

## AFRICA RISK CONSULTING

### Guinea Monthly Briefing March 2023

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#### Guinea Summary 23 March 2023

*The ruling junta, Comité national du rassemblement et du développement (CNRD), confirms on 13 March that negotiations with Australia's Rio Tinto and Chinese-led Winning Consortium Simandou (WCS) have been finalised, paving way for the resumption of work on the Simandou iron ore deposit on 18 March. Prime minister Bernard Goumou signs an agreement with United States-headquartered West African LNG, specialising in the supply of liquified natural gas for electricity, which will help facilitate the goal of processing bauxite locally. Opposition parties, trade unions and non-governmental organisations resume contact with the government after months of tensions and frayed talks. Forces Vives de Guinée (FVG), a coalition of these parties, agree to have representatives meet Gomou, which takes place on 20 March. The United States releases its 2022 report on human rights practices in Guinea, noting significant human rights abuses since the CNRD took power in September 2021.*

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#### Works resume on Simandou

The ruling junta, **Comité national du rassemblement et du développement (CNRD)**, confirmed on 13 March that negotiations with **Australia's Rio Tinto** and **Chinese-led Winning Consortium Simandou (WCS)** had been finalised paving way for the resumption of work on the **Simandou** iron ore deposit. The three parties also signed a shareholder pact for **La Compagnie du TransGuinéen (CTG)** on 8 March, which allows for the government to hold a 15% stake in the mine, as set out in the mining code, in addition to a free 15% stake in the associated railway and port infrastructure.<sup>1</sup> The financing of the mega project, estimated to be between \$15 billion and \$20 billion, will be split equally between Rio Tinto and WSC.<sup>2</sup>

CTG was established in July 2022, but the final agreements needed to be negotiated. The agreement also makes official prior commitments regarding the railway line being opened to passengers and other users in the future. Guinea will appoint the deputy director general for CTG, an important step as the infrastructure will be returned to the state after 35 years.<sup>3</sup>

Negotiations were delayed slightly, with the presidency having set in January an initial deadline of 28 February for negotiations.<sup>4</sup> However, the negotiations ended with Colonel **Mamadi Doumbouya** (2021-present) achieving his goal of ensuring that Guinea derives a larger benefit from the project. Not only will the infrastructure eventually become the property of the state, but employment will be prioritised for locals throughout the value chain and training will be provided to assist with technology transfer.<sup>5</sup> The government will also be involved in the CTG's governance decisions.

Work on Simandou recommenced on 18 March, and Rio Tinto has already set out to link its section of the mine with the CTG mainline.<sup>6</sup> Doumbouya delivered a speech prior to the resumption of works, noting his ambition for Simandou to be a catalyst for economic development.

Another point of contention regarding mining in Guinea is the refining of bauxite locally. Doumbouya in April 2022 ordered all mining companies involved in Guinea to submit plans for the construction of

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<sup>1</sup> Mining Weekly, 14 Mar 2023

<sup>2</sup> Mining Weekly, 14 Mar 2023

<sup>3</sup> Jeune Afrique, 13 Mar 2023

<sup>4</sup> Jeune Afrique, 13 Mar 2023

<sup>5</sup> Africa Guinee, 19 Mar 2023

<sup>6</sup> Jeune Afrique, 13 Mar 2023; Africa Guinee, 19 Mar 2023

refineries; however, companies pushed back as processing minerals requires enormous amounts of electricity that Guinea is unable to produce. Prime minister **Bernard Goumou** signed an agreement with **United States (US)**-headquartered **West African LNG**, which specialises in the supply of liquefied natural gas for electricity, on 17 March, that will facilitate the goal of processing bauxite locally.<sup>7</sup> Although Guinea produced 72 million tonnes of bauxite in 2022, only 10% of this was processed into alumina locally. On the international market, bauxite sells for \$35 a tonne and alumina for \$3,000 a tonne, indicating the extent to which Guinea forfeits immense profits due to lack of processing.<sup>8</sup>

### Religious leaders mediate talks between government and opposition

Opposition parties, trade unions and non-governmental organisations have resumed contact with the government after months of tensions and frayed talks. **Forces Vives de Guinée (FVG)**, a coalition of these parties, agreed to have representatives meet Gomou on 13 March, accompanied by religious leaders including the Imam of the Great Mosque in **Conakry**.<sup>9</sup> FVG had initially planned a demonstration for 9 March but agreed to postpone it until 15 March after religious leaders intervened and said they would mediate talks between the coalition and government.<sup>10</sup>

Opposition parties and civil society have long expressed dissatisfaction with the length of the transition back to civilian rule and boycotted the government's attempts at political dialogue. There have been several demonstrations over the past year, often ending in clashes between police and protestors, and members of the opposition have been arrested and held in detention for months. These were all points for discussion during the talks.

FVG postponed its demonstration again to 20 March before postponing it indefinitely, a likely sign that the talks were positive.<sup>11</sup> FVG, Gomou and the religious leaders met again on 21 March to continue discussions. Archbishop of Conakry **Vincent Coulibaly** noted after the meeting that the religious leaders were pleased with the turnout from the FVG and that the talks were "*fruitful*".<sup>12</sup> Coulibaly also noted that a list of urgent issues will be sent to the religious leaders who will forward it to Gomou. There are also talks of establishing a legal framework to ensure that decisions made during the talks are followed through.<sup>13</sup>

### US State Department calls out human rights abuses

The US released its 2022 report on human rights practices in Guinea report on 20 March, noting significant human rights abuses since the CNRD took power in September 2021. The report notes credible reports of unlawful or arbitrary killings; torture or cruel, inhuman or degrading treatment or punishment by the government; harsh and life-threatening prison conditions; arbitrary arrests or detentions; political prisoners or detainees and many more other issues.<sup>14</sup> The report further indicates that the government does not sufficiently investigate, prosecute or punish those who commit human rights abuses.<sup>15</sup>

Local media outlet **Africa Guinee** interviewed foreign affairs minister **Morissanda Kouyaté** on the report. Kouyaté defended the CNRD stating that the report covers the start of 2021 to 2022, and that much has changed since then.<sup>16</sup> Kouyaté also notes that former president **Alpha Condé** (2010-2021) was still in power at the start of 2021 and that the junta was not able to enact change when it first

<sup>7</sup> Media Guinee, 20 Mar 2023

<sup>8</sup> Media Guinee, 20 Mar 2023

<sup>9</sup> AFP, 14 Mar 2023; TV5Monde, 11 Mar 2023

<sup>10</sup> Media Guinee, 11 Mar 2023

<sup>11</sup> Media Guinee, 19 Mar 2023

<sup>12</sup> Guinee Matin, 21 Mar 2023

<sup>13</sup> Guinee Matin, 21 Mar 2023

<sup>14</sup> Guinee Matin, 20 Mar 2023

<sup>15</sup> Media Guinee, 21 Mar 2023

<sup>16</sup> Africa Guinee, 21 Mar 2023

took power on 5 September 2021, as it needed to understand the powers it would have.<sup>17</sup> Kouyaté said he looks forward to the 2024 report as it will paint a clearer picture of the human rights situation under the CNRD and how it has progressed.

The US has not announced any actions against Guinea for the outcomes of the report. Although it sanctioned Condé in December for his connection to human rights abuses, it is unlikely that the US will place any sanctions on the junta or country now.

## Planner

2025 **Guinea** General elections

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

## Chronology

20 Mar 2023 **Conakry (Guinea)** *APA News*. **Mohamed Diané**, former defence minister under **Alpha Condé**, appears in the military junta-established anti-corruption court, **Cour de Répression des Infractions Economiques et Financières (CRIEF)**, to face charges of embezzlements of public funds, illicit enrichment and money laundering;

18 Mar 2023 **Conakry (Guinea)** *Vision Guinee*. Council of ministers says it signed a deal with **Iran** for the bartering of mining and agricultural products for Iranian oil;

15 Mar 2023 **Conakry (Guinea)** *Agence Ecofin*. Telecommunications minister **Ousmane Gaoual Diallo** says the revival of **Guinée Télécom**, initially planned for Q1 of 2023, will not launch until 2024 as the company is engaged in a test phase until then;

14 Mar 2023 **Conakry (Guinea)** *Agence Ecofin*. **British Steel** announces it has won the contract to supply 244,000 sleepers to **Guinea Bauxite** for the modernisation of a railway network to export bauxite;

13 Mar 2023 **Conakry (Guinea)** *Africanews*. Justice ministry demands an explanation after gendarmes arrest two civil society activists, **Abdoul Sacko** and **Ismaël Diallo**, for undisclosed reasons at a time when opposition and the ruling junta are trying to resume dialogue;

11 Mar 2023 **Conakry (Guinea)** *Vision Guinee*. Labour and public service minister **Julien Yombouno** says his ministry is working to provide Guinea with a single administrative management and payroll file, promising to work tirelessly to bring order to public administration;

10 Mar 2023 **New York (United States)** *Agence Ecofin*. **Securities and Exchange Commission** confirms that **Rio Tinto** will pay \$15m to end proceedings against it for violations of the **Foreign Corrupt Practices Act (FCPA)** and alleges that Rio Tinto employed a consultant who tried to pay thousands of dollars to a **Guinean** official for rights to **Simandou**, but Rio Tinto has neither confirmed nor denied these allegation;

10 Mar 2023 **Conakry (Guinea)** *Sahel Intelligence*. Government launches construction of the first gas complex in Guinea, located in **Konta** district, which will house the first butane gas cylinder manufacturer and requalification plant as well as storage facilities;

9 Mar 2023 **Conakry (Guinea)** *Africanews*. **France** confirms that despite reducing its number of military personnel across **Africa**, it will maintain its military bases in the **Gulf of Guinea** to ensure it can carry out "heavy operations in an emergency";

<sup>17</sup> Africa Guinee, 21 Mar 2023

7 Mar 2023 **Conakry (Guinea)** *Reuters*. **Russia** says it is working with authorities in Guinea to settle a labour dispute at a mine run by Russian miner **Nordgold**, which has impacted output from the mine;

6 Mar 2023 **Conakry (Guinea)** *Agence Ecofin*. Ruling military junta leader Colonel **Mamadi Doumbouya** grants mining companies an extra two weeks to submit plans for local processing of bauxite after companies pushed back against the initial deadline for submissions of May 2022, citing the need for large-scale investment and a stable power system;

4 Mar 2023 **Tunis (Tunisia)** *France 24*. **Côte d'Ivoire, Guinea** and **Mali** repatriate citizens from Tunisia fearing violence against them following Tunisian President **Kais Saïed**'s controversial speech alleging "*a criminal plot*" was underway "*to change Tunisia's demographic makeup*";

5 Mar 2023 **Conakry (Guinea)** *Media Guinee*. Justice minister **Alphonse Charles Wright** says the **Cour de Répression des Infractions Economiques et Financières (CRIEF)** will receive technical and financial support from the **World Bank**;

3 Mar 2023 **Conakry (Guinea)** *Financial Afrik*. The transitional government bans the export of food products to help keep supply high on the local market in a bid to curb inflation;

2 Mar 2023 **Conakry (Guinea)** *Vision Guinee*. **Chambre des Mines de Guinée** (chamber of mines) organises the fourth general assembly of the **Réseau Environnement Bauxite (REB)** at the **Hotel Palm Camayenne**, in the presence of technical and strategic partners and representatives of the mines and environment ministries;

2 Mar 2023 **Conakry (Guinea)** *Guinee News*. **Banque centrale de la République de Guinée (BCRG)** (central bank) governor **Karamo Kaba** says annual inflation dropped to 8.6% in December 2022 from 12.6% in December 2021;

1 Mar 2023 **Conakry (Guinea)** *Vision Guinee*. Prime minister **Bernard Goumou** launches construction work of the administrative city of **Koloma** for a total cost of \$200m;

1 Mar 2023 **Conakry (Guinea)** *Guinee Matin*. **Belgium** launches a new development cooperation programme with Guinea, with the first programme set to expire at the end of 2023, for a total cost of \$36.3m;

27 Feb 2023 **Riyadh (Saudi Arabia)** *Vision Guinee*. **Saudi Development Fund** says it is ready to support the **Guinean** authorities in promoting development;

26 Feb 2023 **Conakry (Guinea)** *Africa Guinee*. **Forces Vives de Guinée (FVG)**, comprised of several groups including opposition coalition **Front National pour la Défense de la Constitution (FNDC)** and former ruling **RPG Arc-en-ciel**, announces a peaceful march for 9 March

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