

DEMOCRATIC REPUBLIC OF CONGO

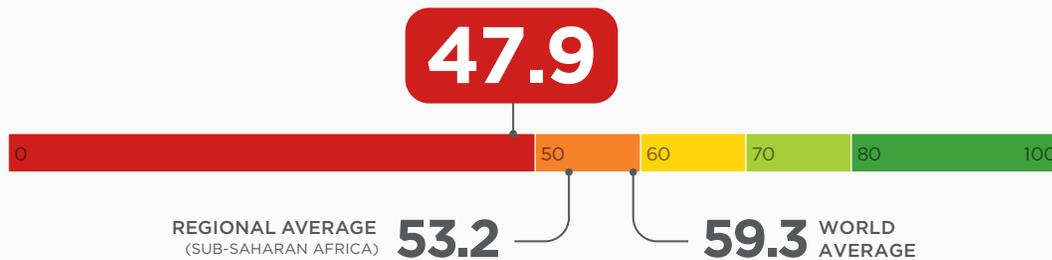
WORLD RANK: **157** | REGIONAL RANK: **40**

ECONOMIC FREEDOM STATUS: **REPRESSED**

The Democratic Republic of the Congo's economic freedom score is 47.9, making it the 157th freest economy in the 2023 *Index*. Its score is 0.3 point higher than last year. The DRC is ranked 40th out of 47 countries in the Sub-Saharan Africa region, and its overall score is far below the world and regional averages.

Economic development continues to be hampered by instability and violence. The weak rule of law and the marginal enforcement of property rights have driven many people and enterprises into the informal sector. Poor economic management has been made worse by repeated political crises.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): +6.5

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
92.4 million

GDP (PPP):
\$112.6 billion
5.7% growth in 2021
5-year compound annual growth 4.3%
\$1,201 per capita

UNEMPLOYMENT:
n/a

INFLATION (CPI):
9.0%

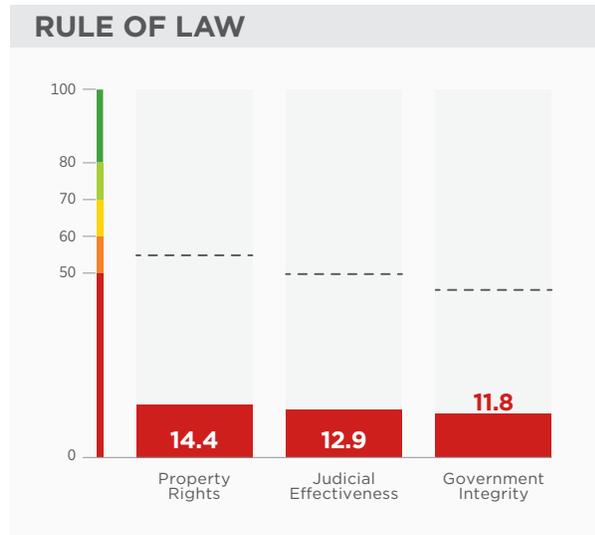
FDI INFLOW:
\$1.9 billion

PUBLIC DEBT:
16.1% of GDP

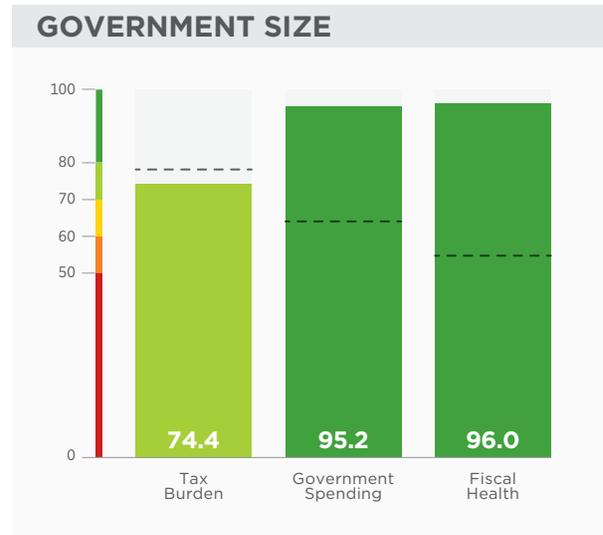
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: In 2006, Joseph Kabila won the Democratic Republic of the Congo's first multiparty election in 40 years. Félix Tshisekedi won the 2019 presidential election, and his Sacred Union parliamentary coalition has undermined Kabila's influence. Violence in the eastern DRC sparked tensions with Rwanda in 2022. The DRC's natural resource wealth, estimated at \$24 trillion, includes large deposits of rare earth minerals used in many high-technology products. The DRC is Africa's largest producer of copper and the world's largest producer of cobalt. It is also one of the world's least-developed countries, and its political instability and high inflation discourage international investors.

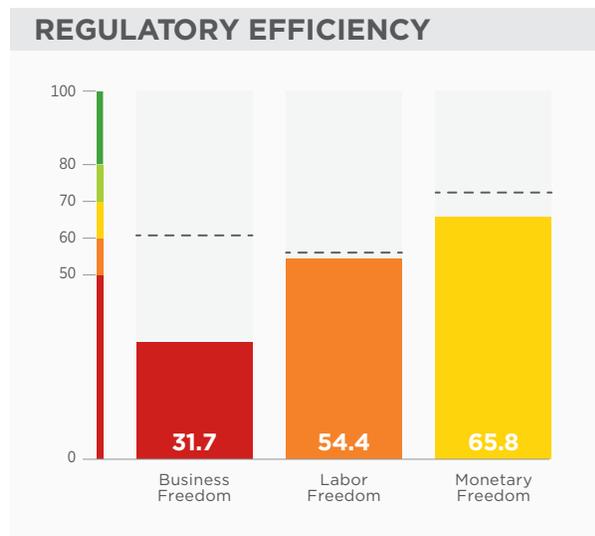
12 ECONOMIC FREEDOMS | DEMOCRATIC REPUBLIC OF CONGO



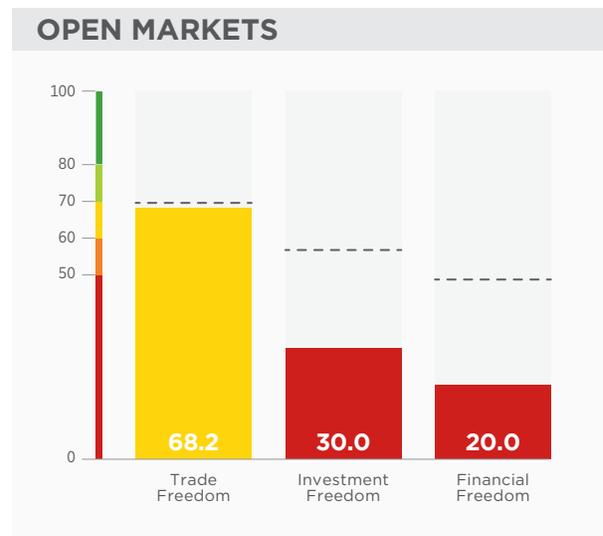
The overall rule of law is weak in the Democratic Republic of the Congo. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual and corporate tax rates are, respectively, 40 percent and 30 percent. The tax burden equals 7.5 percent of GDP. Three-year government spending and budget balance averages are, respectively, 12.7 percent and -1.5 percent of GDP. Public debt equals 16.1 percent of GDP.



Political turmoil and a fragile security situation undermine business freedom and make the business environment very challenging. The labor code is rarely enforced, and forced labor has been a concern. The most recent available inflation rate is 9.0 percent.



The trade-weighted average tariff rate is 8.4 percent, and other barriers to dynamic trade flows persist. The government screens and regulates foreign investment. The financial system is underdeveloped, and access to financing for businesses remains very limited.