

GUINEA



GENERAL ECONOMIC DATA	
Population - 2005	9.4 million
Area	245 900 Km ²
GDP - 2005	USD 2.7 billion
PNB per inhabitant - 2005	USD 370
Growth rate - 2005	3%
Inflation - 2005	31.4%
Trade balance (% of GDP) - 2005	4%
Budget balance (% of GDP) - 2005	-0.8%
Investment (% of GDP) - 2005	12.4%
Domestic savings (% of GDP) - 2005	10.3%
Total debt (% of GDP) - 2005	97.7%
COFACE Country risk rating	D

Sources : World Bank, World Development Indicators database, April 2006
FMI, Perspectives Economiques Régionales, May 2006
BAfD/FAD, Document de Stratégie par Pays, 2005-2009
CIA, The World Factbook - COFACE Rating

ECONOMY STRUCTURE

Guinea is endowed with numerous natural resources: the biggest bauxite proved deposits in the world (over 20 billion T) as well as diamond, gold, iron deposits. In addition, it has a very high hydroelectrical potential. Despite such potential, Guinea encounters difficulties in its development and faces a lack of structural and administration modernisation reforms. Moreover, the recourse to monetary funding of the budget deficit has favoured inflation which has reached a record level since 2003.

However, the reintegration of Guinea in the West African Economic and Monetary Union (WAEMU) together with the expected return of international donors and especially of the European Union open up

new development opportunities for the country, in addition to the investments scheduled by the largest mining companies in the world.

Sectorial distribution:

- Primary industry (25.6% of GDP): cassava, peanuts, rice, coffee, palm oil, cotton, breeding, fishing
- Manufacturing industry (37.6% of GDP): mines (bauxite, gold, diamond...), agro-food, **Construction & Civil engineering and building materials**, textile, bauxite processing
- Services sector (36.8% of GDP): trade, transport, banking

CONSTRUCTION & CIVIL ENGINEERING SECTOR

The Construction & Civil Engineering sector is expanding and supported by infrastructure projects in the water and road sectors and mainly by the investments in the mining sector. The transguinean railway major project, for the exploitation of the new iron and bauxite deposits, is a real opportunity for the development of this sector.

PLAYERS

The market is still dominated by the European and Chinese contractors for infrastructures: Sogea Satom (France), Sericom – Santullo Group (Italy), Salini (Italy), Simco - Groupe Soprema (France), Strabag (Germany). Some of these groups have local subsidiaries. As regards Guinean companies, these represented by SMEs and often intervene within the framework of subcontracting projects. The Senegalese contractors in the Construction & Civil engineering sector are also present in the market (CDE).

Initiatives for the creation of a formalised professional organisation in the Construction & Civil engineering sector are currently being taken in Guinea.

INFRASTRUCTURES

- **Roads:** the national road network covers 13,595 km, of which 1,959 km are asphalt coated. Several development projects for road infrastructures are envisaged or are currently implemented in order to support the interconnection with neighbour countries: Kankan – Kouremali (217 km) / Bamako (127 km) with AFD funding, Boké - Sansalé (Guinea Bissau border - 100 Km), Labé-Koundara (Senegal border - 302 Km). The construction of numerous engineering structures is also envisaged.
- **Railways:** the national line (662 km) connecting Conakry and Kankan which opened up the inner part of the country is no longer operational because of its poor condition. Three railway lines remain for boxite related activities: Kindia - Conakry (125 km), Fria - Conakry (140 km) and Kamsar - Sangarédi (130 km). The rehabilitation of the Conakry / Dabola railway segment is correlated to the exploitation perspectives of the Dabola deposit. Furthermore, the transguinean project is still intended for the transport of the iron ore of the Simandou-Nimba region (1000 km).
- **Airports :** there are only one international airport (Conakry Gbessia) and 14 internal airports of which 4 mining airports. The Conakry airport has an international passenger terminal with a capacity of 600,000 passengers per year, an internal terminal with a capacity of 200,000 passengers and a freight terminal with a capacity of 6,000 tons per year. The renovation of the Kankan, Labé and N'zérékoré aerodromes is also envisaged.
- **Harbours:** Guinea has three ports: the Autonomous Port of Conakry (*Port Autonome de Conakry* - PAC), the Kamsar ore port and the Benty commercial port. The PAC plays an important role in the economical activity of the country. It has benefited from important investments for the rehabilitation and extension of its infrastructures. A rehabilitation project for the infrastructure of the Benty secondary port is also envisaged.
- **Waterways:** 450 Km are navigable (on the Niger from Kouroussa and on the Milo from Kankan) to Bamako only four months a year.

- **Water:** Despite the high hydraulic potential and the efforts made by the country and the donors, access to drinking water is still a luxury, mostly in the rural area. 51% of the population has access to drinking water (78% in the urban area and 38% in the rural area - 2002). Furthermore, only 13% of the population is serviced by sanitation infrastructures. The SONEG, a public company, is in charge of the development/ rehabilitation of the drinking water network. The Guinea Water Company (*Société des Eaux de Guinée* - SEG), held by the Guinean Government, is in charge of the supply of drinking water in the urban areas of the country and covers 78% of the capital. The National Service of Water Supply Facilities (*Service National des Points d'Eau* - SNAPE) is responsible for the rural areas.

Some projects are being implemented or envisaged in this field in order to improve access to drinking water and to sanitary facilities (European Union, World Bank (MUSD 12), African Development Bank (MUC 15), German cooperation –KFW- (MEUR 15), Japanese cooperation).

- **Energy:** Guinea has an important hydroelectric potential, estimated at 14.5 TWh per year; only 1% of which is used. Guinea Electricity (*Electricité De Guinée* - EDG), created after the liquidation of SOGEL and the dissolution of Enelgui, is responsible for the maintenance of the equipment and development of the production, transport and distribution of electric power. The installed capacity amounts to 242 MW of which 57% is of hydro-electric origin and 43% thermal. There are approximately 150 mini and micro hydro-electric power plants in the country cumulating an aggregate installed capacity of 14.24 MWh. The major plants include those of Grande Chutes (27 MWh) and the Garafiri dam (75 MWh).

The Chinese Eximbank has recently signed a memorandum with the Guinean authorities for the construction of the Souapiti dam of a capacity estimated at 515 MWh for an investment of 1 billion dollars. Two other projects are also under consideration: Fomi on the Niandan (90 MWh) and Tiopo on the Kogon river (120 MW).

HOUSING AND FUNCTIONAL BUILDINGS

The construction of housing and functional buildings is expanding and sustained by the demand in sectors such as dwelling, mining industry, trade and tourism. Furthermore, a major urbanism project in the centre of Conakry is under consideration for the creation of an administrative area for ministerial buildings.

- **Housing :** the housing status is still difficult especially in the urban centres where the non-structured occupation of the land has encouraged an informal construction phenomenon. In spite of the efforts for the implementation of the urban development projects (PDU) and the preparation of the planning documents (*National Plan for Land Planning, Urban Development Plan of Conakry, Master Plans for the Development and Town Planning of the secondary cities, Land and State-owned Property Code; Town Planning Code*), the housing sector encounters a huge dwelling deficit and decent services mainly pertaining to the low household income and to the absence of housing funding mechanisms. UNDP and Shelter Africa are currently examining how to set up a Housing Bank.

The Ministry of Urbanism and Housing is searching for private funding for the construction of 1,000 low-income dwellings.

- **Functional buildings:** numerous projects stem from the private sector for industry (agro-industry, wood/paper field, metallic products) and tourism mainly for the rehabilitation and construction of hotels. Several development projects for the industrial areas are envisaged (Kindia, Matoto, Coyah) as well as the construction related to commercial operations (trade areas, shopping centres, storage centres...). However, the most important projects are in the mining field as a result of the construction of an industrial complex for processing bauxite.

BUILDING MATERIALS

- **Cement:** the Ciments de Guinée, held at 60% by Holcim since 1988, has a capacity of 600,000 tons/year but do not cover the needs of the Guinean market. The limestone geological reserves are estimated at approximately 200 million tons. The deposits are located in the Kindia, Siguri, Tougué and Mali prefectures.
- **Other building materials:** Guinea has various resources of magmatic rocks (granites, dolerites, gabbros, etc.) that are used as building materials for dwellings, roads and construction works. Some beautiful specimens used as decorative stones (Kakoulima and Saala black granite, Madina beige-pink, Gaoual green, Dubréka flamme, Dalaba pink-red, etc.) can also be found.

KEY PLAYERS

Institutions

Ministry for Transport and Public Works

BP. 715, Conakry - Tel : +224 41 36 39 - Fax : +224 41 35 77

Ministry for Urbanism and Housing

BP. 846, Conakry - Tel : +224 41 46 87 - Fax : (224) 41 46 81

Ministry for Mines and Geology

BP. 295, Conakry - Tel : +224 41 38 33 - Fax : +224 41 49 13

Ministry for Water and Energy

BP. 1217, Conakry – Tel : +224 41 10 69 - Fax : +224 45 25 53

Construction & Civil Engineering Contractors

Ciments de Guinée S.A.

BP. 3621, Conakry - Tel : +224 30 41 45 12 - Fax : +224 30 41 45 13 - Email : cimentsdeguinee@biasy.net

Consortium D'Entreprises (CDE)

BP. 1180, Conakry - Tel : +224 46 22 15 - Fax : +224 013 40 93 13 - Email : cdegui@sotelgui.net.gn

Friedlander

BP. 1648, Conakry - Tel : +224 22 16 340 - E-mail : friedlander@biasy.net

GMC

BP. 1917, Conakry - Tel : +224 13 40 91 21 - Fax : +224 13 40 27 35 - Email : gmc@biasy.net

Razel

BP. 2465, Conakry - Tel : +224 46 03 20 16 - Fax : +224 46 22 76 - Email : razelgn@biasy.sn

Sericom Guinée

BP. 2191, Conakry - Tel : +224 41 41 92

Sogea-Satom

BP. 862 - Tel : +224 46 31 21 - Fax : +224 46 31 21

Control

Bureau Veritas

BP 1451 Conakry - Tel : +224 41 18 41 - Fax : +224 44 21 12

SGS Guinée

BP 4559 Conakry - Tel : +224 45 47 90 - Fax : +224 45 44 25 - Email : gen_conakry_sa@sgsgroup.com

Web : www.sgsgroup.com

Engineering firms

Baec

BP. 825, Conakry - Tel / Fax : +224 46 43 81

Carig

BP. 974, Conakry - Tel / Fax : +224 41 46 95 - Email : carigfr@yahoo.fr

Isoris

BP. 669, Conakry - Tel / Fax : +224 43 30 57 - Email : isorispk@yahoo.com

Water / Energy / Transport**Guinea Electricity (*Electricité de Guinée* - EDG)**

Immeuble, CHERIF, Blvd. Tely Diallo, Conakry - Tel : +224 45 18 85 - Fax : +224 41 18 53

Autonomous Port of Conakry (PAC),

B.P. 805 Conakry - République de Guinée - Tel : +224 41 27 28 / 41 27 37 - Fax : +224 41 26 04
Email : pac@eti-bull.net

Guinea Water Company (*Société des Eaux de Guinée* - SEG),

BP. 150, Conakry - Tel : +224 45 43 70 - Fax : +224 41 18 22

National Service for Water Supply Facilities (*Service National des Points d'Eau* - SNAPE),

BP. 2064, Conakry - Tel / Fax : +224 43 50 58

Banks**B.C.R.G. - Banque Centrale de la République de Guinée**

BP. 692 Conakry - Tel : +224 41 17 35 / 41 17 25 / 41 17 34 - Fax : +224 41 48 98

BICIGUI - Banque pour le Commerce et l'Industrie de Guinée (Groupe BNP PARIBAS)

BP.1484 Conakry - Fax : +224 41 45 15 - Tel : +224 41 39 62 / 41 92 13

B.I.G - Banque Islamique de Guinée

BP. 1247 Conakry - Tel : +224 41 50 86 / 41 21 08 - Fax : +224 41 50 71

BP.M.G. - Banque Populaire Maroco-Guinéenne

BP. 4400 Conakry - Tel : +224 41 23 60 / 41 36 93 / 41 92 06 / 41 92 12 - Fax : +224 41 32 61 / 41 53 05

Ecobank Guinée

BP 5687 Conakry - Tel : +224 45 57 91 / 45 59 08 / 45 58 77 - Fax : +224 45 42 41 / 45 42 09

I.C.B. International Commercial Bank

BP 3547 Conakry - Tel : +224 41 25 90 / 41 25 91 / 41 25 92 - Fax : +224 41 54 50

S.G.B.G. - Société Générale de Banques en Guinée (Groupe Société Générale)

B.P. 1514 Conakry- Tel : +224 45 60 00 / 45 60 02 - Fax : +224 41 25-65

U.I.B.G. - Union Internationale de Banques en Guinée

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