The Democratic Republic of the Congo’s economic freedom score is 49.0, making its economy the 165th freest in the 2021 Index. Its overall score has decreased by 0.5 point, primarily because of a decline in judicial effectiveness. The Democratic Republic of the Congo is ranked 43rd among 47 countries in the Sub-Saharan Africa region, and its overall score is well below the regional and world averages.

Economic freedom in the DRC generally improved from the resumption of scoring in 2009 until 2018. Since then, scores have declined, and the economy is in the repressed category for the second year in a row. For sustained economic growth, the government needs to prioritize reforms to improve the investment climate as well as to make substantial gains in the rule of law.

**IMPACT OF COVID-19:** As of December 1, 2020, 335 deaths had been attributed to the pandemic in the Democratic Republic of the Congo, and the economy was forecast to contract by 2.2 percent for the year.

**ECONOMIC FREEDOM SCORE**

- **World Rank:** 165
- **Regional Rank:** 43
- **Economic Freedom Status:** Repressed

**HISTORICAL INDEX SCORE CHANGE (SINCE 1995):** +7.6

**RECENT FREEDOM TREND**

**QUICK FACTS**

- **Population:** 86.8 million
- **GDP (PPP):** $83.2 billion
- **Unemployment:** 4.2%
- **Inflation (CPI):** 4.8%
- **FDI Inflow:** $1.5 billion
- **Public Debt:** 14.7% of GDP

**BACKGROUND:** In 2006, Joseph Kabila won the Democratic Republic of the Congo’s first multiparty election in 40 years. He finally left the presidency under international pressure in 2019. Félix Tshisekedi was declared the winner of the 2019 presidential election, most likely due to a corrupt bargain with Kabila, who maintains influence as head of the majority party in parliament. Militia groups are active throughout the country. The DRC’s immense 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, but its political instability and high inflation discourage international investors. The country is also among the world’s least developed.

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Although the constitution protects ownership of private property, enforcement is lacking, and armed groups and government soldiers have seized private property and destroyed homes in conflict zones. Apart from a few reasonably well-functioning commercial courts, the judicial system is weak, unreliable, and corrupt. Endemic corruption in the government, security forces, and mineral extraction industries undermines the provision of basic public services.

The top individual income tax rate has been increased to 40 percent, and the top corporate tax rate has been cut to 35 percent. The overall tax burden equals 6.6 percent of total domestic income. Government spending has amounted to 11.5 percent of total output (GDP) over the past three years, and budget deficits have averaged 0.2 percent of GDP. Public debt is equivalent to 14.7 percent of GDP.

Lower business incorporation fees have reduced the cost of starting a business. Nonetheless, the business environment remains very challenging. The labor code is rarely enforced, and forced labor has been a concern. The heavily subsidized and loss-making state-owned SNEL power utility produces nearly all of the country’s electricity, but only about 10 percent of the population has access to it.

The Democratic Republic of the Congo has one preferential trade agreement in force, and its simple average tariff rate is 10.9 percent. One formal nontariff measure is in place, but 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.