



USAID INVEST

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, identifying promising businesses and supporting their development is critical for creating jobs in an environment of inclusive growth. USAID's Investment Facilitation Activity in the DRC (the Activity, or USAID Invest) is a five-year USAID program that aims at fostering private investments into the DRC. By cultivating a pipeline of high-potential businesses across sectors, with an emphasis on sustainable agriculture and agriculture enabling sectors, the Activity aims to mobilize \$100 million in private capital to the DRC between March 2021 and February 2026. USAID Invest will apply USAID's Private Sector Engagement Policy to mobilize blended finance and drive inclusive, private sector-led growth.

PARTNERS

USAID Invest is implemented by a consortium composed of international development consulting firm Chemonics International Inc. and mission-driven investment advisory firm CrossBoundary. DRC Invest will collaborate closely with the Government of the DRC and private sector stakeholders through a diverse and representative Advisory Committee.

THE SERVICES WE OFFER

To achieve its objective of mobilizing private capital, USAID Invest's investment facilitation professionals provide a range of services to support, <u>at no cost</u>, selected private companies, finance providers and investors, and local business development service (BDS) providers.

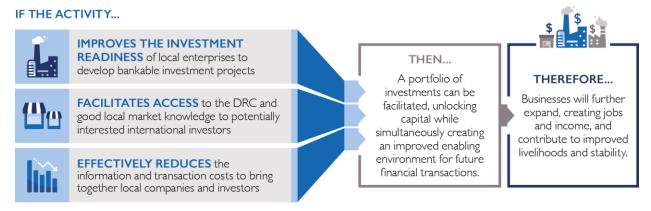
FOR INVESTORS AND FINANCE PROVIDERS. The Activity acts as a neutral intermediary and directly addresses barriers such as information asymmetries and high transaction costs by improving finance providers' understanding of the market and decreasing the cost of due diligence. The Activity will develop a pipeline of "bankable" companies whose financial health, core business, and capital needs can then be easily reviewed by potential investors before soliciting more detailed investment information and seeking the Activity's support in brokering a deal. The Activity may also assist finance providers such as DFIs by supporting and strengthening projects and sponsors in their pipelines which are not yet mature to receive investments.

FOR COMPANIES. The Activity supports companies with investment plans with a flexible minimum size of \$250K, and generally of between US\$ I and I0 million. We will consider smaller transactions that have strong environmental, social, or governance (ESG) impact. The Activity assists these companies to develop bankable projects and raise capital from local and international investors. Specific support activities may include strengthening business plans, conducting financial models and analysis, developing market opportunities, preparing companies for investor due diligence requirements 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 strengthens the business and investment ecosystem of the DRC by identifying capacity gaps of firms in financial recordkeeping, human resources and governance, customized market analysis, and other organizational capacity. The Activity will draw upon Congolese BDS providers for specific investment transaction support needs that fall outside of the Activities investment mandate, referring pipeline firms to specific BDS providers.

THEORY OF CHANGE

USAID Invest 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.



CONTACT

Please email DRCInvestActivity@chemonics.com for any inquiries or requests for additional information, USAID Invest has offices in Goma and Kinshasa.