

AFRICA RISK CONSULTING

Country briefing – Guinea

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1 Summary

The Ebola outbreak threatens the political and economic stability achieved during President Alpha Condé's (2010 – present) term. The outbreak centres on the Guéckédou area in the unstable Forestière region and forms an axis with two other underdeveloped post-conflict forest regions – Lofa (Liberia) and Kenema (Sierra Leone). The opposition criticises Condé's late response to the outbreak and accuses him of neglecting the public health sector. The outbreak significantly disrupts business and transport activity. Key neighbouring trading partners and airlines largely cordon off Guinea. Mining companies withdraw most staff and slow operations. Experts expect the outbreak to last past 2014, lowering economic growth and straining government finances.

1.1 Ebola outbreak threatens Guinea's progress

The Ebola outbreak has stalled **Guinea's** political and economic reform process and threatens President **Alpha Condé's** (2010 – present) record in power. As of 20 August the **World Health Organization (WHO)** confirmed 607 cases and 406 deaths from the outbreak in Guinea. The WHO recorded a decrease from 95 cases and 69 deaths in Guinea in June to 46 cases and 36 deaths in July. However, in July the outbreak epicentre moved from **Guéckédou**, in Guinea's remote and unstable **Forestière** region where the outbreak started in March, to neighbouring **Liberia** and **Sierra Leone**, where the virus has spread more rapidly than in Guinea. This led the WHO to declare an international health emergency on 8 August.

The spillover from Liberia and Sierra Leone has led to an increase in new cases in Guinea during August (83, and 29 deaths as at 20 August). The cases are predominantly in border towns **Macenta**

and **Yomou** in the Guéckédou area. The only other current cases in Guinea outside Forestière are in **Conakry** (17 current confirmed cases).¹

Overall, as at 20 August, the WHO has recorded 2,615 cases, and 1,427 deaths, the worst Ebola outbreak on record.² This includes 1,082 cases and 624 deaths in Liberia; 910 cases and 392 deaths in Sierra Leone; and 16 cases and five deaths in **Nigeria**. However, the WHO has conceded the existence of “*shadow zones*” which medical officials are unable to reach and said that families are hiding some of those infected. “*The number of reported cases and deaths vastly underestimates the magnitude of the outbreak.*”³ The WHO is working with **Médecins Sans Frontières (MSF)** to compile “*more realistic estimates.*”⁴

The outbreak centres on the Forestière-**Lofa** (Liberia)-**Kenema** (Sierra Leone) axis. The three forested regions – which share close economic and cultural links – saw considerable fighting during civil wars in Sierra Leone (1991 – 2002) and Liberia (1989 – 2003). The axis is one of the most underdeveloped in the **West Africa** sub-region with extremely poor public health infrastructure.

For Guinea, the outbreak presents a wider security risk due to the increased instability in Liberia and Sierra Leone following the outbreak. Liberia’s heavy-handed response to the outbreak has brought the country’s post-conflict stability into question. On 20 August security forces fired live rounds to disperse protesters during a quarantine of the **West Point** slum area in **Monrovia**, in a panicked attempt to prevent the spread of outbreak.⁵ The military presence around the outbreak axis may also trigger security incidents.

1.2 ...bringing Condé’s response to the crisis into question

The Condé administration’s response to the outbreak in August was considered more effective and measured as compared to that of Liberia and Sierra Leone.⁶ Condé declared Ebola a national public health emergency and imposed strict controls at border points and travel restrictions on 8 August.⁷ However, the government has allowed nationals to re-enter Guinea to access treatment and opened a

¹ Government statement, 24 Aug 2014.

² WHO, 22 Aug 2014.

³ WHO, 3 Aug 2014.

⁴ Reuters, 22 Aug 2014.

⁵ Reuters, 20 Aug 2014.

⁶ Source, several including a journalist and West Africa correspondent tracking the outbreak

⁷ AFP, 13 Aug 2014.

new clinic in Macenta for the returnees.⁸ On 16 August health minister **Remy Lamah** claimed that the government would send 42 additional military doctors and another 42 civilian doctors to increase screening at border crossings with Sierra Leone and Liberia.⁹

Along with its Liberian and Sierra Leonean counterparts, the government has established a quarantine zone with several checkpoints inside the outbreak axis (see above). However, it is impossible to control movement in the heavily forested areas.¹⁰ On 21 August transport minister **Aliou Diallo** confirmed new measures at **Conakry International Airport**, including hand washing; chlorinated water at the entrance to the departure area; a sanitary control area; obligatory passenger health declarations; body temperature monitoring (passengers over 38 degrees are refused boarding); and two isolation zones for suspected cases.¹¹

The opposition-aligned local press criticised Condé's late response to the outbreak. It claims that Condé failed to announce emergency measures earlier, which may have prevented the spread of the outbreak to Liberia and Sierra Leone and instead repeatedly claimed the outbreak was under control.¹² *"There was a very slow reaction... there are simple things they [government] should have done early on".*¹³

The local press has also pointed to the neglected public health sector. It claims Condé failed to include healthcare as a national budget priority and instead focused on a *"hypothetical mining windfall"*.¹⁴ The government allocated 6.3% of gross domestic product (GDP) to healthcare; compared to 15.5% in Liberia and 15.1% in Sierra Leone, the highest in **sub-Saharan Africa**; 6.1% in Nigeria; and 8.8% in **South Africa**.¹⁵ The government will hold meetings with external partners between 26 August and 6 September to determine priorities for the 2015 budget.¹⁶

The international response has also improved after a slow start. The WHO and MSF say the outbreak will now take at least six months to end (if two incubation periods, or 42 days, pass without a confirmed case).¹⁷ The WHO plans to release a *"battle strategy"* towards the end of August which calls

⁸ Reuters, 16 Aug 2014.

⁹ Bloomberg, 16 Aug 2014.

¹⁰ Sources, several

¹¹ Presidency, 21 Aug 2014.

¹² Guinee News, 4 Aug 2014.

¹³ Source, senior official of external finance partner responsible for Guinea, Senegal

¹⁴ Guinee News, 4 Aug 2014.

¹⁵ WHO (Countries/Guinea/Statistics)

¹⁶ APA, 22 Aug 2014.

¹⁷ WHO, 22 Aug; MSF, 15 Aug 2014.

for over \$430m funding from governments, development banks and the private sector.¹⁸ More than half the budget is set aside for treatment, isolation and referral centres¹⁹, while increasing the number of health workers is another focus.²⁰ However, Ebola experts strongly criticised the initial international response to the outbreak in Guinea.

“The response at the beginning wasn’t robust enough...I would have laughed if you had said Ebola would be a global public health emergency. Ebola outbreaks can be stopped with a robust response... There is a whole series of issues in terms of recognition by health workers, a system in which to report, then the need to take the data and act on it, and there have been weaknesses in Guinea in all three of those areas.”²¹

The **United Nations (UN) World Food Programme** has pledged to deliver food aid to 1 million people in the outbreak axis to avoid a food crisis.²² Restrictions on movement have impeded farming in the quarantine zones, reducing food output.

1.3 ...and placing the economy on hold

The outbreak has significantly disrupted business and transport activity across the country, particularly in Conakry and the Forestière mining region. Several investor sources with current and planned projects in Guinea have cancelled trips to Guinea since April and will return only after a significant reduction in new cases or the outbreak is over. Mining companies have reduced production and withdrawn most staff, agriculture production has receded and government administration has also slowed.

The outbreak will have a significant impact on economic growth in 2014, which the **International Monetary Fund (IMF)** forecast at 4.5% for gross domestic product (GDP). Some estimates claim the outbreak will reduce growth by up to 2% in the three affected countries.²³ Lower tax revenue and increased health expenditure for the response effort will also strain state finances.²⁴ There is little information on how the government is funding the response amid reports that Sierra Leone is using treasury bills to finance its response.²⁵

¹⁸ Bloomberg, 25 Aug 2014.

¹⁹ Bloomberg, 25 Aug 2014.

²⁰ Reuters, 22 Aug 2014.

²¹ **David Heymann**, a professor of infectious diseases at the **London School of Hygiene and Tropical Medicine** who worked on the first recorded Ebola outbreak in 1976.

²² World Food Programme, 21 Aug 2014.

²³ Bloomberg, 15 Aug 2014.

²⁴ Raised in particular by Moody’s, 14 Aug 2014.

²⁵ Bloomberg, 19 Aug 2014.

Neighbouring governments and airlines have largely cordoned off Guinea, despite the WHO's repeated statements urging governments and airlines not to impose trade and travel bans. Guinea's land borders are closed with all its neighbours except **Mali**.

- The government closed its borders with Sierra Leone and Liberia after Condé declared the national health emergency on 8 August.
- **Guinea-Bissau** closed its border with Guinea on 13 August "*until further notice*".²⁶
- **Côte d'Ivoire** closed its air and land borders, as well as **Abidjan** port, with Ebola affected countries including Guinea on 23 August.
- The Senegalese government closed its border and banned flights between Guinea on 23 August, but withdrew the ban on flights on 25 August. During the flight ban, Senegalese authorities blocked a UN aid plane from landing.²⁷ Land and sea borders with **Senegal** remain closed.²⁸ The Senegalese government had previously closed its land borders with Guinea between 30 March and 6 May at the start of the outbreak.
- Further business disruption followed when the South African government banned travellers from Guinea, Sierra Leone and Liberia (except its citizens) on 21 August.

Several airlines have suspended flights to Conakry, limiting options for foreign staff to fly in and out of Guinea. **Emirates** was the first carrier to suspend flights on 2 August. **ASKY Airlines, Air Côte d'Ivoire** and **Senegal Airlines** followed.²⁹ **Air France** has not suspended flights although unions are pressuring management through staff boycotts to limit or suspend its service, and the airline has cancelled some flights to Conakry. Air France has strengthened screening measures for passengers on the service, including questionnaires and temperature monitoring.³⁰ **Delta Air Lines**, the only **United States** carrier with services to the affected region, has cancelled some flights but has not suspended its service. **Brussels Airlines, Ethiopian Airlines** and **Royal Air Maroc** also continue flights to Conakry.

Condé met with airline representatives, international agencies and diplomats on 20 August at the **Palais Sékhoutouréya** to reassure them that authorities are screening passengers, in line with WHO recommendations, and urged airlines to restore normal service to Conakry.³¹ Condé reiterated, "*No*

²⁶ AFP, 13 Aug 2014.

²⁷ Reuters, 22 Aug 2014.

²⁸ Guinee News, 25 Aug 2014.

²⁹ Aujourd'hui en Guinée, 21 Aug 2014.

³⁰ Bloomberg, 4 Aug 2014.

³¹ Aujourd'hui en Guinée, 21 Aug 2014.

Guinean has left the country to export Ebola elsewhere. Even the WHO has recognised that Guinea's measures are sufficient."³² On 14 August the WHO stated it was "*hard to save lives if we and other health workers cannot get in.*"³³ It reiterated that Ebola is not an airborne virus.

There are no reported Ebola cases among the staff of mining companies in Guinea or other Ebola affected countries. However, most companies have implemented preventative measure, monitoring staff and halting non-essential work. **AngloGold Ashanti** continues production at the **Siguiri** gold mine in **Upper Guinea** despite an increase in Ebola cases in late July in the town of Siguiri, 25 kilometres from the mine site. The government confirmed seven cases in late July and established an isolation centre.. Rio Tinto has restricted staff movement to essential travel only at the **Simandou South** iron project in the Forestière region.³⁴ Across the border in Liberia **ArcelorMittal** declared *force majeure* at its **Yekepa** iron ore project on 8 August.

2 Implications

The Ebola outbreak has significant political, economic and security implications in Guinea. Condé's task to improve the economy and living standards before the next presidential election scheduled in late 2015 has become more difficult and may award the opposition momentum, particularly as it can point to the government's late response to the outbreak. The outbreak will probably delay the local elections until after 2014, and thus trigger further tensions between the government and the opposition, increasing the risk of renewed opposition street unrest.

In previous outbreaks the current level of expert and financial response has brought epidemics under control. However, experts now expect the current outbreak to run until the end of 2014, due to the rapid spread of the virus in Liberia and Sierra Leone. Thus, the outbreak will continue to disrupt government administration and business activity for the rest of 2014. The response will further strain government finances and may lead to increased government debt, which has considerably reduced since the end of military rule in late 2010. As the outbreak continues into late 2014, the impact of the healthcare emergency will probably extend to a rise in the price of oil and food, and potentially trigger economic-motivated unrest.

³² Reuters, 21 Aug 2014.

³³ UN, 14 Aug 2014.

³⁴ Bloomberg, 15 Aug 2014.



The outbreak has damaged Condé's "*Guinea is back*" investor slogan, and will significantly limit new investment. Given the already poor global mining conditions, mining projects will face increasing difficulty securing finance for projects.

The outbreak will probably direct the government to prioritise the public health sector, and secure increased long-term external funding to improve healthcare and social indicators. It will also prompt Condé to accelerate development initiatives in the unstable Forestière region. Condé has already focused on key projects in the region such as the Rio Tinto-led Simandou South iron ore and infrastructure project. Improving social indicators and development in the Forestière will significantly improve Guinea's long-term stability.

To date, the Ebola outbreak has triggered few security incidents in Guinea, which indicates the country's increased stability since the start of democratic government under Condé. However, the risk of unrest will increase in mining regions, particularly in the Forestière region, as mining projects that support local economy are put on hold or slowed. The rapid spread of the outbreak in Liberia and Sierra Leone also presents a wider regional stability risk to Guinea.