

The GLOCEPS

Commentary Today

Strategic Interests and Transnational Crimes Pillar

Strategic opportunities for Kenya as the Democratic Republic of Congo (DRC) joins the East African Community (EAC)

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(From left) President Uhuru Kenyatta, President Kagame and President Tshisekedi

The admission of the Democratic Republic of Congo (DRC) into the East African Community (EAC) portends abundant diplomatic opportunities for Kenya. The benefits are anchored in trade and investment prospects, infrastructural networks and linkages and reinforcement of security in the region.

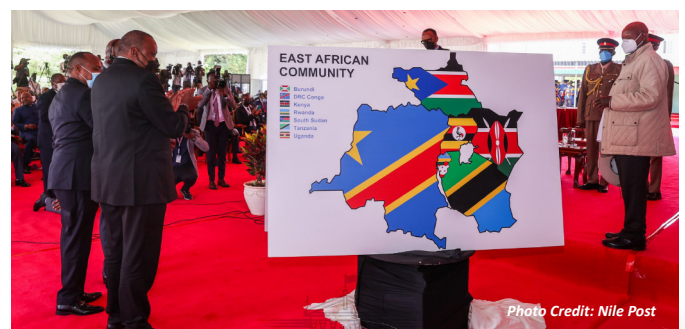
Trade and investment

With a population of over 92.4 million people, DRC has vast market potential for Kenya's trade ambitions. The two countries have recently signed a bilateral agreement on cooperation to improve food security and agricultural trade. The agreement promotes increased agricultural productivity while encouraging joint investment ventures. Despite both countries being net importers of consumer-oriented agricultural commodities, (Kenya - 72% while DRC - 80%), there are opportunities to export food commodities to the DRC as well as to establish food manufacturing and processing companies. Moreover, only four percent of the arable land in DRC is currently under cultivation. Consequently, Kenya should consider leasing

land in DRC for food production to cover her food security deficits.

The renewable energy potential in hydro, solar, biogas, geothermal and wind power in the DRC is abundant. It is estimated that the country possesses over 130 million tonnes of Lithium, a metal critical for wind turbines and electronic (smart) grids, which contribute to lowering global carbon emissions. The country is also famous for cobalt and copper reserves which are critical in the manufacturing of batteries and the assembly of electric cars, respectively. The transition to renewable energy is currently one of the biggest investment priorities globally. Moreover, with Kenya's pledge to reduce emissions by 32% by 2030, these resources present critical investment opportunities worth exploring.

DRC's economy is hampered by inadequate telecom, internet and electricity connection. The country's banking infrastructure is equally nascent when compared to the size of its economy. Such challenges create exciting investment potential. As part of the country's projected 4.5% GDP growth in 2022, additional roads, schools, health facilities, and factories will be built, providing commercial prospects for investors. Kenya has demonstrated a willingness to support the seamless investment by her



President Uhuru Kenyatta, President Museveni at the unveiling of the new EAC map



private sector in the DRC. Companies such as Jambojet, Equity Bank Group, Kenya Commercial Bank (KCB) and Jubilee Insurance have begun the groundwork for entry into the DRC market. With such goodwill in place, the country has laid the foundation to encourage and nurture trade and investment relations in Kinshasa.

Infrastructural networks and linkages

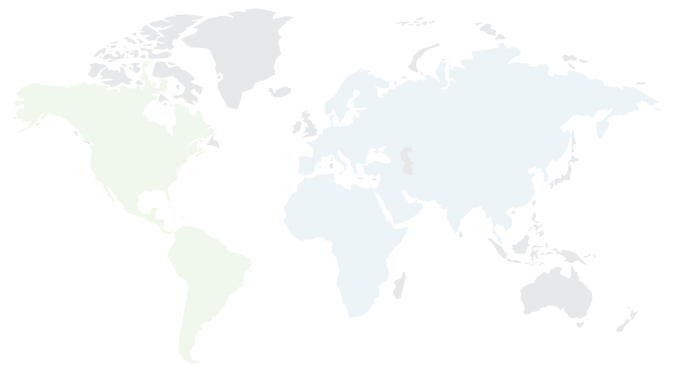
There is an opportunity for Kenya to use her newly established Lamu Port as leverage for DRC's imports and exports while taking advantage of the country's infrastructure challenges and vast landscape. The entry into EAC offers Kinshasa an opportunity to negotiate for easier movement of her goods for both import and export markets. At the moment it takes weeks to move goods from ports to the hinterlands. Principally, Kenya should target goods destined for resource-rich eastern DRC which is isolated from the capital, Kinshasa. Additionally, with the launch of the construction of DRC's Banana Port in the Atlantic Ocean, in January 2022, Kinshasa has opened the possibility of a commercial corridor from the Indian to the Atlantic Ocean. This will allow Kenya to make use of DRC's vast regional inter-connectivity, acquiring new links to Central and Southern Africa.

Regional security cooperation

In 2021, Kenya and the DRC inked a defence cooperation agreement that covers policing, counter-terrorism, marine, aviation, and immigration security. The entry into the EAC bloc, therefore, offers stabilization prospects for the conflict-ridden DRC. The country has more than 100 militia organizations in operation including the terrorist group - the Allied Democratic Forces (ADF). Kenya should use this accord to strengthen her purge of transnational crimes such as terrorism, human trafficking, money laundering, and counterfeiting, all of which are likely to increase as the region's free movement of people and goods expands. A stable DRC heralds a better partnership environment for Kenya.



In conclusion, Kenya's critical role in ensuring the assentation of DRC into the regional bloc has cemented her position as a regional hegemon, as Africa's largest federation takes shape. The DRC is likely to have a progressive outlook on trade within the bloc. Kenya should focus on harnessing her influence to reap maximum benefits as she guides DRC into quick integration.



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