

## AFRICA RISK CONSULTING

### Guinea Monthly Briefing April 2024

---

#### Guinea Summary 23 April 2024

*The territorial administration and decentralisation ministry confirms on 9 April that Guinea's 342 municipal councils have been dissolved and 3,000 new people appointed to serve as presidents, vice-presidents and members of the new municipal councils. Guinea's electricity supply problems continue, with power cuts across several cities as concerns mount over meeting demand. In another positive development for the Simandou iron ore project, the government confirms on 9 April that on 2 April, shareholders involved in the Simandou project signed \$15 billion in financing agreements.*

---

#### Municipal councils dissolved

The territorial administration and decentralisation ministry confirmed on 9 April that Guinea's 342 municipal councils had been dissolved as of 27 March.<sup>1</sup> An order from **Comité national du rassemblement et du développement (CNRD)** leader Colonel **Mamady Doumbouya** (2021-present), appointed 3,000 new people to serve as presidents, vice-presidents and members of the new municipal councils.<sup>2</sup> Municipal council members are usually elected in municipal elections, which last took place in 2018, and the special delegates appointed to fill the roles can only serve for six months before elections must be held. However, no such announcement has been made. It is unlikely that municipal elections will take place until the constitutional referendum, due this year, but no official date has been announced.

Territorial administration and decentralisation minister **Ibrahima Kalil Condé** said on 8 April that the mandate of the previous councils expired in 2023, necessitating the dissolution, despite pushback from the opposition who believe the dissolution was illegal or unnecessary given the current political context. Former **Kindia** municipal council member **Abdoulaye Bah** said a negotiated solution could have been found instead of dissolution, as in 2015 when an agreement was reached between former president **Alpha Condé** (2010-2021) and other political actors because municipal elections could not be held on time.<sup>3</sup> The opposition **Union des Forces Démocratiques de Guinée (UFDG)**, which was in charge of approximately half of the dissolved councils, also denounced the decision, calling for municipal elections before year end.<sup>4</sup>

Ibrahima Kalil Condé sought to allay fears by noting that the delegates were chosen after a selection process conducted by his ministry. However, the opposition has also voiced concerns that the government appointing the special delegates has allowed it to put people who are loyal to the junta in these positions during a year when the constitutional referendum is anticipated and potentially sway voters.<sup>5</sup>

The opposition coalition, **Forces Vives de Guinée (FVG)**, on 29 March released a statement criticising the decision, and warning the junta that the decision violates the transition charter and the country's laws.<sup>6</sup> The following is set out in the **Code des Collectivités locales** (local authorities code),

---

<sup>1</sup> Jeune Afrique, 10 Apr 2024

<sup>2</sup> Jeune Afrique, 10 Apr 2024

<sup>3</sup> Jeune Afrique, 10 Apr 2024

<sup>4</sup> Africa Guinee, 12 Apr 2024

<sup>5</sup> RFI, 9 Apr 2024

<sup>6</sup> Guinee Matin, 29 Mar 2024

*“The Council of a local authority of which at least a third of the members have been found guilty by the Court of First Instance of having committed crimes or offenses may be dissolved on the proposal of the Minister in charge of local authorities. The dissolution is pronounced by Decree of the President of the Republic.”<sup>7</sup>*

The decision has added tension to the already tense political climate in Guinea, which is already experiencing social unrest over power cuts, increasing the chances of further unrest. The decision has also put the junta’s transitional timeline front and centre again and will add pressure for more decisive action to be taken.

### Electricity sector continues to struggle

Guinea’s electricity supply problems continue, with power cuts across several cities as concerns mount over meeting demand. Following the **Kaloum** oil depot explosion in December, state-owned **Electricité de Guinée (EDG)** in January announced it would implement power cuts (load shedding) to manage its reduced supply capacity.<sup>8</sup> Prime minister **Amadou Oury Bah** addressed the issue during an **Eid** celebration on 10 April, noting that the government is pursuing several avenues to address the supply issues, promising a statement from the energy ministry in the coming days.<sup>9</sup>

Government spokesperson **Ousmane Gaoual Diallo** reported on 19 April that during a council of ministers meeting, Doumbouya ordered the government to look at diversifying Guinea’s energy sources and explore the possibility of solar power. Doumbouya also instructed energy and hydrocarbons minister **Aboubacar Camara** to conduct a five-year audit of the energy sector, which has been mismanaged for several years.<sup>10</sup> To this point, former international cooperation minister **Amadou Thierno Diallo** said at a press conference on 4 April that he believes the power crisis is the result of a lack of investment in the energy sector for the last 30 years, which has not only impacted supply but led to dilapidated infrastructure and poor distribution networks.<sup>11</sup> The sector will therefore require large investment to address these issues, and is likely not an issue that the junta can address itself. Bah Oury met with a delegation of **Moroccan** and **French** investors on 17 April, who expressed interest in the hydrocarbons sector, including constructing a new oil depot and creating other solutions to help Guinea’s supply of petroleum products and improve the electricity supply.<sup>12</sup>

The lack of electricity has caused social unrest, with two people dying in demonstrations in Conakry on 22 April.<sup>13</sup> Protests were also reported in March; on 16 March authorities confirmed that Doumbouya had fired EDG managing director **Laye Sekou Camara** and his two deputies, **Fode Soumah** and **Abdoulaye Kone** (see *ARC Briefing Guinea Mar 2024*). The lack of reliable electricity is also a concern ahead of projects such as the **Simandou** iron ore project coming online. While the ruling junta has pushed for mineral refining to take place locally, the process requires a substantial amount of power and will place significant pressure on the electricity grid.

### Financing secured for Simandou

The government confirmed on 9 April that shareholders involved in the Simandou project had signed \$15 billion in financing agreements on 2 April. Head of the committee who led the talks, **Djiba Diakite**, said in a statement that *“there is no doubt that the project will be delivered on schedule by the end of December 2025”*, adding,

*“Simandou is no longer a dream but a reality.”<sup>14</sup>*

<sup>7</sup> Africa Guinee, 29 Mar 2024

<sup>8</sup> Vision Guinee, 1 Apr 2024

<sup>9</sup> Africa Guinee, 10 Apr 2024

<sup>10</sup> Africa Guinee, 21 Apr 2024

<sup>11</sup> Africa Guinee, 4 Apr 2024

<sup>12</sup> Africa Guinee, 18 Apr 2024

<sup>13</sup> Africa Guinee, 23 Apr 2024

<sup>14</sup> Mining.com, 9 Apr 2024

The funding will be used for the necessary port and rail infrastructure. This will be constructed by **Compagnie du Trans-Guinéen**, the joint venture between the government, **Australia's Rio Tinto** and **Chinese-backed Winning Consortium Simandou (WCS)**. This is the latest in positive developments for the project. In February, Rio Tinto's board approved the company's \$6.2 billion investment (see *ARC Briefing Guinea Feb 2024*). The entry of Chinese steel giant **Baowu**, via an agreement with WCS, signed in September 2023, increased China's stake in the project, a likely factor behind the government's approval of funding, which was still being waited on in February.

Per Diakite's statement, the project is still on track to begin exploration in 2025, with a full capacity of 60 million tonnes per year expected by 2028 – or approximately 5% of the world's seaborne iron ore.

### Planner

2024 **Guinea** Constitutional referendum  
 2024/2025 **Guinea** Presidential elections  
 2025 **Conakry (Guinea)** Start of exploitation at the **Simandou** iron ore project;

### Chronology

23 Apr 2024 **Conakry (Guinea)** *Africa Guinee*. General **Mamady Doumbouya** dismisses national police director general General **Abdoulaye Sampil** and replaces him with divisional commissioner **Djénaba Sory Camara** for unknown reasons;

22 Apr 2024 **Conakry (Guinea)** *Africa Guinee*. Two people are killed during demonstrations in Conakry against lack of power;

21 Apr 2024 **Conakry (Guinea)** *Africa Guinee*. **World Bank** and **International Monetary Fund (IMF)** announce \$100m in funding for Guinea to assist with the impacts of the December **Kaloum** oil depot explosion;

16 Apr 2024 **Conakry (Guinea)** *Mining.com*. **Australia's Hummingbird Resources** says it is close to starting commercial production at its **Kouroussa** gold mine;

15 Apr 2024 **Conakry (Guinea)** *Jeune Afrique*. The September 2009 massacre trial resumes after several weeks of suspension;

15 Apr 2024 **Conakry (Guinea)** *Mining.com*. A pre-feasibility study of **Australia**-headquartered **Predictive Discovery's Bankan** gold mine gives it a new present value more than \$210m higher than its capital costs, potentially making it Guinea's largest gold mine;

14 Apr 2024 **Conakry (Guinea)** *Africa Guinee*. **Cour de répression des infractions économiques et financières (CRIEF)**, the specialised financial crimes court set up by Colonel **Mamady Doumbouya**, refers an investigation into several former ministers, including former justice minister **Alphonse Charles Wright** and former prime minister **Bernard Gomou** to the **Agence Nationale de Lutte contre la Corruption et de Promotion de la Bonne Gouvernance** (national agency for the fight against corruption and the promotion of good governance);

10 Apr 2024 **Conakry (Guinea)** *Jeune Afrique*. Territorial administration and decentralisation ministry releases an order noting that all communal councils were dissolved on 27 March, appointing nearly 3,000 new people to serve as president, vice-president and members of the councils;

10 Apr 2024 **Conakry (Guinea)** *DW*. International non-governmental organisations **Fian International** says in a report that the exploitation of bauxite by **Compagnie des bauxites de Guinée** is harming the inhabitants of 20 villages located around the mine;

6 Apr 2024 **Conakry (Guinea)** *Bloomberg*. State-owned power utility **Electricité de Guinée** says it will have to increase power cuts as hydropower reserves continue to decline;

5 Apr 2024 **Conakry (Guinea)** *Media Guinee*. Guinea signs a \$307m framework financing agreement with the **Economic Community of West African States (ECOWAS) Bank for Investment and Development (EBID)** during the **ECOWAS Investment Forum**;

2 Apr 2024 **Conakry (Guinea)** *Vision Guinee*. Opposition coalition **Forces vives de Guinée** says it will no longer recognise the **Comité national du rassemblement pour le développement (CNRD)** as the ruling junta after 31 December 2024;

1 Apr 2024 **Conakry (Guinea)** *Africa Guinee*. Prime minister **Bah Oury** says in a meeting with economic stakeholders that public finances are “*not in a comfortable situation*”;

28 Mar 2024 **Conakry (Guinea)** *Data Center*. **South Africa**-headquartered **MTN** exits the Guinea market after selling its operations to **United Kingdom**-headquartered **Telecel**;

25 Mar 2024 **Conakry (Guinea)** *Media Guinee*. Junta leader Colonel **Mamady Doumbouya** congratulates **Bassirou Diomaye Faye** on winning the **Senegalese** presidential election, adding that he looks forward to collaborating with Diomaye Faye “*in a pan-African spirit*”;

21 Mar 2024 **Conakry (Guinea)** *Vision Guinee*. **European Union (EU)** ambassador to Guinea, **Jolita Pons**, reiterates the EU’s support for the transition back to constitutional order;

### About Africa Risk Consulting:

**Africa Risk Consulting (ARC)** is a pan-African consulting company that provides timely, relevant information and advice that enables its clients to take informed investment decisions and to safeguard their reputations.

**ARC's** core consulting services include integrity due diligence and corporate investigations, political advisory and country assessments, opportunity monitoring and reputation risk management. Most relevant to private equity firms is ARC's integrity due diligence and corporate investigations capability. Specifically, ARC offers pre-deal integrity checks to highlight red flags before negotiations start; full detailed multi-jurisdictional reputation due diligence; and supplier and senior hire vetting and repeat due diligence for compliance programmes. ARC is unique in that it offers a 10-day delivery for a routine integrity due diligence. ARC also offers a suite of corporate investigations services from immediate investigation, evidence gathering, e-discovery, forensic accounting and whistleblower support on one end to crisis media management and regular monitoring on the other.

[www.africariskconsulting.com](http://www.africariskconsulting.com)

### About ARC Briefing:

**ARC Briefing** is ARC's essential business information service.

Companies at any stage in their Africa expansion, whether building or communicating an Africa strategy, investing directly, expanding current operations, financing other investors, doing the legal leg-work or researching the Africa growth trend, need ARC Briefing.

**ARC Briefing** is an information service keeping you:

- Up to date with Country Chronologies of business-critical events
- In the know via Country Briefings on political, economic, business and operating trends. Written in-country, ARC experts analyse and comment
- Ahead with Country Planner which details future elections, budgets, regulatory changes etc.

[www.africariskconsulting.com](http://www.africariskconsulting.com)

### Getting in touch

Please contact us by email [info@africariskconsulting.com](mailto:info@africariskconsulting.com) or call + 44 (0) 20 7078 4080

Follow us on Twitter: [@ARCBriefing](https://twitter.com/ARCBriefing)