

AFRICA RISK CONSULTING

DRC Monthly Briefing August 2021

DRC Summary 23 August 2021

President Felix Tshisekedi (2019-present) accepts military assistance from the United States amidst growing insecurity in eastern Democratic Republic of the Congo. Prime minister Jean-Michel Sama Lukonde Kyenge embarks on a campaign of boosting economic growth, diversification and increasing investor confidence as China Molybdenum Co Ltd announces a \$2.5 billion investment to double copper and cobalt production from its Tenke Fungurume Mine (TFM). The rate of new cases of Covid-19 is declining as the country receives and administers an additional 51,000 doses of the AstraZeneca vaccine through the World Health Organisation COVAX mechanism.

Tshisekedi accepts US military aid to quell violence in eastern DRC

President **Felix Tshisekedi** (2019-present) has accepted military assistance from **United States (US) Special Operations Forces** to address growing insecurity in eastern **Democratic Republic of the Congo (DRC)**. The move is an admission that DRC's army, the **Forces armées de la République du Congo (FARDC)**, is unable to quell the attacks of armed groups, including the **Forces Démocratiques Alliées (FDA)**, operating in eastern DRC. Tshisekedi announced a state of emergency in **North Kivu** and neighbouring **Ituri** province on 6 May in a bid to halt violence perpetrated by armed groups and establish law and order in the region¹ but attacks have continued. The DRC office of the presidency released a statement on 15 August that President Felix Tshisekedi had

"... authorised the deployment of American anti-terrorism experts in the east of the Democratic Republic of Congo".²

The ADF have been carrying out attacks in eastern DRC for 30 years, taking advantage of DRC's porous borders with neighbouring **Uganda** and **Rwanda** as well as dense vegetation in national parks.³ The DRC's Catholic Church alleges the ADF have killed 6,000 civilians since 2013 while US-based monitor **Kivu Security Tracker (KST)** blames the ADF for the deaths of over 1,200 people in the **Beni** area alone since 2017.⁴ On 3 August, suspected ADF militia members knifed to death 16 people in Ituri province, along a major highway near **Idohu**.⁵ Local residents claimed that ADF members had taken the victims hostage weeks earlier.⁶ Ituri military governor **Johnny Luboya Nkashama** condemned the attacks, vowing to restore peace and increase security force presence in the region.⁷

The US deems the ADF a terrorist organisation and has placed sanctions on ADF leader **Seka Musa Baluku**. In March, the **US State Department** said the ADF is notorious across the region for its "*brutal violence against Congolese citizens and regional military forces*", noting that **ISIL** has acknowledged the ADF as an affiliate since 2019.⁸

¹ UNHCR, 16 Jul 2021

² Al Jazeera, 16 Aug 2021

³ Analyst, DRC

⁴ Al Jazeera, 3 Aug 2021

⁵ Reuters, 20 Jul 2021

⁶ Reuters, 3 Aug 2021

⁷ AFP News, 3 Aug 2021

⁸ Reuters, 16 Aug 2021

US ambassador to DRC **Mike Hammer** said the US forces will boost the FARDC's fight against the ADF in the national parks of **Virunga** and **Garamba**.⁹ The mission will last several weeks and will be solely directed at the ADF. Hammer said the US presence was part of a partnership agreed between the US and the DRC in 2019.¹⁰

Chinese investment boosts DRC copper, cobalt mining

DRC's copper and cobalt mining sector has seen a significant vote of confidence from **China**-based **China Molybdenum Co (China Moly)**, which announced on 6 August that it would spend \$2.51 billion to roughly double production of copper and cobalt at its giant **Tenke Fungurume Mine (TFM)**.¹¹ DRC's cobalt hydroxide production has been on the increase, with gains of 64% in 2021.¹² China Moly said it will finance the investment using company funds and through bank loans.

China Moly has an 80% stake in TFM, while state-owned mining company **La Générale des Carrières et des Mines (Gécamines)** owns 20% of the mine.¹³ TFM is one of the world's largest copper-cobalt deposits. The mine produced around 182,600 tonnes of copper and 15,400 tonnes of cobalt in 2020.¹⁴

China Moly said the \$2.5 billion investment is intended to build three ore production lines at the mine, which is expected to increase average annual copper output by 200,000 tonnes and increase cobalt output by 17,000 tonnes.¹⁵ Project completion is expected by the end of 2023, resulting in production of copper cathodes and cobalt hydroxide.¹⁶ China Moly said in July that it had started trial production on a separate TFM expansion project that will add 88,500 tonnes of copper cathodes and 7,280 tonnes of cobalt annually.¹⁷

While China is currently the world's top consumer of copper and battery metal cobalt, TFM exports the majority of its cobalt to **Europe**, due to legacy contracts. However, the newly announced project may lead to the establishment of direct supply chains to China-based battery material companies.¹⁸

PM Lukonde optimistic about DRC's economic outlook

Prime minister **Jean-Michel Sama Lukonde Kyenge** marked 100 days of his government on 4 August expressing optimism about DRC's economic outlook. President Tshisekedi appointed the former director general of Gécamines to the position of prime minister on 15 February in a bid to bolster his support base and help drive his political and legislative agenda (see *ARC Briefing DRC February 2021*). Lukonde appointed his 56-member cabinet on 26 April, including for the first time in DRC's history, a digital affairs minister:

*"For the first time, we have a Minister of Digital Affairs [Désiré-Cashmir Kolonge Eberande], and this will go hand in hand with the population census and ultimately mastering our figures and statistics to improve our economy in general."*¹⁹

Although growth in DRC's gross domestic product (GDP) fell from 4.4% in 2019 to 1.7% in 2020, Lukonde is confident that the country's economic outlook is positive:

*"Today, we have a GDP forecast of 4.9% by the end of this year, compared to 1.7% last year. This shows that the outlook is good, regardless of the [Covid-19] pandemic, as far as the Democratic Republic of the Congo is concerned."*²⁰

⁹ Reuters, 16 Aug 2021

¹⁰ Reuters, 16 Aug 2021

¹¹ Reuters, 6 Aug, 2021

¹² Mining Weekly, 16 Aug 2021

¹³ Mining Weekly, accessed 23 Aug 2021

¹⁴ Mining.Com, 16 Aug 2021

¹⁵ Reuters, 6 Aug 2021

¹⁶ Mining weekly, 6 Aug 2021

¹⁷ Mining Weekly, 6 Aug 2021

¹⁸ Energy analyst, 6 Aug 2021

¹⁹ Africa News, 9 Aug 2021

²⁰ Euro News, 9 Aug 2021

Despite his credentials and positive track record as former director general of the state mining company, Lukonde noted his commitment to diversifying the economy away from mining. DRC's **Agence nationale pour la promotion des Investissements (ANAPI)** (national agency to promote investment) cites manioc, maize, rice and soya as agricultural sectors with high potential for industrial development.²¹ Lukonde's government is also committed to restarting development on the **The Grand Inga Hydroelectric Project**.²² However, a major challenge to economic recovery is DRC's fragile health system, which is under considerable strain due to the ongoing coronavirus and sporadic Ebola outbreaks (see below).²³

Covid-19 cases decline as DRC receive additional vaccines

The DRC is seeing a downward trend in hospital occupancy rates in **Kinshasa**, the epicentre of the country's third wave of Covid-19 infections, according to a health ministry statement released on 21 August. The slowing rate of new infections is good news for the government, which reported its highest daily average of new cases on 19 June (see *ARC Briefing DRC July 2021*).²⁴ Health minister **Jean-Jacque Mbungani** said hospital occupancy rates have declined from 80% to 7% thanks to measures curbing the spread of Covid-19.²⁵ The health ministry is reporting an average of 189 new infections, 51% of the highest daily average reported on 19 June.²⁶ As of 23 August, the DRC had reported a total of 53,757 Covid-19 infections in its population of 92 million, with 1,053 coronavirus-related deaths and 30,858 recoveries since the pandemic began in March 2020.²⁷

Mbungani noted the government is continuing its efforts to provide equipment for provinces affected by the pandemic as well as its campaign of vaccination against Covid-19.²⁸ As of 20 August a total of 86,914 vaccine doses have been administered.²⁹ The government on 13 August received more than 51,000 doses of the **AstraZeneca** vaccine through the **World Health Organisation COVAX** mechanism.

Nationwide restrictions remain in place. A nightly 10 pm-4am curfew is in place in **Haut-Katanga, Kongo Central, Lualaba, North Kivu and South Kivu** provinces. In areas under curfew, special authorisation for travel may be required, except for medical emergencies. Military patrols are deployed to enforce the curfew. International land, maritime, and air borders remain open.³⁰ Travelers are required to have a certificate confirming a negative PCR Covid-19 test result administered by the **Institut National de la Recherche Biomedicale (INRB)** or a medical facility approved by the health ministry. Other restrictions in place include the following:

- Gatherings or demonstrations of more than 20 people in both public and private enclosed areas are prohibited;
- The organisation of indoor mourning and funeral services is prohibited, and the number of people accompanying the remains to the cemetery must not exceed 50;
- Public transport is limited to 50% capacity. Taxi-motos are only allowed to carry one passenger;
- Public and private companies and the public administration are expected to operate at 50% capacity;
- Restaurants may open until 21:00, with capacity not exceeding 50%; and
- Churches must reduce the number of participants in worship services and masses to 50% while respecting the barrier measures.³¹

²¹ Africa News, 9 Aug 2021

²² Business Live, 12 Aug 2021

²³ Source, DRC analyst

²⁴ Africa CDC, 20 Jul 2021

²⁵ Lusaka Times, 23 Aug 2021

²⁶ Africa CDC, 23 Aug 2021

²⁷ Africa CDC, 23 Aug 2021

²⁸ Lusaka Times, 23 Aug 2021

²⁹ Covid19 WHO, 23 Aug 2021

³⁰ Africa CDC, 20 Jul 2021

³¹ Africa CDC, 20 Jul 2021

Planner

20 Dec 2021 **Kinshasa (DRC)** End date of peacekeeping mission **Mission de l'Organisation des Nations Unies pour la stabilisation en République démocratique du Congo (MONUSCO)**.

2023 **(DRC)** Scheduled presidential and parliamentary elections

Chronology

23 Aug 2021 **Luanda (Angola)** *Mining Weekly*. **DRC** researchers say suspected leak of heavy metals from a mine in northern **Angola** is causing an "unprecedented environmental catastrophe", affecting some two million people in **DRC**;

13 Aug 2021 **Kinshasa (DRC)** *Africa News*. A mob attacked **Indian** business in **Kinshasa**, following the news of the death of **Joël Malu**, a Congolese student in **Bangalore, India**. Tension were high as a group of protestors torched business. Police later restored calm and made arrest.

13 Aug 2021 **Tanganyika (DRC)** *United Nations*. **United Nations** issues warning over "widespread and systematic" abuse, including mass rape, in **Tanganyika** province, where thousands of people have been internally displaced in 2021;

4 Aug 2021 **Kinshasa (DRC)** *The Africa Report*. The **United States (US)** administration agrees to provide \$1.6 billion in financial support to the **Democratic Republic of the Congo (DRC)** via the **United States Agency for International Development (USAID)** scheme, aiming to improve access to water and support;

4 Aug 2021 **Kinshasa (DRC)** *AFP*. Doctors' union calls off a three-week-old strike over pay that significantly affected hospitals during the country's third wave of **Covid-19**;

3 Aug 2021 **Kinshasa (DRC)** *La Prosperite*. Military and local sources say Islamist extremist group **Allied Democratic Forces** killed at least 16 people after taking them hostage in eastern **Democratic Republic of the Congo**;

2 Aug 2021 **Kinshasa (DRC)** *Al Jazeera*. A collision between a fuel truck and a crowded bus near **Kibuba** village, about 80km from the capital, **Kinshasa**, kills 33 people;

27 Jul 2021 **Kinshasa (DRC)** *Africa News*. Students at the **University of Kinshasa** protest the death of a fellow student whom police officers shot for failure to wear a mask while filming on the streets of **Kinshasa**;

25 Jul 2021 **Kinshasa (DRC)** *AFP*. Army says its troops have freed over 150 people taken hostage by the **Allied Democratic Forces** Islamist militia in eastern **DRC**;

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