

AFRICA RISK CONSULTING

Guinea Monthly Briefing July 2023

Guinea Summary 24 July 2023

The World Bank moves Guinea from a low-income classification to a lower-middle income classification in its country classifications by income level for the financial year 2024. The World Bank notes that despite political instability and supply chain disruptions impacting agriculture, Guinea's economy grew by 4.7% in 2022, driven by its mining sector. The Economic Community of West African States (ECOWAS) holds its 63rd ordinary conference of heads of state and government on 9 and 10 July in Bissau (Guinea-Bissau), addressing several topics including Guinea's political situation. Guinea affirms that its transition back to civilian rule is on schedule. The ruling junta announces on 19 July that it will suspend the export of several food products, including rice, onions, potatoes, maize and palm oil, for six months to help ensure food sovereignty and "social peace".

World Bank raises Guinea's income classification

The **World Bank** announced its country classifications by income level for the financial year 2024 on 1 July, moving **Guinea** from a low-income classification to a lower-middle income classification. Guinea and **Zambia** were the only two **African** countries to change income status.¹ The classifications are based on annual Gross National Income (GNI) per capita, with the threshold of a lower-income country being less than \$1,135 and a lower-middle-income country \$1,136 - \$4,465.² Guinea just met the threshold with a GNI per capita income of \$1,180, an increase from \$1,050 in 2021 and \$950 in 2020.³ The World Bank noted in its announcement that despite political instability and supply chain disruptions impacting agriculture, Guinea's economy grew by 4.7% in 2022, driven by the mining sector.

Economy and finance minister **Moussa Cissé** welcomed the positive result and praised the efforts of the ruling **Comité national du rassemblement pour le développement (CNRD)** in helping Guinea achieve this feat.⁴ Cissé affirmed his belief that the **Simandou** iron-ore mega project will further boost the economy and Guinea's GNI per capita.

While the income status change is positive, it prompted debate between the former ruling **RPG Arc-en-Ciel** and the CNRD. The RPG announced on 8 July that the positive performance should be credited to former president **Alpha Condé** (2010-2021) and his administration, not the CNRD.⁵ However, Cissé said that while the economy did rather well between 2015 and 2017, it fell between 2018 and 2020, only picking up again from 2022 when GNI per capita increased by \$170.⁶ Given the classification period, the success can be attributed to the CNRD and prudent policies implemented to not only conclude the Simandou negotiations, but also promote the agricultural sector (see below).

ECOWAS places pressure for return to civilian rule

The **Economic Community of West African States (ECOWAS)** held its 63rd ordinary conference of heads of state and government on 9 and 10 July in **Bissau (Guinea-Bissau)**, addressing several topics

¹ Vision Guinée, 2 Jul 2023

² World Bank, 30 Jun 2023

³ Guinée Matin, 2 Jul 2023

⁴ Vision Guinée, 10 Jul 2023

⁵ Guinée Matin, 8 Jul 2023

⁶ Vision Guinée, 10 Jul 2023

including the political situation in Guinea, **Mali** and **Burkina Faso**, which remain under the control of military juntas.

During the conference, member countries elected **Nigeria's** President **Bola Tinubu** (2023-present) to be the new ECOWAS president. Tinubu wasted no time in addressing the political situation in Guinea, Mali and Burkina Faso, declaring his priority as president the "*establishment and consolidation of democracy in the ECOWAS area*".⁷ Tinubu made it clear to the juntas that they must respect the resolution agendas to which they have agreed, failing which they could face major sanctions. ECOWAS commission chairman **Oumar Alieu Touray** criticised the junta-led countries for their lack of collaboration in the run-up to the ECOWAS conference by not allowing the three appointed ECOWAS mediators to visit the transition governments to discuss progress.⁸

Tinubu hosted a mini-summit in Nigeria on 18 July, where he instructed **Benin's** President **Patrice Talon** (2016-present) to conduct a visit to the three countries and renew dialogue at a presidential level with the junta leaders.⁹ During this mini-summit, the regional body once again reiterated its desire to see a return to constitutional order as set out in the transition charters agreed upon with ECOWAS.

Quick to respond to the ECOWAS conference, Guinea's transitional authorities organised a meeting between the resident ECOWAS representative in Guinea, **Louis Blaise Aka-Brou**, and the steering committee for the monitoring and evaluation of the transition timetable on 12 July. Aka-Brou said the reports presented in the meeting were "*reassuring*" and showed that the necessary activities are being carried out in the required time frames.¹⁰

Several ministers have since repeated Aka-Brou's assertion to the media, with territorial administration minister **Mory Condé** stating that the transition is far ahead of schedule.¹¹ Condé noted that census preparations are underway, draft laws on the civil status system have been submitted to the CNT, and tenders have been launched for the construction of administrative buildings and equipment needed for the census and electoral registration process.¹²

However, the government also criticised ECOWAS for its slow mobilisation of financial and technical resources to help support the transition to which it had committed. Government spokesperson **Ousmane Gaoual Diallo** warned that if the necessary financial resources are not made available, the timeline will not be met.¹³

The CNRD committed in October 2022 to shorten its timeline for return to civilian rule from 36 months to 24 months, after regional and international organisations placed pressure on the junta. Elections are set to take place in 2025 but there are several steps to conquer, including:

- General census of the population;
- Establishment of the electoral register;
- Organisation of a referendum on the new constitution;
- Development of a new constitution;
- Organisation of local and municipal elections;
- Organisation of legislative elections;
- Establishment of new institutions guided by the constitution;
- Organisation of presidential elections.¹⁴

⁷ DW, 10 Jul 2023

⁸ Anadolu Agency, 10 Jul 2023

⁹ RFI, 19 Jul 2023

¹⁰ Guinee144.com, 13 Jul 2023

¹¹ Vision Guinee, 13 Jul 2023

¹² Vision Guinee, 13 Jul 2023

¹³ Africa Guinee, 20 Jul 2023

¹⁴ Anadolu Agency, 23 Oct 2023

Guinea suspends food exports amid low stocks

The ruling junta announced on 19 July that it would suspend the export of several food products, including rice, onions, potatoes, maize and palm oil, for a period of six months to help ensure food sovereignty and “social peace”.¹⁵ The trade ministry was quick to deny that the decision was in response to **Russia’s** decision to not extend an agreement signed with **Ukraine** that allows for the export of cereals worldwide, but mainly to Africa, noting that it is based on Guinea entering a period before its next harvest where stocks are low. Low stocks have led to significant increases in the prices of food. In some cases, to help meet demand, traders are importing goods they usually would not, adding to the price inflation of food.

Agriculture has been a key focus for the junta. For the 2023 agricultural campaign, it set aside a record 900 billion GNF (\$104.2m) to help achieve what agriculture minister **Mamoudou Nagnalen Barry** calls a “revolution” in the agricultural sector.¹⁶ Barry noted in a press conference on 7 July that the ministry’s overall budget has increased 200% since 2022, from 600 billion GNF (\$69.46m) to 1,900 billion GNF (\$219.97m), indicative of the government’s focus on promoting this sector.¹⁷ For the upcoming season, the government is also working on increasing maize and corn production, key in livestock rearing.

The **United States Department of Agriculture** ranks Guinea as the second-largest rice-producing country in **West Africa**, having produced 1.95 million tonnes in 2022/2023.¹⁸ Despite this, Guinea imports a third of its rice consumption, but Barry anticipates that within three years Guinea will produce enough rice to meet local consumption demand.¹⁹ The war in Ukraine has caused food supply shock waves worldwide, and countries such as Guinea, which have historically not focused on ensuring food security from local stocks, have borne the brunt of cost increases and shortages, highlighting the importance of food security. The junta’s agriculture policies have proven prudent in this context and will help promote the agricultural sector to a level of importance that is necessary to help ensure food security.

¹⁵ AFP, 19 Jul 2023

¹⁶ Vision Guinee, 3 Jul 2023

¹⁷ Guinee Matin, 8 Jul 2023

¹⁸ Vision Guinee, 29 Jun 2023

¹⁹ Guinee Matin, 8 Jul 2023

Planner

2025 **Guinea** General elections

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

Chronology

22 Jul 2023 **Conakry (Guinea)** *Vision Guinee*. Former ruling party **RPG Arc-en-ciel** announces it will organise a peaceful march to demand the return of former president **Alpha Condé** from exile in **Turkey**;

21 Jul 2023 **Conakry (Guinea)** *Africa Guinee*. Guinea confirms it will not withdraw its 1,000 soldiers that are present in **Mali** under the **United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA)** but rather deploy under another mission;

19 Jul 2023 **Conakry (Guinea)** *AFP*. Guinea suspends its membership of the **Organisation pour la mise en valeur du fleuve Sénégal (OMVS)** (organisation for the development of the **Senegal River**), which has constructed several hydro-agricultural and electricity projects across **West Africa**;

18 Jul 2023 **Conakry (Guinea)** *Media Guinee*. Mines ministry reportedly fines **Guernsey**-headquartered **Alufer** \$7m after a barge carrying 7,000 tonnes of bauxite sank, causing what the mines ministry considers an environmental disaster;

17 Jul 2023 **Conakry (Guinea)** *Africa Guinee*. **World Bank** vice president for **West and Central Africa** says the World Bank intends to increase investments in the areas of infrastructure, energy and the digital economy;

15 Jul 2023 **Conakry (Guinea)** *Guinee Matin*. Six political parties resign from the political coalition **Alliance nationale pour l'alternance démocratique (ANAD)** and form their own new coalition - **Alliance Pour la République**;

14 Jul 2023 **Conakry (Guinea)** *Media Guinee*. **Conseil national de la transition (CNT)** (national transitional council) ratifies an agreement between Guinea and the **Islamic Development Bank** for a \$90m financing agreement;

14 Jul 2023 **Conakry (Guinea)** *Vision Guinee*. Guinea and **France** sign a \$60m financing agreement for the **Linsan-Manéah** high voltage line which will improve electricity access;

10 Jul 2023 **Conakry (Guinea)** *APA News*. The September 2009 massacre trial resumes in the **Dixinn** criminal court after a two-month suspension;

10 Jul 2023 **Conakry (Guinea)** *Le Matin*. Guinea affirms its support for **Morocco's** territorial integrity over **Western Sahara**, calling Morocco's plan the only "*credible and realistic solution*" for the resolution over Western Sahara;

10 Jul 2023 **Conakry (Guinea)** *Vision Guinee*. Finance minister **Moussa Cissé** says the **Simandou** iron-ore project, led by **Australia's Rio Tinto**, will help strengthen Guinea's economic position further;

7 Jul 2023 **Conakry (Guinea)** *Guinee News*. Human rights activist **Mamadou Alimou Barry** launches a political party, **Sociaux-Démocrates de Guinée (SDG)**, while rejecting the ruling junta's constitutional notion that political parties should be decreased to just three;

3 Jul 2023 **Conakry (Guinea)** *Guinee Matin*. **Cour de répression des infractions économiques et financières (Crief)** (economic and financial crimes court) confirms it will listen to the testimony of former national assembly president **Amadou Damaro Camara** from the hospital to which he was admitted several months ago;

3 Jul 2023 **Conakry (Guinea)** *Agence Ecofin*. **World Bank's** latest gross national income (GNI) per capita data classifies Guinea as a lower-middle-income country and no longer a low-income country;

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