

DRC revisits China mining deal for \$7bn infrastructure investment

By [Sonia Rolley](#)

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Chinese construction companies will invest up to \$7bn in infrastructure projects as part of an agreement over their Sicominex copper and cobalt joint venture in the Democratic Republic of Congo. Both parties agreed to maintain the current structure of the shareholding, while the Chinese partners, Sinohydro Corp (SINO.HK) and China Railway Group Limited, will pay 1.2% of royalties annually to Congo, according to a statement.



Ambassador of the People's Republic of China in the DRC, Zhao Bin visited some of the infrastructure projects in December 2023. Source: [x.com](#)

President Felix Tshisekedi's government had been revisiting the deal struck by his predecessor Joseph Kabila under which the Chinese partners agreed to build roads and hospitals in exchange for a 68% stake in the joint venture with Congo's state mining company Gecamines.

Under the deal, the Chinese investors committed to spending \$3bn on infrastructure projects, but the state auditor - Inspection Generale des Finances (IGF) - last year demanded that commitment be increased to \$20bn.

Tshisekedi instructed his government to hold talks with the investors ahead of a visit to China in May 2023. He had aimed to boost Congo's stake in the joint venture to 70% from 32%.



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"It is a win-win deal," IGF head Jules Alingete said in a press conference, adding that negotiations had not been easy.

Ernest Mpararo, head of the Congolese Anti-Corruption League, said the announcement was a step forward but flagged that Sicominex remained exempt from paying taxes.

He also pointed to money owed under the last agreement. A 2023 IGF report found that only \$822m of the \$3bn promised for infrastructure investments had been spent.

Congo is the world's biggest producer of cobalt, a key component in batteries for electric cars and mobile phones. It is also the world's third-largest copper producer. Its mining sector is largely dominated by Chinese companies.

Tshisekedi, who won a second mandate in December, had signposted the agreement in his recent inauguration speech.

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