

## Deepening Regional Integration: Prospects and Implications of DR Congo's Accession to the East African Community



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**O**n 19th March 2022 the Democratic Republic of Congo (DRC) formally joined the East African Community EAC after signing the Treaty of the Accession of DRC into the EAC in Nairobi Kenya. DRC becomes the 7th member of the EAC pending ratification of the treaty and deposit of the instruments of ratification to the Secretary-general by September 29th, 2022. The entry of DRC increased the region's combined GDP by 22 percent and geographical area by 79percent. The EAC will have a combined GDP USD143 million and home to 266 million people. These metrics provide, an opportunity for a wider market which is beneficial to the entire membership.

The EAC common market protocol provides for tariff elimination and free movement of goods, services and people. Therefore, DRC joins the EAC at an opportune moment, where in the council of ministers has agreed to adopt 35% as the Common External Tariff (CET) fourth band. The band compliments the existing 0% on raw materials, 15% on intermediate products and 30% on finished products. The 35% band will strictly take care of concerns raised by the “stay of application requests” by member states, which were distorting the CET. The band also justifies the object of regional integration through uniform treatment of goods imported from third parties. The band will be applied on imports where EAC has a comparative and competitive advantage in production. These include dairy and meat products, cereals, cotton and textiles, iron and steel, edible oils, beverages and spirits, furniture, leather products, fresh cut flowers, fruits and nuts, sugar and confectionery, coffee, tea and spices, textiles and garments, head gears, ceramic products and paints among others. In the wake of such developments,

DRCs joining provides a fertile ground for boosting intra-regional trade. In the wake of the African Continental Free Trade Area (AfCFTA), EAC's power and hegemony will increase, putting it in a better position to influence decisions at continental and the global level.

In terms of social dynamics, DRC brings a reinforcement of the French heritage together with Rwanda and Burundi giving the community a new improved identity. Consequently, EAC will become Africa's largest francophone bloc. This is very instrumental in social cohesion and promotion of human capital development.

In 2020, Uganda had a trade surplus of USD 108.19 million, but it was slightly lower than the trade surplus of USD 109.22 million realized in 2019. However, items like cassava had their value in export reduce from USD 1.7 million to USD 480,761.9 only. On the import side, the value of Coffee, not roasted or decaffeinated, imported from DRC increased from USD 310,675.88 in 2019 to USD 430,705.40 in 2020. The introduction of DRC in the EAC could see more coffee being dumped into the Ugandan market, to the detriment of the Ugandan farmer. This is dynamic worth of constant monitoring to avoid its deleterious effects.

DRC's accession to EAC presents great potential for increased agricultural exports for Uganda. However, there is need to address the existing porous border posts and crossings which could downplay Uganda's prospects through smuggling.

In addition, admission of DRC into EAC will focus concerted efforts by member

states to maintain peace and stability in the great lakes' region for the common good (Silencing the Guns). This will lead to increased, investor confidence in DRC as a country but also in the region at large.

In conclusion, as the rest of the EAC prepares to partake of the vast opportunities presented by DRCs ascendance such as the rich resources portfolio (raw materials, water bodies rain forests, minerals), some impediments have to be addressed. These include, regular trade wars between member states, requirements for work permits for EAC nationals in some countries, Non-Trade Barriers (NTBs) especially those affecting cross-border traders and un harmonised domestic tax regimes among others.