



COUNTRY RESULTS BRIEF 2007-2018

GUINEA



AFRICAN DEVELOPMENT BANK GROUP

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African Development Bank Group
COUNTRY RESULTS BRIEF 2007–2018 – Guinea

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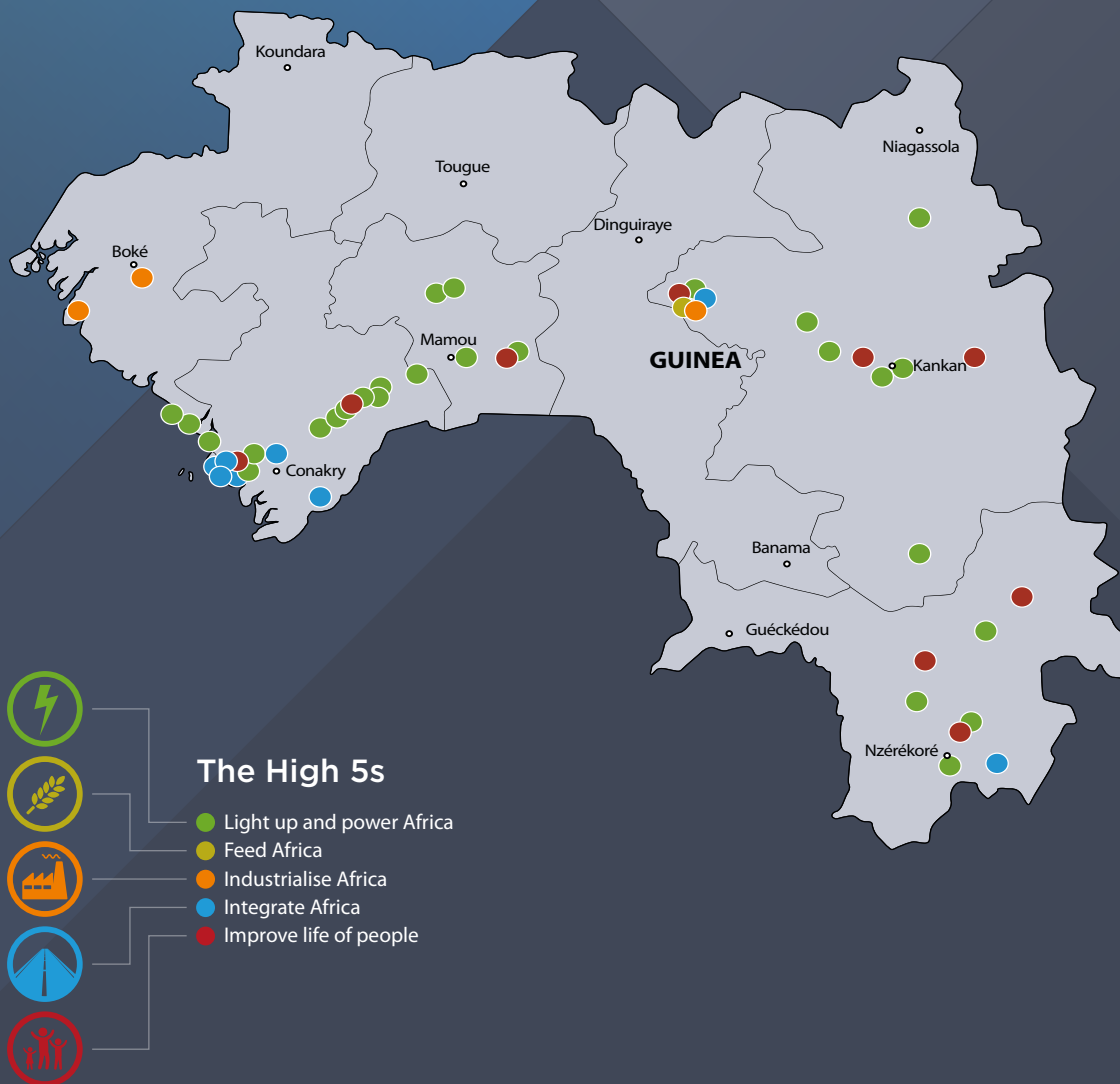
Note: In this report, “\$” refers to US dollars.

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OUR OPERATIONS IN GUINEA, 2007–2018



The Bank remains committed to increasing the transparency of its operations. MapAfrica, its geocoding tool, has been revamped with a focus on five critical areas of the Ten-Year Strategy: Light up and power Africa, Feed Africa, Industrialise Africa, Integrate Africa and Improve the quality of life for the people of Africa. Explore our 9000 project locations through the High 5s by visiting mapafrica.afdb.org.

Note: Countrywide projects (especially budget support and governance projects) have randomly been placed at the center of the country on the map.

40 YEARS OF COOPERATION BETWEEN THE BANK AND GUINEA






Since 1974, the African Development Bank has invested UA 1.14 billion in Guinea, with nearly one-third invested under the Bank's 2012–2016/17 strategy, through which it has assisted the country to strengthen its economic and financial governance, promote agriculture, develop its road and energy infrastructure and respond to the humanitarian emergency during the Ebola virus epidemic. The Bank's new 2018–2022 strategy focuses on two pillars, namely access to energy and development of agricultural and industrial value chains, with the objective of helping the country meet the fragility challenge and achieve food self-sufficiency.

The Bank has been working with Guinea since 1974 and its total approvals amount to UA 1.14 billion, of which 31.9% were approved under the Country Strategy Paper 2012–2016, extended to 2017. The CSP 2012–2016/17 was based on two pillars, namely: i) economic and financial governance, aimed at building public financial management capacity, improving extractive sector governance, and strengthening the state budget; and ii) infrastructure development support, to reduce the energy production deficit and enhance transport infrastructure development. Furthermore, the Bank's emergency assistance stemmed the Ebola epidemic declared in December 2013. A new Country Strategy Paper for the period 2018–2022, aligned with Guinea's 2016–20 National Economic and Social Development Plan (PNDES) and the Bank's High 5s, has been finalised and approved. The two pillars of CSP 2018–2022 are: improving access to energy; and developing agricultural and industrial value chains, with the aim of helping the country to meet its fragility challenge and achieve food self-sufficiency. The Bank plans to invest nearly UA 250 million under the new CSP.

As at 30 June 2018, the Bank's portfolio in Guinea comprised 16 operations with a total approved amount of UA 282.95 million. This portfolio includes a private sector mining project for UA 68.8 million.

This summary review presents Guinea's development progress over the period 2007–2017

FIGURE 1 THE BANK'S KEY ACHIEVEMENTS SINCE 2007

	495,000 people, half of whom women, benefited from new or improved connections to the electricity grid
	475,000 people benefited from improved farming
	575,000 people with better access to education
	465,000 people with new or improved access to water and sanitation
	27 specialised epidemiological treatment centres have been built

and the Bank's contribution to these results, in crosscutting areas and through the Bank's High 5s: Light up and power Africa, Feed Africa, Industrialise Africa, Integrate Africa, and Improve the quality of life for the people of Africa. The report also examines the Bank's effectiveness in managing its operations in Guinea. The review is based on a series of indicators extracted from the Bank's Results Measurement Framework (RMF)¹. Guinea's relative performance is measured by comparing its progress with that of a group of peer countries in Africa – the African Development Fund (ADF) beneficiary countries. ■

¹ See <https://www.afdb.org/en/topics-and-sectors/topics/quality-assurance-results/bank-group-results-measurement-framework/>

A PARTNERSHIP TO HELP GUINEA DEVELOP ITS POTENTIAL

Guinea has a considerable development potential, which has not yet been sufficiently tapped due to significant fragility factors. There has been some economic progress despite the political and health crises that the country has faced over the past decade. This chapter discusses Guinea's economic situation and examines the Bank's support in the economic and financial governance sector.

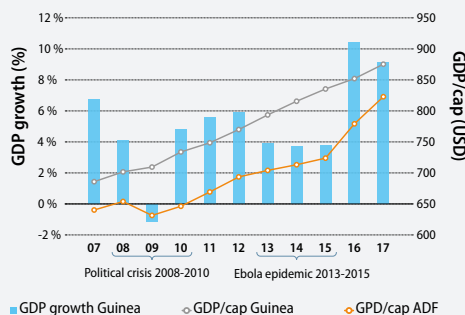
A Great Potential for Development to Exploit Better

Guinea's natural environment, favourable to agriculture, fisheries and livestock, as well as its major energy and mining resources, offer great development potential, which it is struggling to develop because of major political, socio-economic and health fragility factors. The country's political crisis between 2008 and 2010 severely undermined economic activity, as shown by the decline in GDP in 2009. Since then, it has experienced relative political stability, and President Professor Alpha Condé was elected in 2010 and re-elected in 2015. However, the Ebola virus epidemic between December 2013 and May 2016, coupled with its humanitarian and health consequences, had a negative impact on the economy, with GDP growth dropping from 5.9% in 2012 to 3.5% in 2015. Growth resumed in 2016, mainly due to the recovery of mining production, and attained 10.5% in 2016, followed by a slight drop to 9.9% in 2017. Guinea's

● **GDP per capita** did not increase sufficiently between 2007 and 2015 compared to all ADF beneficiary countries as a result of the various crises, but had increased significantly since 2016 to USD 823 in 2017, thanks to considerable efforts made to improve macroeconomic management and to implement structural investments in energy and road infrastructure.

Moreover, other key macroeconomic indicators have improved in recent years: inflation dropped from 15.5% in 2010 to 7.3% in 2015, controlled through prudent monetary policy, although it rebounded slightly to 9.5% in 2017. The level of public debt declined from 69% of GDP in 2010 to 27.2% in 2012 after Guinea reached the completion point of the Heavily Indebted Poor Countries (HIPC) Initiative. Public debt gradually increased to 37.2% of GDP in 2017, following significant borrowing from 2013 onwards to finance transformative and priority energy and road infrastructure. However, the country's risk of over-indebtedness remains moderate.

FIGURE 2 GDP GROWTH (%) AND GDP PER CAPITA (USD) IN GUINEA, 2007-2017



Although many aspects have improved in recent years, governance remains a challenge for Guinea. The ● **Mo Ibrahim African Governance Index** has improved over the past decade, although it remains below the average for ADF beneficiary countries. Some governance areas in which the most significant progress has been observed include: participation, human rights, civil status and the investment climate.

The Bank's Support to Reforms

The Bank's support has produced good governance results in Guinea and its operations have contributed, in particular, to improving the ● **quality of budgetary and financial management**

Crosscutting and Strategic Areas – Guinea's Progress	Guinea		ADF Countries	
	2007	2017	2007	2017
● GDP per capita (constant-USD 2010)	642	823	686	875
● Mo Ibrahim African Governance Index (index, 0 – low 100 high)	41	46	45	48

The light indicates that: ● Progress is strong and better than peers ● Progress is positive but less than peers, or no progress against the baseline ● There has been a regression against the baseline

Sources: World Bank, Mo Ibrahim Foundation.

Bank's Contribution	2007–2017		
	Planned	Achieved	Rate
● Operations that improved budgetary and financial management (number)	1	1	100%
● Operations that improved procurement systems (number)	1	1	100%

The light indicates that: ● Operations achieved 95% or more of their targets ● Operations achieved 60% to 94% of their targets ● Operations achieved less than 60% of their targets

Source: AfDB's Project Completion Reports.

and ● **procurement systems**. The Bank has financed nine governance support operations over the past decade, for a total UA 68.21 million. The most significant projects were in mining governance, capacity building in economic and financial management, support for economic and financial reforms, and administrative capacity building. The Bank supported the implementations of the 2017 Law on Public-Private Partnerships, the Investment Code (2016), the Tax Code (2016), the Customs Code (2017), the establishment of a platform for programming and monitoring public investments (2017) the creation of the Court of

Auditors (2016), the training of managers in public financial management, the revision of Mining Conventions (2016), the financial audit of mining companies (2014) and Guinea's compliance with the Extractive Industries Transparency Initiative (EITI) standard in 2014. Key outcomes include Guinea's 26-place leap in the World Bank's Doing Business ranking between 2012 (179th) and 2018 (153rd) (see Figure 3 in Chapter 3), the increase in the private investment/GDP ratio from 15.6% in 2013 to 68.1% in 2017, the increase in the mining sector's GDP share from 12.1% in 2012 to 16.9% in 2017, and inflation and fiscal deficit control. ■

BOX 1

Mr. Camara Karamokoba, Executive Secretary of the Technical Programme Monitoring Unit (CTSP) of the Ministry of Economy and Finance (MEF) and former Minister of Economy and Finance of Guinea.

Established in 2010, the CTSP is a support structure for MEF that offers its expertise for monitoring programmes negotiated between the government and the technical and financial partners. It is attached to MEF but its activities are crosscutting, and in addition to the various MEF Directorates, it works with the Ministry of the Budget, the Central Bank and the Ministry of Planning and Economic Development. It was in charge of monitoring two budget support projects and the Bank's financial governance projects.



“ AfDB country programmes are targeted to meet the country's development needs and priorities from a poverty reduction perspective. The AfDB, in collaboration with the European Union and the World Bank, has supported the country in key areas that will help it take advantage of its enormous development potential, such as revenue mobilisation, public expenditure management, accounting, wealth management and public investment. In particular, its support has been focused on capacity building to ensure that the country has the human resources to implement reforms. ”

1





LIGHT UP AND POWER GUINEA

Guinea's energy potential, particularly hydropower, is one of Africa's most important and should enable it to significantly improve the population's access to electricity and become a regional hub in the coming years. This chapter presents Guinea's current energy situation and examines the Bank's support in this sector, where it is the country's key partner.

One of the Most Important Energy Potentials in Africa

Despite its high energy potential, Guinea is struggling to provide electricity to its entire population. The **share of population with access to electricity** has increased very little since 2007 and, at 19.7%, it remains well below the ADF beneficiary countries as a whole (34.4%). Only 7% of the rural population had access to electricity in 2017, compared to 14% for sub-Saharan Africa. This low percentage is due to a lack of investment in the power sector, as well as inefficiency in electricity distribution. Moreover, the **share of population with access to clean cooking solutions**, which was already very low compared to all ADF beneficiary countries, decreased by half between 2007 and 2017, from 4.1% to 2.1%, reflecting an increased use of wood and coal for cooking at the expense of electricity.

Guinea has made progress in terms of the **net installed power capacity and renewable power capacity**, even though the country is far from having developed its huge hydropower potential, estimated at 6,000 MW, and currently valued at less than 3%. Guinea's estimated water potential is 27,000 m³ per inhabitant per year, and large rivers such as the Niger, Senegal and Gambia originate in its territory, making it the "water tower" of West Africa. The country is expected to become a regional energy hub by 2020 through the construction of several major hydropower dams, including Souapiti, which currently employs nearly 3,000 workers and for which the AfDB financed the environmental and social impact study.

Significant Results in the Energy Sector

The energy sector has been one of the AfDB's two priorities for the past 10 years, accounting in particular for 36% of the amounts approved under CSP 2012–2016/17. The Bank intervened in the energy sector through two major projects for a total amount of UA 38 million.

Through the Conakry Power Rehabilitation and Extension Project (PREREC), the Bank has contributed to improving living conditions by providing access to reliable and quality power services to households, businesses and social service providers as part of Guinea's National Electrification Plan, designed with AfDB support. PREREC has expanded and rehabilitated power installations in 30 districts of Conakry; connected about 1,500 new households to the grid; improved power availability from 7 hours per day in 2007 to 16 hours per day in 2012; reduced greenhouse gas emissions from 4,000 to 6,500 tonnes of coal equivalent per year; and significantly increased billing and rates collection by the power utility (Electricité de Guinée, EDG) between 2009 and 2012.

PREREC's institutional support component in its second phase, currently under implementation, also includes revision of the Electricity Act, establishing the sector's physical/financial balance model and updating the master plan for transmission and distribution infrastructure. The power infrastructure built under the project at the end of 2017 consisted of constructing and equipping 49 bricked cabin substations,

Light Up and Power Guinea	Guinea		ADF Countries	
	2007	2017	2007	2017
● Share of population with access to electricity (% population)	17.0	19.7	21.4	34.4
● Share of population with access to clean cooking solutions (% population)	4.1	2.1	10.5	9.9
● Total installed electricity capacity (GW)	0.3	0.7	21.4	32.6
● Installed renewable capacity (GW)	0.1	0.4	13.9	20.7

The light indicates that: ● Progress is strong and better than peers ● Progress is positive but less than peers, or no progress against the baseline ● There has been a regression against the baseline

Sources: IEA, SEE4ALL.

Bank's contribution	2007-2017
	Delivered
● Energy-Persons with new or improved electricity connections (number)	494 000
● — Of which women	247 000
● Households with new or improved electricity connections (number)	936
● New or improved power distribution lines (km)	307
● Energy-CO ₂ emissions reduced (tons per year)	3 274

The light indicates that: ● Operations achieved 95% or more of their targets ● Operations achieved 60% to 94% of their targets ● Operations achieved less than 60% of their targets

Source: AfDB's Project Completion Reports.



Alpha Camara, Head of the power substation that supplies electricity around Kindia, financed by the AfDB under the Rural Electrification Project, and inaugurated in January 2018 by President Alpha Condé.

installing 23.5 km of medium-voltage lines, 135 km of low-voltage lines as well as 1,000 public lighting units and 2,000 subscriber connections.

The Rural Electrification Project (PER), which the Bank approved in January 2011, was

completed in November 2017. The results obtained exceeded expectations, and the project has been instrumental in supporting transformative investments for more than 1.5 million inhabitants in the 43 localities of Lower and Middle Guinea, up from 31 planned at the beginning of the project, or 12 more than planned. The Bank contributed through PER to the construction of 707 km of power lines, the installation of 118 transformer substations and 4,215 streetlights. The project has reduced the loss rate in rehabilitated networks from 49% in 2010 to 15% in 2017, well below the expected 20% threshold; increased the number of connections by about 30,000 new households; and increased the rural electrification rate from 3% in 2009 to 7% in 2017. Besides these activities, the Bank financed environmental and social impact studies for the construction of the Kaléta (inaugurated in 2015) and Souapiti (under construction) hydropower dams, which were financed by other development partners.

The Bank also contributes to major power interconnection projects in the region such as the Organization for the Development of

the Gambia River Energy Project (OMVG), Côte d'Ivoire, Liberia, Sierra Leone and Guinea (CLSG), and the Guinea-Mali Interconnection Project. These projects have experienced commencement and implementation difficulties, particularly due to the Ebola virus epidemic, but the expected outcomes are very significant since, once completed, they should contribute to the creation of a sub-regional electricity market, offering both cheaper energy import opportunities during peak consumption periods and energy export opportunities for Guinea, mainly in the context of dam construction (see Figure 4 in Chapter 4).

The Bank's contribution to developing the energy sector between 2007 and 2017 produced the expected outcomes. Through its interventions, the Bank has been able to **connect or improve the connection to the power grid** of nearly 500,000 people, half of whom women, created more than 300 **new or improved power distribution lines** and **reduced CO₂ emissions** by 3,274 tonnes per year.

Support for Improving Access to Energy

Energy will remain a Bank priority in Guinea in the coming years as improving its access is one of the two pillars of the new strategy 2018–2022. The areas of intervention will include the development of energy production potential and in particular hydropower dams; the rehabilitation and strengthening of power distribution and transport networks in urban and rural areas and at regional level; and the improvement of energy sector governance through institutional transformation (transport, distribution, management and regulation) to ensure reliable, sustainable and modern access at an affordable cost. UA 103 million is earmarked for the pillar under the strategy 2018–2022. ■



Ousmane Sow, welder: "Before, we had to use generators. Today, with continuous electricity, work is much easier."



“ With street lighting at night and light shining on our goods, it's both safer with all the cars on the road and we can work after dark; in addition, our goods are better showcased.

Arama Siré Camara
Fruit and vegetable seller

”

2





FEED GUINEA

Guinea's vast agricultural potential is not sufficiently tapped: productivity is low, the country imports several commodities and the population is exposed to food insecurity. Developing the agricultural sector could help to ensure food security, provide sustainable employment and improve the trade balance through improved exports. This chapter presents the situation in Guinea's agricultural sector and examines the Bank's support in the sector.

Promoting Agricultural Development to Ensure Food Security

Guinea has vast and underutilised agricultural potential. The country has good rainfall and a natural environment conducive to agriculture, fisheries and livestock, with in particular 6.2 million hectares of arable land, of which only 25% is cultivated annually, and fisheries potential that could yield between 150,000 and 250,000 tons of fish per year. The agricultural sector employs more than 70% of Guinea's working population, although it accounts for only 10% of GDP. ● **Agricultural productivity** has improved over the decade though it still remains less than half that of all ADF beneficiary countries, and ● **the share of the market value of some key agricultural products (cocoa, coffee, cashew and cotton) processed in Guinea** has almost tripled in the last decade. The reasons for Guinea's low agricultural productivity include insufficient water control infrastructure, the absence of credit institutions specialised in agricultural financing, the predominance of family and subsistence farming using traditional methods, the inefficiency of marketing systems coupled with the isolation of certain production areas, and poor market access by small producers. Guinea's ● **agricultural trade balance** has deteriorated since 2007 and the country is forced to import especially cereals, flour, fruit and sugar.

Furthermore, the ● **prevalence of stunting among children under 5** remains a major concern with nearly one-third of children affected, and even more so among girls (38.5%).

Developing the agricultural sector could contribute to food and nutritional security for the population,

provide sustainable employment and improve trade balance through improved exports. It could also promote the development of agro-industry in Guinea in the medium and long term.

The Bank's Support to the Agricultural Sector

Overall, the Bank's contribution to the development of agriculture in Guinea has produced the expected results, with 475,000 ● **people** (including 222,000 women) **benefiting from agricultural advancement**. The Bank has contributed to increasing fish production through the Artisanal Fisheries and Fish Farming Project by providing fishermen with modern fishing equipment and promoting aquaculture in rural areas. The achievements include the establishment of 3 pilot farms for the production of 40,000 fry, the training of 100 fish farmers, 22 fish extension workers and 5 teachers as well as the construction of 6 fishing bases. Moreover, the Bank has trained more than 2,000 ● **people in the use of improved technologies** through the Rural Water Project in Upper Guinea.

In contrast, only 26% of the ● **total kilometres of feeder roads** in agricultural production areas were built or rehabilitated. The second phase of the National Rural Infrastructure Programme Support Project, aimed at opening up rural communities and improving land security, did not achieve all the expected outcomes due to lack of information on the preliminary project status, poor selection of service providers on the ground, delays in implementation and problems of coordination among donors.

Feed Guinea	Guinea		ADF Countries	
	2007	2017	2007	2017
● Agricultural productivity (constant 2010 US\$ per worker)	283.5	362.6	572.6	691.3
● Prevalence of stunting among children under 5 (%)	40.0	32.4	43.4	34.9
● Prevalence of stunting among children under 5, female (%)	38.5	38.5	41.0	35.4
● Agricultural trade balance (\$ billion/year)	-0.3	-0.6	0.7	3.5
● Guinea's share of market value for key processed commodities (%)	0.3	0.8	7.2	8.1

The light indicates that: ● Progress is strong and better than peers ● Progress is positive but less than peers, or no progress against the baseline ● There has been a regression against the baseline

Sources: FAO, WHO.

Bank's Contribution	2007-2017
	Delivered
● People benefiting from improvements in agriculture (number)	475 000
● — of which women	222 000
● Rural population using improved farming technology (number)	2 067
● Feeder roads built or rehabilitated (km)	54

The light indicates that: ● Operations achieved 95% or more of their targets ● Operations achieved 60% to 94% of their targets ● Operations achieved less than 60% of their targets

Source: AfDB's Project Completion Reports.

Support for the Development of Agricultural and Industrial Value Chains

Guinea's agricultural development is once again becoming a priority for the Bank under its 2018–2022 strategy - one of the two pillars of which is the development of agricultural and industrial value chains. The Bank plans to contribute to the implementation of the Guinean Government's strategy to create 10 agro-industrial activity zones to help the country reduce its dependence on food imports and ensure inclusive socio-economic transformation. The Bank's efforts to develop agricultural and industrial value chains will focus on two areas of

intervention: financing infrastructure to support value chains (irrigation and road transport infrastructure), and support for improving governance (improving the institutional and regulatory framework for the agricultural sector), capacity building (using new technologies and skills) and mobilising fiscal and budgetary resources for agriculture and agro-industry. In this context, the Support Project for the Transformation of Guinean Agriculture and Youth Agricultural Entrepreneurship (PATAG EAJ) was approved in November 2018, with the objectives of contributing to the development of agricultural and agro-industrial value chains, and promoting youth agricultural entrepreneurship in the Boké and Boffa divisions. ■

3





INDUSTRIALISE GUINEA

Guinea's industrial development is largely based on the mining sector, the immense potential of which is still underdeveloped, and currently does not create enough jobs. The sector's development provides an opportunity for the country to build high-capacity infrastructure, attract investment, create jobs particularly in the processing of raw materials, and benefit from technology transfer. Furthermore, the development of agro-food processing zones offers a major opportunity for the country's industrial development. This chapter presents the situation in Guinea's industrial sector and examines the Bank's assistance in this regard.

A Crucial Sector for the Development of Guinea

The secondary sector accounts for 33% of Guinea's GDP and is largely based on mineral resources, which are strongly influenced by fluctuations in world commodity prices, and whose potential is still under-exploited. Guinea has more than a quarter of the world's bauxite reserves, which is the main mineral used in producing aluminium, as well as significant reserves of iron ore, gold, diamonds, uranium and some 20 other minerals. In particular, the Simandou deposit could make the country one of the world's largest exporters of iron ore, but it has never been mined to date. Despite this, the Guinean economy is heavily dependent on extractive industries, which accounted for

16.9% of the country's GDP in 2017, compared to 12.1% in 2012. Guinea's mining potential represents an opportunity for the country to develop major projects with high-capacity infrastructure, attract investment, create jobs and benefit from technology transfer.

Guinea's performance with regard to industrialisation was uneven over the 2007–2017 period. The **economy is still not quite diversified** and **industrial GDP growth** (19%) has been much lower than that of all ADF beneficiary countries (50%), due to the 2008–2010 political crisis, the Ebola virus epidemic between 2013 and 2016, the energy deficit and the decline in prices of the country's main minerals (bauxite, alumina, diamonds and gold). Furthermore, Guineans'

BOX 2

SUPPORT FOR BARGAINING SKILLS IN THE MINING SECTOR

Since 2012, the Bank has been working in collaboration with the African Legal Support Facility (ALSF) to provide technical and legal assistance to Guinea in the mining sector.

Measures taken in this context have produced the following outcomes:

- Development of mining and petroleum codes
- Upgrade of 19 mining contracts and agreements
- Compliance with the Extractive Industries Transparency Initiative (EITI)
- Capacity building of stakeholders for negotiating complex mining contracts

These measures have significantly boosted the mining sector, which is gradually becoming a catalyst matrix from which large-scale programmes are developed. More specifically, revenue from mining contracts has been used as a guarantee for a 20-year USD 20 billion programme with China to finance infrastructure (energy, transport, ports, agriculture, and students). Moreover, a project financed by the World Bank's IBRD window and secured by mining revenue is being finalised to finance an agricultural sector project. About USD 300 million is expected to be mobilised under this framework by 2020.

Industrialise Guinea	Guinea		ADF Countries	
	2007	2017	2007	2017
● Gross fixed capital formation (constant 2010 US\$ billion)	1.6	2.9	74.9	137.9
● Industrial gross domestic product (constant 2010 US\$ billion)	2.4	2.8	86.6	130.0
● Value added of manufacturing (constant 2010 US\$ billion)	0.6	1.0	35.0	45.7
● Economic Diversification (Index, 1 Low-0 High)	0.6	0.7	0.6	0.6
● Global Competitiveness (Index, 1 Low-7 High)	2.9	3.5	3.3	3.5
● Access to finance (% population)	3.3	7.9	11.0	34.6
● Logistics performance index (Index, 1 Low-5 High)	2.7	2.4	2.3	2.4

The light indicates that: ● Progress is strong and better than peers ● Progress is positive but less than peers, or no progress against the baseline ● There has been a regression against the baseline

Sources: World Bank, UNCTAD, World Economic Forum.

Bank's Contribution	2007-2017
	Delivered
● Microcredits granted (number)	132 000
● SMEs/Microenterprises created	134
● Individual owner-operators and MSMEs provided with financial services (number)	132 000

The light indicates that: ● Operations achieved 95% or more of their targets ● Operations achieved 60% to 94% of their targets ● Operations achieved less than 60% of their targets

Source: AfDB's Project Completion Reports.

● **access to finance** (7.9%) is much lower than for all ADF beneficiary countries (34.6%) because microfinance is being managed by the informal sector to the detriment of the formal banking sector, which is also deprived of liquidity. Other constraints to Guinea's industrial development include long delivery times for goods, high commercial transaction costs, non-compliance with quality standards, low financial, human and technical resources of operators, or the cost and quality of energy supply.

In contrast, Guinea's ● **overall competitiveness** has improved, owing in particular to the reforms that the Government has undertaken in recent years, which have helped to improve the business climate: a new investment code has been adopted and its implementing texts published, a legislative and regulatory framework for industrial promotion has been established, a national charter for small- and medium-sized enterprises (SMEs) has been adopted, and the Private Investment Promotion Agency has been set up. These reforms have improved Guinea's score, up 26 places in the World Bank's 2018 Doing Business ranking, compared to 2012. Guinea is 153rd out of 190 countries assessed,

its highest score since the launch of the ranking in 2004 (Figure 3).

FIGURE 3 PROGRESS MADE BY GUINEA, DOING BUSINESS RANKING 2012-2018

	2012	2018	Diff.
● Starting a business	181	125	56
● Dealing with construction permits	174	75	99
● Getting electricity	119	159	-40
● Registering property	152	143	9
● Getting credit	150	142	8
● Protecting minor investors	174	146	28
● Paying taxes	176	182	-6
● Trading across borders	130	165	-35
● Enforcing contracts	127	117	10
● Resolving insolvency	130	111	19
● Overall	179	153	26

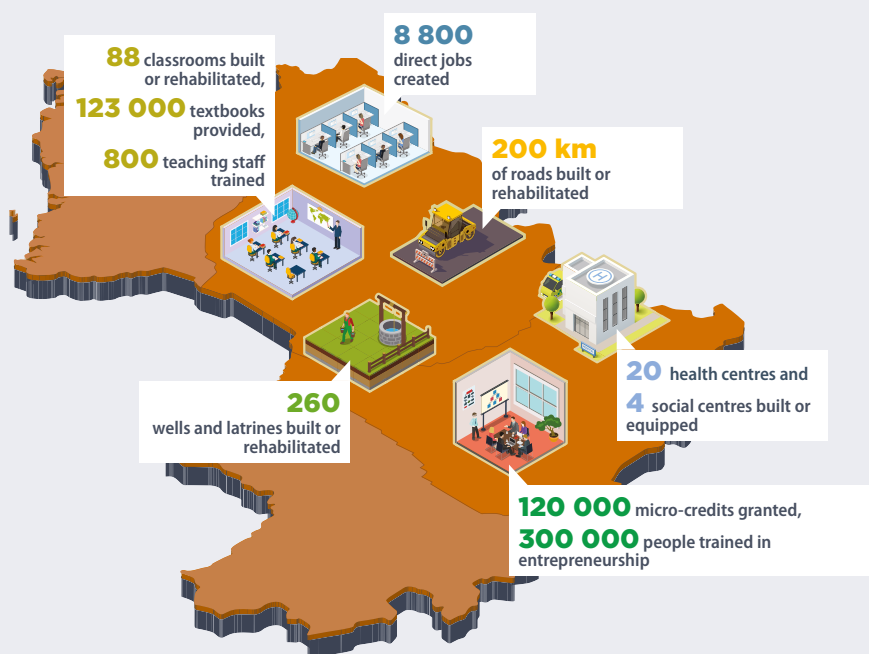
● Indicates progression in the ranking
● Indicates regression in the ranking

Note: The figures show Guinea's position out of 190 countries in the Doing Business ranking.

Source: World Bank

BOX 3**UPPER AND MIDDLE GUINEA SUSTAINABLE SOCIAL DEVELOPMENT PROJECT (PDSD/HMG)**

The PDSD/HMG, implemented in two phases (2002–11 and 2011–15), aimed to reduce poverty in several regions of Guinea by promoting and developing entrepreneurship, creating jobs and strengthening governance at the local level. The project's specific objectives were to increase the access of the poor to basic socio-economic services and develop their productive capacity, particularly for women, youths and demobilised ex-combatants. The PDSD has benefited more than 1,600,000 people through participatory and multisector action, and has achieved most of the expected outcomes, the most significant of which are summarised in the figure below.



To encourage marginalised groups, microfinance loan amounts were very low (90% of loan amounts were below EUR 500) and decisions on socio-economic infrastructure were based on local development plans, in coordination with the communities.

Based on PDSD's achievements and to ensure their sustainability, the Guinean Government established the Economic and Social Development Fund (FDES) to support the country's economic and social development through the promotion of entrepreneurship and job creation, including the provision of credit and capacity building services to local communities.

The Bank, a Business Development Partner for SMEs

The High 5 "Industrialise Guinea" accounted for 19% of the amounts the Bank approved under CSP 2012–2017, with a special focus on its participation of UA 68.8 million in financing

the Boké Mine Track and Port Project, designed to contribute USD 500 million per year to Guinea's GDP. This project equally foresees in its second phase, the construction of a Bauxite to Aluminum transformation plant. With regard to projects completed during the period 2007–2017, the Bank is deemed to have attained its

objectives in terms of business creation with 134 ● **SMEs and micro enterprises created** since 2007, mainly under the Upper and Medium Guinea Sustainable Social Development Project (PDSD/HMG) and the Women's Economic Activities Support Project. The Bank achieved a mixed performance in terms of providing access to finance with 132,000 ● **microcredits granted**, two-thirds of what was planned, primarily due to the PDSD/HMG's over-ambitious objectives on this aspect. However, the project has yielded very positive outcomes in terms of microfinance, with 100% of the loans repaid and a microfinance law enacted and publicised.

The Bank Will Continue to Support Industrial Development

Industrial development is at the heart of the Bank's strategy for 2018–2022. Pillar 1 of the strategy on improving access to energy aims to enable Guinea to better develop its energy production potential with a view to making it the engine of the country's industrial development. Improving electricity transport and distribution, particularly in rural areas, will contribute to developing agro-food processing areas, and improving governance in the energy sector. The objective is to make the country more attractive to private investment,



The Bank financed the feasibility and environmental and societal impact studies of the Kaléta Hydropower Dam, which reduced the average cost of electricity production throughout the sub-region's power system, thereby making it a key element for agro-industrial development.

particularly in the agro-industrial sector. Moreover, Pillar 2 on the development of agricultural and industrial value chains has the specific objectives of helping Guinea to better harness its agro-food processing potential, develop agro-industrial poles and transport infrastructure for the supply of products. ■

4





INTEGRATE GUINEA

Due to the Ebola virus epidemic, Guinea could not make much progress in economic integration in recent years, and poor road infrastructure was a constraint to its economic development and trade. The Bank's investment outcomes in this area are expected to materialise in the coming years. This chapter presents Guinea's achievements in terms of economic integration and examines the Bank's support in this regard.

An Economy Still Insufficiently Integrated with Neighbouring Countries

Being neither a member of the CFA Franc zone nor of WAEMU, Guinea is traditionally less economically integrated than its neighbours within the sub-region and the African continent. The Ebola outbreak crisis between 2013 and 2016 caused the imposition of severe travel restrictions to and from Guinea and further isolated the country during that period. Therefore, Guinea did not make any headway in regional integration over the past decade. For example, the decrease in the **intra-African trade as a proportion of total goods' trade** (2.2%) is significantly lower than that of other ADF beneficiary countries (13%). In particular, trade with ECOWAS represented only 0.5% of Guinea's total exports and 4.3% of its total imports in 2017.

In contrast, the **cost of trading across borders** in Guinea increased by 19% over the period 2007–2017, partly due to poor road infrastructure, although this growth was limited compared to the 40% increase observed for the continent as a whole.

In this context, the Bank has not achieved its economic integration objectives, with only half of the **roads constructed, rehabilitated or maintained** compared to projections, due to the Ebola virus epidemic combined with the complexity of national project approval and procurement procedures. None of the Bank's three operations, approved between 2012 and 2017, were completed by end-December 2017: the Mano River Union (MRU) Project and the Coyah-Farmoriah-Pamelap Project



The AfDB rehabilitated Tombo-Gbessia Road, flanked by power lines renovated under the Conakry Power Grid Rehabilitation and Extension Project (PREREC)

were delayed for the same reasons related to the Ebola virus epidemic. The Boké Mine Track and Port Project, approved in June 2017 for financing by AfDB private sector window, will only be operational in 2019. However, the positive outcomes of the Tombo-Gbessia Road Reconstruction Project, which covers a 10.8 km stretch of road and includes a road interchange, have enabled the population of Conakry's peripheral municipalities to have easier access to the city centre, where most of the Guinean capital's economic activities are concentrated. Over 200,000 **people have improved access to transport** through the project.

The outcomes of these projects are expected to materialise in the coming years. The Mano River Union Road Development and Transport

Integrate Guinea	Guinea		ADF Countries	
	2007	2017	2007	2017
● Intra-African trade as a proportion of total goods' trade (%)	6.6	2.2	26.9	13
● Cost of trading across borders (\$)	1008	1198	1840	2603

The light indicates that: ● Progress is strong and better than peers ● Progress is positive but less than peers, or no progress against the baseline ● There has been a regression against the baseline

Sources: UNCTAD, World Bank.

Bank's Contribution	2007–2017
	Delivered
● Transport-People with improved access to transport (number)	210 000
● Transport-Roads constructed, rehabilitated or maintained (km)	201

The light indicates that: ● Operations achieved 95% or more of their targets ● Operations achieved 60% to 94% of their targets ● Operations achieved less than 60% of their targets

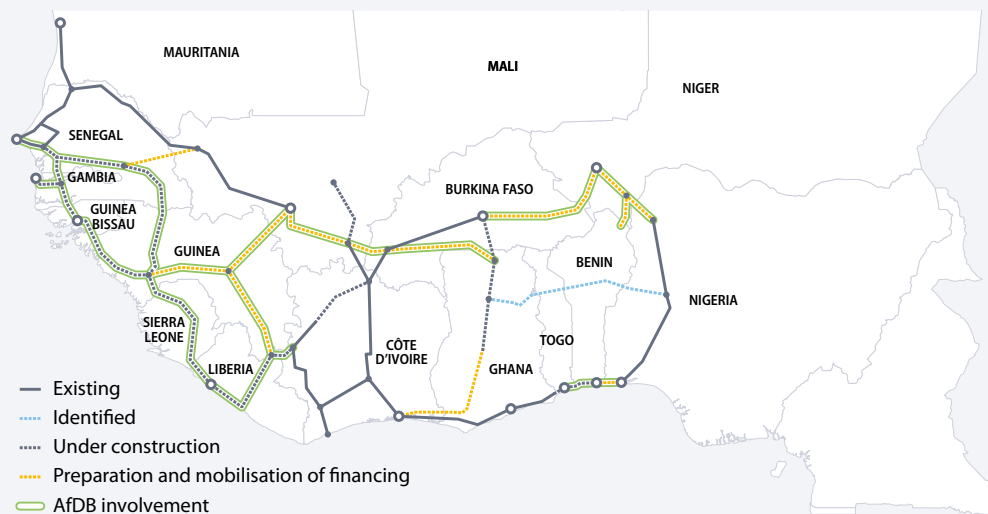
Source: AfDB's Project Completion Reports.

Facilitation Programme is a multinational project that is expected to benefit 2.83 million people in four countries (Côte d'Ivoire, Guinea, Liberia, Sierra Leone), with the objective of enhancing road infrastructure, promoting trade and travel in border regions between the four countries, and improving the living conditions of the people concerned. The Coyah-Farmoriah Road Reconstruction Project bordering Sierra Leone is also a multinational project, benefiting Guinea and Sierra Leone, which aims to promote greater integration and trade between the two countries through the rehabilitation of the Conakry-Freetown axis and the improvement of cross-border and transit conditions between the two countries. The Bank's objectives under the project are to rebuild 46 km of roads by 2022, train more than 300 people in road maintenance and improve transport access for 312,000 people. The three major multinational

electricity interconnection projects mentioned in Chapter 1 will also contribute significantly to strengthening Guinea's regional integration through the creation of a sub-regional power market (Figure 4).

The Bank Will Continue to Support the Development of Road Infrastructures

The Bank's next Country Strategy Paper 2018–2022 will focus on Guinea's integration, since Pillar 1 of the strategy to improve access to energy will enable Guinea to play a major role in the regional energy market in West Africa. In addition, Pillar 2 on the development of agricultural and industrial value chains will be based on developing transport infrastructure, such as the construction of the Boké-Québo road, which will include rural roads and bridges for transporting agricultural commodities. ■

FIGURE 4 POWER GRID INTERCONNECTION IN WEST AFRICAN COUNTRIES BY 2020

5





IMPROVE THE QUALITY OF LIFE FOR THE PEOPLE OF GUINEA

Improving the quality of life for the people of Guinea implies providing them with better access to employment and basic social services such as health, education and drinking water. Guinea has not made much progress in human capital development over the past decade, and must work to ensure that people have better access to these social services, and that economic performance gains are shared equitably. This chapter presents Guinea's human development situation and examines the Bank's support in that regard.

Socio-Economic Indicators to be Improved

Guinea has a low level of human development: the country ranks 175th out of 189 in the 2018 UNDP Human Development Index, and many socio-economic indicators have not progressed enough over the past decade, marked in particular by the Ebola virus outbreak. Even though ● **income inequality** decreased over the last decade, the ● **unemployment rate** has dropped only slightly, especially among youths and women, and the informal sector employs 95.2% of the population. The agricultural sector accounts for more than 70% of the labour force but only 10% of the country's GDP, indicative of the high income disparity between people in the rural and urban areas. In contrast, the extractive sector generates almost 17% of GDP but represents only 2.6% of the country's employment.

The gross ● **enrolment ratio in the education** system as a whole as well as in ● **technical/vocational training** has improved over the past decade, while ● **women's enrolment** has declined from 50.0% to 46.2%, and the ● **percentage of women in technical or vocational education** has declined significantly since 2007 (from 47.2% to 32.1%). It should be noted that Guinea had not achieved any Millennium Development Goal (MDG) targets by 2015. However, significant progress has been made in the number of people with

● **access to safely managed drinking water services**, which rose from 69.8% in 2007 to 76.8% in 2017, well above the rate in all ADF beneficiary countries.

The Bank, an Actor Committed to Improving the Populations' Quality of Life

The Bank contributed to improving people's access to basic social services, promoting job creation opportunities and substantial sources of income, and reducing disparities between regions and social groups through the Upper and Middle Guinea Sustainable Social Development Project (PDSD, Box 3), which included a strategy targeting the most vulnerable communities (women, youth and displaced persons) as a priority. The PSDS, for example, provided literacy training to more than 80,000 people and improved access to safe drinking water for 59,000 people.

The Bank also contributed to providing access to better quality basic education for children and adolescents, particularly girls, through the Education Development Support Project that helped to strengthen the quality of the Guinean education system. Moreover, the Upper Guinea Rural Water Supply Project (UA 15 million), approved in 2002 and completed in 2010, provided drinking water to 465,193 people, 51.1% of whom were women.

Improve the Quality of Life for the People of Guinea	Guinea		ADF Countries	
	2007	2017	2007	2017
● Income inequality (Gini index)	39.4	33.7	41.0	42.0
● Youth unemployment rate (%)	5.6	5.5	10.5	10.0
● Youth unemployment rate, female (%)	4.6	4.6	11.7	11.1
● Unemployment rate (%)	4.5	4.5	6.5	5.8
● Unemployment rate, female (%)	3.5	3.4	7.5	6.9
● Enrolment in technical/vocational training (%)	0.8	3.8	8.6	11.1
● Enrolment in technical/vocational training, female (%)	47.2	32.1	8.2	9.6
● Enrolment in education (%)	45.5	53.1	52.3	59.6
● Enrolment in education, female (%)	50.0	46.2	48.3	56.3
● Access to safely managed drinking water services (% population)	69.8	76.8	58.1	60.6
● Access to safely-managed sanitation facilities (% population)	16.3	20.1	22.3	25.7

The light indicates that: ● Progress is strong and better than peers ● Progress is positive but less than peers, or no progress against the baseline ● There has been a regression against the baseline

Sources: World Bank, OIT, EDStat, UNDP, WHO/UNICEF.

Bank's Contribution	2007–2017
	Delivered
● Direct jobs created (number)	9 263
● — of which jobs for women	4 632
● People benefiting from better access to education (number)	575 000
● — of which female	290 000
● People with new or improved access to water and sanitation (number)	465 000
● — of which women	234 000
● People with access to better health services (number)	195 000
● — of which women	103 000

The light indicates that: ● Operations achieved 95% or more of their targets ● Operations achieved 60% to 94% of their targets ● Operations achieved less than 60% of their targets

Source: AfDB's Project Completion Reports.

“ Thanks to AfDB emergency assistance, we were able to contain the new Ebola outbreak of March 2016 in less than 3 weeks.

Dr Youssouf Kpogomou
Director General of the Kindia Regional Hospital,
Chief Medical Officer.

The Bank has met most of its objectives, particularly with regard to access to basic

social services, given Guinea's difficult socio-economic context described above. Between 2007 and 2017, the Bank's operations provided 575,000 people, including 290,000 women, with ● **better access to education**, and 465,000 people, including 234,000 women, with new or ● **improved access to water and sanitation**. Furthermore, the Bank ● **created 9,263 direct jobs**, through its operations, mainly under the PDSD. Only two-thirds of the expected outcomes were achieved in this area due mainly to the nature and size of most of PDSD activities, which do not have a high employment potential.

BOX 4

EMERGENCY RESPONSE TO THE EBOLA VIRUS OUTBREAK

The Bank's operations implemented by the Ministry of Health, WHO and UNICEF resulted in: i) implementing surveillance and response systems for the Ebola outbreak, in coordination with local communities; ii) establishing emergency operation centres in 32 health districts; and iii) training warning and response teams at the regional and prefectural level. The implementation of "micro strapping" techniques made it possible to stop the resurgence of the epidemic at the beginning of 2016 within 3 weeks. Moreover, psychological support was provided to survivors of the epidemic, who very often faced rejection from their communities and sometimes their families.

“ I fell ill when an officer, who had just helped a sick person, came to sit beside me in the ambulance. I was sick for 25 days; I am healed; a survivor. I was well cared for in the hospital. I noticed that the treatment process had improved considerably between the beginning of the epidemic and its end. I went back to work three months later. I was scared but I was also happy to come back to help others. As an ambulance driver, I have seen the efforts being made to ensure that the situation does not recur. I have noticed a marked change, especially the efforts made to take care of the medical staff to ensure their safety. When I left the centre, I was given an exit certificate testifying that I had been definitively treated for the Ebola virus. I always carry it with me to prove to people that I am no longer sick.

Alya Keita
Ambulance driver
Kindia Regional Hospital



The Bank, a Major Player in the Ebola Emergency Response

In the health sector, the Bank **provided access to better health services** for nearly 200,000 people, and gave emergency support to help the country cope with the Ebola outbreak crisis, at a total cost of UA 43 million, including a UA 21 million “Ebola Response Programme” budget support, a UA 10 million regional project “Strengthening West African Public Health Systems Response to the Ebola Crisis (SWAPHS)” and a UA 9.8 million “Social Investment and Post-Ebola Rehabilitation Fund” (Box 4).

The Bank has also helped to strengthen epidemic prevention. It supported the creation (July 2016) and subsequent operation of the National Health Security Agency (ANSS), mandated to coordinate the appropriate response to epidemics, and it financed the

construction of 27 epidemiological treatment centres (which serve as health centres when there is no outbreak); the provision of facilities including ambulances; the training of teams to be prepared for epidemiological outbreaks, particularly of the Ebola virus; and the capacity building and management of outbreak surveillance sites. ANSS now has a staff of 45 in Conakry and is also supported by the Guinean Government and several other international partners including the World Bank, Centers for Disease Control and Prevention (CDC), Japan, UNDP, UNICEF, and USAID.

Responding to Fragility Challenges

Guinea's growth rate is expected to stabilise between 5.0% and 6.0% per year from 2018 to 2022. To better balance this growth and make it more conducive to a shift towards resilience, the Bank's CSP 2018–2022 for



Health staff at the Camp Alpha Yaya
Epidemiological Centre, Conakry

Guinea aims to help the Government to address the country's fragility challenges by: reducing spatial disparities (between urban and rural areas) mainly in terms of access to energy and productivity factors in agricultural activities; combating food insecurity; fighting environmental degradation due to deforestation and coastal erosion; and reducing gender inequality. ■



THE BANK'S EFFECTIVENESS IN MANAGING ITS OPERATIONS IN GUINEA

The Bank's Results Measurement Framework provides indicators to assess the effectiveness of managing its operations in Guinea. This chapter examines whether the Bank has supported the country with flexible financing, carefully designed programmes and appropriate implementation mechanisms. It also examines the Bank's collaboration with the Government and other development partners to maximise aid effectiveness. Finally, the chapter examines the Bank's organisational efficiency, the decentralisation of its operations, its management processes and human resources management, all of which should enable it to be closer to clients.

The AfDB's successive country strategies in Guinea are aligned on the country's National Development Plans. In particular, the 2018–2022 Country Strategy Paper is aligned with PNDES 2016–2020, the Sustainable Development Goals, as well as the High 5s and Ten-Year Strategy.

Portfolio Performance

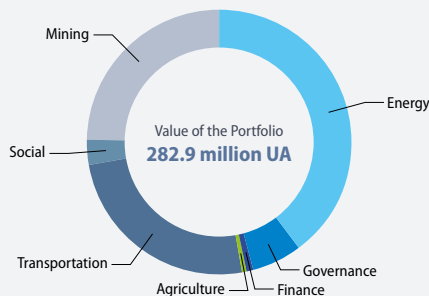
As at 30 June 2018, the Bank's portfolio in Guinea comprised 16 operations with a total commitment of UA 282.9 million, broken down as follows: nine multinational public projects representing 64.2% of commitments, six national public projects accounting for 11.3% of commitments and one private project for 24.4% of commitments. Energy is the most significant sector with 39.4% of commitments, followed by transport with 25.3%, industry (mining) 24.4%, governance, 6.2%, social affairs, 3.5%, finance, 0.8% and agriculture, 0.3% of commitments (Figure 5).

The ● overall portfolio performance is satisfactory with a score of 3.4 on a scale of 1 to 4 in June 2018, compared to a score of 3.1 in 2008. The drop in the score between 2013 and 2016 was due to the Ebola epidemic, which triggered the suspension of staff field supervision missions between 2014 and 2016. This rating has since improved due, in particular, to the effective operationalisation of the Bank's Office in Guinea, which has

helped to improve the assessment criteria monitoring, such as loan conditions or procurement of goods and services.

The speed at which the Bank implements its operations is an important indicator of the effectiveness of its operations. In this regard, ● the average age of projects is 2.9 years. This is a significant improvement compared to an average age of 6 years in 2008. Moreover, there were no aged projects by June 2018, compared to six in February 2016. There is a significant disparity in ● the disbursement rates between the national public sector portfolio and the multinational portfolio. The disbursement rate for the former was 65.6% in August 2018, a highly satisfactory level, reflecting the Bank's

FIGURE 5 STRUCTURE OF THE PORTFOLIO IN GUINEA AS AT 30 JUNE 2018



Bank Efficiency in Guinea	2008	2013	2016	2018	ADF 2017
● Portfolio Performance	3.1	3.4	3.1	3.4	..
● Time from approval to first disbursement (months)	..	5.0	11.6	8.5	..
● Projects at risk in the portfolio (%)	50%	15%	0%	0%	12%
● Age of projects	6.0	3.2	2.5	2.9	..
● Disbursement rate of current national public portfolio (%)	42%	58%	66.3%	65.6%	..
● Procurement time (months)	5.0	8.2
● Number of co-financed Projects	..	1	5	5	..
● Quality of Country Strategy Papers	..	3 (2011)	..	4	3.0
● Quality of new operations	..	3.5	3	3.5	3.1

● Improvement compared to reference. ● no changes compared to reference. ● Regression compared to reference ● No data available to measure performance.

Source: AfDB.

efforts in recent years to improve the quality at entry of projects- and the conduct of annual portfolio reviews. In contrast, the disbursement rate for the latter, majority of which were energy and transport infrastructure projects, remained low (9.9%). This is partly due to the young age of these projects (average of 2 years), the addition of two new projects approved in 2017 (the Guinea-Mali Power Interconnection and the Coyah-Farmoriah Road for UA 30 million and UA 38.28 million, respectively), and the coordination difficulties among the various countries. It should also be noted that disbursements have not yet started for the private sector project to build the Boké Mine Track and Port.

The ● **average time from project approval to first disbursement** has deteriorated since 2013 to stand at 8.5 months. This is the consequence of the abnormally long delays in project signing after the Bank's notice of no objection and providing counterpart funds. The average ● **procurement time** is 5 months, which is lower than for all ADF beneficiary countries (8.2 months).

The Bank's current portfolio in Guinea no longer has any ● **risky project**, compared to 15% in 2013 and 50% in 2008. However, it is estimated that of the 16 operations in the current portfolio, 10 have been or are expected to be extended for one to two years. The outbreak of the Ebola virus epidemic in December 2013 had a negative impact on project

implementation, particularly in the energy and road infrastructure sectors.

To address these issues, the Bank has developed a Portfolio Performance Improvement Plan (the revised PPIP 2018) that proposes specific measures to improve and accelerate project implementation. These measures include the establishment of project management teams with clear status and performance contracts; the timely preparation of implementation status reports (quarterly and annual) and their dissemination to the monitoring structures; the timely transmission of supporting documents in accordance with the Bank's rules and procedures, and the strengthening of internal control; and strict compliance with the legal agreements signed between the Bank and the Government regarding the payment of the counterpart funds.

Quality at Entry

The sound design of Bank projects is a prerequisite for achieving the expected objectives. To ensure that its projects meet the required quality criteria, the Bank has established a project-at-entry review process (the readiness review) during which it examines eight elements essential to project quality: alignment and strategic relevance, lessons from previous operations, justification and ownership, results focused, risk assessment,

implementation modalities, financial management/procurement, environmental and social considerations, and gender equality. Between 2013 and 2018, all **new operations in Guinea** were rated as satisfactory (ratings of 3 or 4 out of 4).

The Bank also measures the **quality of its country strategy papers**. CSP 2012–2016/17 was rated 3 on a scale of 1 to 4, while the new CSP 2018–2022 obtained a maximum score of 4, indicating that all quality criteria have been taken into account. The review of the CSP preparation status conducted in July 2018 estimated that the document clearly indicates the incorporation of lessons learned, includes selectivity criteria, takes account of comparative advantages, and clearly identifies the challenges faced by the Bank in Guinea.

Collaboration with Government and Other Partners

The Bank plays a major role in the dialogue with the Government on several reforms and strategic issues: it co-chaired the Crosscutting Group on “Macroeconomics, Public Finance and Business Climate”, co-chaired the Thematic Group on “Mining and Transport”, contributed to the Select Committee for Monitoring Public-Private Partnerships and participated very actively in the Electricity and Water Thematic Group. Moreover, during the outbreak of the Ebola virus epidemic in 2013, the Bank demonstrated its flexibility and ability to quickly take account of urgent requests. Five operations, for a total UA 43 million, were directed towards combating the Ebola virus outbreak, in collaboration with specialised UN Agencies, thus limiting the spread of the disease and containing it (Chapter 5).

Under its new strategy in Guinea, the Bank will continue its dialogue with the Government to stimulate private investment in the agricultural and energy sectors. In particular, this dialogue will focus on reforms to improve access to energy, the development of agro-food processing regions, sector governance, domestic resource mobilisation, debt management, and the business climate.

During the CSP period (2012–2016/17), the Bank successfully mobilised its partners to co-

finance six projects amounting to UA 2.2 billion. Those **co-financed projects** focused on regional integration, energy access, transport infrastructure and governance. Co-financing has been mainly provided by the private sector, the World Bank, the Islamic Development Bank, the European Union and the Eximbank of China. The Bank was also able to mobilise the resources of the French Development Agency (AFD), the European Investment Bank (EIB) and the ECOWAS Bank for Investment and Development (EBID). In addition to the support for the fight against the Ebola epidemic mentioned earlier in the report, the partnership with the United Nations Agencies has contributed to strengthening dialogue on planning, production of statistics and technical and periodic public finance reports (such as the budget act and the status of sector execution of public investments) and to improving the business climate (the PPP Law and the Private Sector Development Strategy).

Operationalisation of the AfDB Country Office in Guinea

The AfDB Office in Guinea was established in September 2017. Its operationalization, in line with the Bank’s new Development and Business Delivery Model (DBDM), will enable it to be closer to its clients, and in particular to increase the number of locally managed projects, the number of projects co-financed with other development partners, and to have at its disposal in Guinea expertise to respond quickly and effectively to the country’s needs.

The establishment of the Office has yielded initial results in the dialogue between the Bank and the Guinean Government, for instance with the organisation of a fiduciary clinic in June 2018, several advisory and supervisory support missions to the Project Management Units and an increase in the frequency of visits by Bank experts. Close project implementation monitoring by the Bank’s Office and sector departments at the completion of CSP 2012–2016/2017 also made a significant contribution to the overall performance of the Bank’s portfolio in Guinea.

The Bank’s strong presence in Guinea will enable it to improve advisory services to

the Government, focus more on outcomes, facilitate project implementation and ensure better cooperation with other technical and financial partners present in the country. The Bank's Office in Guinea also benefits from the

expertise of its Regional Office for West Africa based in Abidjan, which facilitates better synergy between projects and an improved exchange of experiences among Bank staff in the region. ■

CONCLUSION

This report highlights Guinea's progress over the past 10 years and the Bank's contribution to this progress, with particular reference to economic and financial governance, agriculture, road and energy infrastructure, and people's living conditions. It also underlines the many challenges facing the country in harnessing its vast development potential, better resisting shocks and enhancing the benefits of economic growth for its people. In this regard, the Bank's new intervention strategy in Guinea for the period 2018–2022 aims to help the Government address the country's fragility challenges by improving the living conditions of rural population through access to energy and the integrated development of agro-food processing regions.

The main recommendation from the recent dialogue between the Bank and the Guinean Government is to expand access to energy for inclusive growth, and to promote agricultural development, with focus on sectors where the country has a comparative advantage. The activity of the Guinean population is heavily dominated by agriculture, with yields well below its potential, and the contribution of electricity to agricultural production is that it could stimulate intensive crop production and facilitate the processing of the country's main crops.

The Bank's new 2018–2022 Country Strategy Paper (in which it is planned to invest nearly UA 250 million) is structured around two pillars: improving access to energy; and developing agricultural and industrial value chains, with the objectives of helping the country meet the fragility challenge and achieve food self-sufficiency. ■

About this publication

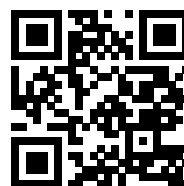
Since 2011, the African Development Bank (the Bank) has produced an Annual Development Effectiveness Review that assesses the Bank's overall contribution to development results in Africa. The Annual Review is complemented by a series of thematic reviews covering the Bank's activities in its regional member countries.

This Country Results Brief is part of a series of summary reviews that examine ongoing operations in individual regional member countries. The Bank appreciates the high level of dialogue it was able to hold with country authorities during the preparation of this review — a collaboration that highlights the quality of the partnership between the institution and the country.

Like other Development Effectiveness Reviews, this report is intended for the general public and aims to strengthen our institution's transparency and accountability to our partners. It is innovative in its conciseness and its focus on the Bank's High-5 priorities. It also serves as a major additional management tool to facilitate the continuous improvement of our operations and organisation.



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