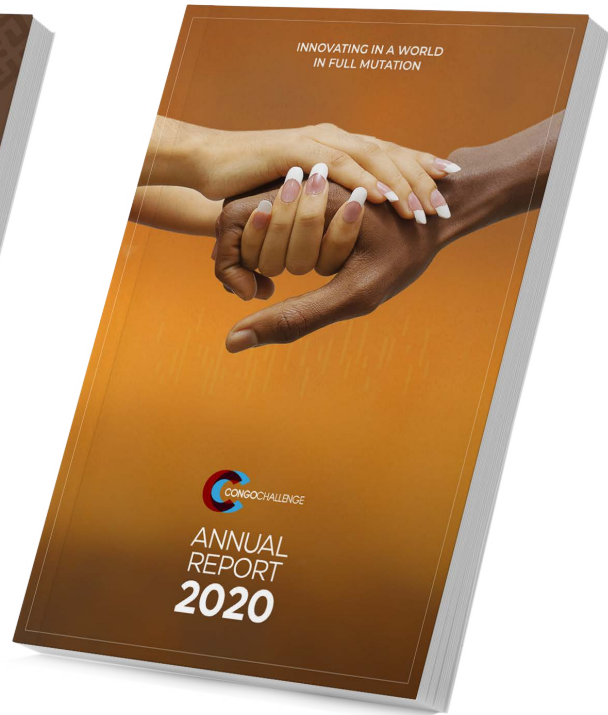


3. THE MONTHLY BULLETIN

This publication is published monthly and provides a factual overview of the economic indicators and presents the highlights of the monthly political situation in the country.



4. ANNUAL REPORTS



INTERVENTION MODULES OF CONGO CHALLENGE

1. Training
2. Assistance
3. Advice
4. Lobbying
5. Conduct of studies
6. Organization of conferences
7. Support for quality management
8. Support for the design of government economic programs
9. Support for public revenue mobilization policies
10. Strategic support to governments in the monitoring and evaluation of economic programs
11. Quality control of infrastructures activities

THE VALUES OF CONGO CHALLENGE

Congo Challenge believes in the cardinal values of which it is the vehicle.
These values are based on :

- Abnegation ;
- Sacrifice ;
- Hard work.

Also, the ambitions of the Think Tank are translated through three virtues
which are :

- Ethics ;
- Morality ;
- Good governance.

How do you keep a bunch of «niggers» on a leash?

You isolate the most valiant by demonising them and you promote the most mediocre by granting them undue privileges. Aware of this swindle, the latter will be even more aggressive towards the former to preserve their privileges.

Dixit Machiavel

**EVOLUTION OF THE ECONOMIC
AND POLITICAL SITUATION IN THE
DEMOCRATIC REPUBLIC OF CONGO**

The monthly bulletin Issue 70

Published en March 2023

March 2023. Copyright © CongoChallenge2023
364, Boulevard du 30 juin, Immeuble Kiyo ya Sita, 5th floor, room 501,
Kinshasa/Gombe, DR Congo +243 812763003

www.congchallenge.cd/info@congchallenge.cd