

Prime Minister Augustin Matata Ponyo Mapon Brings Message of Congolese Success to the United States

BY
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Left: Former U.S. Secretary of State Hillary Rodham Clinton and DRC President Joseph Kabila; Right: DRC Prime Minister Matata Ponyo Mapon and IMF Managing Director Christine Lagarde

Stepping off his plane in New York’s John F. Kennedy International Airport earlier this month, Augustin Matata Ponyo Mapon, prime minister of the Democratic Republic of Congo (DRC), arrived in the United States with a message of well-defined progress.

The vast nation of the Democratic Republic of Congo, one of Central Africa’s anchors of commerce and development, is often mischaracterized as a nation struggling to overcome its perpetual conflicts as it attempts to reach its potential. This potential — mining reserves worth over \$24 trillion, enough oil and gas reserves to propel the

nation’s economy, hydroelectric generation capability to power the African continent and an overwhelming level of human capital — is seen by investors and foreign partners alike as one of the greatest in all of Africa.

During his visit, Prime Minister Ponyo met with business leaders, United States Ambassador to the UN Susan Rice, members of the United States Congress and the U.S. State Department, to discuss plans to broker new developments and help the nation continue to thrive.

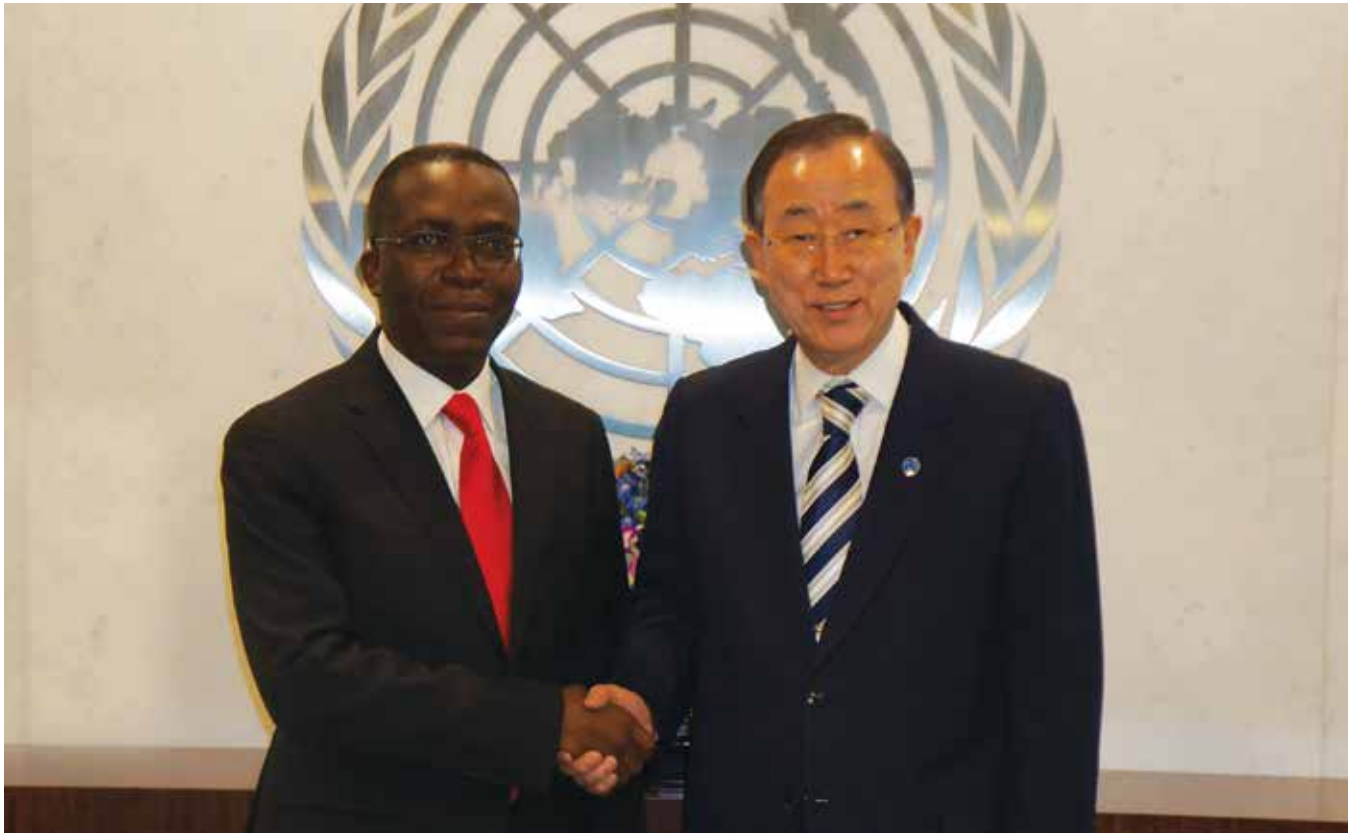
Prime Minister Ponyo also met with UN Secretary-General Ban Ki-moon to discuss a peace process that would help to bring closure to the most recent civil

strife plaguing the DRC.

In November 2012, the March 23rd Movement (M23), a rebel force allegedly aided by neighboring Rwanda, briefly sieged the city of Goma in the eastern region of the DRC, terrorized the Congolese in the Kivu region, and threatened violence and disruption to peace.

In an interview with CNN’s Christiane Amanpour, Prime Minister Ponyo discussed the pathway to a constructive peace process that his nation was attempting to broker with the assistance of the United Nations and other African countries.

“President Joseph Kabila and his team are working diligently to see that



Prime Minister Augustin Matata Ponyo Mapon and United Nations Secretary-General Ban Ki-moon

peace and security are restored in the whole of the Democratic Republic of Congo,” the prime minister stated. “Peace is really now within our reach, and if M23 rebels did not have external support to come and disestablish the territory, by now we would have had peace and security in the entirety of the country.”

Despite the attempts of foreign governments to disrupt the growing prosperity that the DRC is beginning to enjoy, President Kabila and Prime Minister Ponyo continue to lead and steward the nation along its growth trajectory.

A Year of Progress and Development

Almost a year into his post, Prime Minister Ponyo had encouraging news to bring to investors and diplomats in the United States in terms of economic growth, development and democracy.

Speaking at forums and joint press conferences, Prime Minister Ponyo demonstrated how he and President

Kabila have begun to create and shape a framework that would develop the country and generate value for its stakeholders — both citizens and corporations seeking to do business in the country.

The fruits of their labor are evident as the DRC’s economy grew at a rate of 7.2% in 2012 and is projected to grow at a projected rate of 8.2% in 2013.

In addition to the impressive growth figures, other macroeconomic indicators show encouraging signs of progress. The nation’s currency, the Congolese franc, has remained stable, inflation has decreased to 3%, national wealth has doubled due to more efficient tax collection and, perhaps most important, public and private investment has increased significantly.

During his visit to the United States, Prime Minister Ponyo met twice with IMF Managing Director Christine Lagarde to discuss his nation’s economy, mining governance and the pos-

sibility of a new loan agreement, which would greatly benefit the DRC.

During his first year as prime minister, Ponyo focused his attention on key initiatives that would help the nation prosper. From bolstering the legal system by implementing investor-friendly regulations, lowering corporate taxes and decreasing the amount of bureaucracy for starting and running enterprises, the prime minister followed through on actionable goals to illustrate to the world the potential of the DRC under proper governance.

Seeking to create business environments similar to those of developed nations, Prime Minister Ponyo understands that the future of the DRC rests not on the government, but on a public-private mandate to create opportunities and growth, which can only occur when the rule of law and governance protect the rights of investors and citizens.

Structural changes in governance and



DRC Ambassador Antoine Ghonda Mangalibi and Angola Vice President Manuel Domingos Vicente

large investments in public infrastructure are already under way in the DRC.

Energy, transportation (mainly roads and rail) and communication infrastructure are the highest priority for Ponyo's administration as projects by both the state and private enterprises are key to the nation's growth. In his role as prime minister, Mr. Ponyo continues to focus his attention on developing the nation by capitalizing on its many industries, boosting the welfare of its citizens and harnessing the human capital that is present in the Congo.

Regarding these shifts, Prime Minister Ponyo states, "As these investments and developments provide the framework and positive externalities to simultaneously boost different drivers of the economy, they represent the basis of our progress as a nation."

As the reception he received in the United States indicates the international community's backing of the future of the DRC, Prime Minister Ponyo

sees economic prosperity as the greatest means of development in his nation's future.

The DRC has historically relied on its immense wealth of natural resources. However, Prime Minister Ponyo astutely points out that the country must diversify into other sectors as it seeks to fully develop as a leading economy in Africa.

"While the country is very wealthy in natural endowments regarding mineral resources," according to Prime Minister Ponyo, "it is imperative to diversify beyond this wealth alone to propel the Democratic Republic of Congo to a state that can compete economically on a global scale."

President Kabila's Development Plan for the DRC

Since his reelection in 2011, President Kabila has been committed to bringing progress to the country at an extraordinary pace and creating a model of success for the African continent.

Under the president's development

framework, entitled *Les Cinq Chantiers de la RDC* (the Five Pillars of Congo), Kabila developed a long-term plan to improve domestic welfare, supplement the country's trade policy with foreign governments and boost domestic investments.

With a vision to create a nation with advanced infrastructure, education, electricity, higher employment and housing for all, President Kabila has turned to both private industry and his administration to help secure solutions — and more importantly, produce results — for the deficits that plague the DRC.

This progressive approach, which is inclusive yet competitive, has been key to President Kabila's tenure by creating a more favorable business environment. With recent government reforms, business opportunities are growing as an increased number of multinational companies are seeing improved potential in the DRC.

The improving business environment,

marked by a decrease in bureaucracy and significantly less government regulation, should reassure investors seeking to tap the nation's mineral wealth, agricultural opportunities and a growing middle class.

President Kabila's latest efforts to tighten controls on granting mining licenses to prevent abuse and fight corruption exemplify his desire to instill better corporate governance throughout the economy. As one of the world's largest producers of coltan, tin, diamonds, gold and copper, improper control mechanisms have led to underdevelopment that has cost the country in terms of tax revenue and the livelihood of its citizens.

According to President Kabila, "We need to put an end to the paradox, which sees huge mining potential and ever more intense mining activity, but only modest benefits for the state."

He added that some of the mismanagement, "has had negative consequences for the improvement of the population's living conditions."

Improving the DRC's Image Abroad

A vital player in President Kabila's strategy has been Ambassador Antoine Ghonda Mangalibi, one of the DRC's roving ambassadors and arguably one of the nation's greatest assets in dealing with

nities, projects such as a transnational rail system that links the DRC and Angola and a fiber-optic network that meets vital telecommunication demands in the DRC, Rwanda and Uganda remain the highest priorities for Mr. Ghonda.

Given emerging opportunities in the

alternative energy through hydroelectric projects such as the Inga Dam, the nation's leadership is confident in the country's future to lead Africa to new levels of growth.

Under the leadership of Prime Minister Augustin Matata Ponyo Mapon and



United States Ambassador to the United Nations Susan Rice, an interpreter, and DRC Prime Minister Augustin Matata Ponyo Mapon

By creating opportunities for the Congolese people and an environment to help businesses thrive, Prime Minister Ponyo is fulfilling his pledge to bring a new level of prosperity to the country.

the international business community and foreign relations.

Educated in the United States, Ambassador Ghonda sees the DRC as one of Africa's dynamic forces that can pull together neighboring countries and propel development.

Ambassador Ghonda is working closely with partners in Europe and in neighboring Angola as he strives to improve the region's infrastructure through private investment. The backbone for creating ongoing business opportu-

oil and gas sector in the DRC, Ambassador Ghonda sees a fundamental role for the nation not only to succeed in bringing international investors together, but also to create a cohesive network between neighboring countries for mutual benefit.

Looking To the Future

As the DRC continues to develop its natural resources, whether in the mining sectors that produce record amounts of copper and cobalt, or

President Joseph Kabila, the DRC has planted the seeds with investments in infrastructure and improvements to the business environment that will bear short- and long-term economic fruit.

Furthermore, by creating opportunities for the Congolese people and an environment to help businesses thrive, Prime Minister Ponyo is fulfilling his pledge to bring a new level of prosperity to the country.

As one of Africa's most prominent nations in terms of wealth, resources and growth potential, the DRC looks forward to economic prosperity, which awaits it as the effects of reform begin to take shape. There can be no doubt that the world must pay close attention to the DRC as it continues to grow into a regional powerhouse within the African continent. ■