

AFRICA RISK CONSULTING

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The Ebola situation improves in Guinea and Liberia due to the energised local and international response. However, high rates of infection continue in Sierra Leone due primarily to unsafe burials. The outbreak has had limited success in spreading to other West African countries. However, a new cross-border transmission chain in Mali signals weaknesses in Guinea's response. There are no recent significant security incidents in Guinea related to the outbreak. The Guinean economy continues to stall as business travel – and thus investment decisions – halts. However, regional and international travel restrictions against the three countries and its citizens ease. The World Bank's annual 'Doing Business' report claims that the business environment in Guinea over the last year has not improved.

Ebola crisis wanes, but flaws remain in Guinea's response

The Ebola situation has improved in Guinea. On 22 November **World Health Organisation (WHO)** co-ordinator **Dr Guenael Rodier** said the outbreak was now “stable” in Guinea.¹ Rates of infection have reduced in some of the worst affected areas including **Guéckédou**, the outbreak's ground zero in the remote south-east **Forestière** region. However, the intense transmission in **Nzérékoré** and **Macenta** in the Forestière region continues to drive the outbreak in Guinea.² On 19 November the WHO confirmed that the number of reported cases is “no longer increasing nationally” in Guinea and **Liberia**. Overall, the Ebola death toll increased to 5,459 out of 15,351 cases, as at 19 November.³

The improvement – notably in Liberia – is due to the energised local and international response. On 15 November **Médecins Sans Frontières (MSF)** opened a **French** government-funded Ebola treatment centre in Macenta.⁴ French president **François Hollande** is also expected to announce further assistance during his planned visit to Guinea on 28 November.⁵ **Sakoba Keita**, the Guinean government's national coordinator for the Ebola response, said that the government had set a deadline of the end of 2014 for a halt of new cases.⁶ The general view on the crisis is cautious optimism.

“Yes there has been an improvement but we saw this before, a lull in rates of infections, at least twice in Guinea during this outbreak. Hopefully now the response has learnt enough to be vigilante ...but issues remain.”⁷

The wide-scale **United States (US)** commitment in Liberia involving a deployment of 3,000 troops⁸ has shown particularly good results. On 13 November President **Ellen Johnson Sirleaf** (2006 – present) lifted the state of emergency and set a goal of no new cases by the end of 2014.⁹ US Brigadier General **Frank Tate**, the deputy commanding general of **US Operation United Assistance**, confirmed a “dramatic improvement” in Liberia and, as a result, the US will cancel two planned treatment

¹ BBC, 22 Nov 2014.

² Reuters, 19 Nov 2014.

³ WHO, 19 Nov 2014.

⁴ RFI, 15 Nov 2014.

⁵ Liberation, 21 Nov 2014.

⁶ Xinhua, 28 Oct 2014.

⁷ Source, West Africa correspondent, Senegal

⁸ See ARC Briefing for Guinea, Oct 2014

⁹ The Liberian, 13 Nov 2014.

facilities.¹⁰ The number of new cases daily has fallen to approximately 20 from close to 80 in September when the US response effort was announced.¹¹ In the three worst Ebola-affected countries, Guinea, Liberia and **Sierra Leone**, the response has now seen 18 Ebola treatment centres established which provide 1,159 beds.¹²

However, unsafe burials in Sierra Leone mean that transmission there remains "*intense and widespread*", particularly in the capital, **Freetown**.¹³ The WHO recorded 533 new cases in the week to 16 November. Alarming, it claims that only 13% of Ebola patients in the country are in isolation.

The outbreak has had limited success in spreading to other **West African** countries. The WHO declared **Nigeria** and **Senegal** Ebola-free in October. In addition, **Côte d'Ivoire**, the regional francophone business hub, has not recorded any cases. However, authorities have recorded eight deaths in **Mali** and a number of cases went undetected.¹⁴ Further cases are likely, with authorities tracing up to 343 people linked to these cases.¹⁵ Most cases in Mali are linked to a Muslim imam who travelled from Guinea to Mali through the border town of **Kourémalé**. He reportedly entered Mali through a dirt road, bypassing Ebola border checks entirely after a local chief intervened, according to a border officer.¹⁶ He later died without being tested for Ebola, and after he had visited Mali's capital, **Bamako**.

Guinea has not experienced any further significant security incidents related to the Ebola outbreak. The justice ministry has launched an investigation into an incident on 18 September in which villagers attacked and killed eight members of a contingent of healthcare workers and journalists on a visit to **Womé**, Forestière region.¹⁷ It said that authorities had identified 81 people, of whom 39 have been placed in custody, and a trial would start by the end of the year.¹⁸ However, 20 community leaders from **Womé** have started a "*hunger strike*" outside the **Assemblée Nationale** in **Conakry** in protest against the military presence in the village following the incident.¹⁹ They claim that the military presence has forced 6,000 people to flee the village.²⁰

...as the outbreak continues to downgrade the economic outlook

The Guinean economy continues to stall amid the Ebola outbreak. The business scene remains quiet with business travel – and thus investment decisions – halted. The government has reduced its 2014 growth forecast from 4.5% to 2.4%. The situation is similar or worse in Liberia and Sierra Leone. Liberia has reduced its 2014 growth forecast from 5.9% to 2.5%, and Sierra Leone from 14% to 7-8%. US President **Barack Obama** (2009-present) has asked **Congress** for \$6.2 billion in emergency funds to alleviate the impending economic crisis to the affected countries.²¹ The **International Monetary Fund** is reportedly considering debt relief for Guinea, Liberia and Sierra Leone.²² The outbreak has severe implications for unemployment and food output.²³ The **World Bank** claims that the workforce in Liberia has halved since the start of the outbreak.²⁴

However, the extensive travel restrictions against the three countries and its citizens have eased, which should help the post-outbreak recovery. Support for a blanket travel ban in the US and other key economic partners has lost currency. On 14 November the Senegalese government re-opened air

¹⁰ Reuters, 24 Nov 2014.

¹¹ Reuters, 24 Nov 2014.

¹² Reuters, 19 Nov 2014.

¹³ WHO, 19 Nov 2014.

¹⁴ Reuters, 24 Nov 2014.

¹⁵ Reuters, 14 Nov 2014.

¹⁶ Reuters, 20 Nov 2014.

¹⁷ See ARC Guinea October 2014 Briefing

¹⁸ VOA, 18 Nov 2014.

¹⁹ BBC, 11 Nov 2014.

²⁰ RFI, 12 Nov 2014.

²¹ Financial Times, 6 Nov 2014.

²² Reuters, 13 Nov 2014.

²³ See ARC Briefing for Guinea, Oct 2014 for impact on food output

²⁴ BBC, 19 Nov 2014.

and sea borders with the three countries.²⁵ However, its land border with Guinea remains closed. The **Economic Community of West African States (ECOWAS)** regional bloc has requested its member states to lift restrictions on the movements of people and goods.²⁶ In late October, **Air Cote d'Ivoire** re-commenced flights to Conakry (Guinea), Freetown (Sierra Leone) and **Monrovia** (Liberia).²⁷ **SN Brussels Airlines NV** remains the only international commercial airline still flying between **Europe** and the three countries. **Air France** maintains its flights to Conakry. Shipping lines have had to review legal and financial contracts to take into account the Ebola risk, increasing business costs.²⁸

The direct economic impact of the outbreak on the West Africa sub-region appears limited. The World Bank has downgraded its estimate of the economic impact of Ebola from its worst-case scenario of \$32 billion in October to \$3-4 billion.²⁹ It pointed to the containment of the virus in Senegal and Nigeria.

Guinea 'Doing Business' rank remains unchanged

The World Bank's annual '*Doing Business*' report concluded the business environment in Guinea over the last year had not improved. Guinea remains 169th (out of 189 economies) in the rankings, unchanged from the 2014 ranking released in October 2013. The report is based on 10 "*ease of doing business*" topics, which in turn include several indicators.

Guinea is positioned alongside **Nigeria** (170th) and **Zimbabwe** (171st), and below neighbours Senegal (161st) and Cote d'Ivoire (147th) on the index. It is significantly below the sub-Saharan Africa average. According to the report, Guinea made some improvement on the "*starting a business*" and "*getting credit*" indexes. However, its ranking for "*registering property*" and "*getting electricity*" worsened.

Implications

A general pattern has emerged whereby areas that have received sufficient aid have seen a sharp reduction in rates of infection of Ebola. The success of the US intervention is further evidence the outbreak can be swiftly contained with an effective response. Thus, alarmist estimates in September that there could be 20,000 cases by 1 November have proved wrong. In addition, the planned increased domestic, French and **British**-led response efforts focused on deploying healthcare and other professionals in Guinea and Sierra Leone should follow a similar pattern as in Liberia.

However, the new transmission line in Mali demonstrates weaknesses in the Guinea response, particularly around porous borders. This case will likely result in further cases in the **Siguiri** gold mining region, in **Upper Guinea** bordering Mali where there are currently five probable cases, according to the WHO. The hunger strike related to the Womé incident confirms that relations between central government and local communities remain weak in the Forestière region, and as a result further isolated incidents are expected.

The easing of international and regional travel restrictions will lessen the economic impact of the crisis. However, as long as business travel remains halted, foreign investment on which the country depends will remain low. Local economic hardships related to decreased employment and food output is a potential cause of future unrest in Guinea.

The Doing Business report offers no surprises. The business environment is normalising in the country, following decades of military rule. President **Alpha Condé** (2010-present) has made strides to reduce corruption and attempts at liberalisation. However, as the report contends, the lack of

²⁵ APS, 14 Nov 2014.

²⁶ World Bulletin, 10 Nov 2014.

²⁷ Air Cote d'Ivoire statement

²⁸ Reuters, 4 Nov 2014.

²⁹ BBC, 19 Nov 2014.



electricity generation remains a significant impediment. Condé's 2015 re-election prospects will depend on improving electricity.