



Doing Business in Guinea:

2016 Country Commercial Guide for U.S. Companies

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Guinea Country Commercial Guide

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Doing Business in Country

Market Overview

Despite rampant corruption and fiscal mismanagement, the long-term economic prognosis of Guinea remains promising, buoyed by strong endowments of natural resources, energy opportunities, arable land, and ample, reliable rainfall. Constrained by an austere budget, Guinea has increasingly looked to foreign investment to stimulate growth. China, Guinea's largest trading partner, has dramatically increased its role through investment agreements.

- Guinea is one of the world's poorest countries with a GDP of only \$6.6 billion. Underdevelopment has limited its exposure to **international trade**. Guinea is not a major trading partner with the United States. In 2015, imports to and exports from the United States represented just 2% and 3%, respectively, of the total value of goods passing through Guinea's Port. Guinea's largest trading partner is China, although the European Union collectively accounts for over 40% of Guinea's imports.
- Endowed with **abundant mineral resources**, Guinea has the potential to be an economic leader in extractive industry. Guinea is home to over half the world's reserves of bauxite (aluminum ore). Bauxite is the most active mining sector in Guinea, accounting for over half of Guinea's present exports. Guinea also possesses over four billion tons of untapped high-grade iron ore, significant gold and diamond reserves, undetermined amounts of uranium, as well as prospective off-shore oil reserves. In 2015, mineral resources, primarily gold and bauxite accounted for 85% of Guinea's exports. Most of the country's bauxite is exported by Compagnie des Bauxites de Guinee (CBG) via a designated port in Kamsar. CBG, a joint venture between the Government of Guinea, American company Alcoa and Anglo-Australian firm Rio Tinto, is the largest single producer of bauxite in the world. New investment in CBG in addition to new market entries are expected to significantly increase Guinea's bauxite output over the next five to ten years. Depressed commodities markets, however, have slowed mining development, particularly in iron, stalling other mining developments including Simandou.
- Guinea's abundant rainfall, sunny weather, and natural geography bode well for **hydroelectric and renewable energy production**. The most energy investment in Guinea is the 240MW Kaleta Dam project that began operating its first hydro turbine in May 2015. Built and financed (\$526 million) by China, Kaleta more than doubled Guinea's electricity supply and for the first time furnished Conakry with relatively dependable electricity. The government is seeking backing for even larger hydroelectricity projects and investing in distribution infrastructure to become an energy supplier in West Africa. The Government is also looking to invest in solar and other energy sources to compensate for lost hydroelectric production in Guinea's dry season.
- **Agriculture and Fisheries** are another area of opportunity and growth in Guinea. Already an exporter of fruits, vegetables, and palm oil to its immediate neighbors, Guinea is climatically well-suited for large-scale agricultural production. The sector has suffered from decades of neglect and mismanagement and was the sector hit hardest by the 2014-2015 Ebola crisis. Guinea also remains an importer of rice, its primary staple crop.
- Guinea's **Macroeconomic and Financial situation** is weak. Ebola crippled Guinea's economic growth prospects in 2014 and 2015 leaving to government with few financial resources to

support the Guinean economy. Decreased natural resource revenues and ill-advised government loans have strained an already sparse government budget. Modest growth is projected to return in 2016, but the government is under pressure from segments of Guinean society to deliver tangible development progress. The demand for credit, particularly for small and medium sized enterprises, exceeds available supply. The government is increasingly looking to international investment to increase growth, provide jobs, and kick-start the economy but the residual fear of Ebola continues to give investors pause.

- Guinea has recently updated its **Investment Code** and renewed efforts to attract international investors. Guinea’s investment promotion agency rolled out a new website (invest.gov.gn) in 2016 to increase transparency and streamline investment. However, Guinea’s capacity to enforce its more investor-friendly laws is compromised by a weak and unreliable **legal system**.

Market Challenges

- Government bureaucracy and pervasive corruption severely hamper economic development in Guinea. As of 2016, the World Bank ranked Guinea 165th out of 189 countries worldwide in its annual “Ease of Doing Business Index.” Transparency International’s 2015 “Corruption Perception Index” ranked Guinea as 139th of 167 countries and territories listed. This is nine places better than in the 2012 index, but Guinea is still listed as a corrupt country. Guinea is also challenged by inadequate infrastructure, an inefficient bureaucracy, a lack of skilled workers, and political uncertainty.
- In 2014 and 2015, uncertainty concerning the outbreak of Ebola and upcoming national elections stifled international investor interest. With the outbreak now over and peaceful elections concluded, interest in Guinea as an investment destination has increased in 2016.
- Guinea lacks the infrastructure capabilities necessary to support advanced commercial activities, but conditions are improving. Electricity service has vastly improved throughout the capital city of Conakry since the completion of Kaleta Dam in summer of 2015, but power cuts are not uncommon in the dry months between February and May. Water service in the capital is intermittent, and largely unsafe for consumption. In the interior of the country, access to electricity and water is largely unavailable. Transportation infrastructure, including roads, railroad, and the port system, is uneven, though the Government of Guinea has targeted infrastructure improvement as a high priority for the coming years. The road network in certain areas, such as the outskirts of Conakry, between Dabola and Kankan, and Beyla to N’Zerekore, is being upgraded with resources from either international donors or corporate partners in the mining sector. Telecommunication operating costs are high and service is slow and subject to “black outs” due to lack of equipment, but the ongoing installation of fiber optic networks is improving internet connectivity, though connections lag behind U.S. standards.
- The risk of widespread political violence exists, but is remote in Guinea. Guinea has never been afflicted by a civil war. Historically, street protests have caused isolated looting and

violence, particularly in Conakry, but such events have steadily decreased in relative severity since the 2010 democratic transition.

Market Opportunities

- **Rich Natural Resources:** Guinea is richly endowed with natural resources, especially minerals. Guinea possesses over 25 billion metric tons of bauxite, thought to be up to one half of the world's reserves. In addition, Guinea also has over 4 billion tons of high-grade iron ore, significant gold and diamond reserves, and undetermined amounts of uranium and prospective oil reserves. The majority of these resources have yet to be extracted due to the lack of existing infrastructure. There is great potential for companies capable of contributing to Guinea's development of infrastructure including rails, ports, and roads. Owing to Guinea's favorable climate and geography, there is also considerable potential for growth in its agricultural and fishing sectors. Investment opportunities are growing in hydroelectricity projects, as abundant rainfall and waterways have the potential to generate enough electricity to power both Guinea and its surrounding neighbors. Guinea would like to benefit from Power Africa.
- **Stability Promotes Investment:** The return of political stability and the inauguration of a democratically elected president in 2010 facilitated international investment in Guinea. New mining projects, a port expansion, hotel construction, and other infrastructure projects attracted new capital and boosted demand for goods and services across multiple sectors. In spite of tremendous potential for Guinea's iron ore exports, legal issues and, more recently, low global commodity prices, have greatly slowed progress and extended the timetable for development. Guinea was poised for an economic rebound in 2014, but after Ebola was identified in March 2014 the economy stalled and the country's projected growth of 4.6 percent never materialized, instead bottoming out at a growth rate near zero. With the Ebola epidemic now over, Guinea is poised once again to see steady economic growth in 2016 and is attracting foreign investment.
- **American Products Preferred:** Guinean consumers generally prefer products made in the United States, including services and technology; however, the high cost of U.S. products compared to cheaper imports from the Middle East and Asia, inhibits the wide-scale purchase of U.S. goods. Appropriate pricing is important and low cost items will be more successful in Guinea, as the country's GNI per capita was approximately \$500 in 2014.
- **Government Welcoming to Investors:** The government is seeking investment in all sectors of the economy, but economic growth will most likely be led by the energy and mining sectors. Other sectors the government hopes to attract foreign investors to are agribusiness; agriculture, construction, building and heavy equipment; education; finance, and infrastructure and communication. Information concerning opportunities is disseminated via tenders listed in the Official Journal (Journal Officiel de la Republique) and in international newspapers when the government wishes to solicit international participation. Guinea's international investment promotion agency has launched a new website www.invest.gov.gn to serve as a one stop shop for investors. Furthermore, high-level government officials travel to trade shows and international cities throughout the year promoting investment opportunities in Guinea.

Guinean government officials meet with businessmen throughout the year in Europe, the United States, China and on the African continent.

Market Entry Strategy

- The technical process of starting a business in Guinea is theoretically straightforward. According to Guinean regulations, the process is centralized at the Agency for the Promotion of Private Investment (APIP), the central business registration office. However, larger investments have recently been initiated directly through the Office of the President. As per the World Bank “Ease of Doing Business Index,” market entry in Guinea is slow, convoluted, variable, and littered with corruption. Although the new government is eager to attract foreign investment and has made efforts to improve the process, Guinea remains a difficult place to invest.
- Successful ventures tend to be those that establish strong relationships with potential local partners. It is strongly encouraged that potential investors visit Guinea and establish these connections. Because of poor communications within the country and with the outside world, and also as a cultural practice, most business deals are conducted in person. The U.S. Embassy’s Economic/Commercial Section can assist potential investors in making these connections and offers Gold Key and International Partners programs.

Political Environment

Political Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/2824.htm>

Selling US Products & Services

Using an Agent to Sell US Products and Services

Entering a successful partnership or representational relationship can be difficult in Guinea. The Guinean judicial system is understaffed, corrupt, lacks transparency, and accounting practices are frequently unreliable. U.S. businesses should exercise extreme caution when entering contract arrangements, and do so with local legal representation. The U.S. Embassy Economic/Commercial Section and Guinea’s Agency of Private Investment Promotion (APIP) are good points of contact with the local business community. In 2015, U.S. Embassy Conakry facilitated establishment of an American and International Business Committee that can provide investor references.

Establishing an Office

There are six categories of companies recognized by the Code of Economic Activities:

- Joint Stock Companies, either S.A. (minimum capitalization of at least 100 million GNF, approx. \$15,000) or S.A.R.L. (minimum capitalization of 10 million GNF, approx. \$1,500)
- Partnerships
- Non-trading Real Estate Companies
- Professional Services Companies
- Cooperatives
- Special and grouping companies, including joint venture companies, de facto companies, and temporary groupings

Legal incorporation for new investments involves signing by-laws, depositing the start-up capital in a blocked bank account, registering the company in the Register of Economic Activities, and announcing the incorporation in a journal for legal notices. The process is centralized at the Guichet Unique (One-Stop-Shop) in Kaporo, established in December 2011 and operated by the Agency for Private Investment Promotion (APIP), part of the Ministry of Industry and Small and Medium Enterprises.

Fees for individuals total 212,500 GNF (approximately \$32). Total fees for limited liability partnerships are 550,000 GNF (\$80) plus a sliding fee to register the statutes and procès-verbal: 1 percent of capital for companies with a capitalization between 10 and 100 million GNF (\$1,500 to \$15,000), 0.5 percent for companies between 100 million and 500 million GNF (\$15,000 to \$75,000), and 0.25 percent of capital for any amount above 500 million GNF (\$75,000). Corporations pay 650,000 GNF (\$97) plus 0.5 percent of capitalization between 100 million and 1 billion GNF (\$15,000 to \$150,000). Cooperatives register free of charge. The company must submit two photos of the company's director, managing director, or agent, and a copy of his or her identification and visa (if a foreigner), as well a rental contract for the physical location of the office. Corporations and LLPs must also provide proof of a bank account containing their initial capital to assess the statute registration fee. A branch office can be established through the same procedure at a cost of 700,000 GNF (\$105).

Following registration, to apply for "privileged regime" status and benefit from the provisions of Guinea's investment code, the company will need to address a letter to the Minister of Industry and Small and Medium Enterprises detailing the nature of the company, describing the installation and equipment, projecting anticipated production and revenue for the next three years, and estimating the number of jobs to be created. Large projects entailing new construction may need to submit feasibility studies. The proposal will be reviewed by the National Investment Commission, composed of representatives from APIP, Customs, and the Ministries of Finance, Justice, Taxes, and Tourism.

Although employees at the Guichet Unique seem competent and well-trained, the new registration process is not yet full streamlined. Most notably, incoming investors have had difficulty with the rental contract requirement: the Guichet Unique requires a rental contract to establish a business, but most landlords require that the company be established before agreeing to a lease.

Franchising

Franchise arrangements are rare in Guinea, except for petroleum distributorships with the French gasoline company Total. Currently, the U.S. Embassy is unaware of any franchise arrangements involving U.S. companies in Guinea.

Direct Marketing

Although the government permits direct marketing, the U.S. Embassy knows of no such companies currently operating in Guinea due to the lack of a reliable postal system or land line telephone network. Demonstration events or product fairs are generally best for high-technology or specifically for products targeting a small market niche in Conakry. Small fairs can be staged in a hotel or public space available in Guinea's larger cities or through agreement with a local partner or government office.

The U.S. Embassy has sponsored business development seminars to introduce Guinean businesses to working in partnership with U.S. companies. The Embassy also helps organize Guinean delegations for U.S. product trade and demonstration events. The Commercial Section helps to facilitate connections between Guinean buyers and producers with appropriate U.S. counterparts.

Joint Ventures/Licensing

Joint ventures with local Guinean companies follow the same procedures as outlined above in the Establishing an Office Section. Joint ventures with the government are managed by the Office of Public-Private Partnerships. As part of the 2011 Mining Code, the Guinean government is accorded an automatic 15 percent share in all mining projects, with the option to purchase up to an additional 20 percent.

Selling to the Government

The rules governing sales to the Guinean government vary depending on the amount of investment, source of funds, and nature of material. Donor countries and institutions stipulate the bidding and awarding rules for foreign financed public investment projects. The Guinean Central Procurement Agency (AGCP) handles projects and contracts valued at over one million dollars. The public market handles projects and contracts that are valued under one million dollars. The government's lax procurement regulation has been identified as one of the most serious corruption loopholes and has been targeted for reform.

These projects and contracts generally go to Guinean-based companies and there have been allegations of non-competitive practices. The various ministries and government organizations are responsible for the procurement of their own materials and services (not as part of an investment project); they generally order from local representatives or from foreign sources. In many cases, the government does not meet payment obligations in a timely fashion, so advance payment is strongly recommended.

Multilateral Development Banks (African Development Bank, World Bank)

The Commercial Service maintains Commercial Liaison Offices in each of the main Multilateral Development Banks, including the African Development Bank and the World Bank. These institutions lend billions of dollars in developing countries on projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and advancing

infrastructure development. The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. Learn more by contacting the Commercial Liaison Offices to the African Development Bank (<http://www.export.gov/afdb>) and the World Bank (<http://export.gov/worldbank>).

Web Resources

Commercial Liaison Office to the African Development Bank <http://www.export.gov/afdb>

Commercial Liaison Office to the World Bank <http://export.gov/worldbank>

Distribution & Sales Channels

Each industry has its own policy and network for sales and distribution. Sales of communication products usually occur through wholesalers who import in bulk for resale to small traders or distributors in the interior of the country. Retailers often directly import luxury consumer goods. Generally, mining, utility, and industrial firms conduct heavy equipment purchases directly through suppliers. Service and customer support should not be expected, and are only possible if negotiated at the time of sale. Guinea features many open-air marketplaces, numerous small shops, and a few medium-sized grocery stores. A majority of consumer sales are completed within the informal (“black”) market.

Express Delivery

There are 3 main delivery companies operating in Guinea: DHL, UPS, and Bollore Logistic Express, which recently replaced Fedex. Using one of these services, sending a parcel from the United States to Guinea requires between 4 and 5 days. Prices for package delivery to the United States range from \$45 to \$80 depending on relative size and weight.

Selling Factors & Techniques

The Guinean population is approximately 85 percent Muslim, and Islam plays a significant role in shaping the customs and habits of the local business culture. Though Guinean culture is very tolerant of other religions, U.S. businesspeople should be familiar with the basic tenets of Islam to help facilitate their transactions. The country’s official language is French, though many major traders are not fluent, and prefer to use local languages (Peular, Malinké, and Soussou). In addition, the rate of literacy in Guinea is very low, with estimates that only 30 percent of the population is considered to be literate. Few Guineans use English in business discussions and even less so outside of Conakry. Friendship and trust are extremely important in Guinean culture. It takes time to build a successful working relationship in Guinea. Effort, patience, and face-to-face contact are required to bring business transactions to fruition.

It is also important to understand the political environment in which Guinea is currently operating. In recent years, financial investment has become more and more centralized around the Office of the President. Processes and decisions directed by the government can be invariable and inconsistent. The

new government pledged to address these issues, making discussions and contractual negotiations more transparent and spread out among relevant ministries, but progress toward transparency, although improving, has been slow.

eCommerce

Although there is limited internet connectivity available in Guinea, it is not yet a viable or feasible method for trade and promotion. Guinea has been connected to the submarine fiber optic cable off the coast since 2013 so as the internet penetration rate rises, it is expected that electronic commerce will increase commensurately in the future as access becomes easier and the costs decrease. The government signed a \$238 million fiber optic backbone project that is currently installing 4,000 km of fiber optic cable throughout the country. The project is expected to be completed by 2018. The majority of households and businesses in Guinea have difficulty obtaining electricity and, consequently, do not have internet, although mobile internet access is ramping up quickly, especially through the use of “medium technology” phones capable of simple internet connections. Internet cafes do exist in some of the larger cities, but they are expensive for many Guinean consumers.

Guinea is a cash economy. A majority of Guinea’s commerce is informal and transactions are mostly completed with cash. At present, the banking systems cannot support e-commerce nor ensure the reliability or safety of transactions completed with credit or debit cards. Mobile money platforms are being rolled out aggressively by the mobile phone companies. Most monetary amounts are moved via a money transfer system, such as Western Union or MoneyGram. ATM machines exist in Conakry but are generally rare.

Trade Promotion & Advertising

The Guinean press operates with little official government interference. However, some media outlets occasionally report government harassment or are subject to excessive fines, under the guise of special “licensing costs.” The majority of Guinea’s population is illiterate, so the best and most preferred method for advertising and commercial promotion is through the radio. In 2006, the government liberalized airwave frequencies, and today there are roughly 30 radio stations operating in Guinea, many of which provide substantial air time to advertising products and services. Domestic print media has low circulation and limited readership due to the high cost of printing materials and the high illiteracy rate.

The major newspapers in Guinea include: one daily government publication, one daily independent, eight major weekly independents, and several other independent newspapers that are published intermittently. Advertising in print media is fairly limited, though many newspapers would likely be receptive to advertising revenue. There are no regular English-language publications. The government-run television station, Radio Television Guinee (RTG), is the oldest television broadcaster. There are a few nascent independent TV stations that Guineans generally find to be more credible than the public television station. Most Guineans do not have access to television broadcasts.

Popular private radio stations:

- EspaceFM (96.6)
- NostalgieGuinee (98.2)

- LiberteFM (101.7)
- SabariFM (97.3)
- HorizonFM (103.4)
- SoleilFM (93.5)
- EvasionFM (90.7)
- DjiguiFM (105.7)
- CherieFM (104.1)
- RenaissanceFM (95.9)
- FamiliaFM (105.3)
- GanganFM (101.1)
- Lynx FM (91.00)
- City FM (88.1)
- Planet (106.3)

Selected Publications:

- Horoya (government daily): BP 341, Conakry; Email: horoya2010@yahoo.fr
- La République (independent daily), Telephone: 628 54 69 52, Email: quotidienlarepublique@gmail.com
- Le Lynx (political weekly)/La Lance: BP 4968, Conakry; Email: lerynx@mirinet.net.gn; Website: <http://www.mirinet.net.gn/lynx>
- L'indépendant/La Démocrate: BP 2427, Conakry; Email: indept@mirinet.net.gn
- L'Observateur: BP 1955, Conakry; Email: dembureau@yahoo.fr
- Le Standard: BP 6682, Conakry, Hassan Abraham Kaba; Telephone: +224 601 20 01 01
- Le Diplomate: PB 22 Conakry; Telephone: +224 655 51 51 51; Email: hawasanouci@yahoo.fr
- Le Defi: PB 66 33 Conakry; Telephone: +224 666 45 41 03; Email: jledefi@yahoo.fr
- La Nouvelle: PB 8647; Email: contmoussaiboun@yahoo.fr; Tel: +224 601 26 94 56
- La Croisade: Telephone: +224 601 26 97 73
- Ecovision: PB 36 29 Conakry; Tel: +224 622 48 10 45; Email: kenssa2@yahoo.fr
- Lynx (satirical weekly newspaper)
- Lance (political weekly paper)

Websites:

- www.guineenews.org
- www.africaguinee.com
- www.guineelive.com
- www.lejourguinee.com
- www.mediaguinee.com
- www.guineeconakry.info
- www.conakryinfos.com
- www.guineeinter.com
- www.guineewebinfo.com
- www.aminata.com

- www.kibarou.com
- www.kababachir.com
- www.tamtamguinee.com
- www.guinee55-business.com
- www.factuguinee.com
- www.mosaiqueguinee.com
- www.guinee24.com
- www.guinee58.com
- www.Kibanyiguinee.info
- www.focusguinee.info
- www.leverificateur.com
- www.lejour.info

Pricing

While U.S. goods are popular in Guinea, the low-income market favors low-cost goods, especially from Asia. For low-cost items, if the difference in cost is not significant, consumers strongly prefer U.S. products. The average mark-up is 25 percent, but can range as high as 100-150 percent. While some American food stuffs are imported by high-end grocers, the mark-up on these products is substantial, limiting the consumer base. In 2016, the government increased value added taxes to 20% from 15% and eliminated exemptions for flour, vegetable oil, and other staple imports. Rice, wheat, and materials associated with investments in certain sectors can secure exemptions from this tax.

Sales Service/Customer Support

Sales Service and Customer Support are relatively unknown in Guinea, especially due to the informal nature of Guinea's market. The principle of "buyer beware" applies throughout the country.

Due Diligence

The use of a local attorney as a source of consultation and guidance, especially in the case of business disputes, is strongly recommended. The judicial system in Guinea is underdeveloped, underfunded, and there are frequent reports of rampant corruption. The U.S. Embassy's Consular Section maintains a list of local attorneys, though the list should not be interpreted as an endorsement of any of the attorneys listed. A list of local attorneys is also available from the Ministry of Justice.

There is no existing agency through which U.S. businesses can verify the credit background of counterparts in Guinea before doing business. The U.S. Embassy suggests requesting a letter of credit before commencing business transactions.

Local Professional Services

A list of local attorneys and physicians is available from the Consular Section of the U.S. Embassy (Email: conconakry@state.gov).

There are several accounting firms present in Guinea, including:

- **Ernst and Young:** Mr. Rene-Marie Kondiano, Country Managing Partner; Tel: +224-621-99-99-10; Email: rene-marie.kadouno@gn.ey.com
- **PriceWaterHouseCoopers:** Mr. Mohamed Lahlou, Director; Tel: 664-00-00-37 Email: Mohamed.lahlou@gn.pwc.com
- **KPMG Audieurs Associes en Afrique:** Mory Cisse, Manager; Jean-Joseph Gomez, auditor; Tel: +224-601-34-48-56; Email: jean-joseph@caramail.com
- **Audit Guinee:** email: auditguinee@yahoo.fr
Alpha Kabine Cisse, Manager; Tel: +224-601-21-62-45; Email: akaudit@yahoo.fr

Principle Business Associations

While there are sector specific associations that exist for industries including pharmaceuticals, mining, and transportation, the principle international investors association is CEAIG (American and International Business Committee). Committee President is Mr. Mohamed Lahlou: Tel: 664-00-00-37 Email: Mohamed.lahlou@gn.pwc.com

Limitations on Selling US Products and Services

There are no specific limitations on the selling of US products and services in Guinea.

Selling U.S. Products and Services Web Resources

Investment assistance and resources is available at www.invest.gov.gn.

Trade Regulations, Customs, & Standards

Import Tariff

Guinea has a flat import tax rate of 33 percent on most imports. However, some “privileged regimes” (see Chapter 3: Establishing an Office), public institutions, and donor organizations can receive exemptions. Privileged regimes have an exemption on import duties for machinery and equipment for use on investment projects and a six percent duty on raw materials. Basic food and agricultural products are taxed at one to two percent, and some items (certain medicines, for example) are tax exempt. A surtax is imposed on luxury items, such as vehicles, alcohol, tobacco, and most other consumer items. The surtax varies from 20 to 70 percent. The surtax is between 20 and 30 percent for vehicles.

Four import rates exist in Guinea. The import rate is called DFI --Droit Fiscal d'Importation. The rates vary from zero to 20 percent:

- Zero percent for health, education and information-related items
- 5 percent rate for staple food, raw material and property and equipment.
- 10 percent for semi-finished products and industrial inputs
- 20 percent for luxury goods

Trade Barriers

There is a value-added tax (VAT) on all taxable items at a uniform rate of 20 percent. While not a typical “barrier,” many businesses have complained of competitors with political connections receiving favorable tax exemptions, in effect creating an unfair barrier for their operations. Business executives have also complained that congestion in the port of Conakry and new internal government procedures intended to fight corruption have resulted in delays of a month or more between the time a container arrives at Conakry and the release of its contents to the importer. The importation of staple foods such as rice, sugar, cooking oil, and flour across Guinea’s land borders is prohibited.

Import Requirements & Documentation

The government requires importers to obtain formal import authorization (Demande Descriptive d'Importation – DDI) from the Ministry of Commerce if importing quantities exceeding 12 million GnF (\$2000).

U.S. Export Controls

The government requires exporters to obtain formal export authorization (Demande Descriptive d'Exportation – DDE) from a commercial bank and to present a certificate of Guinean origin to the Office of Foreign Commerce. According to the government, with the exception of some agricultural goods, gold, and diamonds, exporters are not taxed.

A list that consolidates eleven export screening lists of the Departments of Commerce, State and the Treasury into a single search as an aid to industry in conducting electronic screens of potential parties to regulated transactions is available here: <http://developer.trade.gov/consolidated-screening-list.html>.

Temporary Entry

Temporary exemptions from import duties are accorded to those importers fulfilling government contracts. At the end of the contract period, or after three years, items must be exported or the company and the government agree on a fixed rate total tax (which is less than paying each of the different duties separately). A fee of 0.25 percent of the value of merchandise will be levied on goods in transit through Guinea to support a national insurance fund as part of the Economic Community of West African States (ECOWAS) road transit agreement.

Labeling/Marking Requirements

There are no labeling or marking requirements for exports or imports.

Prohibited & Restricted Imports

Prohibited items include narcotics, military equipment, and firearms.

Customs Regulations

Corruption remains a major factor in clearing products through customs. After customs declaration and prior to clearance, importers must verify the value of goods imported. Following valuation, Customs issues a bill for duties owed, which must be paid directly to the Central Bank or to a local commercial bank. With the bank receipt, merchandise can be cleared through customs. A variety of local shipping agents are available to assist in this process and with warehousing of incoming goods.

<http://www.douanesguinee.gov.gn/f>

Trade Standards

Overview

Product and service quality standards are neither applied nor enforced in Guinea. Occasionally, investigations will be launched at the request of law enforcement in cases of suspected poisoning. Importers, however, may request that specific international product requirements or standards be applied to Guinea's products.

Standards Organizations

The Guinean Institute for Standardization and Metrology is in charge of drafting standards and/or adopting Guinean standards to international standards.

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL:

<http://www.nist.gov/notifyus/>

Conformity Assessment

The National Bureau for the Control of Quality and Norms is charged with inspecting quality standards and ensuring quality control

Product Certification

The National Bureau for the Control of Quality and Norms issues certification, attesting to product conformity.

Accreditation

The Guinean Institute for Standardization is a member of the International Organization for Standardization. It also collaborates with the French Standardization Organization, *Association Française de Normalisation* (AFNOR).

Publication of technical regulations

The Guinean Institute for Standardization annually publishes both local and international regulations. There is also an “information center” at the Institute, with copies of the technical regulations available.

Contact Information

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Trade Agreements

Guinea has no free trade or export processing zones or warehouses, but a temporary license to conduct free trade transactions can be obtained with special permission from the Ministry of Finance. Guinea is a member of the Mano River Union, which includes standardized customs tariffs between Guinea, Sierra Leone, and Liberia. Guinea is also a member of the Economic Community of West African States (ECOWAS), which includes fifteen countries: Benin, Burkina Faso, Cape Verde, Cote d’Ivoire, The Gambia, Ghana, Guinea Bissau, Guinea, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo. ECOWAS is in the process of developing a customs union among its members, allowing for the free flow of goods and services between member nations.

Countries with bilateral investment protections agreements with the Guinean government include Belgium, Benin, China, France, The Gambia, Germany, Great Britain, Iran, Italy, Japan, Morocco, Nigeria, Saudi Arabia, Senegal, South Africa, South Korea, Switzerland, and Tunisia.

Licensing Requirements for Professional Services

Includes license requirements for key professional services that are open to U.S. service providers.

Trade Regulation Web Resources

Investment assistance and resources are available at www.invest.gov.gn

Investment Climate Statement

Executive Summary

Despite endemic corruption and fiscal mismanagement, the long-term economic prognosis of Guinea, buoyed by strong endowments of natural resources, energy opportunities, and arable land, remains promising. Constrained by an austere budget, Guinea has increasingly looked to foreign investment to stimulate growth. China, Guinea's largest trading partner, has dramatically increased its role through investment agreements.

Blessed with **abundant mineral resources**, Guinea has the potential to be an economic leader in extractive industry. Guinea is home to over half the world's reserves of bauxite (aluminum ore). Bauxite is the most active mining activity in Guinea, accounting for over half of Guinea's exports. Guinea also possesses over four billion tons of untapped high-grade iron ore, significant gold and diamond reserves, undetermined amounts of uranium, as well as prospective off-shore oil reserves. Most of the country's bauxite is exported by Compagnie des Bauxites de Guinee (CBG) via a designated port in Kamsar. CBG, a joint venture between the Government of Guinea, American company Alcoa and Anglo-Australian firm Rio Tinto, is the largest single producer of bauxite in the world. New investment in CBG in addition to new market entries are expected to significantly increase Guinea's bauxite output over the next five to ten years.

Medium to long term, Guinea's greatest potential economic driver is the Simandou Project (iron ore). Simandou is slated to be the largest greenfield project ever developed in Africa. Rio Tinto with its partners (Chinalco – China Aluminum Corporation, the Guinean government, and International Finance Corporation) are developing two of the four Simandou iron ore concessions. The infrastructure costs for the project are projected to be \$20 billion, which is enormous considering Guinea's GDP is less than \$7 billion/year. When fully operational, the project could double Guinea's GDP. Depressed commodities markets, however, have slowed iron ore mining development.

Guinea's abundant rainfall, sunny weather, and natural geography bode well for **hydroelectric and renewable energy production**. The largest energy sector investment in Guinea is the 240MW Kaleta Dam project that began operating its first hydro turbine in May 2015. Built and financed (\$526 million) by China, Kaleta more than doubled Guinea's electricity supply and for the first time furnished Conakry with relatively dependable electricity. The government is seeking backing for even larger hydroelectricity projects and investing in distribution infrastructure to become an energy supplier in West Africa. The government is also looking to invest in solar and other energy sources to compensate for lost hydroelectric production in Guinea's dry season.

Agriculture and Fisheries are another area of opportunity and growth in Guinea. Already an exporter of fruits, vegetables, and palm oil to its immediate neighbors, Guinea is climatically well-suited for large-scale agricultural production. However, the sector has suffered from decades of neglect and mismanagement

Guinea's **Macroeconomic and Financial situation** is weak. Ebola stifled Guinea's economic growth prospects in 2014 and 2015 leaving the government with few financial resources to support the Guinean economy. Decreased natural resource revenues and ill-advised government loans have strained an already sparse government budget. Modest growth is projected to return in 2016, but the government is under pressure from segments of Guinean society to deliver tangible development progress. The

demand for credit, particularly for small and medium sized enterprises, exceeds available supply. The government is increasingly looking to international investment to increase growth, provide jobs, and kick-start the economy.

Guinea has recently updated its **Investment Code** and renewed efforts to attract international investors. Guinea's investment promotion agency rolled out a new website (invest.gov.gn) in 2016 to increase transparency and streamline investment. However, Guinea's capacity to enforce its more investor-friendly laws is compromised by a weak and unreliable **legal system**.

Openness to and Restrictions upon Foreign Investment

Attitude toward Foreign Direct Investment

After the conclusion of the 2014-2015 Ebola Crisis and the inauguration of a new government at the end of 2015, the Guinean government has adopted a strong positive attitude toward foreign direct investment (FDI). Facing budget shortfalls and low commodity prices, the Guinean government is looking to use FDI to diversify its economy, spur GDP growth, and provide reliable employment. There are no laws in Guinea that discriminate against foreign investors with the exception of prohibition of foreign ownership of media.

Other Investment Policy Reviews

There has been no investment policy review conducted by UNCTAD or OECD within the past several years. The World Trade Organization (WTO) last conducted a review of Guinea in 2011. The 2011 report can be viewed here: http://www.wto.org/english/tratop_e/tpr_e/tpr_e.htm.

Laws/Regulations on Foreign Direct Investment

The National Assembly ratified a new Investment Code regulating FDI in May 2015. Developed in cooperation with the World Bank and International Monetary Fund, the new code harmonizes Guinea's investment climate with other countries in the region and broadens the definition of FDI in Guinea. The Code also organizes avenues for direct agreements between investors and the State. Other important legislation related to FDI includes the Procurement Code, the BOT Law and the Customs Code.

The Government of Guinea states it will let the legal system deal with domestic cases involving foreign investors. The legal system is weak, in the midst of much needed reforms, and is subject to interference. Although the constitution provides for an independent judiciary, the judicial system lacks independence and is underfunded, inefficient, and overtly corrupt. Factors limiting the judiciary's effectiveness include budget shortfalls, a shortage of qualified lawyers and magistrates, an outdated and restrictive penal code, nepotism, an egregious prison system, and ethnic bias. Judges are poorly trained and corruption plays a role in many court proceedings. There are few international investment lawyers accredited in Guinea and most investors include international arbitration clauses in all major contracts. U.S. companies have identified the absence of a dependable legal system as a major barrier to investment.

The Agency for the Promotion of Private Investment (APIP) launched a new website in 2016 that lists information related to laws, rules, procedures, and registration requirements for foreign investors as

well as strategy documents for specific sectors. (<http://invest.gov.gn>). Further information on APIP's services is available at (<http://www.apiguinee.org>). APIP is run by a largely bilingual (English and French) staff and is designed to be a one stop shop for investors.

Business Registration

Guinea does not have a business registration website in place, but investment information on the registration process is available at (<http://invest.gov.gn>). APIP recently established a "One Stop Shop" to simplify and facilitate the procedures for the creation of a company. The process now requires around seventy-two hours. Its services are available to Guinean and foreign investors. The use of a notary is not necessary for the creation of small and medium size enterprises since the "One Stop Shop" has the credentials to provide a business with requisite registration numbers including tax administration numbers and social security numbers. Notaries are required for the creation of any other type of enterprise.

A small or medium size enterprise (SME) in Guinea is defined as a business with less than 50 employees and revenue less than 500 million GNF (around \$60,000). SMEs are taxed at a yearly fixed rate of 15 million GNF (\$1,500). Administrative modalities are simplified and funneled through the 'One Stop Shop'. These advantages are available for both Guinean and foreign investors.

Industrial Promotion

The government is seeking investment in all sectors of the economy, but economic growth will most likely be led by the Energy and Mining sectors. Other sectors seeking foreign investors include Agribusiness; Agriculture, Construction, Building and Heavy Equipment; Education; Finance, and Infrastructure and Communication. Information concerning opportunities is disseminated via tenders listed in the Official Journal (Journal Officiel de la Republique) and in international newspapers when the government wishes to solicit international participation. APIP has also provided sector overviews, strategy documents, and relevant legislation on Guinea's aforementioned investment website (<http://invest.gov.gn>). Furthermore, high-level government officials travel to trade shows and international cities throughout the year promoting investment opportunities in Guinea. Government officials meet with business representatives at international venues, and are very receptive to delegations visiting Guinea.

Guinea benefits from a wide range of market access. It is a member of the Economic Community of West African States (ECOWAS), the West African Economic and Monetary Union, New Partnership for Africa's Development, and the African Union. Furthermore, Guinea benefits from the United States' market access initiative - the Africa Growth and Opportunity Act; the Cotonou Agreement between the African, Caribbean and Pacific countries; and the European Union for the renegotiation of the Lomé Convention. It is also a member of the World Trade Organization.

Limits on Foreign Control and Right to Private Ownership and Establishment

While all property is technically owned by the Guinean state, there are no general limits on foreign ownership or control, and 100 percent ownership by foreign firms is legal. However, as mentioned above, foreign-majority owned print media, radio, and television stations are not permitted. There are no sector-specific restrictions that discriminate against market access applicable to foreign investment.

Privatization Program

The Guinean Government is considering the privatization of the energy sector. In April 2015, the Government tendered a management contract to run the state-owned electrical utility (EDG). Veolia of France won the tender and has begun a four year program to manage and rehabilitate the poor performing, insolvent utility, which has suffered from decades of poor management. In early April 2015, the Minister of Energy told Post that at the conclusion of Veolia's management contract the government will look to privatize EDG or seek a Public Private Partnership. The minister also mentioned that the government wants a private company to operate the recently completed Kaleta Dam.

The bidding process is spelled out clearly for potential bidders. Guinea gives weight to competence with the French language and experience working on similar projects in West Africa, and companies without those attributes have not been successful in pursuing recent tenders.

Screening of FDI

According to the Investment Code, there is no specific screening of FDI. However, the National Investment Commission does have a role in reviewing requests for approval, and for monitoring companies' efforts to comply with investment obligations. This commission is headed by the Minister for Planning and International Cooperation. Approval of investments is granted based upon a request to the Commission. The government grants approved companies, particularly industrial firms, the use of the land necessary for their plant, for the duration of the project and according to conditions set out in the terms of approval. The land and subsequent buildings belong to the State, but can also be rented by or transferred to another firm only with Government approval.

International investors are eligible to qualify for a preferential tax plan through the National Investment Commission. In addition to respecting the legal and regulatory requirements governing their activities and the conditions and obligations set out in their tax approval, registered companies must make a cumulative initial investment of 200 Million GNF (around \$22,000) with the creation of a minimum of five permanent national jobs to qualify for the preferential plan. Existing businesses must employ at least 35% local labor to maintain eligibility. The National Investment Commission reviews eligibility on a yearly basis, and companies failing to qualify are given 90 days to comply before losing their eligibility.

The Agency for the Promotion of Private Investment (APIP) serves as a one-stop shop for investors entering the Guinean market. APIP's bilingual staff has received praise from foreign investors for its work in navigating the complexities of FDI in Guinea.

Competition Law

There are no agencies that review transactions for competition-related concerns.

Conversion and Transfer Policies

Foreign Exchange

There are no restrictions or limitations placed on foreign investors for converting, transferring, or repatriating funds associated with an investment. Although there have been no recent changes to remittance policies, it is difficult to obtain foreign exchange in Guinea's economy. Guinea has experienced significantly weakened liquidity levels over the last several years due to government mismanagement, populist policies, corruption, a decrease in mining revenue due to lower global commodity prices, and dwindling foreign aid levels. Further, liquidity levels of commercial banks are affected by tight reserve requirements (22% of deposits) that are in line with IMF performance criteria.

Until December 2015, the exchange rate was managed by the Guinean Central Bank (BCRG) and held to a 4% variance from the unofficial rate. The exchange rate had remained relatively stable since 2013 and only recently depreciated versus the U.S. dollar. Between 2013 and 2015 the Guinean Franc (GNF) maintained a value between 7,000 and 7,500 GNF/USD. In late 2015 the unofficial rate reached a value 10% higher than the official rate while Guinea had nearly exhausted its foreign currency reserves. The IMF recommended BCRG float the GNF and the official rate jumped to nearly 9,000 GNF/USD by March 2016.

Remittance Policies

Guinea has no limitations on the conversion and transfer of money or the repatriation of capital and earnings, including branch profits, dividends, interest, royalties, or management or technical service fees. The Central Bank needs to be informed of any major transfers and the wait time to remit investment returns is less than 60 days. Guinea is a member of the Inter-Governmental Action Group against Money Laundering in West Africa, but is not included on the Financial Action Task Force. Guinea is listed as a country of primary concern the 2015 International Narcotics Control Strategy Report.

Expropriation and Compensation

Guinea's Investment Code states that the Guinean government will not, except for reasons of public interest, take any steps to expropriate or nationalize investments made by individuals and companies. It also promises fair compensation for expropriated property.

In 2011, the government claimed full ownership of several languishing industrial facilities in which it had previously held partial shares as part of joint ventures—including a canned food factory and processing plants for peanuts, tea, mangoes, and tobacco—with no compensation for the private sector partner. The government justified its action by citing allegations of corruption that had surrounded the original privatization of these facilities in the late 1980s and early 1990s. The private partner in at least one of these joint ventures has protested the seizure of its assets and has been battling the government decision in court. As of 2016, there has been no resolution of the case.

Recognizing the importance of foreign investment and the risks generated by such expropriations, Government representatives have said that expropriation applies only to former state-owned firms; fully-owned private businesses and other joint ventures with the government will not be affected. Guinea's previous government created another major expropriation case over the Simandou mining asset in 2008. The legal proceeding associated with the case are ongoing.

Dispute Settlement

Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts

The country's legal system is codified and largely based upon French civil law. However, the Guinean judicial system is reported to be understaffed, corrupt, and lacking in transparency. U.S. businesspersons active in Guinea have flagged the need to exercise extreme caution when negotiating contract arrangements, and to have effective local legal representation. Although the constitution and law provide for an independent judiciary, the judicial system lacks independence and is underfunded, inefficient, and corrupt. Budget shortfalls, a shortage of qualified lawyers and magistrates, an outdated and restrictive penal code, nepotism, and ethnic bias limited the judiciary's effectiveness. President Conde's administration has called for judicial reform and has increased the salaries of judges by 400 percent in order to discourage corruption.

Bankruptcy

Guinea, as member country of the Organization for the Harmonization of Business Law in Africa (OHADA), has the same bankruptcy laws as most West African francophone countries. The OHADA's Uniform Act enforces collective proceedings for writing off debts and defines bankruptcy from articles 227 to 233. The Uniform Act also distinguishes from fraudulent from non-fraudulent bankruptcies. There is no distinction between foreign and domestic investors. There only is a "privilege" ranking that defines which claims must be first from the company's asset. Articles 180 to 190 of the OHADA's Uniform Act on the organization of securities defines which creditors are entitled to priority compensation. Bankruptcy is only criminalized when it occurs due to fraudulent actions. Bankruptcy is penalized though OHADA which leaves criminal penalties to national authorities.

In the World Bank's Ease of Doing Business Report on Resolving Insolvency, Guinea ranked 108, eight places better than in 2015. According to the report, resolving insolvency takes an average of 3.8 years and costs 8.0 percent of the debtor's estate, with the most likely outcome being that the company will be sold off in pieces. The average recovery rate is 19.9 cents on the dollar.

Investment Disputes

The Investment Code states that competent Guinean judicial authorities shall settle disputes resulting from interpretation of the Code in the accordance with laws and regulations and provides several avenues to seek arbitration. In practice, however, fair settlements may be difficult. Guinea established an arbitration court in 1999, independent of the Ministry of Justice, to settle business disputes in a less costly and more expedient manner. The Arbitration Court is based upon the French system in which arbitrators are selected from among the Guinean business sector, rather than from among lawyers or judges, and are supervised by the Chamber of Commerce. All parties must be in agreement in order for their case to be settled in the arbitration court. In general, Guinea's arbitration court has a better reputation than the judicial court system for settling business disputes.

International Arbitration

In 1993, Guinea became a member of the Organisation pour l'Harmonisation du Droit des Affaires en Afrique (Organization for the Harmonization of Commercial Law in Africa), known by its French initials, OHADA, which allows investors to appeal legal decisions on commercial and financial matters to a regional body based in Abidjan. The organization also seeks to create harmonization of commercial law, debt collection, bankruptcy, and secured transactions throughout the OHADA region. The treaty superseded the Code of Economic Activities and other national commercial laws when it was ratified in 2000, though many of the substantive changes to Guinean law have yet to be implemented. U.S. companies seeking to do business in Guinea should be aware that under OHADA, managers may be individually liable for corporate wrongdoing. See the OHADA website for specific OHADA rules and regulations (<http://www.ohada.com>).

ICSID Convention and New York Convention

Guinea is a member of the International Center for the Settlement of Investment Disputes (ICSID), an autonomous international institution established under the Convention on the Settlement of Investment Disputes between States and Nationals of other States with over one hundred and forty member states (<https://icsid.worldbank.org/apps/ICSIDWEB/Pages/default.aspx>). Guinea is also a member of the New York Convention which applies to the recognition and enforcement of foreign arbitral awards and the referral by a court to arbitration. (<http://www.newyorkconvention.org>).

Duration of Dispute Resolution – Local Courts

Despite the rights to dispute settlement set forth in Guinean law, business executives complain of the glacial pace of Guinean justice in business disputes. Most legal cases take many years and numerous legal fees to resolve. In speaking with local business leaders, the general sentiment is that any resolution occurring within 3-5 years would be considered relatively fast.

In many cases, the government does not meet payment obligations to private suppliers of goods and services, either foreign or Guinean, in a timely fashion. Arrears to the private sector are a major issue that is often ignored. Guinea is currently looking for ways to finance past arrears to the private sector -- possibly through issuing a public debt instrument. There is no independent enforcement mechanism for collecting debts from the government, although some contracts have international arbitration clauses. The government, while bound by law to honor judgments made by the arbitration court, often actively influences the decision itself.

Although the situation has improved recently, business executives, Guinean and foreign, have publicly expressed concern over the absence of rule of law in the country. In 2014, foreign managers of a telecommunications company were harassed by high-ranking members of the military for not renewing a contract. Some businesses have been subject to sporadic harassment and "requests" for donations from military and police personnel.

Performance Requirements and Investment Incentives

WTO/TRIMS

The Guinean government has not notified any measures that are inconsistent with the WTO Trade Related Investment Measures (TRIMs) requirements.

Investment Incentives

The Investment Code provides preferential taxes for investments meeting certain criteria (See Screening of FDI). Other exemptions can be obtained in contract negotiations with the government. The government's priority investments are: promotion of small and medium-sized Guinean businesses, development of non-traditional exports, processing of local natural resources and local raw materials, and establishment of activities in less economically developed regions. Priority activities include agricultural promotion, especially of food, and rural development; commercial farming involving processing and packaging; livestock, especially when coupled with veterinary services; fisheries; fertilizer production, chemical or mechanical preparation and processing industries for vegetable, animal, or mineral products; health and education businesses; tourism facilities and hotel operations; real estate development with social benefit; and investment banks or any credit institutions settled outside specified population centers. Detailed information on each of these opportunities is available at <http://invest.gov.gn>.

Research and Development

There are no restrictions on foreign firms participating in government-financed research and development programs. However, Post knows of no such programs in existence.

Performance Requirements

Under the 2011 Mining Code, amended in April 2013 to reduce taxes and royalties, mining companies are required to hire Guinean citizens as a certain percentage of their staff, to have a Guinean country director eventually, and to award a certain percentage of contracts to Guinean-owned firms; the percentage varies based on employment category and the chronological phase of the project. The mining code requires that 20 percent of senior managers be Guinean; however, the code does not define what constitutes senior management. The Code also aims to liberalize mining development and secure investment. In 2013, the Code created a Mining Promotion and Development Center, a one-stop shop to simplify the administrative process for investors. Post is not aware of non-mining sectors having performance requirements, but that is likely to change as the Guinean economy becomes more developed.

Data Storage

Guinea has no forced localization policy related to the use of domestic content in goods or technology. There are no requirements for foreign IT providers to turn over source code or provide access to surveillance. There are also no requirements to store data within Guinea.

Right to Private Ownership and Establishment

The Land Tenure Code of 1996 provides a legal base for documentation of property ownership. As with ownership of business enterprises, both foreign and national individuals have the right to own property. However, enforcement of these rights depends upon a corrupt and inefficient Guinean legal and administrative system. Furthermore, land sales and business contracts generally lack transparency.

According to the 2016 World Bank's Doing Business Report, Guinea ranks 146 out of 189 countries for the ease of "registering property":

<http://www.doingbusiness.org/data/exploreeconomies/guinea/>

Protection of Property Rights

Guinea is a member of the African Intellectual Property Organization (OAPI), comprised of 15 African countries, and the World Intellectual Property Organization (WIPO), comprised of 186 members. OAPI is signatory to the Paris Convention for the Protection of Industrial Property, the Bern Convention for the Protection of Literary and Artistic Works, the Patent Cooperation Treaty, the TRIPS agreement, and several other intellectual property treaties. Guinea modified its intellectual property right laws in 2000 to bring them into line with established international standards. There have been no formal complaints filed on behalf of American companies concerning intellectual property rights infringements in Guinea. However, it is not certain that an intellectual property judgment would be enforceable, given the general lack of law enforcement capability. The Property Rights office in Guinea is severely understaffed and underfunded. Guinea is not cited in the USTR's Special 301 Report or the Notorious Market Report. For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at <http://www.wipo.int/directory/en/>.

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Resources for Rights Holders

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Legal Providers in Guinea:

http://photos.state.gov/libraries/guinea/231771/PDFs/legalproviders_001.pdf

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or visit www.STOPfakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the U.S. Patent and Trademark Office (USPTO) at: **1-800-786-9199**, or visit <http://www.uspto.gov/>.
- For more information about registering for copyright protection in the United States, contact the U.S. Copyright Office at: **1-202-707-5959**, or visit <http://www.copyright.gov/>.
- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, please visit the "Resources" section of the STOPfakes website at <http://www.stopfakes.gov/resources>.
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.stopfakes.gov/businesss-tools/country-ipr-toolkits . The toolkits contain detailed information on protecting and enforcing IP in specific markets and also contain contact information for local IPR offices abroad and U.S. government officials available to assist SMEs.

Transparency of the Regulatory System

Guinea has accomplished much in the past six years to make laws and regulations more transparent. While draft bills are not made available for public comment, the Presidency and National Assembly have worked closely with international partners to modernize its legal framework. However, Guinea's legal system hampers the implementation of clear "rules of the game."

Guinea's amended Mining Code commits the country to increasing transparency in the mining sector. In the code, the government commits to award mining contracts by competitive tender and to publish all past, current, and future mining contracts for public scrutiny. Members of mining sector governing bodies and employees of the Ministry of Mines are prohibited from owning shares in mining companies active in Guinea or their subcontractors. Each mining company must sign a code of good conduct and develop and implement a corruption monitoring plan. Guinea has already implemented a

portion of its cutting-edge transparency approach through the creation of a public database of its mining contracts designed by the Natural Resource Governance Institute (formerly known as Revenue Watch - <http://www.contratsminiersguinee.org/>).

The Extractive Industries Transparency Initiative (EITI) ensures more transparency in how Guinea's natural resources are governed, and full disclosure of government revenues from its extractive sector. The EITI Standard aims to provide a global set of conditions that ensures more transparency in the management of a country's oil, gas and mineral resources. EITI reiterates the need to augment support for countries and governments that are making genuine efforts to address corruption but lack the capacity and systems necessary to effectively manage the business, revenues and royalties derived from extractive industries.

Guinea was accepted as EITI Compliant for the first time by the international EITI Board at its meeting in Mexico City on July 2, 2014. As a country implementing the EITI, Guinea regularly discloses the government's revenues from natural resources, completing their most recent report in December 2015 for the 2013 reporting period.

While Guinea's laws promote free enterprise and competition, the government often lacks transparency in the application of the law. Business owners openly assert that application procedures are sufficiently opaque to allow for corruption, and regulatory activity is often applied based on personal interest.

Efficient Capital Markets and Portfolio Investment

Commercial credit for private and public enterprise is difficult and expensive to obtain in Guinea. The legislature passed a Build, Operate, and Transfer (BOT) convention law in 1998, which provides rules and guidelines for BOT and related infrastructure development projects. The law lays out the obligations and responsibilities of the government and investors and stipulates the guarantees provided by the government for such projects.

The Investment Code allows transfers of income derived from investment in Guinea, the proceeds of liquidating this investment, and the compensation paid in the event of nationalization to any country in convertible currency. The legal and regulatory procedures, while based on French civil law in theory, are not always applied uniformly or transparently.

Individuals or legal entities making foreign investments in Guinea are guaranteed the freedom to transfer the original foreign capital, profits resulting from investment, capital gains on disposal of investment, and fair compensation paid in the case of nationalization or expropriation of the investment, to any country of their choice. The Guinean Franc uses a managed floating exchange rate. The few commercial banks in Guinea are dependent on the Central Bank for foreign exchange liquidity, making large transfers of foreign currency difficult.

Laws governing takeovers, mergers, acquisitions, and cross-shareholding are limited to rules for documenting financial transactions and filing any change of status documents with the economic register. There are no laws or regulations that specifically authorize private firms to adopt articles of incorporation that limit or prohibit investment.

Money and Banking System, Hostile Takeovers

Guinea's financial system is small and dominated by the banking sector. It comprises 15 active banks and 22 microfinance institutions totaling 146 branches across the country. Guinea also has ten insurance firms, three money-transfer companies and 45 currency exchange offices. Guinea's banking sector is overseen by the Central Bank (BCRG) and it serves as the agent of the treasury for overseeing banking and credit operations in Guinea and abroad. The BCGR manages the foreign exchange reserves on behalf of the State. Further information on the BCRG can be found in French at <http://www.bcr-guinee.org>.

Due to the difficulty of accessing funding from commercial banks, small commercial and agricultural enterprises have increasingly turned to microfinance, which has been growing rapidly with a net increase of deposits and loans, but the quality of its products remains mediocre, with bad debt accounting for 5 percent of loans with approximately 17 percent of gross loans outstanding.

Guinea plans to broaden the country's SME base through investment climate reform, solutions to improve access to finance, and the establishment of SME growth corridors. Severely limited access to finance (especially for SMEs), inadequate supply of infrastructure, deficiencies in logistics and trade facilitation, corruption and low capacity of the government, inflation, and poor education of the workforce have seriously undermined investor confidence in Guinean institutions. Guinea's weak enabling environment for business, its history of poor governance, erratic policy, and inconsistent regulatory enforcement harm the country's reputation as an investment destination. As a result, private participation in the economy remains low and firms' productivity measured by value added is one of the lowest in Africa. Firms' links with the financial sector are weak; only 6 percent of firms surveyed in the 2006 World Bank Enterprise survey have a bank loan. Credit to the private sector is low as well, at around 5 percent of GDP for much of the last decade (against a Sub-Saharan African average of 59.6 percent). The banking sector is highly concentrated, technologically behind, and banks tend to favor short-term lending at high interest rates. While the microfinance sector grew strongly from a small base, microfinance institutions were hit hard in the Ebola crisis; they are not profitable and need capacity and technology upgrades. Finally, the efficiency and the use of payment services by all potential users needs to be improved, in a context of financial inclusion. Guinea is a cash society and the economy is driven by trade, agriculture and the informal sector, which all rely on cash transactions outside the banking sector. However, digital cellphone transfers of funds are increasing their penetration in the country.

Generally there are no undue restrictions for foreigner's ability to establish bank accounts in Guinea. However, one dual citizen (Guinea-American) commented that his preferred bank declined his request to establish an account due to Foreign Account Tax Compliant Act (FACTA) reporting requirements. Post was unable to find any information related to rules concerning hostile takeovers.

Competition from State-Owned Enterprises

While Guinea maintains some SOEs for public utilities (water and electricity), the Alpha Conde government is moving towards allowing private enterprises to operate in this sphere, handing over management of the state-owned electric utility Energie de Guinée (EDG) to the French firm Veolia in

2015. Veolia is taking steps to improve the urban electricity infrastructure by reducing system losses and electricity theft. Several private projects aimed at harnessing Guinea's hydroelectric energy potential are being implemented with the goal of producing and selling energy throughout Guinea and to neighboring countries.

The hydroelectricity sector could provide the basis for Guinea's modernization and also supply regional markets. Guinea's large hydropower potential is estimated at over 6000 MW, making Guinea a potential exporter of power to neighboring countries. In 2015, Guinea completed Kaleta Dam, doubling the country's electricity generating capacity and providing urban Conakry with a reliable source of power for most of the year. The government is now pushing forward with the more ambitious Souapiti Dam and numerous renewable and non-renewable power generation plans for which EDG would be the primary vendor.

The government does not publish significant information concerning the financial stability of its SOEs. EDG is listed in the national budget as a line item. Its balance sheet is in the red and the utility received \$77 million in state subsidies in 2015.

R&D expenditures are not known, but it would be highly unlikely that any of Guinea's failing SOEs would devote significant funding to R&D given the lack of sophistication in the Guinean economy. Guinean SOEs are entitled to subsidized fuel, which EDG uses to run thermal generator stations in the capital. Guinea is not party to the Government Procurement Agreement.

OECD Guidelines on Corporate Governance of SOEs

Corporate Governance of SOEs is determined by the government. Guinean SOEs do not adhere to the OECD guidelines and are generally highly insolvent organizations. SOEs typically report to the line minister; however, in theory, they typically report to the Office of the President. Seats on the board are allocated by the ruling government and usually by presidential decree. It is most likely that domestic courts will side with SOEs in investment disputes.

Sovereign Wealth Funds

Guinea does not have a sovereign wealth fund.

Responsible Business Conduct

The amended 2011 Mining Code includes Guinea's first legal framework outlining corporate social responsibility. Under the provisions of the code, mining companies must submit social and environmental impact plans for approval before operations can begin and sign a code of good conduct, agreeing to refrain from corrupt activities and to follow the precepts of the Extractive Industry Transparency Initiative (EITI). However, lack of capacity in the various ministries involved make government monitoring and enforcement of corporate social responsibility requirements difficult. There are some NGOs that do play a role in monitoring and promoting CSR. Guinea was found to be an EITI compliant country in July 2014.

Political Violence

Guinea has a long history of political violence. The country suffered under authoritarian rule from independence in 1958 until its first democratic election (presidential) in 2010 and it has seen political violence during its transition as a new democracy, although the level of political violence has decreased with each subsequent election since 2010. The state persecuted political dissidents and opposition parties for decades. The Sekou Toure regime (1958-1984) and the Lansana Conte regime (1984-2008) were both marked by political violence and human rights abuses.

Presidential Elections in 2015 sparked some violent protests in Conakry, but clashes between police and demonstrators were largely contained and widespread post-election violence never materialized.

Other instances of violence occurred in 2014 and 2015 related to the Ebola epidemic. There were instances since the start of the Ebola epidemic where locals attacked the vehicles and facilities of aid workers. The Red Cross, MSF (Doctors Without Borders) and the World Health Organization (WHO) all reported cases of property damage (destroyed vehicles, ransacked warehouses, etc.). On September 16, 2014 in the Forest Region village of Womei, eight people were killed by a mob when they visited the village as part of an Ebola education campaign. The casualties included radio journalists, local officials and Guinean health care workers. Thirty eight people have been arrested and are awaiting trial.

Although none of these violent events specifically targeted American or foreign investors, they were disruptive to business in general and eroded confidence in the security situation under which investors must operate in Guinea.

Corruption

Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a competitor is seeking to use bribery of a foreign public official in international business, for example to secure a contract, should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which generally makes it unlawful for U.S. persons and businesses (domestic concerns), and U.S.

and foreign public companies listed on stock exchanges in the United States or which must file periodic reports with the Securities and Exchange Commission (issuers), to offer, promise or make a corrupt payment or anything of value to foreign officials to obtain or retain business. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. In addition to the anti-bribery provisions, the FCPA contains accounting provisions applicable to public companies. The accounting provisions require issuers to make and keep accurate books and records and to devise and maintain an adequate system of internal accounting controls. The accounting provisions also prohibit individuals and businesses from knowingly falsifying books or records or knowingly circumventing or failing to implement a system of internal controls. In order to provide more information and guidance on the statute, the Department of Justice and the Securities and Exchange Commission published *A Resource Guide to the U.S. Foreign Corrupt Practices Act*, available in PDF at:

<http://www.justice.gov/criminal/fraud/fcpa/guidance/>. For more detailed information on the FCPA generally, see the Department of Justice FCPA website at: <http://www.justice.gov/criminal/fraud/fcpa/>.

Other Instruments: It is U.S. Government policy to promote good governance, including host countries' implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions negotiated under the auspices of the OECD (Anti-bribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements.

<http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>

OECD Anti-bribery Convention: The Anti-bribery Convention entered into force in February 1999. As of January 2016, there are 41 parties to the Convention, including the United States (see <http://www.oecd.org/corruption/oecdantibriberyconvention.htm>). Major exporters China and India are not parties, although the U.S. Government strongly endorses their eventual accession to the Antibribery Convention. The Antibribery Convention obligates the Parties to criminalize bribery of foreign public officials in international business transactions, which the United States has done under U.S. FCPA. Guinea is not a party to the Anti-bribery Convention but has a foreign bribery law.

UN Convention: The UN Convention entered into force on December 14, 2005, and there are 178 parties to it as of January 2016 (see <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>). The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption, from basic forms of corruption such as bribery and solicitation, embezzlement, and trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Anti-bribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery. Guinea is a party to the UN Anticorruption Convention.

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department's U.S. and Foreign Commercial Service can provide assistance with navigating the host country's legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company's overarching compliance program when choosing business partners or agents overseas. The U.S. and Foreign Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its website at www.trade.gov/cs.

The United States provides commercial advocacy on behalf of exporters of U.S. goods and services bidding on public sector contracts with foreign governments and government agencies. An applicant for advocacy must complete a questionnaire concerning its background, the relevant contract, and the requested U.S. Government assistance. The applicant must also certify that it is in compliance with applicable U.S. law, that it and its affiliates have not and will not engage in bribery of foreign public officials in connection with the foreign project, and that it and its affiliates maintain and enforce a policy that prohibits bribery of foreign public officials. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel, and reported through the Department of Commerce Trade Compliance Center "Report a Trade Barrier" Website at tcc.export.gov/Report_a_Barrier/index.asp. Potential violations of the FCPA can be reported to the Department of Justice via email to FCPA.Fraud@usdoj.gov.

Guidance on the U.S. FCPA: The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals and issuers to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the FCPA regarding actual, prospective business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at www.justice.gov/criminal/fraud/fcpa and general information is contained in Chapter 9 of the publication *A Resource Guide to the U.S. Foreign Corrupt Practices Act*, at <http://www.justice.gov/criminal/fraud/fcpa/guidance/>. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general information to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the General Counsel, U.S. Department of Commerce, website, at <http://www.commerce.gov/os/ogc/transparency-and-anti-bribery-initiatives>. More general information on the FCPA is available at the websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including *A Resource Guide to the U.S. Foreign Corrupt Practices Act*, translations of the statute into numerous languages, documents from FCPA related prosecutions and resolutions, and press releases are available at the U.S. Department of Justice's Website at: <http://www.justice.gov/criminal/fraud/fcpa> and <http://www.justice.gov/criminal/fraud/fcpa/guidance/>
- The U.S. Securities and Exchange Commission FCPA Unit also maintains an FCPA website, at: <https://www.sec.gov/spotlight/fcpa.shtml>. The website, which is updated regularly, provides general information about the FCPA, links to all SEC enforcement actions involving the FCPA, and contains other useful information.
- General information about anticorruption and transparency initiatives, relevant conventions and the FCPA, is available at the Department of Commerce Office of the General Counsel website: <http://www.commerce.gov/os/ogc/transparency-and-anti-bribery-initiatives>
- The Trade Compliance Center hosts a website with anti-bribery resources, at <http://tcc.export.gov/Bribery>. This website contains an online form through which U.S. companies can report allegations of foreign bribery by foreign competitors in international business transactions
- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at <http://www.state.gov/g/drl/rls/hrrpt/>.
- Information about the OECD Anti-bribery Convention including links to national implementing legislation and country monitoring reports is available at: <http://www.oecd.org/corruption/oecdantibriberyconvention.htm> See also Anti-bribery Recommendation <http://www.oecd.org/daf/anti-bribery/oecdantibriberyrecommendation2009.htm> and Good Practice Guidance Annex for companies: <http://www.oecd.org/daf/anti-bribery/44884389.pdf>.
- GRECO monitoring reports can be found at: http://www.coe.int/t/dghl/monitoring/greco/evaluations/index_en.asp
- MESICIC monitoring reports can be found at: http://www.oas.org/juridico/english/mesicic_intro_en.htm
- The Asia Pacific Economic Cooperation (APEC) Leaders have also recognized the problem of corruption and APEC Member Economies have developed anticorruption and ethics resources in several working groups, including the Small and Medium Enterprises Working Group, at <http://businessethics.apec.org/>, and the APEC Anti-Corruption and Transparency Working Group, at <http://www.apec.org/Groups/SOM-Steering-Committee-on-Economic-and-Technical->

[Cooperation/Working-Groups/Anti-Corruption-and-Transparency.aspx](#). For more information on APEC generally, <http://www.apec.org/>.

There are many other publicly available anticorruption resources which may be useful, some of which are listed below without prejudice to other sources of information that have not been included. (The listing of resources below does not necessarily constitute U.S. Government endorsement of their findings.)

- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in approximately 180 countries and territories around the world. The CPI is available at: <http://www.transparency.org/research/cpi/overview>. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents, and an overview of the latest research findings on anti-corruption diagnostics and tools. See <http://www.transparency.org/research/gcr>.
- The World Bank Institute's Worldwide Governance Indicators (WGI) project reports aggregate and individual governance indicators for 215 economies over the period 1996-2014, for six dimensions of governance (Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption). See <http://info.worldbank.org/governance/wgi/index.aspx#home>. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: <http://data.worldbank.org/data-catalog/BEEPS>. See also the World Bank Group *Doing Business* reports, a series of annual reports measuring regulations affecting business activity, available at: <http://www.doingbusiness.org/>
- The World Economic Forum publishes every two years the *Global Enabling Trade Report*, which assesses the quality of institutions, policies and services facilitating the free flow of goods over borders and to their destinations. At the core of the report, the Enabling Trade Index benchmarks the performance of 138 economies in four areas: market access; border administration; transport and communications infrastructure; and regulatory and business environment. See <http://www.weforum.org/reports/global-enabling-trade-report-2014>.
- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which typically assesses anti-corruption and good governance mechanisms in diverse countries. For more information on the report, see <https://www.globalintegrity.org/global-report/what-is-gi-report/>.

Country Specific Notes on Corruption

In its 2016 "Ease of Doing Business" index, the World Bank ranked Guinea 165th of 189 countries worldwide (up from 171st in 2015). Transparency International's 2015 "Corruption Perception Index" ranked Guinea 139th of 168 countries listed (up from 145th in 2014).

The country's business and political culture, coupled with low salaries, have historically combined to

create and encourage a culture of corruption throughout Guinea's government system. Business is often conducted through the payment of bribes rather than by the rule of law. It is not uncommon for government officials to demand money for their personal use, in exchange for favors or just to perform their duties. Though it is illegal to pay bribes in Guinea, there is no enforcement of these laws. In practice, it is difficult and time-consuming to conduct business without paying bribes in Guinea, leaving U.S. companies, which must comply with the Foreign Corrupt Practices Act, at a disadvantage. Enforcement of the rule of law in Guinea is irregular and inefficient.

Although the law provides criminal penalties for corruption by officials, the government does not implement the law effectively, and officials often engaged in corrupt practices with impunity. The World Bank's most recent Worldwide Governance Indicators reflected that corruption continued to be a severe problem. Public funds were diverted for private use or for illegitimate public uses, such as buying expensive vehicles for government workers. Land sales and business contracts generally lacked transparency.

Guinea's Anti-Corruption Agency (ANLC) is an autonomous agency established by presidential decree in 2004. The ANLC reports directly to the president and is currently the only state agency focused solely on fighting corruption. However, it has been largely ineffective in its role with only two cases prosecuted and no convictions. The ANLC is also forwarded anonymous tips concerning possible corruption cases received from a hotline. However, during the past two years no prosecutions have resulted. The ANLC executive director died in 2015 and has yet to be replaced. The agency is underfunded, understaffed and lacks the basics to fight corruption such as computers and vehicles. The ANLC is comprised of 42 employees in seven field offices and operates on a budget of \$1.1 million per year.

The Bureau of Complaint Reception fields anonymous tips forwarded to the ANLC. Investigations and cases must then be prosecuted through criminal courts. During the year there were no prosecutions as a result of tips.

A poll by Afrobarometer and Stat View International of 1,200 citizens from 2011 to 2013 found that 57 percent of the respondents reported paying a bribe within the past 12 months. A separate survey by the ANLC, Open Society Initiative West Africa, and Transparency International found that among private households 61 percent of the respondents stated they were asked to pay a bribe for national services and 24 percent for local services. Furthermore, 24 percent claimed to have paid traffic-related bribes to police, 24 percent for better medical treatment, 19 percent for better water or electricity services, and 8 percent for better judicial treatment.

The Conde administration has promised to combat corruption in both government and commercial spheres as one of its top priority agenda items. In general, the situation has improved over the past few years.

Resources to Report Corruption

Contact at government agency or agencies are responsible for combating corruption:

-NAME: Seko Mohamed Sylla

-TITLE: Deputy Executive Director

-ORGANIZATION: Agence Nationale de Lutte Contre la Corruption (ANLC - National Agency Against

Corruption)

-ADDRESS: Cite des Nations, Conakry, Guinea

-TELEPHONE NUMBER: +224- 669 22 82 51

-EMAIL ADDRESS: tourealnc@gmail.com

-ORGANIZATION: Transparency International

-ADDRESS: Dakar, Senegal

-TELEPHONE NUMBER: +221-33-842-40-44

-EMAIL ADDRESS: forumcivil@orange.sn

Bilateral Investment Agreements

Guinea has bilateral investment agreements with Belgium, Benin, Burkina Faso, Cameroon, Chad, China, France, The Gambia, Germany, Ghana, Great Britain, Iran, Italy, Japan, Malaysia, Mali, Mauritania, Mauritius, Morocco, Nigeria, Rwanda, Saudi Arabia, Senegal, Serbia, South Africa, South Korea, Switzerland, Tunisia, Turkey and Ukraine. Although Guinea does not have a Bilateral Investment Treaty or Free Trade Agreement with the United States, ECOWAS and the United States signed a Trade and Investment Framework Agreement in May 2014. There is no Bilateral Tax Treaty between Guinea and the United States.

OPIC and Other Investment Insurance Programs

Guinea and the United States have had an agreement on private investment guarantees in effect since 1962, making investors eligible for Overseas Private Investment Corporation (OPIC) insurance programs. Currently there is no OPIC activity in Guinea, although OPIC is currently considering involvement in the expansion of Guinea's largest bauxite exporter, CBG. U.S. private sector firms are interested in utilizing OPIC for infrastructure related projects in the mining and energy sectors. A USAID Power Africa transaction advisor visited Conakry in April 2015 for preliminary meetings and fact finding to gauge if there is a role for Power Africa in Guinea.

There are no limits on the conversion of U.S. dollars to Guinean francs (GNF). Post knows of no issues related to currency conversion and does not see any issues with convertibility risks going forward. The official exchange rate is relatively unstable, but is currently holding at approximately 9,000 GNF/USD (as of March 2016). A weakened economy largely resulting from low commodity prices has caused the GNF to depreciate from an average of 7,000 GNF/USD in early 2015. Since November 2015 the official exchange rate has been struggling to keep pace with the rate in the parallel black market.

Labor

Guinea's National Assembly adopted a new labor code in February 2014. Guinea's Labor Code protects the rights of employees and is enforced by the Ministry of Social Action, Women, and Child Promotion. The Labor Code sets forth guidelines in various sectors, the most stringent being the mining sector. Guidelines cover wages, holidays, work schedules, overtime pay, vacation, and sick leave. The new labor code also outlaws all discrimination in hiring, including sex, disabilities, and ethnicity. It also prohibits all forms of workplace harassment, including sexual harassment. However, the law does not provide antidiscrimination protections for persons based on sexual orientation and/or gender identity.

The National Assembly increased employer rights to hire and fire under the 1999 revision of the Labor

Code. Employers no longer need to go through the labor office in order to contract or terminate the work of an employee, and the Act removed the requirement to hire only Guinean employees. Some employers, including the Guinean government, avoid paying mandatory benefits by employing people as contractors for years at a time rather than as permanent employees. Some foreign managers cite incidents of theft, low productivity, and difficulties in terminating employees as problems.

Although the law provides for the right of workers to organize and join independent unions, engage in strikes, and bargain collectively, the law also places restrictions on the free exercise of these rights. The 2014 labor code requires unions to obtain support of 20 percent of the workers in a company, region, or trade that the union claims to represent. The new code mandates that unions provide 10 days' notice to the labor ministry before striking, but the code does allow work slowdowns. Strikes are only permitted for "professional claims." However, the new labor code says it does not apply to government workers, members of the armed forces, or temporary government workers. While the labor code protects union officials from anti-union discrimination, it does not extend that same protection to other workers. The labor code prohibits employers from taking into consideration union membership and activities with regard to decisions about employee hiring, firing, and conduct. The new labor code allows workers 30 days to appeal any labor decisions.

The law prohibits child labor in the formal sector and sets forth penalties of three to 10 years' imprisonment and confiscation of resulting profits. The law does not protect children in the informal sector. The minimum age for employment is 16. Exceptions allow children to work at age 12 as apprentices for light work in such sectors as domestic service and agriculture, and at 14 for other work. The law does not permit workers and apprentices under 18 to work more than 10 consecutive hours, at night, or on Sundays. The Ministry of Labor maintained a list of occupations in which youth under 18 cannot be employed, but enforcement is limited to large firms in the modern sector of the economy. The penal code increases penalties for forced labor if minors are involved, but penalties do not meet international standards, and enforcement is not sufficient to deter child labor violations. The most recent statistics indicate that more than one-third of all children under 18 work in industries considered dangerous by the United Nation's International Labor Organization (ILO). Although the child code requires the country's laws to respect treaty obligations and is regarded as law by the justice system, ambiguity remained about the code's validity, because the government did not pass a required implementation text.

The Ministry of Social Action, Women, and Child Promotion is responsible for enforcing child labor laws, and it conducted occasional inspections. Authorities did not bring any cases to justice, and inspections were not adequate. The police division OPROGEM under the Ministry of Security was responsible for investigating child trafficking and child labor violations. After arrests, police transfer all information to the Ministry of Justice and lose visibility on the cases. In 2012 the Ministry of Security set up a new unit specifically focused on child trafficking and child labor. The 30 member-unit lacks resources to enforce regulation and concentrates mostly on child abuse cases.

Child labor by boys occurs most frequently in the informal sectors of subsistence farming, small-scale commerce, and mining. Smaller numbers of girls, mostly migrants from neighboring countries, are subjected to domestic servitude. Forced child labor occurs primarily in the cashew, cocoa, coffee, gold, and diamond sectors of the economy. Many children between the ages of five and 16 work 10 to 15 hours a day in the diamond and gold mines for minimal compensation and little food. Child laborers extract, transport, and clean the minerals. They operate in extreme conditions, lack protective gear, do not have access to water or electricity, and face a constant threat of disease and sickness.

According to a government study conducted with the ILO and issued in 2011, 43 percent of all children between five and 17 worked, including 33 percent of children ages five to 11, 55.9 percent between 12 and 15, and 61.3 percent between 16 and 17. Of those, 93.3 percent worked in what the ILO defines as hazardous conditions – meaning 40.1 percent of all children in the country worked in hazardous conditions. This included more than one million children in fishing and agriculture, 30,619 in manufacturing, 46,072 in mining, 15,169 in construction, 204,818 in commerce and restaurants, 6,816 in transport, and 92,873 in other hazardous or dangerous work.

The Labor Code outlines general guidelines related to health and safety, but the Guinean government has yet to implement a set of practical occupational standards. The government has limited resources for this activity. The law provides that the government should support children's rights and welfare, although in practice, the government has neither the capability nor the political will to curb the high rate of child labor. The Labor Code also stipulates that the Minister of Social Action, Women, and Child Promotion maintain a list of occupations in which women and youth under the age of 18 cannot be employed. In practice, enforcement by ministry inspectors is limited to large firms in the modern sector of the economy.

The labor code allows the government to set a minimum monthly wage enforced by the Ministry of Social Action, Women, and Child Promotion. On April 29, 2014 the government exercised this provision for the first time, setting the minimum wage for domestic workers at 440,000 GNF (approximately \$64) per month. No minimum wage for other sectors was established. There is no known official poverty income level established by the government.

The law mandates that regular work should not exceed 10 hour days or 48 hour weeks, and it mandates a period of at least 24 consecutive hours of rest each week, usually on Sunday. Every salaried worker has the legal right to an annual paid vacation, accumulated at the rate of at least two workdays per month of work. There also are provisions in the law for overtime and night wages, which are a fixed percentage of the regular wage. The law stipulates a maximum of 100 hours of compulsory overtime a year.

The law contains general provisions regarding occupational safety and health, but the government has not established a set of practical workplace health and safety standards. Moreover, it has not issued any orders laying out the specific safety requirements for certain occupations or for certain methods of work called for in the labor code. All workers, foreign and migrant included, have the right to refuse to work in unsafe conditions without penalty.

The Ministry of Social Action, Women, and Child Promotion is responsible for enforcing labor standards, and its 160 inspectors were empowered to suspend work immediately in situations deemed hazardous to workers' health. Nevertheless, enforcement efforts were sporadic. According to the ILO, inspectors received inadequate training and had limited resources. Retired labor inspector positions went unfilled. Inspectors lacked computers and transportation to carry out their duties. Penalties for violation of the labor law were not sufficient to deter violations. The penal code calls for prison terms of up to 10 years for people found guilty of trafficking in persons. Additionally, the law subjects traffickers to forfeiture of objects of value or money received through forced labor of others. Offering someone into forced labor is punishable by up to five years' imprisonment.

Authorities rarely monitored work practices or enforced the workweek standards and the overtime

rules. Teachers' wages were extremely low, and teachers sometimes went six months or more without pay. Salary arrears were not paid, and some teachers lived in abject poverty.

Violation of wage, overtime, and occupational health and safety standards were common across sectors. Forced child labor, which constituted the majority of forced labor victims, occurred primarily in the gold, diamond, cashew, cocoa, and coffee sectors. There were, for example, reports of unsafe working conditions in the artisanal (small-scale) gold mining communities in the northern section of the country, where inspectors found occupational health and environmental hazards.

Despite legal protection against working in unsafe conditions, many workers feared retaliation and did not exercise their right to refuse to work under unsafe conditions. Data were not available on workplace fatalities and accidents in 2015, but accidents in unsafe working conditions were common. The government banned artisanal gold and other mining during the rainy season to prevent deaths from mudslides. Still, the practice continues and many lives were lost in 2015.

Pursuant to the Guinean Labor Code, any person is considered a worker, regardless of gender or nationality, who is engaged in any occupational activity in return for remuneration, under the direction and authority of another individual or entity, whether public or private, secular or religious. In accordance with this Code, forced or compulsory labor means any work or services extracted from an individual under threat of a penalty and for which the individual concerned has not offered himself willingly.

A contract of employment is a contract under which a person agrees to be at the disposal and under the direction of another person in return for remuneration. The contract may be agreed upon for an indefinite or a fixed term and may only be agreed upon by individuals of at least 16 years of age, although minors under the age of 16 may be contracted only with the authorization of the minor's parent or guardian. An unjustified dismissal provides the employee the right to receive compensation from the employer in an amount equal to at least six months' salary with the last gross wage paid to the employee being used as the basis for calculating the compensation due.

The law provides that the government should support children's rights and welfare, although in practice, the government has neither the capability nor the political will to curb the high rate of child labor. The Labor Code also stipulates that the Minister of Social Action, Women, and Child Promotion maintain a list of occupations in which women and youth under the age of 18 cannot be employed. In practice, enforcement by ministry inspectors is limited to large firms in the modern sector of the economy.

Guinea has a young population with a high unemployment rate and lacks employees with specialized skills. The country has a poor educational system and lacks professionals in all sectors of the economy. Guinea lacks the specialized skills needed for large-scale projects.

Workers at the Port Autonome Conakry (PAC) have occasionally held strikes. The most recent call for a strike was in October 2014 to protest the awarding of the Roll On/Roll Off concession for vehicles from PAC to the secure container operator, Bolloré of France. Although PAC employees did not go on strike as this time, a strike has the potential to bottleneck port operations, which would have a ripple effect in the economy as customs revenues account for 45 percent of Guinea's revenues with 98 percent of these revenues collected at the Port of Conakry.

Foreign Trade Zones/Free Ports/Trade Facilitation

Guinea has no foreign trade zones or free ports.

Foreign Direct Investment and Foreign Portfolio Investment Statistics

Key Macroeconomic Data, U.S. FDI in Host Country/Economy

	Host Country Statistical source*	USG or international statistical source	USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
Economic Data	Year	Amount	Year Amount
Host Country Gross Domestic Product (GDP) (\$M USD)	2014	Not Reported	2014 \$6.6 www.worldbank.org/en/country
Foreign Direct Investment	Host Country Statistical source*	USG or international statistical source	USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country (\$M USD, stock positions)	2013	Not Reported	2013 Not Published https://stats.oecd.org/Index.aspx?DataSetCode=FDI_FLOW_PARTNER
Host country's FDI in the United States (\$M USD, stock positions)	2014	Not Reported	2014 \$0 http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm
Total inbound stock of FDI as % host GDP		N/A	N/A

Table 3: Sources and Destination of FDI

No reliable statistics exist related to direct investment. China is most likely Guinea's largest provider of inward direct investment, but that is largely the result of grants/loans given for large scale construction projects being completed by Chinese firms. The Kaleta Dam came on line in June 2015 and was built by Chinese International Water and Electric Corporation via a \$450 million loan from China's EX-IM bank. Chinese firms are also active in road construction projects. In 2013, the UAE agreed to provide \$5 billion in financing to Guinea Alumina Corporation (GAC). GAC, owned by UAE's Mubadala and DUBAL, is expected to begin bauxite exports in 2017 and complete an alumina refinery in 2022. Other key players in Guinea are the United States, Turkey, Morocco, UK (Rio Tinto and Alufer), and France.

Table 4: Sources of Portfolio Investment

No reliable statistics exist related to portfolio investment

Contact for More Information on the Investment Climate Statement

-NAME: Michael Westendorp
-TITLE: Economic and Commercial Officer
-TELEPHONE NUMBER: +224655104428
-EMAIL ADDRESS: WestendorpMC@state.gov

Trade & Project Financing

Methods of Payment

The vast majority of transactions are made in cash. Imports/exports rely on documentary letters and letters of credit. There are no credit rating or collection agencies. Use of credit cards in Guinea is discouraged by the U.S. Embassy due to high levels of fraud.

Banking Systems

Guinea's banking system is loosely based on the rules and regulations governing the French banking system. Guinea's commercial banking sector was legalized by reforms in 1985 and 1986. Guinea's formal financial sector consists of the Central Bank and several commercial banks. The financial sector is largely controlled by foreign-owned banks. The system has a narrow base, is very fragile, and is unable to meet the development needs of the private sector; hence, there is a thriving black market for foreign currencies. Since banks are conservative and risk averse, there is not a significant amount of capital available to finance large investments. Commercial banks favor short-term lending at high interest rates (25% and up), as there is high potential for default. International banking institutions have reported harassment by the military in the form of robbery and attempted extortion.

Foreign Exchange Controls

Guinea's Investment Code guarantees the free transfer of capital

US Banks & Local Correspondent Banks

First International Bank (FIBank) was recently acquired by an American firm and is now the only U.S. bank operating in Guinea, but there are several other local banks with U.S. banking arrangements including:

- Banque Internationale pour le Commerce et l'Industrie de Guinee (BICIGUI) operates with Citibank of New York, and the French American Banking Corporation Banque Nationale de Paris
Tel : (+224) 30 41 45 15
Email: dg.bicigui@bnpparibas.com

www.biciguinet.net
- Societe Generale de Banque en Guinee, with SBG New York,
Tel : (+224) 30 41 17 46

www.sgbg.net
- OraBank formerly UIBG, a subsidiary of Credit Agricole Francais
www.orabank.net
Av. de la République - 5ème Bld. / 6ème Av.
BP 324 Conakry
T: 00 (224) 622 35 00 70
- ECOBANK, a partner of Citibank
Tel: (+224) 30-45-58-76/ +224-30-45-58-77
Email: ecobankgn@ecobank.com

ECOBANK, a West African bank under partial Citibank ownership, has direct financing and transfer links with Citibank worldwide. ECOBANK has gained the bulk of U.S. banking business in Guinea and has consistently been more accommodating to potential U.S.-based clients.

- First International Bank
Cite Chemin de fer

PB 557

Tel : (224) 662 46 46 46

Director : Mady Conde

First International Bank (FIBank) was recently acquired by Lithium Capital of New York.

Project Financing

The six major commercial banks limit their activities to short and medium-term finance. Commercial interest rates are very high, averaging 20-30 percent, making commercial loans scarce and expensive. A majority of these programs focus on helping local Guinean businesses and are, therefore, difficult for foreigners to access. Most U.S. exporters dealing with Guinean importers receive direct payment through international transfer. If not, exporters are encouraged to insist upon an irrevocable letter of

credit before shipping products to Guinea. Funding for larger projects or business expansions can be found through international lenders and development banks. For example, the African Development Bank's private-sector window also has some funding available for development-orientated business projects. The Overseas Private Investment Corporation (OPIC) will accept invitations for investment projects in Guinea. However, all contracts/projects that are "under review" by the government of Guinea are not eligible for consideration by OPIC. The U.S. Trade and Development Agency (TDA) has a program to assist in the financing of feasibility studies that meet significant U.S. export criteria.

Multilateral Development Banks (African Development Bank, World Bank)

The Commercial Service maintains Commercial Liaison Offices in each of the main Multilateral Development Banks, including the African Development Bank and the World Bank. These institutions lend billions of dollars in developing countries on projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and advancing infrastructure development. The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. Learn more by contacting the Commercial Liaison Offices to the African Development Bank (<http://www.export.gov/afdb>) and the World Bank (<http://export.gov/worldbank>).

Web Resources

Commercial Liaison Office to the African Development Bank <http://www.export.gov/afdb>

Commercial Liaison Office to the World Bank <http://export.gov/worldbank>

Financing Web Resources

Trade Finance Guide: A Quick Reference for U.S. Exporters, published by the International Trade Administration's Industry & Analysis team: <http://www.export.gov/tradefinanceguide/index.asp>

Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: <http://www.opic.gov>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>

U.S. Agency for International Development: <http://www.usaid.gov>

Business Travel

Business Customs

Given the complexity of Guinea's social and economic customs, it is imperative to establish local contacts, and possibly a local office staffed by individuals who know the language(s) and cultures of Guinea. With the commencement of the Second Republic in 1984, Guinea liberalized its economy and opened up to investors from other regions for the first time. However, rampant corruption and several years of political instability have mitigated the beneficial effects of the investment laws. With the return of stability and the establishment of a democratically elected executive eager to attract foreign investment this situation may improve, but it will take time to change an established culture of corruption and mistrust.

Bribery is a common practice in commercial negotiation in Guinea. Though it is illegal to pay bribes in Guinea, there is no enforcement of these laws. In practice, it is difficult and time-consuming to conduct business without paying bribes in Guinea, which can leave U.S. companies at a disadvantage as they must comply with the Foreign Corrupt Practices Act. Enforcement of the rule of law in Guinea is irregular and inefficient. Businesses report that one must pay a bribe to see that law is enforced, and then a bribe is paid by the offender to reduce or eliminate any penalties. It is crucial that businesses understand that bribery is common and be prepared to appropriately address and deflect bribery attempts.

Business in Guinea is conducted on a very personal level; given the weakness of local legal institutions and law enforcement Guineans rely heavily on personal networks to make business connections and establish trust. Particularly at the beginning of a business relationship face-to-face meetings are vital. Guinean businessmen will want to inspect potential partners' products and facilities personally to establish their quality.

Guinea's population is approximately 85% Muslim. Businesses will encounter similar challenges and opportunities found in other West African/Muslim countries. Business attire is recommended and business cards are commonly exchanged during meetings. Key elements to having success in the Guinea are French language ability, patience, taking the time necessary to develop relationships, and very clear contractual terms, including an irrevocable letter of credit and/or advance payment.

Travel Advisory

It is highly advisable for any U.S. citizen to consult the U.S. Embassy's Consular Information sheet for Guinea, available at the Department of State website: http://travel.state.gov/travel/cis_pa_tw/cis/cis_1132.html. In case of a recurrence of Ebola in Guinea, consult CDC for the latest travel notices and information at <http://wwwnc.cdc.gov/travel/notices>.

Visa Requirements

A passport, visa, international vaccination record (WHO card), and a current yellow fever vaccination are all required for entry into Guinea. Please contact the Embassy of the Republic of Guinea for the most current visa information. The Embassy of the Republic of Guinea in Washington, D.C. is located at 2112

Leroy Street, NW, Washington, DC 20008; tel: (202) 986-4300; fax: (202) 478-3010. Overseas inquiries should be made at the nearest Guinean embassy or consulate. The U.S. Department of State is unaware of any HIV/AIDS entry restrictions for visitors to or foreign residents of Guinea. Although the reciprocity visa agreement between Guinea and the United States calls for a 36 month multiple entry visa, the Guinean embassy only issues visas for six and 12 month validity.

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links:

State Department Visa Website: <http://travel.state.gov/visa/>

U.S. Embassy, Conakry Consular Office: <http://conakry.usembassy.gov/visas.html>

Currency

Guinea is a cash economy. While some upscale hotels will accept credit cards, fraud and exchange rate manipulation make dealing in hard currency a simpler way to settle accounts. ATMs are rare and susceptible to tampering. Dollars can be exchanged for local currency relatively easily at local banks.

Telecommunications/Electric

The telephone network in Guinea is generally unreliable and subject to coverage failure and frequent system outage in the countryside, but there is generally reliable 3G network in Conakry. While there are some land lines, the more common practice is to carry multiple cell phones with different cellular company subscriptions. There are currently four major cellular phone companies in Conakry (MTN, Cellcom, Intercel, and Orange). Competition between the available service providers affords customers reasonable local rates. International calls can be made from most cellular phones, major hotels, and places of business. Guinean postal service is not reliable and is not a secure means of transmitting anything of value. It is strongly advised that all mail be routed through the overnight carriers serving Guinea (DHL or FedEx).

There are numerous web equipped facilities in Conakry, however the services are expensive and insecure, and the connections are poor. Internet connectivity in the interior of the country is almost non-existent. Guinea is connected to the undersea fiber optic cable off the West African coast and internet speed and reliability has improved. Some providers now provide fiber optic based service which represents a vast improvement. Guinea's internet speeds are poised to continue improving as more service providers roll out fiber optic based data services.

Guinea uses a 220 volt system with a standard European/French plug.

Transportation

Air France operates daily flights from Paris to Conakry and **Brussels Airlines** flies from Brussels to Conakry three times per week.

Royal Air Maroc, Air Ivoire and ASKY, Air Mauritania make regional connections from Conakry to Dakar, Casablanca, Monrovia, Freetown, Bamako, Lome, Accra, Lagos, Nouakchott and Abidjan.

Emirates Air started service between Dubai and Conakry in 2013, but suspended flights to Conakry in August 2014 due to the Ebola epidemic. Emirates Air has yet announce a return to Guinea.

Turkish Airlines announced plans to begin service between Istanbul and Conakry in June 2016.

Taxis are available at the major hotels in Conakry, but are not up to U.S. standards and can be unsafe. Car rental (with or without a driver) is available through many larger hotels in Conakry, though it is expensive. There are no car rental agencies at the airport.

Avis: B.P. 1455, Conakry, Republique de Guinee; Tel: +224.622.41.11.82; Email: avisgui@sotelgui.net.gn

Hertz Guinee: B.P. 1562, Conakry, Republique de Guinee; Tel: +224.43.07.45

EURO Car: Hotel de l'Independence, B.P. 3152, Conakry, Republique de Guinee; Tel: +224.631.40.70.80; Email: azcorp@sotelgui.net.gn

Language

French is the official language of government, education, and business. Local languages (Soussou, Peular, Malinké, etc) are also widely spoken, particularly outside of Conakry. Most Guinean businesspeople speak little or no English.

Health

Most healthcare facilities in Guinea are in poor condition. There is little or no control on the importation of medicines, many of which are suspected to be counterfeit and dangerous to use. Visitors should update all appropriate vaccinations before traveling to Guinea. Consult the Center for Disease Control and Prevention's website, www.cdc.gov/travel and the U.S. Embassy's Consular Information Sheet, http://travel.state.gov/travel/cis_pa_tw/cis/cis_1132.html, for information on vaccinations, medical education, insurance (including Medevac insurance), medical facilities, and health care. Please be advised that any traveler to Guinea must have a yellow fever shot recorded on an official World Health Organization (WHO) card (see "visa requirements" section) in order to enter the country. The vaccination should be given at least 10 days before travel and at 10 year intervals if there is an on-going risk. If a traveler does not have the immunization and card when entering Guinea, they will be given the shot by airport medical officials, which is not a recommended space for such vaccinations.

Malaria is a major cause of death among unprotected travelers. Malaria is a tropical infection spread by the Anopheles Mosquito. Chloroquine-resistant malaria is present in Guinea. Malaria prophylaxis should be started two weeks before arrival for Mefloquine and continue four weeks after departure; two days prior for Malarone, and seven days after departure; and for Doxycycline, two days prior to coming and continued for 4 weeks after departure. Please consult your physician for the appropriate prophylaxis and usage before taking any of these prescription medications.

Before traveling to Guinea, it is important to consult your physician about appropriate measures to take to maintain your health. Although not an exhaustive list, the following simple health precautions should be observed in Guinea:

- Drink only bottled, boiled, or filtered water
- Wash and disinfect salad ingredients and non-peelable vegetables and fruits before eating them
- Take anti-malaria pills as the prescription requires
- Use a mosquito net at night and wear long-sleeved clothing and pants when possible
- Do not swim in non-moving fresh water
- Persons with chronic medical conditions **must** bring supplies and medications sufficient for their length of stay

Medical facilities are limited and are not up to U.S. or European standards. Doctors and hospitals will expect immediate cash payment for medical care. The Embassy's Consular Section keeps a list of doctors for referral to Americans.

Guinea suffered an Ebola outbreak since December 2013. Although the outbreak is over, there remains the remote chance of viral re-emergence in Guinea. The CDC website will contain the most up to date information concerning any re-emergence and its threat to visitors.

<http://wwwnc.cdc.gov/travel/notices>.

Local Time, Business Hours and Holidays

Conakry follows Greenwich Mean Time (GMT). Business hours are generally from 9am until 6pm, but times vary greatly. The following official holidays are observed in Guinea (days vary for religious holidays):

The U.S. Embassy in Conakry, Guinea will be closed on the following dates in 2016 in observance of local and U.S. holidays.

Date	Holiday	Type
January 1	New Year's Day	GG/US
January 18	Martin Luther King's Day	US
February 15	President's Day	US
March 28	Easter/Lundi de Pâques	GG
May 1	Labor Day (G)	GG
May 25	OUA Anniversary	GG

May 30	Memorial Day	US
July 03	Lailatoul Qadr	GRH*
July 04	Independence Day (U.S.)	US
July 06	End of Ramadan (Eid-al-Fitr)	GRH*
August 15	Assumption Day	GG
September 05	Labor Day (US)	US
September 11	Tabaski (Eid-al-Adha)	GRH*
October 02	Independence Day	GG
October 10	Columbus Day	US
November 11	Veteran's Day	US
November 24	Thanksgiving Day	US
December 13	Mawlid (Maouloud)	GRH*
December 26	Christmas Day	GG/US

U.S. = United States holiday

GG = Guinean Government

GRH* = Guinean religious holiday, governed by lunar calendar. Exact dates confirmed by religious authorities.

Temporary Entry of Materials or Personal Belongings

Provided that goods are declared prior to entry, all items for personal use and personal effects may be brought into the country in small amounts, free of duty. Transport of narcotics, military equipment, and firearms is prohibited.

Travel Related Web Resources

- <http://conakry.usembassy.gov/>
- www.travel.state.gov
- www.cdc.gov
- www.who.int

Leading Sectors for US Exports & Investments

Best Prospect Overview

Equipment and Machinery

Overview

Guinea has little manufacturing capability, so most machinery and equipment must be imported into the country. With government and private investments in large infrastructure continuing as the country develops, the sector is likely to expand.

Sub-Sector Best Prospects

The sector with the best potential is the mining sector. Bauxite, iron ore, gold, and diamond mining projects represent key markets for Guinea. Additionally - and linked to the success of the mining projects development - road and railroad construction is a potentially lucrative market in the future. However, most recently, large road contracts went exclusively to politically well-connected Guinean or Chinese construction firms.

Opportunities

There are several opportunities for exporting machinery and equipment to Guinea, particularly in the mining sector. Several mining companies are in the early exploration or construction phases of their contracts and will likely look to make substantial investments in machinery and construction equipment in the upcoming years. Additionally, new hotel, office building, and road construction in and around Conakry offer opportunities for machinery and equipment sales.

Web Resources

- <http://invest.gov.gn/fr/opportunites>
- <http://www.ega.ae/en/operations/mining-refining/gac/>
- <http://www.alcoa.com/guinea/en/home.asp>
- <http://www.riotinto.com/guinea/simandou-4695.aspx>
- <http://www.alufermining.com/guinea/>
- www.newmont.com (no info on Guinea's operation)
- <http://www.groupe-guicopres.com/>
- <http://www.guitersa.net/en/index.html>
- <http://ums-international.com/>

	2014	2015	2016	2017 (Estimated)
Market Size	175,090	217,014	240,000	
Local Production	0	0		
Imports	175,090	217,014		
Exports				
Total Market Size	175,090	217,014		

\$US thousands (total market size = (total local production + imports) - exports)

Agricultural Sector

Overview

Historically, Guinea was the major agricultural producer among the colonies of French West Africa. The sector has subsequently collapsed, making Guinea a net food importer, despite its immense agricultural potential. Agricultural production is, with few exceptions, at the smallholder/subsistence level. However, with increased direct foreign investment in the mining sector, other foreign firms are looking to invest in agricultural projects in Guinea, such as rice production in the northern region of Boké. The government is currently self-funding the construction of a rice irrigation project on the Koundian Plain outside of Kankan. The government hopes to be self-sufficient in the production of rice by 2020.

Guinean producers have little or no access to short-term loans or guaranteed markets, so it is difficult for them to make capital improvements in their farms. Poor or nonexistent infrastructure compounds the problem, as producers have little access to cold storage or good roads. As a result, it is hard to get produce to local markets before it starts to spoil, let alone transport it overseas. Some producers are making the transition to dried foodstuffs, which are easier to transport, but lack the necessary machinery and capability to make this a large-scale operation.

While sophisticated producers are aware of U.S. sanitary and phytosanitary regulations, it is difficult for Guinean producers to meet the regulations at the present time. There is potential for Guinea to export bananas, pineapples, potatoes, mangos, other fruits and vegetables, flowers, and plants if these problems are overcome. These could act as significant investment opportunities for U.S. business.

Guinea's largest suppliers of rice are Thailand, India, Bangladesh, Vietnam, Pakistan, China, and Taiwan. Flour imports originate largely in France and Morocco. Principal sugar suppliers include Belgium, France, Brazil, and Senegal. Periodically, the government takes measures to protect domestic agricultural production. For example, in 2011 the government banned many agricultural exports, most notably rice, believing that this would hold down domestic prices. In 2016, the government banned the export of many high value agricultural exports overland in an attempt to capture more trade via sea and airports.

Sub-Sector Best Prospects

Areas that may offer potential for U.S. exports are rice and wheat, along with livestock feed. For interested U.S. exporters, Guinea is eligible under two USDA export programs: the Dairy Export Incentive Program (DEIP, which is not operational at this time), and the GSM-102 Export Credit

Guarantee Program. For further information, please contact the U.S. Department of Agriculture, Foreign Agricultural Service, Credit Programs Division, 1400 Independence Avenue, SW, Mail Stop 1025, Washington, D.C. 20250-1025.

Opportunities

Web Resources

<http://invest.gov.gn/fr/opportunitites/agriculture>

Oil and Gas

Overview

Currently, the Guinean government fixes gasoline at the retail level, subsidizing prices to ease the burden on consumers. Since the start of 2015, due to the decrease in world oil prices the government has reduced the price of gasoline from 10,000 GNF/liter to 9,000 GNF in February 2015 to 8,000 GNF/liter in March. As of June 2015, the price remains at 8,000 GNF/liter for all grades of fuel. The exchange rate as of May 2016 is 9,000 GNF/U.S. dollar.

Storage capacity of petroleum products in Guinea is a problem, with the sole private importer, Guinea Petroleum Company (SGP), having capacity only for an amount equal to about three weeks demand. There is no petroleum refinery in Guinea, meaning that even the slightest interruption in fuel deliveries may provoke fuel shortages. Major consumers include mining companies, retail gasoline stations, and the state-owned electrical utility's diesel generators.

Sub-Sector Best Prospects

The extent of Guinea's potential oil and gas reserves remains unknown, but promising. U.S.-owned Hyperdynamics conducted oil exploration studies off of Guinea's coast. In February 2012, their first exploratory well uncovered non-commercial quantities of oil. Hyperdynamics sold 40 percent of its Guinean subsidiary to Anglo-Irish oil company, Tullow Oil. As of May 2016, further planned exploratory offshore drilling has not occurred, hampered by ongoing disagreements within the consortium.

Opportunities

The Guinean government is assessing ways to repair its dilapidated energy grid, and may seek new avenues to access petroleum products for its power plant.

Web Resources

www.hyperdynamics.com

<http://onap-guinee.com/>

	2014	2015	2016	2017 (Estimated)
Market Size	778,782	494,949		
Local Production	0	0		
Imports	778,782	494,949		
Exports	0	0		
Total Market Size	778,782	494,949		

\$US thousands (total market size = (total local production + imports) - exports)

Construction and Semi-Finished Materials

Overview

From 2008 to 2010, political instability and the global economic crisis slowed construction considerably. However, the return of international investors to Guinea after 2010's presidential elections sparked a boom in hotel, residential, and office building construction. Construction in the capital of Conakry remains robust. As in most other sectors, most construction material must be imported.

Sub-Sector Best Prospects

As with much of Guinea's economy, the best prospects for growth revolve around mining company operations. Several mining companies are expected to begin construction on projects and will require a vast amount of infrastructure development to access their concessions.

Opportunities

The Guinea Alumina Corporation's bauxite expansion project in Sangaredi and Kamsar will see in boom in construction projects related to developing the mine site and building new port facilities. Furthermore, UK-based Alufer is expected to begin developing its bauxite concession near Boffa toward the end of 2016. The potential expansion of Compagnie Bauxite de Guinee (CBG) would also add to imports in this sector. Valued at \$660 million, the U.S. company FLUOR is leading the infrastructural preparation for CBG's expansion project. There will also be major construction in the Kipe neighborhood of Conakry as Guicopress leads a consortium building the new seat of government over the next several years.

Web Resources

- www.bechtel.com
- www.fluor.com
- www.riotinto.com
- www.alufer.com
- www.guineaalumina.com
- www.anglogoldashanti.com
- <http://www.guicopresbtp.com/>

	2014	2015	2016	2017 (Estimated)
Market Size				
Local Production				
Imports	63,557	62,329		
Exports				
Total Market Size				

\$U.S. thousands (*total market size = (total local production + imports) - exports*)

Renewable Energy and Power Generation

Overview

The Government of Guinea (GOG) has announced a long-term energy strategy focusing more on solar and hydroelectric power as a way to promote environmentally-friendly development and to take advantage of Guinea's abundant water supplies. Kaleta Dam, which came online in 2015, is the first step

in this strategy, which includes restructuring of Guinea's electricity parastatal and new power lines connecting Guinea to its neighbors. The Guinean government has also been bullish on building on Guinea's power generating capacity from thermal and renewable sources, signing conventions with two US firms in 2016 and seeking financing for large and small scale hydro projects.

Sub-Sector Best Prospects

Guinea's rivers show great potential for hydroelectric power. With Kaleta completed, the government plans to invest in several smaller dams in the near future and hopes to secure the financing for the Souapiti Dam, which will be twice Kaleta's size, cost, and generation capacity. Located 10 km upstream from Kaleta, Souapiti will regulate the Konkoure River to ensure that Kaleta can operate at full capacity even during the dry season.

Solar power is also growing in popularity for both corporate and residential use. U.S. company Hecate is exploring the construction of providing 50-100 MW of solar power in the country's interior.

Opportunities

In April 2015, the government chose French firm Veolia to manage the dysfunctional state operated electric company, EDG -Electricité De Guinée, widely regarded as having been mismanaged for decades. Veolia received a four year contract to implement a recovery plan for the indebted utility. The government hopes to privatize or seek a Public-Private Partnership for the utility following the conclusion of Veolia's contract. The management of former State Operated Enterprises (SOEs) could be an opportunity for U.S. companies.

U.S. manufacturers such as General Electric, Pratt & Whitney, and others could see increased opportunities for sales of power generation turbines in Guinea as the country develops its hydro potential to meet domestic and regional demand.

Web Resources

- www.daccglobal.com
- www.nationsolar.net
- <http://www.veolia.com/en/veolia-group/profile>
- <http://invest.gov.gn/fr/opportunités/energie-et-hydraulique>
- <http://www.hecateenergy.com>

Guinean authorities do not keep statistics on renewable energy as a discrete sector.

Processed Foods

Overview

Rice is the largest component of food imports to Guinea, making up almost 40% of all food imports and accounting for over \$80 million annually. The second largest component is wheat flour. Both of these items are staples of the Guinean diet, and domestic production is currently unable to meet demand. While there is some domestic production of rice and wheat, imported products are generally much cheaper, and therefore more popular.

Sub-Sector Best Prospects

President Conde's government is eager to reinvigorate its agricultural sector, but will still remain heavily reliant upon processed food imports. The poor condition of transportation routes in the interior of the country means that much of the population depends upon processed and easily transported food products. There is no cold chain transportation network in the country and roads are in poor condition so Guinea does not export much of its agricultural output. The domestic transportation networks are also not efficient.

Opportunities

American processed food brands are well-respected and preferred over Asian imports as being higher-quality and safer to consume. However, they are generally sold as premium products at prices higher than the average Guinean can afford.

Web Resources

	2014	2015	2016	2017 (Estimated)
Market Size				
Local Production				
Imports	480,938	482,499		
Exports		51		
Total Market Size				

\$US thousands (*total market size = (total local production + imports) - exports*)