

## AFRICA RISK CONSULTING

### Guinea Monthly Briefing May 2022

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#### Guinea Summary 25 May 2022

*Guinea's transitional ruling bodies have finally agreed a timeline for return to civilian rule after months of pressure from regional and international bodies and delays from the ruling junta, the **Comité national du rassemblement pour le développement (CNRD)**. **Cour d'Appel de Conakry (court of appeal)** attorney general Charles Wright has launched legal proceedings against former president Alpha Condé (2010-2021) for human rights abuses among other crimes. The legal proceedings, filed on 4 May, include 26 senior executives who served under Condé. The **International Centre for Settlement of Investment Disputes (ICSID)** has ruled in Guinea's favour in a case involving Israeli businessman and **BSG Resources (BSGR)** owner Beny Steinmetz.*

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#### Transition timeline creates tensions ...

Guinea's transitional ruling bodies have finally agreed a transition period back to civilian rule after a military coup removed the country's first democratically elected president, **Alpha Condé** (2010-2021), from power on 5 September (see *ARC Briefing Guinea Sep 2021*).<sup>1</sup> Following months of pressure from regional and international bodies and delays from the ruling military junta, the **Comité national du rassemblement pour le développement (CNRD)**, 75 members of the 81-strong interim parliament, the **Conseil national de transition (CNT)**, voted on 11 May to approve a period of 36 months before constitutional rule must be returned.<sup>2</sup> CNRD leader Colonel **Mamadi Doumbouya** (2021-present) had initially set a transition period of 39 months.<sup>3</sup> During a broadcast on national television on 30 April, Doumbouya said the CNRD would submit its proposal to the CNT.<sup>4</sup>

Despite the agreement between the CNRD and CNT, the junta is still at odds with the regional bloc, the **Economic Community of West African States (ECOWAS)**, and other international bodies such as the **European Union (EU)**. ECOWAS suspended Guinea from the bloc after the September coup, imposing sanctions and calling for a return to civilian rule within six months (see *ARC Briefing Guinea Oct 2021*). ECOWAS had also requested that the CNRD present a transition timetable by 25 April, a deadline that the ruling junta failed to respect.<sup>5</sup>

**ECOWAS Commission** president **Jean Claude Kassi Brou** expressed the bloc's disapproval of the 36-month transition period, requesting a shorter transition during an interview on 17 May with **Africa24**.<sup>6</sup> The CNRD in turn, expressed its "surprise" and "disappointment" at the ECOWAS reaction to its timeline. Following Brou's interview, CNRD spokesperson **Ousmane Gaoual Diall** said:

*"Normally, Mr. Brou speaks after the conference of ECOWAS Heads of State, whose decisions he translates for public opinion. It is unfriendly that an authority of this level, which must act under the instructions of the heads of state, allows itself to make this type of comment."*<sup>7</sup>

In response, Brou assured the media that sanctions against the junta are inevitable and would be extended to individuals such as businessmen who support the junta.<sup>8</sup> Guinea's transition timeline is

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<sup>1</sup> Vision Guinée, 5 Sep 2021

<sup>2</sup> Jeune Afrique, 20 May 2022

<sup>3</sup> Guinée News, 11 May 2022

<sup>4</sup> Guinée News, 30 Apr 2022

<sup>5</sup> Media Guinée, 27 Apr 2022

<sup>6</sup> Africa Guinée, 17 May 2022

<sup>7</sup> Guinée News, 20 May 2022

<sup>8</sup> Media Guinée, 23 May 2022

certain to be a discussion point at the ECOWAS summit, now postponed from 21 May to the beginning of June.<sup>9</sup>

Opposition parties have also banded together to denounce the transition period. **Groupe des 58 partis politiques (G58)**, Condé's **Rassemblement du peuple de Guinée-Arc-en-ciel (RPG-AEC)**, and their allies met and subsequently issued a press release rejecting the transition period approved by the CNT. The parties argued that the transition charter required that the transition period be agreed upon between the CNRD, political parties and civil society and that it does not recognise the CNT as a valid body to approve the proposed transition period.<sup>10</sup> The **Forum des Forces Sociales de Guinée** (forum of Guinean social forces) likewise rejected the proposed transition, for the same reasons.<sup>11</sup> The **Union des partis politiques (UPP)** has put forward a proposal to the CNRD to set up a consensus committee to try to avoid any political crisis during the transition period. The UPP claims the consensus committee may help calm political parties, civil society and civilians by creating dialogue. Questions remain over issues such as when the timeline officially begins, and how and when the election process will begin.<sup>12</sup>

The **Peace and Security Council** of the **African Union (AU)** has similarly stepped in to diffuse some of the tension. The council has called for the implementation of a **Transition Monitoring Mechanism**, which would create coordinated support and monitoring of the transition by the AU, ECOWAS, the **United Nations (UN)** and other relevant stakeholders.<sup>13</sup> The council also encouraged the CNRD to not delay the transition and rather work to shorten it, while engaging with political actors and civil society, *"on the challenges facing the country, in order to build trust and strengthen the inclusiveness of the transition process"*.<sup>14</sup> The council also once again appealed for the total freedom of former president Condé, who is reportedly not in good health.<sup>15</sup> The CNRD has given the 84-year-old Condé permission to leave the country once again to receive medical treatment in **Turkey**.<sup>16</sup>

The combination of looming ECOWAS sanctions that will negatively impact society in an already strained economic environment, with the strong rejection of the transition period by political parties and civil society will create a difficult environment for the CNRD to enact its transition. Depending on the severity of sanctions and the impacts thereof, dissent could spread further and create additional challenges for the CNRD.<sup>17</sup>

### ... as attorney general launches lawsuit against Condé ...

**Cour d'Appel de Conakry** (court of appeal) attorney general **Charles Wright** has launched legal proceedings against former president Alpha Condé for human rights abuses, among other crimes. The legal proceedings, filed on 4 May, are also against 26 senior executives who served under Condé.<sup>18</sup> The list includes former presidents of the **Assemblée Nationale** (national assembly) **Amadou Damaro Camara** and **Claude Kori Kondiano**; former ministers **Mohamed Diané**, **Tibou Kamara**, **Kiridi Bangoura**, **Bouréma Condé** and **Alhoussein Makanéra Kaké**, and several other former members of government and officers of the security forces and the national gendarmerie.<sup>19</sup> All under investigation are banned from leaving Guinea until the court decides otherwise.

The crimes listed on the judicial investigation include murder, assassination, complicity in murder and assassination, manslaughter, intentional assault and battery, arrest, kidnapping, torture, destruction and damage to public and private property, looting, theft, sexual assault, and rape. The

<sup>9</sup> Media Guinee, 18 May 2022

<sup>10</sup> Guinee News, 11 May 2022

<sup>11</sup> Guineematin.com, 12 May 2022

<sup>12</sup> Guineematin.com, 11 May 2022

<sup>13</sup> Africa Guinee, 20 May 2022

<sup>14</sup> Africa Guinee, 20 May 2022

<sup>15</sup> Guineematin.com, 20 May 2022

<sup>16</sup> Guinea News, 21 May 2022

<sup>17</sup> ARC Guinea analyst

<sup>18</sup> Media Guinee, 11 May 2022

<sup>19</sup> Media Guinee, 4 May 2022

period under investigation is the March 2020 referendum election (see *ARC Briefing Guinea Apr 2020*) and the October 2020 presidential election (see *ARC Briefing Guinea Nov 2020*). On 17 May, Wright appointed 16 judicial police officers who will carry out the investigation.<sup>20</sup>

The case was originally brought by the **Front national pour la défense de la constitution (FNDC)** (national front for the defence of the constitution). The organisation, a coalition of civil society and trade unions, organised protests from October 2019 against Condé running for a third term, which security forces repressed. In January, **William Bourdon**, and **Vincent Brengarth** of France-based law firm **Bourdon et Associés**, representing FNDC, filed an official complaint with Wright's office, citing alleged human rights abuses that occurred during Condé's tenure. Wright's office requested evidence, which the lawyers presented on 14 April; however, the evidence focuses on the protests from 2019 onwards.<sup>21</sup>

### ... and Guinea wins victory in Steinmetz mining case

Guinea has won a significant victory in its long-running legal battle with **Israeli** businessman and **Guernsey**-registered **United Kingdom (UK)**-headquartered **BSG Resources (BSGR)** owner **Beny Steinmetz**. The **United States (US)**-headquartered **International Centre for Settlement of Investment Disputes (ICSID)** ruled in favour of Guinea in a case against Steinmetz on 18 May. BSGR filed a case against Guinea with the ICSID in 2014, alleging that the government had wrongfully cancelled the company's rights to the world's largest iron ore deposit located in **Simandou** and an adjacent deposit, **Zogota**.<sup>22</sup> BSGR also sued for damages amounting to several millions of dollars.<sup>23</sup>

The Simandou iron ore deposit has a controversial history. In 2005, Steinmetz made overtures to the Guinean government, then under former President **Lansana Conté** (1984-2008), to take over the Simandou mining deposit. At the time, **Anglo-Australian** mining giant **Rio Tinto** held the licence to exploit blocks 1 and 2 of the deposit.<sup>24</sup> In July 2008, Conté issued a presidential decree revoking Rio Tinto's licence.<sup>25</sup> In December 2008, a presidential decree awarded Steinmetz's firm, BSGR, the exploitation rights of Simandou blocks 1 and 2.<sup>26</sup> The timing of the transaction was suspicious as Conté approved the deal shortly before his death with some claiming that the decision was made while he was in a coma.<sup>27</sup> Conté's fourth wife, **Mamadie Touré**, allegedly received \$8.5m in bribes to facilitate BSG Resources' award of the mining permit.<sup>28</sup> Steinmetz invested \$170m in the mining concession. In 2010 he sold 51% of BSGR's stake in the project to **Brazil**-based mining company **Vale SA** for \$2.5 billion and established a joint venture to exploit the Simandou iron ore project.<sup>29</sup> However, in 2012 now former president Alpha Condé withdrew BSG Resources' permit after discovering the company had obtained the Simandou mining rights through bribery and corruption.<sup>30</sup>

In its ruling on 18 May, the ICSID held that there was "*overwhelming evidence*" that BSGR had obtained the concessions through corrupt practices, namely bribes, during a period of rampant corruption in Guinea.<sup>31</sup> According to the ruling, over \$9m of these bribes were paid to Mamadie Touré to secure the rights to Simandou. The ICSID has ordered BSGR to pay 80% of Guinea's legal fees, a total of \$5.6m.<sup>32</sup>

In January 2021, the **Tribunal Correctionnel de Genève (Geneva correctional court)** in **Switzerland** sentenced Steinmetz, who holds dual French and Israeli citizenship, to five years' imprisonment and a

<sup>20</sup> Africa Guinee, 17 May 2022

<sup>21</sup> Jeune Afrique, 5 May 2022

<sup>22</sup> Guinee News, 20 May 2022

<sup>23</sup> Media Guinee, 20 May 2022

<sup>24</sup> Reuters, 22 Jan 2021

<sup>25</sup> Reuters, 22 Jan 2021

<sup>26</sup> Reuters, 22 Jan 2021

<sup>27</sup> Source, London-based political risk CEO

<sup>28</sup> Bloomberg, 22 Jan 2021

<sup>29</sup> Le Monde, 22 Jan 2021

<sup>30</sup> Le Monde, 22 Jan 2021

<sup>31</sup> Organized Crime and Corruption Reporting Project, 21 May 2022

<sup>32</sup> Organized Crime and Corruption Reporting Project, 21 May 2022

CHF 50m (\$56.48m) fine after finding him and two co-defendants guilty of bribing public officials and forging documents in order to secure mining rights to the Simandou iron ore deposit (see *ARC Briefing Guinea Jan 2021*).<sup>33</sup>

The Simandou iron ore project is Guinea's most important economic development project.<sup>34</sup> The mining deposit is estimated to hold 1.8 billion tonnes of high-grade iron ore reserves, making it the third largest reservoir in the world after Australia's **Pilbara** region and Brazil.<sup>35</sup> UK-based **CRU Group** estimates that Guinea will export 150m tonnes annually, when production begins, making it the third largest iron ore exporter in the world.<sup>36</sup> The **World Bank** reports that Guinea derives 35% of its gross domestic product from mining activities and is therefore counting on the proceeds of Simandou's exploitation to improve its economic well-being.<sup>37</sup> **Chinese-Singaporean-Guinean** consortium **SMB-Winning** now holds the concession to exploit blocks 1 and 2 of the Simandou iron ore project and has pledged that commercial production at the mine will begin in 2025 (see *ARC Briefing Guinea Dec 2021*).<sup>38</sup> Shipping of iron ore exports is expected to begin by the end of 2026.<sup>39</sup>

## Planner

June 2022 (**West Africa**) Extraordinary meeting of **Economic Community of West African States (ECOWAS)** heads of state;

(Date TBA due to Covid-19) **Conakry (Guinea)** Transform Africa Conference;

2023 **Conakry (Guinea)** Guinea Investment Forum;

31 Mar 2025 **Conakry (Guinea)** Start of exploitation at the **Simandou** iron ore project;

## Chronology

24 May 2022 **Conakry (Guinea)** *Media Guinea*. **United Nations Children's Fund (UNICEF)** signs a partnership agreement with the **Guinean Football Federation** to promote the safeguarding of children;

23 May 2022 **Conakry (Guinea)** *Africa Guinea*. Environment and sustainable development ministry begins a series of environmental and social compliance checks on over 300 establishments;

21 May 2022 **Conakry (Guinea)** *Guinee News*. The ruling military junta has given former president **Alpha Condé** permission to leave the country once again to receive medical treatment in **Turkey**;

17 May 2022 **Sougueta (Guinea)** *Cemnet.com*. **International Finance Corporation** announces \$30m loan to **Diamond Cement Guinea**, to support completion of its new greenfield cement plant;

16 May 2022 **Conakry (Guinea)** *Media Guinea*. Labour minister **Julien Yombouno** announces a new measure requiring all foreign workers to hold a work permit;

14 May 2022 **Conakry (Guinea)** *Africa Guinea*. The ruling military junta **Comité national du rassemblement et du développement (CNRD)** announces a ban on all political demonstrations on public roads and in public squares;

<sup>33</sup> Bloomberg, 22 Jan 2021

<sup>34</sup> ARC Guinea analyst

<sup>35</sup> Reuters, 11 Mar 2022

<sup>36</sup> Reuters, 11 Mar 2022

<sup>37</sup> DW, 23 Mar 2022

<sup>38</sup> Agence Ecofin, 24 Nov 2021

<sup>39</sup> Reuters, 11 Mar 2022

14 May 2022 **Conakry (Guinea)** *Guinee News*. Guinea's interim government hosts the first edition of the **Salon international de la Culture, du Tourisme et de l'Artisanat (SICTA)** (international culture, tourism and crafts fair) with the participation of seven countries;

14 May 2022 **Conakry (Guinea)** *Guinee News*. Interim president **Mamady Doumbouya** has set the statutes of the national agency for the development of mining infrastructures, which is now registered as a public limited company with a board of directors;

12 May 2022 **Conakry (Guinea)** *Media Guinee*. Main opposition parties, **Groupe des 58 partis politiques (G58)** and **RPG Arc-en-ciel** and over 60 of their smaller allies reject the ruling military junta's original proposed 39-month transition timeline;

12 May 2022 **Conakry (Guinea)** *RFI*. Military junta announces a 36-month transition period to civilian rule, slightly shorter than what the military chief had proposed, but longer than regional leaders have called for;

9 May 2022 **Conakry (Guinea)** *Mediaguinee.org*. A high-level **ECOWAS** mission is expected in Conakry this week to evaluate the progress made by the ruling military junta;

5 May 2022 **Conakry (Guinea)** *Guineematin.com*. General director of the national social security fund, **Dr Fodé Cissé** has been fired and is being prosecuted by the **Court of Repression of Economic and Financial Offences** for embezzlement of public funds;

4 May 2022 **Conakry (Guinea)** *Reuters*. Attorney general **Charles Wright** has ordered legal proceedings against ousted president **Alpha Condé** and 26 of his former officials over violence surrounding Condé's disputed bid for a third term in 2020;

30 Apr 2022 **Conakry (Guinea)** *Africanews*. Military leader Colonel **Mamady Doumbouya** announces a 39-month transition period before Guinea returns to civilian rule;

30 Apr 2022 **Conakry (Guinea)** *Africa Guinee*. Former ruling party **RPG Arc-en-ciel** and its allied parties reject the proposed transition by the military junta, boycotting discussions;

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