

# KCCI - Country Wrap (August 2015)

## Guinea

### Guinea – a brief overview

Guinea is a country in West Africa. It has a population of 10,057,975 and an area of 246,000 square kilometers. Forming a crescent as it curves from its western border on the Atlantic Ocean toward the east and the south, it shares its northern border with Guinea-Bissau, Senegal, and Mali, and its southern border with Sierra Leone, Liberia, and Côte d'Ivoire. The sources of the Niger River, Gambia River, and Senegal River are all found in the Guinea Highlands. Conakry is Guinea's capital, largest city, and economic center. Guinea's 10Mn people belong to twenty-four ethnic groups. The largest and most prominent groups are the Fula (40%), Mandingo (30%), and Susu (20%). It is a predominantly Islamic country, with Muslims representing about 85% of the population.

### Economy of Guinea

Guinea is a poor country that possesses major mineral, hydropower, and agricultural resources. The country has almost half of the world's bauxite reserves and significant iron ore, gold, and diamond reserves. However, Guinea has been unable to profit from this potential, as rampant corruption, dilapidated infrastructure, and political uncertainty have drained investor confidence. In the time since a 2008 coup following the death of long-term President Lansana CONTE, international donors, including the G-8, the IMF, and the World Bank, have significantly curtailed their development programs. Throughout 2009, policies of the ruling military junta severely weakened the economy. The junta leaders spent and printed money at an accelerating rate, driving inflation and debt to perilously high levels. In early 2010, the junta collapsed and was replaced by a transition government, which ceded power in December 2010 to the country's first-ever democratically elected president, Alpha CONDE. International assistance and investment are expected to return to Guinea, but the levels will depend upon the ability of the new government to combat corruption, reform its banking system, improve its business environment, and build infrastructure. IMF and World Bank programs will be especially critical as Guinea attempts to gain debt relief. International investors have expressed keen interest in Guinea's vast iron ore reserves, which could further propel the country's growth. The government put forward a new mining code in September 2011 that includes provisions to combat corruption, protect the environment, and review all existing mining contracts. Longer range plans to deploy broadband Internet throughout the country could spur economic growth as well.

### Key agri-products of Guinea

Key agri-products of Guinea are rice, coffee, pineapples, palm kernels, cassava (manioc), bananas, sweet potatoes; cattle, sheep, goats; timber

### Key Industries of Guinea

Key industries of Guinea are bauxite, gold, diamonds, iron; alumina refining; light manufacturing, and agricultural processing.

### Guinea's major trading commodities and partners

Major export commodities of Guinea are bauxite, alumina, gold, diamonds, coffee, fish, agricultural products, while its major export partners are India 10.6%, Spain 9.6%, Chile 9.4%, US 7.1%, Ireland 6.3%, Germany 6.3%, Ukraine 5.7%, France 5% (2012). Moreover, major import commodities of Guinea are petroleum products, metals, machinery, transport equipment, textiles, grain and other foodstuffs while its major import partners are China 14.2%, Netherlands 7.6% (2012).

### Bilateral Trade Relations between Pakistan and Guinea

The trade volume between Pakistan and Guinea stood at \$ 25Mn in FY15. According to the State Bank of Pakistan, Pakistan exports to Guinea 24.20Mn in FY15 as against \$ 18.62Mn in FY14 showing jump of around 30%. The imports of Pakistan from Guinea stood at \$ 0.81Mn in FY15 as against \$ 0.25Mn in FY14 showing increase of 224%.

### Trading Commodities between Pakistan and Guinea

Guinea exports woven fabrics, yarn, glass in balls, ferrous waste, etc. to Pakistan while it imports rice, leather, woven cotton fabrics, bed and table linen, etc. from Pakistan.

### Potential for enhancing bilateral trade relations between Guinea and Pakistan

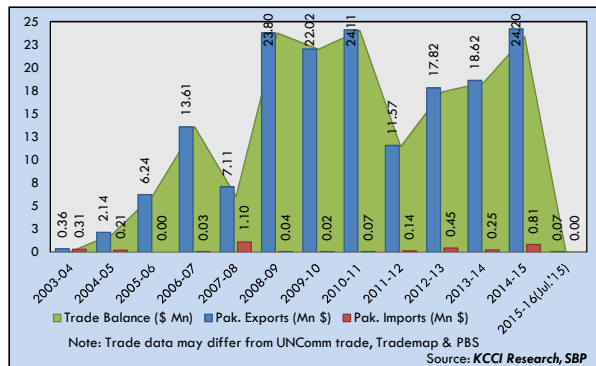
Bilateral trade has much potential to be enhanced in both the countries with effective usage and utilization of trade promotion techniques so that trade from both sides are increased to billions from millions.

### Economic Indicators

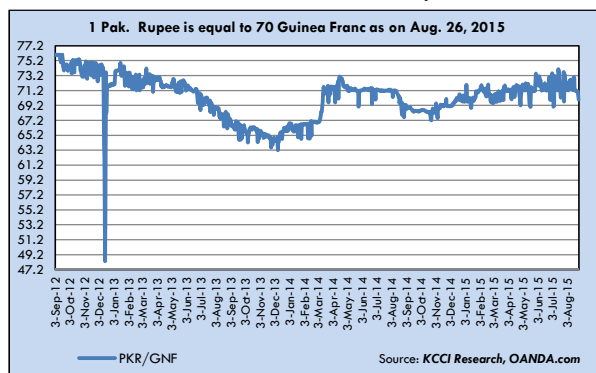
Indicators	Unit	2013	2014 est.	Change
GDP (PPP)	\$ Bn	14.91	14.97	0.40%
GDP per Capita	\$	1,300	1,300	0.00%
GDP growth	%	2.3	0.4	-1.90%
Forex Reserves	\$ Bn	0.17	0.19	12.12%
External Debt	\$ Bn	0.72	0.84	16.44%
Exports	\$ Bn	1.78	1.75	-1.68%
Imports	\$ Bn	2.13	2.16	1.27%
Trade Balance	\$ Bn	-0.34	-0.40	16.57%
Current Account	\$ Bn	-0.97	-1.21	23.72%
CPI	%	11.9	9.7	-2.20%
Unemployment	%	N/A	N/A	N/A
Discount Rate	%	N/A	N/A	N/A

Sources: KCCI Research, CIA Factbook, TDAP, SBP

### Trade between Pakistan & Guinea (FY04-Jul'15)



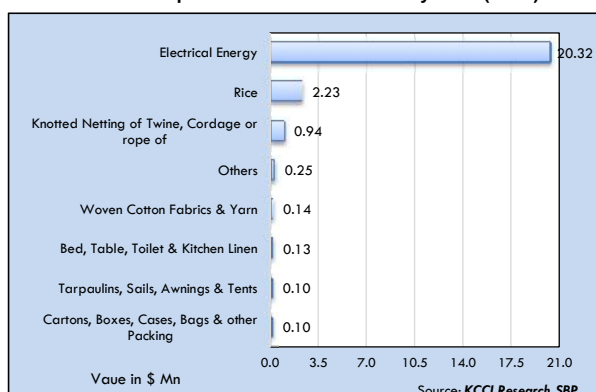
### Guinea Franc Vs. Pakistani Rupee



### Key Memberships

Guinea belongs to a number international organizations, including the ACP, AfDB, AU, ECOWAS, EITI (candidate country), FAO, G-77, IBRD, ICAO, ICRM, IDA, IDB, IFAD, IFC, IFRCS, ILO, IMF, IMO, Interpol, IOC, IOM, ISO (correspondent), ITSO, ITU, ITUC (NGOs), MIGA, MINURSO, NAM, OIC, OIF, OPCW, UN, UNCTAD, UNESCO, UNHCR, UNIDO, UNISFA, UNMISS, UNOCI, UNWTO, UPU, WCO, WFTU (NGOs), WHO, WIPO, WMO, WTO

### Pakistan Exports to Guinea - Commodity Wise (FY15)



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