

Land Acquisition and Permitting: A Guide to the Maluku Special Economic Zone

Content Partner: J. v. G. technology GmbH

Turnkey solar module production lines — since 1997

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Technical Overview: Land Acquisition and Permitting in Maluku SEZ



Created as part of the PVKnowHow Knowledge Network



Prepared by J.v.G. Technology GmbH



European specialists in turnkey solar module production lines

Key Project Data

885 ha

Zone Area

Total Maluku SEZ; 244 ha
dedicated to pilot phase

25 yr

Lease Term

Emphyteutic lease,
renewable upon evaluation

~80 km

Distance to Kinshasa

Strategic access to Congo
River and N'djili Airport

2014

Legal Foundation

Ordinance-Law No. 14/022 —
DRC SEZ framework

📄 Scale: Industrial project within SEZ (flexible capacity) · Investment: Project-dependent (land + permitting + infrastructure) · Line type: Industrial manufacturing setup · Ramp-up: Dependent on permitting (typically phased) · Region: Democratic Republic of Congo (Maluku SEZ) · Source: PVKnowHow / J.v.G. Technology GmbH

The Market Entry Challenge

The Core Problem

- DRC holds significant industrial potential for investors
- Land acquisition on the open market is complex and unpredictable
- Bureaucratic permitting outside SEZs involves multiple agencies
- Regulatory uncertainty raises perceived investment risk

Why It Matters

- Land and permitting are critical path items for any factory project
- Delays in site acquisition directly delay production ramp-up
- Legal clarity over land use is essential for long-term financing
- SEZs were established specifically to address these barriers

Role of Special Economic Zones (SEZs) in the DRC

Policy Instrument


- SEZs established by Ordinance-Law No. 14/022 of 7 July 2014
- Distinct legal and regulatory regime — separate from general DRC law
- Designed to attract domestic and foreign industrial investment

Administrative Structure

- Agency for Special Economic Zones (AZES) — primary government body
- Designated Management and Development Body (OAG) operates the zone
- Investor interacts with OAG/AZES, not multiple state ministries

Incentive Package

- Full tax exemption on profits for companies: 5 years, renewable once
- 50% reduced rate from year 11 onward (non-tax revenues)
- Full exemption from import duties on machinery and capital goods (10 years)
- Exemption from export duties on finished products (10 years)

 Source: Decree No. 20/004 of March 5, 2020 — tax and customs benefits for SEZ investors (DRC)

Maluku SEZ: Overview & Legal Framework

Zone Profile

- DRC's first pilot SEZ — created by Decree No. 12/021 of 16 July 2012
- Total area: 885 hectares; 244 ha dedicated to pilot phase
- Location: ~80 km from Kinshasa, along the Congo River
- Direct access to N'djili International Airport for logistics
- Market access: population of over 12 million in greater Kinshasa

Infrastructure in Place

- Paved internal roads and drainage/sewage systems
- Drinking water supply network throughout the zone
- Electricity grid supported by a 75 MVA transformer
- Secure perimeter fencing
- Modern administrative building with one-stop-shop services

Land Acquisition: The Lease Model

How It Works

- No direct land purchase — land is secured via a long-term lease
- Legal instrument: **emphyteutic lease** (bail emphytéotique)
- 25-year term, with option for renewal upon evaluation
- Lease signed with the OAG (zone management body), not the state directly
- Investor gains rights near-equivalent to ownership for the lease duration

What the Investor Can Do

- Construct permanent buildings and production infrastructure
- Develop and operate industrial processes on-site
- Transfer lease rights (subject to OAG approval)
- Renew at end of term — process is standardized within SEZ

📄 The lease model standardizes the process and ensures all land use aligns with the SEZ's development objectives. It avoids the legal complexities of purchasing state land under general DRC property law.

Step-by-Step Land Acquisition Process

1

Step 1 — Project Proposal Submission

Investor submits a detailed project proposal and formal application to AZES

Proposal must define project type, scale, and intended industrial use

2

Step 2 — Project Evaluation

AZES assesses project viability, alignment with SEZ objectives, and investor capacity

Evaluation considers the zone's industrial development priorities

3

Step 3 — Plot Designation

Suitable plot identified and designated within the pilot phase area

Plot sizing based on project footprint requirements

4

Step 4 — Emphyteutic Lease Agreement

Investor signs the 25-year emphyteutic lease with the OAG

Legal land use rights secured; development may proceed

5

Step 5 — Permitting via One-Stop Shop

All construction permits, environmental assessments, and operational licenses processed centrally via the Guichet Unique

The One-Stop-Shop Permitting System

What It Is

- Legally mandated centralized system: **Guichet Unique**
- Single administrative body handles all permits and authorizations within the SEZ
- Replaces the need to interact with multiple government ministries

Scope of Services

- Construction permits
- Environmental impact assessments
- Operational licenses and business registration
- Tax and customs processing conducted on-site

Practical Considerations

- The system significantly simplifies permitting vs. operating outside the SEZ
- Investors should engage proactively to ensure applications are processed efficiently
- Administrative timelines remain dependent on project complexity and documentation completeness

Strategic Advantages for Investors

Legal Security

- Emphyteutic lease provides ownership-equivalent rights for 25 years
- Regulated under Ordinance-Law No. 14/022 — transparent and stable
- Dispute resolution mechanisms established by law

Administrative Efficiency

- One-stop shop reduces permitting complexity dramatically
- Single interface with AZES/OAG instead of multiple ministries
- Standardized processes reduce time-to-production

Financial Incentives

- Full profit tax exemption for the first 5 years (renewable)
- Full import duty exemption on capital equipment for 10 years
- Full export duty exemption on finished goods for 10 years

Infrastructure Readiness

- Roads, water, power (75 MVA), and fencing already in place
- Congo River access for bulk freight transport
- Proximity to Kinshasa market of 12+ million inhabitants

Risks & Practical Considerations

1

Permitting Timelines

One-stop-shop simplifies but does not eliminate processing time — project planning must account for phased permitting durations

2


Infrastructure Dependencies

Power connectivity and site readiness are advancing; investors must confirm current infrastructure status during due diligence

3

Regulatory Environment

DRC's broader regulatory environment carries emerging-market complexity; SEZ framework mitigates but does not eliminate country risk

 Investors are advised to conduct thorough due diligence and engage legal counsel familiar with DRC SEZ law prior to committing to the lease process.

FAQ Insights

Can foreign investors acquire land directly in DRC?

Not via direct purchase. The emphyteutic lease model within the SEZ provides the legally structured pathway for long-term land use rights.

Who manages the land within the SEZ?

The OAG (Management and Development Body), supervised by AZES. The investor signs the lease directly with the OAG.

How long is the lease?

Standard term is 25 years, with a renewal option subject to evaluation. Rights during the term are near-equivalent to ownership.

What industries are permitted in Maluku SEZ?

Agro-industry, construction materials, packaging, metallurgical processing, and renewable energy technology, among others.

Is the one-stop-shop legally mandated?

Yes. The Guichet Unique is the official, legally mandated system for all permitting and authorizations within the zone.

Are tax benefits guaranteed from day one?

Benefits are established by Decree No. 20/004 (2020). Investors should verify applicable terms at time of application with AZES.

Strategic Conclusion

1

Structured Entry Path

The emphyteutic lease model eliminates open-market land risk — the process is standardized, documented, and legally protected

2

Administrative Simplification

The Guichet Unique directly addresses one of the most cited barriers to DRC market entry — fragmented, multi-agency permitting

3

Viable Investment Context

With operational tenants, functioning infrastructure, and a strong legal framework, Maluku SEZ represents a credible industrial platform in Central Africa

- ❏ An experienced European turnkey provider integrates site, permitting, and production line know-how into a single project methodology — reducing the learning curve for investors entering industrial manufacturing in the DRC.

About the Content Partner

J. v. G. technology GmbH – The DESERT Company

Founded in 1997 in Bavaria, Germany. Family-owned engineering company specializing in turnkey solar module production lines.

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Key areas:

Turnkey PV manufacturing lines | DESERT Technology® |
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