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Q&A Session

Guinea in Transition: Reform, Resources and Regional Relations

HE Alpha Condé

President of the Republic of Guinea

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Question

How difficult is it to pursue reforms to the mining sector without giving the impression of resource nationalism? How difficult is it to communicate your objectives to mining companies and to the private sector? Do you feel they have understood your strategy and motives?

Alpha Condé

President Condé stated that there is a double objective in Guinea's reform agenda. On the one hand, it is important to ensure that companies remain competitive, especially in relation to those that are extracting from Indonesia for the Chinese market. On the other hand, Guinea wants to make sure that resources are utilized for the benefit of the people, and that the people of Guinea feel the benefits of mining activity.

To this aim, the government has established a due process that gives the best companies a chance to make some profits in Guinea while ensuring that the people benefit from their activity. The government believes this is the only condition to ensure sustainability over time, regardless of who is in government. Companies will make sure that their contracts are supported if they get the buy-in of the people of Guinea, so their best guarantee is popular support.

Question

Since your election there has been a very difficult process to try and move towards legislative elections; politics has been very confrontational and there has been quite a lot of street violence with conflict between security forces and protestors. How do you move the country forward towards a culture of dialogue and consensus where people have trust in the electoral institutions?

Alpha Condé

President Condé noted that change is difficult, because it challenges vested interests. He stated that he is facing many former prime ministers who were part of the status quo in Guinea. He recalled an exchange with a religious leader, who mentioned that in order to build roads, one must move stones and risk causing disruption. President Condé replied that stones are inanimate objects, whereas people have emotions, interests and reactions. It is much more difficult to move people than it is to move stones to build roads.

He stated that there has been a breakthrough in the dialogue and the international community has facilitated a situation where the opposition has agreed to partake in elections. In challenging the status quo, his government is potentially exposing those on the other side to criticism from those who will realize that change is possible and will question those who have not brought about change before.

Question

Could you say more about your legal actions to promote transparency and to improve standards of governance in the mining sector?

Alpha Condé

President Condé stated that the government has published all mining contracts online, being the only country to have done so. The government has also developed an inclusive reform process that includes mining companies and there is now a due process in place to continue with reform. The government's agenda has been focused on transparency, the fight against corruption and the promotion of small and medium enterprises (SMEs).

On collaborating with G8 countries, President Condé noted that the Guinean government has started to collaborate with the FBI in one specific case, but is keen to ensure one remains innocent until proven guilty and so is waiting for the justice systems in the United States and Guinea and now with involvement of the United Kingdom before establishing its responsibilities.

Question

You talked about poverty being the underlying reason for a lot of problems on the continent. What can mining companies and other international companies that come into Guinea do to help with broader economic development?

Alpha Condé

President Condé stated that companies can help the Guinean government in the battle for transparency and the fight against corruption, and companies should understand their responsibilities. So far in Guinea, profits and revenues have benefited a few, leaving the majority without resources and creating profound inequalities. Some people live as if they are in the first world; they have cars and bank accounts and houses, whereas the majority remain in very difficult conditions. Companies must ensure that revenues are

redistributed and that the majority benefits as opposed to a minority in the elite. The government believes that as living standards improve, problems decrease.

Question

Two days ago the Guinean mining minister declared that the 2015 deadline for Rio Tinto to begin shipping iron ore from Guinea will not be met. What are the consequences of that and what is your vision for infrastructure development in Guinea? How will cooperation between the private sector and the government work in this case?

Alpha Condé

President Condé stated that 2015 remains the government's objective. He added that the minister spoke in his own name; he did not speak for Guinea. The development of a railroad is fundamental to the development of any country. The United States, China and Russia were transformed once their railroad systems and networks were put in place.

In the same way, the Transguinean Railways scheme goes beyond this specific mining project. It will open up the country and bring development beyond mining into agriculture and many other areas. The government is looking to develop partnerships like that of Botswana and De Beers: long-term, mutually beneficial partnerships that go beyond cyclical ups and downs. There needs to be trust and openness in the government's cooperation with mining companies and other partners. However, the railway is at the root of development and the government is intent on the date of 2015.

Questions

What are you doing to make sure that increasingly destructive ethnic divisions in Guinea do not lead to the end of your time in power, or to more ethnic violence? Related to this, Islamist extremism is growing around Guinea, with Boko Haram in Nigeria and al Qaeda in the Islamic Maghreb in Mali. What are you doing about this for Guinea?

Can you confirm that Guinea will continue to decline to take part in the CFA zone? What are the reasons for this, and what are the prospects for West African monetary integration?

Alpha Condé

President Condé stated that when a leader has a political and economic programme that meets the needs of the people, they can present objective goals and arguments. It is only when a leader does not have such a programme that meets the needs of the people than they will try to use subjective arguments such as religion and ethnicity. The best way to turn people away from such arguments is to address their needs and get their support so they will turn away from other alternatives.

He noted that the reason why fundamental Islamism is progressing in many countries is because fundamentalists are addressing the daily needs of people, succeeding where governments have failed. Governments have not been there for the people. If you were to hold elections in countries where Islamists have been very present, they would probably win because people would reward their presence. The best way to prevent their progression is for governments to do their job and provide for their people.

President Condé stated that Guinea is supportive of a West African currency. Not all West African countries are part of the CFA zone, but Guinea would support an ECOWAS currency, and ideally a pan-African currency. Having been a former president of the FEANF, the Federation of African Students in France, he noted that he has always stood for pan-Africanism and an African currency. At the moment, the CFA currency does not represent an ECOWAS currency; it is more linked to the Euro and a lot of the foreign exchange is held in Paris.

Questions

How will Guinea attain better deals from your mining and resource contracts when companies are facing falls in prices and low investment for big projects like those considered for Guinea? Is setting targets like 2015 actually setting the country up for a situation that serves no-one and means that Guinea could miss a window of opportunity given that iron ore prices are falling?

The rise in organized crime in West Africa has the potential to fund radicalism and contributes to the drugs trade that reaches Europe, and risks destabilizing countries in the West Africa region as we have seen in Guinea-Bissau. To what extent do you share those concerns and what do you think West African countries can do to tackle them?

Alpha Condé

President Condé stated that 2015 remains the government's objective, but it is not a diktat. The government believes that it must engage in dialogue with mining companies. Mining companies face their shareholders, and governments face their stakeholders: the people who have elected them. The government is under the pressure of its constituents. He noted that there needs to be more dialogue between companies and the government to move towards a long-term perspective and try to find a joint solution.

President Condé noted that the issues of radicalism and drug trafficking are related to poverty. Drug trafficking and weapons trafficking are big problems for Guinea. Guinea-Bissau has turned into a narco-state that poses a serious threat to Guinea and Senegal. With the occupation of the Malian desert by the French army, drugs traffickers have lost their traditional route through Guinea-Bissau and the Malian desert. He stated that a strong partnership has been fostered between Dakar and Conakry to try and prevent drugs traffickers from finding a new route through Senegal and Guinea. Guinea will need the help from G8 countries because the end market for drugs is in Europe, so the G8 countries need to tackle the problem at the user side and help the governments of Guinea and Senegal protect their countries from becoming new drugs trafficking routes. Guinea is also very concerned about the problem of light weapons and guns that are spreading in the area, and needs support there as well.

Questions

Guinea is implementing the Extractive Industries Transparency Initiative (EITI), a forum that brings together companies, civil society and the government in consultation. What plans do you have for using this forum?

Could you tell us more about why the managing director of BSGR Mr Avidan was deported recently from Guinea? Also, the technical committee of the government stated that there were crimes involved in BSGR's acquisition of its part of Simandou: why does BSGR still have a presence in the country?

Alpha Condé

President Condé stated that participation in the EITI is very important, and it is within this context that the government has been able to move forward with cases involving the FBI and others. Guinea has planned to take all necessary steps and measure to be full members by 2014 so it can be utilized even more as a platform.

President Condé noted that when reviews were taken of contracts, the government did not focus on one single company. However, it turned out that the US Justice Department and the FBI were also looking into some specific contracts in Guinea, following which they arrested one of BSGR's leaders in the United States for trying to destroy evidence, and for trying to influence a witness. Mr Avidan was not kicked out of Guinea; he was made *persona non grata*. The government cannot reveal the reasons for this at this stage, although this case played a role in some of the political turmoil faced in Guinea at the moment.

He stated that there is an on-going legal process underway, and as head of the legal executive he does not want to interfere with the independence of justice. Both the United States and Guinea have requested the help of Britain, because London is the centre of a lot of business transfers, and some information is needed to move the legal process forward. He noted that one must remain respectful of the principle of innocent until proven guilty, but soon there should be some revelations that will allow more openness into the matter.