

AFRICA RISK CONSULTING

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Opposition group Front National pour la Défense de la Constitution (FNDC) launches a defiance campaign against ruling military junta Comité national du rassemblement et du développement (CNRD), resulting in arbitrary arrests and violent protests. Economic Community of West African States (ECOWAS) leaders agree not to impose further sanctions on Guinea following a meeting in Ghana on 3 July. Mines minister Moussa Magassouba orders Australia-based Rio Tinto and the Chinese-backed Winning Consortium Simandou (WCS) to halt all activities related to the Simandou iron-ore mine. Guinea's mineral wealth continues to attract attention from various companies looking to exploit reserves, despite the public challenges of Simandou.

Protests kick off as junta cracks down on opposition ...

Opposition group **Front National pour la Défense de la Constitution (FNDC)** has launched a defiance campaign against the ruling military junta, **Comité national du rassemblement et du développement (CNRD)**, resulting in arbitrary arrests and violent protests. The protests are the first against the junta since it seized power in a military coup in September 2021 (see *ARC Briefing Guinea Sep 2021*). The FNDC mobilised protests in October 2019 against the constitutional amendment that allowed former president **Alpha Condé** (2010-2021) to run for a third term (see *ARC Briefing Guinea Oct & Nov 2019, Jan, Mar & Jul 2020, Mar & May 2021*). The protests were a contributing factor in the September 2021 coup d'état that ended Condé's presidency.

The FNDC announced plans on 10 June to demonstrate in **Conakry** following a proclamation by the CNRD on 13 May banning all political demonstrations until the next election cycle, scheduled for 2025.¹ Attorney general **Charles Wright** issued a letter on 21 June to prosecutors of the court of first instance, instructing them to begin legal proceedings should any illegal demonstrations proceed, in an apparent warning to the FNDC ahead of its planned demonstration. The FNDC announced it would not cancel its demonstration but instead postpone it to 30 June (see *ARC Briefing Guinea Jun 2022*). However, the FNDC ultimately suspended the demonstration. FNDC leaders met with prime minister **Mohamed Béavogui** on 5 July to ease tensions between the CNRD and the opposition group, with some FNDC members calling the meeting a "parody".² Authorities arrested three FNDC members during a press conference held at FNDC headquarters after the meeting with Béavogui.³ Police reportedly beat FNDC national coordinator **Oumar Sylla** (also known as **Foninké Menguè**), **Mamadou Billo Bah** and **Alpha Midiaou Bah** during the arrests.

Spontaneous protests broke out on 6 July, with clashes between police and youth groups in several suburbs of Conakry injuring 17 police officers. The three arrested FNDC members appeared in court on 8 July, where a judge found them not guilty of contempt of court over comments on social media criticising the prosecutor's office and the military-appointed parliament **Conseil National de la Transition (CNT)** (national transitional council).⁴

¹ Crisis 24, 22 Jul 2022

² Africanews, 28 Jun 2022

³ Africanews, 6 Jul 2022

⁴ Africanews, 9 Jul 2022

The FNDC announced plans on 21 July for peaceful protests on 28 July and 4 August.⁵ The protests are planned not only for Conakry but throughout the country. In the press conference, Mengué stated the demonstrations are in protest of the following:

- The absence of a framework for dialogue between the CNRD, political actors and civil society, in accordance with article 77 of the transition charter, to define the timetable for the transition;
- The confiscation of citizens' rights and freedoms (right to demonstrate, freedom of expression and freedom of movement);
- The instrumentalisation of justice by the junta to humiliate and harass the leaders of civil society and political parties, especially those who denounce its authoritarian and unilateral management;
- The obstinate refusal of the CNRD to publish the list of names of its members and to submit to the obligation to declare their assets;
- Endemic corruption and lack of transparency in the management of public affairs;
- Voluntary delay in the opening of the "blood crimes" trial against the perpetrators of the 28 September 2009 massacre in which security forces opened fire on protestors in a stadium.⁶

The **Alliance Nationale pour l'Alternance Démocratique (ANAD)** political coalition, led by **Cellou Dalein Diallo**, announced on 23 July that it would support the FNDC in its demonstrations.⁷ The former ruling party and party of former president **Alpha Condé** (2010-2021), **Rassemblement du Peuple de Guinée (RPG) Arc-en-Ciel (RPG-AEC)**, also invited its members to take part in the demonstrations.⁸ The FNDC has confirmed that the demonstrations will go ahead despite the ban on political demonstrations.

The FNDC's ability to garner support from allies and other parties is a threat to the junta, increasing the likelihood that the junta will deploy additional security personnel on the days of the protests. Clashes between security forces and protestors cannot be ruled out.

... and ECOWAS agrees not to impose further sanctions

Economic Community of West African States (ECOWAS) heads of state have agreed not to impose further sanctions on Guinea following a meeting in **Ghana** on 3 July.⁹ The ECOWAS decision is, however, not without conditions. Guinea will need to work with its newly appointed mediator, **Benin's** former president, **Thomas Boni Yayi** (2006-2016), on a new transition timeline.¹⁰ ECOWAS rejected the CNT's initial proposal of a 36-month timeline (*see ARC Briefing Guinea May 2022*) and has given Guinea until 1 August to review and present a more acceptable timeline.¹¹

Guinea will also remain suspended from all decision-making bodies of ECOWAS.¹² Outgoing ECOWAS commission president **Jean Claude Kassi Brou** said if Guinea fails to meet the regional body's conditions, it risks facing further economic sanctions and further targeted sanctions against leaders.¹³ The sanctions against the CNRD military council and their family members imposed following the 5 September coup d'état remain in place (*see ARC Briefing Guinea Oct 2021*).¹⁴ Government spokesperson **Ousmane Gaoual Diallo**, addressing the press on 4 July, welcomed the decision by ECOWAS and said the government would work on shortening the duration of the transition.¹⁵

⁵ Africa Guinee, 21 Jun 2022

⁶ Guinee News, 21 Jul 2022

⁷ Vision Guinee, 23 Jul 2022

⁸ Vision Guinee, 23 Jul 2022

⁹ Guinee News, 3 Jul 2022

¹⁰ Guinee News, 3 Jul 2022

¹¹ Guinee News, 4 Jul 2022

¹² Guinee News, 4 Jul 2022

¹³ Guineematin.com, 4 Jul 2022

¹⁴ Guineematin.com, 3 Jul 2022

¹⁵ Guinee News, 4 Jul 2022

Government halts work at Simandou ...

Mines minister **Moussa Magassouba** has ordered **Australia**-based **Rio Tinto** and **Chinese**-backed **Winning Consortium Simandou (WCS)** to halt all activities related to the **Simandou** iron-ore mine. Magassouba cited the delays by Rio Tinto and WCS in formalising the joint-venture framework agreed upon in March (*see ARC Briefing Guinea Mar & Apr 2022*) as the reason for the order to cease activities.¹⁶ This is the second time the current government has halted work on Simandou; in March it issued a similar cessation order, bringing Rio Tinto and WCS to the negotiating table and signing the framework agreement. The government's latest decision follows a two-week ultimatum issued by Colonel **Mamady Doumbouya** (2021-present) to Rio Tinto and WCS on 17 June, putting pressure on the parties to finalise the framework agreement (*see ARC Briefing Guinea Jun 2022*).¹⁷

The agreement, reached on 26 March, includes a deal of approximately \$15 billion for the exploitation of the iron deposits and the construction of port and railways infrastructure (*see ARC Briefing Guinea Mar 2022*).¹⁸ The railway, known as the **Transguinée**, will be approximately 670 km long and lead to the deep-water port to be built in **Moribaya**.¹⁹ The infrastructure is not for the exclusive use of iron mining operations, but will also be used to transport other goods and people, and by other companies who start operations in the same area.²⁰ Once completed, the infrastructure will become state property, to be managed by a public agency.²¹ The government will maintain a 15% stake in the railway, deep water port and the mine.

Reuters and local media outlet **Vision Guinée** report that Rio Tinto and WCS have pushed back against the 15% stake in the infrastructure.²² Guinea's mining code gives the state the right to hold 15% in all mining projects with the possibility of buying an extra 20%.²³ However, the government is standing firmly by its position, with Magassouba stating to the media:

"If the best interests of Guineans are not protected and this happens absolutely and necessarily by safeguarding the 15%, the Simandou project will stay as long as possible. Guinea never died without Simandou, the country existed without this project."²⁴

WCS reported on 18 July that it had placed its workers on forced leave for a month.²⁵ An employee of WCS stated that should an agreement not be reached with the junta, WCS would consider laying off its staff, of which 11,000 are locals and 3,700 Chinese. However, WCS has not officially confirmed this information.²⁶

The government maintains that the mine must be exploited with Guineans' best interests in mind. The **Direction de la Communication et de l'Information de Présidence de la République de Guinée** (directorate of communication and information of the presidency of Guinea) released a statement on 4 July indicating that the government is open and ready to meet with new possible partners to develop the Simandou mine.²⁷ In his address to the media, Magassouba stated that Simandou will be developed "*with or without*" Rio Tinto and the Winning Consortium:

"Sufficiently wealthy, financially and technically capable responsible corporations are waiting. The Guinean population must be reassured that Simandou, through which the socio-economic development of Guinea must be based, will be a reality in the years to come."²⁸

¹⁶ Agence Ecofin, 4 Jul 2022

¹⁷ Vision Guinée, 4 Jul 2022

¹⁸ Agence Ecofin, 28 Mar 2022

¹⁹ Agence Ecofin, 28 Mar 2022

²⁰ Agence Ecofin, 28 Mar 2022

²¹ Africa Business Magazine, 31 Mar 2022

²² Reuters, 18 Jul 2022; Vision Guinée, 5 Jul 2022

²³ Vision Guinée, 5 Jul 2022

²⁴ Vision Guinée, 5 Jul 2022

²⁵ Agence Ecofin, 19 Jul 2022

²⁶ Agence Ecofin, 19 Jul 2022

²⁷ Vision Guinée, 5 Jul 2022

²⁸ Vision Guinée, 5 Jul 2022

No reports have emerged of other parties interested in the mine, although there are likely to be at least a few. It is estimated that Simandou holds 2 billion tons of some of the highest-grade iron ore reserves. **United Kingdom**-based **CRU Group** estimates that Guinea will export 150m tonnes of iron ore annually, when production begins, making it the third largest iron ore exporter in the world.²⁹ Interest in the mine clearly comes with challenges and the current government is not expected to give in to any pressure when it comes to Simandou.

... as other mining developments continue

Guinea's mineral wealth continues to attract attention from various companies looking to exploit reserves, despite the public challenges of Simandou. Australia-based mining company **Golden Rim** announced on 28 June that the company will sell its **Kouri** and **Babonga** gold projects in **Burkina Faso**, using the funds of the sale to focus on its **Kada** gold project in Guinea.³⁰ Golden Rim hopes to sell the two projects for \$15m, to be used for drilling at the Kada project, believed to have 930,000 ounces of gold.

Canada-based **Robex Resources** and **Cyprus**-based Sycamore are also working to relaunch production at the **Kinieo** gold mine by 2025.³¹ The two companies announced a merger-acquisition plan in April 2021 with the first objective of the merger being the relaunch of production. Robex Resources, which will take over the mine, has signed an agreement with **Vivo Energy**, a **Netherlands**-headquartered company that will develop a hybrid solar and thermal energy solution for the gold project. It is estimated that the energy solution will cover 40% of the mine's energy needs and allow it to avoid the production of 27,000 tons of carbon dioxide a year.

Energy has been an issue facing miners in Guinea for decades as the country's electrical grid is underfunded; in 2020, only 44% of the population had access to electricity.³² This issue was raised by bauxite refiners when the government began its push for local refineries (*see ARC Briefing Guinea Apr 2022*). Installing alternative sources, albeit at its own cost, will provide energy safety for Robex Resources and bring it one step closer to relaunching the production of Kinieo. At the time of the mine's closure in 2014, it was estimated to hold 1.5m ounces in gold reserves.³³

Interest in the Simandou range also continues. Australia-headquartered **Arrow Minerals** is acquiring a stake in **Singapore**-registered **Amalgamated Minerals**, sole owner of exploration permit 22967 in the far north of the Simandou range.³⁴ The area under the permit has not yet been developed due to infrastructure constraints. It is suspected that Arrow Minerals wishes to overcome these constraints by capitalising on the agreement made between the government, Rio Tinto and WCS, if it comes to fruition.

²⁹ Reuters, 11 Mar 2022

³⁰ Agence Ecofin, 28 Jun 2022

³¹ Agence Ecofin, 22 Jul 2022

³² World Bank, accessed 25 Jul 2022

³³ Agence Ecofin, 22 Jul 2022

³⁴ Mining-technology.com, 14 Jul 2022

Planner

(Date TBA due to Covid-19) **Conakry (Guinea)** Transform Africa Conference;
 2023 **Conakry (Guinea)** Guinea Investment Forum;
 31 March 2025 **Conakry (Guinea)** Start of exploitation at the **Simandou** iron ore project;

Chronology

25 Jul 2022 **Conakry (Guinea)** *Africa Guinee*. Attorney general **Charles Wright** orders the court of appeal to initiate legal proceedings for alleged acts of embezzlement and corruption against former justice minister **Mory Doumbouya**, former economy minister **Mamady Camara**, and former budget minister **Ismaël Dioubate**;

25 Jul 2022 **Conakry (Guinea)** *Vision Guinee*. Judicial officer **Mohamed Sampil** announces that the ruling military junta has seized \$4.6m and 25 billion GNF (\$2.8m) from state officials who embezzled the funds during the previous presidency;

23 Jul 2022 **Conakry (Guinea)** *Guinee Matin*. Budget minister **Moussa Cissé** presents a “multi-annual budget programming document” for the period 2023-2025;

21 Jul 2022 **Conakry (Guinea)** *Agence Ecofin*. Rehabilitation of the **Coyah-Farmoréah** link between Guinea and **Sierra Leone** is 90%, as announced by financiers **European Union** and **African Development Bank (AfDB)**;

20 Jul 2022 **Conakry (Guinea)** *Guineematin.com*. **African Development Bank (AfDB)** grants financing of \$60m to Guinea as part of **Projet d’Amélioration de l’Accès à l’Électricité en Guinée (PAAEG)** (project to improve access to electricity in Guinea);

18 Jul 2022 **Conakry (Guinea)** *Reuters*. **Chinese-led Winning Consortium Simandou (WCS)** has put workers on forced leave after the ruling military junta suspended all work at the **Simandou** mine on 3 July, with the prospect of layoffs if a dispute with the government over infrastructure for the iron project is not resolved;

17 Jul 2022 **Conakry (Guinea)** *Reuters*. Commerce minister **Bernard Gomoua** is appointed acting prime minister while prime minister **Mohamed Beavogui** takes a leave of absence for undisclosed reasons;

16 Jul 2022 **Conakry (Guinea)** *Vision Guinee*. **Cour de Répression des Infractions Économiques et Financières (CRIEF)** (court for the repression of economic and criminal offences) special prosecutor **Aly Touré** details that several laws were broken during the sale of **Air Guinée** in 2022;

15 Jul 2022 **Conakry (Guinea)** *Media Guinee*. **Cour de Répression des Infractions Économiques et Financières (CRIEF)** (court for the repression of economic and criminal offences) special prosecutor **Aly Touré** announces charges of embezzlement against former prime minister **Ibrahim Kassory Fofana**;

15 Jul 2022 **Conakry (Guinea)** *Agence Ecofin*. The **African Development Bank (AfDB)** approves \$66m in financial support for increased access to electricity;

10 Jul 2022 **Conakry (Guinea)** *Africa Guinee*. Ruling military junta **Comité National du Rassemblement pour le Développement (CNRD)** announces it does not agree a new constitution should be drafted at this point in the transition back to civilian rule;

9 Jul 2022 **Conakry (Guinea)** *Africanews*. A judge finds the three leaders of citizen and political movement coalition **Front National pour la Défense de la Constitution (FNDC)** not guilty of contempt of court over comments they had posted on social media criticising the prosecutor's office and the military-appointed parliament;

8 Jul 2022 **Conakry (Guinea)** *Media Guinee*. Authorities at the **Port of Conakry** seize over 220 containers of counterfeit pharmaceuticals;

7 Jul 2022 **Conakry (Guinea)** *Africanews*. Protests turn violent in **Conakry** following the arrest of three leaders of opposition group **Front National pour la Défense de la Constitution (FNDC)**, with 17 police officers sustaining injuries;

5 Jul 2022 **Conakry (Guinea)** *Vision Guinee*. Ministry of education announces a 15% pass rate in the **Brevet d'études du premier cycle (BEPC)** exams, the secondary school exams taken before students graduate from primary school, reflecting the state of the Guinean educating system;

4 Jul 2022 **Conakry (Guinea)** *Africa Guinee*. The military junta orders the immediate cessation of all activities related to the **Simandou** iron-ore mine after accusing its partners, **Australia-based Rio-Tinto** and **China-based Winning Consortium Simandou**, of delaying the project;

4 Jul 2022 **Conakry (Guinea)** *Vision Guinee*. **African Union Commission** chairman **Moussa Faki Mahamat** commends positive political developments in **Guinea** and **Mali**;

3 Jul 2022 **(West Africa)** *AFP*. **Economic Community of West African States** lifts economic and financial sanctions against **Mali, Guinea** and **Burkina Faso**, which are all led by military governments that are now promising a return to democratic rule;

2 Jul 2022 **Conakry (Guinea)** *Vision Guinee*. Former ruling party **Rassemblement du Peuple de Guinée (RPG) Arc-en-Ciel (RPG-AEC)** says it will not join political dialogue until the junta fulfils certain conditions, including the involvement of a mediation team appointed by **Economic Community of West African States**;

30 Jun 2022 **Conakry (Guinea)** *Vision Guinee*. A delegation from the **European Union (EU)** presents plans to develop the private sector in Guinea;

29 Jun 2022 **Conakry (Guinea)** *Media Guinee*. National petroleum company **Société Nationale des Pétroles** denies rumours circulating on social media of a fuel shortage;

29 Jun 2022 **Conakry (Guinea)** *Reuters*. Agriculture minister **Mamoudou Nagnalen Barry** announces the culling of 200,000 poultry at risk of being infected with **H5N1** avian influenza, commonly known as bird flu;

26 Jun 2022 **Conakry (Guinea)** *Guinee News*. The **Alliance Nationale pour l'Alternance Démocratique (ANAD)** political coalition announces it will participate in the political dialogue process organised by the military junta **Comité National du Rassemblement pour le Développement (CNRD)**;

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