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DRC INVESTMENT ACTIVITY

Driving inclusive growth in the Democratic Republic of Congo will require private investment in the country's promising businesses

OVERVIEW

In frontier and conflict markets, finding promising businesses and helping them grow is an effective way to create jobs and drive inclusive growth. USAID's DRC Investment Activity will create an investment facilitation platform that will link companies established in the DRC with a range of finance providers who have an appetite for new investments, with a particular focus in eastern DRC. By cultivating a pipeline of high-potential businesses across sectors, with an emphasis on sustainable agriculture, off-grid energy, and mining, the Activity aims to mobilize \$100 million in private capital to the DRC between March 2021 and February 2026. DRC Investment Activity will apply USAID's Private Sector Engagement Policy to mobilize blended finance and drive inclusive, private sector-led growth.

PARTNERS

DRC Investment Activity is implemented by a consortium composed of international development consulting firm Chemonics International Inc. and mission-driven investment advisory firm CrossBoundary. DRC Investment Activity will collaborate closely with the Government of the DRC and private sector stakeholders.

ACTIVITIES

To achieve its objective of mobilizing private capital, DRC Investment Activity’s investment facilitation professionals will engage and support private companies, finance providers and investors, and local business development service (BDS) providers.

FOR FINANCE PROVIDERS AND INVESTORS, the Activity acts as a neutral intermediary and directly addresses barriers such as information asymmetries and high transaction costs by improving finance providers’ understanding of the market and decreasing the cost of due diligence. The Activity will develop a pipeline of “bankable” companies whose financial health, core business, and capital needs can be easily reviewed by potential investors before soliciting more detailed investment information and seeking the Activity’s support in brokering a deal.

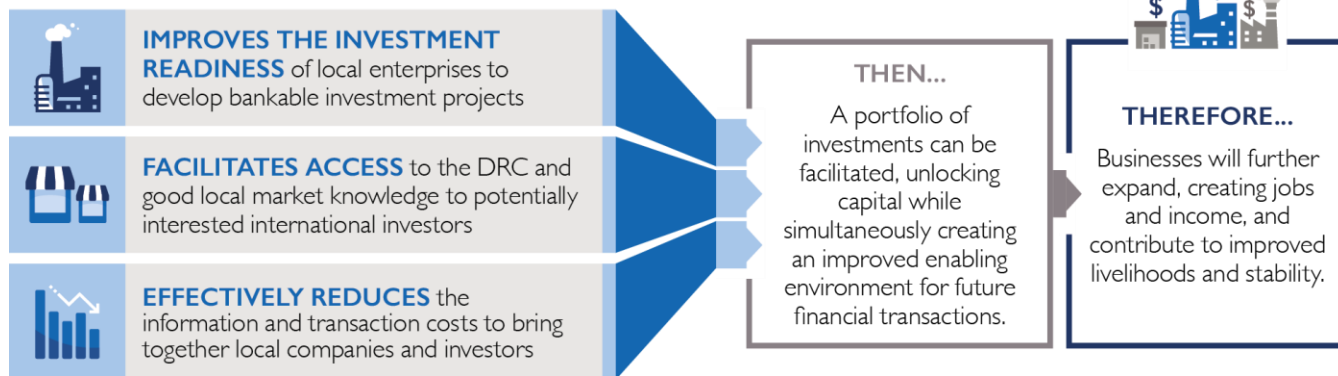
FOR LOCAL COMPANIES, the Activity develops their operating capacity and help raise capital by preparing companies for investor due diligence requirements, reviewing business plan and pitch materials, and structuring deals using an array of financing mechanisms. Each engagement will also include a review of a cross-cutting gender, conflict, and environmental considerations.

FOR BDS PROVIDERS, the Activity will strengthen the business and investment ecosystem of the DRC by building the capacity of firms engaged in financial recordkeeping, human resource and governance, customized market analysis, and other BDS. The Activity will draw upon BDS providers for specific investment transaction support needs and accompany firms in building their transaction advisory skills as part of the Activity sustainability strategy.

THEORY OF CHANGE

USAID’s DRC Investment Activity posits that by improving investment readiness of promising Congolese companies and facilitating access to prospective investors while reducing business enabling environment barriers, then an investment portfolio can be realized, resulting in newly mobilized capital.

IF THE ACTIVITY...



CONTACT

Please email DRCInvestActivity@chemonics.com for any inquiries or requests for additional information. The DRC Investment Activity is in the process of opening Goma and Kinshasa offices.